

Industrial Property

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INTERNATIONAL UNION

Working Agreement between BIRPI and the United Nations

A working agreement has been concluded between the BIRPI and the United Nations. The terms of this agreement are contained in a letter by the United Nations to BIRPI of September 28, 1964, and the reply of BIRPI of October 2, 1964. The text of the two letters is as follows:

I

*“ Mr. G. H. C. Bodenhausen, Director
United International Bureaux for the Protection
of Intellectual Property
32, chemin des Colombettes, Geneva (Switzerland)*

Dear Mr. Bodenhausen,

I have the honour to inform you that on July 27, 1964, the Economic and Social Council of the United Nations adopted a resolution on ‘The Role of Patents in the Transfer of Technology to Under-Developed Countries’ (E/RES/1013 [XXXVII])¹⁾, a copy of which is attached. This resolution calls for co-operation between the competent international bodies in this field ‘including United Nations bodies and the Bureau of the International Union for the Protection of Industrial Property’. To this effect the resolution ‘requests the Secretary-General to take whatever steps he may consider appropriate, such as arrangements for the reciprocal exchange of information and documentation, and provision for reciprocal representation at meetings...’.

In the implementation of this resolution, I should like to propose that our future collaboration should be based on the following practical arrangements:

1. The Secretariat of the United Nations and the Bureau of the International Union for the Protection of Industrial Property shall exchange, as may be appropriate, information and documentation relevant to matters of mutual interest.

2. Representatives of the Secretariat of the United Nations shall be invited to attend in an observer capacity the negotiating conferences organized by BIRPI, the conferences or other meetings of all BIRPI bodies, and such expert committees, working groups and seminars organized by BIRPI which deal with industrial property questions.

Representatives of BIRPI shall be invited to attend in an observer capacity meetings of the General Assembly, the Economic and Social Council and other United Nations bodies, when such meetings deal with industrial property questions.

In addition to these formal arrangements, I shall look forward to a collaboration between our two organizations

through an informal exchange of publications and appropriate consultation between the Secretariat officials directly concerned.

*Yours sincerely,
(Signed) Philippe de SEYNES
Under-Secretary
for Economic and Social Affairs”*

II

*“ Mr. Philippe de Seynes
Under-Secretary for Economic and Social Affairs
United Nations Secretariat
New York, N. Y. (U. S. A.)*

Dear Mr. de Seynes,

I have the honour to acknowledge receipt of your letter of September 23, 1964, in which you propose that our future collaboration should be based on the following practical arrangements:

‘ 1. The Secretariat of the United Nations and the Bureau of the International Union for the Protection of Industrial Property shall exchange, as may be appropriate, information and documentation relevant to matters of mutual interest.

2. Representatives of the Secretariat of the United Nations shall be invited to attend in an observer capacity the negotiating conferences organized by BIRPI, the conferences or other meetings of all BIRPI bodies, and such expert committees, working groups and seminars organized by BIRPI which deal with industrial property questions.

Representatives of BIRPI shall be invited to attend in an observer capacity meetings of the General Assembly, the Economic and Social Council and other United Nations bodies, when such meetings deal with industrial property questions.’

On the basis of the relevant decisions of the Interunion Coordination Committee of BIRPI and the Conference of Representatives of the International Union for the Protection of Industrial Property, I accept with pleasure the above proposal for a working agreement.

With reference to the last paragraph of your letter, may I add that, in addition to the above-mentioned formal arrangements, I too shall look forward to a collaboration between our two organizations through an informal exchange of publications and appropriate consultation between the Secretariat officials directly concerned.

*Yours sincerely,
(Signed) G. H. C. BODENHAUSEN
Director”*

¹⁾ See page 211 of this issue of *Industrial Property*.

BELGIUM

Ratification of the Additional Act to the Agreement of The Hague

In a Note dated October 13, 1964, we have been informed by the Swiss Federal Political Department that the Kingdom of Belgium has deposited its instrument of ratification in respect of the Additional Act, signed at Monaco on November 18, 1961, to the Agreement of The Hague concerning the International Deposit of Industrial Designs of November 6, 1925, revised at London on June 2, 1934.

In compliance with paragraph (3) of Article 7 of the above-mentioned Additional Act, the ratification of Belgium will take effect from November 13, 1964.

At present six countries have now ratified the Additional Act signed at Monaco: Belgium, France, Germany (Fed. Rep.), Monaco, Netherlands and Switzerland.

International Committee of Novelty Examining Patent Offices

(First Session, Geneva, October 5 and 6, 1964)

Note ¹⁾

The Patent Offices of the following nineteen States Members of the International Union for the Protection of Industrial Property were represented at the First Session of the International Committee of Novelty Examining Patent Offices: Austria, Bulgaria (People's Republic of), Ceylon, Czechoslovak Socialist Republic, Denmark, Finland, France, Germany (Federal Republic of), Hungarian People's Republic, Ireland, Japan, the Netherlands, Norway, Polish People's Republic, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia (Socialist Federal People's Republic of).

The Patent Offices of the following four States not members of the Paris Union were represented by observers: Argentina, Chile, India, Union of Soviet Socialist Republics.

The International Patent Institute, an international inter-governmental organization, as well as the following four non-governmental organizations were represented by observers: Inter-American Association of Industrial Property, International Association for the Protection of Industrial Property, International Chamber of Commerce, International Federation of Patent Agents.

The list of participants is reproduced at the end of this Note.

The session was held in Geneva, Switzerland, at the Headquarters of BIRPI, on October 5 and 6, 1964.

The session elected as Chairman, Mr. G. Thaler (Austria), and as Vice-Chairmen, Mr. K. Yoshifuji (Japan) and Mr. A. Kiss (Hungarian People's Republic).

The following four topics were discussed:

1. Abandonment of Inventions to the Public by an International Publication of Patent Applications where the Grant of a Patent is no Longer Required

This question was discussed on the basis of an introductory memorandum (PJ/31/1) submitted by the Director of BIRPI.

The memorandum outlined the possibilities of a centralized international publication of patent applications for which the grant of patents is no longer required. The publication would have a retroactive effect and would destroy the novelty of the invention described therein. Since such a publication could generally serve the same purpose as so-called defensive patents, and since the number of such patents is believed to be relatively high, the publication in question might reduce the workload of patent offices and the expenses of applicants. It was with these effects in mind that the plan was submitted for the Committee's consideration.

The members of the Committee, after a thorough discussion, adopted the following recommendation:

The Committee,

Considering the exchange of views between all Members on the subject of abandonment of inventions to the public by an international publication of patent applications where the grant of a patent is no longer required (document PJ/31/1),

Noting that a number of Members saw the need for further legal studies of the subject,

Observing that a number of Members have not yet had the opportunity of ascertaining the views of interested circles in their countries on this subject,

Invites the Director of BIRPI to make such legal studies, with the assistance of the answers to a questionnaire to be addressed to the Member States of the Committee, notably on:

- (a) *the definition of publication of inventions according to existing and contemplated national laws and regional treaties, and the conditions under which publication destroys the novelty of inventions,*
- (b) *the effect of double patenting according to existing and contemplated national laws and regional treaties,*
- (c) *the relationship between the plan for an international publication of patent applications where the grant of a patent is no longer required and the Council of Europe Convention on the Unification of Certain Points of Substantive Law on Patents for Inventions, the proposed Convention on a European Patent, and other existing or contemplated regional treaties,*

Urges the Members of the Committee to proceed with the consultation of the interested circles in their respective countries,

Recommends that, once the legal studies will be completed, the Director of BIRPI address to each Member of the Committee a report on them together with a circular asking each Member for an expression of opinion on whether a future session of the Committee should continue the study of the possibilities of abandonment of inventions to the public through an international or national publication, and asking for concrete suggestions as to what the main principles of the international legal regulation of such abandonment should be.

¹⁾ This Note has been established by BIRPI on the basis of the official documents of the Committee.

2. Industrial Property Statistics

As is known, BIRPI requests the Governments of the Member States of the Paris Union to furnish statistics on certain operations in their industrial property offices. The information received is published in tabulated form each year in the December issue of *La Propriété industrielle* and *Industrial Property*. In the past, statistics were requested on patents, utility models, designs and trademarks. For all categories, the questionnaire asked for the number of applications (or "deposits") and for the number of grants (or registrations). The questionnaire did not ask for a breakdown showing whether the applicant was a national or an alien, except in the case of trademarks. For none of the categories was there a request for a breakdown according to the country of origin of the applications.

BIRPI proposed to the Committee that these statistics be improved by making them more detailed (document PJ/31/3). It asked for the advice of the Committee as to what details should be included in future statistics.

The Committee expressed the view that future questionnaires on statistics should ask for the following details:

(a) A breakdown, by country of origin, of all applications and grants or registrations. This would apply to all four categories, i. e., patents, utility models, designs and trademarks. The country of origin would generally be determined on the basis of the address of the applicant.

(b) An indication of the number of cases where the right of priority as provided by the Paris Convention was invoked in connection with applications (that is, either at the time of the application or separately, later).

(c) Number of patents in force at the end of the year covered by the report. Number of patents lapsed during the same year, broken down according to the various reasons for their lapse (expiration of the term of protection, non-payment of fees, etc.). In connection with the lapse for non-payment of fees, a breakdown from which would emerge the age of each patent thus lapsed.

(d) The same data as referred to under (c) for utility models, designs, and trademarks, where applicable.

(e) A breakdown of all patents granted during the year according to the nature of the inventions, using the 19 subsections of the European Convention on the International Classification of Patents for Invention. Statistics coming from countries not using this classification would be "translated" into the terms of this classification, so that rough comparisons should be possible.

The new statistical questionnaire of BIRPI will be established accordingly, possibly after further consultations with interested circles. The need for coordination with ICIREPAT (Committee for International Cooperation in Information Retrieval Among Examining Patent Offices) was pointed out in this connection.

3. Certain Questions in Regard to Patent Office Practice

These questions included: the correction of typographical errors, opposition procedures, appeals from examiners' decisions, second appeals (document PJ/31/5 and *addenda*).

Pursuant to a proposal made by the representatives of the Austrian Patent Office, the Committee decided to give more time to its members to study the question whether these topics are to be kept on the agenda of the Committee.

4. Index of Corresponding Patent Applications and Corresponding Patents

In order to facilitate the work of Patent Offices — whose work is constantly and substantially increasing — the Committee decided to institute a study of the possibilities of publishing (i) an index of corresponding patents granted in different countries, and (ii) as far as the secrecy of patent applications does not stand in its way, an index of corresponding patent applications filed in different countries.

A project with partly the same aim was discussed, but not adopted, by the Lisbon Revision Conference of the Paris Union in 1958 (see *Actes de la Conférence de Lisbonne*, pages 460 *et seq.*). The Committee was of the opinion that, in view of the increase in the number of patent applications and the ever greater complexity of prior examination, such a project might be more useful now than it had appeared to be in 1958.

It was decided that BIRPI would consult with interested circles, set up a small working group, and include the question in the agenda of the next session of the Committee.

LIST OF PARTICIPANTS

I. States Members of the Committee

Austria

Mr. Gottfried Thaler, Vice-President, Patent Office, Vienna.
Mr. Thomas Lorenz, Ratssekretär, Patent Office, Vienna.

Bulgaria (People's Republic of)

Mr. Penko Penev, Director, Institute of Inventions and Rationalisation, Sofia.

Ceylon

Mr. W. M. Sellayah, Registrar of Companies, Trademarks, and Designs, Colombo.

Czechoslovak Socialist Republic

Mr. Miloš Ušetečka, Head, Legal Section, Office of Patents and Inventions, Prague.
Mr. Luboš Lacina, Chief, Examination Department, Office of Patents and Inventions, Prague.

Denmark

Mr. Carl Sander, Chief Engineer, Patent Office, Copenhagen.
Mrs. Dagmar Simonsen, Chief of Section, Patent Office, Copenhagen.

Finland

Mr. Paavo Salmi, Chief Engineer, Patent Office, Helsinki.

France

Mr. R. Gajac, Legal Counsellor, National Institute for Industrial Property, Paris.

Germany (Federal Republic of)

Mr. Klaus Pfanner, Director, Patent Office, Munich.
Mr. Heribert Mast, Oberregierungsrat, Federal Ministry of Justice, Bonn.

