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INTELLECTUAL PROPERTY (IP) IN MALAYSIA: THE NEED FOR MALAYSIA TO
HAVE AN IP SYSTEM; THE CURRENT PATENT LAW; SOME SELECTED
DIFFERENCES & SIMILARITIES BETWEEN THE U.S. & THE MALAYSIAN
PATENT LAW & PRACTICE; AND IP IN ISLAM

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INTELLECTUAL PROPERTY (IP) IN MALAYSIA: THE NEED FOR MALAYSIA TO HAVE AN IP SYSTEM; THE CURRENT PATENT LAW; SOME SELECTED DIFFERENCES & SIMILARITIES BETWEEN THE U.S. & THE MALAYSIAN PATENT LAW AND PRACTICE; AND IP IN ISLAM

I. INTRODUCTION

The purpose of this paper is to introduce the current Malaysian intellectual property system and law. To this end it will first introduce the various current intellectual property (IP) laws available; second, the need for Malaysia to have a patent system and to be a party to the international patent system; third the current Malaysian patent system, law and practice, with a quite detail overview of its Patents Act 1983; fourth, differences and similarities on selected topics between the U.S. and Malaysia with regards to respective patent laws and practice; and fifth a brief exploration of the availability of intellectual property protection in "syariah" (the Islamic Law) with a brief view whether animal patent is unethical under such law.

2. THE INTELLECTUAL PROPERTY (IP) SYSTEM IN MALAYSIA

2.1 Introduction

Article 2(viii) of the Convention establishing the World Intellectual Property Organization (WIPO) adopted at Stockholm, July 14, 1967 defines Intellectual Property as including the rights relating to:

(a) literary, artistic and scientific works;

(b) performances of performing artists, phonogram and broadcasts;

(c) inventions in all fields of human endeavor;

(d) scientific discoveries;

(e) industrial designs;

(f) trademarks, services marks and commercial names and designations;

(g) protection against unfair competition; and

(h) all other rights resulting from intellectual activity in the industrial, scientific, literary and artistic fields.

Malaysia has been a member of WIPO since 1989 and its current Intellectual Property System

substantially confers of most if not all the rights defined in the above convention.

2.2 Brief History

Prior to enactment of its local intellectual property legislation, Malaysia depended on United Kingdom legislation. For example in the field of patent protection, a Malaysian patent can only be obtained by first obtaining a grant of a United Kingdom patent or by obtaining a European patent designating the United Kingdom and then re-registering the United Kingdom or European patent in Malaysia.¹ Even with the implementation and enforcement of its own legislation pertaining to its intellectual property rights, which has so far closely paralleled that of the United Kingdom, some English precedents are heavily relied upon by the local Courts as a guide in

¹ Registration of U.K. Patents Act 1951, the Patents Ordinance of Sarawak and the Registration of U.K. Patents Ordinance of Sabah. It should be noted that by "European patent" meant patent granted by the European Patent Convention.

- (c) patent system would stimulate the developed countries' R&D into problems specific to Malaysia;
- (b) patent system would encourage direct foreign investment to Malaysia;

Malaysia;

- (a) patent system would promote the transfer of technology from the developed countries to

and be a member of international patent system would include:

The ever popular reasons why a developing country like Malaysia should have an adequate patent system

3.2 The "Answers" With Regards to Technology Transfer

Does Malaysia really needs a patent system at all ? and what benefit Malaysia would gain by joining the international patent system with regards to its current policy of becoming a fully industrialized country by year 2020 or better known locally as "Vision 2020"? These questions are not that easy to answer especially when the supposed benefit gains from having a patent system for almost nine years are yet to be materialized, however, they are questions of worth exploring and discussing.

endorsed the Malaysian commitment to be a part of the international patent system.

The enactment of the new Malaysian Patents Act 1983 and its implementation on October 1, 1986 officially signifies the Malaysian commitment to enroll itself in the international patent system. In 1989 Malaysia has joined the Paris Convention, and it also participated in the recently concluded negotiations leading to a revised General Agreement on Tariffs and Trade ("GATT"). The two later actions by the Malaysian authority had fully

3.1 Introduction

3. THE NEED FOR MALAYSIA TO HAVE AN ADEQUATE PATENT PROTECTION AND BE A PARTY TO THE INTERNATIONAL PATENT SYSTEM

Laws and Litigation).

considerable persuasive authority. (See annex I for a brief outlook of current Malaysian Intellectual Property 1986. Foreign decisions, although not binding on the Malaysian Courts, are and will continue to be of Courts. For instant not a single patent case has been tried since the implementation of the Patents act 1983, in traces of the colonial influence. Given the current situation, few intellectual property cases are presented to the reliance. This is only to be expected, though much effort is being done and with encouraging success to rid of resolving local disputes. Most probably Malaysia's Anglo-Saxon legislative heritage is the reason for such

and

(d) the system would strengthen the incentive for domestic innovation and creativity.

One of the few options a developing country like Malaysia can obtain the transfer of technology is by attracting foreign multinational companies to invest and locate their plants locally; hire and train local nationals; and the willingness of such companies to share their technologies with their local employees. However, it would be utterly unjust for a foreign multinational company which had spent a fortune of resources investing in research and development ("R&D") in developing its product to simply disclose its invention to local employees without any patent protection. This is especially so with high technology inventions where the copying and imitating is comparatively easier. Currently the high technology inventions are of high demands in Malaysia.

Hence, one way for Malaysia to be competitive in attracting foreign multinational companies for technology transfer would be for Malaysia to have an adequate patent protection system and being a member of the international patent system, which it had already accomplished. Patent system cannot stand alone to achieve the national "Vision 2020" in respect of technology transfer, however, it can provide an additional competitive advantage for Malaysia in creating more conducive environment to attract more foreign multinational companies to invest, thus to transfer technology.

3.3 R&D and Patent System

R&D is very crucial to industrialization process. With the assumptions that even without having a strong and adequate patent protection, Malaysia is still able to attract foreign multinational companies to invest and work their inventions in Malaysia, as was proven prior to the enforcement of the Malaysian Patents Act in 1986, would those companies take any risk in embarking in further R&D locally? A 1993 U.N. study suggested that U.S. companies invest in R&D only in developing countries which also invest in R&D--particularly in countries of southeast Asia, with little regard to the present state of their IP protection.² However, it is the nature of most multinational companies to have the interest of entering the international market for their products resulted from the R&D facilities in developing countries rather than limiting themselves for a single national market. Therefore it would be natural for such companies to patent their patentable inventions in the countries where the products might be marketed and of course it is also important for them to obtain patent protection from the country where they had invested in their R&D. If Malaysia for example, does not have any strong and adequate patent protection

² William Hennessey, Implications of the GATT TRIPS Agreement for Developing Countries, Franklin Pierce Law Center, Pg. 10.

Malaysia is among one of the developing countries that is most likely candidate to become another "newly-industrialized country" (NIC). The Malaysian government is currently revamping its investment regulations in an attempt to attract foreign high-technology investment. Malaysia has been known to attract

3.4 Direct Investment

So far, Malaysia is having all of the above factors, and there is always room for one more; that is to having an adequate and strong patent protection which would create a more complete conducive environment to enhance more foreign investment and technology transfer. Bear in mind that Japan is a country with zero raw material, but with the rest of the above factors plus highly educated and dedicated work force and very strong and efficient IP protection system, it has emerged as a major industrialized country in only five decades.

- (g) non-existence of labor unrest.
- (f) abundance of raw materials; and
- (e) efficient and modern industrial infrastructure;
- (d) relatively well educated population;
- (c) cheap and efficient labor;
- (b) favorable exchange rate regulation and currency stability;
- (a) political stability;

Probably those countries lack any one; a number of; or all of these other factors, which may include:

However, strong patent protection is not the only factor that would attract foreign multinational companies to invest in R&D. They are numerous developing countries despite having practiced patent protection for quite long period of time are still lacking behind in industrial development due to lack of foreign investment and suspicions remain by the multinational companies, and eventually the "win-win" situation would prevail.

having a strong and adequate patent protection and joining the international patent system would erase any doubt industrial development Malaysia likely cannot afford to create such risk and losing its competitive edge. Hence, made in Malaysia would unlikely to be eligible for full international patent protection. In the course of its rapid The reasons would be, their innovations are at risk of indiscriminate copying by the locals; and such innovations and refuses to participate in the international system, the companies would likely be deprived of these incentives.

Strong patent protection likely would promote research into new uses of existing protected inventions to solve problems unique to Malaysia. As most technologies originated from the developed countries, again it would be risky for foreign companies to introduce and to develop a technology needed by Malaysia, without any strong patent protection. The reason is again obvious; the company wants to enjoy the returns of their R&D need.

There are technologies that Malaysia can do without, for example the space technology and the nuclear submarine technology, because they are of no significant uses with regard to enhancing the quality of life for Malaysians, at least this far. Investing in such technologies would be a mere waste of tax payers money. In short, the technological needs of a developing country like Malaysia are not the same as what the developed countries

3.5 Malaysian technological Needs

economically. The external pressure for example from the U.S. but also to satisfy the internal pressure--to develop and to gain especially with regards to global enterprises and technology acquisition is not only for the purpose of satisfying transfer. The Chinese might have realized that the need for China to possess a strong and adequate patent system in order to attract more foreign investment and to enhance its technological advancement through technology important part in it. Probably China is trying to erase its image of having an inadequate patent protection system in foreign investment. Other known factors such as already mentioned in paragraph 3.3 may have played protection system, knowing that even with "inadequate" patent protection system it gained \$27 billion in 1993 Come to think of it, why must China had recently being so serious in adapting the stronger patent

facilities.³ investment decisions--particularly with regard to transfer of advanced technologies or for establishment of R&D those business executives polled subjectively believe that weak IP protection is an "important factor" in to advanced technologies which are easily replicated, such as those in the chemical and pharmaceutical industries, protection factor. World Bank survey of business executives in the U.S.A. makes a point that, at least with regard that Malaysia should be contented with its other "factors" and disregards the strong and adequate patent seems that strong patent protection is not a crucial requirement for more direct investment. But this does not mean paragraph 3.3 has so far created the much needed environment for direct foreign investment. So here again it foreign investment even prior to enforcement of its Patents Act 1983 in 1986. The factors as mentioned in

At present, the local patent ownership in Malaysia is just slightly more than 3% of the total patents granted in Malaysia. The main reason being domestic R&D and invention is often limited to the capability to make simple incremental changes to existing technology, which fails to meet the international patent standards, especially with regards to inventive steps requirements. If patents indicate the level of innovation activity in a particular country, apparently Malaysia is in need, though not yet desperately, of humongous amount of effort. Given the time; strict enforcement of the local Patents Act and adherence to the international patent system; and continuous education program for the people, the local inventors/innovators and R&D personnel will

also vulnerable to illegal copying and duplication. companies to station their R&D facilities locally but also to protect local inventions and innovations which are patent protection system. As mentioned earlier such patent protection system not only would attract more foreign incentives for R&D are vital. One of the more important incentives for successful R&D is the strong and adequate To inculcate strong R&D ethic among Malaysians is no small task. Education is crucial necessity and

an "assembly" country. to advance into the next phase of development—to be the exporter of its own technology and not forever be merely R&D will become crucial in Malaysia's technological development. Soon there will come the time for Malaysia In fact Malaysia is gearing up aggressively to involve itself in high-technology investment. Soon the fully industrialized nation based on technological advancement by year 2020 would be materialized.

At present the level of technological sophistication in Malaysia is incomparable to the much higher level acquired by the developed countries. Nevertheless, given ample time; the continuous support from the government; and the positive and favorable R&D related investment climate, Malaysia's vision of becoming a

3.6 Malaysia's R&D

In another situation, on the assumption that a local company has the ability to make a much needed innovation over an existing technology. Such local company needs more than just the ability to invest in such innovation and R&D activities. It needs the incentive to invest and innovate. The incentive would be a strong patent protection system that would give ample protection for the local innovators against illegal and indiscriminate copying and duplication.

investment and from their invention. Again a strong and adequate patent protection system is a likely stimulus to create a "win-win" situation.

eventually make full use of the patent protection system to their advantage. Korea, for example, which implemented increasingly stronger patent laws in 1987 and 1990, has reported a rise in the number of domestic applications since 1987. Additionally, there are reports of a "reverse brain drain" as Korean scientists return to Korea to pursue careers in research in this new environment.⁴

As to suggestion that Malaysia should only adapt the adequate and strong patent protection system and be a member of the international patent system when it is ready, such as only after Malaysia has acquired a comparable placing with the developed world's technological status--the only appropriate response would be--when?

4 THE MALAYSIAN PATENT LAW

4.1 Introduction

This section particularly will present in quite detail a large portion of provisions contained in the current Malaysian Patents Act 1983 which was implemented in October 1, 1986.

4.2 Conditions for patentability

For a patent to be granted, certain conditions have to be satisfied. The conditions are stated in Section 11 of the 1983 Act, which provides that an invention⁵ is patentable if it is new, involves an inventive step, and industrially applicable. These conditions are found in most other countries' patent laws world wide.

The following inventions are not patentable, notwithstanding the fact that they may be inventions within the meaning of section 12 of the 1983 Act,⁶

(a) discoveries, scientific theories and mathematical methods;

(b) plant or animal varieties or essentially biological processes for the production of plants or animals, other than man-made living microorganisms, micro-biological processes and the product of such

⁴ Dru Brenner-Beck, Do As I Say, Not As I Did, 11 UCLA Pac. Basin L.J. 84 (1992). Citing Robert Sherwood, IP and Economic Development 174 (1990); McLeland & O'Toole, Patent System in Developed Countries: The Cases of India and the Andean Pact Countries, 2 J.L. TECH. 229, 246 (1987).

⁵ Malaysian Patents Act 1983, Section 12.

⁶ Id. Section 13.

⁷ "Examiner" means any person, government department, unit, organization or any foreign or international patent office or organization appointed by the Patents Board. (this is a statutory definition as provided for by the 1983 Act, see Section 3 of the Act)

⁸ See Malaysian Patents Act 1983, supra note 5, Section 14.

(a) disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of acts committed by the applicant or his predecessor in title;

is:

However, certain disclosures are to be disregarded as provided for in Section 14(3) of the 1983 Act, that

and in addition in Malaysia, by oral disclosure, by use or in other way, prior to filing date.

By and large, prior art consists of everything disclosed to the public throughout the world by written publication,

included in the patent granted on the basis of the said domestic patent application.

(b) contents of a domestic patent application having an earlier filing date or, where appropriate, priority date than the patent application referred to in (a), above, to the extent that such contents are

priority date of the patent application if priority is claimed;

(a) public disclosure more than one year prior to the filing date or where appropriate, prior to the

it is not anticipated by prior art, which in turn consist of:⁸

"New" or "novel" is provide for by Section 14 of the 1983 Act, which states that an invention is new if

4.2.1 Novelty

opinion.

may refer the matter to an examiner⁷ for an opinion, and again the decision is to his/her discretion, based on such

If there is still uncertainty to be found over the patentability of the above items, the Registrar of patents

patentable.

(d) methods for the treatment of the human or animal body by surgery or therapy, and diagnostic methods practiced on the human or animal body; nevertheless, products used in any such methods are

(c) schemes, rules or methods for doing business, performing purely mental acts or playing games; and,

microorganism processes;

An application shall relate to one invention only or to a group of inventions so linked as to form a single

4.2.4 Unity of Invention

well-established physical laws.
 excluded from patentability would appear to be articles or processes alleged to operate in a manner contrary to applies. Among the very few inventions that are not susceptible to industrial application, yet are not expressly This is a provision that seems to exclude unworkable inventions; nonetheless, the exclusion rarely be made or used in any kind of industry.

Section 16 of the 1983 Act provides that an invention shall be considered industrially applicable if it can

4.2.3 Industrial Applicability

references should be within the field of such invention to be patented.
 of the invention to be patented with combined teachings from different prior art references; however such environment of such individual claim language. More often than not the test might involve comparing the claims application has to be considered individually and the differences from the prior art viewed in the context of the In practice however, when making a decision about non-obviousness, each patent claim in a patent to persons working in that particular technology.

the subject matter sought to be patented and the prior art must not be so slight or trivial as to be readily apparent patentable if it is not found to be involving an inventive step. In other words the advance or difference between As is the practice in most countries, although an invention is considered to be novel, it is still not forms part of the prior art.

if it is not been obvious to a person having ordinary skill in the art, taking into consideration any matter which Section 15 of the 1983 Act provides that an invention shall be considered as involving an inventive step

4.2.2 Inventive Step

office as at the date of coming into force of this Act.
 (c) disclosure is by way of a pending application to register the patent in the United Kingdom patent

in title; and
 disclosure was by reason or in consequence of any abuse of the rights of the applicant or his predecessor (b) disclosure occurred within one year preceding the date of the patent application and if such

general inventive application.⁹ The same application may include:

- (a) in addition to an independent claim for a process, specially adapted for the manufacture of the product, and an independent claim for a use of the product;
- or
- (b) in addition to an independent claim for a given process, an independent claim for an apparatus or means specially designed for carrying out the process; or

- (c) in addition to an independent claim for a given product, an independent claim for a process specially adapted for the manufacture of the product, and an independent claim for apparatus or means specially designed for carrying out the process.

