

Industrial Property

Published monthly
Annual subscription:
180 Swiss francs
Each monthly issue:
23 Swiss francs

30th Year - No. 9
September 1991

Monthly Review of the
World Intellectual Property Organization

Contents

WIPO MEETINGS

International Patent Cooperation Union (PCT Union). Assembly. Eighteenth Session (11th Extraordinary) (Geneva, July 8 to 12, 1991) 314

STUDIES

Industrial Property in the USSR—Status Report and Outlook, by *Y.A. Bespalov* 319

The New Czechoslovak Patent Law, by *L. Jekl* 325

NEWS ITEMS

Recent Developments in Industrial Property Legislation 329

Sweden 351

CALENDAR OF MEETINGS 352

INDUSTRIAL PROPERTY LAWS AND TREATIES (INSERT)

Editor's Note

CZECHOSLOVAKIA

Law on Inventions, Industrial Designs and Rationalization Proposals (No. 527 of November 27, 1990) Text 1-002

SOVIET UNION

Law of the Union of Soviet Socialist Republics on Inventions in the USSR (adopted by the Supreme Soviet on May 31, 1991) (*This Law, as well as the implementing legislation, replaces the texts previously published under Texts 2-001, 2-002 and 2-003*) Text 2-001

WIPO 1991

Any reproduction of official notes or reports, articles and translations of laws or agreements published in this review is authorized only with the prior consent of WIPO.

WIPO Meetings

International Patent Cooperation Union (PCT Union)

Assembly

Eighteenth Session (11th Extraordinary)
(Geneva, July 8 to 12, 1991)

NOTE*

The Assembly of the International Patent Cooperation Union (PCT Union) (hereinafter referred to as "the Assembly") held its eighteenth session (11th extraordinary) in Geneva from July 8 to 12, 1991.

The following 25 Contracting States were represented at the session: Australia, Austria, Cameroon, Canada, Czechoslovakia, Democratic People's Republic of Korea, Denmark, Finland, France, Germany, Hungary, Italy, Japan, Mongolia, Netherlands, Norway, Poland, Republic of Korea, Romania, Soviet Union, Spain, Sweden, Switzerland, United Kingdom, United States of America.

Bangladesh, Indonesia and Mexico participated in the session as observers.

The European Patent Organisation (EPO), having the status of special observer, was represented.

The following six non-governmental organizations were represented by observers: Committee of National Institutes of Patent Agents (CNIPA), European Federation of Agents of Industry in Industrial Property (FEMAPI), International Association for the Protection of Industrial Property (AIPPI), International Chamber of Commerce (ICC), International Federation of Industrial Property Attorneys (FICPI), Union of Industrial and Employers' Confederations of Europe (UNICE).

The list of participants follows this Note.

The Regulations under the PCT were last amended (apart from fee changes) in February 1984.¹

The last few years of practical application of the PCT system have shown that amendments to the

Regulations under the PCT were required in order to further simplify and modernize the system, and to afford better protection for applicants' rights in a few situations, in particular in relation to the procedure under Chapter II and to the use of new technologies.

The International Bureau proposed various amendments, in particular amendments relating to the procedure under Chapter II, for discussion at the Meeting of International Authorities (i.e., International Searching and International Preliminary Examining Authorities) held in January 1990 in Geneva. Subsequently, the PCT Committee for Administrative and Legal Matters considered numerous proposed amendments, including those mentioned above, during its third and fourth sessions in 1990 and 1991, in Geneva, and gave its advice on all those amendments to the International Bureau.

During its July 1991 session, the Assembly examined draft amendments to the PCT Regulations prepared by the International Bureau on the basis of the above-mentioned preparatory work. It adopted a large package of amendments. Of the 331 Rules presently in force, 122 are subject to substantive amendment and 18 new Rules are added, whereas the English text or the French text of 23 Rules is subject to purely drafting amendment.

All amendments will enter into force on July 1, 1992.

The purpose and a brief description of the most important amendments are indicated below.

Outline of Amendments

The following outline canvasses some of the significant changes to PCT procedures which result from the amendments to the Regulations adopted by the Assembly.

* Prepared by the International Bureau.

¹ See *Industrial Property*, 1984, p. 116.

Liberalized Access to PCT Procedures

With the large and increasing coverage of countries by the PCT, some of the original restrictions as to who may make use of procedures under the Treaty have become an unnecessary complication. The present requirement that, where different applicants are indicated for the purposes of different designated States, at least one of the applicants indicated for the purposes of each designated State must be a resident or national of a Contracting State, will be abolished when the amendments come into force. The PCT Regulations as amended require only, where there are two or more applicants, that at least one of the applicants be a resident or national of a PCT Contracting State.

In a similar vein, access to the international preliminary examination procedure is liberalized. The right to file a demand for international preliminary examination and to elect designated States for the purposes of the international preliminary examination procedure will exist provided that at least one of all the applicants filing the demand is a resident or national of a Contracting State bound by Chapter II of the PCT (which deals with international preliminary examination) and the international application concerned was filed with a receiving Office of or acting for a Contracting State bound by Chapter II.

Facilitating Designations and Elections of States

The present PCT Regulations require that the applicant indicate separately, by name, each of the Contracting States desired to be designated. While the printed request form for making an international application lists all the Contracting States which were party to the Treaty at the time of printing the form, it is possible for an applicant to inadvertently omit some States, particularly any which may have joined the Treaty since the form was printed. Similar omissions or mistakes can occur when electing States in the demand for international preliminary examination. Such mistakes may have serious consequences. Under the amended Regulations, applicants will benefit from safety nets which will make rectification of such mistakes a simple matter.

First, a new procedure is introduced which will enable all those States which could be designated but are not designated in the usual way to be designated subject to confirmation. The applicant will have the opportunity, until 15 months from the priority date, to rectify any mistakes among, or omission in, the designations made in the usual way by confirming those new types of designations. Fees will be payable in respect of the latter designations, including a special fee amounting to 50% of the fee for such designations, only upon such later confirma-

tion. The latter fee will have the same amount as the designation fee for a designation made in the usual way, but without any ceiling.

Second, the amended Regulations allow for the wish to obtain a European patent to be indicated by marking a single check box in the request form, which will have the effect of designating all PCT Contracting States which are party to the European Patent Convention at the time of filing the international application.

Third, when making a demand for international preliminary examination, the applicant will be able to elect all those States which are designated in the request and which are bound by Chapter II of the Treaty by checking a single box on the printed demand form. That is, the applicant will no longer be required to indicate separately the name of each elected State, avoiding the dangerous consequences which can flow from inadvertent omissions or mistakes.

Modern Office Practices Accommodated in PCT Procedures

Under the amended Regulations, a number of provisions are made to ensure that certain commonplace modern office practices are accommodated in PCT procedures. For example, it will be possible for applicants to file international applications with a request generated by computer rather than having to use the printed request form. The same will apply to the filing of demands. The required format will be dealt with in the Administrative Instructions.

Express provisions are made to enable the international application and other documents to be filed by facsimile machine transmission, provided that the Office or Authority receiving the facsimile is prepared to receive documents by such means of transmission. The automatic filing of originals will no longer be required in certain cases.

The existing provisions which excuse failure to meet time limits in cases where there are irregularities in the mail service are expanded to cover the use of delivery services as well as the postal authorities. These expanded provisions will, however, be available only where the Office or Authority to which the mail is addressed is prepared to apply them.

Simplified Fulfillment of Formality Requirements

In order to simplify the PCT procedure from the point of view of the applicant, and to enable applicants to avoid and/or rectify defects in formality requirements for international applications, a number of provisions have been substantially liberalized.

In cases where an applicant does not pay all the fees required when filing the international application, the amended Regulations provide a simplified procedure for enabling correction of this defect. Under the new procedure, the applicant will be required to pay the shortfall in fees in local currency direct to the local receiving Office, rather than to the International Bureau in Geneva, as at present.

The requirements for signature of the request and the demand are eased so that those documents need not be signed by an applicant-inventor for the purposes of designating the United States of America if he or she refuses to sign or cannot be found or reached after diligent effort, so long as the document is signed by at least one applicant and a satisfactory explanation is filed with the receiving Office.

Move Towards Harmonized Unity of Invention Requirement

The present provisions setting out the principles under which an international application is assessed for compliance with the requirement of unity of invention are replaced by criteria which were recently provisionally endorsed by a Diplomatic Conference in The Hague for inclusion in a proposed treaty for harmonizing patent laws (Patent Law Treaty). This modification of the PCT unity of invention requirement is a great step towards the implementation of an internationally accepted standard for unity of invention.

Move Towards Standard for Nucleotide and/or Amino Acid Sequence Listings

Under the amended Regulations, International Searching Authorities will be able to require an applicant whose invention is in the field of biotechnology to furnish listings of nucleotide and/or amino acid sequences complying with prescribed standards. The amendments will also enable such listings to be required in a machine-readable form to be provided for in the Administrative Instructions, making it possible for the Authority to undertake computerized searches of such inventions. The Assembly recommended that a WIPO standard for a machine-readable format for sequence listings be developed by the WIPO Permanent Committee on Industrial Property Information as soon as possible, so that the same machine-readable form of such listings would be accepted by PCT Authorities and all designated Offices. Initially, however, pending the establishment of a WIPO standard, the International Searching and International Preliminary Examining Authorities under the PCT, as well as the designated Offices, will be able to maintain their separate standards for machine-readable form.

Streamlined International Search

Several Rule changes will contribute to a smoother international search procedure and a more useful international search report. Under the amended Regulations, express provision is made for the identification in the report of particular important passages where an entire cited document is relevant. Where considered useful to others and practicable, any electronic data base used and the search terms used will be indicated in the report.

Where the International Searching Authority finds that the requirement of unity of invention is not satisfied, the Authority invites the applicant to pay additional fees for searching the additional inventions. Such fees may be paid under protest. The amended Regulations enable the Authority to charge a fee for filing a protest, provided that a prior review by the Authority has been already undertaken, in order to discourage speculative or frivolous use of the protest procedure.

The requirements which must be satisfied for appointment of a patent office as an International Searching Authority will be modified, recognizing that access to documentation may be achieved through on-line data bases or using CD-ROM or optical disks instead of paper documentation.

Streamlined Procedure for International Preliminary Examination

At present, International Preliminary Examining Authorities are often uncertain about when they should commence the international preliminary examination. The amended Regulations provide a simplified means for applicants to state the basis on which examination should take place and for Authorities to commence examination. The changes relate particularly to whether amendments under PCT Article 19 and/or amendments under PCT Article 34 are to be taken into account. In most cases, the amended provisions will result in Authorities being able to start the international preliminary examination procedure earlier than is possible at present. An earlier start will be of substantial benefit to applicants who wish to make decisions in connection with the international application prior to entry into the national phase and will contribute to improving the quality of the results of international preliminary examination because more time will be available.

Changes which relate to the international preliminary examination procedure itself include a provision clarifying that the international preliminary examination report will be established only on those inventions which were searched by the International Searching Authority, and another provision enabling the International Preliminary Examining Authority to require a copy of any sequence listing for a

nucleotide and/or amino acid sequence in machine-readable form which was furnished to the International Searching Authority.

In connection with the establishment of translations of the international preliminary examination report, an important change is made reflecting the fact that all elected States now accept a translation of the report into English. Thus, only one translation, if any, of an international preliminary examination report will in future be required (that is, a translation into English). A corresponding change is made in relation to the handling fee. At present, applicants must pay as many supplements to the handling fee as there are languages into which the elected Offices require translations of the international preliminary examination report. In future, only one handling fee will ever need to be paid by the applicant, without any supplement, irrespective of the need for a translation of the report.

The International Preliminary Examining Authority, like the International Searching Authority (see above) will be able, under the amended Regulations, to charge a fee for filing a protest against the payment of additional fees where the Authority has found that the requirement of unity of invention is not satisfied, thus discouraging the filing of speculative or frivolous protests.

The international preliminary examination procedure is confidential between the International Preliminary Examining Authority, the applicant and the International Bureau. Without derogating from that principle, provision is made for publication in the *PCT Gazette* of the fact that a demand for international preliminary examination has been made within 19 months from the priority date, with an indication of those designated States bound by Chapter II of the Treaty which have not been elected.

Liberalized Requirements for Translations

The requirement that all elements of an international application must be filed in the same admitted language is liberalized by not penalizing the applicant if the request, the text matter in the drawings, and/or the abstract are in an admitted language other than the language of the description and claims. Moreover, if elements of the international application, other than the description and claims, are not filed in an admitted language, such a defect will be able to be corrected without loss of the international filing date.

A further change relates to translations which must be furnished for the national phase in the case where amendments have been made during the international phase. While applicants may still be required by some designated Offices to file, upon entry into the national phase, translations of both the claims as originally filed and of the claims as

amended, failure to meet this requirement will not be fatal to the application, since the designated Office will first issue an invitation to the applicant to remedy the situation, provided that a translation of one of the versions of the claims has been furnished.

More Flexibility in Appointing Agents

Express provisions are added to the Regulations to enable the appointment by the applicant of a person to act as his agent specifically before the International Searching Authority or the International Preliminary Examining Authority, provided that the person so appointed has a right to practice before the national Office or intergovernmental organization which acts as the Authority concerned. It will also be possible for an agent to appoint one or more sub-agents to represent the applicant as the applicant's agent, a possibility which would be particularly useful for the appointment of agents to act specifically before the International Preliminary Examining Authority.

Streamlined Provisions and Procedures for Withdrawal

The present provisions on withdrawals appear in different places in the Regulations, although the principles which apply are related. A new Rule has been adopted which groups all the different provisions on withdrawal together. Moreover, whereas it is possible now to withdraw a priority claim only until the international publication of the international application, it will be possible under the new Rule to withdraw a priority claim until 20 months from the priority date (or 30 months, if a demand was filed within 19 months from that date), thus postponing further the national procedure and the incurring of related expenses. The new provisions clarify also that the international application can be withdrawn during the international preliminary examination procedure.

Drafting Changes to Make the Regulations More Readily Accessible

In addition to the substantive changes outlined above, a large number of changes of a drafting nature have been made. These clarify certain provisions where some doubt existed and delete obsolete provisions which are no longer needed. These changes are made with the aim of making the Regulations more readily accessible to applicants and their agents.

LIST OF PARTICIPANTS**

I. Member States

Australia: B.I. Murray. **Austria:** D. Trattner. **Cameroon:** G. Towo-Atangana. **Canada:** P. Trépanier. **Czechoslovakia:** M. Guttman, M. Hošková. **Democratic People's Republic of Korea:** C.R. Pak. **Denmark:** L.D. Østerborg. **Finland:** M.H. Löytömäki. **France:** J. Verone; J.-B. Mozziconacci. **Germany:** F.P. Goebel. **Hungary:** G. Vékás; M. Sümeghy. **Italy:** M.G. Fortini; P. Iannantuono; B. Gradi; G. de Sanctis. **Japan:** K. Sato; T. Shiba; S. Takakura. **Mongolia:** G. Gongor. **Netherlands:** S. de Vries. **Norway:** I. Lillevik. **Poland:** B. Rokički. **Republic of Korea:** J.K. Kim. **Romania:** I. Constantin. **Soviet Union:** A.V. Senchikhin. **Spain:** A. Casado Cerviño; J.F. Ibañez Ballano. **Sweden:** J.-E. Bodin; M. Eriksson. **Switzerland:** P. Messerli; K. Grünig. **United Kingdom:** C.G.M. Hoptroff; L. Lewis; H.J. Edwards. **United States of America:** V. Turner; R. Lazarus; A. Kelly.

II. Observer States

Bangladesh: M.I. Talukdar. **Indonesia:** E. Husin. **Mexico:** I. Naveja.

III. Intergovernmental Organization

European Patent Organisation (EPO): L. Gruszow; B. Günzel; J. Van Aubel; B. Hjelm; E. Waeckerlin.

IV. International Non-Governmental Organizations

Committee of National Institutes of Patent Agents (CNIPA): E. Popp. **European Federation of Agents of Industry in Industrial Property (FEMIP):** R. Kockläuner. **International Association for the Protection of Industrial Property (AIPPI):** H. Bardehle; M.N. Meller. **International Chamber of Commerce (ICC):** J.H. Kraus. **International Federation of Industrial Property Attorneys (FICPI):** K. Raffnsøe. **Union of Industrial and Employers' Confederations of Europe (UNICE):** R. Kockläuner.

V. Officers

Acting Chairman: P. Messerli (Switzerland) (on the first day of the session); L. Lewis (United Kingdom) (on the other days of the session); *Secretary:* B. Bartels (WIPO).

