

LAW NO. 7961

PROTECTION OF LAYOUT DESIGNS
OF INTEGRATED CIRCUITS

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THE LEGISLATIVE ASSEMBLY OF THE REPUBLIC OF COSTA RICA

HEREBY DECREES:

CHAPTER I

DEFINITIONS

ARTICLE 1.— Terms Used

For the purposes of this Law:

- (a) **integrated circuit** means a product, in its final form or an intermediate form, in which the elements, at least one of which is an active component, and some or all of the interconnections are integrally formed in and/or on a piece of material, and which is intended to perform an electronic function;
- (b) **layout design** means the three-dimensional arrangement, however expressed, of the elements, at least one of which is an active component, and interconnections of an integrated circuit, or such a three-dimensional arrangement prepared for an integrated circuit intended for manufacture;
- (c) **owner** means the natural person or legal entity who or which benefits from the protection granted by this Law;
- (d) **protected layout design** means a layout design in respect of which the conditions of protection referred to in this Law are fulfilled;
- (e) **Registry** means the Industrial Property Registry, which is attached to the National Registry.

CHAPTER II

PROTECTION OF LAYOUT DESIGNS
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ARTICLE 2.— Competence of the Industrial Property Registry

For the purposes of this Law, the administration of intellectual property shall be the responsibility of the Industrial Property Registry, which is attached to the National Registry under Law No. 5695 of May 28, 1975 on the Establishment of the Administrative Board of the National Registry.

ARTICLE 3.— Obligation to Protect

Layout designs of integrated circuits shall be protected as subjects of intellectual property, in accordance with this Law.

ARTICLE 4.– Condition for Protection

Layout designs shall be protected where they are original. They shall be considered original where they are the result of the intellectual effort of their designer and are not common in the sector of the integrated circuit industry.

Where layout designs are composed of one or more elements which are common in the sector of the integrated circuit industry, they shall be considered original if the combination of the elements, taken together, fulfills this condition.

ARTICLE 5.– Right to Protection

The right to register a layout design of an integrated circuit shall belong to its designer. It may be transferred *inter vivos* or by succession.

Where several persons have jointly created a layout design, the right to protection shall jointly belong to them.

Where a layout design has been created under a project or service contract entered into for this purpose or within the framework of an employment relationship in which the designer has such a function, the right to protection shall belong to the person who contracted the project or service, or to the employer, unless otherwise provided by contract.

ARTICLE 6.– Beginning of the Exclusive Right

The exclusive right in a layout design of an integrated circuit shall begin on the date on which the application for registration is filed with the Registry, and shall grant the respective moral and economic rights therein.

If the layout design has been commercially exploited anywhere in the world, the application for registration shall be filed with the Registry within a period of two years from the design's first commercial exploitation. If the application is filed after the expiration of that period, the registration shall be refused.

A layout design that has not been commercially exploited anywhere in the world may be registered only if an application has been filed with the Registry no later than 15 years after the last day of the calendar year the layout was designed. If the application is filed after that period has expired, registration shall be refused.

ARTICLE 7.– Duration of the Exclusive Right

The exclusive right in a registered layout design shall last 10 years from the earliest of the following dates:

- (a) the last day of the calendar year in which the layout design was first commercially exploited anywhere in the world, or
- (b) the filing date of an application for registration with the Registry.

The term of protection of a registered layout design shall lapse in any case at the conclusion of a period of 15 years beginning from the last day of the calendar year in which the layout design was created.

CHAPTER III
CONTENT, SCOPE AND EXCEPTIONS TO THE RIGHT

ARTICLE 8.– Exclusive Rights

Registration of a layout design of an integrated circuit shall confer on its owner the right to prevent third persons from performing any of the following acts:

- (a) reproducing, through incorporation in an integrated circuit or in any other way, all or any part of the protected layout design that complies with the requirements of originality stipulated in the first paragraph of Article 4 of this Law;
- (b) marketing, importing, offering for sale, selling, or otherwise distributing the protected layout design, an integrated circuit incorporating that design or an article containing such a circuit.

Protection conferred by registration shall cover only the layout design itself, and shall not extend to any idea, process, system, technique or data encoded or incorporated in the layout design.

