

## BILLE NA bPAITINNI, 1963. PATENTS BILL, 1963.

## EXPLANATORY MEMORANDUM.

- 1. The law relating to patents for inventions is intended to encourage invention by giving to inventors exclusive rights of exploitation for a limited term of years, while at the same time providing adequate safeguards for the general public against unjustified and faulty patents and against abuse of monopoly rights. The existing law is contained in Parts I, II and V of the Industrial and Commercial Property (Protection) Act, 1927, as amended by the Acts of 1929, 1947, 1949, 1957 and 1958. The Bill re-enacts in substance the provisions of the existing law, with additions and changes designed for the benefit of both inventors and the public and necessary to keep Irish law in line with recent and projected changes in international arrangements concerned with the protection of inventions.
- 2. Several important changes are intended to strengthen the examination of patent applications which the Patents Office carries out in order to determine whether an invention is new and, in that and other respects, entitled to the grant of a patent, and to enlarge the grounds upon which the interested public can resist the grant of an unjustified patent or seek its revocation if one has been granted.
  - (a) Under the present law the Office is required to make a search through Irish patent specifications to test the novelty of the invention in a patent application, and, in addition, the applicant must furnish evidence that the invention has not been previously published in any of a limited range of British patent specifications. It is proposed in section 8 (6) to give the Minister power to prescribe by Statutory Rule more satisfactory forms of evidence as to the novelty of an alleged invention, such as the result of a search made in a wider field by a national or international search organisation or by a patent agent, or evidence of the acceptance of an application for the same invention by another Patent Office which carries out a satisfactory preliminary examination. This evidence, as to which an applicant will have some freedom of choice, will be considered under section 12 (3). Further, under section 12 (2), there is power for a more extensive novelty investigation to be made by the Office in particular cases.
- (b) The present provisions under which the grant of a patent may be opposed in the Patents Office on various grounds, particularly lack of novelty, by any interested person, are strengthened by the addition of two grounds of objection which have only been available hitherto for attacking the validity of a granted patent in the Court. Firstly, a patent may now be refused by the Controller if it is proved that the alleged invention was publicly used in the State before the date of application for the patent (section 19 (1) (d)). Secondly, it may be refused if it is shown that the invention is obvious, i.e., it is lacking in inventive ingenuity in view of what had been published in the State, or claimed in another specification of earlier priority, before the date of the application (section 19 (1) (e)).

- (c) A new provision (section 20) enables a third party who knows or thinks that the subject of an application for a patent has already been published, to resist the grant of a patent without invoking the more troublesome and expensive opposition procedure of section 19.
- (d) The existing powers of the Controller to revoke an invalid patent during the first year of its life (section 35) are reinforced by the additional provisions of section 19.
- (e) The existing, wider, powers of the Court to revoke an invalid patent (section 34) are made more generally available and are strengthened in two ways. Firstly, the wording of section 34 (1) (e), in conjunction with the definition of "published" in section 2, makes it a ground of invalidity that the invention has been made available to the public by disclosure anywhere, and not merely by publication in the State. Secondly, patent claims of earlier priority may be considered in assessing the obviousness of an alleged invention (section 34 (1) (f)) as well as prior publications. These changes are in accordance with most foreign patent law, and with modern trends on the subject as shown by proposed international agreements, e.g., as to the establishment of a Common Market patent.
- (f) A new provision (section 14) empowers the Controller to insert in a patent specification a reference to an earlier patent which might, in his view, be infringed by use of the later patent. This is to reduce the danger of innocent infringement by the owner, for the time being, of the later patent.
- 3. The existing definition of an "invention" has been extended (section 2) to make it clear that industrial methods of testing are patentable. Further, the existing limitation on the patentability of substances produced by chemical processes is removed, but safeguards for the public are provided in section 9 (7), and also in section 42, which extends the existing provision for the compulsory licensing of patents claiming such substances. A new provision in section 15 (1) (a) makes it clear that perpetual motion and other devices which are contrary to natural laws and so cannot work are unpatentable.
- 4. It is not proposed to change the term, 16 years, of a patent, or the character of the rights which it gives to the patentee against the public. It is proposed, however, that the term should in future run in all cases from the date when the applicant for the patent filed his complete specification (section 26 (1) and (3)). This proposal would put applicants who start with a provisional specification on an equality with foreign applicants and others who start with a complete specification, and would have the advantage of consistency. In assessing rights in an invention, an important question is the date from which an applicant is entitled to priority over other inventors in the same field. Section 10 provides a new and comprehensive formula for determining the date priority of an invention or of the several parts of an invention, in relation to other similar inventions. Together with section 9 (6), it satisfies a requirement of the Lisbon revision of the International Convention for the Protection of Industrial Property, and assists an inventor to make or improve an invention by stages without forfeiting any advantages as to priority to which he may be entitled.
- 5. Several other proposals are intended to facilitate applying for a patent. Section 6 (1) (b) extends the right to apply for a patent to the assignee of an inventor. Section 8 (2) increases by 3 months the time allowed to the applicant for a patent to file a complete specification following a provisional specification, thus giving him a longer time in which to decide whether his application is worth prosecuting further. Section 22 (1) permits an application which

has been made by an inventor to be transferred to the name of an assignee, facilitating dealings in inventions, while section 22 (5) gives the Controller new powers to settle disputes between joint applicants as to the prosecution of an application. Section 30 provides a new power to revive an application which has been allowed by inadvertence to lapse between the stages of acceptance and sealing.

