



English Translation
No. 36.

10 May 1996

Act
amending the Patents Act, No. 17/1991, as subsequently amended,
the Trade Marks Act, No. 47/1968, as subsequently amended,
and the Design Protection Act, No. 48/1993

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THE PRESIDENT OF ICELAND

makes known: The Althing has passed this Act, and I have confirmed it with my approval:

PART I
Amendments to the Patents Act

Section 1

The third sentence of the first paragraph of Section 6 of the Act shall read as follows:

The Minister of Industry may decide that applications, filed in States which are not members of the Paris Convention, may form the basis for priority in accordance with this Section.

Section 2

The second paragraph of Section 6 of the Act shall be deleted.

Section 3

Section 13 of the Act shall read as follows:

The application for a patent must not be amended so as to claim protection for subject matter which did not appear in the application at the time when it was filed.

Section 4

Section 14 of the Act shall be deleted.

Section 5

Section 19 of the Act shall read as follows:

If the application is in accordance with applicable rules and no obstacles to the grant of a patent are found, and the applicant has given his approval to the text of the forthcoming patent, the Patent Authority shall notify the applicant that the patent will be awarded upon payment of the fee prescribed for the issuance of the patent.

After the Patent Authority has sent the notification provided for in Paragraph 1, the patent claims may not be altered so as to broaden the scope of the protection accorded by the patent.

The issuing fee shall be paid within two months of the date of notification of the Patent Authority provided for in Paragraph 1. In default thereof, the application shall be dismissed. The processing of such application shall be resumed, however, if within four months after the expiration of this period of time the applicant pays the publication fee and the prescribed resumption fee.

An inventor applying for a patent himself may, within the time specified in Paragraph 3, request exemption from payment of the issuing fee. The Patent Authority may grant such exemption if the applicant may be regarded as having considerable difficulties in paying the fee. If such a request is refused, a fee paid within two months of the date of refusal shall be considered to have been paid within the proper time limit.

Section 6

Section 20 of the Act shall read as follows:

When the conditions of Section 19 have been fulfilled the Patent Authority shall grant the patent and prepare the patent document. The granting of the patent shall be advertised at the same time.

After the granting of the patent has been advertised the Patent Authority shall make available upon request copies of its description, patent claims and abstract. These documents shall indicate who the inventor is and who the applicant is.

Section 7

Section 21 of the Act shall read as follows:

Anyone may file an opposition against the patent granted with the Patent Authority. Opposition shall be made in writing and reasoned and must be filed with the Patent Authority within nine months from the date the granting of the patent was advertised.

Opposition may only be based on the contention that the patent was granted despite the following:

1. the conditions of Sections 1 and 2 were not fulfilled,
2. the invention is not described clearly enough to enable a person skilled in the art to carry out the invention with the guidance thereof,
3. the subject of the patent is more extensive than the application in the form in which it was filed.

The Patent Authority shall advertise that an opposition has been filed.

Section 8

The following amendments shall be made to Section 22 of the Act:

- a. The first and second paragraphs shall read as follows:

As from the date the patent is granted, the application documents in the case shall be available to any person.

When 18 months have elapsed from the date of filing, or from the day when priority is claimed, cf. Section 6, the documents shall be available to any person, even though a patent has not been granted. If a decision has been made to dismiss or to refuse the application, the files shall, however, not be available unless the applicant requests resumption of the proceedings, appeals against the refusal or requests re-establishment of rights under Sections 72 or 73.

- b. The fifth paragraph shall read as follows:

If a document contains business secrets which do not concern an invention for which a patent is sought or granted, the Patent Authority may, on request and in special circumstances, decide that the document, in whole or in part, shall not be made available to the public. If such a request has been filed, the document shall not be made available until a decision to this effect has been made or until the period during which the decision may be appealed has passed. An appeal shall have the effect of suspending the implementation of such decision.

- c. The seventh paragraph shall read as follows:
Notwithstanding Paragraph 6 an applicant may request that a sample of a microorganism culture shall only be provided to an expert until such time as a patent has been granted or a final decision taken concerning an application which has not resulted in a patent. The Minister of Industry shall set rules governing the time limit for the submission of such a request and prescribing who may be considered an expert in this context.

Section 9

Section 23 of the Act shall read as follows:

The Patent Authority shall notify the patent holder of opposition filed and allow him an opportunity to submit his arguments.

The Patent Authority may accept opposition for processing even though a patent has lapsed or will cease to have effect, as referred to in Sections 51 or 54, the opposition has been withdrawn or the opponent is deceased or has lost the right to proceed with such a case.

The Patent Authority may declare the patent null and void or decide that it shall continue to be valid, in the same or altered form. If the Patent Authority agrees that the Patent should be altered and the patent holder has indicated his agreement, the patent document shall be altered in accordance with the subsequent amendments after the patent holder has paid the required fee for the reissuing of the patent. The Patent Authority shall make available copies of the final version of the Patent.

If the patent holder fails to agree to the altering of the patent or fails to pay the fee prescribed for the issuing of a new patent document, the patent shall be considered to have lapsed.