VI. International Bureau of WIPO

A. Bogsch (*Director General*); F. Curchod (*Director of the Office of the Director General*); *PCT Legal Division:* B. Bartels (*Director*); V. Trousov (*Senior Counsellor*); P. Thomas (*Senior Legal Officer*); I. Boutillon (*Legal Officer*); L.O. Maassel (*Consultant*); *PCT Administration Division:* D. Bouchez (*Director*); T. Shimomichi (*Counsellor*).

** A list containing the titles and functions of the participants may be obtained from the International Bureau.

Studies

Industrial Property in the USSR—Status Report and Outlook

Y.A. BESPALOV*

By the time the reader has this issue in his hands, a number of other events will have occurred that go beyond the context presented here. However, those events will be no more than the materialization of development patterns outlined previously.

Our country is already implementing and initiating radical changes in all areas of social life. Quite naturally those changes have also profoundly affected patent law.

In this issue, the new Law of the Union of Soviet Socialist Republics on Inventions in the USSR,¹ which entered into force on July 1, 1991, is presented for the reader's perusal.

In our opinion, the adoption of this text is an important and indeed indispensable element of the social and economic reforms being effected in our country.

From a legal standpoint, the Law on Inventions is intended to serve as a basis for the development of relations in the industrial property field that are fundamentally new to our country: it provides the legal and structural basis for the transition to a market economy.

Inventors, innovators and scientific and technological circles as a whole have been impatiently awaiting this Law, which, for the first time in the history of our country, places at the highest point of the invention process the interests of the main protagonist, the inventor. For that reason they have all taken part in the drafting of the Law, and have done so very actively and with great interest.

We do hope that the Law will be received with understanding by international circles, as it fits into the program of work being conducted in the USSR with a view to intensifying and broadening economic cooperation with other countries. For it is clear that it would be difficult, without legislative texts to back up this extremely important step taken in the field of intellectual property, to expect definite results in economic relations with foreign partners.

From the earliest stages, delegations from our Office considered and commented on the main provisions of the draft Law with specialists and experts from the World Intellectual Property Organization (WIPO), the European Patent Office and a number of national patent offices (France, Germany, United States of America, etc.). Observations received in this connection and also desires expressed, the purpose of which was to improve the draft Law, have to a large extent been incorporated in the final text. I take the liberty of expressing my gratitude to all those of our foreign colleagues who gave us their competent and impartial assistance, and especially the Director General of WIPO, who was kind enough to make a statement in the Soviet press in favor of the Law's adoption by Parliament.

From the outset of the reform, we had to determine the main objectives and the main undertakings that were to be taken into account in the new Law.

We formulated them as follows:

(1) it was a question of settling inventive activity on sound legal foundations, and of precluding the imposition on the inventor of relations determined by State and social structures, its relations in the future having to be determined by economic and legal machinery;

(2) the Law was to establish effectively the priority of the interests of the inventor as the main protagonist in inventive creation, and to guarantee respect for and the defense of the rights of inventors, whether working alone or as a team;

(3) on that legal basis, the contribution of millions of inventors to the increase of national wealth had to be substantially enhanced by stimulating their activity and the creation of advanced products and technology, and on that basis scientific and technological progress was to be ensured in the national economy.

Considered as a whole, the major areas of emphasis of the Law were worked out on the basis of a great national debate, consultations with the Union Republics and harmonization of the funda-

* Chairman of the USSR Patent Office.

¹ See *Industrial Property Laws and Treaties*, SOVIET UNION - Text 2-001.

mental provisions with those of foreign industrial property legislation.

Let us now consider the main aspects of the Law.

Economic Machinery

Hitherto, the main form of protection for inventions was constituted by the inventor's certificate.

All the adverse effects of that situation are well known. The exclusive right to work the invention belonged to the State, in other words to no specific person.

The State rewarded the inventor only partly for his intellectual and physical work, and compensated him only partly for the expenditure incurred by him in the making of the invention; it also granted him certain rights and privileges in the work place. It was so difficult to exercise those rights, however, that inventors were discouraged from engaging in creative activity.

Apart from that, production plans, programs and other specific circumstances seemed to be sufficiently preoccupying for the exploitation of inventions to take second place. The modernization and reorganization of production was not on the agenda at all.

Ultimately the position was as follows: on the one hand the exercise of the inventor's rights, which the inventor had "voluntarily" transferred to the State, was hampered, and on the other hand there was no interest in the exploitation of the inventions on the part of enterprises and administrations. This paradox made the country's position critical with respect to scientific and technological progress as a whole.

In the 1980s, the proportion of industrial production that incorporated inventions was no higher than 40%, and fewer than a third of the inventions made in the country were actually exploited in the national economy. In 1989, the number of inventions being worked actually fell to 17,700. What is more, the majority (up to 53%) of all inventions being worked related to improvements in the secondary characteristics of existing technology or products, and only 1.5% of all inventions were actually innovative.

During the whole of this period, the overall percentage of achievements that exceeded world levels was divided by 2.2, and that of achievements equalling world levels by 1.5; in other words, there was an observable downturn in the country's technological development. The situation prevailing in the field of inventions played a decisive part in this respect, as new products and new technology are created only on the basis of inventions and ideas that break new ground.

Clearly the main cause of the adverse developments noted lay in the economy's lack of receptiveness to the new products of intellectual creation, and especially inventions, owing to the existence of

monopolistic structures in the physical production setup, but also owing to a lack of effective economic and legal machinery.

The new Law seeks to solve these problems by having recourse precisely to economic methods and machinery, in view of the fact that purely administrative management backed up by constraints had, judging by its total failure, clearly outlived its usefulness, and quite simply could not be applied to the conditions of a market economy.

The key element of the economic machinery adopted in the Law consists in the association of the inventor's interests with those of the user of his work. All other bodies are kept out of the process. The Law establishes a single form of legal protection of inventions, namely, the patent. It confers on the holder of the patent the exclusive right to exploit the invention, that belongs to him.

Particular emphasis should be placed on the fact that the patent, which affords the same possibility of securing exclusive rights in the exploitation of an invention to any agent operating on the market, including small enterprises, thereby breaks up the monopoly of the major enterprises and at the same time exerts a powerful antimonopolistic force.

Being invested with an intrinsic economic value, the patent becomes a commodity; it may be bought and sold. For our country, unlike industrially developed western countries, in which relations of this kind are customary, this is a radical change, which of course allows inventive activity to be transferred to the sphere of economic relations. Indeed, that is what the Law provides, and we shall see in what forms it does so.

The inventor is granted the right to sell on a contractual basis the products of his intellectual effort, to set up his own business, to sell a license or to assign his rights as holder of the patent.

Also of fundamental importance are those provisions of the Law that have the effect of substantially reinforcing economic participation in the field of material production, which they do by making profits, including those in the form of foreign currency, tax-exempt for five years, and by allowing the enterprise to dispose of them freely during that period. In this we can see the seeds of an amortization policy conducive to progress, inasmuch as, on expiration of the five-year period, it will prove necessary to renew production in order to escape heavier taxation.

It should also be pointed out that tax-exempt funds are a direct stimulus for inventive activity, as they are assigned to the raising of the technological level of goods and to social purposes, and therefore meet the needs of inventive activity itself.

The priority given to the inventor's interests is further attested by the fact that his remuneration is limited neither quantitatively nor in terms of time. Provision is made for one limit only, and even that

operates to the inventor's advantage: remuneration may not be less than 15% of profits. I would, however, mention once again that all relations between the inventor and the user are defined contractually.

The Law also takes over other important features of the system of autonomous accounting that have already given favorable results in market economy situations abroad. Among these, one could in particular mention the exploitation of inventions under license within the country (domestic licensing machinery).

In our opinion, this provision will help make it more interesting economically for patent owners and companies involved in licensing transactions to create new products and processes on the basis of inventions, and will thereby promote the development of a market for scientific and technological achievements.

The present situation is not satisfactory: USSR licensing revenue represents less than 2% of the corresponding revenue in Japan and less than 0.4% of that of the United States of America.

Of course, if economic relations are to develop in the field of inventive activity, there must be flexible machinery to finance that activity, and the Law does contribute constructive elements to the financing system. It is provided that centralized and regional funds will be set up and also, in enterprises, specialized funds whose purpose is to contribute to the development of inventive activity. Recourse can be had, on favorable terms, to bank credit, to money from the centralized funds and, in case of need, to budgetary credit.

An additional source of financial support for inventive activity is constituted by the resources of innovation funds and banks, which can, on a contractual basis, provide enterprises, temporarily associated creators and independent inventors with specific subsidies or favorable credit.

Another new institution, the State Invention Fund of the USSR, is responsible for taking care of the financing, development and marketing of inventions. This kind of institution is appearing in the USSR for the first time, and its purpose is to make the launch period easier for the inventor. For instance, the provisions on this Fund provide for the deferment of the payment of fees and a certain number of other advantages. It should be noted in this respect that the relations between the inventor and the Fund are likewise determined on an exclusively contractual basis.

The main features of the economic machinery introduced by the Law have counterparts in USSR laws adopted previously, whose relevant provisions they are developing. I shall give some examples of this below.

Section 31 of the Law of the Union of Soviet Socialist Republics Concerning Enterprises in the USSR provides that the State must create "favorable

conditions for companies engaging in the technological improvement of production, and primarily for those that implement discoveries, inventions and rationalization proposals."

Under the provisions of the USSR Law on the Taxation of Enterprises, Associations and Organizations (Section 26), the remuneration paid for discoveries, inventions and rationalization proposals does not appear in the operating accounts and is therefore not subject to taxation. Moreover, Section 6 of the same Law gives the benefit of quite a favorable tax regime to scientific research and development and experimental activities as it does to the development and implementation of new technology and products by means of the enterprise's disposable profits: an abatement is allowed on taxable profit in the proportion of 30% of the expenditure assigned by the enterprise to the implementation of those activities.

So it seems to us that legislation now provides substantial privileges both for an enterprise that creates new products and technology, including those based on inventions, and to enterprises that make use of inventions and also inventors' associations, not to mention the invention development companies set up by the All-Union Society of Inventors and Rationalizers.

Legal Machinery

If restructuring processes are to be intensified, it is not sufficient to have political will and a smooth-operating economic system; there has also to be reliable legal machinery for the protection of intellectual property.

As we have seen, the main element of that machinery is the single title of protection, namely the patent, the grant of which by the State has just been provided for. The patent confers economic rights in respect of the product that it protects. From now on the invention is no longer ownerless. Under the Law, the State has radically changed its function: instead of "requisitioning" inventions and making them its property, it now takes on the role of "defender" (restoring the invention entirely to its true owner) and assumes a legal function—that of protecting the inventor's interests by means of the patent. This legal principle of the Law alone means that our State may be ranked among the civilized countries in the field of industrial property.

In addition, the inventor enjoys a certain number of other rights: participation in the examination of applications and in the development process, exercise of supervision and also extensive rights with regard to examination periods and appeals against decisions handed down. A special mention should be made of the right to compensation for damages caused by unlawful use of the invention.

In view of the fact that our country has turned itself in the direction of the market economy, it is

now up to economic agents to capture market shares and to protect them by means of healthy competition. The legal machinery of the patent system provides them with every opportunity of doing this, both within the country and on the international market. It is likewise important to note that the patent conforms to practically all the types of property recognized by legislation in the USSR, from State property to private property. In other words, depending on its owner, the patent may be State property, collective property or private property.

Bureaucratic obstacles that prevented the inventor from obtaining the remuneration that was his due were a serious problem in our economy. Radical measures have been introduced to redress this abnormal situation: a penalty clause requires payment of 0.04% of the amount of remuneration due for every day's delay. This in fact is an economic lever, but there is provision also for a legal lever: bureaucratic slowness and delays in payment can now result in criminal liability.

The Law provides further for the creation of the necessary institutions for the defense of inventor's rights. These are the Appeal Board and, at the legal level, the Patent Court, which is the highest appeal body. This is the first time that such institutions have been created in our country, and we have already started to establish them at the practical level.

It is significant that there has been a considerable shift of emphasis with respect to the sanctions applicable in the field of inventive activity. Whereas in the past infringement of the authorship of an invention and of the right to remuneration, as well as bureaucratic slowness in the exploitation of the invention, were the main unlawful acts, the new Law mainly emphasizes infringement of the exclusive rights in the invention.

A person who has infringed a patent is held civilly liable, and is primarily obliged to cease and desist from infringing the patent and to pay damages. The patent owner or the holder of an exclusive license may also institute infringement proceedings.

The Law also contains other provisions that give inventors moral and material encouragement. Those measures deal with employment conditions and tax treatment among other things.

Finally, attention should be drawn to the ideological aspect of the Law as a whole. It is not a catalog of prohibitions, but rather a positive text which affords freedom of choice and action. All the provisions of the Law are regulatory and non-prohibitive in character, which is of great importance.

Administrative Machinery

The adoption of the USSR Law on Inventions is an important, decisive step along the road leading to the market economy. It is one of the most funda-

mental changes in the system of legal organization that the country has experienced in intellectual property matters since its inception.

Another radical novelty is that the monopoly on the representation of the interests of foreign applicants has been abolished. Whereas in the past foreign applications could not be filed otherwise than through the USSR Chamber of Commerce and Industry, and more specifically through the association known as "Soyuzpatent," the new Law allows foreign applicants to have recourse to the services of any patent agent registered with the USSR Patent Office [*GOSPATENT SSSR*]. We are expecting a large number of independent partnerships of patent agents to be set up in a short space of time. A special board has been formed within the Office for approving them. What this amounts to in fact is the creation of a new profession in the country, that of patent agent. It is planned that the future patent agents will be trained in an institute under the authority of our Office. As we are now taking the first steps towards the creation of a new system, we have gratefully accepted the kind proposal by Dr. A. Bogsch, Director General of WIPO, for the holding in the USSR of an international seminar on the various functions of the patent agent, which will afford Soviet specialists the opportunity of acquainting themselves with what to them is a new form of activity and of acquiring professional skills. For our part, we are planning to organize a seminar for foreign specialists, with a view to explaining and clarifying certain provisions of the new Law, the corresponding implementing instructions and the procedures for their application.

In this connection, the Law affords Soviet applicants for the first time the possibility of also having recourse to the services of patent agents. This provision is, however, not mandatory for Soviet applicants, unlike the provisions for foreigners in this respect.

Conversely, the provisions on service inventions and the filing of patent applications abroad, which are mandatory for Soviet natural persons and legal entities, are only optionally applicable to enterprises set up with investment from abroad. Those enterprises may specify the procedures for their action in those two areas in their articles of incorporation.

In the course of drafting the Law, long discussions arose from questions connected with the exploitation of inventions in the interest of the State, compulsory licenses and service inventions. On all these questions we succeeded in persuading the legislator of the need to take over the tried and tested solutions that had been adopted by the main foreign countries and recommended by WIPO.

Thus it is that, in the field of service inventions (see Section 4), it is provided that the relations between the employer and the salaried employee regarding inventions have to be settled by means of

a contract that takes due account of the interests of both parties.

Exploitation of the invention in the interest of the State is only authorized in the two cases provided for in Section 25.1, and then only against payment of an equitable monetary compensation.

The solution introduced by the Law to the problem of compulsory licenses is another new feature. The relevant provision takes due account of the revision work on the Paris Convention for the Protection of Industrial Property, which has been conducted for many years by WIPO, and it provides for the theoretical possibility of obtaining such a license where the working of the patented invention is delayed without reason on the territory of the country. The examination of requests for the grant of compulsory licenses, the consideration of the arguments of both parties and the assessment of the equitable compensation come under the exclusive jurisdiction of the Patent Court of the USSR.

The procedure for the examination of inventions is likewise substantially changed. First, unlike the legislative texts in force hitherto, the Law contains no definition of the invention. As in most other countries, the invention concept emerges from the three patentability criteria, novelty (absolute and worldwide), inventive step and industrial applicability. Examination has to take place within very short time limits (one month for preliminary examination and 12 months for substantive examination). In order that the interest of the applicant may be taken into consideration, there is provision for dialogue between him and the examiner in the course of the examination (Section 12). Another aspect of the Law is the publication of particulars concerning the application under the provisions of Section 11.

The list of subject matter qualifying for protection has been extended and now also includes plant or animal cell cultures, processes for the prevention and treatment of diseases in humans or animals and chemical and pharmaceutical compounds. In addition, there is provision for the indirect protection of inventions, whereby the patent granted for the production process of a product extends to the product obtained using that process.

It has to be admitted that we had serious misgivings regarding the protection of chemical and pharmaceutical compounds, as the representatives of the chemical and medical industries insisted on the introduction of that protection being deferred by a number of years. Common sense eventually prevailed, however: technological progress cannot be based on anything other than fair competition, which will induce our industry to work harder on developing new products and so to make its contribution to the development of chemistry and pharmaceutical technology.