Protection shall apply regardless of whether the integrated circuit that incorporates the registered layout design is contained in an article and regardless of whether the layout design is incorporated in an integrated circuit.

ARTICLE 9.– Exceptions to Exclusive Right

The right conferred by registration of a layout design may only be asserted against acts performed for industrial or commercial purposes. Registration shall not confer the right to prevent:

- (a) acts carried out in a private circle for non-commercial purposes;
- (b) acts carried out exclusively for purposes of evaluation, analysis or experimentation with respect to the protected layout design or integrated circuit incorporating it;
- (c) acts carried out exclusively for purposes of teaching or scientific or academic research;
- (d) acts referred to in Article 5ter of the Paris Convention for the Protection of Industrial Property, Law No. 7484 of April 28, 1995.

ARTICLE 10.– Exhaustion of Rights

Registration of a layout design shall not give the owner the right to prevent third parties from performing the acts mentioned in subparagraph (b) of the first paragraph of Article 8 of this Law in respect of protected layout designs, integrated circuits in which protected layout designs are incorporated, or articles containing those circuits after they have been introduced in trade in any country by the owner or another person with the consent of or having economic ties to the owner.

For purposes of the preceding paragraph, two persons shall be considered to have economic ties where one of the persons is able to exercise a decisive influence over the other, either directly or indirectly, in respect of exploitation of the protected layout design, or where a third party is able to exert such an influence over both persons.

ARTICLE 11.– Reverse Engineering

The owner of a layout design registration may not prevent a third party from performing acts of industrial or commercial exploitation in respect of a layout design created by another person through the evaluation or analysis of the protected layout design, where the layout design so created fulfills the requirement of originality stipulated in Article 3 of this Law. Nor may the owner prevent those acts in respect of integrated circuits in which the layout design so created is incorporated or of articles incorporating those integrated circuits.

ARTICLE 12.– Independent Creation

The owner of a layout design registration may not prevent a third party from performing the acts cited in subparagraph (b) of the first paragraph of Article 8 of this Law in respect of another original layout design independently created by a third party, even if identical.

ARTICLE 13.– Innocent Infringement

Performance of any of the acts referred to in subparagraph (b) of the first paragraph of Article 8 of this Law in respect of an integrated circuit incorporating unlawfully a layout design or any article incorporating such an integrated circuit shall not be considered an infringement of rights in a registered layout design, where the person performing such an act did not know and had no reasonable grounds to know, that the design had been unlawfully reproduced.

Without prejudice to the provisions of the preceding paragraph, after the time that such person has been informed that the layout design was unlawfully produced, that person may continue to perform any of the acts in respect of the stock on hand or ordered before such time. However, at the request of the right holder, he shall be liable to pay the owner a sum equivalent to a royalty such as would be payable under a contractual relationship.

CHAPTER IV**TRANSFER AND LICENSING****ARTICLE 14.– Transfer of the Right**

A layout design registration or a registration application may be transferred *inter vivos* or by succession.

Any transfer of a layout design registration or a registration application shall be in writing. Transfers shall be binding on third parties once they have been filed with the Registry.

ARTICLE 15.– Contractual Licenses

The owner or applicant for a layout design registration may grant a license to exploit that layout design.

Transfers shall be binding on third parties once they have been filed with the Registry.

ARTICLE 16.– Compulsory Licensing

The conditions laid down for granting compulsory licenses with regard to patents, which are established by Law No. 6867 of April 25, 1983 on Patents, Industrial Designs and Utility Models, and amendments thereto, shall apply to the granting of a compulsory license in respect of a layout design.

CHAPTER V

REGISTRATION PROCEDURE

ARTICLE 17.– Application for Registration

Applications to register a layout design of an integrated circuit shall be filed with the Registry and shall contain:

- (a) a petition;
- (b) a graphic representation of the layout design for which registration is sought;
- (c) a statement of the date of first commercial exploitation of the integrated circuit anywhere in the world, if relevant;
- (d) a description of the electronic operation to be performed by the integrated circuit which the layout design incorporates;
- (e) such powers of attorney as may be needed.

