
STATUTORY INSTRUMENTS

1999 No. 1899

The Patents and Trade Marks (World Trade Organisation) Regulations 1999

PART II

AMENDMENTS OF THE PATENTS ACT 1977

Compulsory licences: WTO proprietors

4. After section 48 of the 1977 Act insert—

“Compulsory licences: WTO proprietors.

48A.—(1) In the case of an application made under section 48 above in respect of a patent whose proprietor is a WTO proprietor, the relevant grounds are—

- (a) where the patented invention is a product, that a demand in the United Kingdom for that product is not being met on reasonable terms;
- (b) that by reason of the refusal of the proprietor of the patent concerned to grant a licence or licences on reasonable terms—
 - (i) the exploitation in the United Kingdom of any other patented invention which involves an important technical advance of considerable economic significance in relation to the invention for which the patent concerned was granted is prevented or hindered, or
 - (ii) the establishment or development of commercial or industrial activities in the United Kingdom is unfairly prejudiced;
- (c) that by reason of conditions imposed by the proprietor of the patent concerned on the grant of licences under the patent, or on the disposal or use of the patented product or on the use of the patented process, the manufacture, use or disposal of materials not protected by the patent, or the establishment or development of commercial or industrial activities in the United Kingdom, is unfairly prejudiced.

(2) No order or entry shall be made under section 48 above in respect of a patent whose proprietor is a WTO proprietor unless—

- (a) the applicant has made efforts to obtain a licence from the proprietor on reasonable commercial terms and conditions; and
- (b) his efforts have not been successful within a reasonable period.

(3) No order or entry shall be so made if the patented invention is in the field of semiconductor technology.

(4) No order or entry shall be made under section 48 above in respect of a patent on the ground mentioned in subsection (1)(b)(i) above unless the comptroller is satisfied that the proprietor of the patent for the other invention is able and willing to grant the proprietor

of the patent concerned and his licensees a licence under the patent for the other invention on reasonable terms.

(5) A licence granted in pursuance of an order or entry so made shall not be assigned except to a person to whom the patent for the other invention is also assigned.

(6) A licence granted in pursuance of an order or entry made under section 48 above in respect of a patent whose proprietor is a WTO proprietor—

- (a) shall not be exclusive;
- (b) shall not be assigned except to a person to whom there is also assigned the part of the enterprise that enjoys the use of the patented invention, or the part of the goodwill that belongs to that part;
- (c) shall be predominantly for the supply of the market in the United Kingdom;
- (d) shall include conditions entitling the proprietor of the patent concerned to remuneration adequate in the circumstances of the case, taking into account the economic value of the licence; and
- (e) shall be limited in scope and in duration to the purpose for which the licence was granted.”