

Act A1088
Patents (Amendment) Act 2000

Long Title & Preamble

An Act to amend the Patents Act 1983.

ENACTED by the Parliament of Malaysia as follows:

Section 1. Short title and commencement

(1) This Act may be cited as the **Patents (Amendment) Act 2000**.

(2) This Act shall come into operation on a date to be appointed by the Minister by notification in the *Gazette*.

Section 2. Amendment of section 17

The Patents Act 1983 [*Act 291*], which in this Act is referred to as the "principal Act", is amended in section 17 by substituting for the words "which can be made or used in any kind of industry" the words "which is capable of industrial application".

Section 3. Amendment of section 17A

Subsection 17A(2) of the principal Act is amended by deleting the words "16,".

Section 4. Amendment of section 31

Subsection 31(1) of the principal Act is amended by inserting after the words "public order" the words "or morality".

Section 5. [Amendment of section 35](#)

Section 5. Amendment of section 35

Section 35 of the principal Act is amended-

(a) by substituting for subsection (1) the following subsection:

"(1) The duration of a patent shall be twenty years from the filing date of the application. "; and

(b) by inserting after subsection (1) the following subsection:

"(1A) Without prejudice to subsection (1) and subject to the other provisions of this Act, a patent shall be deemed to be granted and shall take effect on the date the certificate of grant of the patent is issued. "

Section 6. Amendment of section 37

Section 37 of the principal Act is amended-

(a) by inserting after subsection (1) the following subsection:

"(1A) The rights under the patent shall not extend to acts done to make, use, offer to sell or sell a patented invention solely for uses reasonably related to the development and submission of information to the relevant authority which regulates the manufacture, use or sale of drugs. "; and

(b) in subsection (2) by substituting for the words "The right" the words "Without prejudice to section 58A, the rights".

Section 7. Substitution of section 49

The principal Act is amended by substituting for section 49 the following section:

"Application for compulsory licences.

49. (1) At any time after the expiration of three years from the grant of a patent, or four years from the filing date of the patent application, whichever is the later, any person may apply to the Registrar for a compulsory licence under any of the following circumstances:

(a) where there is no production of the patented product or application of the patented process in Malaysia without any legitimate reason;

(b) where there is no product produced in Malaysia under the patent for sale in any domestic market, or there are some but they are sold at unreasonably high prices or do not meet the public demand without any legitimate reason.

(2) A compulsory licence shall not be applied for unless the person making the application has made efforts to obtain authorisation from the owner of the patent on reasonable commercial terms and conditions but such efforts have not been successful within a reasonable period of time.

(3) The application for a compulsory licence shall be in compliance with such regulations as may be prescribed by the Minister. "

Section 8. Amendment of section 49A

Subsection 49A(1) of the principal Act is amended by inserting after the words "an important technical advance" the words "of considerable economic significance".

Section 9. Substitution of section 53

The principal Act is amended by substituting for section 53 the following section:

"Limitation of compulsory licence.

53. (1) A compulsory licence granted by the Board-

(a) shall not be assigned otherwise than in connection with the goodwill or business or that part of the goodwill or business in which the patented invention is used;

(b) shall be limited to the supply of the patented invention predominantly in Malaysia.

(2) The beneficiary of the compulsory licence shall not conclude licence contracts with third persons under the patent in respect of which the compulsory licence was granted. "

Section 10. New section 58A

The principal Act is amended by inserting after section 58 the following section:

"Acts deemed to be non-infringement.

58A. (1) It shall not be an act of infringement to import, offer for sale, sell or use-

(a) any patented product; or

(b) any product obtained directly by means of the patented process or to which the patented process has been applied,

which is produced by, or with the consent, conditional or otherwise, of the owner of the patent or his licensee.

(2) For the purposes of this section, "patent" includes a patent granted in any country outside Malaysia in respect of the same or essentially the same invention as that for which a patent is granted under this Act. "

Section 11. Substitution of section 84

The principal Act is amended by substituting for section 84 the following section:

"Rights of Government.