When a final decision has been reached in an opposition case, such decision shall be advertised.

Section 10

Section 24 of the Act shall read as follows:

An appeal against the final decision of the Patent Office concerning a patent application may be filed by the applicant to the Patent Board of Appeal. If a patent has been declared invalid or if the Patent Office considers that the patent may continue to be valid in an altered form following the decision in an opposition case, the patent holder may refer this decision to the Patent Board of Appeal. If the patent is to continue to be valid without alteration, or the Patent Office considers that the patent may continue to be valid in an altered form, despite legally submitted opposition, the opponent may refer this decision to the Patent Board of Appeal. Should the opponent withdraw his appeal the case may nonetheless be examined if special circumstances advocate so doing.

Decisions rejecting a request for resumption under Paragraph 3, Section 15 or Paragraph 1, Section 20 or complying with a request for transfer under Section 18 may be appealed against by the applicant. Decisions rejecting a request for the transfer of the application may be appealed against by the person making the request.

Decisions rejecting a request under Paragraphs 5 and 8, Section 22 may be appealed to the Patent Board of Appeal by the person making the request.

Section 11

The following amendments shall be made to Section 25 of the Act:

- a. The first paragraph shall read as follows:
Appeals in accordance with Section 24 shall be filed with the Patent Board of Appeal not later than two months after the date on which the party concerned was notified of the decision by the Patent Authority. The prescribed appeal fee shall be paid within the same time limit. Failure to do so shall result in rejection of the appeal as inadmissible.
- b. The third paragraph shall read as follows:
Proceedings concerning decisions of the Patent Office which may be appealed against to the Patent Board of Appeal may not be brought before the courts until the decision of the Patent Board of Appeal has been given, cf., however, Sections 52 and 53. Proceedings concerning

decisions of the Patent Board of Appeal to refuse an application for a patent or have a patent declared invalid shall be brought before the courts within two months of the date on which the party concerned was notified of the decision.

Section 12

Section 26 of the Act shall read as follows:

If an application which has been made available to the public is finally refused or dismissed, the refusal or dismissal shall be advertised.

Section 13

The following amendments shall be made to Section 31 of the Act:

a. The first paragraph shall read as follows:

If the applicant wishes to proceed with an international application with respect to Iceland, he shall within 2 months from the international date of filing, or if priority is claimed, from the priority date pay the prescribed fee to the Patent Authority and in addition submit a translation of the application to the extent prescribed in a regulation.

b. The third paragraph shall read as follows:

If the applicant has paid the prescribed fee within the time limits fixed in the first and second paragraphs, the prescribed translation may be filed within a further period of two months, provided that additional fee as prescribed is paid prior to the expiry of the further period.

Section 14

The third paragraph of Section 33 of the Act shall read as follows:

The provisions of Section 22 shall apply as soon as an applicant has complied with his obligations under Section 31 to file a translation of the application with the Patent Authority even though the application has not yet been proceeded with.

Section 15

Section 34 of the Act shall read as follows:

A patent shall not be granted nor refused on the basis of an international application until the time limit prescribed in a Regulation has expired, unless the applicant has consented to the application being decided upon prior to such expiration.

Section 16

Section 35 of the Act shall read as follows:

Without the consent of the applicant the Patent Authority may not grant a patent on the basis of an international application nor lay it open to public inspection prior to its publication by the International Bureau of the World Intellectual Property Organization (WIPO) or prior to the expiry of 20 months from the international filing date or, if priority is claimed, from the priority date.

Section 17

Section 46 of the Act shall read as follows:

The proprietor of a patent for an invention, the exploitation of which is dependent on a patent held by another person, may obtain a compulsory license to exploit the invention protected by the latter patent if the former invention is considered to represent an important technical advance, which has considerable economic significance.

In the event of a compulsory license being granted to exploit a patented invention in pursuance of Paragraph 1, the proprietor of that invention shall be entitled to obtain, upon reasonable terms, a compulsory license to exploit the other invention.

Section 18

Section 49 of the Act shall read as follows:

A compulsory license may only be granted to a person who has not been able to reach agreement to obtain a licence on reasonable terms and may be presumed to be capable of exploiting the invention in a reasonable and acceptable way and in accordance with the terms of the license.

A compulsory license shall not prevent the proprietor of the patent from exploiting the invention himself or from granting licenses to others.

A compulsory licence may only be transferred to others together with the business in which it is exploited or in which the exploitation was intended. Furthermore, where a compulsory licence has been granted as provided for in Paragraph 1 of Section 46, transfer of a compulsory licence may only occur concurrent with transfer of the patent which was dependent upon a patent held by another party.

A compulsory licence concerning semi-conductor technology may only be granted for public exploitation which is not of a commercial nature, or to prevent behavior which a court or government authority has regarded as anti-competitive.

Section 19

Section 50 of the Act shall read as follows:

The Reykjavík City Court shall decide whether a compulsory license shall be granted, to what extent the invention may be exploited, the amount of compensation to be paid to the patent proprietor and other conditions of the compulsory license. If circumstances should change significantly, the Court may, at the request of either party, cancel the license or lay down new conditions.