Hungarian People's Republic

- Mr. András Kiss, Vice-President, National Office of Inventions, Budapest.
 Mr. Georges Pálos, Legal Counsellor, National Office of Inventions, Budapest.

Ireland

- Mr. J. J. Lennon, Controller of Industrial and Commercial Property, Dublin.

Japan

- Mr. Kosaku Yoshifuji, Director, 2nd Examination Division, Patent Office, Tokyo.
 Mr. Muneoki Date, Second Secretary, Permanent Delegation of Japan to International Organizations, Geneva.
 Mr. Yoshiro Hashimoto, Examiner, Patent Office, Tokyo.

Netherlands

- Mr. C. J. de Haan, President, Patent Council, The Hague.
 Mr. Willem M. J. C. Phaf, Head, Division of Legislative and Legal Affairs, Ministry of Economic Affairs, The Hague.

Norway

- Mr. Johan Helgeland, Director, Industrial Property Office, Oslo.
 Mr. Arne G. Modal, Chief of Section, Industrial Property Office, Oslo.

Polish People's Republic

- Mr. Ignacy Czerwinski, President, Patent Office, Warsaw.
 Mr. Bronislaw Bulwicki, Lawyer, Patent Office, Warsaw.
 Mrs. Natalia Lissowska, Counsellor, Patent Office, Warsaw.

Sweden

- Mr. Claës Uggla, Counsellor, National Patent Office, Stockholm.
 Mr. Saul Lewin, Head of Section, National Patent Office, Stockholm.

Switzerland

- Mr. Joseph Voyame, Director, Federal Office of Intellectual Property, Berne.
 Mr. Ernst Lips, Vice-Director, Federal Office of Intellectual Property, Berne.

United Kingdom of Great Britain and Northern Ireland

- Mr. Gordon Grant, Comptroller-General of Patents, Designs and Trademarks, Patent Office, London.
 Mr. Ronald Bowen, Principal Examiner, Patent Office, London.

United States of America

- Mr. Edward J. Brenner, Commissioner of Patents, Washington, D. C.
 Mr. Horace B. Fay, Jr., Assistant Commissioner, U. S. Patent Office, Washington, D. C.
 Mr. P. J. Federico, Examiner in Chief, U. S. Patent Office, Washington, D. C.
 Mr. George A. Tesoro, Counsellor, United States Mission to International Organizations, Geneva.

Yugoslavia

- Mr. Vladimir Savić, Director, Patent Office, Belgrade.

*II. Observers**A. States**Argentina*

- Mr. Enrique Miguel Peltzer, National Director (*ad interim*) of Industrial Property, Buenos Aires.

Chile

- Mr. Santiago Larraguibel Zavala, Head, Industrial Property Office, Santiago.

India

- Mr. A. Jogarao, Controller-General of Patents, Designs and Trademarks, Bombay.

Nicaragua

- Mr. Henry Caldera-Pallais, Patents and Trademarks, Managua.

Union of Soviet Socialist Republics (USSR)

- Mr. Sergey Komov, Director, State Soviet Patent Institute, Moscow.
 Mr. Eugene Pavlov, Second Secretary, Permanent Delegation of the USSR to the European Office of the United Nations, Geneva.

*B. International Intergovernmental Organizations**International Patent Institute*

- Mr. Daniel Merle, Financial Controller, The Hague.

*C. International Non-Governmental Organizations**Interamerican Association of Industrial Property*

- Mr. Ernesto D. Aracama Zorraquin, Attorney-at-Law, Professor, University of Buenos Aires.

International Association for the Protection of Industrial Property

- Mr. Pierre-Jean Pointet, Professor, University of Neuchâtel, Zurich.

International Chamber of Commerce

- Mr. Pierre-Jean Pointet, Professor, University of Neuchâtel, Zurich.
 Mr. D. A. Was, Attorney-at-Law, The Hague.

International Federation of Patent Agents

- Mr. C. Massalski, Patent Agent, Paris.
 Mr. Harry Onn, Patent Agent, Stockholm.

III. Bureau of the Committee

- Chairman: Mr. Gottfried Thaler (Austria).
 Vice-Chairman: Mr. Kosaku Yoshifuji (Japan).
 Vice-Chairman: Mr. András Kiss (Hungary).

IV. BIRPI

- Professor G. H. C. Bodenhausen, Director.
 Dr. Arpad Bogsch, Deputy Director.
 Mr. Charles-L. Magnin, Deputy Director.
 Mr. Ross Woodley, Counsellor, Head of Industrial Property Division.
 Mr. Vladimir Dolezil, Counsellor, Industrial Property Division.

UNITED NATIONS

Resolution 1013 (XXXVII) of the Economic and Social Council of the United Nations

The thirty-seventh session of the Economic and Social Council of the United Nations adopted, on July 27, 1964, a resolution with the title "The Role of Patents in the Transfer of Technology to Under-Developed Countries". The Resolution is of particular interest to BIRPI because of the express reference it contains to the Paris Union. The text of the Resolution is as follows:

The Economic and Social Council,

Recalling General Assembly resolution 1713 (XVI) of December 1961,

Reaffirming that access to knowledge and experience in the field of applied science and technology is essential to accelerate the economic development of under-developed countries and to enlarge the over-all productivity of their economies¹,

Reaffirming also that the most wide-spread exchange of knowledge and experience in the field of applied science and technology would facilitate the continued development of industrialization and international economic relations,

Noting the report of the Secretary-General on the role of patents in the transfer of technology to under-developed countries²,

Noting the recommendation contained in Annex A.IV.26 to the Final Act of the United Nations Conference on Trade and Development on the transfer of technology,

- 1. Requests the Secretary-General to explore possibilities for adaptation of legislation concerning the transfer of industrial technology to developing countries, generally and in co-operation with the competent international bodies, including United Nations bodies and the Bureau of the International Union for the Protection of Industrial Property, and to provide additional facilities for information on and for the transfer of technical documentation and know-how to the developing countries;*
- 2. Requests the Secretary-General to take whatever steps he may consider appropriate, such as arrangements for the reciprocal exchange of information and documentation, and provision for reciprocal representation at meetings, between the competent international bodies referred to in operative paragraph 1 and to report thereon to the appropriate United Nations bodies, including the Council;*
- 3. Transmits the report of the Secretary-General² to the United Nations General Assembly at its nineteenth session for appropriate action in the light of the recommendation*

¹ United Nations General Assembly Resolution 1713 (XVI), fourth preambular paragraph. See *Industrial Property*, 1962, p. 40.

² *Official Records of the Economic and Social Council, Thirty-seventh Session, Annexes*, agenda item 13 (E/3861). See *Industrial Property*, 1964, p. 56.

on this subject contained in Annex A.IV.26 of the Final Act of the United Nations Conference on Trade and Development³).

LEGISLATION

Patents Act, 1964

An Act to make new provision in respect of patents and related matters in substitution for the provisions of the Industrial and Commercial Property (Protection) Act, 1927, relating to patents and of other enactments relating to patents, and to provide for other matters connected with the matters aforesaid

(Of June 24, 1964)

(Second Part)¹

Substitution of applicants, etc.

22. — (1) If the Controller is satisfied, on a claim made in the prescribed manner at any time before a patent has been granted, that by virtue of any assignment or agreement made by the applicant or one of the applicants for the patent, or by operation of law, the claimant would, if the patent were then granted, be entitled thereto or to the interest of the applicant therein, or to an undivided share of the patent or of that interest, the Controller may, subject to the provisions of this section, direct that the application shall proceed in the name of the claimant or in the names of the claimant and the applicant or the other joint applicant or applicants, according as the case may require.

(2) No such direction as aforesaid shall be given by virtue of any assignment or agreement made by one of two or more joint applicants for a patent except with the consent of the other joint applicant or applicants.

(3) No such direction as aforesaid shall be given by virtue of any assignment or agreement for the assignment of the benefit of an invention unless either:

- (a) the invention is identified therein by reference to the number of the application for the patent,
- (b) there is produced to the Controller an acknowledgment by the person by whom the assignment or agreement was made that the assignment or agreement relates to the invention in respect of which that application is made, or
- (c) the rights of the claimant in respect of the invention have been finally established by a decision of any court or by a determination of the Controller under the following provisions of this Act.

(4) Where one of two or more joint applicants for a patent dies at any time before the patent has been granted,

³ See *Industrial Property*, 1964, p. 141.

¹ See *Industrial Property*, 1964, p. 188.

the Controller may, upon a request in that behalf made by the survivor or survivors, and with the consent of the personal representative of the deceased, direct that the application shall proceed in the name of the survivor or survivors alone.

(5) If any dispute arises between joint applicants for a patent as to whether or the manner in which the application should be proceeded with, the Controller may, upon application made to him in the prescribed manner by any of the parties, and after giving to all parties concerned an opportunity to be heard, give such directions as he thinks fit for enabling the application to proceed in the name of one or more of the parties alone or for regulating the manner in which it shall be proceeded with, or for both those purposes, according as the case may require.

(6) An appeal shall lie from any decision of the Controller under this section.

PART III

Grant, Restoration, Revocation and Surrender, etc., of Patent

Grant and sealing of patent

23. — (1) Subject to the provisions of this Act with respect to opposition, and to any other power of the Controller to refuse the grant, a patent sealed with the official seal of the Controller shall, if the prescribed request is made within the time allowed under this section, be granted to the applicant or applicants within that time or as soon as may be thereafter; and the date on which the patent is sealed shall be entered in the register of patents.

(2) Subject to the following provisions of this Act with respect to patents of addition, a request under this section for the sealing of a patent shall be made not later than the expiration of four months from the date of the publication of the complete specification:

Provided that:

- (a) where at the expiration of the said four months any proceeding in relation to the application for the patent is pending in any court or before the Controller, the request may be made within the prescribed period after the final determination of that proceeding;
- (b) where the applicant or one of the applicants has died before the expiration of the time within which under the provisions of this subsection the request could otherwise be made, the said request may be made at any time within twelve months after the date of the death or at such later time as the Controller may allow.

(3) The period within which under the last foregoing subsection a request for the sealing of a patent may be made may from time to time be extended by the Controller to such longer period as may be specified in an application made to him in that behalf, if the application is made and the prescribed fee paid within that longer period:

Provided that the first-mentioned period shall not be extended under this subsection by more than six months or such shorter period as may be prescribed.

(4) For the purposes of this section a proceeding shall be deemed to be pending so long as the time for any appeal therein (apart from any future extension of that time) has not expired, and a proceeding shall be deemed to be finally determined when the time for any appeal therein (apart from any such extension) has expired without the appeal being brought.

Amendment of patent granted to deceased applicant

24. — Where at any time after a patent has been sealed in pursuance of an application under this Act, the Controller is satisfied that the person to whom the patent was granted had died, or (in the case of a body corporate) had ceased to exist, before the patent was sealed, he may amend the patent by substituting for the name of that person the name of the person to whom the patent ought to have been granted; and the patent shall have effect, and shall be deemed always to have had effect, accordingly.

Effect and form of patent

25. — (1) Subject to the provisions of this Act, every patent granted under this Act and sealed with the official seal of the Controller shall operate and have effect and shall be expressed to operate and have effect:

- (a) to confer on the person to whom the same is granted, his executors, administrators and assigns (in this subsection collectively referred to as the grantee) the full, sole, and exclusive right, power and authority by himself, his agents or licensees at all times so long as the patent remains in force to make, use, exercise, and vend in the State the invention in respect of which the patent is granted;
- (b) to confer on the grantee the sole right to have and enjoy the whole profit and advantage from time to time accruing by reason of the said invention during such period as the patent remains in force;
- (c) to prohibit all persons whatsoever in the State while the patent remains in force from making use of or putting in practice the said invention or any part thereof, or in anywise imitating the same or in anywise representing or pretending themselves to be the inventors of the said invention or of the said invention with any addition thereto or subtraction therefrom without the consent, licence or agreement of the grantee in writing under his hand and seal;
- (d) to make all persons who, while the patent remains in force, shall in the State in anywise infringe any right, power, or authority expressed in the patent to be thereby conferred on the grantee or do any act, matter or thing the doing of which is expressed in the patent to be thereby prohibited, answerable according to law to the grantee for such infringement or the doing of such act, matter, or thing.