An application may be divided into two or more divisional applications provided that each divisional application does not go beyond the disclosure in the initial application. Each divisional application is entitled to the filing date and, where appropriate, the priority date of the initial application.¹⁰

4.2.5 Rights to a Patent

Any person may make an application for a patent either alone or jointly with another. The rights to a patent belong to the inventor or to the inventors jointly where they have jointly made the invention, and where such rights are jointly owned, the patent may only be applied for jointly by all the joint owners.¹¹

A person may apply to the High Court for an order that a patent or a patent application be assigned to him where the essential elements of the invention claimed have been unlawfully derived from an invention for which the right to the patent belongs to him.¹² However, the application for such an assignment must be made within five years from the date of the grant of the patent.

⁹ Id. Section 26.

¹⁰ Id. Section 26A, 26B.

¹¹ Id. Section 18.

¹² Id. Section 19.

4.3 The Patent Application, Procedure for Grant and Duration

The Registrar shall record as the filing date the date of receipt of the application provided it contains.¹³

(a) the full name and address of the applicant, including the nationality or state of the incorporation if it is not a natural person;

(b) the name and address of each inventor;

(c) a request for the grant of a patent;

(d) a description of the invention starting with the title of the invention;

(e) a claim or claims, to be numbered consecutively in Arabic numerals and shall not contain drawings unless necessary;

(f) drawings, if any;

(g) an abstract of not more than 150 words, with the title of the invention on top of its page and with an indication referring to a most illustrative drawing. However the abstract may be submitted later than the filing date; and

(h) that at the time of receipt of the application the prescribed fee had been paid.

All documents making up the application must be on A4-size paper and should be paged consecutively from the description to the drawings at the top center of each page and be numbered every fifth line in each page. Minimum margins of 2 cm each on all sides are required. The language used can either be English or Malay. Otherwise, translation into either one of those languages are necessary.

4.3.1 *Statements Justifying the Applicant's Right to Apply*

This is a *bona fide* statement that is required if the applicant is not the same as the inventor.¹⁴ Common statements are:

(a) by virtue of assignment from the inventors; and

¹³ Id. Section 28(1); and Part II of Patents Regulations, 1986 (Regs. 4 to 18).
¹⁴ See Regulation 10(2).

¹⁷ Id. Section 27(1).

¹⁶ Id. Section 23A.

¹⁵ See Malaysian Patents Act 1983, supra note 5, Section 25.

The Registrar may require that the applicant furnish, within the prescribed time, a certified copy of the priority application. It must be certified by the office with which it was filed or, where the earlier application is an international application filed under any international treaty, by the International Bureau of the World

(d) the International Patent Classification symbol (INT.CL.), if available.

(c) the country or organization where filed; and

(b) the filing numbers;

(a) the filing dates;

in accordance with Article 4C of the Paris Convention. The particulars required are:

The priority of earlier corresponding patent applications filed in the 12 preceding months may be claimed

title in or for any party to the said convention.¹⁷

of one or more earlier national, regional or international applications filed by the applicant or his predecessor in An application may contain a declaration claiming the priority, pursuant to any international convention,

4.3.3 Priority Claim of Corresponding Prior Patent Application

application outside Malaysia.¹⁶

No person resident in Malaysia shall, without written authority granted from the Registrar of Patents, file or cause to be filed outside Malaysia an application for a patent for an invention unless an application for a patent for the same invention has been filed at the Patent Registration Office not less than two months before

4.3.2 Applications by Residents to be Filed in Malaysia First

In practice, unless specifically requested by the Registrar or the Examiner, no documents supportive of such statements would be required. An application may be withdrawn any time during its pendency.¹⁵

(b) by virtue of employment contract or pursuant to a commission.

Intellectual Property Organization.¹⁸

The effect of the declaration shall be that provided in the Convention referred to therein and where the relevant regulations or requirements have not been observed, the declaration shall be deemed to be invalid.

4.3.4 Preliminary Examination and Search

The applicant has to make a request to the Registrar for a preliminary examination and search before the end of six-month period from the filing date,¹⁹ provided that such an application has a date of filing and is not withdrawn. The Registrar shall refer the application to an Examiner for such examination and search, except that he shall not refer the application for a search until it includes one or more claims.²⁰

The examiner will carry out the examination with respect to the formality requirement of the application and a search for any pertinent prior art documents relevant for determining novelty and inventive steps of the application. During any such search, the examiner shall determine whether or not the search would serve any useful purpose for the application for the time being constituted and the applicant shall be informed of the examiner's report or decision.²¹

If the application contains an invention of non-unity in nature,²² the examiner shall initially only conduct a search in relation to the first invention specified in the claim of the application.²³

4.3.5 Substantive Examination

A request for substantive examination must be made before the end of eighteen-month period from the filing date of the application to the Registrar of Patents.²⁴

¹⁸ Id. Section 27(2).

¹⁹ It is advisable to request for the preliminary examination at the earliest date, for example while filing the application.

²⁰ See Malaysian Patents Act 1983, supra note 5, Section 29(1) and also Reg. 26 of the 1986 Regulations.

²¹ Id., Section 29(5).

²² Refer note 8.

²³ See Malaysian Patents Act 1983, supra note 5, Section 29(6).

²⁴ Id. Section 30(1), and also Reg. 27 of the 1986 Regulations.

²⁹ Id. Section 31(3).

²⁸ Id. Section 31(2) and (4).

²⁷ Id. Sections 82, 83 and Reg. 53 of the 1986 Regulations on Form 21.

²⁶ Id. Section 30(5).

²⁵ Id. Section 30(3), and also Reg. 27(3).

4.3.9 Duration of Protection

fee.²⁹

A reference to the grant of the patent shall be published in the Gazette as soon as possible after granting and copies of the patent and search reports shall be made available to the public upon payment of the prescribed fee.²⁹

After compliance with the regulations and requirements of the Act the Registrar shall issue the applicant with a certificate of grant of the patent and a copy of the patent together with a copy of the examiner's report, and record the patent in the register. The above actions signify the date of the patent grant.²⁸

4.3.8 Grant of a Patent

Section 25 of the 1983 Act provides that the applicant may withdraw the application at any time during its pendency, by either filing a formal request or by allowing the application to lapse by non-compliance with the Registrar's requests at the end of a given period of time for compliance. For the later course of action it is possible to revive the application provided the said period has not lapsed.

4.3.7 Withdrawal and Abandonment of Application

In the event that any of the requests cannot be complied with in time, a request for extension of time can be filed with the requisite fee and valid reasons for the delay.²⁷

4.3.6 Extension of Time

Where two or more applications for the same invention having the same filing date or, where appropriate, priority date are filed by the same applicant or his successor in title, the Registrar may on that ground refuse to grant a patent in pursuance of more than one of the applications.²⁶

The applicant is given three months to make observation or to amend the application, or both, after he receives deficiency reports from the examiner.²⁵

A patent shall expire 15 years after the date of the grant,³⁰ except off course if the patentee decided not to pay the annual renewal fees. As for a certificate of registration in respect of a patent issued under the now repealed re-registration of the United Kingdom patent, it shall remain in force:

(a) as long as the original patent remains in force in the United Kingdom; or

(b) until the expiration of 21 years from the date of application, whichever is the earlier.

4.4 Utility Innovation (Utility Model)

Sections 17 defines a utility innovation as to include any implement, tool, product or process which is of practical utility by reason of its form, configuration, construction or composition and which is new to

Malaysia.³¹

4.4.1 Novelty

A utility innovation is considered new if it not been disclosed to the public in Malaysia prior to the filing date as opposed to a patent application where novelty is considered on a world wide basis. Moreover utility innovation does not have to involve any inventive step. All other procedures and documentation for filing are the same as for filing a regular patent, except that only a single claim is allowed.

4.4.2 Duration of Protection

The protection is for a period of five years, however, it can be extended for two further consecutive five-year term, provided the Patent Office is satisfied that such a utility innovation is still in commercial demand or industrial use in Malaysia. The request for such extension should be forwarded by the proprietor of the certificate to the Patent Office for consideration.

4.5 Scope of Exclusive Rights

Subject and without prejudice to other provisions provided for in the 1983 Act, the owner of a patent shall have the following exclusive rights:³²

³⁰ Id. Section 35.

³¹ See also the Second Schedule in the Patents (Amendments) Act 1986.

³² Id. Section 36(1).

³⁶ Id. Section 37(2).

³⁵ Id. Section 37(3).

³⁴ Id. Section 37(1).

³³ Id. Section 36(3).

A person shall have the right, despite the grant of the patent, to exploit the patented invention if at the

4.5.2 *Prior Manufacture or Use*

The patent rights shall extend only to acts done for industrial or commercial purposes and in particular not to acts done only for scientific research.³⁴ The rights too shall not extend to the use of the patented invention on any foreign vessel, aircraft, spacecraft or land vehicle temporarily in Malaysia.³⁵ Acts in respect of products which have been put on the market by the patent owner or with the consent of the patent owner, shall not constitute infringing acts,³⁶ and off course, the exclusive rights of a patent owner are limited to the duration of a patent as provided for under Section 37(4) and also Section 35, paragraphs 3.39 and 3.42.

4.5.1 *Limitation of Rights*

Section 36(4) states that if the patent has been granted in respect of a process for obtaining a product, the same product produced by a person other than the owner of the patent or his licensee shall, unless the contrary is proved, be presumed to have been obtained by that process in any proceedings. To perform any acts within the exclusive rights as stated above without consent of the patent owner, subject to other provisions of the 1983 Act, is an infringement.

(a) when the patent has been granted in respect of a product: making, importing, offering for sale, selling or using the product; and

(b) when the patent has been granted in respect of a process: using the process, or doing any of the acts referred to in (a), in respect of a product obtained directly by means of the process.

To exploit means any of the following acts related to a patent:³³

(a) to exploit the patented invention;

(b) to assign or transmit the patent; and

(c) to conclude license contracts.

Filing or priority date of the application, that person:³⁷

(a) was in good faith in Malaysia making the product or using the process which the subject of the invention claimed in the application; and

(b) had in good faith in Malaysia made serious preparations towards the making of the product or using the process referred to in (a), above.

Provided that the product and the process in question is used by said person in Malaysia, and furthermore, if there had been such disclosure not consisting of prior art as stipulated in Section 14(3) of the Act, that person claiming such rights from prior manufacture or use must prove that his knowledge of the invention was not as a result or by virtue of such disclosure.

The rights under this provision cannot be assigned or transmitted except as part of the business of that person.³⁸

4.5.3 Assignment and Transmission

Patents, utility innovation certificates and their respective applications can be assigned and transmitted.³⁹

In the absence of any agreement to the contrary between the parties, joint owners may assign or transmit their patent or the application rights, exploit the patented invention and take action against any person, separately.⁴⁰ However they may only jointly withdraw the patent application, surrender the patent or conclude a license contract.

Any person entitled by assignment or transmission to a patent application or patent should apply to have such assignment or transmission recorded in the Register. Unless so recorded, such assignment or transmission shall no effect against third parties.⁴¹

³⁷ Id. Section 38(1).

³⁸ Id. Section 38(2).

³⁹ Id. Section 39(1).

⁴⁰ Id. Section 40.

⁴¹ Id. Section 39(2) and (4).

4.5.4 License Contracts

License contracts shall be in writing signed by or on behalf of the contracting parties.⁴²

Rights of the Licensee. Subject to the provisions and conditions in the license contract, the licensee shall be entitled to do any or all of the acts to exploit the patented invention within the whole geographical area of Malaysia without any limitation as to time.⁴³ Of course a license contract cannot go beyond the duration of the patent. The licensee may not give to a third person his agreement to perform in Malaysia any of the acts allowed under the license contract in respect of the invention, unless it is expressly otherwise in the license contract.⁴⁴

Rights of the Licensor. For an exclusive license, the licensor shall not grant a further license to a third person in respect to the same patent or himself do any of the exploiting act, unless it is expressly provided otherwise in the contract.⁴⁵

The licensor cannot impose upon the licensee restrictions not derived from his rights to exploit the patented invention or unnecessary for the safeguarding of such rights by way of any clause or condition in the license contract. Such clause or condition shall be invalid in so far as it has that effect.⁴⁶

4.6 Compulsory Licenses

(a) *Application for compulsory license.* After three years granting a patent, any person may apply to the Registrar for a compulsory license to exploit the said patent without the agreement of the owner, and the reasons to justify such actions would be:⁴⁷

(i) no apparent exploitation of the patent without legitimate reason;

(ii) the product produced under the patent for sale in Malaysia is sold at an unreasonably high price which is unaffordable by sizeable percentage of the consumers of such product; or,

⁴² Id. Section 41(2).

⁴³ Id. Section 43(1).

⁴⁴ Id. Section 43(2).

⁴⁵ See Id. Section 44(1) and (2).

⁴⁶ Id. Section 45(a) and (b).

⁴⁷ Id. Section 49.

(iii) the product produced under the patent does not meet public demand without any legitimate reason.

The applicant, the licensor or licensee shall be notified by the Patents Board, after the application has been considered and decision has been made.

The "beneficiary of a compulsory license" is the person to whom a compulsory license has been granted in accordance with the Act.⁴⁸

(b) *Compulsory license based on interdependence of patents.* If a person cannot work his patent without infringing an earlier patent, and if the Board of the opinion that his invention as claimed in his patent constitutes an important technical advance in relation to the invention claimed in the earlier patent, that person may request for a compulsory license.⁴⁹

Upon the grant of such a compulsory license, the Board may grant a compulsory license under the later patent upon the request of the owner, the licensee or the beneficiary of a compulsory license under the earlier patent.⁵⁰

4.6.1 Scope of Compulsory Licenses

ix.⁵¹ Upon the granting of such compulsory license as referred to in paragraphs 3.6(a) and (b), the Board shall

(a) the scope of the license, particularly for what period the license is granted and to which acts to exploit the patented invention the license extends but it may not extend to the act of importation;

(b) the time limit within which the beneficiary of the compulsory license shall begin to work the patented invention in Malaysia; and

(c) the amount and conditions of the royalty due from the beneficiary of the compulsory license to the owner of the patent.

⁴⁸ Id. Section 48.

⁴⁹ See Section 49A(1), compulsory license based on interdependent of patents.

⁵⁰ Id. Section 49A(2).

⁵¹ Id. Section 52(a), (b), (c).

4.6.2 Limitation of Compulsory Licenses

The beneficiary of the compulsory license is not allowed to conclude any license contract with third persons under the patent where the compulsory license was granted.⁵²

4.6.3 Amendment, Cancellation and Surrender

The Board may amend the decision granting such compulsory license if the presence of new facts justify such amendment, and the request for such amendment must come from either the beneficiary of the compulsory license or the patent owner.⁵³

The Board shall cancel the compulsory license upon request from the owner of the patent, based on any of these grounds:⁵⁴

- (a) the ground for the grant of such compulsory license cease to exist;
- (b) the beneficiary of the compulsory license, within the time limit given in the decision of the license, neither begun the working of the patented invention in Malaysia nor made any serious preparations towards such working;
- (c) the beneficiary of the compulsory license violates the scope of license as fixed in the decision granting such license; and
- (d) the beneficiary of the compulsory license is in arrears of the payment due, according to the decision granting the license.

To surrender the license, the beneficiary will have to submit a written declaration to the Registrar, who shall then record the surrender in the Register, publish it and notify the owner.⁵⁵ The surrender takes effect from

⁵² See Section 53.

⁵³ See Section 54(1), Reg. 41(1); request shall be made to the Registrar on Form 12 with payment of the prescribed fee.

⁵⁴ See Section 54(2), Reg. 41(1); request shall be made to the Registrar on Form 13 with payment of the prescribed fee.