The petition shall contain:

- (i) the name and address of the applicant;
- (ii) the domicile of the applicant and, if the applicant is a legal entity, the site of incorporation;
- (iii) the name and address of the creator of the layout design, if this is a person other than the applicant;
- (iv) the name and address of the applicant's representative or agent in the country, if the applicant has no domicile or establishment in Costa Rica;
- (v) a request for layout design registration;
- (vi) the date, number and office where any application for registration or other protection title was filed or obtained abroad by the same applicant or assignee in respect of all or part of the same layout design being applied for in Costa Rica;
- (vii) the signature of the applicant or his legal representative.

Where the layout design for which registration is sought includes an industrial secret, the applicant shall file, in addition to the graphic representation required by the first paragraph of this Article, a representation of the layout omitting, erasing or distorting the parts containing the secret. The remaining parts shall be sufficient to allow for identification of the layout design in any case.

ARTICLE 18.– Date of Filing

The date of filing of an application with the Registry shall be considered its date of receipt, provided that the application contains at least the following elements:

- (a) an express or implicit statement that the application is being filed for layout design registration;
- (b) data that shall permit identification of the applicant or person filing the application or enable the Registry to communicate with that person;
- (c) a graphic representation of the layout design for which registration is sought.

If the application omits any of the elements indicated in the preceding paragraph, its filing date shall not be valid and the Registry shall instruct the applicant to correct the omission. Until this has been done, the application shall be considered not to have been filed. If the applicant corrects such an omission, the filing date shall be deemed to be the date on which at least the requirements indicated in the preceding paragraph are fulfilled.

ARTICLE 19.— Withdrawal of the Application

The applicant may withdraw his application at any point during the processing. Withdrawal shall end the administrative process, as a result of which the assigned filing date shall be lost.

ARTICLE 20.— Examination of the Application

The Registry shall ascertain whether the subject matter of the application constitutes a layout design as defined by Article 1 of this Law, and whether the application contains the information requested in Article 17 of this Law.

Should any omission or defect be noted, the applicant shall be instructed to make the necessary correction within a period of three months, and shall be informed that failure to do so shall be considered abandonment and shall lead to the automatic archiving of the application. If the applicant fails to make the correction within the said period, the Registry shall make its warning effective through a reasoned decision.

ARTICLE 21.— Publication of the Application

Once it has examined the application, the Registry shall order its announcement through the publication in the Official Gazette of a notice to be paid for by the interested party.

The notice must reach the Government Printing Office within 15 working days following the date of receipt of the corresponding publication order. Failing this, the application shall by operation of the law be considered to have been abandoned and shall automatically be archived. Within two months following publication, the interested party shall submit to the Registry a copy of the page of the Official Gazette in which the notice appeared or a photocopy thereof. If the copy is not submitted within the period indicated, the application shall by operation of the law be considered to have been abandoned and shall automatically be archived.

ARTICLE 22.— Comments

Any interested person may lodge substantiated observations with the Registry, including information or documents of use for ascertaining whether a layout design may be registered.

Any comments received shall be notified to the applicant, who may submit comments or documents in that respect.

The filing of comments shall not stay the processing of the application. Anyone filing comments shall not thereby become a party to the proceedings.

Upon receipt of the comments, the Registry may examine them with a view to ascertaining whether of the layout design may be registered.

ARTICLE 23.— Decisions and Registration

If the stipulated requirements have been fulfilled, the Registry shall register the layout design, issue a certificate containing the data included in the corresponding registration, and order that the registration be announced in the Official Gazette.

CHAPTER VI

INVALIDATION, CANCELLATION AND OTHER MEASURES

ARTICLE 24.— Invalidation

Provided that the principles of due process are respected, the Registry may, either *ex officio* or at the request of a party with at least a legitimate interest, declare the registration of a layout design null and void, provided that this is clear and evident, where:

- (a) the subject matter of the registration is not a layout design as defined by Article 1 of this Law;
- (b) the registration was granted for a layout design that fails to comply with the requirements for protection set out in Article 4 of this Law;
- (c) the registration was granted for a layout design applied for after the expiration of one of the periods stipulated in the second and third paragraphs of Article 6 of this Law.

Where the grounds for invalidation are applicable to only a part of the registered layout design, invalidation shall be pronounced only in respect of that part, leaving the registration valid for the other parts, provided that as a whole the layout design complies with the requirement of originality stipulated in Article 4 of this Law.