(2) Every patent shall be in the prescribed form and shall be granted for one invention only, but the specification may contain more than one claim; and it shall not be competent for any person in an action or other proceeding to take any objection to a patent on the ground that it has been granted for more than one invention.

Date and term of patent

26. — (1) Every patent shall be dated with the date of filing of the complete specification:

Provided that no proceeding shall be taken in respect of an infringement committed before the date of the publication of the complete specification:

(2) The date of every patent shall be entered in the register of patents.

(3) Except as otherwise expressly provided by this Act, the term of every patent shall be sixteen years from the date of the patent.

(4) A patent shall cease to have effect, notwithstanding anything therein or in this Act, on the expiration of the period prescribed for the payment of any renewal fee if that fee is not paid within the prescribed period or within that period as extended under this section.

(5) The period prescribed for the payment of any renewal fee shall be extended to such period, not being more than six months longer than the prescribed period, as may be specified in a request made to the Controller if the request is made and the renewal fee and the prescribed additional fee paid before the expiration of the period so specified.

Extension of term of patent

27. — (1) A patentee may, after advertising in manner provided by rules of court his intention to do so, present a petition to the Court or the Controller praying that his patent may be extended for a further term.

(2) A petition under this section shall be presented at least six months before the time limited for the expiration of the patent:

Provided that the period within which a petition under this section may be presented may, at the discretion of the Court or the Controller, be extended by the Court or the Controller, as the case may be.

(3) Any person may give notice to the Court or the Controller, as the case may be, of objection to the extension.

(4) On the hearing of any petition under this section the patentee and any person who has given notice of objection shall be made parties to the proceeding, and, if the petition is presented to the Court, the Controller shall be entitled to appear and be heard, and shall appear if so directed by the Court.

(5) The Court or the Controller, in making a decision, shall have regard to the nature and merits of the invention in relation to the public, to the profits made by the patentee as such, and to all the circumstances of the case.

(6) If it appears to the Court or the Controller that the patentee has been inadequately remunerated by his patent, the Court or the Controller, as the case may be, may by order extend the term of the patent for a further term not exceeding five years or, in exceptional cases, ten years, or may order the grant of a new patent for such term as may be specified in the order and containing any restriction, conditions, and provisions the Court or the Controller, as the case may be, may think fit.

(7) The Controller may, at any stage of the proceedings before him under this section, refer the petition to the Court and thereupon the petition shall be deemed to have been presented to the Court by the patentee of the invention to which it refers under subsection (1) of this section.

(8) An appeal shall lie from any decision of the Controller under this section.

Patents of Addition

28. — (1) Subject to the provisions of this section, where application is made for a patent in respect of any improvement in or modification of an invention (in this Act referred to as the main invention) and the applicant also applies or has applied for a patent for that invention or is the patentee in respect thereof, the Controller may, if the applicant so requests, grant the patent for the improvement or modification as a patent of addition.

(2) Subject to the provisions of this section, where an invention, being an improvement in or modification of another invention, is the subject of an independent patent and the patentee in respect of that patent is also the patentee in respect of the patent for the main invention the Controller may, if the patentee so requests, by order revoke the patent for the improvement or modification and grant to the patentee a patent of addition in respect thereof, bearing the same date as the date of the patent so revoked.

(3) A patent shall not be granted as a patent of addition unless the date of filing of the complete specification was the same as or later than the date of filing of the complete specification in respect of the main invention.

(4) A patent of addition shall not be sealed before the sealing of the patent for the main invention; and if the period within which, but for this provision, a request for the sealing of a patent of addition could be made under section 23 of this Act expires before the period within which a request for the sealing of the patent for the main invention may be so made, the request for the sealing of the patent of addition may be made at any time within the last-mentioned period.

(5) A patent of addition shall be granted for a term equal to that of the patent for the main invention, or so much thereof as is unexpired, and shall remain in force during that term or until the previous cesser of the patent for the main invention and no longer:

Provided that:

(a) if the term of the patent for the main invention is extended under the last foregoing section of this Act, the term of the patent of addition may also be extended accordingly; and

(b) if the patent for the main invention is revoked under this Act, the Court or Controller, as the case may be, may order that the patent of addition shall become an independent patent for the remainder of the term of the patent for the main invention, and thereupon the patent shall continue in force as an independent patent accordingly.

(6) No renewal fees shall be payable in respect of a patent of addition; but, if any such patent becomes an inde-

pendent patent by virtue of an order under the last foregoing subsection, the same fees shall thereafter be payable, upon the same dates, as if the patent had been originally granted as an independent patent.

(7) An appeal shall lie from any decision of the Controller under this section.

Restoration of lapsed patents

29. — (1) Where a patent has ceased to have effect by reason of a failure to pay any renewal fee within the prescribed period or within that period as extended under section 26 of this Act, and the Controller is satisfied, upon application made within three years from the date on which the patent ceased to have effect, that the failure was unintentional and that no undue delay has occurred in the making or prosecution of the application, he shall by order restore the patent and any patent of addition specified in the application which has ceased to have effect on the cesser of that patent.

(2) An application under this section may be made by the person who was the patentee or by his personal representative; and where the patent was held by two or more persons jointly, the application may, with the leave of the Controller, be made by one or more of them without joining the others.

(3) An application under this section shall contain a statement (to be verified in such manner as may be prescribed) fully setting out the circumstances which led to the failure to pay the renewal fee; and the Controller may require from the applicant such further evidence as he may think necessary.

(4) If after hearing the applicant (if the applicant so requires or the Controller thinks fit) the Controller is satisfied that a *prima facie* case has been made out for an order under this section, he shall advertise the application in the Journal; and within the prescribed period any person may give notice to the Controller of opposition thereto on either or both of the following grounds, that is to say:

(a) that the failure to pay the renewal fee was not unintentional; or

(b) that there has been undue delay in the making of the application.

(5) If notice of opposition is given within the period aforesaid, the Controller shall notify the applicant, and shall give to him and to the opponent an opportunity to be heard before he decides the case.

(6) If no notice of opposition is given within the period aforesaid or if, in the case of opposition, the decision of the Controller is in favour of the applicant, the Controller shall, upon payment of any unpaid renewal fee and such additional fee as may be prescribed, make the order in accordance with the application.

(7) An order under this section for the restoration of a patent:

(a) may be made subject to such conditions as the Controller thinks fit, including in particular a condition requiring the registration in the register of patents of any matter in respect of which the provisions of this Act as to

entries in that register have not been complied with; and

(b) shall be subject to such provision as may be prescribed for the protection of persons who may have begun to avail themselves of the patented invention between the date when the patent ceased to have effect and the date of the application under this section;

and if any condition of an order under this section is not complied with by the patentee, the Controller may, after giving to the patentee an opportunity to be heard, revoke the order and give such directions consequential on the revocation as he thinks fit.

(8) An appeal shall lie from any decision of the Controller under this section.

Restoration of lapsed applications for patents

30. — (1) Where a patent has not been sealed by reason only that the prescribed request was not made within the time allowed for that purpose by or under section 23 of this Act, then if the Controller is satisfied, upon application made within six months after the expiration of that time by the applicant for the patent, that the failure to make the request was unintentional, he may order the patent to be sealed notwithstanding that the prescribed request was not made as aforesaid.

(2) An application under this section shall contain a statement (to be verified in such manner as may be prescribed) fully setting out the circumstances which led to the failure to make the prescribed request; and the Controller may require from the applicant such further evidence as he may think necessary.

(3) If after hearing the applicant (if the applicant so requires or the Controller thinks fit) the Controller is satisfied that a *prima facie* case has been made out for an order under this section, he shall advertise the application in the Journal; and within the prescribed period any person may give notice to the Controller of opposition thereto on the ground that the failure to make the prescribed request was not unintentional.

(4) If notice of opposition is given within the period aforesaid, the Controller shall notify the applicant and shall give to him and to the opponent an opportunity to be heard before he decides the case.

(5) If no notice of opposition is given within the period aforesaid, or if in the case of opposition the decision of the Controller is in favour of the applicant, the Controller shall, upon payment of the fee prescribed in respect of the making of the request for sealing and of such additional fee as may be prescribed, make the order in accordance with the application.

(6) An order under this section for the sealing of a patent shall be subject to such provision as may be prescribed for the protection of persons who may have begun to avail themselves of the invention between the date when the time allowed by or under section 23 of this Act for making the prescribed request expired and the date of the application under this section.

(7) An appeal shall lie from any decision of the Controller under this section.

Amendment of specification with leave of Controller

31. — (1) Subject to the provisions of section 33 of this Act, the Controller may, upon application made under this section by a patentee, or by an applicant for a patent at any time after the acceptance of the complete specification, allow the complete specification to be amended subject to such conditions, if any, as the Controller thinks fit:

Provided that the Controller shall not allow a specification to be amended under this section upon an application made while any action before the Court for infringement of the patent or any proceeding before the Court for the revocation of the patent is pending.

(2) Every application for leave to amend a specification under this section shall state the nature of the proposed amendment and shall give full particulars of the reasons for which the application is made.

(3) Any application for leave to amend a specification under this section, and the nature of the proposed amendment, shall be advertised in the prescribed manner:

Provided that where application is made before the publication of the complete specification, the Controller may, if he thinks fit, dispense with advertisement under this subsection or direct that advertisement shall be postponed until the complete specification is published.

(4) Within the prescribed period after the advertisement of an application under this section, any person may give notice to the Controller of opposition thereto; and where such a notice is given within the period aforesaid, the Controller shall notify the person by whom the application under this section is made and shall give to that person and to the opponent an opportunity to be heard before he decides the case.

(5) An appeal shall lie from any decision of the Controller under this section.

(6) This section shall not apply in relation to any amendment of a specification effected in proceedings in opposition to the grant of a patent or in pursuance of any provision of this Act authorising the Controller to direct a reference to another specification or patent to be inserted, or to refuse to grant a patent, or to revoke a patent, unless the specification is amended to his satisfaction.

Amendment of specification with leave of the Court

32. — (1) In any action for infringement of a patent or any proceeding before the Court for the revocation of a patent the Court may, subject to the provisions of the next following section, by order allow the patentee to amend his complete specification in such manner, and subject to such terms as to costs, advertisements or otherwise, as the Court may think fit: and if in any such proceedings for revocation the Court decides that the patent is invalid, the Court may allow the specification to be amended under this section instead of revoking the patent.

(2) Where an application for an order under this section is made to the Court, the applicant shall give notice of the application to the Controller, and the Controller shall be entitled to appear and be heard, and shall appear if so directed by the Court.

Supplementary provisions as to amendment of specification

33. — (1) After the acceptance of a complete specification, no amendment thereof shall be effected except by way of disclaimer, correction or explanation, and no amendment thereof shall be allowed the effect of which would be that the specification as amended would claim or describe matter not in substance disclosed in the specification before the amendment, or that any claim of the specification as amended would not fall wholly within the scope of a claim of the specification before the amendment.

(2) Where, after the date of the publication of a complete specification, any amendment of the specification is allowed or approved by the Controller or the Court under this Act, the right of the patentee or applicant to make the amendment shall not be called in question except on the ground of fraud; and the amendment shall in all courts and for all purposes be deemed to form part of the specification:

Provided that in construing the specification as amended reference may be made to the specification as originally published.

(3) Where, after the date of the publication of a complete specification, any amendment of the specification is allowed or approved as aforesaid, the fact that the specification has been amended shall be advertised in the Journal.