In view of the radical changes thus made to the system for the protection of inventions, it seemed

necessary also to modify the structure of the organs of the patent system, the effect of which was not only the creation of new institutions (Patent Court, Appeal Board, State Invention Fund and an institute of private patent agents), but also the reorganization of the authority responsible for industrial property matters in the USSR. The State Committee for Inventions and Discoveries attached to the USSR State Committee for Science and Technology has been changed into the USSR Patent Office [*GOSPATENT SSSR*], which is under the direct supervision of the USSR Cabinet of Ministers. Like its predecessor, the Office has the task of organizing the reception and examination of applications for the protection of inventions and industrial designs, registering marks, gathering and disseminating patent information, training patent specialists and providing various industrial property services for the benefit of individuals as well as enterprises and administrations. In the market economy framework, one new function of the Office consists in coordinating the campaign against the trade in counterfeit goods. To that end, the Office entertains working relations with the Ministry of Trade and the Directorate General of Customs for the conduct of joint inspections and the training of officials from those administrations in matters pertaining to unfair competition.

In addition, for the purposes of the coordination of the industrial property activities of the Republics, a council of representatives of each Republic has been set up at the Office and given the necessary working facilities.

Furthermore, the increased work load and the development of patent information exchanges with foreign countries also oblige us to expedite the implementation of the Office's overall computerization program. The creation of a large computer center, the collection of machine-readable data and the fitting out of the work places of the examiners and other collaborators of the Office have become urgent assignments in the accomplishment of which WIPO, the EPO and a number of foreign offices have greatly assisted us. The aim of this approach to our activity is to make the entire system operate without recourse to paper, in a manner compatible with the systems introduced by WIPO and foreign patent offices.

It should be pointed out that two other laws were adopted at the beginning of July 1991, the Law on Trademarks and Service Marks and the Law on Industrial Designs. Those Laws will enter into force on January 1, 1992 (and we trust that WIPO will make the columns of its review available for the publication of the texts of these two new Laws in the near future).

Finally, there are a number of draft laws that will be presented very shortly, concerning among other things the protection of appellations of origin, unfair competition and the protection of manufacturing

secrets and the layout-designs of integrated circuits.

By way of conclusion, it may thus be said that the radical reform of the industrial property protection system in the USSR is the result of experience gained within the country, perseverance and hard

work on the part of the world of inventors and State organs, and also the international cooperation provided over a period of many years within the framework of WIPO, in the spirit of the Convention establishing that Organization.

The New Czechoslovak Patent Law

L. JAKL*

On January 1, 1991, the new Law on Inventions, Industrial Designs and Rationalization Proposals entered into force in the Czech and Slovak Federal Republic.¹ Its adoption is the culmination of work aimed at establishing the fundamental principles of the patent system in the Czech and Slovak Federal Republic and marks a return to the European patent regime.

The patent system was instituted immediately following the creation of the Czechoslovak Republic in 1918 by the adoption of the first Czechoslovak law (Law No. 30) on the protection of inventions. This Law was closely related to the Austrian Law of January 11, 1897, and continued to remain so. At the time, it was indisputably one of the most progressive legal regimes for the protection of inventions, establishing in particular the first Patent Office and the first Czechoslovak Patent Court. The activities of the Czechoslovak Office were so successful that the first volume of its collected decisions was published in 1933. The up-to-date nature of the Czechoslovak patent legislation was also evident in the close relations with international patent law and treaties.

Progress in the legal field in Czechoslovakia related to industrial property, as well as other sectors, came to a halt during the Second World War and in the postwar period.

The three laws on inventions, adopted in 1952, 1957 and 1972, respectively, gradually became further removed from the concept of the exclusive right to protection of inventions and, as a result of several legislative amendments, the idea of free unlimited use by the State was formulated. Legislative developments directed towards non-exclusive protection reached their apogee with the adoption of the 1972 Law, which only allowed patent protection for inventions to foreign claimants; in all other cases, inventions had to be protected by inventors' certificates. An invention protected in this way was a piece of national property and neither the inventor nor the user of the invention had the right to it. The effect of this system was to render the patent system meaningless and consequently patent law as conceived in countries with a high level of legal industrial property protection. The principle of non-exclusive protection has often been interpreted as the logical

consequence of collectivization of the means of production and as a reflection of the objective of widespread and rapid use of inventions for the benefit of the economy as a whole. As is well known, application of this principle has not yielded the expected results.

This is why it became urgent and necessary for Czechoslovakia during the current period of transition towards a market economy to reconstitute the patent system based on the principle of an exclusive protection right and to establish a legal framework in this sector of industrial law so as to facilitate the transition.

Basing patent law on legislation dating from the end of the 19th century, which was the legislation in force in Czechoslovakia before the war, would today be an anachronism since the patent system, although it had ceased to be legal in Czechoslovakia, had not come to an end but, on the contrary, had continued to develop.

Moreover, a number of legal concepts based on different principles have emerged in Czechoslovakia in recent years, particularly with regard to the legal relations deriving from technical solutions. Under these circumstances, straightforward revival of the previous patent law based on the Austrian system familiar to us in the past would not be a solution either. It was therefore necessary, on the one hand, to prepare the transition towards a new concept of the law of inventions and, on the other, it was imperative that the *status quo* in which we found ourselves should be maintained to a certain extent.

The new Czechoslovak Law must therefore not be seen as the definitive solution in this legal field but rather as the basis on which subsequent improvements will be grafted. First of all, it should be noted that the Law fully respects the obligations laid down in international treaties to which the Czech and Slovak Federal Republic is party, *inter alia* the Paris Convention for the Protection of Industrial Property. In drawing up the text of the new Law, the results of the work on harmonization of patent law currently taking place within the World Intellectual Property Organization were taken into account, as well as the relevant legislation of the Member States of the European Community.

The provisions concerning patentability of inventions are very close to European patent law, the conditions for patentability being almost identical to those contained in the European Patent Convention: patents are granted for inventions which are new,

* President of the Federal Office for Inventions of the Czech and Slovak Federal Republic.

¹ See *Industrial Property Laws and Treaties*, CZECHOSLOVAKIA - Text 1-002.

involve an inventive step and are applicable in industry. An invention is considered new if it does not form part of the state of the art, which is clearly specified in the Law and is in conformity with European patent law. The Law contains a new provision according to which certain disclosures made during the six months preceding the filing of the application do not nullify the novelty of the invention. It states that an invention is considered as involving an inventive step if, for a person skilled in the art, it does not obviously form part of the state of the art. A "person skilled in the art" means a medium-level skilled worker who possesses general information on the state of the art in the technical field in question. Finally, an invention is considered to be capable of industrial application if it can be repeatedly worked as part of economic activities.

With regard to the (non-exhaustive) list of solutions that cannot be considered to be inventions within the meaning of the Law, the new Czechoslovak legislation is, here again, identical to corresponding European law. These solutions include discoveries, scientific theories and mathematical methods, the mere appearance of products, schemes, rules and methods for performing mental acts, computer programs and mere presentations of information. These subjects or activities cannot lead to the grant of a patent when the claim for protection only concerns one of the elements considered as such.

The concept of exclusion from patentability is also similar to European patent law: patents cannot be granted for inventions contrary to public interest, including those contrary to the principles of humanity or morality, the idea of public interest being closely related to that of public order. Patents cannot be granted either for methods for prevention, diagnosis and treatment of diseases of the human or animal body (although the exclusion does not affect products and devices for utilizing such methods) nor for plant or animal varieties. The Law has not repeated the provisions of the previous law, which excluded from patentability chemical substances, pharmaceutical products, the industrial production of microorganisms and substances obtained by nuclear fission, and these can now be patented in the Czech and Slovak Federal Republic.

The original patent right is considered to be the fundamental subjective right of the inventor. Where an invention is made by a worker as part of his tasks deriving from an employment relationship (employee's invention), the right to a patent is dealt with differently, the Law providing for a legal assignment of the right to the employer unless the employer and employee agree otherwise in a contract or agreement. The inventor has the right to remuneration for the employee invention transferred to the employer, as well as to additional remuneration if the original sum is obviously no longer proportionate to the benefit

obtained by the employer as a result of exploiting a patent right.

As far as the effects of the patent are concerned, the Czech and Slovak Federal Republic has accepted without any exclusion the basic principle of patent rights, that is to say, exclusiveness. The owner of the patent has the exclusive right to work the invention, to authorize third parties to use it or to assign the patent to others. The effects of a patent granted for a production process do not only relate to the process itself but also include the new products directly obtained by such a process. The Law does not lay down any limitation on the effects of a patent unless there is a prior user's right or the provisions of Article 5^{ter} of the Paris Convention (use on board vessels, etc., of other countries of the Paris Union) apply. The State may only intervene in respect of the rights of a patentee by granting compulsory licenses, in accordance with the relevant provisions of the Paris Convention. The agreement regarding use of an invention protected by a patent (license) must be contained in a written contract that has effect in respect of third parties as from its entry in the Patent Register. The same provision applies to contracts on assignment of a patent.

In conformity with the results of work on harmonization of patent law, the term of validity of patents has been fixed at 20 years from the filing date of the application. The patent can only lapse earlier if the patentee has not paid the administrative fees in good time or if he relinquishes the patent. The patent can be cancelled if it is ascertained that the conditions for granting it were not met.

The Law also includes a number of basic provisions regulating the procedure for granting patents.

The grant of a patent must be the subject of a patent application filed with the Federal Office for Inventions, which is the only body with which patent applications can be filed in the Czech and Slovak Federal Republic, together with the office receiving international applications filed in Czechoslovakia in accordance with Article 10 of the Patent Cooperation Treaty.

Filing a patent application gives the applicant a right of priority. As the Czech and Slovak Federal Republic is bound by the Paris Convention, the Law contains provisions regarding international priority in conformity with the relevant articles of the Convention.

The most important change in the new Law compared with the previous law as far as filing patent applications is concerned is the introduction of deferred examination. Deferred examination has been included so that a full examination—which is a long and burdensome procedure—only has to be carried out in cases where there is a real presumption that the invention that is the subject of the patent application will be used in economic activities. During the preliminary examination, the Office only checks

whether or not the application is complete for the purposes of publication and whether, in addition, it concerns a solution that is manifestly excluded from protection. Preliminary examination is followed by publication of the application by the Office within 18 months from the date on which the priority right begins.

The request for full examination must be submitted within 36 months from the filing date of the application, failing which the Office terminates the procedure. In the course of the full examination, the Office verifies whether the conditions for patentability have been fulfilled. The procedure for full examination of a patent application leads to one of three results: rejection of the application, termination of the procedure (for example, if the application contains irregularities) and, finally, grant of a patent.

In view of the situation referred to above, the new Czechoslovak Law could not entirely eliminate regulation of claims resulting from creative technical activity nor those based on industrial designs, although this is more for pragmatic reasons rather than for questions of principle. It therefore also deals with the protection of industrial designs and rationalization proposals.

An industrial design is defined as the external appearance of a product, and the same protection is conferred on designs (two-dimensional) and models (three-dimensional), the Law not differentiating between them. The main characteristic of an industrial design is the external appearance of a product but not its technical characteristics, which means that industrial designs are protected purely from the aesthetic point of view and not from the point of view of their utility. (Work on the adoption of a law on utility models is currently taking place in Czechoslovakia.)

In order to benefit from the protection of the Law, an industrial design has to meet the conditions of novelty at the global level and the possibility of industrial use. If they fulfill these conditions, even objects in the field of the applied arts can be considered as industrial designs.

The exclusive right in an industrial design is consequent upon registration in the Register of Industrial Designs. Provisions on exclusion from protection of industrial designs contrary to public interest are similar to those concerning inventions.

The right to file an application for an industrial design and the right to file a patent application are regulated in a similar way, including the provisions on the legal assignment to the employer of rights in an employee's design.

In conformity with the Hague Agreement Concerning the International Deposit of Industrial Designs, to which the Czech and Slovak Federal Republic intends to accede, the Law authorizes the filing of multiple applications for industrial designs.

Filing an application gives the applicant a right of

priority. Here as well, the Law follows the relevant regulations in the Paris Convention regarding international priority. The inclusion of priority for display has also been taken from the previous legislation.

In contrast with patent applications, applications for industrial designs are not published and are not the subject of deferred examination. The procedure for examining such applications can also have three different outcomes: registration of the design in the Register, termination of the procedure or rejection of the demand.

Registration of a design is valid for five years from the date of filing the application and can be extended for a maximum of two periods of five years each.

A registered design has effects similar to those of a patent: the owner of an industrial design has the exclusive right to work it, to authorize others to work it or to assign it to others.

License and assignment contracts in respect of industrial designs must be in written form and have effect in respect of third parties as from their entry in the Register. The effects of a registered design can only be limited if a prior user claims the design. Lapsing and cancellation of rights to industrial designs are dealt with in a way similar to the lapsing and annulment of patents.

The Law has a number of provisions that are common to inventions and industrial designs in respect of the procedure before the Office. One of these is the obligation for foreigners to be represented in proceedings before the Office by a lawyer or commercial legal expert, in conformity with the special regulations on lawyers and commercial legal experts, or by a patent agent approved by the Office. Provisions governing the profession of patent agent are presently being drawn up.

The changes in the Law with regard to compensation for damages and civil penalties in cases of infringement of the rights of owners of patents or industrial designs are particularly interesting since their scope is unprecedented in Czechoslovak law: the Law does not only repeat certain habitual remedies contained in the previous law, for example, the right to demand prohibition of the infringement of rights and suppression of the unlawful situation, but has also introduced new possibilities such as that of claiming damages covering not only the actual prejudice but also loss of profit and the entitlement to appropriate compensation for immaterial prejudice, which may consist of a monetary indemnity.

The transitional provisions of the Law are aimed, on the one hand, at ensuring that the previous legislation only applies to the indispensable minimum of cases after the entry into force of the new Law and, on the other, at avoiding, to the maximum possible extent, the retroactive application of the new legal regulations. These provisions concern *inter alia* the possibility of obtaining, under certain conditions, an

additional exclusive protection right for cases that were excluded from patent protection under the prior law, for example, chemically produced materials.

Despite certain limitations due to the fact that the Czech and Slovak Federal Republic is presently in a period of transition towards a market economy, the new Czechoslovak patent legislation constitutes a good basis for future improvement of the patent system. It has also created an environment favorable to international cooperation in the field of industrial

property and has given the Czech and Slovak Federal Republic the possibility of acceding to other international treaties—specifically the Patent Cooperation Treaty—and establishing close links with the European Patent Office and other patent offices. We firmly believe that such cooperation will contribute to implementation of our new Law in the best possible conditions and that it will give us the possibility of taking part in the European and global patent systems.

News Items

RECENT DEVELOPMENTS IN INDUSTRIAL PROPERTY LEGISLATION*

I. National Legislation

Australia. The *Patents Act 1990* (No. 83 of 1990, as amended by the Industry, Technology and Commerce Legislation Amendment Act 1991) entered into force on April 30, 1991 (Text 2-001, IP 4, 5 and 7-8/1991).

For a commentary of that text, see the study by P.A. Smith, entitled "Recent Developments in Australian Patent Law," *Industrial Property*, 1991, pp. 300.

The main features of the Patents Act 1990 are the following: the new law defines exploitation as including (a) where the invention is a product, making, hiring, selling or otherwise disposing of the product, offering to make, sell, hire or otherwise dispose of it, using or importing it, or keeping it for the purpose of doing any of those things; or (b) where the invention is a method or process, using the method or process or doing any act mentioned in paragraph (a) in respect of a product resulting from such use (Section 117).

The 16-year term of standard patents (Section 67) has not been modified but the provision providing for extension of that term was repealed, except in the case of pharmaceutical substances for human use which are the subject of Federal Government approval for marketing in Australia (possibility of extension of term by four years) (Sections 70 to 79).

The previous law was amended to contain a definition of the subject matter of patentable inventions, to add requirements of novelty, inventive step and usefulness, and to exclude from patentability inventions which were secretly used before the priority date as well as human beings and biological processes for their generation (Section 18). The new law has adopted the universal standard of novelty for

standard patents and introduced provisions requiring that novelty and non-obviousness for petty patents be determined against the same prior art base as that for standard patents, except that only disclosures in recorded form publicly available in Australia may be considered. It also introduced the "whole contents" approach, under which any disclosure contained in an earlier specification (which has not lapsed or been withdrawn) may be relied upon as an anticipation for determining novelty, but not obviousness (Section 7). The new law has not introduced a provision providing for a grace period but provides that the filing of a provisional application must be followed within 12 months by a complete application claiming priority from the provisional application, which has the effect that disclosures may be made without loss of rights if a provisional specification is filed (Sections 29 and 37). The new law also continues the system of examination of patent applications on request as well as the practice of carrying out the search and examination of an application at the same time. To avoid duplication of searches and to encourage stronger patents, the new law permits the Commissioner of Patents to direct an applicant to provide the results of searches carried out in other patent offices or organizations in respect of corresponding applications. It also provides for both novelty and non-obviousness to be matters for report by the examiner during examination of a standard patent application (Sections 44 and 45).