⁵⁵ Id. Section 55(3), (3A).

the date the Patent Registration Office receives the declaration of surrender.⁵⁶

4.7 Surrender and Invalidation of Patents

The owner may surrender a patent or may be limited to one or more claims of a patent by submitting to the Registrar a written declaration.⁵⁷

Said surrender by the owner of a patent shall not be accepted or recorded by the Registrar, if a license contract or compulsory license had been granted for such patent and no signed declaration is received by the Registrar from the licensee or sub-licensee on record or the beneficiary of the compulsory license consents to said surrender.⁵⁸

4.7.1 Invalidation of Patents

The patents can be invalidated by the Court, if upon request by any aggrieved person, such aggrieved person can prove that:⁵⁹

(a) what is claimed as an invention in the patent is not an invention within the meaning of the 1983 Act⁶⁰ or is excluded from protection as being a non-patentable invention⁶¹ or where the performance of any act in respect of the claimed invention would be contrary to public order;⁶²

(b) the description or the claim of such patent does not comply with the application requirement;⁶³

(c) any drawings which are necessary for the understanding of the claimed invention have not been furnished; and

⁵⁶ Id. Section 54(4).

⁵⁷ See Section 55(1), (2), Reg. 43.

⁵⁸ See Section 55(3).

⁵⁹ Id. Section 56(1), (2).

⁶⁰ See Section 12.

⁶¹ See Section 11, 13(1), 14 15 and 16.

⁶² Id. Section 31(1).

⁶³ See Section 23.

(d) the right to the patent does not belong to the person to whom the patent was granted, provided that the patent has not been assigned to the person to whom the right to the patent belongs. Where the invalidation applies only to some of the claims or some parts of a claim, the Court may declare such claims or parts of a claim to be invalid.⁶⁴

4.8 Infringement

The performance of any acts governed by Section 36 of the 1983 Act by a person other than the owner of the patent and without his agreement in relation to a product or a process falling within the scope of protection of such patent is an act of infringement.⁶⁵

The owner has the right to institute infringement proceedings against such person for such acts,⁶⁶ however, infringement proceedings may not be instituted after five years from the infringing act.

4.8.1 Infringement Proceedings by Licensee and Beneficiary of Compulsory License

Any beneficiary of a compulsory license and any licensee, where the license contract does not otherwise provide, may request the owner to institute proceedings for any infringement indicated by the beneficiary.⁶⁷ The beneficiary or the licensee can institute proceedings in his own name if he can prove that the owner refused or failed to institute proceedings within three months from the date of receipt of the request. However, the owner must be notified first of such intention and he has the right to join in the proceedings if he wish to.

If immediate action is necessary to avoid substantial damage, the Court may, at the request of the beneficiary or the licensee grant an appropriate injunction even if the three months referred to above have not lapsed.⁶⁸

4.8.2 Defenses to Infringement

Defendant may by his defense:

⁶⁴ Id. Section 56(3).

⁶⁵ Id. Section 58.

⁶⁶ See Section 59.

⁶⁷ Id. Section 61(2).

⁶⁸ Id. Section 61(4).

All applicants for patent who are neither resident nor domiciled in Malaysia must appoint a local patent agent to act on their behalf in all proceedings before the Patent office. The signatory of this form must be an authorized person (such as director, company secretary, principal officer or any other person who satisfies the Registrar that he is authorized to sign) if the applicant is a body corporate.

4.8.4 Appointment of Patent Agent

- (e) costs of the proceedings.
- (d) an inquiry as to damages or alternatively, an account of profit; and
- (c) an order for the delivery up for destruction upon oath of any patented product in relation to which the patent is infringed or an article in which the product is inextricably comprised;
- (b) an injunction to restrain the Defendant from further infringing the patent or to prevent infringement if imminent infringement is proved;⁶⁹
- (a) a declaration that the patent is valid and has been infringed by the Defendant;

Briefly they are:

4.8.3 Forms of Relief

- (e) plead that at the time of the infringement there was a contract relating to the patent made by or with the consent of the plaintiff; or a license under it granted by or with his consent, and containing a condition or term void by statute for being restrictive.
- (d) raise one or more objections to the validity of the patent; and
- (c) plead leave and license;
- (b) deny that he has infringed as alleged or at all;
- (a) deny the Plaintiff's title to the patent;

5. SOME DIFFERENCES AND SIMILARITIES IN LAW AND PRACTICE BETWEEN THE

UNITED STATES AND THE MALAYSIAN PATENT SYSTEM.

5.1 Introduction

The U.S. Supreme Court⁷⁰ in 1980 stated that the language to define patentable subject matter is intended to "include anything under the sun that is made by man". This statement would probably prompt some Malaysian counterparts in patent practice to wonder in awe and amusement at how far would this go and how true it is. Yet many such things can happen in the United States, and one fine example is the grant of the first animal patent, U.S. Patent 4,736,866 to Phillip Leder and Timothy Stewart, of Harvard College in 1989. This patent is for "Harvard" mice, where the mice have been transformed genetically to be highly susceptible to human cancers. (a brief discussion of a possible availability of IP protection and animal patent in Syariah [Islamic Law] will follow in paragraph 6).

In respect to plant patent which is also available in the U.S. patent system, many researchers from prominent agricultural-based research institutes and universities in Malaysia are greatly in favor of having such patent protection or other forms of plant protection. However, as at present the move by the authorities towards such protection is yet to be seen.

The obvious observation here is that patentable subject matter is not quite similar between the U.S. and the Malaysian patent system. It goes to many other aspects as well, among which are patentability, novelty, utility, obviousness and inventorship.

In general, there are two different types of patent system in the world. The U.S. system and everybody else's system and being a new player in the field, Malaysia has secured itself into the later system, which is generally the same as everybody else except the U.S. It is apparently so, since currently, there are various proceedings being pursued to realize the world harmonization patent treaty, and obviously Malaysia could not afford itself to being "different", thus alienating itself from such harmonization effort. Such alienation in turn would cause harm to its national aspiration to see its people and the nation continue to progress in economy and technology, while still adhering to its own ethical understanding and background.

⁷⁰ *Diamond v. Chakrabarty*, 447 U.S. 303; 206 USPQ 193 (1980).

In recent years, the WIPO Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions attempted to draft such harmonization treaty.⁷¹ Nonetheless, if the U.S. shows support for such earnest effort merely in theory without a stem commitment to join the rest of the world, WIPO would have a bitter time achieving such harmonization treaty.

5.2 "First to Invent" System versus "First to file" System

The debate on the first-to-invent versus first-to-file system has always been in the limelight in almost every meeting or proceeding organized by WIPO in pursuing its effort to harmonize the world patent system. As already mentioned, the system that is in present use in the U.S. is the first-to-invent system. Except for the U.S. and the Philippines, the rest of the world has adopted and now uses the first-to-file system.⁷²

The inventor in the U.S. is not required to be the first to file an application in order to secure a patent. What it really means is that the inventor can get the patent covering his invention if he can prove that he is the first to conceive and thereafter diligently reduces the invention to practice, even though he is not the first to file. If two parties claim an identical invention, an interference proceeding is commenced in the USPTO⁷³ to determine who was the first to invent, and thus has the right to be granted a patent.

From June 8, 1995, among several others, two of more significant provisions of the U.S. patent statute which have been amended and implemented are the ability to prove the date of invention in a foreign country⁷⁴ and the term of protection.⁷⁵ As currently practiced, the patent interference proceedings are terrible in respect to the time they take and their ever increasing complexity and cost. According to statistical report from the USPTO, there were 530 interferences between October 1, 1985 and September 30, 1988. With the amendment of 35 U.S.C. Section 104, it is foreseeable that "global interferences" will be of prohibitive cost forcing the need for a change. Thus, it may be that in anticipation of such costly "global interferences", there may be additional pressure within the U.S. to switch to a first-to-file system in the future, and that would become a much awaited contribution to the world patent harmonization treaty.

⁷¹ Report on Seventh Session of WIPO Committee Meeting on Harmonization, 4 World Intell. Prop. Rep. (BNA) 14 (Jan. 1990).

⁷² 2A J. Baxter, World Patent Law and Practice, Matthew Bander & Co., App. 1-2 (1989)

⁷³ The United States Patent and Trademark Office.

⁷⁴ 35 U.S.C. Section 104.

⁷⁵ Current term of patent protection in the U.S. is 20 years from the filing date.

Malaysia belongs to rest of the world's first-to-file system. This means that the patent protection is given to the inventor or applicant who is first to file an application covering the invention. No consideration is given to the inventor who may have invented first, but waited to file. If for whatever reason, the applicant still wants to wait rather than promptly file an application, he must be in constant alert to safeguard his invention so that it is not lost because he waited to file.

5.2.1 Grace Period

The dissimilarity between the patent systems currently practiced in the two countries are rather obvious, however, both have provisions for "grace period". The U.S. gives the inventor a grace period to file their invention after publicly disclosing or commercially exploiting the invention. This grace period is one year measured from the first public disclosure or commercial exploitation of the invention.⁷⁶

Likewise, Malaysia too gives the inventor a grace period of one year prior to the filing date or whenever applicable, the priority date of such application. It means that public disclosures of the invention in whatever forms within such one year period are not to be considered as prior art to destroy novelty.⁷⁷ Generally, such grace period is not readily available to inventors in most other countries, except for a few which includes Australia, Canada, Japan and Russia.

5.2.2 Secrecy, Opposition and Publication

Both countries currently practice absolute secrecy of the application. Once an application is in file, it is maintained in secret by the patent office. There is no inter partes proceeding before the patent office in which a third party may challenge the merits of the examiner's determination of patentability of the subject matter of the patent.

However, in the U.S., its patent law allows a third party to request for a re-examination of an issued patent.⁷⁸ A number of other countries too have this kind of practice, which are called "opposition procedures", whereby third parties can oppose the patent within a defined time period. Such an "in-house" opposition is not available in Malaysia and any aggrieved third party can only oppose the issued patent by filing a request to the

⁷⁶ 35 U.S.C. Section 102(b).

⁷⁷ See Malaysian Patents Act 1983, supra note 5, Section 14(2)(a).

⁷⁸ 35 U.S.C. Section 302.

The system in both countries publish patents on their issuance, as opposed to the system of publishing the application after a defined period of time.⁸⁰ According to some opinion, the later practice is a definite advantage.⁸¹ The applicant can recover damages for infringement from the date of publication. Furthermore, the public is advised that a patent exists and can then take appropriate steps to ascertain the scope of the patent before making any capital investment or before negotiating a patent license.

5.3 Kinds of Patents, Patentability, Examination and Prior Art

In the U.S., three types of patents exist: utility patents; design patents; and plant patents. The general subject matter to which utility patents are directed is considered to be the useful arts or technology. In particular, the U.S. patents are granted for inventions directed to processes, machines, manufacturers, or compositions of matter, or any new and useful improvement thereof. Nevertheless, the scope would be much, much broader if the language to define patentable subject matter is intended to "include anything under the sun that is made by man", as stated by the U.S. Supreme Court⁸² to be literally relied upon.

The design patents are concerned only with the ornamental or visual impression of the invention. The invention need not be useful.

U.S. plant patents are governed by the Plant Patent Act of 1954. The patents are concerned with those plants that can be asexually reproduced and that are not tuber-propagated or plants found in an uncultivated state.⁸³

In Malaysia, two types of patents are available: regular patents and utility innovations (petty patents). The general subject matter of Malaysian Patents would be the protection for inventions, where an invention is defined as an idea of an inventor that permits in practice the solution to a specific problem in the field of technology. Such invention may be or may relate to a product or process or both. However, not all inventions

⁷⁹ See Malaysian Patents Act 1983, supra note 5, Section 56(1), (2).

⁸⁰ As being practiced by the European Patent Office (EPO) and several other patent offices, the publication will take place 18 months after the filing of the application.

⁸¹ Bernarr R. Pravel, Why the U.S. Should Adopt the First-to-File System for Patents, 22 St. Mary's L.J. 797,803 (1991).

⁸² See note 70.

⁸³ See Malaysian Patents Act 1983, supra note 5, Section 161.

⁹⁰ The European Patent convention (EPC), Article 94.

3.

⁸⁹ Baxter, World Patent Law and Practice, Mathew Bender & Co., [R87 11/94], Vol. 2, Chapter

⁸⁸ See note 27.

⁸⁷ See note 19 and 20.

⁸⁶ See Annex I.

⁸⁵ See paragraphs 3.4, 4.4.1, 4.3.4.2, and supra note 5, Section 17, 17A.

⁸⁴ See paragraph 4.2 and note 6.

Patent convention.⁹⁰

The Malaysian practice is sometime referred to as "deferred examination", and it is being practiced in quite a number of countries since it was first suggested in Hungary more than seventy years ago and introduced into national Patent Law by the Netherlands in 1964.⁸⁹ The guide "Model Law for Developing Countries on Inventions", published by WIPO includes provisions for this system and it is also provided for in the European

months from the filing date.⁸⁸ Both requests should be accompanied by the required fees. However in Malaysia, express requests are needed for both preliminary examination and search and substantive examination. A request for preliminary examination and search is usually made before the end of six months from the filing date,⁸⁷ while a request for a substantive examination must be made before the end of 18 months from the filing date.⁸⁸ Both requests should be accompanied by the required fees.

In the U.S. an automatic request for examination and search for relevant prior art is made along with the filing of the application. No additional fees or petitions are required. The application, after issuance of the official filing receipt, is sent to the relevant examination group and there it waits its turn on first applied, first served basis.

5.3.1 Request for Examination of Patent Application

There is no design patent in Malaysia, but protection for industrial designs is available as provided for by the United Kingdom Designs (Protection) Act 1949⁸⁶ and there is also no plant patents in Malaysia.

Utility innovations may include protection for any implement, tool, product or process which is of practical utility by reason of its form, configuration, construction or composition.⁸⁵ This type of patent protection is best known in Germany, Japan and Australia.

are patentable, as already mentioned before.⁸⁴

In U.S., one of the requirements of patentability is that the invention has to be useful. More often than not, especially for chemical composition or pharmaceutical product, additional proof might be required by the USPTO during the prosecution of patent application. For instance, a patent was refused for an invention of treating specific cancers by administering certain bis (B-arizidinol-ethyl) sulfones because the applicant did not furnish sufficient

5.3.3 *Utility*

In the U.S., in order to determine whether a particular invention is patentable or not, a basic understanding of patent statutes 35 U.S.C. Sections 101, 102 and 103 is essential, while in Malaysia the governing laws are Sections 13, 14, 15 and 16 of the 1983 Act.

Generally, patents are granted provided most if not all the above aspects and requirements and as provided for by respective patent laws of each countries are met. In this paper, only three aspects of patentability in respect of patent examination will be discussed with regard to the U.S. and Malaysian patent law and practice. They are the utility, novelty and non-obviousness.

- (i) utility;
 - (ii) technical advance;
 - (iii) inventive level; and
 - (iv) non-obviousness.
- (e) subject matter and patentability, which are considered under one or more of the headings:
- (a) formality;
 - (b) suitability for patenting;
 - (c) unity of invention;
 - (d) novelty; and

The five main aspects forming the basis of conducting patent examination are

5.3.2 *Patent Examination*

proof of its usefulness.⁹¹ Proof of "safe to use" was once stipulated by the USPTO as a utility requirement for drug cases, but it was negated by the court,⁹² and is was found that to prove such requirement was not a criterion for patentability and not within USPTO's domain.

In Malaysia, not so much emphasis is put on utility requirement which is better known as industrial applicability. Section 16 of the 1983 Act has such provision, where, notwithstanding the statutory unpatentable subject matters,⁹³ an invention is industrially applicable if it can be made or used in any kind of industry. In addition, articles or processes alleged to operate in a manner clearly contrary to well established physical laws are also excluded from industrial applicability. No proof of utility what so ever needed by the patent office.

5.3.4 Novelty

The novelty requirement in the U.S. patent law is found in 35 U.S.C. Section 102. The provisions in Section 102(a) are depicting the novelty defeating conditions that require activity on the part of someone other than that of applicant. The existence of any of the following such conditions will defeat the novelty of an invention and will therefore preclude obtaining a valid U.S. patent:

- (a) the invention was publicly known in the U.S. before the invention thereof by the applicant;
- (b) the invention was publicly used by others in the U.S. before the invention thereof by the applicant;
- (c) the invention was patented anywhere in the world before the invention thereof by the applicant;

(d) the invention was described in a printed publication anywhere in the world before the invention thereof by the applicant.

It is worth noting that, all the four conditions contain similar and familiar phrases "before the invention thereof", which is off course crucial for a "first-to-invent" patent system. Since Malaysia belongs to the more popular "first-to-file" system, there is no such equivalent provisions to be found anywhere in the Malaysian Patents Act.

⁹¹ *In re Buting*, 418 F.2d 540; 163 USPQ 689 (CCPA, 1969).
⁹² *In re Watson*, 186 USPQ 11 (CCPA, 1975).
⁹³ See paragraph 4.2.