Invalidation proceedings shall lapse four years from the date the registration was granted.

Declarations of invalidation shall be retroactive to the date of the act, without prejudice, however, to any rights acquired in good faith.

Invalidation declared *ex officio* shall be governed by the provisions of Article 173 (1) to (3) of General Law No. 6227 of May 2, 1978, on Public Administration.

ARTICLE 25.— Cancellation

Provided that the principles of due process are respected, a layout design registration may be cancelled where it has been granted to a person who had no right thereto. Invalidation proceedings may be initiated only by the person with the right to obtain registration and shall be brought before the competent authority. This right of action shall lapse two years following the date on which the right holder learned about the marketing of the good incorporating the layout design in the country.

Cancellation shall take effect only in the future, except where it must be retroactive to avoid damage to the beneficiary, third parties or the public interest.

ARTICLE 26.— Liabilities

The administrative, civil or criminal proceedings related to this Law shall be regulated by a future law on procedures for enforcement of intellectual property rights.

CHAPTER VII

GENERAL PROVISIONS

ARTICLE 27.— Grouping of Applications

It shall be possible, by means of a single request, to seek the amendment or correction of two or more applications or registrations, provided that the amendment or correction has been the same for all and has been notified to each of the applicants.

It shall be possible, by means of a single request, to seek the recording of transfers relating to two or more applications or registrations, provided that the transferor and the acquirer are the same in all cases. This shall apply, as appropriate, to the recording of licenses.

As provided in this Article, the applicant shall identify each application or registration in which the amendment, correction or recording is to be made.

ARTICLE 28.— Lack of Authentication

No administrative proceedings, request by a party or dispute relating to obtaining, maintaining or disposing of a registration provided for in this Law shall be admissible if the documents do not fulfill the respective authentication, legalization or certification requirements.

ARTICLE 29.— Extension of Deadlines

At the request of the applicant or owner of a registration, in duly justified cases, the Registry may on a reasonable basis extend the deadlines laid down in this Law or its regulatory provisions for the applicant or owner to respond to a notice or request by the Registry.

ARTICLE 30.— Recording and Publication of Decisions

The Registry shall record and publish in the Official Gazette the decisions and final rulings relating to the grant of compulsory licenses and to the invalidation, annulment or withdrawal of registrations.

ARTICLE 31.— Access to Registries

The registry of layout designs of integrated circuits shall be public and may be consulted by anyone, in accordance with the arrangements for consultation established by the Registry.

Where the layout design for which a registration application has been filed includes an industrial secret and the applicant has accordingly filed a representation of the layout design omitting, erasing or distorting the parts containing that secret, the complete graphic representation of the layout design may only be accessed by third parties with the written authorization of the applicant or owner of the registration.

ARTICLE 32.— Access to Files

Anyone may consult in the Registry a file relating to an application published even before its processing has been completed.

The file for a pending application may not be consulted by third parties before publication of the application unless the applicant has given his consent in writing. This restriction shall also apply to applications that have been withdrawn or abandoned prior to publication.

The file for a pending application may be consulted before publication by any accredited party whom the applicant has notified with a view to the cessation of a given industrial or commercial activity, based on the application.

Where the layout design includes a business secret, the provisions of the third paragraph of the preceding Article shall apply, as appropriate.

CHAPTER VIII
FINAL PROVISIONS

ARTICLE 33.– Regulations

The Executive shall issue regulations under this Law no later than six months.

In force from the time of its publication.

THIRD PLENARY LEGISLATIVE COMMITTEE.– Adopts the preceding bill on the thirtieth of November of the year one thousand nine hundred and ninety-nine.

Alicia Fournier Vargas
CHAIR

Everardo Rodríguez Bastos
SECRETARY

LEGISLATIVE ASSEMBLY.– San José, the thirteenth of December of the year one thousand nine hundred and ninety-nine.

TO BE COMMUNICATED TO THE EXECUTIVE

Carlos Vargas Pagán
PRESIDENT

Manuel Ant. Bolaños Salas
FIRST SECRETARY

Rafael Ángel Villalta Loaiza
SECOND SECRETARY

dr.