The new law has maintained pre-grant opposition proceedings (Section 59), while making them more stringent in order to expedite the determination of oppositions, and introduced an *ex parte* reexamination procedure. That procedure is applicable to both standard and petty patents and is available where the grant of a patent is opposed or where a patent has been granted. The Commissioner of Patents is empowered to order reexamination within a limited period during opposition proceedings and reexamination is also available, on the direction of a court, where the validity of a granted patent is disputed in any proceedings before the courts (Sections 97 to 101). The problem of enforcement of rights, in particular in respect of process patents, is addressed by the new law by providing, in general, that the supply of goods whose only use would infringe a patent, or which are accompanied by a positive inducement for the ultimate consumer to perform

* This study presents an overview of developments in national, international and regional industrial property legislation on the basis of information received by the International Bureau of WIPO from the competent industrial property administrations in the second half of 1990 and the first half of 1991.

The texts published in *Industrial Property Laws and Treaties* (see the Cumulative Index of legislative texts inserted in the January 1991 issue of *Industrial Property*) are followed, in brackets, by the number of the text, the month (in Arabic figures) and the year of publication in *Industrial Property* (IP). The tables of member States of the treaties administered by WIPO (together with the dates of entry into force of the various acts) are also published in the January 1991 issue of *Industrial Property*.

acts which would innocently or knowingly infringe a patent, should itself be an infringement of the patent. Thus, the supplier of a product will be liable for infringement of the patent, where use by the person to whom the product is supplied would be an infringement of the patent if that use is: the only reasonable use of the product, having regard to its nature or design; any use of a non-staple product to which the supplier had reason to believe that the receiver would put it; or, in any case, use of the product in accordance with any instructions, inducement or advertisement given or published by the supplier (Section 117). Infringement by importation continues to be part of the law.

The *Patents Regulations* (Statutory Rules 1991, No. 71) of April 18, 1991, entered into force on April 30, 1991.

The *Trade Marks Act 1955* (reprinted as at 31 December 1986 and further amended by Acts Nos. 23 of 1987 and 91 of 1989) (Text 3-001, IP 7-8/1988, 3/1990) was further amended by Acts Nos. 10 and 83 of 1990, mainly as a consequence of the adoption of the Patents Act 1990 (definitions, carrying on business of deceased patent attorney, Register kept by computer, fees). A new Section 40A provides for the possibility of withdrawing applications.

The *Trade Marks Regulations (Amendment)* (Statutory Rules 1990, No. 241), which make, *inter alia*, provision for advertisement of the withdrawal of an application to register a trademark, entered into force on July 18, 1990.

The *Trade Marks Regulations (Amendment)* (Statutory Rules 1991, No. 64), mainly substituting Schedule 2 relating to fees, entered into force on May 1, 1991.

The *Designs Regulations (Amendment)* (Statutory Rules 1990, No. 239), which make implementing regulations for extending the time for doing an act under the Designs Act 1906, and the *Designs Regulations (Amendment)* (Statutory Rules 1990, No. 240), which make, *inter alia*, provision for advertisement of the withdrawal of an application to register a design, both entered into force on July 18, 1990.

The *Designs Regulations (Amendment)* (Statutory Rules 1991, No. 65), mainly substituting Schedule 2 relating to fees, entered into force on May 1, 1991.

The *Circuit Layouts Act* (No. 28 of 1989) entered into force, as regards Sections 1 and 2, on May 22, 1989, and, as regards Sections 3 to 49, on October 1, 1990.

The *Circuit Layouts Regulations* (Statutory Rules 1989, No. 302) entered into force on October 1, 1990.

Austria became a party to the Locarno Agreement Establishing an International Classification for Industrial Designs on September 26, 1990.

Austria and the European Patent Organisation signed, on July 2, 1990, an agreement on the takeover of the International Patent Documentation Center (INPADOC), located in Vienna, by the European Patent Organisation.

A new *Federal Law on the Protection of Designs* (No. 497) was adopted on June 7, 1990, and an *Order of the Federal Minister for Economic Affairs Concerning the Depositary Agencies for Designs of the Chambers of Commerce* (Order on Designs Depositary Agencies) was issued on October 29, 1990; both texts entered into force on January 1, 1991. Unless otherwise indicated, references to Sections appearing hereunder are references to the Law.

A design is defined as the model of the appearance of an industrial product (Section 2). It may be protected if (at its priority date) it is new, does not contravene morality or public order and does not infringe the prohibition of double protection. However, a disclosure of a design which did not occur earlier than six months before its priority date as a direct or indirect consequence of an evident abuse against the applicant or his successor in right or of its having been displayed at an official or officially recognized exhibition, is not destructive of its novelty (Sections 1 and 2).

Design protection confers on the owner of the design the right to prevent third parties from manufacturing, commercializing, offering for sale or using, in the course of economic activities, products that are identical with, or confusingly similar to, his design, where it is likely that the appearance of those products will be transferred to the products mentioned in the list of products for which the design is intended (Section 4). The rights of prior users in Austria are unaffected but may only be transferred with the enterprise (Section 5).

The term of protection is five years as from the end of the month in which the deposit was made and may be extended for two further five-year periods (Section 6).

The right to the protection belongs to the creator unless the creation was made within the framework of a work contract or on commission, in which case it belongs to the employer or to the person who commissioned it (Section 7).

The creator has the right to be mentioned as such (Section 8). The right deriving from a deposited or protected design may be transmitted for all or part of the products mentioned in the list of products (Section 9). A design may be deposited with the depositary agencies of the Chambers of Commerce of Carinthia, Lower Austria, Salzburg, Styria, Tyrol and Vorarlberg or the Patent Office (Section 11 of the Law and Section 1 of the Order). The deposit must be accompanied by a representation or copy of the design for the purposes of publication and registration and by a list of products established in accor-

dance with the classes and subclasses provided in the Locarno Agreement (Sections 12 and 17). A deposit may include one or more designs (up to 50) (simple or multiple deposit) and may be open or secret (Section 14). Deposits are examined as to their conformity with the Law but not as to their novelty, as to double protection or as to the right of the depositor (Section 17).

The right of priority under the Paris Convention for the Protection of Industrial Property must be claimed with an indication of the date of the deposit whose priority is claimed, of the country in which it was made (priority declaration) and of the number of the file of that deposit; failure to comply with those requirements results in the priority being determined according to the date of deposit in Austria (Section 20).

All facts relating to the registration of a design and any pending disputes relating thereto are entered in the Design Register (Section 21).

The Patent Office may cancel a design registration *ex officio*, in whole or in part, if it is not new or if it falls under the prohibition of double protection (Section 23). A design registration may be cancelled on the same grounds on request by any person and also where it contravenes morality or public order (Section 24).

Any person claiming to be the real owner of a design may bring cancellation proceedings and demand transfer of the right to him, in whole or in part; where transfer is not demanded, the right expires at the time when the cancellation decision becomes final and conclusive (Section 25).

The files of published designs may be inspected by any person and those of non-published designs may only be inspected with the consent of the applicant, except where inspection is requested by a person against whom the applicant claimed his right (Section 31).

Persons who have no domicile or establishment in Austria must be represented before a Chamber of Commerce and before the Legal Section of the Patent Office by a representative domiciled in Austria, and before the Appeal Section and the Nullity Section of the Patent Office and the Supreme Patent and Trademark Chamber by an Austrian attorney at law, patent attorney or notary public. The power to surrender a published design in whole or in part must be explicitly given (Section 32).

Any person who has suffered an infringement of his design right may obtain all remedies provided for by civil law, and a person threatened with infringement may obtain an injunction to cease and desist (Section 34).

Any person describing products in a manner likely to give the impression that they are protected by a design is obliged, on request by any person, to supply information concerning the right on which the description is founded (Section 37).

Section 39 authorizes any person who manufactures, commercializes, offers for sale or uses a product in the course of an economic activity or envisages to do so to request the Patent Office to declare that another person's design right does not extend, in whole or in part, to that product. It also authorizes the owner of a protected design right or his exclusive licensee to request the Patent Office to declare that his design right extends, in whole or in part, to a product that is the subject of another person's economic activity.

A commentary of that Law, by O. Rafeiner *et al.*, will be published in a future issue of *Industrial Property*.

The *Ordinance of the President of the Patent Office Concerning Deposits with the Patent Office and the Procedure in Patent, Semi-Conductor Protection, Trademark and Design Matters* (Ordinance of the Patent Office-PAV) of November 8, 1990, entered into force on January 1, 1991.

The *Ordinance on Patents and Trademarks* of 1985 was amended with effect from January 1, 1991.

Bahrain. The new *Trade Mark Law No. 10 of 1991* (published in the Official Gazette of Bahrain No. 1961 of June 26, 1991) entered into force on September 1, 1991.

The term of trademark registrations has been extended to 10 years (instead of five years), with a possibility of renewal for like periods. The opposition period was increased to 60 days from publication (instead of 30 days). A cancelled trademark registration may be registered in another person's name only after a period of three years from cancellation (the previous Law did not provide for a time limit). Collective marks may be registered with the authorization of the Minister of Commerce and Agriculture. A grace period of three months is allowed for late renewal of a registration. The validity of a trademark license (which was unlimited under the previous Law) has been limited to the term of validity of the trademark registration. A trademark may only be assigned together with the goodwill of the business.

The implementing regulations under the Trade Mark Law are expected to be published in the near future.

Bangladesh became a party to the Paris Convention on March 3, 1991.

Brazil. By Decree No. 00104 of February 24, 1991, of the Minister of State for Justice, the President of the National Industrial Property Institute (INPI) was empowered to issue *regulations on the registration of technology contracts* through INPI.

The President of INPI issued such regulations by Decision No. 22 of February 27, 1991.

A draft law on industrial property is currently under consideration.

Bulgaria and the United States of America concluded, on April 22, 1991, an Agreement on Trade Relations, containing, *inter alia*, provisions on the protection of intellectual property (Article IX). That Agreement has not yet entered into force.

A draft patent law is expected to be submitted to the Bulgarian Grand National Assembly for adoption in the summer of 1991.

Canada. For a commentary on the new patent legislation of Canada, see the study by J.H.A. Gariépy, entitled "The New Canadian Legislation on Patents," *Industrial Property*, 1991, pp. 294.

The *Patents Rules* (C.R.C., 1250 as last amended by SOR/89-452) entered into force on October 1, 1989 (Text 2-002, IP 3/1991).

The Canadian *Patent Cooperation Treaty Regulations* (SOR/89-453, of October 1989) entered into force on January 2, 1990 (Text 2-003, IP 1/1991).

Chile became a party to the Paris Convention on June 14, 1991.

The new *Industrial Property Law* of February 12, 1990, providing for the issuance of a codified text on industrial property protection, including revision and amendment in particular of Decree-Law No. 958 of June 8, 1931, on Industrial Property, entered into force on February 24, 1990.

The *Law Instituting Norms Applicable to Industrial Privileges and to the Protection of Industrial Property Rights* (No. 10.039 of January 24, 1991), published in the Official Journal of the Republic of Chile on January 25, 1991, will enter into force on publication of the implementing regulations thereunder, which is expected to take place within one year from the publication of the Law.

The Law provides for the protection of trademarks, patents for inventions, utility models and industrial designs.

After acceptance, an extract of each application is published in the Official Journal (Section 4), and any interested person may oppose the application within 30 days from the publication of the extract in respect of trademarks and industrial designs, and within 60 days in respect of patents for inventions (Section 5). After expiry of that period, applications are examined as to form (except applications for the registration of trademarks) (Section 6).

Appeals against the decisions of the head of the Industrial Property Department (hereinafter the "Department") may be brought to the Industrial Property Arbitration Court within 15 days from their notification (Section 17).

The transmission of the ownership, a license, a mortgage, a change of name and all other facts that may affect a patent for an invention, a utility model,

an industrial design or a trademark are only valid as against third parties after their registration by the Department (Section 18).

A *trademark* is defined as any visible, new and characteristic sign serving to distinguish products, services or industrial or trading establishments. Slogans or advertising phrases may also be registered provided they are in conjunction with a registered trademark, service mark or establishment mark or that they rely on and contain such a mark (Section 19).

The following may not be registered as trademarks: (a) armorial bearings, flags and other State emblems, the denomination or abbreviation of a State, of an international organization or of a State's public services; (b) technical or scientific denominations relating to the object for which they are intended, international non-proprietary names recommended by the World Health Organization and those indicating a therapeutic action; (c) the name, pseudonym or portrait of a physical person, except with the consent of such person or of his heirs if the person is deceased (the names of historical persons may, however, be registered after expiry of 50 years from their death, provided that registration is not detrimental to their honor); persons' names may not be registered if the provisions of paragraph (e), (f), (g) or (h) hereafter would thereby be infringed; (d) marks reproducing or imitating official signs and hallmarks indicating control and warranty adopted by a State, without its authorization, and those reproducing or imitating medals, diplomas or distinctions obtained at national or foreign exhibitions, if the registration is sought by a person other than the one who has obtained them; (e) expressions used to indicate the kind, nature, origin, nationality, place of origin, destination, weight, value or quantity of the products, services or establishments, expressions that are in general use in commerce to designate certain kinds of products, services or establishments, and expressions lacking novelty or that are descriptive of the products, services or establishments to which they are to be applied; (f) marks which are likely to deceive or cause confusion with respect to the place of origin, quality or kind of the products, services or establishments; (g) marks that are, from a graphical or phonetic point of view, identical with or confusingly similar to other marks registered abroad for the same products, services or trading and/or industrial establishments and which have become well known or gained repute; (h) marks that are, from a graphic or phonetic point of view, identical with or confusingly similar to other trademarks that are already registered or are subject to prior applications for the same class; (i) the shape, color, ornaments and accessories of products and their packaging; (j) marks contrary to public order or morality, including the principles of unfair competition and fair trading (Section 20).

An application for the registration of a trademark is examined as to form and may relate only to specific products or services of the classes of the International Classification or to an establishment associated with one or several specific classes of products. Slogans and advertising phrases may only advertise already registered trademarks. A separate application for registration must be filed for each class. Marks that have been registered for products, services or industrial establishments are valid for the whole of the territory of Chile. Marks that have been registered for trading establishments serve only for the region in which the establishment is located but may be extended to other regions on payment of the corresponding fee for each region (Section 23).

The initial term of validity of the registration is 10 years from the registration date and may be extended by further 10-year periods (Section 24).

Registered trademarks used in commerce must be accompanied by the clearly legible mention *Marca Registrada* (registered trademark), the initials "M.R." or the letter "R" within a circle. Non-compliance with this provision deprives the owner of the possibility of bringing the penal actions provided for by the Law (Section 25).

A trademark registration is declared void where one of the prohibitions set out in Section 20 has been violated (Section 26). The action for cancellation may be brought within five years from the registration (Section 27).

Section 28 enumerates the fines to which persons who have infringed a trademark, committed deceptions with marks or used unregistered marks with indications that they are registered are liable. Repetition of the offense is punished by double the amount of the previously pronounced penalty. Section 29 provides that the infringer is liable to pay the costs and damages of the owner of the mark. Articles used for the falsification or imitation are destroyed and those bearing a falsified mark are confiscated for the benefit of the owner. The judge is allowed to order immediate seizure of such articles, without prejudice to any precautionary measures that may be necessary.

One of several persons simultaneously using an unregistered trademark who obtains its registration may not bring an action against any of the other users before expiry of 120 days from the date of registration (Section 30).

An *invention* is defined as the solution of a technical problem bringing about an industrial increment. An invention may be a product or a process or may relate to a product or a process. A patent is the exclusive right granted by the State for the protection of an invention (Section 31). An invention is patentable if it is new, involves an inventive step and is industrially applicable (Section 32). It is considered to be new if it is not part of the state of the art, which is constituted by everything that has been

disclosed or made accessible to the public, anywhere in the world, by publication in tangible form, sale or commercialization, use or any other means, before the filing date of the application for the patent in Chile. The content of earlier patent applications that are pending before the Department is also considered to be part of the state of the art (Section 33).

A person who has filed a patent application abroad enjoys a right of priority for a period of one year from the filing date of the first application for the filing of the application in Chile (Section 34).

An invention is considered to involve an inventive step if, having regard to the state of the art, it is not or would not have been obvious to a person having average skills in the relevant art and it does not or has not evidently derived from the state of the art (Section 35). It is considered to be industrially applicable if its object may, in principle, be made or used in any kind of industry, "industry" being understood in its broadest sense (Section 36).