Revocation of patent by Court

34. — (1) Subject to the provisions of this Act, a patent may, on the petition of the Attorney General or any person authorised by him, or of any person interested, be revoked by the Court on any of the following grounds, that is to say:

- (a) that the invention, so far as claimed in any claim of the complete specification, was claimed in, or included in matter disclosed in the descriptive part of, another specification published on or after the priority date of the claim and filed in pursuance of an application for a patent in the State, the priority date of the relevant claim or of the matter disclosed in the descriptive part of the other specification being earlier than that of the claim;
- (b) that the patent was granted on the application of a person not entitled under the provisions of this Act to apply therefor;
- (c) that the patent was obtained in contravention of the rights of the petitioner or any person under or through whom he claims;
- (d) that the subject of any claim of the complete specification is not an invention within the meaning of this Act;
- (e) that the invention, so far as claimed in any claim of the complete specification, is not new having regard to what was published before the priority date of the claim;
- (f) that the invention, so far as claimed in any claim of the complete specification, is obvious and does not involve

any inventive step having regard to any matter claimed or disclosed in the manner specified in paragraph (a) of this subsection or to any matter published in the manner specified in paragraph (e) of this subsection;

- (g) that the invention, so far as claimed in any claim of the complete specification, is not useful;
- (h) that the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed, or does not disclose the best method of performing it which was known to the applicant for the patent and for which he was entitled to claim protection;
- (i) that the scope of any claim of the complete specification is not sufficiently and clearly defined or that any claim of the complete specification is not fairly based on the matter disclosed in the specification;
- (j) that the patent was obtained on a false suggestion or representation;
- (k) that the primary or intended use or exercise of the invention is contrary to public order or morality.

(2) Without prejudice to the provisions of subsection (1) of this section, a patent may be revoked by the Court on the petition of any Minister of State if the Court is satisfied that the patentee has without reasonable cause failed to comply with the request of the Minister to make, use, exercise or vend the patented invention for the service of the State upon reasonable terms.

(3) Every ground on which a patent may be revoked shall be available as a ground of defence in any proceeding for the infringement of the patent.

Revocation of patent by Controller

35. — (1) At any time within twelve months after the sealing of a patent, any person interested who did not oppose the grant of the patent may apply to the Controller for an order revoking the patent on any one or more of the grounds upon which the grant of the patent could have been opposed:

Provided that when an action for infringement, or proceedings for the revocation, of a patent are pending in any court, an application to the Controller under this section shall not be made except with the leave of the court.

(2) Where an application is made under this section, the Controller shall notify the patentee and shall give to the applicant and the patentee an opportunity to be heard before deciding the case.

(3) If on an application under this section the Controller is satisfied that any of the grounds aforesaid are established, he may by order direct that the patent shall be revoked either unconditionally or unless within such time as may be specified in the order the complete specification is amended to his satisfaction:

Provided that the Controller shall not make and order for the unconditional revocation of a patent under this section unless the circumstances are such as would have justified him in refusing to grant the patent in proceedings under section 19 of this Act.

(4) An appeal shall lie from any decision of the Controller under this section.

Surrender of patent

36. — (1) A patentee may at any time by notice given to the Controller offer to surrender his patent.

(2) Where such an offer is made the Controller shall advertise the offer in the prescribed manner; and within the prescribed period after such advertisement any person interested may give notice to the Controller of opposition to the surrender.

(3) Where any such notice of opposition is duly given the Controller shall notify the patentee.

(4) If the Controller is satisfied, after hearing the patentee and any opponent, if desirous of being heard, that the patent may properly be surrendered, he may accept the offer and by order revoke the patent.

(5) An appeal shall lie from any decision of the Controller under this section.

PART IV

Voluntary and Compulsory Endorsement, Anticipation, and Provisions as to Rights in Inventions

Endorsement of patent "licences of right"

37. — (1) At any time after the sealing of a patent the patentee may apply to the Controller for the patent to be endorsed with the words "licences of right"; and where such an application is made, the Controller shall notify the application to any person entered on the register as entitled to an interest in the patent, and if satisfied, after giving any such person an opportunity to be heard, that the patentee is not precluded by contract from granting licences under the patent, cause the patent to be endorsed accordingly.

(2) Where a patent is endorsed under this section:

- (a) any person shall, at any time thereafter, be entitled as of right to a licence under the patent upon such terms as may, in default of agreement, be settled by the Controller on the application of the patentee or the person requiring the licence;
- (b) the Controller may, on the application of the holder of any licence granted under the patent before the endorsement, order the licence to be exchanged for a licence to be granted by virtue of the endorsement upon terms to be settled as aforesaid;
- (c) if in proceedings for infringement of the patent (otherwise than by the importation of goods) the defendant undertakes to take a licence upon terms to be settled by the Controller as aforesaid, no injunction shall be granted against him, and the amount (if any) recoverable against him by way of damages shall not exceed double the amount which would have been payable by him as licensee if such a licence had been granted before the earliest infringement;
- (d) the renewal fees payable in respect of the patent after the date of the endorsement shall be one half of the renewal fees which would be payable if the patent were not so endorsed.

(3) In settling the terms of any such licence the Controller:

- (a) shall endeavour to secure the widest possible user of the invention in the State consistent with the patentee's deriving a reasonable advantage from his patent rights,
- (b) shall endeavour to secure to the patentee the maximum advantage consistent with the invention being worked by the licensee at a reasonable profit in the State,
- (c) shall endeavour to secure equality of advantage among the several licensees, and for this purpose may, on due cause being shown, reduce the royalties or other payments accruing to the patentee under any licence previously granted,
- (d) may so frame the terms as to preclude the licensee from importing into the State any goods the importation of which, if made by persons other than the patentee or those claiming under him, would be an infringement of the patent, and in such a case the patentee and all licensees under the patent shall be deemed to have mutually covenanted against such importation.

(4) The licensee under any licence granted by virtue of the endorsement of a patent under this section shall (unless, in the case of a licence the terms of which are settled by agreement, the licence otherwise expressly provides) be entitled to call upon the patentee to take proceedings to prevent any infringement of the patent; and if the patentee refuses or neglects to do so within two months after being so called upon, the licensee may institute proceedings for the infringement in his own name as if he were patentee, making the patentee a defendant:

Provided that a patentee so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

(5) An application for the endorsement of a patent under this section shall contain a statement (to be verified in such manner as may be prescribed) that the patentee is not precluded by contract from granting licences under the patent; and the Controller may require from the applicant such further evidence as he may think necessary.

(6) An application made under this section for the endorsement of a patent of addition shall be treated as an application for the endorsement of the patent for the main invention also, and an application made under this section for the endorsement of a patent in respect of which a patent of addition is in force shall be treated as an application for the endorsement of the patent of addition also; and where a patent of addition is granted in respect of a patent already endorsed under this section, the patent of addition shall also be so endorsed.

(7) All endorsements of patents under this section shall be entered in the register of patents and shall be published in the Journal and in such other manner as the Controller thinks desirable for bringing the endorsement to the notice of manufacturers.

(8) An appeal shall lie from any decision of the Controller under this section.

Cancellation of endorsement

38. — (1) At any time after a patent has been endorsed under the last foregoing section, the patentee may apply to the Controller for cancellation of the endorsement; and where such an application is made and the balance paid of all renewal fees which would have been payable if the patent had not been endorsed, the Controller may, if satisfied that there is no existing licence under the patent or that all licensees under the patent consent to the application, cancel the endorsement accordingly.

(2) Within the prescribed period after a patent has been endorsed as aforesaid, any person who claims that the patentee is, and was at the time of the endorsement, precluded by a contract in which the claimant is interested from granting licences under the patent may apply to the Controller for cancellation of the endorsement.

(3) Where the Controller is satisfied, on application made under the last foregoing subsection, that the patentee is and was precluded as aforesaid, he shall cancel the endorsement; and thereupon the patentee shall be liable to pay, within such period as may be prescribed, a sum equal to the balance of all renewal fees which would have been payable if the patent had not been endorsed, and if that sum is not paid within that period the patent shall cease to have effect at the expiration of that period.

(4) Where the endorsement of a patent is cancelled under this section, the rights and liabilities of the patentee shall thereafter be the same as if the endorsement had not been made.

(5) The Controller shall advertise in the prescribed manner any application made to him under this section; and within the prescribed period after such advertisement:

- (a) in the case of an application under subsection (1) of this section, any person interested; and
- (b) in the case of an application under subsection (2) of this section, the patentee,

may give notice to the Controller of opposition to the cancellation.

(6) Where any such notice of opposition is given, the Controller shall notify the applicant, and shall give to the applicant and the opponent an opportunity to be heard before deciding the case.

(7) An application made under this section for the cancellation of the endorsement of a patent of addition shall be treated as an application for the cancellation of the endorsement of the patent for the main invention also, and an application made under this section for the cancellation of the endorsement of a patent in respect of which a patent of addition is in force shall be treated as an application for the cancellation of the endorsement of the patent of addition also.

Compulsory endorsement or licence

39. — (1) At any time after the expiration of four years from the date of application for a patent or three years from the date of sealing the patent, whichever is the later, any person interested may apply to the Controller for a licence under the patent or for the endorsement of the patent with

the words "licences of right" on the ground that there has been an abuse of the monopoly rights under the patent.

(2) The grounds, deemed to constitute an abuse of monopoly rights, upon which application may be made for an order under this section are as follows, that is to say:

- (a) that the patented invention, being capable of being commercially worked in the State, is not being commercially worked therein or is not being so worked to the fullest extent that is reasonably practicable;
- (b) that a demand for the patented article in the State is not being met on reasonable terms, or is being met to a substantial extent by importation;
- (c) that the commercial working of the invention in the State is being prevented or hindered by the importation of the patented article;
- (d) that by reason of the refusal of the patentee to grant a licence or licences on reasonable terms:
 - (i) a market for the export of the patented article manufactured in the State is not being supplied; or
 - (ii) the working or efficient working in the State of any other patented invention which makes a substantial contribution to the art is prevented or hindered; or
 - (iii) the establishment or development of commercial or industrial activities in the State is unfairly prejudiced;
- (e) that by reason of conditions imposed by the patentee upon the grant of licences under the patent, or upon the purchase, hire or use of the patented article or process, the manufacture, use or sale of materials not protected by the patent, or the establishment or development of commercial or industrial activities in the State is unfairly prejudiced;
- (f) that a condition which by virtue of section 54 of this Act is null and void has been inserted in a contract made after the commencement of this Act in relation to the sale or lease of, or licence to use or work, any article or process protected by the patent:

Provided that, for the purpose of determining whether there has been any abuse of the monopoly rights under a patent, it shall be taken that patents for new inventions are granted not only to encourage invention but to secure that new inventions shall so far as possible be commercially worked in the State without undue delay.

(3) Subject as hereinafter provided, the Controller may, if satisfied that any of the grounds aforesaid are established, make an order in accordance with the application; and where the order is for the grant of a licence, it may require the licence to be granted upon such terms as the Controller thinks fit:

Provided that:

- (a) where the application is made on the ground that the patented invention is not being commercially worked in the State or is not being worked to the fullest extent that is reasonably practicable and it appears to the Controller that the time which has elapsed since the sealing of the patent has for any reason been insufficient to enable it to be so worked, he may by order adjourn

the application for such period as will in his opinion give sufficient time for the invention to be so worked;

- (b) an order shall not be made under this section for the endorsement of a patent on the ground that a market for the export of the patented article is not being supplied, and any licence granted under this section on that ground shall contain such provisions as appear to the Controller to be expedient for restricting the countries in which the patented article may be sold or used by the licensee;
- (c) no order shall be made under this section in respect of a patent on the ground that the working or efficient working in the State of another patented invention is prevented or hindered unless the Controller is satisfied that the patentee in respect of that other invention is able and willing to grant to the patentee and his licensees a licence in respect of that other invention on reasonable terms;
- (d) any licence granted shall be non-exclusive and non-transferable;
- (e) the terms of any licence granted may be so framed as to preclude the licensee from importing into the State any goods the importation of which, if effected by persons other than the patentee or those claiming under him, would be an infringement of the patent, and in such case the patentee and all licensees under the patent shall be deemed to have mutually covenanted against such importation.

(4) The Controller shall, in determining whether to make an order in pursuance of any such application, take account of the following matters, that is to say:

- (a) the nature of the invention, the time which has elapsed since the sealing of the patent and the measures already taken by the patentee or any licensee to make full use of the invention;
 - (b) the ability of any person to whom a licence would be granted under the order to work the invention to the public advantage; and
 - (c) the risks to be undertaken by that person in providing capital and working the invention if the application is granted;
- but shall not be required to take account of matters subsequent to the making of the application.

(5) An application under this section may be made by any person notwithstanding that he is already the holder of a licence under the patent; and no person shall be estopped from alleging any of the matters specified in subsection (2) of this section by reason of any admission made by him, whether in such a licence or otherwise, or by reason of his having accepted such a licence.

(6) In this section "patented article" includes any article made by a patented process.