There are four situations found in 35 U.S.C. Section 102(b), however, that are not limited to persons other than the patent applicant but include the patent applicant as well as anyone else. The situations are:

- (a) the invention was in public use in the U.S. more than one year prior to the date of the application for patent in the U.S.;
- (b) the invention was on sale in the U.S. more than one year prior to the date of the application for patent in the U.S.;
- (c) the invention was patented anywhere in the world more than one year prior to the date of the application for patent in the U.S.; and
- (d) the invention was described in a printed publication anywhere in the world more than one year prior to the date of application for patent in the U.S.

The above four situations which are sometimes referred to as "statutory bars" to patentability in the U.S. system, are quite similar to the provisions to determine novelty in the Malaysian 1983 Patents Act,⁹⁴ because basically, prior art consists of everything disclosed to the public throughout the world by written publication, and in addition in Malaysia, by oral disclosure, by use or in any other way, prior to the date of patent application in Malaysia. If prior publication contains clear description of or clear instruction to do or to make something which would infringe the patentee's claim if carried out after the grant of the patentee's patent, the patentee's claim has no novelty.⁹⁵

35 U.S.C. Section 102(c) precludes obtaining a U.S. patent if an invention is abandoned by the patent applicant. Likewise, in Malaysia the applicant can expressly request for abandonment of an application, thus the patent is denied. In addition the application too is considered abandoned if the applicant does not respond to Registrar's or examiner's Office Action requesting the applicant to rectify the deficiencies found in the application within stipulated time period.

As provided for in 35 U.S.C. Section 102(d), one is precluded from obtaining the U.S. patent if the invention was first patented or caused to be patented by the applicant in a foreign country prior to the date of the

⁹⁴ See paragraph 4.2.1 and Section 14(1), (2) of the 1983 Act.

⁹⁵ V.T. Kandan, Background Reading Material of the IP system in Malaysia, WIPO 1993, at pg. 16, citing *General Tire and Rubber Co. v. Firestone Tyre and Rubber Co. Ltd.*, [1972] RPC 457 at 485,486.

However, since the determination of the level of the person with ordinary skill in the art is important, it

laws exist.

consideration any matter which form part of the prior art. In fact the similarity, to some extent, between the two defined as a step which would not have been obvious to a person having ordinary skill in the art, taking into patents law, such requirement is better known as involving an "inventive step", where an "inventive step" is would have been obvious at the time the invention was made to a person of ordinary skill in the art. In Malaysian between the subject matter sought to be patented and the prior art are such that the subject matter, as a whole, U.S.C. Section 103. Basically, according to such requirement, an invention is not patentable if the differences In the U.S., the requirement that an invention be non-obvious in order to be patentable is found in 35

5.3.5 Non-obviousness Requirement

practitioners.

"conception", "reduction to practice" and "diligent" are indeed never heard of by Malaysian patent which once again Malaysian law does not provide any equivalent or similar provision. The concept of as stated in 35 U.S.C. Section 102(g). This section of the statute purely deals with the "first-to-invent" system, the invention was made in the U.S. by another who has not abandoned, concealed, or suppressed the invention, Finally, in the U.S., a person shall be entitled to a patent unless, before the applicant's invention thereof,

inventors be named.

the inventor's name should appear in any such application. Most other countries do not even require that the of the 1983 Act, any person may make an application for a patent either alone or jointly with another; however, in order to receive a patent is contained in 35 U.S.C. Section 102(f). In Malaysia, as provided for in Section 18 The requirement that the patent applicant must have invented the subject matter desired to be patented

the novelty of later application only after it is issued and published.

Patents Act, however, a pertinent patent as a prior art can be cited and referred to by the examiner to determine in the USPTO rather than of the date it becomes a patent. The same arrangement is provided for in the Malaysian 35 U.S.C. Section 102(e) provides that a U.S. patent can be considered prior art as of the date it is filed

foreign filing can still be done with written authority granted by the Registrar of Patents.

Act, however, the provision is less stringent in Malaysia as to preclude from obtaining Malaysian patent and such application. This provision has certain amount of similarity with Section 23A(1)(a)(b) of the Malaysian 1983 U.S. application if the foreign application was filed more than twelve months before such filing of U.S.

was stipulated that, at least in Malaysia, the notional person against whom the obviousness must be tested is the un inventive person skilled in the art, capable of assimilating the contents of scores of specifications but incapable of a scintilla of invention.⁹⁶

In the U.S., there are still many other secondary considerations that may have to be satisfied to meet the non-obviousness requirement, which include: commercial success; long felt, but unresolved, needs of the prior art; and failures of others in the art, as was stated by the U.S. Supreme Court.⁹⁷ In addition a learned U.S. Judge, Judge Learned Hand, enumerated various more factors to consider when deciding obviousness, which are: the length of time the problem was before the industry; the number of attempts to solve it; the failure of others; and the recognition and acceptance of the solution by the industry.⁹⁸

The Malaysian counterparts in patent practice would not want to be bothered with all those secondary requirements and considerations partly because none of them are available in Malaysian patent law and practice, and the other is that they already had their hands full in resolving the non-obviousness matters in their own ways.

5.3.6 *Voluntary Submission of Relevant Documents*

The applicant is encourage to provide the Malaysian Patent Office copy of search report or granted patents in any one of the following patent offices: the U.S., Great Britain, Australia, New Zealand, Canada or the European Patent Office, while applying for a patent or in the course of its prosecution. Such action would expedite the issuance of Official Actions and examiner's reports.

More often than not, if such foreign patents were already granted by respective offices, most probably they would be given the patent grants in Malaysia as well, provided all the requirements, such as formalities, as provided for by the 1983 Act are met.

Nevertheless, in spite of the foregoing procedure, it is still necessary to file a Request for Preliminary Examination and Search and a Request for Substantive Examination.⁹⁹

⁹⁶ Id. pg. 17, citing *Technograph Printed Circuits Ltd. v. Mills and Rockley (Electronic) Ltd.*, [1972] RPC 346 at per Lord Reid (HL).

⁹⁷ *Graham v. John Deere Co.*, [383 U.S.1 (1966)].

⁹⁸ B.A. Americk, *Patent Law for the Non-Lawyer*, 2nd Edition, Van Nostrand Reinhold, N.Y., 1991, pg.37.

⁹⁹ See paragraphs 4.3.4 and 4.3.5.

5.4 Compulsory Licensing

For the purpose of this paper, the topic on the compulsory licensing would be the last topic, if not least, to be discussed.

5.4.1 The U.S. position

"Compulsory licenses for the benefit of private competitors are not favored by the tradition of American statute law, except as sanctions for actual violation of the antitrust law".¹⁰⁰ However, certain provisions automatically permit the U.S. government to use patented invention in industries such as defense and aerospace, while 28 U.S.C. Section 1498(a), permits the government to use any U.S. patents. Needless to say, a de facto compulsory licensing exists in the U.S.

5.4.2 The Malaysian Position

Two types of compulsory licensing are provided for by the 1983 Act: the Non-Working Provision and the Dependent Patent Provision. The former deals with patent owner who, after three years of patent grant, has not worked on his invention without any legitimate reason, or the level of working does not satisfy the public demand, thus the potential licensee may acquire compulsory license from such patent owner with the consent from the authority.¹⁰¹ While the later states that if the invention is an important technical advance in relation to the patented invention, a compulsory license may be granted to the extent necessary to avoid infringement of the earlier patent.¹⁰²

However, since the enforcement of the 1983 Act in 1986, not a single request for such license ever been received by the Malaysian Patent Office. It probably shows that on ever enterprising world, most patent owners are willing to license their inventions if fair deals for all sides are possible.

6. IP IN ISLAM?

6.1 Introduction

For the purpose of an introductory exploration of a possible availability of IP protection in Syariah, it

¹⁰⁰ Julian-Arnold, G., *International Compulsory Licensing: The Rationales and the Reality*, 33 IDEA: J.L. & Tech. 349, citing Frost, 14 Geo. Wash. L.R., 273, 435 (1945).

¹⁰¹ See paragraph 4.6(a) and Section 49 of the 1983 Act.

¹⁰² See paragraph 4.6(b) and Section 49A(1) of the 1983 Act.

would be worthwhile to look at basic concept of property and business in Islam.

Basically and traditionally, there are only two categories of property available in Islam—land and chattels, where chattels would basically meant belongings that are "man-made" and are usually moveable. So far, there is no indication that IP can be explicitly categorized in either of these two traditional categories. However, this does not really mean that there is not a slight chance the intangible IP can be fit into the concept of property in Islam. For this purpose a basic exploration is required.

In respect of business activity and economic incentive, Islam has its own ways or internal mechanics for dealing with most of them. For example, among others:

(a) Islam encourage free enterprises but doing "haram" ¹⁰³ business is forbidden;

(b) usury, hence business involving interests is "haram";

(c) cheating is comparable to stealing, thus strictly forbidden and severely punishable;

(d) the concept of monopoly at least in dealing with business is unknown;

(e) seller has the obligation to make a certain reasonable and permissible percentage of profit without taking advantage of hard pressed customer, such that a "win-win" situation would prevail, thus hoarding of essential goods for purpose of hiking the price is strictly forbidden;

(f) no matter how small the business deal, there must be an "akad" ¹⁰⁴;

(g) to intentionally harming the other's businesses is "haram".

By looking at the above laws of business dealings, (there are many more business laws available if the Koran [Islamic holy book], "hadith" ¹⁰⁵ and "fatwa" ¹⁰⁶ are consulted) it explains at least one reason why IP or to

¹⁰³ "Haram", in respect of type of business would means, among others: business that involves slavery, prostitution, alcohol, gambling and selling or making of products originates from pigs. In general sense everything forbidden is "haram".

¹⁰⁴ "Akad" is an agreement of selling and buying between the seller and the buyer. It is more like a contract and if it is for a small item, verbal agreement is sufficient.

¹⁰⁵ "Hadith" is the compilation of prophet Mohammed's teachings, which would be the interpretation (continued...)

¹⁰⁶ "fatwa" belongs to third category of law after the Koran and the Hadith. The Fatwa are given by the Moslem "ulema" (learned teachers and elders), the learned Moslem judges and other resources like the recognized bodies of ulemas and mullahs. The compilations of these laws may sometimes be dissimilar in essence between one Islamic sect to another but usually can be overcome with "ijtihad", which is the gathering of all Moslem learned teachers and elders all over the world to discuss certain outstanding issues and to unanimously agree with the outcome of the discussion which must be done based on the divine laws of the Koran and the "hadith".

¹⁰⁵ (...continued)
for the implementation of the divine laws contained in the Koran. It serves as guide to the practitioners as would be the MPBP to the U.S. patent statutes.

Man was created by god to rule and manage the world. Every other single creation in the universe are for man to manipulate; use; and benefit from to enhance the worldly quality of life and god, the all creator, is to be praised for all the generosity. To make things work, man as compared to animals and other creations are given the minds, desires, temptation, will, ambition and a lot more facilities that enable them to be creative; inventive; manipulative and efficient discoverer. However every single "invention" accomplished by man was already created by god in the "creation" time as god had created the rivers and the mountains. Man are just the agent to discover such creations by using all the possible materials and facilities divinely given by god. Man can always make plans and preparations and works towards achieving what they had aimed for, for example in accomplishing a successful invention, however it is god who would make things happen or otherwise, because man is never perfect but god is.

In Islam god is the all creator; god created the whole universe and its system together with its every single occupants. All events from the time god created the whole universe to the creation of the first man, Adam and to the present day situation, which of course include all the modern inventions were created during the "creation" period. In short all events are predetermined in the "Lauh mahfur".

The issue here is whether there is a possible availability of IP possession in Islam as part of the extension of the traditional Syariah property law.

6.2 Creation and Invention in Islam

be extend to include the IP.
Nevertheless, this does not necessarily means that the traditional Syariah law about property and business cannot be precise the patent law is not explicitly deals within the Syariah, the reason is there is no need for it, because if the above laws are strictly adhered to, the chaos created by our daily business dealings would be grossly limited.

This far, on the basis of the above observation, it seems that there is no distinction between animate and

every human being would be spending their eternal other life--either in hell or heaven.

universe and its occupants, where all mankind is to meet its sole creator--god, who will determine where each and by god in the creation time. The man's quest to explore and discover will be endless until the end of the whole agent to explore the marvel of this universe; to discover the unexplored; and to invent what was already created in paragraph 6.2) given to him by god (does not matter whether he believes in god or not). In short, man is god's to discover what god had already created in the time of creation by using all the divine facilities (as was discussed playing god? the answer would probably be no. The rationale would be he was merely fulfilling his obligation

The question now is, was the scientist who had discovered the method of inventing the Harvard mouse

was not; that was god's creation given to him as one of god's miracles.

giant snake to swallow all the fake snakes produced by the pharaoh's magicians by a stroke of his staff? no he probably not playing god as some people would like to believe. Was Moses playing god when he "created" a

When man invents a new strain of animal life, like the Harvard mouse or crab flavored chicken, he is

animal and it is not apply to man.

man as part of animal kingdom nor part of its evolution, thus for the purpose of this discussion an animal is an

Before further discussion can take place, a clear statement has to be made: Islam has never considered

6.3 Animal Patent in Islam

the "fatwa" and may be one day an "ijtihad" is necessary.

topic needs to be explored and discovered further by integrating all the resources: the Koran, the "Hadith" and it may be regarded at least as an extension of the Syarah's property and business laws. However, this specific Syarah, probably the concept of IP particularly in respect of ownership of invention may be present after all and Hence, after combining the concept of property, the concept of business and the concept of creation in

at creation, therefore it is original; it is ownership until it is found or discovered by man, which make it a property.

as property under the Syarah, as applied to the tangible properties like land and chattels because it is originated other worldly materials. Thus, at this stage it is not too difficult to suggest that invention can also be regarded later owned by man who "discovered" it by means of using all the facilities given by god which include mind and as well, and it includes the man's invention. The invention at the time of its divine creation was ownership but it were discovered by man and claimed and thus became property. This concept may be applied to other creations

The rivers, lands and mountains as god's creations were ownership as far as man is concerned until they

animate property as long as the property is originally ownerless and any man who discovered it can stake a claim on it. However the above discussion and rationale are far from sufficient, more discussion, discovery and exploration, again base on divine words of the holy Koran, the "hadith" and the "fatwa" are necessary.

7. CONCLUSION

Its been nine years now since the current Malaysian Patents Act 1983, was in force, but still there has been much discussion about it among the locals. Some are optimistic that the Act would eventually boost foreign investment, and to a certain extent they are right; others are suspicious due to the meager role it plays so far in boosting local inventiveness and patent ownership, knowing that only a mere five percent of Malaysian patents are applied for by Malaysians;¹⁰⁷ while still others are still apprehensive with the notion that such "hasty" and "untimely" enforcement of the Act is only to serve the developed nations in maintaining their economic power and international control.

For most people who involve themselves in the Malaysian patent practices; it is apparent that the government has taken a significant step in the right direction; however, it would be more rewarding if the responsible authorities would take more serious effort to implement such system efficiently and effectively so that it can truly bears its fruits of success much sooner and at the same time erase the whatever lingering doubts and suspicion remain.

¹⁰⁷ See annex II. The statistics is provided by the Malaysian Patent Office, Ministry of Domestic Trade and Industry, Kuala Lumpur, Malaysia.

The Intellectual Property Laws and Litigation in Malaysia

A wide variety of intellectual property rights is now available for protection under Malaysian law. Currently there are four distinct statutory systems of protection: patent, trademarks, industrial designs and copyright. Briefly, the current applicable laws in Malaysia in respect of each type of intellectual property are:

(a) The Trade Marks Act 1976, which came into force on September 1, 1983. The Act unified the prior three separate laws and registries belonging to peninsular Malaysia and the states of Sabah and Sarawak.

(b) The Patents Act 1983 which came into force on October 1, 1986, thereby replacing the Registration of United Kingdom Patents Act 1951 of Malaya and similar legislation in the states of Sabah and Sarawak under which patents granted in the United Kingdom were registrable in Malaysia within three years of their grant in the United Kingdom and enjoyed the same protection in Malaysia as they did in the United Kingdom. Malaysia became party to the Paris Convention on January 1, 1989.

(c) The United Kingdom Designs (Protection) Act 1949 by which a design registered in the United Kingdom enjoys privileges and rights in Malaysia as though the Certificate of Registration granted in the United Kingdom had been issued with extension to Malaysia.

(d) The Copyright Act 1987 which came into force on December 1, 1987, as amended by the Copyright (Amendment) Act of 1990. Malaysia acceded to the Berne Convention for the Protection of Literary and Artistic Works on October 1, 1990.

(e) There is also a body of law, non-statutory, but which can be classified as Malaysian common law that gives protection against unfair trade practices generally, that recognize trade secrets and merchandising as property rights.