The following are excluded from patent protection: (a) discoveries, scientific theories and mathematical methods; (b) plant and animal varieties; (c) economic, financial, commercial, etc., schemes, rules, principles or methods and those for performing purely mental or intellectual acts or games; (d) methods for the treatment of the human or animal body by surgery or therapy, except the products for use in one of those methods; (e) the new use of articles, objects or elements that are known and used for specific purposes, and the change of the form, dimensions, proportions or material of the subject matter of an application, except where the qualities of the object are thereby modified in an essential manner or if a technical problem, which did not have an equivalent solution, is solved by its use (Section 37). Inventions contrary to the law, to public order, to the safety of the State or to morality and inventions for which a person who is not the rightful owner files an application are not patentable (Section 38).

Patents are granted for a term of 15 years without any extension (Section 39).

The improvement to a known invention may be patented if it is new and brings about notable and important advantages to the original invention (Section 40). Where the author of an improvement is the owner of the original invention, the improvement patent is granted to him for the remainder of the term of validity of the original patent. Where the author of the improvement is another person, the grant of an improvement patent is subject to the consent of the owner of the original patent. If such consent has not been given, the author of the improvement may obtain for his improvement the grant of a patent whose term of validity and effects are determined by the head of the Department (Section 41).

A provisional protection patent may be granted

for a period of one year for an invention which is to be the subject of studies or experimentation requiring its disclosure. It confers on its owner a right of priority on all other persons for the filing of the definitive patent application for the same object. If such application is not filed within one year, the invention falls in the public domain. The term of validity of the granted definitive patent starts on the filing date of the application for a provisional protection patent (Section 42).

Applications are examined as to form; the specification must be sufficiently clear and complete for a person skilled in the art to be able to reproduce the invention without using other documents (Section 43).

Persons who have filed a patent application abroad are obliged to submit the results of the search and examination carried out by the foreign patent office, whether or not the application has led to the grant of a patent (Section 46).

After publication of an extract of the application, all documents constituting the application are laid open for public inspection (Section 47).

The patent certificate confers patent protection on its owner as from the filing date of the application (Section 48). The owner of a patent for an invention has the exclusive right to manufacture, sell or commercialize the product or object of the invention in any manner whatsoever and, in general, to exploit it in any other way, on the whole of the territory of Chile, until the expiry of the term of validity of the patent (Section 49).

A patent is declared void when: (a) the person who obtained it is not the inventor or his successor in title; (b) the grant was based on an erroneous or obviously defective expert report; (c) the title was granted in violation of the patentability requirements; an action for cancellation may be brought during a period of 10 years (Section 50).

Non-voluntary licenses may only be granted if the owner of the patent committed an abuse of monopoly (qualified by a commission instituted for that purpose). The conditions under which the licensee must exploit the invention industrially, the duration of the license and the amount of the remuneration to be paid to the owner of the patent are fixed by the commission granting the license (Section 51).

Section 52 establishes the fines applicable to persons deceiving others by: indicating on a non-patented article that it is patented; manufacturing, commercializing or importing for the purposes of sale a patented invention without authorization; deceiving by using a patented process (except for the sole purposes of experimentation or teaching); committing deceptions by imitating a patented invention; knowingly imitating or using the subject matter of a pending patent application, if the application leads to the grant of a patent. The condemned

persons are liable to pay costs and damages to the owner of the patent. Articles, etc., used for the commission of the offense and articles unlawfully manufactured are confiscated for the benefit of the owner of the patent. The judge is empowered to order immediate seizure of such articles, without prejudice to any precautionary measures that may be necessary.

Any patented object or its container must bear the expression *Patente de Invención* (patent for invention) or the initials "P.I." and the number of the patent in a clearly legible manner, except for a process for which that requirement may not be fulfilled by reason of its nature. Non-compliance with this provision deprives the owner of the possibility of bringing the penal actions provided for by the Law. Where products that are the subject of a pending application are manufactured, commercialized or imported for commercial purposes, that fact must be indicated (Section 53).

Instruments, equipment, tools, devices and objects or part of objects whose form may be claimed as much for their aspect as for their functioning are considered to be *utility models*, provided they produce a certain utility, that is, that the function for which they are intended produces an advantage or a technical effect that they did not previously possess (Section 54).

A utility model is patentable if it is new and industrially applicable. A patent is not granted for a utility model having only minor or secondary differences, or bringing about no ascertainable utility characteristic, compared with earlier inventions or utility models. An application for a utility model may only relate to a single object but several elements or aspects of that object may be claimed in the same application (Section 56).

Utility model patents are granted for a term of validity of 10 years from the filing date of the application without any extension (Section 57). Applications are examined as to form (Section 58). All utility models must be marked with the expression *Modelo de Utilidad* (utility model) or the initials "M.U." and the number of the patent in a clearly legible manner. Failure to comply with this provision deprives the owner of the possibility of bringing the penal actions provided for by the Law (Section 59).

The grounds for cancellation of a utility model and the sanctions for infringement are similar to those provided for patents for inventions (Sections 60 and 61).

Any three-dimensional form, whether or not associated with colors, or any article of industry or handicraft, serving as a model for manufacturing other units, that is distinct from others that are similar by their form, geometrical configuration, ornamentation or by a combination of those elements, is considered to be an *industrial design*, provided those characteristics confer on it a special

appearance that may be ascertained by the sense of sight, so that its appearance is, as a result, original, new and different. Get ups are comprised in this concept, provided they fulfill the requirements of novelty and originality. The products of the clothing industry are excluded from industrial design protection (Section 62).

The provisions relating to patents for inventions are, for the remainder, applicable to industrial designs.

An application for an industrial design must, in particular, contain a prototype or maquette of the design (Section 64).

An industrial design title is granted for a term of 10 years from the filing date of the application (Section 65).

All industrial designs must be marked with the mention *Diseño Industrial* (industrial design) or the initials "D.I." and the number of the title in a clearly legible manner. Failure to comply with this condition deprives the owner of the possibility of bringing the penal actions provided for by the Law (Section 66).

Section 67 enumerates the offenses and sanctions in the field of industrial designs in a manner similar to the provisions relating to patents for inventions.

Section 68 provides the right to request the title of protection for, and the industrial property rights deriving from, a service invention belonging exclusively to the employer, except where there is an explicit stipulation to the contrary. The right to request the title of protection for and the industrial property rights deriving from an invention made by a worker who is not obliged by contract to exercise an inventive or creative activity belong exclusively to the worker. Where, however, use has manifestly been made of knowledge acquired in the enterprise and of means furnished by the enterprise to make the invention, those rights belong to the employer who is, in such a case, obliged to pay to the worker a supplementary remuneration to be decided between the parties; this provision is also applicable to persons who make an invention exceeding the scope of the invention that they had been commissioned to make (Section 69). The right to request the title of protection for and the industrial property rights deriving from an inventive or creative activity exercised within the framework of a working relationship with or on commission by a university or research institution under Decree-Law No. 1263 of 1975 belong to the relevant institution or to the person designated by it. The statutes of the institution may provide the manner and method of the inventor's or creator's participation in the benefits obtained through his work (Section 70). The rights established for the workers may not be renounced before the grant of a patent for an invention or for a utility model; any clause to the contrary is null and void. Litigation in this field is within the jurisdiction of the Arbitration Court (Section 71).

Section 1 of the Transitional Provisions provides that, notwithstanding the provisions of the second subparagraph of Section 39 of the Law, an application for a patent for an invention may only be filed for medicines of all kinds, for medicinal pharmaceutical compositions and their preparations and for chemical reactions if the application was filed in the country of origin after the entry into force of the Law.

China. *Ordinance No. 76 on Representation in Patent Matters*, adopted by the State Council on March 4, 1991, entered into force on April 1, 1991.

The Patent Office issued two Notices, on June 6 and July 14, 1990, respectively, concerning the handling of problems related to the deposit of microorganisms.

Côte d'Ivoire became a party to the Patent Cooperation Treaty (PCT) on April 30, 1991.

Cyprus. Law No. 206 of 1990, published in the Official Gazette of November 9, 1990, which amended the *Trade Marks Law* to allow for the registration of service marks, entered into force on November 19, 1990.

Czechoslovakia became a party to the PCT on June 20, 1991.

Czechoslovakia and the United States of America concluded, on April 12, 1990, an Agreement on Trade Relations, containing *inter alia* provisions on the protection of intellectual property (Article X). The Agreement entered into force in November 1990.

The *Law on Inventions, Industrial Designs and Rationalization Proposals* (No. 527 of November 27, 1990) entered into force on January 1, 1991 (Text 1-002, IP 9/1991).

For a commentary of that Law, see the study by L. Jakl, entitled "The New Czechoslovak Patent Law," *Industrial Property*, 1991, p. 325.

Patents are granted for inventions which are new, which involve an inventive step and which are industrially applicable; the following in particular are not regarded as inventions: (a) discoveries, scientific theories and mathematical methods; (b) the mere appearance of products (which may be the subject matter of industrial designs); (c) schemes, rules and methods for performing mental acts; (d) programs for computers; (e) mere presentations of information (Section 3).

The following are excluded from patent protection: (a) inventions contrary to public interest, particularly the principles of humanity or morality; (b) methods for the prevention, diagnosis and treatment of diseases of the human or animal body; (c) plant or animal varieties or biological processes for the production and improvement of plants or animals, with the exception of industrial microorganisms

serving for production and biotechnological processes and the products thereof, which are patentable (Section 4).

An invention is considered to be new if it does not form part of the state of the art, which comprises everything made available to the public in the country or abroad prior to the date on which the priority right of the applicant began. The state of the art also comprises the content of earlier applications filed in Czechoslovakia that have been published only on or after the date on which the applicant's priority right began; this provision is also applicable to international applications for the grant of patents in Czechoslovakia. Applications kept secret are considered to have been published on the expiry of an 18-month period as from the date on which the priority right began. Disclosures which occurred no earlier than six months preceding the filing date of the application are not considered to form part of the state of the art if they are due to or in consequence of an evident abuse in relation to the applicant or his legal predecessor, or to the fact that the applicant or his legal predecessor has displayed the invention at an official, or officially recognized, international exhibition (Section 5).

An invention is considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art. The content of applications that have only been published as of the date on which the applicant's priority right began is not taken into consideration in assessing inventive step (Section 6).

An invention is considered as susceptible of industrial application if it can be repeatedly worked as a part of economic activities (Section 7).

The right to a patent belongs to the inventor or his successor in title (Section 8), except if an inventor has made an invention as part of his tasks deriving from an employment relationship, in which case the right to the patent passes to the employer, the right of inventorship as such remaining unaffected. An inventor who has made an invention under an employment relationship is entitled, where the employer claims the right to the patent, to appropriate remuneration from the employer (Sections 8 and 9).

The owner of a patent has the exclusive right to work the invention, to authorize others to work the invention or to assign the patent to others. The patent has effect as from the date of publication of the notification of its grant. The applicant is entitled to appropriate remuneration from any person who uses the subject matter of the application after its publication, and the right to that remuneration may be asserted as from the date on which the patent has effect. An applicant filing an international application requesting the grant of a patent in Czechoslovakia and which has been published in compliance with the PCT is entitled to that remuneration only

after the translation of the application in the Czech or Slovak language has been published (Section 11).

The working of an invention consists in the manufacturing, placing on the market or using the product that is the subject matter of the invention or in using the patented process in the framework of economic activities. The effects of a process patent also extend to the products directly obtained by such process, and identical products are held to have been obtained by means of the patented process, unless proved otherwise (Section 13).

A license under a patent or the assignment of a patent must be given by written contract and has effect with respect to third parties as from its entry in the Patent Register (Sections 14 and 15).

Each joint owner of a patent may independently work the invention and take action against infringement of the rights deriving from the patent. The conclusion of a license contract under the patent or its assignment requires the consent of all joint owners. Each joint owner may assign his share to another joint owner or to a third party only if none of the joint owners has accepted a written offer of assignment within a period of one month (Section 16).

A patent may not be invoked against a prior user (Section 17).

The applicant for a patent or the owner of a patent may declare that he is prepared to offer licenses under his patent. The licensee must notify him of his acceptance in order to be able to work the patent. The declaration of offer of license is entered in the Patent Register and is irrevocable. The licensor may obtain compensation with respect to the license. Maintenance fees for patents in respect of which an offer of license has been made are decreased by half (Section 19).

A compulsory license may be granted at the earliest at the expiration of four years as from the filing date of the application or three years as from the grant of the patent if the owner of the patent does not work his patent or works it insufficiently without giving legitimate reasons for his failure to act or where an important public interest is endangered. The owner of the patent may obtain compensation in respect of the licence (Section 20).

The term of validity of a patent is 20 years as from the filing date of the application (Section 21). A patent lapses on expiry of its term of validity if the fees have not been paid in good time or on relinquishment by the owner of the patent (Section 22).

A patent may be cancelled, in whole or in part, if it is found that it did not fulfill the legal conditions for granting a patent. Cancellation has retroactive effect to the date on which the patent first took effect (Section 23).

The Federal Office for Inventions is the competent authority for receiving patent applications and international applications (Section 24). The name of

the inventor must be mentioned in the application. The inventor may request not to be mentioned in the published application and in the announcement of the grant of the patent (Section 25). An application may relate to one invention only or to a group of inventions so linked as to form a single inventive concept. The invention must be disclosed in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art. A microorganism must be deposited in a public collection as from the date on which the applicant's priority right begins (Section 26). The applicant's priority right begins with the filing of the application. The priority right under the Paris Convention must already be claimed in the application and evidence of such right must be furnished within the time limit stipulated (Section 27). Where proceedings in respect of the right to the patent are pending, the procedure with respect to the application is suspended (Section 28). If a court so decides, an application or a patent is transferred to the rightful owner (Section 29). Applications are subject to a preliminary examination as to patentability. The applicant may be invited to remedy defects (Section 30). Applications are published on expiry of 18 months as from the date on which the priority right began. The publication is announced in the Official Bulletin. Applications may be published before expiry of that period on request by the applicant or if a patent has already been granted (except if the owner of the patent does not give his consent). The Office may publish, together with the application, a report on the state of the art (search report) (Section 31). After publication of an application, any person may submit observations on the patentability of the subject matter of the application (Section 32). The application is then subject to a full examination on request by the applicant or another person made within 36 months from the filing date of the application or *ex officio* (Section 33). The applicant is invited to submit his observations before rejection of the application. If the application leads to the grant of a patent, the applicant becomes the owner of the patent by obtaining a patent certificate. The name of the inventor is mentioned in the certificate and the description and claims form an integral part thereof. The grant is announced in the Official Bulletin (Section 34). Where several applications relating to the same invention have been filed, only one patent may be granted (Section 35).

The appearance of a product that is new and susceptible of industrial application is considered to be an *industrial design*, except in the following cases: (a) a technical solution or concept; (b) application of the known appearance of a product to a product of another kind or the appearance obtained by enlarging or reducing the known appearance of a product; (c) substitution of the material used for the appearance of a product; (d) an architectural concept;

(e) the appearance of a product that can only be ascertained if special attention is paid; and (f) the color, except where used in relation to the shape, contours or ornamentation (Section 36). The two- or three-dimensional get up consisting, in particular, in the shape, contours, ornamentation or in the arrangement of colors of the product or in a combination of such features also constitutes the appearance of a product (Section 37).

In order to be accepted for registration, an industrial design must be new in Czechoslovakia or abroad (Section 38) and susceptible of industrial application (i.e., it must be able to serve as a model for repeated manufacture) (Section 39). The Office will not register an industrial design if it is contrary to public interest, particularly to the principles of humanity and morality, nor a design whose subject matter is identical with that in an earlier application for an industrial design (Sections 40 and 41).

The name of the creator must be mentioned in the application (Section 46). An application may relate to a single feature of the appearance of a product or to a number of features of the appearance of products of the same kind that are similar or are intended for joint use (Section 47). Where legal proceedings are pending with respect to the right to file an application, the procedure with respect to the application for an industrial design is not suspended but the decision of the Office is given only after a decision has been rendered on the right (Section 50).

The term of validity of an industrial design registration is five years as from the filing date of the application and may be extended for a maximum of two five-year periods (Section 54).

The working of an industrial design consists in the manufacturing of a product using the design as a model or importing or putting such product on the market in the framework of an economic activity (Section 56).

The files of the Office may be inspected by interested parties. Prior to publication of an application for an invention or prior to publication of the announcement of the registration of an industrial design, only the following information may be communicated: the name of the inventor or creator, the name of the applicant, the particulars relating to the priority right, the title of an application and the data serving to identify the application (Section 66).

Any interested person may request the Office to determine whether the protection deriving from a patent or registered industrial design extends to the subject matter stated in the request. The declaration is binding on the courts and all other State organs (Section 67).