- 6. Sections 17 and 18 make new arrangements for the acceptance and publication of specifications after their examination by the Patents Office. Under section 17, an applicant is allowed a certain period in which to meet any objections raised by the Office and to put his specification in order for acceptance. This is considered more convenient than the existing arrangement, according to which the specification must be actually accepted within the period. Further, the maximum period allowed is now to be prescribed by the Minister by Statutory Rule. This is because matters outside the control of applicants might make it expedient to vary the period without fresh legislation. Under section 18, formal acceptance of the application will take place as soon as is practicable after the specification has been put in order and a date will be announced in the official journal on which the specification will be placed open to public inspection and regarded as formally published.
- 7. Further proposals are designed to benefit the owners of patents. Section 26 (5) increases the period of grace allowed to a patentee for paying the annual renewal fees required to keep a patent alive. This should reduce the danger of patents lapsing owing to error. On the other hand, the period within which a patent may be revived after it has in fact lapsed unintentionally is reduced in section 29 to 3 years. In sections 31 to 33, the rather strict limitations placed on permissible amendment of an accepted specification have been relaxed somewhat. In section 39, which deals with the grant of compulsory licences in case of abuse of monopoly rights, the minimum time after which a licence may be applied for has been increased, and it is provided that any licence granted must be non-exclusive. These changes conform to the Lisbon revision of the International Convention for the Protection of Industrial Property. Under section 59, the holder of an exclusive licence under a patent is empowered to take proceedings for infringement of a patent in like manner as the patentee himself.
- 8. Sections 52 and 53 give to the Controller new powers to settle certain disputes, as an alternative to action in the Court which has hitherto been necessary. Under section 52, he may give directions as to dealings in a patent which is owned jointly by two or more persons. Under section 53, he may adjudicate between an employer and his employee as to their respective rights in an invention made by the latter while he was employed by the former. It is thought that the exercise of these powers may save time and expense in some cases. Under section 62, any person may apply to the Court for a declaration that something he is doing or proposes to do does not or would not infringe a particular patent. This new provision would enable a manufacturer to discover with certainty whether it is safe to perform any manufacture which he has in mind.
- 9. The International Convention for the Protection of Industrial Property, to which Ireland is a party, requires member countries to allow to an inventor who applies for a patent in one country a priority period of not less than 12 months in which to apply in respect of that invention in another country or countries. The provision on this point in the existing law is made more general by section 93. Various international arrangements about patents, designed to help inventors and administrations, are under discussion. Subsection (2) of section 93 will facilitate the implementation of any such arrangement in which Ireland may find it expedient to join, particularly as regards time limits and details of application procedure.

10. The present law empowers the Government to make, use or exercise for the services of the State any invention which is the subject of a patent or an application for a patent. These powers are subject to the payment of proper compensation for such use, any dispute being referable to the Court. Section 92 continues these powers, with certain amendments which are thought to be in the public interest. The power is extended to cover sale as well as use, and subsection (9) defines what is meant normally by "services of the State". Subsections (7) and (8) enable the Government to interpret this phrase still more widely in times of special difficulty.

11. The Controller has power under the Act to make decisions affecting the rights of inventors and others in a number of issues concerning patents and applications for patents. Under the existing law there is a right of appeal from some decisions to the Attorney-General and from others to the Court. Under section 75, all such appeals will in future be to the Court. Important provisions are concerned with guaranteeing the secrecy of unpublished inventions (subsection (2)) with the right of audience to the Court (subsection (3)) and with the exclusion from further appeal of various issues which arise before the actual grant of a patent (subsection (8)). The object of this last provision is to avoid undue delay or expense in connection with the official examination of applications for patents before grant.

12. Section 86 continues the present arrangements under which a person may not act as a patent agent in matters concerning patents and applications for patents unless he is registered in the official register of patent agents. A proviso to subsection (2) gives the Minister power to authorise persons not so registered to act nevertheless as patent agents in special circumstances.

13. The Bill contains provisions in Part VIII for the continuation of the office of Controller, in future to be known as the Controller of Patents, Designs and Trade Marks. It also makes general provisions regarding matters of establishment and procedure arising under this Bill and other legislation for the administration of which the Controller is responsible.

14. The transitional provisions set out in the Second Schedule provide that the provisions of the old Act shall continue to apply to the examination of specifications which were filed, and the effective examination of which has commenced, before this Act comes into force (paragraph 4) and that oppositions to the grant of a patent and applications to the Controller for a revocation of a patent which were pending under the old Act shall continue to proceed under the provisions of that Act (paragraph 5). Other important items of the transitional provisions are that the provisions of sections 10 and 30 shall apply to applications made before the commencement of this Act (paragraphs 2 and 10) but that the amended time limit in section 8 (2) shall not apply to such applications (paragraph 3).

An Roinn Tionscail agus Tráchtála.

Samhain, 1963.