Section 20

Point 4 of the first paragraph of Section 52 of the Act shall read as follows:

4. the scope of protection conferred by the patent has been extended after the Patent Authority notified the applicant, in accordance with Section 19, that a patent could be granted.

Section 21

Section 60 of the Act shall read as follows:

If any person exploits an invention commercially without permission after the application documents have been made available to the public, and the application results in a patent, the provisions concerning patent infringement, with the exception of the provisions of Section 57, shall apply *mutatis mutandis*. The patent protection conferred prior to the granting of a patent shall, however, only extend to subject matter which may be derived both from the claims as worded at the time when the application was made available to the public and from the patent as granted or as altered, as referred to in Paragraph 3 of Section 23.

A party, exploiting an invention in accordance with Paragraph 1, shall only be liable to the extent referred to in Paragraph 2 of Section 58 to pay damages for injury caused by infringement committed prior to advertisement of the granting of the patent in accordance with Section 20.

Section 22

The first sentence of the first paragraph of Section 63 of the Act shall read as follows:

Any person who institutes proceedings for the invalidation of a patent for the transfer of right to a patent or for the grant of a compulsory license shall notify the Patent Authority thereof.

Section 23

A new Section 64a is added following Section 64 of the Act, which shall read as follows:

Should a patent involve a method for producing a novel product, then if this same product is produced by a person other than the holder of the patent, it shall be considered as having been produced by means of the patented method unless proved otherwise.

In presenting proof of the contrary, the legitimate interests of the parties to protect production and commercial secrets shall be respected.

Section 24

A new Part IXa, Supplementary protection, is added following Part IX, consisting of one new section, Section 65a, which shall read as follows:

European Council Regulation 1768/1992, concerning a supplementary protection certificate for medicinal products, which is Point 6 of Annex 17 of the Treaty Establishing a European Economic Area, is annexed to this Act and shall be considered as part of it. The provisions of the Regulation shall have the force of law in this country.

An application for supplementary protection shall be submitted in writing to the Patent Authority. The applicant shall pay the prescribed application fee.

An annual fee shall be paid for each fee year commencing after the patent has lapsed. The same rules which apply to annual fees for patents shall apply in other respects these annual fees.

More detailed rules concerning applications for supplementary protection, their processing and research, the registration of supplementary protection, etc. shall be set in a Regulation.

The penalty provisions of Sections 57 and 62 shall also apply to supplementary protection.

Section 25

The first paragraph of Section 67 of the Act shall read as follows:

An applicant, proprietor of a patent or person demanding the invalidation of a patent may appeal the final decisions of the Patent Office in addition to those referred to in Section 24 to the Patent Board of Appeal not later than two months after the date on which he was notified of the decision. The same shall apply for decisions in pursuance of Section 42, or the first and second paragraphs of Section 72, and Section 73. Other parties with interests at stake may, in the same manner, refer the decisions in question to the Patent Board of Appeal not later than two months after the publication of the decision.

Section 26

The first sentence of the first paragraph of Section 69 of the Act shall read as follows:

The Minister of Industry shall lay down detailed rules concerning patent applications and their processing, the processing of opposition, the arrangement and keeping of the Register of Patents, the publication and contents of the Patent Gazette, the organisation and procedures of the Patent Office and the Patent Board of Appeal, and the implementation of this Act in general.

Section 27

The second paragraph of Section 75 of the Act shall read as follows:

After 1 June 1996, patents for pharmaceuticals may be granted on the basis of applications filed after 1 January 1995.

PART II Amendments to the Trade Marks Act

Section 28

Article 30 of the Act shall read as follows:

The Minister of Industry may decide that any person who has applied for the registration of a trade mark in another State may, within a prescribed time limit, file an application for the registration of the same mark in this country with the effect that the applications shall be considered, with regard to marks for which other persons have applied for registration or taken into use, to have been filed simultaneously to the filing of the application in the foreign State.

PART III

Amendments to the Design Protection Act

Section 29

The second sentence of Article 7 of the Act shall read as follows:

The Minister of Industry may decide that applications, filed in States which are not members of the Paris Convention, may form the basis for priority in accordance with this Section.

PART IV

Provisions on Entry into Force

Section 30

This Act shall enter into force on June 1, 1996.

Section 31

This Act shall apply to patent applications which are covered by Act No. 17/1991 and are being processed by Patent Authorities at the time of entry into force of this Act. If notification indicating that the laying open to public inspection of an application was accepted has been sent prior to the entry into force of this Act, the processing of such application shall be in accordance with the provisions of the Act prior to amendment.

The provision of Section 7 of this Act shall not apply to patents granted prior to the entry into force of this Act.

The provisions of Sections 13 and 14 and of the second paragraph of Section 19 of Act No. 17/1991 shall apply to applications filed prior to the entry into force of this Act.

The provisions of Section 22 of this Act shall not enter into force until 2 January 1998.

[Annex]

Done in Reykjavik, May 10 1996.

Vigdís Finnbogadóttir
(L.S.)

Finnur Ingólfsson