Intellectual property rights are enforced through action and/or prosecution in the Courts. The Courts in Malaysia having jurisdiction in intellectual property matters as follows:

(a) The lowest Court with jurisdiction over anti-counterfeiting matters is the Sessions Court. These Courts normally hear criminal prosecutions under the Trade Descriptions Act 1972 and the Copyright Act 1987.

(b) The next tier is the High Court which has original as well as appellate jurisdiction in respect of civil jurisdiction, the High Court has unlimited power and so any civil matter which cannot be in subordinate courts is brought in the High Court.

(c) Appeal from the High Court lies to the Supreme Court which has now replaced the Federal Court, where usually three judges preside over the hearing. With the cessation of appeals to the Privy Council in England on January 1, 1985, it is now the final court of appeal in the country. The bulk of the Supreme Court's work (about 99%) consists of hearing appeals from the High Court.

ANNEX II

PATENTS & UTILITY INNOVATION APPLICATIONS RECEIVED AS OF MAY 1, 1995

NO.	COUNTRY / YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL	%
1	AUSTRALIA	18	62	61	8	12	16	76	104	129	51	808	9.66%
2	AUSTRIA	2	8	5	6	1	5	2	5	9	48		0.22%
3	ARGENTINA												0.00%
4	BAHAMAS												0.00%
5	BARBADOS												0.01%
6	BELGIUM												0.74%
7	BERMUDA												0.01%
8	BRAZIL												0.03%
9	CANADA												0.86%
10	CHILE												0.01%
11	CHINA												0.07%
12	CYPRUS												0.01%
13	DENMARK												0.39%
14	FINLAND												0.24%
15	FRANCE												2.89%
16	GERMANY												8.34%
17	GREECE												0.01%
18	HONG KONG												0.22%
19	HUNGARY												0.27%
20	INDIA												0.10%
21	INDONESIA												0.04%
22	ITALY												1.17%
23	IRELAND												0.08%
24	JAPAN												17.02%
25	JORDAN												0.00%
26	LIBERIA												0.00%
27	LIECHTENSTEIN												0.04%
28	LUXEMBOURG												0.03%
29	MALAYSIA												5.00%
30	MALTA												0.00%
31	MEXICO												0.06%
32	MONACO												0.01%
33	NETHERLANDS												2.49%
34	NET. ANTILLES												0.08%
35	NEW ZEALAND												0.33%
36	NORWAY												0.26%
37	PAKISTAN												0.00%
38	PANAMA												0.01%
39	PHILIPPINES												0.03%
40	POLAND												0.01%
41	PORTUGAL												0.01%
42	R.O. DOMINICA												0.00%
43	R.O. KOREA												0.00%
44	RUSSIA												1.49%
45	SINGAPORE												0.00%
46	SOVIET UNION												0.06%
47	SPAIN												0.19%
48	SRILANKA												0.02%
49	SWEDEN												1.69%
50	SWITZERLAND												3.13%
51	SOUTH AFRICA												0.14%
52	TAIWAN												2.83%
53	THAILAND												0.06%
54	U.S. KINGDOM												9.99%
55	U.S. AMERICA												37.83%
56	UKRAINE												0.02%
57	VENEZUELA												0.01%
58	VANUATU												0.01%
59	OTHERS												0.14%
	TOTAL	181	62	61	8	12	16	76	104	129	51	808	

MALAYSIA

Patents Act 1983

(Act 291, as amended by Act A648 (Patents (Amendment) Act 1986))*

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- 2. Extent of application.
- 3. Interpretation.

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- 4. Establishment and composition of Patents Board.
- 5. Appointment of alternate member of Board.
- 6. Remuneration of members.
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- 17. Definition.
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* Official English short title: Patents Act 1983 and Patents (Amendment) Act 1986.
 Entry into force: October 1, 1986.
 Source: Consolidated version established by WIPO on the basis of official texts communicated by the national authorities.

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FIRST SCHEDULE

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Part I Preliminary

(Short title, commencement and application)

1.—(1) This Act may be cited as the Patents Act 1983 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) This Act shall apply throughout Malaysia.

(Extent of application)

2. This Act shall apply to patent applications made after the commencement of this Act and to the registration of patents made on such applications.

(Interpretation)

3. In this Act, unless the context otherwise requires—

"authorized officer" means an officer authorized under section 68;

"Board" means the Patents Board established under this Act;

"Court" means the High Court, or Judge thereof;

"employee" means a person who works or has worked under a contract of employment, or who is in employment under, or for the purposes of, any individual or organization;

"employer," in relation to an employee, means the person by whom the employee is or was employed;

"Examiner" means any person, government department, unit, organization, or any foreign or international patent office or organization, appointed by the Board to whom the Registrar may refer questions concerning patents;

"Minister" means the Minister charged with the responsibility for the development of industrial property;

"patented invention" means an invention for which a patent is granted and "patented process" shall be construed accordingly;

"patented product" means a product which is a patented invention or, in relation to a patented process, a product obtained directly by means of the process or to which the process has been applied;

"Registrar" means the Registrar of Patents and the Registrar for Certificates for Utility Innovations kept under this Act;

"Registrar" means the Registrar of Patents and includes any Deputy Registrar of Patents or Assistant Registrar of Patents;

(Establishment and composition of Patents Board)

4.—(1) There shall be established a Patents Board which shall be a body corporate with perpetual succession and a common seal and which may sue and be sued and whose functions shall be—

(a) to issue certificates for utility innovations;

(b) to consider applications for compulsory licences under subsection (2) of section 51;

(c) to appoint Examiners; and

(d) to advise the Minister generally on matters pertaining to this Act.

(1A) The Board may delegate any of its functions under paragraphs (a) and (b) of subsection 1 to any person it deems fit.

(2) The Board shall consist of the following members to be appointed by the Minister:

(a) a Chairman and Deputy Chairman to be appointed amongst persons who in the opinion of the Minister, by reason of their knowledge and experience, would be of substantial service to the development of industrial property;

(b) a representative from the Ministry of Trade and Industry;

(c) a representative from the Ministry of Science, Technology and Environment;

(d) a representative from the National Scientific Council for Research and Development;

(e) a representative from the Standards and Industrial Research Institute of Malaysia;

(f) a representative from the other research institutes;

(g) a representative from the institutions of higher learning; and

(h) not more than three other persons as the Minister considers fit and proper persons to be members of the Board.

(3) Any member of the Board, other than a member appointed under paragraph (b) or (c) of subsection (2) shall, unless his appointment is sooner revoked or he

"right," in relation to any patent application or patent, includes an interest in the patent application or patent and, without prejudice to the foregoing, any reference to a right in a patent includes a reference to a share in the patent.

Part II Patents Board

Part III
Administration

(Registrar, Deputy Registrar and Assistant Registrar)
8.—(1) The Minister may appoint a Registrar of Patents who shall be conferred with powers and functions for the proper administration of this Act.

(2) The Minister may give the Registrar any direction not inconsistent with the provisions of this Act as to the exercise and performance of the powers and functions in relation to any matter which appears to him to concern the development of industrial property and other matters connected therewith and the Registrar shall give effect to any such direction.

(3) The Minister may appoint such number of Deputy Registrars of Patents as may be necessary for carrying out the provisions of this Act and the Registrar, Registrars shall, subject to the control of the Registrar, have all the powers and functions of the Registrar under this Act except the power of delegation referred to in subsection (5).

(4) The Minister may appoint such number of Assistant Registrars of Patents as may be necessary for carrying out the provisions of this Act and the powers and functions of an Assistant Registrar shall be as prescribed by the Minister or delegated by the Registrar pursuant to subsection (5).

(5) The Registrar may, in relation to a particular matter or class of matters by writing under his hand, delegate all or any of his powers or functions under this Act, except his power of delegation, to an Assistant Registrar so that the delegated powers and functions may be exercised by the Assistant Registrar so delegated but a delegation made under this subsection is revocable at the discretion of the Registrar and does not prevent the exercise of that power or function by the Registrar or Deputy Registrar.
(6) The Registrar shall have a seal of such device as may be approved by the Minister and the impressions of such seal shall be judicially noticed and admitted in evidence.

(Patent Registration Office)
9.—(1) For the purposes of this Act there shall be established a Patent Registration Office which would be the office of the Registrar.
(2) The Patent Registration Office shall be the secretariat to the Board.

sooner resigns, hold office for such period not exceeding two years as the Minister may determine and shall be eligible for reappointment.

(Appointment of alternate member of Board)

5.—(1) The Minister may in respect of each member of the Board other than a member appointed under paragraph (a) of subsection (2) of section 4, appoint another person from the same body or representing the same interest as that member to be that member's alternate and such alternate member may attend the meetings of the Board in place of that member if that member is for any reason unable to attend.

(2) When attending a meeting of the Board in the absence of the member in respect of whom he is appointed to be an alternate, an alternate member shall for all purposes be deemed to be a member of the Board.

(3) An alternate member shall, unless his appointment is sooner revoked or he sooner resigns, cease to be an alternate member when the member in respect of whom he is an alternate is deemed to have vacated his office or otherwise ceases to be a member of the Board pursuant to the provisions of this Act but this shall be without prejudice to such alternate member being appointed as a member or reappointed as an alternate member.

(Remuneration of members)

6. The members and alternate members of the Board may be paid such remuneration as the Minister may determine.

(First Schedule to apply to Board and members)

7. The provisions of the First Schedule shall apply in respect of the Board, its members and alternate members.

(Protection in respect of acts done in pursuance of this Act)

7A. A member of the Board or an Examiner shall not be personally liable for or in respect of any act, matter or thing done or omitted to be done in good faith and in the proper exercise of any of his duties or functions as a member of the Board or an Examiner under this Act.

than man-made living micro-organisms, micro-biological processes and the products of such micro-organism processes;

(c) schemes, rules or methods for doing business, performing purely mental acts or playing games;

(d) methods for the treatment of the human or animal body by surgery or therapy, and diagnostic methods practised on the human or animal body:

Provided that this paragraph shall not apply to products used in any such methods.

(2) For the purpose of subsection (1), in the event of uncertainty as to whether the items specified therein shall be patentable or not, the Registrar may refer the matter to the Examiner for an opinion and the Registrar shall thereafter give a decision as to whether to include or exclude such item as being patentable, as the case may be.

(Novelty)

14.—(1) An invention is new if it is not anticipated by prior art.

(2) Prior art shall consist of—

(a) everything disclosed to the public, anywhere in the world, by written publication or, in Malaysia, by oral disclosure, by use or in any other way, prior to the filing date or, where appropriate, priority date of the patent application claiming the invention;

(b) the contents of a domestic patent application having an earlier filing date or, where appropriate, priority date than the patent application referred to in paragraph (a) to the extent that such contents are included in the patent granted on the basis of the said domestic patent application.

(3) A disclosure made under paragraph (a) of subsection (2) shall be disregarded—

(a) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of acts committed by the applicant or his predecessor in title;

(b) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of any abuse of the rights of the applicant or his predecessor in title;

(c) if such disclosure is by way of a pending application to register the patent in the United Kingdom Patent Office as at the date of coming into force of this Act.

(Nonpatentable inventions)

13.—(1) Notwithstanding the fact that they may be inventions within the meaning of section 12, the following shall not be patentable:

(a) discoveries, scientific theories and mathematical methods;

(b) plant or animal varieties or essentially biological processes for the production of plants or animals, other

(2) An invention may be or may relate to a product or process.

(3) An invention means an idea of an inventor which permits in practice the solution to a specific problem in the field of technology.

12.—(1) An invention means an idea of an inventor which permits in practice the solution to a specific problem in the field of technology.

(2) An invention may be or may relate to a product or process.

(Meaning of "invention")

11. An invention is patentable if it is new, involves an inventive step and is industrially applicable.

(Patentable inventions)

Part IV Patentability

(3) The Registrar shall be responsible for the administration of the Patent Registration Office.

(4) The Minister may, by notification in the *Gazette*, establish such number of branch offices of the Patent Registration Office as he may deem necessary for the purposes of this Act.

(5) Any application or other document required or permitted to be filed at the Patent Registration Office may be filed at any branch office of the Patent Registration Office and such application or other document shall be deemed to have been filed at the Patent Registration Office.

(Patent information and patent evaluation service)

10.—(1) There shall be a patent information and patent evaluation service which would provide information to members of the public upon the payment of a fee.

(2) The Registrar may, with the approval of the Board, require the services of specially trained technologists to provide such evaluation services.

(Inventive step)

15. An invention shall be considered as involving an inventive step if, having regard to any matter which forms part of the prior art under paragraph (a) of subsection (2) of section 14, such inventive step would not have been obvious to a person having ordinary skill in the art.

(Industrial application)

16. An invention shall be considered industrially applicable if it can be made or used in any kind of industry.

Part IVA
Utility Innovations

(Definition)

17. For the purposes of this Part, "utility innovation" means any implement, tool, product or process which is of practical utility by reason of its form, configuration, construction or composition and which is new to Malaysia.

(Application)

17A.—(1) Except as otherwise provided in this Part, the provisions of this Act, subject to the modifications in the Second Schedule, shall apply to utility innovations in the same manner as they apply to inventions.

(2) Sections 11, 12, 15, 16, 26, Part X, and sections 89 and 90 shall not apply to utility innovations.

Part V
Rights to a Patent

(Right to a patent)

18.—(1) Any person may make an application for a patent either alone or jointly with another.

(2) Subject to section 19, the rights to a patent shall belong to the inventor.

(3) Where two or more persons have jointly made an invention, the rights to a patent shall belong to them jointly.

(Judicial assignment of patent application or patent)

19. Where the essential elements of the invention claimed in a patent application or patent have been unlawfully derived from an invention for which the right to the patent belongs to another person, such other person may apply to the Court for an order that the said patent application or patent be assigned to him: Provided also that the Court shall not entertain an application for the assignment of a patent after five years from the date of the grant of the patent.

(Inventions made by an employee or pursuant to a commission)

20.—(1) In the absence of any provisions to the contrary in any contract of employment or for the execution of work, the rights to a patent for an invention made in the performance of such contract of employment or in the execution of such work shall be deemed to accrue to the employer, or the person who commissioned the work, as the case may be: Provided that where the invention acquires an economic value much greater than the parties could reasonably have foreseen at the time of concluding the contract of employment or for the execution of work, as the case may be, the inventor shall be entitled to equitable remuneration which may be fixed by the Court in the absence of agreement between the parties.

(2) Where an employee whose contract of employment does not require him to engage in any inventive activity makes, in the field of activities of his employer, an invention using data or means placed at his disposal by his employer, the right to the patent for such invention shall be deemed to accrue to the employer, in the absence of any provision to the contrary in the contract of employment: Provided that the employee shall be entitled to equitable remuneration which, in the absence of agreement between the parties, may be fixed by the Court taking into account his emoluments, the economic value of the invention and any benefit derived from it by the employer.

(3) The rights conferred on the inventor under subsections (1) and (2) shall not be restricted by contract.

(Inventions by Government employee)

21. Notwithstanding the provisions of subsection (3) of section 20, the provisions of that section shall

apply to a Government employee or an employee of a Government organisation or enterprise unless otherwise provided by rules or regulations of such Government organisation or enterprise.

(Joint owners)

22. Where the right to obtain a patent is owned jointly, the patent may only be applied for jointly by all the joint owners.

Part VI

Application, Procedure for Grant and Duration

(Requirements of application)

23. Every application for the grant of a patent shall comply with the regulations as may be prescribed by the Minister under this Act.

(Applications by residents to be filed in Malaysia first)

23A.—(1) No person resident in Malaysia shall, without written authority granted by the Registrar, file or cause to be filed outside Malaysia an application for a patent for an invention unless—

(a) an application for a patent for the same invention has been filed in the Patent Registration Office not less than two months before the application outside Malaysia; and
(b) either no directions have been issued by the Registrar under section 30A in relation to the application or all such directions have been revoked.

(Application fee)

24. An application for the grant of a patent shall not be entertained unless the prescribed fee has been paid to the Registrar.

(Withdrawal of application)

25. The applicant may withdraw the application at any time during its pendency.

(Unity of invention)

26. An application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept.

(Amendment of application)

26A. The applicant may amend the application: Provided that the amendment shall not go beyond the disclosure in the initial application.

(Division of application)

26B.—(1) The applicant may divide the application into two or more applications ("divisional applications"): Provided that each divisional application shall not go beyond the disclosure in the initial application.

(2) Each divisional application shall be entitled to the filing date and, where appropriate, the priority date of the initial application.

(Right of priority)

27.—(1) An application may contain a declaration claiming the priority, pursuant to any international Convention, of one or more earlier national, regional or international applications filed by the applicant or his predecessor in title in or for any party to the said Convention.