(To be continued)

ITALY

Decrees

concerning the temporary protection of industrial property rights at 6 exhibitions

(Of April 20, May 4, July 6, 15 and 21, 1964)¹⁾

Single Article

Industrial inventions, utility models, designs and trademarks relating to objects appearing at the following exhibitions:

XXIV^a Fiera di Ancona — Mostra-mercato internazionale della pesca, degli sports nautici ed attività affini (Ancona, June 20-July 5, 1964);

VIII^a Mostra convegno internazionale dell'automazione e strumentazione (Milan, November 19-25, 1964);

IV^a Mostra delle apparecchiature chimiche "MAC 64" (Milan, November 26-December 4, 1964);

XVII^a Fiera di Bolzano — Campionaria internazionale (Bolzano, September 11-21, 1964);

I^a Esposizione Europea elettrodomestici (Milan, September 12-20, 1964);

XIX^o Salone-mercato internazionale dell'abbigliamento (Turin, September 3-6, 1964)

shall enjoy the temporary protection provided by laws No. 1127 of June 29, 1939²⁾, No. 1411 of August 25, 1940³⁾, No. 929 of June 21, 1942⁴⁾, and No. 514 of July 1, 1959⁵⁾.

CORRESPONDENCE

Letter from Belgium¹⁾

By Antoine BRAUN, Lawyer, Brussels

(Translation)

Traditionally conscious of external tendencies, Belgium has become involved in European unification. It would seem that the era of juridical stabilisation inaugurated by the Napoleonic Code is approaching its end and that, as at the end of the eighteenth century, we are entering upon a transitional period which, though full of promise, is also charged with difficulties. Entire sections of domestic law, especially in economic and social branches, will vanish, as regional practices under the Old Régime vanish to make way for the new common legislation, and it may well be asked to what extent will industrial property be involved in this evolution. This makes contemporary events a matter of very considerable concern.

1) Official communication from the Italian Administration.

2) See *Prop. ind.*, 1939, p. 124; 1940, p. 84.

3) *Ibid.*, 1940, p. 196.

4) *Ibid.*, 1942, p. 168.

5) *Ibid.*, 1960, p. 23.

1) For last "Letter from Belgium", see *Industrial Property*, 1962, p. 150.

Until such time as we encounter juridical realities, we find ourselves in the hollow of the waves.

As regards industrial property, the old-established national rights are to-day threatened by the economic demands of enlarged markets and the acceleration of history. Thus, the uniform Benelux law on trademarks, signed on the March 19, 1962, by the three Governments and ratified by the Netherlands, is at a standstill. In the presence of proposals for a European mark, there is hesitation in presenting it for formal ratification. Might not this soon become the fate of the draft uniform law on designs, upon which the ink is barely dry? And, as regards patents, there is questioning as to the choice to be made between the multiple options which the European patent offers.

In the field of commercial competition, we have likewise reached the end of the classical period when unfair competition was conceived as a special application of the theory of responsibility (Article 1382 of the Civil Code). More precisely, this notion is not sufficient, in itself, to explain the phenomena of competition. The theory and the classification of Roubier, clear though they were, become insufficient in consequence of Rotondi, Ascarelli, Durand and, recently, of Gotzen, and from this a more complicated picture of competition emerges, covering prohibited competition and, recently, extending to controlled competition, both on a national and European basis. The problem of the relation between these norms, whose field of application was previously considered to be distinct, has now become the centre of current interest. It not only forms the subject of known study by the International League for the Prevention of Unfair Competition²⁾ but, as will be seen below, it preoccupies the Belgian legislator and influences jurisprudence.

In memoriam

But before going further, we may be permitted to recall the noble figure of M^c Coppieters de Gibson, who departed from among us a year ago. Voices better qualified than ours³⁾ have spoken of the invaluable rôle played by this eminent jurist at international conferences, especially those of Nice, Lisbon and The Hague.

We would wish to emphasise the loss to the Belgian Group caused by the premature death of one who had been its President for many years.

Together with his brother-in-law, M^c Smolders, he was the heir of those great intellectual traditions of his father, M^c Daniel Coppieters de Gibson and, like him, he illuminated, by his great competence and detailed labours, this branch of the law which brings such satisfaction to those who devote their undivided service to it.

But in these matters, where technique plays an important part, this servant of the law was conscious of the need for imparting the spiritual supplement required by Bergson. It has been possible to write of him that "he had a mind of rare

2) See the Report of Ligi to the Congress of Stresa, 1963, *Revue internationale de la concurrence* (communication of the LICCD). This question will be the theme of the Congress of Namur in 1964. See also the Report of Sermon to the ICC, February, 1964.

3) Mr. Ch.-L. Magnin, Deputy Director of BIRPI, in *Industrial Property*, 1963, p. 255.

quality, intellectual probity, and a professional conscience that was flawless. He was true as steel and of quiet independence . . .”.

It is this integrity, associated with a mastery in the field of intellectual rights and of his briefs, which commanded the audience to which his writings and 40 years of jurisprudence bear witness.

I. Legislation

As we have just said, ratification by our competent Authorities of the international Acts signed by Belgium is still awaited: the Lisbon Text of the Paris Convention; the uniform Benelux Law on Trademarks; the Convention on the Unification of Certain Points of Substantive Law on Patents for Invention, signed at Strasbourg on November 27, 1963.

As regards domestic matters, two draft laws may be mentioned:

1. — Draft Law No. 509, which seeks to establish a system of compulsory licences.

In our “Letter” of 1959⁴), we commented upon the important decree of the State Council of May 9, 1958, which ruled that, in the absence of the legal establishment of a system of compulsory licences, it is not possible, by reason of Article 5 A (4) of the Paris Convention, to pronounce nullification of a patent for non-exploitation.

Initial legislative steps have now been taken with a view to remedying this situation.

A draft law modifying Article 23 of our Law of May 24, 1854, was submitted in 1959. Recently amended, in 1962, and having formed, since that date, the subject of numerous discussions, it seeks to institute a system of compulsory licences:

- (1) when, without legitimate excuse, the patentee has continued for a period of four years without exploiting his patent in an effective and continuous manner in Belgium, or, where reciprocal guarantees exist, in a foreign country associated with Belgium in a Union or an Economic Community;
- (2) where the public interest so requires, especially if the grant of a licence is essential to the development of a means of therapy, which it is desirable should be more widely available to the population; and
- (3) where a licence would enable exploitation of a dependent patent to be effected.

2. — We have just mentioned the profound changes undergone by the classical notion of unfair competition, by reason of controlled competition and prohibited competition. Evidence of these changes appears in the draft law “on prices and on certain trade practices” which the Government have just introduced.

A first draft was prepared last year and disclosed tendencies which were extremely directional in character. According to this draft, the Minister of Economic Affairs, with the support of the Public Prosecutors (Parquets), would take action to ensure the control of almost all trade practices. An action for unfair competition, based upon the Decree of December 23, 1934, and providing for cessation, was considerably restricted

in its field of application. It was preferable to have a system of penal repression of acts which, to an increasing extent, were coming within the field of prohibited competition.

In face of the opposition aroused by this truly unfortunate situation, the Government made a spectacular *volte face*.

The new draft, even if it still mentioned, as far as prices were concerned, certain directional measures (coupled, however, with guarantees) considerably enlarged the field of application of action for cessation. Henceforth, traders, professional organisations, and even organisations of consumers, could request the President of the Commercial Court to put an end to certain trade practices which, though not unfair in themselves, were prohibited by laws and regulations (sales on commission, discount, itinerant sales, bonus sales, etc.).

Traders will no longer need to rely on the good-will of the Public Prosecutors who, in future, will be largely unaware of these practices; but they will be able to take the initiative in securing respect for the proper organisation of competition by organising their own commercial police system.

Thus, the proper road is finally defined, and this is a matter for satisfaction.

II. Jurisprudence

A. Patents

The classic distinction in Belgian law between the new combination of known means and the new juxtaposition or use of known means is well known. Certainly, the distinction is somewhat subtle and liable to certain fair criticisms, such as those of *doyen* Roubier, to the effect that it is based upon too mechanical a conception of invention, which might have been fitting at the beginning of the century, but which to-day has become outmoded, particularly in the light of progress in the field of chemistry. Nevertheless, the fact remains that this conception is always accepted in jurisprudence and that it is often the key to the success or failure of legal proceedings. In accordance with Belgian law, there is a new and patentable combination, and not a simple juxtaposition of known elements, when a new arrangement produces advantages different from the sum of the advantages inherent in the combined elements considered separately, even if only from the point of view of simplicity, strength of construction, or ease and economy of exploitation⁵).

Similarly, the Brussels Court has decided that the originality of a combination requires, firstly, a reciprocal functional reaction of the associated elements and, following this, an unforeseen character of this reciprocal action⁶).

On the other hand, there is no new patentable combination when the association of known means or instruments fails to create any common link, dependence or fusion between themselves, and when there is merely a simple juxtaposition or addition of known means and their normal effects. The different elements do not react upon each other, but function separately, each conserving its own individual function. They co-exist; but their union produces nothing new⁷).

⁵) Civil Court of Brussels, July 14, 1943, *L'Ingénieur-conseil*, 1943, p. 94, maintaining the definition of Braun and Struye, *Précis des brevets d'invention et de la contrefaçon industrielle*, No. 63.

⁶) Brussels, March 19, 1943, *L'Ingénieur-conseil*, 1943, p. 105.

⁷) Braun and Struye, *ibid.*, No. 65.

⁴) See *La Propriété industrielle*, 1959, p. 179.

It may be asked whether this new combination of known means can result from characteristics claimed in patents when one is of a principal character and the other a matter of improvement. The Supreme Court, by its judgment of May 2, 1963⁸⁾, has replied in the affirmative. The Court, after recalling the principles indicated above, decided that it was of small concern whether the known means, whose organic combination produced an original technical result, were the characteristics claimed in the patent, both principal and in the nature of improvements, since both would be null if, precisely, taken together, they failed to respond to the legal requirements of a new patentable combination. Thus, the principal patent which, considered separately, would have been declared void through lack of originality is, to some extent, saved by the effect of a patent for an improvement bearing upon the same invention and which vests it with the original technical result produced by the features claimed in the patent for the improvement.

2. — The Civil Court of Brussels, in a judgment dated May 17, 1961⁹⁾, pronounced favourably upon the question whether an article of clothing can form the subject of a patent. The Court decided that the patentability of an article of clothing (in effect, working overalls) cannot be excluded *a priori*; in principle, it must be admitted when the cut or general composition has a technical effect in the sense of a practical advantage: in other words, in the case where the invention enables the realisation of a given industrial result. For the same article of clothing, patent protection can be cumulative with that granted by the Royal Decree of January 29, 1935, in respect of designs, in so far as the conception, the cut and the combination of parts composing the article of clothing result in a new form and that, further, the product complies with the aforementioned requisites of patentability.

However, in effect, examination of the article of clothing revealed that the invention claimed only covered variants of a cut that was already known, and the patent was annulled. This judgment was confirmed by the judgment of the Brussels Court of Appeal, dated June 6, 1963¹⁰⁾.

3. — In our last two "Letters" we reported decisions relating to the problem of the importation into national territory of products manufactured abroad in accordance with a process which, there was reason to think, resembled a process forming the subject of a Belgian patent — a question dealt with in the new paragraph 4 of Article 5 of the Paris Convention, Lisbon text.

A very closely related question arose before the Antwerp Court. In effect, it concerned the importation and offering for sale in Belgium of a pharmaceutical product lawfully manufactured abroad but which, by reason of its importation, constituted infringement, in Belgium, of rights arising under a national patent. The objection was not against the employment of the same process of manufacture, but against the sale of the same product, pharmaceutical products, as such, being patentable in Belgium, as is now definitely known,

following the judgment of the Supreme Court of June 28, 1956.

The Civil Court of Antwerp, in a judgment dated May 31, 1963¹¹⁾, decided that, when a patent relates to a single product, the fact that a designated expert is satisfied as to the identical nature of the physical and chemical properties of a seized specimen and of that submitted by the patentee, this is sufficient to establish that infringement has occurred, unless it is proved, as the defendant contended to be the case, that the product found on his premises emanated from the proprietor of the patent. In effect, the law assimilates to infringement the possession, sale and the placing on sale of products which are lawfully manufactured, but placed on sale contrary to the rights of the patentee. In view of the identical character of the products compared, this proof is sufficient, and it is for the defendant to prove the exception — a matter which, the Court suggested, should not be difficult for him.