84. (1) Notwithstanding anything contained in this Act-

(a) where there is national emergency or where the public interest, in particular, national security, nutrition, health or the development of other vital sectors of the national economy as determined by the Government, so requires; or

(b) where a judicial or relevant authority has determined that the manner of exploitation by the owner of the patent or his licensee is anti-competitive,

the Minister may decide that, even without the agreement of the owner of the patent, a Government agency or a third person designated by the Minister may exploit a patented invention.

(2) The owner of the patent shall be notified of the decision of the Minister as soon as is

reasonably practicable.

(3) The exploitation of the patented invention shall be limited to the purpose for which it was authorised and shall be subject to the payment to the owner of the patent of an adequate remuneration for such exploitation, taking into account-

(a) the economic value of the Minister's authorisation as determined in the decision; and

(b) where a decision has been taken under paragraph (b) of subsection (1) , the need to correct anti-competitive practices.

(4) The Minister shall make his decision under subsection (3) after hearing the owner of the patent and any other interested person if they wish to be heard.

(5) The exploitation of a patented invention in the field of semi-conductor technology shall only be authorised either-

(a) for public non-commercial use; or

(b) where a judicial or relevant authority has determined that the manner of exploitation of the patented invention, by the owner of the patent or his licensee, is anti-competitive and if the Minister is satisfied that the authorisation would remedy such anti-competitive practice.

(6) The authorisation shall not exclude-

(a) the continued exercise by the owner of the patent of his rights under subsection (1) of section 36; or

(b) the issuance of compulsory licences under Part X.

(7) Where a third person has been designated by the Minister, the authorisation may only be transferred with the goodwill or business of that person or with that part of the goodwill or business in which the patented invention is being exploited.

(8) The exploitation of the invention by the Government agency or the third person designated by the Minister shall be predominantly for the supply of the market in Malaysia.

(9) Upon the request of-

(a) the owner of the patent; or

(b) the Government agency or the third person authorised to exploit the patented invention,

the Minister may, after hearing the parties, if either or both wish to be heard, vary the terms of the decision authorising the exploitation of the patented invention to the extent that changed circumstances justify such variation.

(10) Upon the request of the owner of the patent, the Minister shall terminate the authorisation if he is satisfied, after hearing the parties, if either or both wish to be heard, that the circumstances mentioned in subsection (1) which led to his decision have ceased to exist and are unlikely to recur or that the Government agency or the third person designated by him has failed to comply with the terms of the decision.

(11) Notwithstanding subsection (10) , the Minister shall not terminate the authorisation if he is satisfied that the need for adequate protection of the legitimate interests of the Government agency or the third person designated by him justifies the maintenance of the decision.

(12) The owner of a patent, a Government agency or the third person authorised to exploit a patented invention may appeal to the Court against the decision of the Minister under this section.

(13) In this section "Government agency" means the Federal Government or the Government of a State and includes a Ministry or Department of that Government. "

Section 12. Amendment of Second Schedule

The Second Schedule to the principal Act is amended-

(a) by inserting, after the reference in column (1) to section 14 and the modifications in column (2) in respect of section 14, the following provision:

'Section 16 Substitute "utility innovation" for "invention". '; and

(b) in the modifications in column (2) in respect of section 35-

(i) by substituting for subsection (1) the following subsection:

"(1) The duration of a certificate for a utility innovation shall be ten years from the filing date of the application. ";

(ii) by inserting after subsection (1) the following subsection:

"(1A) Without prejudice to subsection (1) and subject to the other provisions of this Act, a certificate for a utility innovation shall be deemed to be granted and shall take effect on the date the certificate for utility innovation is issued. "; and

(iii) in subsection (2) by substituting for the word "five" appearing after the words "expiration of the period of" the word "ten".

Section 13. Saving [Repealed by Act A1196: s.6]

(1) The amendment to section 35 of the principal Act shall not affect any application for the grant of a patent or application for a certificate for utility innovation, as the case may be, made under the principal Act before the commencement of this Act and the provisions of the principal Act relating to such applications shall apply to that application as if those provisions had not been amended by this Act.

(2) Inventions or utility innovations in respect of which patents or utility innovation certificates are

granted under the principal Act and are still protected on the commencement of this Act shall remain protected for such duration as was provided for in section 35 of the principal Act as if that section had not been amended by this Act.