(2) Where the application contains a declaration under subsection (1), the Registrar may require that the applicant furnish, within the prescribed time, a copy of the earlier application, certified as correct by the office with which it was filed or where the earlier application is an international application filed under any international treaty, by the International Bureau of the World Intellectual Property Organization.

(3) The effect of the declaration referred to in subsection (1) shall be as provided in the Convention referred to therein.

(4) Where any of the requirements of this section or any regulations pertaining thereto have not been complied with, the declaration referred to in subsection (1) shall be deemed to be invalid.

(Filing date)

28.—(1) The Registrar shall record as the filing date the date of receipt of the application: Provided that the application contains—

(a) the name and address of the applicant;
(b) the name and address of the inventor;

(c) a description;

(d) a claim or claims; and

(e) that at the time of receipt of the application the prescribed fee has been paid.

(2) Where the Registrar finds that, at the time of receipt of the application, the provisions of subsection (1) are not fulfilled, he shall request the applicant to file the required correction.

(3) Where the applicant complies with the request referred to in subsection (2), the Registrar shall record as the filing date the date of receipt of the required correction and where the applicant does not so comply, the Registrar shall treat the application as invalid.

(4) Where the application refers to drawings which in fact are not included in the application, the Registrar shall request the applicant to furnish the missing drawings.

(5) Where the applicant complies with the request referred to in subsection (4), the Registrar shall record as the filing date the date of receipt of the missing drawings and where the applicant does not so comply, the Registrar shall record as the filing date the date of receipt of the application and make no reference to the said drawings.

(Preliminary examination and search)

29.—(1) Where an application for a patent has a date of filing and is not withdrawn, and before the end of the prescribed period—

(a) a request is made by the applicant to the Patent Registration Office in the prescribed form for a preliminary examination and search; and
 (b) the prescribed fee is paid for the examination and search,
 the Registrar shall refer the application to an Examiner for a preliminary examination and search, except that he shall not refer the application for a search until it includes one or more claims.

(2) On a preliminary examination of an application, the Examiner shall determine whether the application complies with those requirements of this Act and the regulations made thereunder which are designated by such regulations as formal requirements for the purpose of this Act and shall report his determination to the Registrar.

(3) If it is reported to the Registrar under subsection (2) that not all the formal requirements are complied with, he shall give the applicant an opportunity to make observations on the report and to amend the application within a specified period so as to comply with those requirements and if the applicant fails to do so the Registrar may refuse the application.

(4) Subject to subsections (5) and (6), on a search requested under this section, the Examiner shall make such investigation as in his opinion is reasonably practicable and necessary for him to identify the documents which he thinks will be needed to decide, on a substantive examination under section 30, whether the invention for which a patent is sought is new and involves an inventive step.

(5) On any such search the Examiner shall determine whether or not the search would serve any useful purpose on the application as for the time being constituted and—

(a) if he determines that it would serve such purpose in relation to the whole or part of the application, he shall proceed to conduct the search so far as it would serve such a purpose and shall report on the results of the search to the Registrar; and
 (b) if he determines the search would not serve such purpose in relation to the whole or part of the application, he shall report accordingly to the Registrar; and in either event the applicant shall be informed of the Examiner's report.

(6) If it appears to the Examiner, either before or on conducting a search under this section, that an application relates to two or more inventions, but that they are not so linked as to form a single inventive concept, he shall initially only conduct a search in relation to the first invention specified in the claim of the application, but may proceed to conduct a search in relation to another invention so specified if the applicant pays the search fee in respect of the application so far as it relates to that other invention.

(7) After a search has been requested under this section for an application, the Registrar may at any time refer the application to an Examiner for a supplementary search, and subsection (4) shall apply in relation to a supplementary search as it applies in relation to any other search under this section.

(Substantive examination and grant or refusal)

30.—(1) Where the conditions imposed by subsection (1) of section 29 for the Registrar to refer an application to an Examiner for preliminary examination and search are satisfied and at the time of the request under that subsection or within the prescribed period—

(a) a request is made by the applicant to the Patent Registration Office in the prescribed form for a substantive examination; and

(a) when the patent has been granted in respect of a

(i) making, importing, offering for sale, selling

or using the product;

(ii) stocking such product for the purpose of

offering for sale, selling or using;

(b) when the patent has been granted in respect of a

process:

(i) using the process;

(ii) doing any of the acts referred to in paragraph

(a), in respect of a product obtained directly
by means of the process.

(4) For the purposes of this section, if the patent has

been granted in respect of a process for obtaining a
product, the same product produced by a person other
than the owner of the patent or his licensee shall, unless
the contrary is proved, be taken in any proceedings to
have been obtained by that process.

(Limitation of rights)

37.—(1) The rights under the patent shall extend

only to acts done for industrial or commercial purposes
and in particular not to acts done only for scientific
research.

(2) The rights under the patent shall not extend to

acts in respect of products which have been put on the
market—

(i) by the owner of the patent;

(ii) by a person having the right referred to in

section 38;

(iii) by a person having the right referred to in

section 43;

(iv) by the beneficiary of a compulsory licence
within the meaning of section 48.

(3) The rights under the patent shall not extend to

the use of the patented invention on any foreign vessel,
aircraft, spacecraft or land vehicle temporarily in
Malaysia.

(4) The rights under the patent shall be limited in
duration as provided for in section 35.

(5) The rights under the patent shall be limited by
the provisions on compulsory licences as provided in
sections 51 and 52 and by the provisions on the rights of
Government or any person authorised by the
Government as provided in section 84.

(Rights derived from prior manufacture or use)

38.—(1) Where a person at the filing or, where appli-
cable, the priority date of the patent application—

(a) was in good faith in Malaysia making the product
or using the process which is the subject of the invention
claimed in the application;

(b) had in good faith in Malaysia made serious
preparations towards the making of the product or using
the process referred to in paragraph (a),

he shall have the right, despite the grant of the patent, to
exploit the patented invention;

Provided that the product in question is made, or the
process in question is used, by the said person in
Malaysia:

Provided further that he can prove, if the invention
was disclosed under the circumstances referred to in
paragraphs (a), (b) or (c) of subsection (3) of section 14
that his knowledge of the invention was not a result of
such disclosure.

(2) The right referred to in subsection (1) shall not be
assigned or transmitted except as part of the business of
the person concerned.

Part VIII

Assignment and Transmission of Patent Applications and Patents

(Assignment and transmission of patent applications
and patents)

39.—(1) A patent application or patent may be
assigned or transmitted.

(2) Any person becoming entitled by assignment or
transmission to a patent application or patent may
apply to the Registrar in the prescribed manner to have
such assignment or transmission recorded in the
Register.

(3) No such assignment or transmission shall be
recorded in the Register unless—
(a) the prescribed fee has been paid to the
Registrar;

(b) in the case of an assignment, it is in writing signed
by or on behalf of the contracting parties.

(4) No such assignment or transmission shall have
effect against third parties unless so recorded in the
Register.

(Joint ownership of patent applications or patents)

40. In the absence of any agreement to the contrary
between the parties, joint owners of a patent application
or patent may, separately, assign or transmit their rights

in the patent application or patent, exploit the patented invention and take action against any person exploiting the patented invention without their consent, but may only jointly withdraw the patent application, surrender the patent or conclude a licence contract.

Part IX

Licence Contracts

(Meaning of licence contract)

41.—(1) For the purposes of this Part, a "licence contract" means any contract by which the owner of a patent (the "licensor") grants to another person or enterprise (the "licensee") a licence to do any or all of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

(2) A licence contract shall be in writing signed by or on behalf of the contracting parties.

(Entry in the Register)

42.—(1) A licensor may in accordance with the regulations as prescribed by the Minister apply to the Registrar for an entry to be made in the Register to the effect that any person may obtain a licence.

(2) At any time after an entry has been made in the Register, any person may apply to the licensor through the Registrar for a licence.

(3) Where a licence contract is concluded between the parties, the contracting parties shall inform the Registrar accordingly and the Registrar shall record such fact in the Register.

(4) Upon a request in writing signed by or on behalf of the contracting parties, the Registrar shall, on payment of the prescribed fee, record in the Register such particulars relating to the contract as the parties thereto might wish to have recorded: Provided that the parties shall not be required to disclose or have recorded any other particulars relating to the said contract.

(5) Where a licence contract is terminated, the contracting parties shall inform the Registrar of the termination and the Registrar shall record such termination in the Register.

(6) The licensor may in accordance with the regulations as prescribed by the Minister apply to the Registrar for the cancellation of the entry made under subsection (1).

(Rights of the licensee)

43.—(1) In the absence of any provision to the contrary in the licence contract, the licensee shall be entitled to do any or all of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36 within the whole geographical area of Malaysia without limitation as to time and through any application of the invention.

(2) In the absence of any provision to the contrary in the licence contract, the licensee may not give to a third person his agreement to perform in Malaysia in respect of the invention any of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

(Rights of the licensor)

44.—(1) In the absence of any provision to the contrary in the licence contract, the licensor may grant a further licence to a third person in respect of the same patent or himself do any or all of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

(2) Where the licence contract provides that the licensee is exclusive and unless it is expressly provided otherwise in such contract, the licensor shall not grant a further licence to a third person in respect of the same patent or himself do any of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

(Invalid clauses in licence contracts)

45. Any clause or condition in a licence contract shall be invalid in so far as it imposes upon the licensee, in the industrial or commercial field, restrictions not derived from the rights conferred by this Part on the owner of the patent, or unnecessary for the safeguarding of such rights: Provided that—

(a) restrictions concerning the scope, extent or duration of exploitation of the patented invention, or the geographical area in, or the quality or quantity of the products in connection with, which the patented invention may be exploited; and

(b) obligations imposed upon the licensee to abstain from all acts capable of prejudicing the validity of the patent, shall not be deemed to constitute such restrictions.

49.—(1) At any time after the expiration of three years from the grant of a patent, any person may apply to the Registrar for a compulsory licence if it appears at the time when such application is filed—

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

(b) that there is no product produced 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) The application for a compulsory licence shall be in compliance with the regulations as may be prescribed by the Minister.

(Application for compulsory licence based on inter-dependence of patents)

49A.—(1) If the invention claimed in a patent ("later patent") cannot be worked in Malaysia without infringing a patent granted on the basis of an application benefiting from an earlier filing date or, where appropriate, priority date ("earlier patent"), and if the invention claimed in the later patent constitutes, in the opinion of the Board, an important technical advance in relation to the invention claimed in the earlier patent, upon the request of the owner of the later patent, the licensee of a licence contract under the later patent, may grant a compulsory licence to the patent or the beneficiary of a compulsory licence under the later patent, to the extent necessary to avoid infringement of the earlier patent.

(2) If a compulsory licence is granted under subsection (1), the Board, upon the request of the owner of the earlier patent, the licensee of a licence contract under the earlier patent or the beneficiary of a compulsory licence under the earlier patent, may grant a compulsory licence under the later patent.

(Request for grant of compulsory licence)

50.—(1) In an application for a compulsory licence under section 49 or section 49A, the applicant shall set forth the amount of royalty, the conditions of the exploitation of the patent and the restrictions of the rights of the licensor or the licensee, as the case may be, and a request for the said licence.

(2) Where an application for a compulsory licence is filed pursuant to section 49 or section 49A, and this

(Effect of patent application not being granted or patent being declared invalid)

46. Where, before the expiration of the licence contract, any of the following events occur in respect of the patent application or patent referred to in such contract:

(a) the patent application is withdrawn;

(b) the patent application is finally rejected;

(c) the patent is surrendered;

(d) the patent is declared invalid;

(e) the licence contract is invalidated,

the licensee shall no longer be required to make any payment to the licensor under the licence contract, and shall be entitled to repayment of the payment already made:

Provided that the licensor shall not be required to make any repayment, or shall be required to make repayment only in part, to the extent that he can prove that any such repayment would be inequitable under all the circumstances, in particular if the licensee has effectively profited from the licence.

(Expiry, termination or invalidation of licence contract)

47. The Registrar shall—

(a) if he is satisfied that a recorded licence contract has expired or been terminated, record that fact in the Register upon a request in writing to that effect signed by or on behalf of the parties thereto;

(b) record in the Register the expiry, termination or invalidation of a licence contract under any provision of this Part.

Part X Compulsory Licences

(Definition)

48. For the purpose of this Part—

"beneficiary of the compulsory licence" means the person to whom a compulsory licence has been granted in accordance with this Part; and

"compulsory licence" means the authorisation to perform in Malaysia without the agreement of the owner of the patent in respect of the patented invention any of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

(2) Upon the request of the owner of the patent, the Board shall cancel the compulsory licence—

(a) if the ground for the grant of the compulsory licence no longer exists;

(b) if the beneficiary of the compulsory licence has, within the time limit fixed in the decision granting the licence, neither begun the working of the patented invention in Malaysia nor made serious preparations towards such working;

(c) if the beneficiary of the compulsory licence does not respect the scope of the licence as fixed in the decision granting the licence;

(d) if the beneficiary of the compulsory licence is in arrears of the payment due, according to the decision granting the licence.

(3) The beneficiary of the compulsory licence may surrender the licence by a written declaration submitted to the Registrar, publish it, and notify the owner of the patent.

(4) The surrender shall take effect from the date the Patent Registration Office receives the declaration of the surrender.

Part XI

Surrender and Invalidation of Patent

(Surrender of patent)

55.—(1) The owner of the patent may surrender the patent by a written declaration submitted to the Registrar.

(2) The surrender may be limited to one or more claims of the patent.

(3) Where a licence contract in respect of a patent is recorded in the Register, the Registrar shall not, in the absence of any provision to the contrary in the licence contract, accept or record the said surrender except upon receipt of a signed declaration by which every licensee or sub-licensee on record consents to the said surrender unless the requirement of his consent is expressly waived in the licence contract.

(3A) Where a compulsory licence has been granted in respect of a patent, the Registrar shall not accept or record the said surrender except upon receipt of a signed declaration by which the beneficiary of the compulsory licence consents to the said surrender.

(4) The Registrar shall record the surrender in the Register and cause it to be published in the Gazette.

section, the Registrar shall notify the applicant, the licensor or the licensee, as the case may be, of the date the application shall be considered by the Board.

(3) The licensor or the licensee, as the case may be, shall be furnished with a copy of the application as mentioned in subsection (1).

(Decision by the Board)

51.—(1) In considering the application for a compulsory licence under section 49 or section 49A, the Board may require the applicant, the licensor or the licensee, as the case may be, to appear before the Board to give a statement or to hand to the Board any document or any other item.

(2) When the application has been considered by the Board and a decision has been made, the applicant, the licensor or the licensee, as the case may be, shall be notified of the decision.

(Scope of compulsory licence)

52. Upon the granting of the compulsory licence to the applicant the Board shall fix—

(a) the scope of the licence specifying in particular for what period the licence is granted and to which of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36 the licence extends except that it may not extend to the act of importation;

(b) the time limit within which the beneficiary of the compulsory licence shall begin to work the patented invention in Malaysia; and

(c) the amount and conditions of the royalty due from the beneficiary of the compulsory licence to the owner of the patent.

(Limitation of compulsory licence)

53. 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.

(Amendment, cancellation and surrender of compulsory licence)

54.—(1) Upon the request of the owner of the patent or of the beneficiary of the compulsory licence, the Board may amend the decision granting the compulsory licence to the extent that new facts justify such amendment.

(5) The surrender shall take effect from the date the Registrar receives the declaration.

(Invalidation of patent)

56.—(1) Any aggrieved person may institute Court proceedings against the owner of the patent for the invalidation of the patent.

(2) The Court shall invalidate the patent if the person requesting the invalidation proves—

(a) that what is claimed as an invention in the patent is not an invention within the meaning of section 12 or is excluded from protection under section 13 or subsection (1) of section 31 or is not patentable because it does not comply with the requirements of sections 11, 14, 15 and 16;

(b) that the description or the claim does not comply with the requirements of section 23;

(c) that any drawings which are necessary for the understanding of the claimed invention have not been furnished; or

(d) that the right to the patent does not belong to the person to whom the patent was granted;

Provided that the patent has not been assigned to the person to whom the right to the patent belongs.

(3) Where the provisions of subsection (1) apply on only some of the claims or some parts of a claim, such claims or parts of a claim may be declared invalid by the Court and the invalidity of part of a claim shall be declared in the form of a corresponding limitation of the claim in question.

(Date and effect of invalidation)

57.—(1) Any invalidated patent or claim or part of a claim shall be regarded as null and void from the date of the grant of the patent.