Thus, the judgment confirms the prevailing jurisprudence and assimilates to an act of infringement the sale of products lawfully manufactured abroad under the cover of a foreign patent, and subsequently introduced into the country under the cover of a national patent. But the Court makes an exception to this rule in the case in which the patented article which has been introduced emanates from the patentee himself. Thus, this decision follows the teaching of André, who regards the importation of articles manufactured abroad as illegal, unless the importer has acquired the product from the patentee himself, who sold it to him without any restriction¹²⁾.

Following the same judgment, the company holding the right to the exclusive sale in Belgium of the products of the patentee, which company were also the licensees in Belgium under the patents, were entitled to obtain damages and personal compensation, since the importer should have been aware of their monopoly and should have respected it; and this he had not done, since importation was accompanied by manoeuvres (use of dissimulated marks on packages sold) which constituted an improper action. On this point, the Civil Court referred expressly to the judgment of the Supreme Court of November 3, 1961, upon which we commented in our last "Letter", and in the terms of which parallel importation is unlawful when accompanied by improper manoeuvres.

This decision, which has now become final, should be approved; but it is permissible, in the light of the development of European law, to question the prospects of survival of such jurisprudence. It is not that Article 36 of the Treaty of Rome, setting up the European Economic Community, does not expressly protect the rights of industrial property: everyone knows this, but what is not yet known, despite the communication of December 24, 1962, of the Committee of the EEC, is what limitations (wrongly in our opinion) the European authorities will enforce upon the exercise of this right. Mr. Stephen Ladas, in the present publication, has made an excellent exposition upon the relationship between Article 36 and Articles 85 and 86 of the Treaty of Rome¹³⁾, and this

¹¹⁾ *J. T.*, 1963, p. 490.

¹²⁾ André, *Traité des brevets d'invention*, Nos. 1318-1319.

¹³⁾ Ladas, *Industrial Property*, 1962, p. 239. See also P. Jansse, Oudemans and Walterberck, *GRUR*, April 1958, p. 17, and *L'Ingénieur-conseil*, 1962, p. 66; Gleiss/Hirsch, *EWG-Kartellrecht*, p. 58, etc.

⁸⁾ *Journal des Tribunaux*, 1963, p. 451.

⁹⁾ *L'Ingénieur-conseil*, 1961, p. 138.

¹⁰⁾ *Ibid.*, 1963, p. 196.

relieves us of the need of making another. Although, as regards trademarks, national barriers tend to collapse when the owner of the mark on both sides of them is one and the same person, it will, we think, be necessary to continue to maintain the validity of territorial limitations arising under patents, under penalty of destroying all value to such rights in countries where they are only granted after preliminary examination. The solution to the free circulation of goods must be found in an arrangement even of the extent of industrial property rights (and drafts in this sense are by no means lacking); but these rights, once defined, must have their free exercise recognised in practice, as they are in theory by Article 36 of the Treaty of Rome, without it being necessary to have recourse to the arsenal of anti-cartel rules, which are foreign to this matter.

4. — In conclusion, we would refer to a judgment of the Brussels Court of Appeal of March 1, 1962¹⁴), setting out the scope of a non-exclusive patent licence.

According to the Court, a non-exclusive licence has the advantage of protecting its beneficiary from any accusation of infringement, but it does not empower him to criticise the attitude of the proprietor of the patent in relation to other licensees or persons who use the process in question.

B. Designs

1. — Jurisprudence has remained in line with the regrettable decision of the Supreme Court of December 20, 1954, which, where designs are concerned, excluded the Paris Convention¹⁵).

Two judgments of the Antwerp Court of First Instance, of December 30, 1960, and February 2, 1963, decided this anew, in relation to the protection of Netherlands designs in Belgium. The Netherlands, having adhered to the Berne Convention, their nationals are entitled to assimilation to Belgian nationals, without the requirement of reciprocity, except as regards the duration of protection¹⁶).

As regards the protection of Italian designs, the Brussels Civil Court, on April 17, 1962¹⁷), delivered a judgment on the same lines. However, the Court applied an important derogation to the principle of the assimilation of foreigners to nationals, contained in paragraph (5) of Article 7 of the Berne Convention, which enunciates that, particularly in the case of applied art, "the term of protection is governed by the term fixed in the country in which protection is claimed, provided such term does not exceed the term fixed in the country of origin of the work". Now, by virtue of Article 70 of the Royal Italian Decree of September 13, 1934, the privilege of exclusivity in respect of designs for ornaments only lasts for four years, calculated from the date of deposit of the application with the Italian authorities. Hence, the protection in Belgium of an Italian design only lasts for four years (and not fifty years, as was previously decided under the reform carried out on January 29, 1935, which placed

designs under the régime of "protection" of the law of copyright). It is thus seen, once again, how the rights of foreigners have been harmed by this modification applied to internal Belgian rights, notwithstanding the adhesion of Belgium to the Paris Convention. It is to be hoped that the adoption of the uniform Benelux law on designs (in so far as the draft law will one day be signed, and then ratified . . .) will repair this unjustifiable legislative error.

But it is not only in connection with the rights of foreigners in Belgium that the reform of 1935, adopted at that time with the object of simplification, displays its inaptitude to provide solutions to the problems which arise.

In effect, if it was necessary, logically, to apply the régime of copyright to industrial designs, one should not, when investigating infringement, take account of the possibility of confusion existing between the products, since, in the field of copyright, partial borrowing of a protected work constitutes infringement.

Meanwhile, the Supreme Court, by its decision of April 16, 1959¹⁸), as regards the copying of the design of a nationality plate for motor cars, has ruled that reproduction of a design only being partial in character, the judge was able, lawfully, to give consideration to the absence of any possibility of confusion, in deciding that the borrowings made from the original design were of sufficient importance to constitute infringement. Thus, in assessing infringement, jurisprudence can be seen to desert the norms of copyright in favour of those which operate in connection with industrial property.

C. Trademarks

Two decisions of the Supreme Court have dealt with the relationship between a family name and a trade name.

In the first judgment, of May 4, 1962¹⁹), the Court decided, in accordance, moreover, with the doctrine that if, in civil law, the family name is inalienable and imprescriptible, in commercial law, on the other hand, it can acquire patrimonial value, and be subject to the obligation, as regards the more recently established trader, to take appropriate steps to avoid any confusion. When the only form of a label used by two traders of different establishments to identify their goods excludes all possibility of confusion between the two establishments, it can legally be deduced, from these differences, that in exercising his right to use his family name, the more recently established trader has taken sufficient precaution to ensure that his name is, in the light of the law of trademarks, presented under a distinct form in each of the two marks. This being so, the Court admits that the last comer could subsequently assign his name to a company which was traditionally in competition with the older establishment.

It appears to us that if this decision conforms to principles as regards its first part, it fails, *in fine*, in admitting traffic (the word is not too strong) which finishes up by benefitting a long-established competing company. Whilst it is unquestionable that it is necessary to distinguish a family name from a trade name, one cannot, however, admit that, when they are identical, the latter can be the subject of a

¹⁴) *J. T.*, 1962, p. 298.

¹⁵) See account of the matter and criticism of the judgment, "Lettre de Belgique", *La Propriété industrielle*, 1957, p. 58.

¹⁶) *L'Ingénieur-conseil*, 1963, pp. 285 and 290.

¹⁷) *Ibid.*, 1963, p. 294.

¹⁸) *Pas.*, 1959, I, p. 823.

¹⁹) *Pas.*, 1962, I, p. 987.

transaction in like manner as if it were an original denomination. The justification for the use as a trade name of a denomination relatively resembling a pre-existing name resides specifically in the fact that such denomination finds its common origin in the family name. From the moment when this common cord is severed, the link which joins the branches disappears, and if its survival can be allowed on a personal basis, further transfer cannot, in our opinion, be admitted, unless the circumstances are exceptional. French jurisprudence is much more severe in this respect, and rightly so.

The second judgment, given on May 25, 1962²⁰), better inspired than the earlier one, decided that the owner of a family name is entitled to oppose any usurpation of this name. From the sole fact that a family name is common to a large number of families — in effect, the name concerned was “Duval” — it cannot be deduced either that a bearer of this name would have no interest in opposing any usurpation of the name or that usurpation would be incapable of causing him any injury.

2. — As regards the right to a name, we would cite the judgment of the Brussels Court of Appeal of March 15, 1962²¹), given in connection with a dispute involving an old-established brewery at Louvain, named “Brasserie et Malterie Breda”. They claimed to have rights as regards the word “Breda”, insofar as it was a feature of a composite mark, against the Netherlands brewery De Brie Hoefijzers, situated in the actual town of Breda, and which claimed the right to utilise, as a trademark, the name of the locality where its centre of exploitation was actually situated.

This interesting litigation is by no means ended, and it is probable that it will give rise to certain echoes, as in the famous St. Raphaël case in France, and others in which equally valuable rights were in conflict.

The first two stages ended in favour of the Netherlands brewery, which succeeded in establishing that the Belgian brewery could not claim a privative right in respect of the word “Breda”, which constituted the principal feature of its trading name, unless this had been deposited under a distinctive form, in accordance with the provisions of Article 2 of the Law of April 1, 1879. In effect, it is known that, as in the case of the French law on this point, the Belgian law requires the owner of a family name or of a trading name, who desires to use such name as a trademark, to deposit it in special form, in order thereby to give him the distinctive form essential to all signs serving as trademarks.

The plaintiff company replied, attaching importance to the deposit of a mark “Ass”, at the base of which was inscribed the word “Breda”, and claimed to justify its rights by invoking the theory of a composite mark, each feature of which being capable of protection. But the Brussels Court did not accept this reasoning and stated, in accordance with doctrine “that the Court cannot support the company, Brasserie et Malterie Breda, when it contends that the mark “Breda” would constitute one of the elements of the composite mark deposited under number 999; that mark No. 999 is not a composite mark; that a mark is composite when it is

composed of various elements, individually capable of constituting a valid mark; that the mark deposited by the company, Brasserie et Malterie Breda, does not conform to this definition; that the word ‘Breda’, which is the essential element of the trading name of the company, Brasserie et Malterie Breda, is, at the same time, the name of a town in the Netherlands where the company, Bierbrouvarij De Drie Hoefijzers, actually has its headquarters, and does not figure in a sufficiently distinctive and characteristic form to constitute a valid mark”. Hence, the Court holds that the plaintiff company has not deposited its mark in accordance with the intention of the law, and it declares the action to be unfounded.

The Louvain company had joined to its action for the infringement of trademark an action for unfair competition, based on confusion of trade names, but on this point it was equally non-suited, the Court deciding that the proprietor of a deposited application cannot obtain, by the legislation governing trade names, the protection which is refused to him by the law of trademarks. The Court added, confirming on this point the judgment of the Commercial Court of Brussels of May 30, 1961, and further confirming the teaching of *doyen* Roubier²²), “that the company, Brasserie et Malterie Breda, does not enjoy any privative right in respect of the word ‘Breda’; that it has not validly deposited this word as a trademark; that if it is true that it is the essential element of its trading name, and that it should be protected on this basis, it is equally true that it is the name of a town in the Netherlands where the company, Bierbrouverij De Drie Hoefijzers, has its headquarters, and that it cannot object to this latter company using the name to designate its products”.

Since this judgment, the Belgian brewery has effected the deposit of the mark “Breda” and the proceedings have been renewed.

The Brussels Court of Appeal further applied the same rule in a case of opposition to the marks “Quaker State” and “Quaker City”. By its judgment of June 18, 1963²³), the Brussels Court decided that the American company, Quaker State Oil Refining Corporation, could not claim any privative right as regards the mark “Quaker State”, these words constituting, if not its actual trading name, at least the sole characteristic of this name which, in order to benefit from the protection of the law, should be presented in distinctive form.