Decisions taken by the Office, with the exception of decisions excusing failure to comply with a time limit, may be appealed from before the President of the Office. Decisions given in an appeals procedure may be appealed from before a court (Section 68).

The Office keeps a Patent Register and an Industrial Design Register and publishes the Official Bulletin (Section 69).

Persons who do not have their place of residence or headquarters in Czechoslovakia must be represented before the Office by a representative or a patent agent approved by the Office (Section 70).

A *rationalization proposal* is considered to be any technical improvement of a manufacturing or operational nature and any solution to a problem of safety, protection of health at work or protection of the environment. The rationalizer has the right to dispose of his proposal. No right may derive from a rationalization proposal if rights deriving from a patent or a registered industrial design constitute an obstacle thereto (Section 72).

The rationalizer must offer his proposal to his employer if it falls within the scope of his employment relationship and the employer must conclude an agreement for the acceptance of the offer and the remuneration within two months, failing which the rationalizer has the right to dispose of his proposal. The right to work a rationalization proposal begins on conclusion of the agreement (Sections 73 and 74).

Any person suffering a prejudice due to the infringement of his legally protected rights may, in particular, request prohibition of the infringement, suppression of the unlawful situation and damages (actual prejudice and loss of profits). Disputes arising from legal relationships with respect to inventions, industrial designs and rationalization proposals are heard and decided by the courts or by economic arbitration boards, as appropriate, except where the Law provides for the jurisdiction of the Office (Section 75).

The transitional provisions (Sections 77 to 87) provide, in essence, that procedures pending on entry into force of the Law and legal relationships arising out of patents and industrial designs granted before that date are governed by the previous Law and that acquired rights shall not be affected. Applications for inventions or for industrial designs for which no decision has been taken prior to the entry into force of the Law are governed by the new Law (in particular, *ex officio* full examination of patent applications).

A draft Law on Utility Models is currently under consideration.

Denmark. The *Patents Act No. 479 of December 20, 1967*, as last amended by Act No. 153 of April 11, 1984, was further amended by Act No. 854 of December 23, 1987, mainly by the introduction of provisions authorizing the Minister of Industry to make rules, and was further amended by Act No. 368 of June 7, 1989, introducing provisions to enable Denmark to ratify the European Patent Convention. Act No. 368 entered into force on January 1, 1990.

The new *Trademarks Act No. 341 of June 6, 1991*, will enter into force on January 1, 1992. Its main purpose is to implement the First Council Directive (89/104/EEC) of the European Communities of December 21, 1988, to Approximate the Laws of the Member States Relating to Trademarks (see MULTILATERAL TREATIES – Text 3-006, IP 6/1989) and to incorporate its substance in the national legislation.

The new *Law on Collective Marks No. 342 of June 6, 1991*, will also enter into force on January 1, 1992.

Finland. A Utility Model Law (No. 800) was adopted on May 10, 1991, and will enter into force on January 1, 1992.

The new *Law on Integrated Circuits (No. 32 of January 11, 1991)* entered into force on July 1, 1991. It provides for the protection of integrated circuits by registration.

France. The *Patent Law* (No. 68-1 of January 2, 1968, as last amended and supplemented by Law No. 84-500 of 1984) was further amended by Law No. 90-510 of June 25, 1990, making the effective duration of the protection conferred by patents identical for medicines and other products.

A supplementary protection certificate in respect of a patent takes effect at the end of the statutory term of the patent to which it relates, for a period of not more than seven years as from the end of the patent and 17 years as from the issue of the marketing authorization. Any owner of a patent having effect in France and of which the subject matter is a medicine, a process for obtaining a medicine, a product required for obtaining such medicine or a process for manufacturing such product may, where they are used for producing a pharmaceutical specialty covered by a marketing authorization, and as from its issue, obtain a supplementary protection certificate for those parts of the patent that correspond to the authorization (Sections 3 and 3*bis*).

Law No. 90-510 will enter into force on the date set by implementing decree.

The Patent Law of 1968 was further amended and supplemented by Law No. 90-1052 of November 26, 1990, Relating to Industrial Property, which will enter into force on the date set by implementing decree (Text 2-001, IP 6/1991).

Section 1 of the Law of 1968 was supplemented by providing that patents and utility certificates are the subject of statutory legal dissemination as provided for in new Section 66*bis* (see commentary relating to Title VII*bis*, below).

The same inventor (or his successor in title) who has successively filed two patent applications within a period of 12 months may request that the second application enjoy the filing date of the first applica-

tion for those elements that are common to both applications (new Section 13*bis*).

New Section 19 provides for the establishment of a search report with regard to the elements of prior art that may be taken into consideration for assessing the patentability of an invention (instead of a documentary report, as previously provided).

The grounds on which a compulsory license may be granted are the cases in which the owner of the patent or his successor in title has not begun to work or has not made real and effective preparations for working the invention that is the subject matter of the patent within the territory of a Member State of the European Economic Community, has not marketed the product that is the subject matter of the patent in a quantity sufficient to satisfy the needs of the French market, or has discontinued the working or marketing in France for more than three years (Section 32).

Section 11 of Law No. 90-1052 added a new Section 423-5 to the Penal Code, concerning the infringement of industrial property rights. That provision will enter into force on January 1, 1993.

The amounts of the fines provided in Section 60 of the 1968 Law were multiplied by 10.

Title VII of the 1968 Law, entitled "Certificate of addition," (Sections 61*bis* and 61*ter*) was repealed.

A new Title VII*bis* (Section 66*bis*), entitled "Statutory Dissemination of Inventions," was inserted after Section 66 to provide for publication by notice in the Official Bulletin of Industrial Property, by making available to the public the full text or by dissemination through a data bank or distribution on data processing mediums: patent or utility certificate application files on expiry of 18 months from their filing date (or priority date) or prior to expiry of that period at the request of the applicant; applications for supplementary protection certificates as of their filing; any subsequent procedural action; any grant of such title; any transmission or modification of rights deriving from a patent application or a patent; and of the date of the marketing authorization mentioned in the first paragraph of Section 3*bis*.

A new Section 67*bis* provides that any interested person or administrative authority may be issued, on request, with a documentary report citing the elements of prior art that may be taken into consideration for assessing the patentability of an invention.

Section 18 of Law No. 90-1052 added to the *Law on the Application of the Convention on the Grant of European Patents* (Law No. 77-683 of June 30, 1977) (Text 2-003, IP 7-8/1991) a Section 16*bis* providing that the above-mentioned Section of the Patent Law, relating to statutory dissemination of inventions, shall be applicable to applications for European patents and to European patents.

The *Law on Designs* (of July 14, 1909), as last amended and supplemented by Law No. 79-44 of

January 18, 1979, was further amended and supplemented by Title II (Sections 22 to 41) of Law No. 90-1052. New Section 6 establishes a new filing procedure for industrial designs: the deposit must be filed in the form and conditions provided by the Law and must, on pain of rejection, identify the applicant and contain a reproduction of the design or designs concerned. The deposit is rejected if it was not made in accordance with the prescribed conditions and form or if its publication is likely to contravene morality or public order. However, before rejection, applicants are invited to remedy their deposit or to present their observations.

The term of validity of a design (which was 50 years) is now 25 years from the date of deposit and may be extended for another term of 25 years on a declaration by the owner (Section 7).

The applicant for a design or the owner of a deposit may, on showing proof or legitimate grounds, be reinstated in his rights where he has suffered a loss of rights in consequence of the inobservance of a time limit (Section 9).

Law No. 51-444 of April 19, 1951, creating a *National Institute of Industrial Property*, was amended by Sections 31 and 32 of Law No. 90-1052.

Title IV of Law No. 90-1052 (Sections 33 to 41), entitled "*Provisions Relating to Persons Qualified With Respect to Industrial Property*," provides for entry in the list of qualified persons and the conditions for exercising the profession of industrial property attorney. Those provisions were published separately as Text 1-004 in IP 7-8/1991.

The Law on Trademarks and Service Marks (No. 91-7 of 1991) added to Law No. 90-1052 a Section 54*bis* which contains a transitional provision relating to certificates of addition requested before the entry into force of the Law. This provision was published as an appendix to the Patent Law (see Text 2-001, IP 6/1991).

The *Law on Trademarks and Service Marks* (No. 91-7 of January 4, 1991) will enter into force on December 28, 1991 (Text 3-002, IP 5/1991). The provisions of Section 8 will, however, be applied progressively by reference to the International Classification of Goods and Services for the Purposes of the Registration of Marks established under the Nice Agreement of June 15, 1957.

A trademark is defined as a sign capable of graphic representation which serves to distinguish the goods or services of a natural or legal person. In addition to the usual signs that may, in particular, constitute a trademark, the Law enumerates audible signs such as: sounds, musical phrases; and holograms, logos, synthesized images; shapes, particularly those of the product or its packaging, or those that identify a service (Section 1).

The following are not considered to be of a distinctive nature: (a) signs or names which in

everyday or technical language simply constitute the necessary, generic or usual designation of the goods or services; (b) signs or names which may serve to designate a feature of the product or service, particularly the type, quality, quantity, purpose, value, geographical origin, time of production of the goods or furnishing of the service; (c) signs exclusively constituted by the shape imposed by the nature or function of the product or which give the product its substantial value. Distinctive nature may be acquired by use, except in the case referred to in item (c), above. (Section 2).

The following may not be adopted as a mark or an element of a mark: (a) signs excluded by Article 6^{ter} of the Paris Convention; (b) signs contrary to public policy or morality or whose use is prohibited by law; (c) signs liable to mislead the public, particularly as regards the nature, quality or geographical origin of the goods or services (Section 3).

Signs may not be adopted as marks where they infringe earlier rights, particularly: (a) an earlier mark that has been registered or that is well known within the meaning of Article 6^{bis} of the Paris Convention; (b) the name or style of a company, where there is a risk of confusion in the public mind; (c) a trade name or signboard known throughout the national territory, where there exists a risk of confusion in the public mind; (d) a protected appellation of origin; (e) authors' rights; (f) rights deriving from a protected industrial design; (g) the personality rights of another person, particularly his surname, pseudonym or likeness; (h) the name, image or repute of a local authority (Section 4).

Ownership of a mark shall be acquired by registration. A mark may be acquired under joint ownership. The effects of registration shall begin on the filing date of the application for a term of 10 years that may be renewed any number of times (Section 5).

Applications for registration are published and comprise, in particular, a sample of the mark and a list of the goods or services to which they apply. Applicants domiciled abroad must elect an address for service in France (Section 6).

During a period of two months following publication of the application for registration, any interested person may submit observations to the Director of the National Institute of Industrial Property (INPI) (Section 7). During the same period, opposition to an application for registration may be entered with the Director of INPI by the owner of a mark that has been registered or applied for at an earlier date or which enjoys an earlier priority date or by the owner of an earlier well-known mark. The beneficiary of an exclusive right of exploitation shall also enjoy that same right, unless otherwise stipulated in the contract (Section 8).

Registration of a mark may be requested notwithstanding opposition thereto on proof, by the appli-

cant, that the registration is indispensable to protect the mark abroad (Section 11).

The registration may be renewed where there is neither modification of the sign nor extension of the list of goods or services. Renewal is not subject to examination as to form or to any opposition procedure. The new 10-year term runs from the expiry of the preceding term. Any modification of the sign or extension to the list of designated goods or services requires a new application (Section 12). An applicant who has not complied with the time limits for filing an application for registration and for renewing the registration may be reinstated in the rights he has lost if he is able to prove that failure to comply was due neither to his own will nor to fault or negligence on his part (Section 13).

Registration confers on its owner a right of property in the mark for the goods and services he has designated; infringement of such right constitutes an offense of infringement (Section 14).

The following shall be prohibited, unless authorized by the owner: (a) the reproduction, use or affixing of a mark, even with the addition of words such as formula, manner, system, imitation, type, method, or the use of a reproduced mark for goods or services that are identical to those designated in the registration; (b) the suppression or modification of a duly affixed mark.

The following shall be prohibited, unless authorized by the owner, if there is a likelihood of confusion in the mind of the public: (a) the reproduction, use or affixing of a mark or use of a reproduced mark for goods or services that are similar to those designated in the registration; (b) the imitation of a mark and use of an imitated mark for goods or services that are identical with or similar to those designated in the registration.

The right conferred by a mark shall not entitle the owner to prohibit its use in relation to goods which have been put on the market in the European Communities under that mark by the proprietor or with his consent. However, the owner shall continue to have the faculty of opposing any further act of marketing if he can show legitimate reasons, especially where the condition of the goods has been subsequently changed or impaired (Section 15).

The customs administration may, at the written request of the owner of a registered mark or the beneficiary of an exclusive right of exploitation, withhold during customs inspection such goods as the owner or beneficiary claims bear a mark that infringes the mark for which he has obtained registration or with regard to which he enjoys an exclusive right of use. The public prosecutor, the plaintiff and the person declaring the goods shall be informed without delay by the customs authorities of the fact that they have withheld the goods. Withholding shall be lifted automatically if the plaintiff fails, within 10 working days from the date of withholding the

goods, to furnish evidence to the customs authorities: either of the withholding measures decided by the court; or of having instituted legal proceedings by civil action or criminal action and having furnished the required securities to cover possible liability in the event of infringement not being subsequently recognized. For the purpose of instituting the legal proceedings referred to above, the plaintiff may require the customs administration to communicate the names and addresses of the sender, the importer and the recipient of the goods withheld, as also their quantity, notwithstanding the provisions of Section 59bis of the Customs Code (Section 22).

An owner who has not put his mark to genuine use in connection with the goods or services referred to in the registration during an uninterrupted period of five years, without good reason, shall be liable to revocation of his rights. The following shall be assimilated to such use: (a) use made with the consent of the owner of the mark or, in the case of collective marks, in compliance with the regulations; (b) use of the mark in a modified form which does not alter its distinctive nature; (c) affixing of the mark on goods or their packaging exclusively for export. Revocation may be requested in legal proceedings by any interested person. If the request concerns only a part of the goods or services referred to in the registration, revocation shall extend to the goods or services concerned only. Genuine use of the mark begun or resumed after the five-year period referred to in the preceding subsection shall not constitute an obstacle thereto if it has been undertaken for three months only after the owner gained knowledge of a possible request for revocation. The burden of proving exploitation shall rest with the owner of the mark for which revocation is requested. Proof may be furnished by all means. Revocation shall take effect as of the date of expiry of the above-mentioned five-year period. It shall have absolute effect (Section 27).

A mark shall be known as a collective mark if it may be used by any person who complies with regulations for use issued by the owner of the registration. A collective certification mark shall be affixed to goods or services that display, in particular, with regard to their nature, properties or qualities, the characteristics detailed in the respective regulations (Section 30).

A collective certification mark may be registered only by a legal person who is neither the manufacturer, the importer, nor seller of the goods or services. The registration of a collective certification mark must comprise regulations setting out the conditions to which use of the mark is subject. Use of a collective certification mark shall be open to all persons, other than the owner, who supply goods or services, satisfying the conditions laid down by the regulations. A collective certification mark may not be subject to assignment, pledge, nor any measure of en-

forcement. However, in the event of dissolution of the legal person who is the owner of the mark, it may be transferred to another legal person subject to conditions laid down by decree of the Council of State. An application for registration shall be rejected if it does not satisfy the requirements laid down by the law applicable to certification. Where a certification mark has been used and has ceased to be protected by law, it may, without prejudice to the provisions of Section 13, be neither registered nor used for any purpose whatsoever during a period of 10 years (Section 31).

The *Law on the Protection of Appellations of Origin* (of May 6, 1919, as last amended and completed by Law No. 90-558 of July 2, 1990) appeared in IP 6/1991 as Text 5-001. The main amendment made to that Law consists in the extension of its scope to all agricultural products or foodstuffs, both processed and unprocessed (Section 7-7).

Gambia. The Industrial Property Act, 1989, has not yet entered into force. It provides for the protection of inventions by patents and by utility model certificates, of industrial designs, trademarks (for goods or services) and collective marks, of trade names and for protection against unfair competition.

Germany became a party to the Locarno Agreement on October 25, 1990.

Through the accession of the German Democratic Republic to the Federal Republic of Germany with effect from October 3, 1990, the two German States have united to form one sovereign State, which as a single member of the World Intellectual Property Organization remains bound by the provisions of the Convention Establishing the World Intellectual Property Organization. As from the date of unification, the Federal Republic of Germany will act in the World Intellectual Property Organization under the designation "Germany." Through that accession, the German Democratic Republic ceased, on the said date, to be a party to the treaties in the field of intellectual property administered by WIPO.