(2) When the decision of the Court becomes final, the Registrar of the Court shall notify the Registrar who shall record the said declaration in the Register and cause it to be published in the *Gazette*.

Part XII

Infringement

(Acts deemed to be infringement)

58. Subject to subsections (1), (2) and (3) of section 37 and section 38, an infringement of a patent shall consist of the performance of any act referred to in

subsection (3) of section 36 in Malaysia by a person other than the owner of the patent and without the agreement of the latter in relation to a product or a process falling within the scope of protection of the patent.

(Infringement proceedings)

59.—(1) The owner of the patent shall have the right to institute Court proceedings against any person who has infringed or is infringing the patent.

(2) The owner of the patent shall have the same right against any person who has performed acts which make it likely that an infringement will occur, which in this Part is referred to as an "imminent infringement".

(3) The proceedings in subsections (1) and (2) may not be instituted after five years from the act of infringement.

(Injunction and award of damages)

60.—(1) If the owner of the patent proves that an infringement has been committed or is being committed, the Court shall award damages and shall grant an injunction to prevent further infringement and any other legal remedy.

(2) If the owner of the patent proves imminent infringement the Court shall grant an injunction to prevent infringement and any other legal remedy.

(3) The defendant in any proceedings referred to in this section may request in the same proceedings the invalidation of the patent, in which case the provisions of subsections (2) and (3) of section 56 shall apply.

(Infringement proceedings by licensee and beneficiary of compulsory licence)

61.—(1) For the purposes of this section, "beneficiary" means—

(a) any licensee unless the licence contract provides that the provisions of this subsection do not apply or provides different provisions;

(b) the beneficiary of a compulsory licence granted under section 51.

(2) Any beneficiary may request the owner of the patent to institute Court proceedings for any infringement indicated by the beneficiary, who shall specify the relief desired.

(3) The beneficiary may, if he proves that the owner of the patent received the request but refuses or fails to

67A. Any person who files or causes to be filed an application for a patent in contravention of section 23A (Applications in contravention of section 23A)

Part XIII
Offences

(3) of section 60.

(5) Proceedings for a declaration of non-infringement may be instituted together with proceedings to invalidate the patent, except where invalidation of the patent is requested under subsection (3) of section 60.

(4) If the act in question is already the subject of infringement proceedings, the defendant in the infringement proceedings may not institute proceedings for a declaration of non-infringement.

(b) The person requesting the declaration of non-infringement shall have the obligation to notify the beneficiaries of the compulsory licence granted under section 51 of the proceedings and the said beneficiaries shall have the right to join in the proceedings.

(3)(a) The owner of the patent shall have the obligation to notify the licensee of the proceedings and the licensee shall have the right to join in the proceedings in the absence of any provision to the contrary in the licence contract.

(2) If the person making the request proves that the act in question does not constitute an infringement of the patent, the Court shall grant the declaration of non-infringement.

62.—(1) Subject to subsection (4), any interested person shall have the right to request, by instituting proceedings against the owner of the patent, that the Court declare that the performance of a specific act does not constitute an infringement of the patent.

(Declaration of non-infringement)

(4) Notwithstanding that the three-month period referred to in subsection (3) has not been satisfied, the Court shall, on the request of the beneficiary, grant an appropriate injunction to prevent infringement or to prohibit its continuation, if the beneficiary proves that immediate action is necessary to avoid substantial damage.

institute the proceedings within three months from the receipt of the request, institute the proceedings in his own name, after notifying the owner of the patent of his intention but the owner shall have the right to join in the proceedings.

(4) In proceedings for an offence under this section, it shall be a defence for any person to prove that he used

(3) Subsection (1) does not apply where the representation is made in respect of a product after the patent for that product or, as the case may be, the process in question has expired or been revoked and before the end of a period which is reasonably sufficient to enable that person to take steps to ensure that the representation is not made or does not continue to be made.

(2) For the purposes of subsection (1), a person who for value disposes of an article having stamped, engraved or impressed on it or otherwise applied to it the word "patent" or "patented" or anything expressing or implying that the article is a patented product, shall be taken to represent that the article is a patented product.

64.—(1) Any person who falsely represents that anything disposed of by him for value is a patented product or process commits an offence and, subject to the following provisions of this section, is liable on conviction to a fine not exceeding 15,000 ruingit or to imprisonment for a term not exceeding two years or to both.

(Unauthorised claim or patent)

63. Any person who makes or causes to be made a false entry in any Register kept under this Act, or makes or causes to be made a writing falsely purporting to be a copy or reproduction of an entry in any such Register, or produces or tenders or causes to be produced or tendered in evidence any such false writing, commits an offence and is liable on conviction to a fine not exceeding 15,000 ruingit or to imprisonment for a term not exceeding two years or to both.

(Falsification of Register, etc.)

62B. Any person who publishes or communicates information in contravention of any direction issued by the Registrar under section 30A commits an offence and is liable on conviction to a fine not exceeding 15,000 ruingit or to imprisonment for a term not exceeding two years or to both.

(Registrar's directions)

(Publication of information in contravention of Registrar's directions)

commits an offence and is liable on conviction to a fine term not exceeding 15,000 ruingit or to imprisonment for a term not exceeding two years or to both.

without being registered under this Act commits an offence and is liable on conviction to a fine not exceeding 15,000 ringgit or to imprisonment for a term not exceeding two years or to both.

(Offences by corporation)

67.—(1) Where an offence under this Act which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, commits that offence and is liable to be prosecuted against and punished accordingly as provided by the Act.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he was a director of a body corporate.

Part XIV

Powers Relating to Enforcement

(Authorisation of officer to exercise powers under this Part)

68.—(1) The Minister may authorise in writing any public officer to exercise the powers under this Part.

(2) Any such officer shall be deemed to be a public servant within the meaning of the Penal Code.

(3) In exercising any of the powers under this Part, an officer shall on demand produce to the person against whom he is acting under this Act the authority issued to him by the Minister.

(Powers of arrest)

69.—(1) Any authorised officer or police officer may arrest without warrant any person whom he sees or finds committing or attempting to commit or abetting the commission of an offence or whom he reasonably suspects of being engaged in committing or attempting to commit or abetting the commission of any offence against this Act if such person refuses or fails to furnish his name and residence or there are reasonable grounds for believing that he has furnished a false name or residence or that he is likely to abscond.

due diligence to prevent the commission of the offence.

(Unauthorised claim that patent has been applied for)

65.—(1) Any person who represents that a patent has been applied for in respect of any article disposed of for value by him and—

(a) no such application has been made, or

(b) any such application has been refused or withdrawn,

commits an offence and, subject to the following provisions of this section, is liable on conviction to a fine not exceeding 15,000 ringgit or to imprisonment for a term not exceeding two years or to both.

(2) Paragraph (b) of subsection (1) does not apply where the representation is made or continues to be made before the expiry of a period which commences with the refusal or withdrawal and which is reasonably sufficient to enable that person to take steps to ensure that the representation is not made or does not continue to be made.

(3) For the purposes of subsection (1), a person who for value disposes of an article having stamped, engraved or impressed on it or otherwise applied to it the words "patent pending," or anything expressing or implying that a patent has been applied for in respect of the article, shall be taken to represent that a patent has been applied for in respect of the article.

(4) In any proceedings for an offence under this section, it shall be a defence for any person to prove that he used due diligence to prevent the commission of the offence.

(Misuse of title "Patent Registration Office")

66. Any person who uses on his place of business or any document issued by him or otherwise, the words "Patent Registration Office" or any other words suggesting that his place of business is, or is officially connected with, the Patent Registration Office commits an offence and is liable on conviction to a fine not exceeding 15,000 ringgit or to imprisonment for a term not exceeding two years or to both.

(Unregistered persons practising, etc., as a patent agent)

66A. Any person who carries on business, practises, acts, describes himself, holds himself out, or permits himself to be described or held out, as a patent agent

(2) Any authorised officer or police officer making

an arrest without warrant shall, without unnecessary delay, bring the person arrested to the nearest police station.

(3) No person who has been arrested by an authorised officer or police officer shall be released except on his own bond or on bail or on the special order in writing of a Magistrate.

(Search with warrant)

70.—(1) Whenever it appears to any Magistrate upon written information on oath and after any enquiry which he may think necessary that there is reasonable cause to believe that in any dwelling house, shop, building or place there is being committed an offence against this Act, or any regulations made thereunder, he may issue a warrant authorising any authorised officer or police officer named therein, by day or night and with or without assistance to enter the dwelling house, shop, building or place and there search for and seize or take copies of all books, accounts, documents or other articles which contain or are suspected to contain information as to any offence so suspected to have been committed or any other thing relating to the offence.

(2) Any such officer may if it is necessary so to do—

(a) break open any outer or inner door of the dwelling house, shop, building or place, and enter therein;

(b) forcibly enter the dwelling house, shop, building or place and every part thereof;

(c) remove by force any obstruction to enter, search, seize and remove as he is empowered to effect; and

(d) detain every person found therein until the dwelling house, shop, building or place has been searched.

(List of things seized)

71. The authorised officer or police officer seizing any books, accounts, documents or other articles under this Part shall prepare a list of the things seized and forthwith deliver a copy signed by him to the occupier or his agents or servants present in the premises.

(Return of things seized)

72. Where under this Part possession has been taken of any books, accounts, documents or other articles, then the authorised officer or police officer shall within four weeks of the seizure, where no criminal proceedings have been instituted, restore possession to the owner.

(Power of investigation)

73.—(1) An authorised officer or police officer shall have the power to investigate the commission of any offence under this Act or regulations made thereunder.

(2) Every person required by an authorised officer or police officer to give information or produce any book, account, document or other article relating to the commission of such offence which it is in the person's power to give shall be legally bound to give the information or to produce the book, account, document or other article.

(Examination of witnesses)

74.—(1) An authorised officer or police officer making an investigation under section 73 may examine orally any person supposed to be acquainted with the facts and circumstances of the case and shall reduce into writing any statement made by the person so examined.

(2) Such person shall be bound to answer all questions relating to such case put to him by such officer: Provided that such person may refuse to answer any question the answer to which has a tendency to expose him to a criminal charge or penalty or forfeiture.

(3) A person making a statement under this section shall be legally bound to state the truth, whether or not such statement is made wholly or partly in answer to questions.

(4) An authorised officer or police officer examining a person under subsection (1) shall first inform that person of the provisions of subsections (2) and (3).

(5) A statement made by any person under this section whether or not a caution has been administered to him under section 75 shall, whenever possible, be reduced into writing and signed by the person making it or affixed with his thumb-print as the case may be, after it has been read to him in the language in which he made it and after he has been given an opportunity to make any correction he may wish.

(Admission of statements in evidence)

75. Where any person is charged with any offence under this Act or any regulations made thereunder, any confession or not or is oral or in writing, made at any time, whether before or after the person is charged and whether in the course of investigations made under

which he is entitled to effect under this Act, or in the execution of any duty imposed or power conferred by this Act; or
(c) refuses or neglects to give any information which may reasonably be required of him and which he has in his power to give,
commits an offence and is liable on conviction to a fine not exceeding 3,000 ringgit or to imprisonment for a term not exceeding one year or to both.

(Conduct of prosecution)

77. Any prosecution in respect of an offence against this Act may be conducted by an authorised officer.

(Jurisdiction of subordinate Court)

78.—(1) Notwithstanding any other written law, a subordinate Court shall have power to try any offence under this Act and on conviction to impose the full penalty therefor.

(2) For the purpose of subsection (1), "subordinate Court" means a Sessions Court or a Magistrate's Court.

Part XV
Miscellaneous

(Powers of Registrar to amend document)

79.—(1) The Registrar may on such terms as to costs as he thinks just whether for the purpose of correcting a clerical error or an obvious mistake, permit the correction of an application for the registration of a patent or other document submitted at the Patent Registration Office.

(2) An amendment of an application shall not be permitted under this section if the amendment would substantially affect the identity of the patent as specified in the application before amendment.

(Other powers of Registrar)

80.—(1) The Registrar may, for the purpose of this Act—

- (a) summon witnesses;
- (b) receive evidence on oath;
- (c) require the production of any document or article; and
- (d) amend costs as against a party to proceedings before him.

section 74 or not and whether or not wholly or partly in answer to questions by that person to or in the hearing of any authorised officer or police officer or or above the rank of Inspector and whether or not interpreted to him by another authorised officer, police officer or other person, shall be admissible in evidence at his trial and, if the person charged tenders himself as a witness, any such statement may be used in cross-examination and for the purpose of impeaching his credit:
Provided that—

(a) no such statement shall be admissible or used as aforesaid—

- (i) if the making of the statement appears to the Court to have been caused by any inducement, threat or promise having reference to the charge proceeding from a person in authority and sufficient in the opinion of the Court to give the person charged grounds which would appear to him reasonable for supposing that by making it he would gain any advantage or avoid any evil of a temporal nature in references to the proceedings against him; or
- (ii) in the case of a statement made by the person after his arrest, unless the Court is satisfied that a caution was administered to him in the following words or words to the like effect:
"It is my duty to warn you that you are not obliged to say anything or to answer any question, but anything you say, whether or not in answer to a question, may be given in evidence"; and

(b) a statement made by any person before there is time to caution him shall not be rendered inadmissible in evidence merely by reason of no such caution having been administered if it had been administered as soon as possible.

(2) Notwithstanding anything to the contrary contained in any written law, a person accused of an offence to which subsection (1) applies shall not be bound to answer any questions relating to the case after any such caution as aforesaid has been administered to him.

(Obstruction to search, etc.)

76. Any person who—
(a) refuses any authorised officer or police officer access to any place;
(b) assaults, obstructs, hinders or delays any authorised officer or police officer in effecting any entrance

87.—(1) Subject to the provisions of this Act, the Minister may make regulations for the purpose of carrying into effect the provisions of this Act.
(Regulations)

(3) A person who has neither his domicile nor residence in Malaysia may not proceed before the Patent Registration Office or institute or appear in a suit under the provisions of this Act in respect of his patent except through a patent agent.
(4) The appointment or change of a patent agent shall not be effective against any third person unless it is registered in the Register of Patent Agents.
(5) The registration of a patent agent mentioned in subsection (2) shall be in accordance with the regulations as may be prescribed by the Minister under this Act.

(2) No person shall carry on business, practise, act, describe himself, hold himself out, or permit himself to be described or held out, as a patent agent unless he is registered in the Register of Patent Agents.
(3) The registration of a patent agent mentioned in subsection (2) shall be in accordance with the regulations as may be prescribed by the Minister under this Act.

86.—(1) There shall be kept at the Patent Registration Office a Register of Patent Agents.
(2) No person shall carry on business, practise, act, describe himself, hold himself out, or permit himself to be described or held out, as a patent agent unless he is registered in the Register of Patent Agents.
(3) The registration of a patent agent mentioned in subsection (2) shall be in accordance with the regulations as may be prescribed by the Minister under this Act.

85. The Registrar in the exercise of his powers shall have the right to refuse to grant a patent for products or processes scheduled under regulations made by the Minister under this Act where it appears to the Registrar that the granting of such a patent would be prejudicial to the interest or security of the nation.
(Patent agents)

86.—(1) There shall be kept at the Patent Registration Office a Register of Patent Agents.
(2) No person shall carry on business, practise, act, describe himself, hold himself out, or permit himself to be described or held out, as a patent agent unless he is registered in the Register of Patent Agents.
(3) The registration of a patent agent mentioned in subsection (2) shall be in accordance with the regulations as may be prescribed by the Minister under this Act.