3. — The judgment reported has a further and outstanding interest. In our last “Letter”, we gave particulars of the judgment of the Commercial Court of Liège of October 12, 1959, which represented the first break with the old jurisprudence of “Eversharp”, established by a judgment of the Supreme Court of December 15, 1924, and which applied Article 2 of the Convention of the Paris Union, independently of Article 6. A “first swallow . . .”. The judgment commented upon confirms this new orientation of jurisprudence (following the French judgment in the case of “Omega”, and the action of its brilliant supporters, Messrs. Roubier and Plaisant). Thus, the rule consecrating the assimilation of foreigners to

²⁰) *Pas.*, 1962, I, p. 1088.

²¹) *L'Ingénieur-conseil*, 1963, p. 202.

²²) Roubier, *Le droit de la propriété industrielle*, t. II, p. 690.

²³) *L'Ingénieur-conseil*, 1964, p. 36.

nationals will receive full protection, without the necessity of appealing to the advantages of a different order offered by Article 6.

4. — Still in relation to signs which can be used as trademarks, we would refer to the judgment of the Commercial Court of Brussels of February 2, 1963²⁴), which conceded that the title of a periodical constituted the sign which distinguished it from other periodicals. Its monopoly of exploitation is derived from a patrimonial right, and not from the protection of the features of the publication, and hence it falls under the application of the Law of 1879 on trademarks.

The Court added that it was useless to adopt, for the protection of titles, the basis of action for unfair competition, since the Agreement of Nice of June 15, 1957, concerning the international classification of goods and services, adopts the list of classes published in 1935 by the International Bureau of Berne for the Protection of Industrial Property, and that Class 16 includes periodicals, newspapers and books.

But in examining the basis of this right, the Court non-suited the plaintiff, who issued a weekly publication in the Dutch language, under the title *Romance*, selling for 7 francs, holding that no confusion existed between this periodical and a Franco-Italian handbook entitled *Romances Films*, published in French and selling for 20 francs. Confusion was not possible, particularly by reason of differences in side-notes, language, format, and the prices of the periodicals concerned.

5. — A fire having been declared to have occurred at sea, the captain of the ship had requested the appointment of a receiver, whose function would be to take possession of merchandise, to assure its conservation, to send undamaged cargo to its destination, to undertake re-conditioning of damaged merchandise or, where necessary, to sell such merchandise on behalf of its owners. Among such damaged merchandise were bottles of champagne bearing the marks "Moët et Chandon" and "Mumm". The owners of the marks entered third-party opposition to the order giving effect to the request and asked (1) that the receiver should be required to mention expressly that these bottles of champagne, which were of their manufacture and bore their trademark, were damaged; (2) that he should be forbidden, in connection with their sale, to make any use of the trademark and the trading name of the plaintiffs in any whatever, including the use of packaging and "get-up" of these wines.

The request failed to secure the support of any legal order and the plaintiffs did not hesitate to bring the matter before the Supreme Court. The Court, by a judgment of October 27, 1961²⁵), decided that the claim of the proprietor of a mark, which had been regularly deposited, to prohibit the use of his mark and his trade name in respect of the sale of authentic but damaged wines could not be founded on the basis of the Law of April 1, 1879, relating to trademarks. The Court stated that this legislation only concerned "on the one hand, the manner of acquisition of the mark and the exclusive use thereof for the benefit of the person who effected its registration, or of persons claiming under him and, on the other

hand, infringement and usurpation of the mark, as well as sanctions enforceable in respect of acts committed in conflict with this right of exclusive use. It did not envisage the case where the person acquiring a product bearing a trademark sold it as damaged, perished or used goods. If the sale of such products can, in certain circumstances, constitute a near-offence or offence, capable of implicating its author, such offer for sale would not justify a third party opposition based upon the legal provisions of the Law of April 1, 1879".

Once again, jurisprudence has rejected the claim of proprietors of trademarks to exercise an effective right of pursuit in respect of products bearing their marks. Although it may be difficult, *de lege lata*, to accede to this right, one cannot but wish (and the example which has given rise to the judgment of the Supreme Court is illuminating) that possibilities should exist for the just protection claimed by the proprietors of trademarks. Doubtless, these rights will be better assured in the uniform Benelux law, which represses any damage to the rights under a trademark, even when sustained outside the field of application of infringement, as such, but ratification by the Belgian Parliament would be necessary for this purpose.

D. Competition

1. — Two judgments of the Brussels Court of Appeal specially deserve to be reported. The first, dated May 16, 1963²⁶), confirming on this point a decision of the Brussels Commercial Court of November 15, 1962, establishes the competence of the President, sitting in application of the Royal Decree of December 23, 1934, and dealing with an appeal, even in the case where the act at issue involved the carrying out of an agreement concluded between the defendant and a third party who had not been joined in the proceedings. This circumstance should not cause any concern to a judge, who need not have regard "to the fact that his ultimate decision would result in persons to whom it fell to carry out agreements, on behalf of third parties, being prevented from carrying out agreements into which it appears they should not have entered, although they may remain liable for the consequences of such non-fulfilment".

But the other judgment, that of March 13, 1964²⁷), is much more important, in that it extends the competence of the judge in the appeal proceedings to the entire field of unlawful competition, a field which had been taken away from him by jurisprudence which was hitherto over-restrictive, and which had elsewhere been, of recent times, the subject of well-founded criticisms²⁸). So far this question had not been submitted to a Court of Appeal, but it had been the subject of numerous presidential judgments deciding that acts of prohibited competition, by the fact that they were the subject of penal measures of repression provided by special laws, did not fall within the field of application of appeal proceedings.

²⁶) *Jurisprudence commerciale de Bruxelles*, 1963, p. 137.

²⁷) *J. T.*, 1964, p. 345.

²⁸) Van Bunnem, Note on decision of the President of the Brussels Commercial Court of July 18, 1961, *J. T.*, 1963, p. 50; Antoine Braun, Report to the Congress of Stresa on "The elaboration of a theory of unfair and unlawful commercial actions, vis-à-vis modern regulations governing competition", *L'Ingénieur-conseil*, 1963, pp. 176 and 181; Marcel Gotzen, *Vrijheid van bercep en bedrijf en onrechtmatige mededinging*, Larcier, 1963, t. II, Nos. 721-726.

²⁴) *Jurisprudence commerciale de Bruxelles*, 1963, p. 99.

²⁵) *J. T.*, 1962, p. 259.

Following a very profound study of the actual scope of the Royal Decree, undertaken by the Advocate-General, the Court, conscious both of opinion regarding the doctrine and, doubtless, of the changed outlook to which reference is made in the opening portion on this "Letter", rejected the restrictive opinion and strongly affirmed "that one would search in vain in the report made to the King, preliminary to the Royal Decree, for even part of a sentence by which the sponsors of this Decree expressed, even implicitly, their intention of refusing the right of appeal to competitors injured by unfair acts, when such acts also fell within the scope of any penal provision; that to decide otherwise, as the decision attacked had done, amounted to imputing to the legislator an intention which he had never possessed, and which would appear to be completely foreign to his wishes". Thus, and this is a source of satisfaction, the way is finally open to submit an appeal action to the judge, both as regards acts of unfair competition, *stricto sensu*, and those of prohibited competition. Moreover, it is in this direction that the legislator would appear to have embarked; this also emerges from the draft law on prices and certain trade practices, upon which we have commented above.

2. — In deciding on the main issue, the Brussels Court condemned the simultaneous use of the expressions "*casa antica, prodotto della casa d'amigo*" and "*esportazione mondiale*", as seeking to create, in the minds of purchasers of a Belgian wine, the false impression that they were obtaining a wine of Italian origin.

False indications as to the nationality of an establishment or the origin of products have also been the subject of a certain number of decisions, justly repressing these improper practices.

We would cite a judgment of the Brussels Court of Appeal of March 26, 1962²⁹⁾, deciding that the presence of Swiss parts in German watches does not entitle the vendor of the watches to proclaim them as being Swiss watches, nor to use the Swiss Federal Cross in connection with them, nor to issue certificates of guarantee bearing the words "*Berg suisse*" or "*mouvement suisse*", with no other indication of origin. The Court expressly rejected any suggestion of analogy with the industry of vehicles assembled and equipped in Belgium, since this work takes place under the control of the foreign establishment and the vehicles are sold under the mark of that establishment. The fact that the terminology of the trade permits the use of the words "*mouvement suisse*" is of no account; what is of account, in effect, according to the Court, "is the reputation, justified or otherwise, which Swiss craftsmanship unquestionably enjoys in horological matters with a very large part of the clientèle concerned, and the possibility, as regards lesser purchasers, of being misled as to the nationality of the craftsmanship which has regulated and installed the movement, thereby transforming inert parts into an animated object, responding to the needs of its purpose".

On this latter point, and rightly in our opinion, the Court reversed the decision of the President of the Brussels Commercial Court of February 11, 1960³⁰⁾.

Similarly, the Brussels Court, by its judgment of November 17, 1961, again reversing a decision of the President of the Brussels Commercial Court of April 28, 1960³¹⁾, decided that if, before establishing himself finally at Brussels, the founder of a perfumery establishment carried on his business in Paris for several years at the end of the nineteenth century, this circumstance is insufficient to give the establishment the right to maintain the word "Paris" in its trading name. "The reference to 'Paris' cannot, in effect, signify a process of manufacture, but is rather in the nature of an indication of the city reputed for its perfumery, in conjunction with the influence of quality dressmaking and fashion, which contribute to the diffusion of perfume." The Court specified that the right to the protection of origin is based upon effective exploitation in the district designated, and this is not transferable. Any person who leaves the protected territory renounces, by this actual fact, the right to characterise his products by an indication of origin which has become incorrect.

After the President of the Commercial Court (wrongly in our opinion) declared himself not competent to deal with the question of the use of the term "whisky" when applied to genuine whisky mixed with native neutral alcohol, the matter came before the Commercial Court. In four very long judgments, each some fifteen pages in length, delivered on June 15, 1963³²⁾, the Brussels Commercial Court dealt fully with the matter. Whilst recognising that there is no legal definition of whisky in Belgium, it pointed out that the appellation "Scotch whisky" is legally recognised there, and after having reviewed the entire history of whisky, in its Scotch, Irish, and even American aspects, the Court decided that a genuine whisky, mixed with native neutral alcohol, is no longer whisky in the eyes of Belgian purchasers, who are accordingly deceived. We would, however, mention that three of these judgments are at present under appeal.

3. — Reverting to the judgment of the Brussels Court of Appeal of May 16, 1963, reported above, and applying the decision of the President of the Brussels Commercial Court to the point at issue, it is interesting to note that the Court condemns, as being contrary to honest trade practices, "the fact of associated manufacturers, possessing a near-monopoly and being sufficiently powerful economically to exercise, by concerted action, an overwhelming influence upon the market, proposing to clients, in addition to a collective reward on a progressive basis, a reward for fidelity, the granting of which would inevitably result in the elimination of all competition". Although one might regret the fact that neither the Court nor, would it seem, the litigants, have taken the opportunity of examining the influence of the common law of the EEC (an influence which would seem to be very apparent), the judgment is of interest in so far as it shows the impact of notions of regulated competition upon those of unfair competition. In effect, the Court, in referring to the terms of Article 2 of the Law of May 27, 1960, relating to the abuse of economic power, affirms that an abuse of economic power most frequently, if not invariably, constitutes an act contrary

²⁹⁾ *L'Ingénieur-conseil*, 1962, p. 236.

³⁰⁾ *Ibid.*, 1962, p. 241.

³¹⁾ Two decisions in *ibid.*, 1963, p. 395.

³²⁾ *Ibid.*, 1963, p. 402.

to honest trade practices. Certainly, within the field of positive law, this reference to the Law of May 27, 1960, may be open to criticism, since it has not established any new rules of civil law to which individual persons could have recourse, but it has, within the framework of public rights, granted new powers to executive authority, the custodian of the general interest³³); this approach is, however, indicative of the trend of ideas which we indicated at the beginning of this "Letter", and which tends, increasingly, to consider acts of unfair competition in relation to acts of prohibited or regulated competition.