According to the *Order of the Minister of Justice on the Dissolution of the Former Patent Office the German Democratic Republic and the Reorganization of the Berlin Agency of the Patent Office*, of October 3, 1990, the German Patent Office is, since that date, the competent industrial property authority also for the territory of the former German Democratic Republic.

The *Order Concerning Patent Applications* (of May 29, 1981, as amended on November 12, 1986) (Text 2-004, IP 1/1986 and 7-8/1987) was further amended by the *Second Order Concerning Patent Applications*, of May 4, 1990, which entered into force on July 1, 1990.

The *Order Concerning Applications for Utility Models* (of November 12, 1986) (Text 2-005, IP 7-8/1989) was amended by the *First Order Amending*

if the patentee does not prove that the invention has been worked or does not justify the non working (Section 73).

A compulsory license may be transmitted only with the authorization of the Secretariat and with the part of the production unit in which the patent is worked (Section 76).

Persons having knowledge of an *industrial secret* through their work or other professional activities must not disclose it without the holder's consent (Section 85).

The following are considered to constitute an industrial secret: all industrially applicable information which is kept secret by a physical person or legal entity in order to obtain or keep an advantage in competition or another economic advantage over third parties in the economic activities, where that person has taken measures or steps sufficient to preserve the confidential character of the information and to limit access to it. Information constituting an industrial secret must necessarily concern the nature, the characteristics or the destination of products, methods or process of production or means or forms of distribution, commercialization of products or furnishing of services. Information that is in the public domain, information that is obvious for a person skilled in the art and information that must be disclosed under legal provisions or court orders are not considered to constitute an industrial secret. Information constituting an industrial secret disclosed by its holder to an authority in order to obtain a license, a permit, an authorization, a registration or any other act from the authority, is not considered as such (Section 82).

Any physical person or legal entity hiring the employee or former employee of a third party, or a professional counsellor or consultant, who furnishes or has furnished services to a third party, in order to obtain industrial secrets belonging to that third party is liable to compensate that third party for the prejudice caused to him. Any physical person or legal entity which obtained information constituting an industrial secret in any manner whatsoever is also liable for compensation (Section 86).

The duration of *trademark* registrations was extended to a period of 10 years from the filing date, which may be indefinitely renewed for periods of the same duration (instead of five years formerly) (Section 95).

Protection conferred by the previous Law to the form of containers (old Section 91(iii)) was extended to all three-dimensional forms (except animated or changing forms expressed in a dynamic manner) and names of physical persons, provided no homonym is already registered as a mark, were included in the list of signs that may constitute a mark (Section 89).

A trademark licensee has the right, unless otherwise stipulated, to bring an action to prevent the falsification, imitation or illegal use of the mark as if

he were the owner (Section 140). Use of a mark by a licensee is assimilated to use by the owner (Section 141).

Section 142 defines the *franchising contract* as the transmission of technology or the furnishing or technical assistance accompanying the grant of a trademark license to enable the licensee to produce or sell goods or to provide services in a uniform manner and according to the methods of production and commercial and administrative methods established by the licensor for the purpose of maintaining the quality, prestige and image of the products or services protected by the mark. The franchisor must transmit all information relating to his enterprise to the franchisee before the conclusion of the contract.

A commentary of that Law, by R. Villarreal, will be published in a future issue of *Industrial Property*.

The International Classification of Goods and Services for the Purposes of the Registration of Marks, provided for by Section 79 of the Regulations under the Law on Inventions and Marks of August 24, 1988, has been applicable since November 27, 1989.

Mongolia became a party to the PCT on May 27, 1991.

Mongolia and the United States of America concluded, on January 23, 1991, an Agreement on Trade Relations, containing *inter alia* provisions on the protection of intellectual property (Article IX), which entered into force in January 1991.

Netherlands. The *Patents Rules* (of 1921, as last amended by Order in Council of January 6, 1979) (Text 2-002, IP 5/1980) were further amended with effect from January 1, 1991, mainly by the insertion of a new Part 6C entitled "Provisions Governing Patent Applications and Patent Specifications Relating to Microorganisms."

New Zealand. The *Patents Act 1953* (No. 64), as amended by Acts Nos. 91 of 1972 and 112 of 1976, was further amended by the Trade and Industry Act Repeal Act 1988 (No. 156), the Public Finance Act 1989 (No. 44) and the Regulations (Disallowance) Act 1989 (No. 143), by provisions of a consequential nature on the promulgation of those Acts.

The *Patents Regulations 1954* (Statutory Rules (S.R.) 1954/211), as last amended by S.R. 1987/227, were amended by S.R. 1988/278, by increasing the fees payable for various matters as from January 1, 1989, and by the High Court Amendment Rules (No. 2) 1990 (S.R. 1990/187), providing for a number of procedural provisions under the Patents Act 1953.

The *Designs Regulations 1954* (S.R. 1954/224), as last amended by S.R. 1987/228, were further amended by S.R. 1988/280, by increasing the fees payable for various matters as from January 1, 1989.

The *Trade Marks Regulations 1954* (S.R. 1954/222), as last amended by S.R. 1987/399, were further amended by S.R. 1988/279, by increasing the fees payable for various matters as from January 1, 1989.

Oman. The Sultan's Decree No. 33/91 of April 6, 1991, amended the *Trade Mark and Commercial Indications Law of 1987*. Accepted trademarks will be published once only and the period for filing opposition was extended to two months from the advertisement of the registration (Section 13). Renewals will also be published (Section 20).

Peru. Title V of the Regulations under the General Law on Industry (entitled *Industrial Property*) (Decree-Law No. 18350 of July 27, 1970, Supreme Decree No. 001-71-IC-DS of January 25, 1971) was amended by Supreme Decree No. 009-A-83-ITI/IND of March 18, 1983, and by Supreme Decree No. 023-90 ICTI/IND of July 24, 1990.

The Supreme Decree of 1990 added a subparagraph (f) to Section 47 in order to include appellations of origin among the objects of industrial property.

Title VII of the new *Penal Code* promulgated by Decree-Law No. 635 of April 3, 1991 (*El Peruano* of April 8, 1991), entitled "Offenses Against Intellectual Property Rights," deals, in particular, with copyright and neighboring rights (Ch. I, Sections 216 to 221) and with industrial property (Ch. II, Sections 222 to 225); Title IX of the same Code, entitled "Offenses Against the Economic Order," deals with abuse of economic power (Ch. I, Section 232), monopolizing, speculation and falsification (Ch. II, Sections 233 to 236), illicit sale of goods (Ch. III, Section 237), other economic offenses (Ch. IV, Sections 238 to 241), and offenses against the symbols and values of the State (Ch. III, Sections 344 *et seq.*).

Poland became a party to the PCT on December 25, 1990, and to the Madrid Agreement Concerning the International Registration of Marks on March 18, 1991.

The Council of Ministers promulgated, on February 5, 1990, a *Decree Amending the Decree on Invention Proposals* of 1984 (*Dziennik Ustaw* No. 9 of February 15, 1990, pos. 51, p. 101), which amends the principles of calculation for the payment of remuneration to inventors and increases the fees to be paid for obtaining patents and utility models. The Decree entered into force on March 1, 1990.

Portugal. The *Law of June 30, 1989, on the Legal Protection of Topographies of Semiconductor Products* (No. 16/89) (Text 1-002, IP 6/1991) entered into force on September 3, 1989, for the continental territory, September 8, 1989, for the

islands, and September 30, 1989, for Macau. This text is the national text adopted to implement Directive 87/54/EEC of the Council of the European Communities (MULTILATERAL TREATIES – Text 2-011, IP 6/1987) and provides for the protection of topographies by their deposit.

Republic of Korea. The *Patent Law* (No. 950 of December 31, 1961, as wholly amended by Law No. 4207 of January 13, 1990) entered into force on September 1, 1990 (Text 2-001, IP 2/1991).

The *Trademark Law* (No. 71 of November 28, 1949, as wholly amended by Law No. 4210 of January 13, 1990), the *Utility Model Law* (No. 952 of December 31, 1961, as wholly amended by Law No. 4209 of January 13, 1990) and the *Designs Law* (No. 951 of December 31, 1961, as wholly amended by Law No. 4208 of January 13, 1990) entered into force on September 1, 1990.

Romania. The Law Against Unfair Competition No. 11/1991 was published on January 30, 1991.

San Marino became a party, on June 26, 1991, to the Convention Establishing the World Intellectual Property Organization (WIPO), of July 14, 1967, and amended on October 2, 1979, to the Stockholm Act (1967) of the Paris Convention for the Protection of Industrial Property of March 20, 1883, as amended on October 2, 1979, to the Additional Act of Stockholm (1967) to the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods of April 14, 1891, and to the Stockholm Act (1967), as amended on October 2, 1979, of the Madrid Agreement Concerning the International Registration of Marks, of April 14, 1891.

Saudi Arabia. The *Regulations under the Patents Act* (see Text 2-001, IP 9/1989) were approved on June 18, 1990.

Singapore became a party to the Convention Establishing the World Intellectual Property Organization on December 10, 1990.

The *Trade Marks Act* (Chapter 332 of the 1985 Revised Edition) as amended by the Trade Marks (Amendment) Act 1991, and the *Trade Marks Rules 1991*, both entered into force on March 1, 1991.

The 1991 Act introduced the registration of service marks, increased the penalties for offenses and decreased the dependency of trade and service marks in Singapore from registration in the United Kingdom. After March 1, 1991, renewals will be granted for 10 years only (instead of 14 years under the previous legislation).

The **Soviet Union** and Italy signed, on November 30, 1989, an Agreement on the Reciprocal Protection

and on the Use of Industrial Property Rights. The Agreement was ratified by Italy on May 17, 1991.

The Soviet Union and the United States of America concluded, on June 1, 1990, an Agreement on Trade Relations, containing *inter alia* provisions on the protection of intellectual property (Article VIII). That Agreement has not yet entered into force.

The new *Law of the Union of Soviet Socialist Republics on Inventions in the USSR* (adopted by the Supreme Soviet on May 31, 1991) entered into force on July 1, 1991 (Text 2-001, IP 9/1991).

New inventions enjoy legal protection if they involve an inventive step (with regard to prior art in the USSR and abroad) and are industrially applicable. The subject matter of an invention may be a device, a process, a substance, a strain of microorganisms, cultures of vegetal or animal cells as well as the use of a known device, process, substance or strain for a new purpose. The following inventions are excluded from protection: scientific theories, methods of economic organization and management; symbols, schedules and rules; methods for performing mental acts; algorithms and programs for computers; projects and plans for constructions, buildings and territorial development; proposals concerning solely the external appearance of manufactured articles aimed at satisfying aesthetic requirements (Section 1).

The inventorship right is an inalienable personal right (Section 2).

The right in an invention is protected by a patent which certifies inventorship, the priority date of the invention and the exclusive right to exploit the invention. A patent has a term of validity of 20 years from the filing date of the application. The scope of a process patent also extends to products directly obtained by the process and, unless proved otherwise, a new product is deemed to have been obtained by the patented process (Section 3).

A patent is granted to the inventor, a natural person or legal entity indicated by the inventor, the inventor's heir or to the State Invention Fund of the USSR if the inventor assigns his exclusive right to exploit the invention to the State, or to an employer under an employment contract if the inventor is an employee. In the latter case, the inventor is entitled to a free non-exclusive license and, in the absence of a contract between employer and employee, the patent is granted to the inventor and the employer is entitled to exploit the invention in accordance with the provisions laid down in a license contract (Section 4).

The exclusive right to exploit an invention belongs to the owner of the patent and affords the faculty of exploiting the invention and to prevent others from exploiting it. Unauthorized manufacture, use, import, offering for sale, sale and any other form of marketing of a product incorporating the patented invention, as well as the use of a process

protected by a patent, constitute infringement of the patent owner's rights (Section 5).

The following are not considered to infringe the exclusive right to exploit an invention: the use on board sea-going or river vessels of other countries of devices incorporating inventions protected by patent in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the waters of the USSR, provided that such devices are used there exclusively for the needs of the vessel; the same provision is applicable to the use of devices incorporating inventions protected by patent in the construction or operation of aircraft, space vehicles or land vehicles of other countries. Use of the patented invention for the purposes of scientific research or experimentation, occasional preparation, on a medical prescription, of medicines in a pharmacy, use in cases of emergency, such as natural disasters, use for private and non-commercial purposes and use where the patented invention has been legally marketed, are also not considered to constitute an infringement (Section 6).

The rights of prior users are reserved (Section 7) and may only be transferred together with the production unit within which the invention is exploited or the preparations necessary for exploitation have been made.

Foreign applicants must perform operations relating to patents through Soviet patent agents registered with the USSR Patent Office (hereinafter "Office") (Section 8.3).

The right in a patent and the right to exploit a patented invention may be transferred by contract to a natural person or legal entity. The contract must be registered with the Office, failing which it is deemed null and void (Section 9).

The particulars of patent applications accepted for examination are published in the Official Gazette of the Office on expiry of a period of 18 months from the priority date, or at an earlier date, at the request of the applicant. After such publication of the particulars of the application or of the patent, the elements of the application are open to public inspection. Provisional legal protection is granted from the publication date of the application up to the date of registration of the invention in the State Register of Inventions of the USSR (hereinafter "Register") (Section 11).

The applicant has the right to participate in the examination of questions raised in the course of the preliminary examination and the substantive examination and to amend the application without modifying the subject matter of the invention or to file divisional applications having the priority date of the initial application (Section 12).

The preliminary examination of patent applications is carried out within one month from the date of their receipt by the Office (Section 13). Prelimi-

nary examination is followed by a substantive examination. Disclosure of information relating to the invention which has the effect of making generally accessible, in the USSR or abroad, information on the subject matter of the invention, and which is made by the applicant (inventor) does not prejudice the patentability of the invention if it has taken place no earlier than 12 months before the filing date of the invention, the burden of proof lying in such case with the applicant. The substantive examination is carried out within 12 months from the date of dispatch to the applicant of the notice of acceptance of the application. The applicant may request reexamination of the decision taken after substantive examination within three months from the date of receipt of the applicant's request. In case of disagreement, the issue is settled by the Patent Court of the USSR (hereinafter "Patent Court") (Section 14).

The applicant may lodge an appeal from such decision with the Patent Examination Appeal Board of the USSR Patent Office (hereinafter "Appeal Board") within three months of receipt of such decision. The appeal is heard within four months of the day of its receipt. The applicant may appeal from the Appeal Board's decision to the Patent Court within one year of the date of the decision. The applicant's rights lost through non-compliance with time limits may be reinstated in the following cases: applicant's answer in the course of examination, objection raised with the Office, request for copies of cited documents and appeal to the Appeal Board, on showing legitimate reasons and payment of a fee. The request for reinstatement must be submitted within 12 months after expiry of the time limit concerned (Section 15).

Particulars of patents are published within six months of registration of the inventions in the State Register, including the name of the inventor, unless he has waived his right to be mentioned as such (Section 16).

Patents are issued by the Office after registration of the inventions in the State Register (Section 17).

A patent may be invalidated in whole or in part in the following cases: the patent was granted in violation of the patentability requirements, the claims contain features that were not disclosed in the application as initially filed or the patent contains an incorrect identification of the inventor (joint inventors) or owner of the patent. Any natural person or legal entity may, within six months of the date of publication of the particulars of a patent, file opposition to the grant of the patent with the Appeal Board on the grounds that the patentability requirements have not been complied with or that the claims contain features which were not disclosed in the application as initially filed. Opposition is examined within six months following its receipt. After expiry of a period of six months from the date of publica-

tion of the particulars of the patent, or in case of disagreement with the decision taken by the Appeal Board, any action against the patent or the invalidation decision must be brought to the Patent Court (Section 18).

Filing of applications, examination, grant of patents, maintenance of patents and the performance of any other legal acts related to patents are subject to the payment of fees which are payable by the applicant, the owner of the patent or any other interested natural person or legal entity. Where the inventor made a request for grant of the patent in the name of the State Invention Fund of the USSR, no application and examination fees are due (Section 19).

The validity of a patent expires prematurely on a request filed by its owner, on failure to pay within the prescribed time limits the annual renewal fees, or on invalidation of the patent (Section 20).

Any national or legal entity of the USSR has the right to file patent applications abroad but is required to first file an application in the USSR and to inform the Office of his intention to seek patents abroad (Section 21).

The marketing of a product manufactured by application of a patented invention or the use of a process protected by a patent are deemed to constitute exploitation of an invention (Section 22).

Section 23 deals with license contracts. A license may be exclusive (the licensor retaining his exploitation right for the rights not licensed) or non-exclusive (the licensor retaining all his rights deriving from the patent, including that of granting further licenses). Where the owner of a patent cannot exploit the invention because it involves the use of another person's patented invention, he may request that other person's authorization to exploit the latter invention under a contract.