87.—(1) Subject to the provisions of this Act, the Minister may make regulations for the purpose of carrying into effect the provisions of this Act.
(Regulations)

(2) Any person who without any lawful excuse fails to comply with any summons, order or direction made by the Registrar under paragraphs (a), (b) and (c) of subsection (1) commits an offence and is liable on conviction to a fine not exceeding 2,000 ringgit or to imprisonment for a term not exceeding six months or to both.
(3) Costs awarded by the Registrar may in default of payment be recovered in a Court of competent jurisdiction as a debt due by the person against whom the costs were accorded to the person in whose favour they were accorded.
(Exercise of discretionary power)

82. Where by this Act or any regulations made thereunder a time is specified within which an act or thing is to be done, the Registrar may, unless otherwise expressly directed by the Court, extend the time either before or after its expiration, upon payment of the prescribed fee.
(Extension of time)

83.—(1) Where by reason of—
(a) circumstances beyond the control of the person concerned; or
(b) an error or action on the part of the Patent Registration Office,
an act in relation to an application for the registration of a patent or in proceedings under this Act, not being proceedings in a Court, required to be done within a certain time has not been so done, the Registrar may extend the time for doing the act.
(2) The time required for doing an act may be extended under this section although that time has expired.
(Rights of Government)

84. Notwithstanding anything contained in this Act—
(a) the Government of the Federation or of any State, a Ministry or Government department or any

81. Where any discretionary power is given to the Registrar by this Act or any regulations made thereunder, he shall not exercise the power on any person who may be adversely affected by his decision without giving to the person an opportunity of being heard.
(Extension of time)

82. Where by this Act or any regulations made thereunder a time is specified within which an act or thing is to be done, the Registrar may, unless otherwise expressly directed by the Court, extend the time either before or after its expiration, upon payment of the prescribed fee.
(Extension of time)

83.—(1) Where by reason of—
(a) circumstances beyond the control of the person concerned; or
(b) an error or action on the part of the Patent Registration Office,
an act in relation to an application for the registration of a patent or in proceedings under this Act, not being proceedings in a Court, required to be done within a certain time has not been so done, the Registrar may extend the time for doing the act.
(2) The time required for doing an act may be extended under this section although that time has expired.
(Rights of Government)

84. Notwithstanding anything contained in this Act—
(a) the Government of the Federation or of any State, a Ministry or Government department or any

85. The Registrar in the exercise of his powers shall have the right to refuse to grant a patent for products or processes scheduled under regulations made by the Minister under this Act where it appears to the Registrar that the granting of such a patent would be prejudicial to the interest or security of the nation.
(Patent agents)

86.—(1) There shall be kept at the Patent Registration Office a Register of Patent Agents.
(2) No person shall carry on business, practise, act, describe himself, hold himself out, or permit himself to be described or held out, as a patent agent unless he is registered in the Register of Patent Agents.
(3) The registration of a patent agent mentioned in subsection (2) shall be in accordance with the regulations as may be prescribed by the Minister under this Act.

87.—(1) Subject to the provisions of this Act, the Minister may make regulations for the purpose of carrying into effect the provisions of this Act.
(Regulations)

(2) Any person who without any lawful excuse fails to comply with any summons, order or direction made by the Registrar under paragraphs (a), (b) and (c) of subsection (1) commits an offence and is liable on conviction to a fine not exceeding 2,000 ringgit or to imprisonment for a term not exceeding six months or to both.
(3) Costs awarded by the Registrar may in default of payment be recovered in a Court of competent jurisdiction as a debt due by the person against whom the costs were accorded to the person in whose favour they were accorded.
(Exercise of discretionary power)

(c) any certificate issued under the repealed laws and in force immediately prior to the coming into force of this Act shall, subject to the terms, conditions and the period of validity specified in the certificate, continue in force and have the like effect as if it had been issued under this Act and the Registrar may amend, modify, renew, cancel or revoke such certificate in accordance with the powers conferred upon him by the relevant provisions of this Act relating thereto.

(Transitional)

90.—(1) Where an application has been made under an Act or Ordinance repealed under section 89, the Registrar may issue a certificate on such application as if the Act or Ordinance had not been repealed, and such certificate shall remain in force—

(a) so long as the original patent remains in force in the United Kingdom; or
(b) until the expiration of 20 years from the date of application, whichever is the earlier.

(2) Where a patent has been granted under the United Kingdom Patents Act 1977 not earlier than 24 months before the coming into force of this Act, the owner of the patent may, within a period of 12 months from the coming into force of this Act, make an application for a certificate and the Registrar may issue a certificate on such application as if the Act or Ordinance repealed under section 89 had not been repealed, and such certificate shall remain in force—

(a) so long as the original patent remains in force in the United Kingdom; or
(b) until the expiration of 20 years from the date of the application, whichever is the earlier.

(3) The Registrar may amend, modify, renew, cancel or revoke a certificate issued under subsection (1) or (2) in accordance with the powers conferred upon him by the relevant provisions of this Act relating to patents.

(4) Where, prior to the coming into force of this Act, an application for a patent has been made under the United Kingdom Patents Act 1977 or an application designating the United Kingdom has been filed at the European Patent Office, the applicant may, within a period of 12 months from the coming into force of this Act, make an application for the grant of a patent under this Act, and such application shall be accorded a filing date and a right of priority which have been accorded to it in the United Kingdom.

(2) In particular and without prejudice to the generality of subsection (1), such regulations may provide for all or any of the following:

(a) to regulate the procedure to be followed in connection with any proceeding or other matter before the Registrar or the Patent Registration Office under this Act including the service of documents;
(b) to classify goods including methods and processes for the purpose of registration of patents;
(c) to make or require duplication of patents or other documents;

(d) to secure and regulate the publishing, selling or distributing, in such manner as the Minister may think fit, of copies of patents and other documents;
(e) to prescribe the fees payable for the application on the registration of patents and other fees payable for other matters prescribed under this Act;

(f) to prescribe forms, books, registers, documents and other matters to be used under this Act;
(g) to regulate generally on matters pertaining to the business of patents carried on in the Patent Registration Office whether or not specially prescribed under this Act

(Appeal)

88.—(1) Any person aggrieved by any decision or order of the Registrar or the Board may appeal to the Court.
(2) The same rules of procedure on appeal shall apply to appeals made under subsection (1) as to appeals to the High Court from a decision of a subordinate Court in civil matters.

(Repeal and saving provisions)

89. The Registration of United Kingdom Patents Act 1951, the Patents Ordinance of Sarawak, the Registration of United Kingdom Patents Ordinance of Sabah and the Patents (Rights of Government) Act 1967 are repealed:

Provided that:

(a) any subsidiary legislation made under the repealed laws shall in so far as such subsidiary legislation is not inconsistent with the provisions of this Act continue in force and have effect as if it had been made under this Act and may be repealed, extended, varied or amended accordingly;

(b) any appointment made under the repealed laws or subsidiary legislation made thereunder shall continue in force and have effect as if it had been made under this Act unless the Minister otherwise directs;

FIRST SCHEDULE

(Section 7)

may exercise all the powers of the Chairman in respect of that meeting.

(Chairman to have casting vote)

4. If on any question to be determined there is an equality of votes, the Chairman shall have the casting vote in addition to his deliberative vote.

(Board to determine its procedure)

5. Subject to this Act, the Board shall determine its own rules and procedure.

(Board may appoint committees)

6.—(1) The Board may with the approval of the Minister appoint such committees of its members with or without other persons as it may determine.

(2) Any committee so appointed shall conform to instructions that may from time to time be given to it by the Board and the Board may with the approval of the Minister at any time discontinue or alter the constitution of such committee.

(3) Subject to the directions of the Board, the quorum and procedure of a committee shall be determined by the committee.

(Persons disqualified from being appointed members of the Board)

1. The following persons shall be disqualified from being appointed or being members of the Board:

(a) a person who is of unsound mind or is otherwise incapable of performing his duties;

(b) a bankrupt;

(c) a person who has been convicted of an offence and sentenced to imprisonment for a term of one year or more.

(When member deemed to have vacated office)

2. A member of the Board shall be deemed to have vacated his office if he is absent from three consecutive meetings of the Board without the prior approval in writing of the Minister.

(Quorum and presiding officer)

3.—(1) The Chairman, or any member presiding in the absence of the Chairman, and six other members shall form a quorum at a meeting of the Board.

(2) In the absence of the Chairman, the Deputy Chairman shall preside at a meeting of the Board and in the absence of both of them the members present shall choose one of their number to preside and such member

SECOND SCHEDULE

(Section 17A)

Modifications to the Provisions of the Act
Applicable to Utility Innovations

Provisions of the Act

(1)

Modifications

(2)

Section 3

Substitute "certificate for a utility innovation" and "application for a certificate for a utility innovation" for "patent" and "patent application" respectively in the definition of "right"

Section 13

1. Substitute "utility innovations" for "inventions."
2. Substitute "eligible for a certificate for a utility innovation" for "patentable."

Section 14

Substitute therefor the following:

"(Novelty)

14.—(1) A utility innovation is new to Malaysia if it is not anticipated by prior art.

(2) Prior art shall consist of—

(a) everything disclosed to the public in Malaysia by written publication, by oral disclosure, by use or in any other way, prior to the filing date or, where appropriate, priority date of the application for a certificate for a utility innovation claiming the utility innovation;

(b) the contents of a domestic application for a certificate for a utility innovation having an earlier filing date or, where appropriate, priority date than the application referred to in paragraph (a) to the extent that such contents are included in the certificate for a utility innovation granted on the basis of the said domestic application.

(3) A disclosure made under paragraph (a) of subsection (2) shall be disregarded—

(a) if such disclosure occurred within one year preceding the date of the application and if such disclosure was by reason or in consequence of acts committed by the applicant or his predecessor in title;

(b) if such disclosure occurred within one year preceding the date of the application and if such disclosure was by reason or in consequence of any abuse of the rights of the applicant or his predecessor in title."

1. Substitute "certificate for a utility innovation" for "patent"

2. Substitute "innovator" for "inventor."

PART V
(except as otherwise provided below)

3. Substitute "utility innovation" for "invention."
 4. Substitute "a utility innovation" for "an invention."
 ("Judicial assignment of application for a utility innovation or a certificate for a utility innovation)
 Substitute therefor the following:

19. Where the essential elements of the utility innovation claimed in —
 (a) an application for a certificate for a utility innovation; or
 (b) a certificate for a utility innovation
 have been unlawfully derived from an invention or a utility innovation for which the right to the patent or the certificate for a utility innovation belongs to another person, such other person may apply to the Court for an order that the said application or certificate be assigned to him:
 Provided that the Court shall not entertain an application for the assignment of a certificate for a utility innovation after three years from the date of the grant of the certificate."

PART VI
 (except as otherwise provided below)

1. Substitute "certificate for a utility innovation" for "patent."
 2. Substitute "innovator" for "inventor."
 3. Substitute "utility innovation" for "invention."
 4. Substitute "an application for a certificate for a utility innovation" for "a patent application."
 Substitute "the claim" for "a claim or claims" in paragraph (d) of subsection (1).

Section 28

1. Substitute "the claim" for "one or more claims" in subsection (1).
 2. In subsection (4) —

Section 29

(a) substitute "subsection (5)" for "subsections (5) and (6);"
 (b) substitute "the utility innovation for which a certificate is sought is new to Malaysia and is of practical utility by reason of its form, configuration, construction or composition" for "the invention for which a patent is sought is new and involves an inventive step."
 3. Delete subsection (6).

Section 31

1. In subsection (2) —
 (a) substitute "Board" for "Registrar";
 (b) substitute "the Board" for "he";
 (c) Substitute "a certificate for a utility innovation" for "a certificate of grant of the patent and a copy of the patent" in paragraph (a);
 (d) substitute the following paragraph for paragraph (b):

"(b) direct the Registrar to record the certificate for a utility innovation in the Register for Certificates for Utility Innovations."

2. In subsection (4), substitute "Board" for "Registrar."

1. Substitute "Register for Certificates for Utility Innovations" for "Register of Patents."

2. Substitute "certificates for utility innovations" and "the application for a certificate for a utility innovation" for "patents" and "the patent application" respectively.

Substitute "any application for a certificate for a utility innovation" for "any patent application."

Substitute therefor the following:

"(Duration of certificate for a utility innovation)

35.—(1) Subject and without prejudice to the provisions of this Act, a certificate for a utility innovation shall expire five years after the date of its grant.

(2) Notwithstanding subsection (1), the owner of a certificate for a utility innovation may, before the expiration of the period of five years mentioned in subsection (1), apply for an extension for an additional period of five years and may, before the expiration of the second period of five years, apply for an extension for a further period of five years.

(3) An application for extension under subsection (2) shall be accompanied by an affidavit of the owner of the certificate for the utility innovation showing that the utility innovation is in commercial or industrial use in Malaysia, or satisfactorily explaining its non-use, and shall also be accompanied by the prescribed fee.

(4) Where the owner of a certificate for a utility innovation intends to keep the certificate in force, he shall, 12 months before the date of expiration of the third and each succeeding year during the term of the certificate, pay the prescribed annual fee: Provided, however, that a period of grace of six months shall be allowed after the date of such expiration upon payment of such surcharge as may be prescribed."

1. Substitute "certificate for a utility innovation" for "patent."

2. Substitute "utility innovation for which a certificate has been granted" for "patented invention."

3. Substitute "application for a certificate for a utility innovation" for "patent application."

4. Substitute "utility innovation" for "invention."

PART VII
(except as otherwise provided below)

Section 35

Section 34

Section 32

Section 37

- 1. In subsection (2) —
 - (a) substitute a full stop for the semicolon at the end of paragraph (iii);
 - (b) delete paragraph (iv).
- 2. Delete "the provisions on compulsory licences as provided in sections 51 and 52 and by" in subsection (5).

Section 38

- In subsection (1) —
 - (a) substitute a full stop for the colon at the end of the first proviso;
 - (b) delete the second proviso.

PART VIII

- 1. Substitute "An application for a certificate for a utility innovation or a certificate for a utility innovation" for "A patent application or patent"
- 2. Substitute "an application for a certificate for a utility innovation or a certificate for a utility innovation" for "a patent application or patent"
- 3. Substitute "the application for a certificate for a utility innovation" for "the patent application."
- 4. Substitute "certificate for a utility innovation" for "patent"
- 5. Substitute "utility innovation for which a certificate has been granted" for "patented invention."

PART IX

- 1. Substitute "certificate for a utility innovation" for "patent"
- 2. Substitute "utility innovation" for "invention."
- 3. Substitute "utility innovation for which a certificate has been granted" for "patented invention."
- 4. Substitute "application for a certificate for a utility innovation" for "patent application."

PART XI

(except as otherwise provided below)

- 1. Substitute "certificate for a utility innovation" for "patent"
- 2. Substitute "utility innovation" for "invention."

Section 55

Delete subsections (2) and (3A).

Section 56

- 1. Substitute the following paragraph for paragraph (a) of subsection (2):
 - "(a) that what is claimed as a utility innovation in the certificate for a utility innovation is not a utility innovation within the meaning of section 17 or is excluded from protection under section 13 or subsection (1) of section 31."
- 2. Substitute "some parts of a claim, such parts of a claim" for "some of the claims or some parts of a claim, such claims or parts of a claim" in subsection (3).

PART XII
(except as otherwise provided below)

Section 59

Substitute "two" for "five" in subsection (3).

Section 61

Substitute the following subsection for subsection (1):

"(1) For the purposes of this section, 'beneficiary' means any licensee unless the licence contract provides that the provisions of this subsection do not apply or provides different provisions."

Section 62

1. Delete "(a)" after "(3)" in subsection (3).

2. Delete paragraph (b) of subsection (3).

PART XIII

(except as otherwise provided below)

Section 64

- 1. Substitute "certificate for a utility innovation" for "patent."
- 2. Substitute "product in respect of which a certificate for innovation has been granted" for "patented product."
- 3. Substitute "utility innovation" for "invention."

1. Substitute "product or process in respect of which a certificate for a utility innovation has been granted" for "patented product or process" in subsection (1).

2. Delete "the word 'patent' or 'patented' or" in subsection (2).

PART XV

(except in section 86)

Section 86

- 1. Substitute "certificate for a utility innovation" for "patent."
 - 2. Substitute "utility innovation" for "invention".
 - 3. Substitute "certificates for utility innovations" for "patents."
- Substitute "his certificate for a utility innovation" for "his patent" in subsection (5).

FLOWCHART 1

PATENT & CERTIFICATE FOR UTILITY INNOVATION GRANTING PROCEDURE

Section 28 of Patents Act

APPLICATION REQUEST
application examined to determine filing date

Section 29

PRELIMINARY EXAMINATION AND SEARCH REQUEST
Examiner reports on formalities and also issues a technical search report. Applicant invited to respond

Section 30

SUBSTANTIVE EXAMINATION REQUEST
Examiner reports on newness (utility innovation) & inventiveness (patents). Applicant invited to respond.

Section 31

GRANT OR REFUSAL
Granted patent or utility innovation published

Section 35

TERM
Patent expires 15 years after date of grant. Utility innovation expires 5 years after date of grant (with possibility of renewal for 5 + 5 years upon proof of working).

Applicant must lodge

Form 1 Request (patent) or Form 14 Request (utility innovation),
Prescribed fee,
Description,
Single claim for utility innovation;
claim(s) for patent, and an abstract

Applicant must lodge

Form 3 Request, and
Prescribed fee,
Within 6 months from filing date.

Applicant must lodge

Form 5 Request, and
Prescribed fee,
Within 18 months from filing date

Upon grant, the patentee or certificate owner has the right to institute Court-proceedings against any person using the invention or utility innovation without his permission.

Subject to payment of annual renewal fees by patentee or certificate owner.

FLOWCHART 2 PATENT AND CERTIFICATE FOR UTILITY INNOVATION GRANTING PROCEDURE