As regards juridical technique, prudence must be established, and if, in the interpretation of given criteria of unfair competition, it would seem to be helpful to view such criteria in the new light cast upon them by laws affecting public rights, or regulatory provisions, it is nevertheless necessary to avoid mixing them together and basing legal decisions on legislative provisions foreign to the pleadings. In our opinion, the judgment of the Brussels Court of Appeal of June 1, 1962, fell into this error in connection with a matter of boycott³⁴). It expresses the view that neither the Treaty of Rome, nor the Law of May 27, 1960, relating to protection against the abuse of economic power, has altered the competence of the Courts; that if the Courts do not have competence to apply the procedure envisaged by these legal provisions, they can nevertheless, ultimately, find within the text of these laws criteria which would enable them to appreciate whether the actions which have been submitted to them for consideration are blameworthy in character. Such an opinion does not, in our view, meet the case of the self-acting effect of Article 85 of the Rome Treaty³⁵). It does not appear to be any more fitting, in our opinion, as regards the Law of May 27, 1960. However, it can happen that wrong premises lead to justifiable conclusions. This is what occurred in the case at issue, when the Court justified the boycott constituted by the concerted decision of the majority of the publishers of weekly illustrated publications, prohibiting their publications from being stocked for lending purposes, or from being included in folders for reading purposes. The Court, taking its stand upon the decision of the Supreme Court of June 2, 1960, said, in effect, that the boycott was only unlawful when, without justification, it sought to eliminate a competitor from the market (aggressive boycott), but this is not the case when it has as its objective the defence of the legitimate interests of those applying it. Now, the interest which publishers of weekly illustrated publications have in developing the best sale of their publications and, for this purpose, in prohibiting their inclusion in folders for reading purposes, is legitimate.

However, this struggle in the field of competition, however keen it may be, can only be carried on with legitimate means. Such is the lesson to be learnt from the judgment of

³³) See, as regards this question and judgment, the article by Marcel Gotzen entitled "*Exclusivités d'approvisionnement, primes de fidélité, abus de puissance économique et concurrence déloyale*", in *J.T.*, 1963, p. 705.

³⁴) *Jurisprudence commerciale Bruxelles*, 1963, p. 105.

³⁵) See, as regards this question, the reports of the Second International Colloquy on European Law. The Hague, October 1963, on "The problem of provisions directly applicable in international treaties and its application to treaties setting up communities".

the President of the Brussels Commercial Court, given on the occasion of the setting up in the capital of "Super-bazaars", the promoters of which had seen fit to celebrate the occasion by loud and unjust criticism of the traditional trading methods of their competitors. In a decision of October 26, 1961³⁶), the President of the Brussels Commercial Court recalls that publicity should have truth as its basis, and decided "that it is not permissible to refrain from mentioning the precarious nature of the prices which it is declared will be charged, and still less to attribute, in publicity, the low level of prices to the adoption of new methods of sale, which level it will not be possible to maintain unaltered, and which is only intended to operate temporarily and within certain limits, or which is, in actual fact, below cost price". There should also be prohibition of sale below cost price of given articles, involving considerable quantities of such articles, when the only purpose of such sale is to attract to the shops customers who are likely to buy other articles, and when this disturbs the market of the first-mentioned articles, without any real need for the vendor to do so, and without any true profit arising from such sales.

July 1964.

BOOK REVIEWS

Teoria generale a contractelor economice (General theory of economic contracts), by Professor *Traian Ionascu* and *M. Eugen A. Barasch*. One volume of 430 pages, 21 × 16 cm., published by the Academy of the Rumanian People's Republic. Bucarest, 1963. In Rumanian.

This work will be published in two volumes. The first volume deals with the formation of economic contracts, that is to say, the origin of obligations.

The aim of the work is to set out what is common to different contracts, i. e., the rules which are applied to a specific contract, in the absence of special rules or with which rules they must be completed, if any.

Economic contracts are, in the views of the authors, those contracts, subject to payment, concluded between socialist organizations for the delivery of goods, the execution of work or the performance of services which, whatever may be their object, aim at carrying out the tasks set by the Socialist State.

The subject-matter is dealt with in the following order: chapter one, the role, justification and the obligatory nature of the economic contract; chapter two, the obligation to conclude a contract; chapter three, the conclusion of the contract which may be carried out by agreement between the parties or through the intermediary of the State arbitration organs; chapter four, the form and the content of the contract and finally, chapter five, the nullity of the economic contract.

G. R.

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Civil Code of the Hungarian People's Republic, translated into French by *Pál Sebestyén*. One volume of 192 pages, 24 × 16 cm., published by "Corvina", Budapest.

Attention is drawn to this volume which contains the Hungarian Civil Code, as approved by Law IV of 1959, the explanatory note and

³⁶) *Jurisprudence commerciale Bruxelles*, 1961, p. 321.

the address by M. Ferenc Nezval, Minister of Justice, to the National Assembly, on July 30, 1959, on the occasion of the parliamentary debate.

The Code contains 685 Articles. Article 84, under Title IV, deals with the protection granted to persons by civil law. Chapter VII, on moral rights states the following general rule: "The special rules for the protection of moral rights for intellectual creations are determined by copyright, the law on inventions and innovations and by the rules governing the protection of trademarks and models". I. S.

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The Vine and Wine Lexicon. One bound volume of 674 pages, 24 × 15 cm. The International Vine and Wine Office, 11, rue Roquépine, Paris 8, 1963. Price: Fr. 85.—.

This Lexicon in seven languages (French, Italian, Spanish, German, Portuguese, English and Russian) succeeds the lexicon in four languages published in 1940.

It is an important work to which a number of international specialists have contributed. It is divided into four parts: the first contains some 2000 terms and their definitions in seven languages, the second part is composed of seven alphabetical indices with a complementary index of Latin terms cited, the third part lists the main units of measurement including a table of equivalents (temperature scales, densities, alcoholic degrees etc.), and the fourth part is composed of 17 plates of illustrations.

This carefully prepared volume is a valuable instrument of work both for translators and interpreters and for professionals dealing with problems connected with wine. I. S.

* * *

Abuso di brevetti d'invenzione e norme di disciplina della liberta di concorrenza (Abuse of patents for inventions and rules on freedom of competition), by *Mario Fabiani*. A booklet of 29 pages, extracted from the volume published in honour of Professor Alberto Asquini, 29 × 18 cm. Edition CEDAM, Padua, 1962.

Professor Fabiani first establishes the concept of abuse of patents in order to define the sphere of application of rules prohibiting patent abuse and to distinguish them from rules which, while different, are equally effective in preventing abuses in economic activities, where inventors' patents play a highly important part.

In the author's view, an abuse is committed when there is an abnormal use of the patent, which disturbs the balance of public and private interests which underlies the rule of the recognition of law. Such an abuse occurs more especially in all cases where the titular holder of the patent, in exercising the power of autonomy conferred on him by the right to the exclusive use of the invention, exploits his right by committing acts which, while apparently conforming to the substance of this right, aim at producing effects inconsistent with the objects of patent legislation.

The abuse of a patent may relate to the circulation or use of the patent. In the former case, only transfers or licences containing clauses which hinder the economic progress or industrial development which could and should be obtained from exploiting a protected invention can be regarded as abuses. Certain territorial restrictions or temporary limitations do not constitute an abuse. On the other hand, any clause regarding the sale or licensing of the patent which tends to place restrictions on output, or to bind the sale of the product covered by the patent or arising therefrom constitutes an abuse. An abuse is committed by any titular holder of the principal patent who refuses to authorize its use for the exploitation of a subsidiary patent, or who makes the authorization dependent on conditions which are unduly onerous in relation to the restricted use of his patent.

An abuse also exists if the titular holder uses his patent exclusively to reserve for himself technical possibilities, not in order to exploit them but purely to debar others from so doing, as in the case of failure to exploit the invention or to exploit it sufficiently.

Excluded from the category of patent abuses is any irregularity in the exercise of the right, such as imposing conditions which do not

properly concern the exercise of the patent right, and which go beyond what is purely a sale or licensing relationship. In such cases there is an abuse of the right of economic freedom. These acts contravene the anti-monopoly laws and are therefore illegal.

The author concludes that patent legislation already constitutes a departure — even if justified — from the principles of free competition. Activities connected with uses of a patent which go beyond the substance of the patent and are aimed at securing an unwarranted privileged position on the market come within the sphere of regulation of competition. As they are infringements of this legislation, they distort its function. Accordingly, the author regards it as proper, even as a problem of legislative policy, to provide for and forbid instances of such infringement as an abuse of the right of economic freedom.

In this study, which contains numerous quotations, the distinction between the two categories of abuse — of patents and of free competition — is set out with convincing clarity. G. R.

NEWS ITEMS

PORTUGAL

Appointment of new Head of the Industrial Property Office

We are informed that Mr. Rui Álvaro da Costa Morais Serrão has been appointed Head of the Industrial Property Office as from September 29, 1964.

We take this opportunity of congratulating Mr. Morais Serrão on his new appointment.

NOTICE

The Hague Agreement for the International Deposit of Industrial Designs

In response to a number of requests, the United International Bureaux have, in the past, agreed to record in the Designs Register and to publish notices relating to working licences notified to them.

It would seem, however, that such records and publications, which are not provided for by The Hague Agreement for the International Deposit of Industrial Designs, had only a limited legal effect in the countries parties to this Agreement.

For this reason, the United International Bureaux have considered it preferable to discontinue recording and publishing notices relating to working licences for industrial designs.

NOTICE

African and Malagasy Industrial Property Office (OAMPI)

We have been requested by the Director General of the African and Malagasy Industrial Property Office to draw the attention of our readers to the following Notice:

(Translation)

"It is recalled that the prescribed period for accomplishing the formalities relating to the transitional provisions of the Accord of Libreville of September 13, 1962, will expire on December 31, 1964.

The owners of industrial property rights and depositors concerned are therefore invited to address their declarations and applications immediately to the OAMPI, in accordance with the conditions provided in the annexes to the Accord and the Regulations of the Office.

For further information, write to: OAMPI, P.B. 887, Yaoundé (Cameroon). »

(Signed) Emmanuel James MOUKOKO
Director General

Calendar of BIRPI Meetings

Place	Date	Title	Object	Invitations to participate	Observers
Geneva	November 30 to December 4, 1964	Committee of African Experts, convened jointly with Unesco, to study a draft model copyright law	Study of a draft model copyright law for African countries	Congo (Brazzaville), Ethiopia, Ghana, Ivory Coast, Liberia, Morocco, Nigeria	Individual consultants from the European Broadcasting Union, International Confederation of Societies of Authors and Composers, International Literary and Artistic Association
Geneva	March 15 to 19, 1965	Committee of Experts on inventors' certificates	To study the problem of inventors' certificates in relation to the Paris Convention	All Member States of the Paris Union	United Nations, International Patent Institute, Council of Europe, Organization of American States, International Association for the Protection of Industrial Property, International Chamber of Commerce, International Federation of Patent Agents, Interamerican Association of Industrial Property
Geneva	March 22 to April 2, 1965	Committee of Experts on the administrative structure of international cooperation in the field of intellectual property	To study a draft Convention on administrative structure	All Member States of the Paris and Berne Unions	United Nations, World Health Organization, United Nations Educational, Social and Cultural Organization, International Labour Organization, International Patent Institute, Council of Europe, Organization of American States, International Association for the Protection of Industrial Property, International Chamber of Commerce, International Federation of Patent Agents, Interamerican Association of Industrial Property, International Literary and Artistic Association, International Confederation of Societies of Authors and Composers, International Bureau for Mechanical Reproduction

Meetings of other International Organizations concerned with Intellectual Property *)

Place	Date	Organization	Title
Tunis	December 16 to 20, 1964	Union of African National Radio and Television Broadcasters (URTNA)	Administrative and Legal Study Group
Tel Aviv	January 31 to February 2, 1965	International Association for the Protection of Industrial Property (IAPIP)	Conference of Presidents
New Delhi	February 6 to 12, 1965	International Chamber of Commerce (ICC)	Congress
Paris	March 1 to 5, 1965	International Confederation of Societies of Authors and Composers (CISAC)	Legislative Committee
Stockholm	August 23 to 28, 1965	International Literary and Artistic Association (ALAI)	Congress

*) With this issue, *Industrial Property* introduces a second calendar of meetings which will be continued in future issues. This calendar lists meetings the agenda of which consists of or includes items concerning intellectual property (industrial property, copyright, neighbouring rights, etc.). Organizations which convene such meetings are invited to notify them to BIRPI as soon as their dates are fixed for possible inclusion in this calendar.