The owner of a patent may submit to the Office, for official publication, a declaration to the effect that he undertakes to grant the right to exploit his invention to any interested person (open license). In such case, the renewal fee due for the patent is reduced by 50% as from the year following the year of publication of the declaration; persons wishing to exploit the invention must conclude a contract with the owner of the patent with respect to remuneration (Section 24).

Section 25 deals with the exploitation of inventions in the interest of the State and with compulsory licenses, which give rise to payment of monetary compensation. Disputes relating to the amount of compensation are heard by the Patent Court. In the event of failure to exploit or insufficient exploitation of an invention on the territory of the USSR during five years following the date of registration of the invention in the Register, any person who, on expiry of that period, wishes to use the invention and is in a position to do so, but has not been able to conclude

a license contract with the owner of the patent, may bring an action before the Patent Court for the grant of a non-exclusive compulsory license. Such license is granted unless the owner of the patent shows legitimate reasons for failure to exploit or insufficient exploitation.

Exploitation of a patented invention otherwise than in compliance with the Law constitutes patent infringement. The owner of the patent may request cease and desist of the infringement as well as compensation for the losses incurred. The exclusive licensee may also bring an action against the infringer if the owner of the patent has not taken appropriate measures in respect of the infringement within two months of the day on which the infringement was ascertained (Section 26).

During the period of provisional legal protection, the applicant may exploit the invention to which the application relates if such exploitation does not infringe rights under existing patents. Any person who exploits an invention to which an application relates during that period must pay compensation (as agreed between the parties) to the owner of the patent once the patent has been granted (Section 27).

Section 28 deals with State incentives, in the form of exemption from taxation for periods of five years or more, for use of inventions. Section 29 deals with State contracts for the development and supply of new technology incorporating inventions. Section 30 deals with the funding of inventive activities in enterprises and in State-financed organizations.

Section 31 deals with the State Invention Fund of the USSR, whose activities are funded by revenue from the sale of licenses under patents owned by the Fund, by credits in the State budget and by donations; such patents may not be assigned without the consent of the respective inventors. The statutes of the Fund are adopted by the Cabinet of Ministers of the USSR.

Section 32 deals with the remuneration of employed inventors; Section 34 deals with the remuneration of persons having contributed to the development and exploitation of inventions.

Title III deals with labor and other rights and privileges of inventors. An employed inventor has the right to participate in the preparations for exploiting his invention. For that purpose, he may be temporarily released from his usual duties with payment of his salary and compensated for his additional expenses, retaining his position, leave entitlement and other rights and privileges related to his usual place of work. He is also entitled to additional dwelling space (Sections 35 and 36). Inventors are also entitled to give their inventions their name or a special title; the legislation of the Republics may afford additional rights and privileges to inventors (Section 37).

The right to file an application and the right to a patent, the exclusive right to exploit an invention and

the right to remuneration and to revenue derived from exploitation of an invention are transferrable by succession (Section 38).

Title IV deals with the organizational bases of legal protection of inventions and the defense of rights of inventors and owners of patents (duties of the USSR Patent Office, of enterprises, organizations and administrations in setting up the necessary conditions for the development of inventive activity; assistance provided by social organizations; organs competent to settle disputes arising from inventive activities; and organization and jurisdiction of the courts competent to hear disputes arising from inventive activities) (Sections 39 to 43).

Section 44 deals with the liability for infringement of inventors' rights and Section 45 with the liability for violation of the provisions of the Law by officials.

Section 48 provides that foreign nationals (legal entities) enjoy the rights granted by the Law and by other legislative instruments of the USSR and the Republics in the field of inventive activities on an equal footing with nationals (legal entities) of the USSR. Section 49 deals with the rights of foreign investment enterprises, organizations and associations established in the USSR.

Section 50 provides for the preeminence of provisions of an international treaty to which the USSR is party that are different from those of the Law on inventions.

For a commentary of this Law, see the study by Y.A. Bepalov entitled "Industrial Property in the USSR—Status Report and Outlook," *Industrial Property*, 1991, p. 319.

The administration competent in patent matters changed its name to USSR Patent Office [GOSPATENT SSSR].

A *Law on Trademarks and Service Marks* and a *Law on Industrial Designs* were also adopted at the beginning of July 1991, and will enter into force on January 1, 1992.

Furthermore, draft laws concerning the protection of appellations of origin, unfair competition, the protection of manufacturing secrets and the lay-out design of integrated circuits are currently under consideration.

Spain deposited, on April 17, 1991, its instrument of ratification of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (as signed at Madrid on June 28, 1989). The Protocol has not yet entered into force.

The *Regulations for the Implementation of the Trademark Law*, No. 32/1988, of November 10, 1988 (approved by Royal Decree No. 645 of May 18, 1990), entered into force on May 26, 1990 (Text 3-002, IP 3/1991).

Royal Decree No. 1465 of December 2, 1988, approving the *Implementing Regulations under Law*

No. 11 of May 3, 1988, on the Legal Protection of Topographies of Semiconductor Products (Text 1-003, IP 9/1988), entered into force on December 9, 1988.

The new *Law Against Unfair Competition* was promulgated on January 10, 1991.

The fees of the Registry of Industrial Property were amended by Law No. 31 of December 1990, with effect from January 1, 1991.

Swaziland became a party to the Paris Convention on May 12, 1991.

The Trade Marks Act, 1981 (No. 6 of 1981) has not yet entered into force.

A draft law on patents, utility models and industrial designs is currently under consideration.

Sweden. The new *Act Concerning the Protection of Trade Secrets* (No. 409 of 1990) of May 31, 1990, entered into force on July 1, 1990. It repeals Act No. 152 of 1931, Containing Certain Provisions Against Unfair Competition.

Switzerland. The new Trademark Law is in principle scheduled to enter into force on July 1, 1992.

Turkey. A draft patent law is currently under consideration.

United Kingdom. The *Patents Act 1977*, as last amended by the Copyright, Designs and Patents Act 1988 (Text 2-001, IP 9, 10, 11/1990), entered into force on various dates indicated in a footnote to Text 2-001.

The *Patents Rules 1990* (Statutory Instruments (S.I.) 1990 No. 2384) entered into force on January 7, 1991.

The *Patents (Fees) Rules 1991* (S.I. 1991 No. 1627), revoking and replacing the Patents (Fees) (No. 2) Rules 1990 (S.I. 1990 No. 2517), entered into force on August 12, 1991.

The *Trade Marks and Service Marks (Amendment) Rules 1991* (S.I. 1991 No. 1431), alleviating certain requirements with regard to companies, came into force on July 15, 1991.

The *Design Right (Proceedings before Comptroller) (Amendment) Rules 1991* (S.I. 1991 No. 1626), replacing Schedule 2 of the Designs Right (Proceedings before Comptroller) Rules 1989 (S.I. 1989 No. 1130, amended by S.I. 1990 No. 1699), and the *Registered Designs (Fees) Rules 1991* (S.I. 1991 No. 1628), revoking and replacing the Registered Designs (Fees) Rules 1990 (S.I. 1990 No. 1698), entered into force on August 12, 1991.

United Republic of Tanzania. The Patents Act 1987 and the Trade and Service Marks Act 1986 have been enacted but have not yet come into operation.

Draft regulations under the Patent Act are currently under consideration.

The **United States of America** signed new Agreements on Trade Relations containing, *inter alia*, provisions on the protection of intellectual property with Bulgaria, on April 22, 1991 (Article IX) (which has not yet entered into force), with Czechoslovakia on April 12, 1990 (Article X) (which entered into force in November 1990), with Mongolia on January 23, 1991 (Article IX) (which entered into force in January 1991), and with the Soviet Union, on June 1, 1990 (Art. VIII) (which has not yet entered into force).

Venezuela. *Decree No. 727 on Transfer of Technology*, implementing Decisions Nos. 220 and 244 of the Commission of the Cartagena Agreement, was promulgated on January 18, 1990.

Yemen. The Yemen Arab Republic and the People's Democratic Republic of Yemen merged, on May 22, 1990, into a single State called the "Republic of Yemen" and, in view of the fact that the said States were party to the Convention Establishing the World Intellectual Property Organization, as from May 22, 1990, the said two States are replaced by the Republic of Yemen, which is considered to be party to the said Convention and a member of WIPO.

By Ministerial Decree No. 70/1990, issued on October 6, 1990, the publication of trademark applications in the daily newspaper *Al-Thawrah* was provided for (the publication of the Trademark Journal was discontinued in 1986).

Yugoslavia. The *Law on the Protection of Inventions, Technical Improvements and Distinctive Signs* (of June 9, 1981, as amended by the Laws of January 17 and April 11, 1990) appeared as Text 1-001 in IP 7-8/1990.

II. International Treaties

World Intellectual Property Organization (WIPO). The draft Treaty Supplementing the Paris Convention for the Protection of Industrial Property as far as Patents are Concerned (Patent Law Treaty), which was submitted to the Diplomatic Conference held in The Hague from June 3 to 28, 1991, appeared in *Industrial Property*, 1991, pp. 118 *et seq.*

Replacement sheets for the text of the *Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure* (done at Budapest on April 28, 1977, and amended on September 26, 1980)

appeared as MULTILATERAL TREATIES – Text 2-004 in IP 7-8/1990.

The *Treaty on Intellectual Property in Respect of Integrated Circuits*, done at Washington, D.C., on May 26, 1989 (MULTILATERAL TREATIES – Text 1-011, IP 6/1989), was signed by the following eight States: China, Egypt, Ghana, Guatemala, India, Liberia, Yugoslavia, Zambia, and ratified by Egypt. The Treaty has not yet entered into force. See also the Note on the Diplomatic Conference for the Conclusion of a Treaty on the Protection of Intellectual Property in Respect of Integrated Circuits (Washington, D.C., May 8 to 26, 1989), *Industrial Property*, 1989, pp. 216 *et seq.*

The *Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks* (as signed at Madrid on June 28, 1989) (MULTILATERAL TREATIES – Text 3-007, IP 7-8/1989) was signed by the following 27 States: Austria, Belgium, Democratic Republic of Korea, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Luxembourg, Monaco, Mongolia, Morocco, Netherlands, Portugal, Romania, Senegal, Soviet Union, Spain, Sweden, Switzerland, United Kingdom, Yugoslavia, and ratified by Spain. It has not yet entered into force. See also the Note on the Diplomatic Conference for the Conclusion of a Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (Madrid, June 12 to 28, 1989), *Industrial Property*, 1989, pp. 253 *et seq.*

The *Regulations under the Patent Cooperation Treaty (PCT)* of June 19, 1970, were further amended by the PCT Assembly in its session held in Geneva from July 8 to 12, 1991 (the text will be published shortly under MULTILATERAL TREATIES as Text 2-007).

The *International Convention for the Protection of New Varieties of Plants (UPOV Convention)* of 1961, as revised at Geneva in 1972 and 1978) was further revised at the Diplomatic Conference held in Geneva from March 4 to 19, 1991.

III. Regional Treaties

Andean Group. By Decision No. 291 of March 21, 1991 (*Gaceta Oficial del Acuerdo de Cartagena* of April 4, 1991, p. 44.64), the Commission of the Cartagena Agreement decided to replace its *Decision No. 220 of May 11, 1987, Concerning the Common Regime of Treatment of Foreign Capital and of Trademarks, Patents, Licenses and Royalties* by a new text whose purpose is to liberalize international trade and investment, in particular by providing for the suppression of obstacles to foreign investment and encouragement of free circulation of capital in the subregion in order to stimulate foreign capital and technology flow toward the Andean economies.

By Decision No. 244 (*Gaceta Oficial del Acuerdo de Cartagena* of December 27, 1988, p. 1.8), it decided to replace its Decision No. 169 on multinational Andean enterprises.

Council of Europe. The *European Convention Relating to the Formalities Required for Patent Applications of 1953* was denounced by Iceland, with effect from May 7, 1992.

European Economic Communities. At the Conference on the Community Patent held in Luxembourg in 1989, the Member States of the Treaty Instituting the European Economic Community agreed to amend the Convention for the European Patent for the Common Market (Community Patent Convention) signed at Luxembourg on December 15, 1975 (MULTILATERAL TREATIES – Text 2-001, IP 2/1976) and to supplement it by a Protocol on the Settlement of Litigation Concerning the Infringement and Validity of Community Patents (Protocol on Litigation), a Protocol on Privileges and Immunities of the Common Appeal Court, and a Protocol on the Statute of the Common Appeal Court, and to replace that Convention, as signed in 1975, by the Agreement signed in Luxembourg upon its entry into force.

The Member States also agreed, if the Luxembourg Convention of December 15, 1989, had not entered into force on December 31, 1991, to convene a Conference of Representatives of the Governments of the Member States, empowered to amend unanimously the number of States which have to ratify the said Convention in order for it to be able to enter into force.

At its December 1990 session, the European Parliament gave initial approval to the EC Commission's proposal concerning a supplementary patent protection certificate for medicinal products for the purpose of extending the period of protection for drugs to compensate for the long development and authorization delays as well as a number of amendments to the *Regulations under the European Patent Convention* (MULTILATERAL TREATIES – Text 2-009, IP 3/1982) to include pesticides among the products which are subject to the same authorization procedures as medicinal products and to extend protection to products already on the market whose patents expire after July 1, 1992. That proposal must now pass through Parliament a second time before facing a final vote in the Council of Ministers.

The European Patent Organisation and the Republic of Austria signed, on July 2, 1990, an agreement providing for the takeover of the International Patent Documentation Center (INPADOC), located in Vienna, by the European Patent Organisation.

SWEDEN

*Director General,
Royal Patent and Registration Office*

We have been informed that Mrs. Birgit Erngren has been appointed Director General of the Royal Patent and Registration Office.

Calendar of Meetings

WIPO Meetings

(Not all WIPO meetings are listed. Dates are subject to possible change.)

1991

- September 23 to October 2 (Geneva)** **Governing Bodies of WIPO and the Unions Administered by WIPO (Twenty-Second Series of Meetings)**
- All the Governing Bodies of WIPO and the Unions administered by WIPO meet in ordinary session every two years in odd-numbered years. In the 1991 sessions, the Governing Bodies will, *inter alia*, review and evaluate activities undertaken since July 1990, and consider and adopt the draft program and budget for the 1992-93 biennium.
- Invitations:* As members or observers (depending on the body), States members of WIPO or the Unions and, as observers, other States members of the United Nations and certain organizations.
- October 17 and 18 (Wiesbaden, Germany)** **Symposium on the International Protection of Geographical Indications** (organized by WIPO in cooperation with the Government of the Federal Republic of Germany)
- The Symposium will deal with the protection of geographical indications (appellations of origin and other indications of source), at the national and multilateral level.
- Invitations:** States members of WIPO and certain organizations. The Symposium will be open to the public (against payment of a registration fee).
- November 4 to 8 (Geneva)** **Committee of Experts on a Possible Protocol to the Berne Convention (First Session)**
- The Committee will examine whether the preparation of a protocol to the Berne Convention for the Protection of Literary and Artistic Works should start, and—if so—with what content.
- Invitations:* States members of the Berne Union and, as observers, States members of WIPO not members of the Berne Union and certain organizations.
- November 11 to 18 (Geneva)** **Working Group on the Application of the Madrid Protocol of 1989 (Fourth Session)**
- The Working Group will continue to study Regulations for the implementation of the Madrid Protocol.
- Invitations:* States members of the Madrid Union, States having signed or acceded to the Protocol, the European Communities and, as observers, other States members of the Paris Union expressing their interest in participating in the Working Group in such capacity and certain non-governmental organizations.

UPOV Meetings

(Not all UPOV meetings are listed. Dates are subject to possible change.)

1991

- October 21 and 22 (Geneva)** **Administrative and Legal Committee**
- Invitations:* Member States of UPOV and, as observers, certain non-member States and inter-governmental organizations.
- October 23 (Geneva)** **Consultative Committee (Forty-Fourth Session)**
- The Committee will prepare the twenty-fifth ordinary session of the Council.
- Invitations:* Member States of UPOV.

October 24 and 25 (Geneva)

Council (Twenty-Fifth Ordinary Session)

The Council will examine the reports on the activities of UPOV in 1990 and the first part of 1991 and approve the program and budget for the 1992-93 biennium.

Invitations: Member States of UPOV and, as observers, certain non-member States and inter-governmental organizations.

Other Meetings Concerned with Industrial Property

1991

September 30 to October 4 (Harrogate)

International Federation of Industrial Property Attorneys (FICPI): Congress

October 21 and 22 (New York)

International League of Competition Law (LIDC): Study Days

1992

March 16 to 20 (Innsbruck-Igls)

International Federation of Industrial Property Attorneys (FICPI): Executive Committee

October 7 to 10 (Amsterdam)

International League of Competition Law (LIDC): Congress

