



I assent,

GEORGE TUPOU V,

30th October, 2009

## AN ACT

### TO AMEND THE INDUSTRIAL PROPERTY ACT 1994

5th November, 2009

**BE IT ENACTED** by the King and Legislative Assembly of Tonga in the Legislature of Tonga as follows:

1. (1) This Act may be cited as the Industrial Property (Amendment) Act 2009.
- (2) The Industrial Property Act 1994 is in this Act referred to as the Principal Act.
2. Section 2 of the Principal Act is amended by-
  - (a) inserting in the definition of “agent”, the words “with a valid practicing licence” before the word “resident”;
  - (b) adding the following new definitions in the appropriate places:
    - “**International Bureau**” means the International Bureau of World Intellectual Property Organisation as described in the Madrid Protocol;”;
    - “**Madrid Protocol**” means the Protocol relating to the Madrid Agreement concerning the International Registration of Marks, adopted in Madrid on 27 June 1989;”;
    - “**Patent Cooperation Treaty**” means the Patent Cooperation Treaty established in Washington on June 1970;”;

“**World Trade Organization**” means the World Trade Organisation established in Geneva in 1995.”

3. Section 6 of the Principal Act is amended -
  - (a) at the end of subsection (3), by -
    - (i) replacing the full stop with a comma; and
    - (ii) inserting the words “as long as the said application is not withdrawn, abandoned or rejected.”;
  - (b) at the end of subsection (4), by -
    - (i) replacing the full stop with a comma; and
    - (ii) inserting the words “and the owner of a patent shall have the right to conclude licencing contracts.”
4. Section 7(4) of the Principal Act is amended by deleting the words “at least one mode known to the applicant for carrying out the invention” and replacing them with “the best mode for carrying out the invention known to the applicant at the filing date, or where priority is claimed, at the priority date of the application.”
5. Section 9(1) of the Principal Act is amended, at the end of the subsection by -
  - (a) replacing the full stop with a comma; and
  - (b) inserting the words “or any member of the World Trade Organisation.”
6. Section 11 of the Principal Act is amended -
  - (a) at the end of the subsection (5) by -
    - (i) replacing the full stop with a comma; and
    - (ii) adding the words “and the Regulations relating thereto and whether information requested under Section 10, if any, has been provided.”; and
    - (iii) adding the following new subsection (6), (7) and (8) immediately after subsection (5) -
      - “(6) Where the Registrar is of the opinion that the application complies with the requirements under subsection (5), the Registrar shall make a decision as to whether the requirements of sections 3, 4, 5, 7(4), 7(5), 7(6), 7(7), and 8, and the Regulations, cause the application to be examined.
      - (7) The Registrar shall take into account, for the purpose of subsection (6) -
        - (a) the result of any international search report and international preliminary examination report established under the Patent Cooperation Treaty in relation to the application;

- (b) a search and examination report submitted under section 10(2)(c) relating to, or a final decision submitted under section 10(2)(c) on the refusal to grant a patent on a corresponding foreign application; and
- (c) a search and examination report which was carried out upon his request by an external search and examination authority.
- (a) Any international application filed or received by the Registrar in which Tonga is designated for the purposes of obtaining a patent under this Act shall be treated as an application filed under this Act.
- (b) The registrar shall examine and process all international applications referred to in paragraph (a) and the provisions of the Patent Cooperation Treaty and the Regulations relating thereto.

In the event of conflict between the provision of this Act and its Regulations and the provisions of the Patent Cooperation Treaty, the former shall prevail unless the application of these provisions contravene the underlying principles of the latter, in which case the latter shall prevail, according to prescribed procedures.”

**7.** Section 12 of the Principal Act is amended by-

- (a) inserting in subsection (1), the words “and (6)” after “section 11 (5)”; and
- (b) adding the following new subsection (3) and (4) immediately after subsection (2)-

“(3) The Registrar shall, whenever possible, make a final decision regarding the application not later than two years after the commencement of the examination referred to in section 11.

(4) The Registrar shall, upon request of the owner of the patent, make changes in the text or drawings of the patent in order to limit the extent of the protection conferred thereby, provided that the change would not result in the disclosure contained in the patent going beyond the disclosure contained in the initial application on the basis of which the patent was granted.”

**8.** Section 13 of the Principal At is amended by-

- (a) inserting in subsection (3), the words “and section 16A” after “section 15”;

- (b) inserting in subsection (4)(a) the words “or in any other country” after the word “Tonga”; and
- (c) deleting subsection (5) and substituting with the following-

“(5) (a) It is an infringement of a patent for any person to make, construct, use or sell the patent invention solely for use reasonably related to the development and submission of information required under any law in Tonga that regulates the manufacture, construction, use or sale of any product.

- (b) The right of prior user referred to in subsection 4(d) may be transferred or devolve only together with the enterprise or business, or with that part of the enterprise or business, in which the use have been made.”

**9. Section 15 of the Principal Act is amended -**

- (a) in subsection (1), by inserting the words “locally or by importation,” after “insufficiently worked”;

- (b) in subsection (3), by deleting the words “other than to import” and substituting with “including importation”; and

- (c) in subsection (4) by -

- (i) deleting the words “not exclude,” and substituting with the word “fix”; and

- (ii) deleting paragraphs (a) and (b) and replacing with the following-

“(a) the scope and function of the licence;

- (b) the time limit which the licensee shall begin to exploit the patented invention; and

- (c) the amount of the adequate remuneration to be paid to the owner of the patent and the conditions of payment.”

- (d) adding new subsections (5) to (9) immediately after subsection (4) as follows -

“(5) If the invention claimed in a patent (later patent) cannot be exploited in the country without infringing a patent granted on the basis of an application benefiting from an earlier filing or, where appropriate, priority date, the Registrar upon the request of the owner of the later patent, may issue a non-voluntary licence to the extent necessary to avoid infringement of the earlier patent.

- (6) Where a non-voluntary licence is issued under subsection (5) the Registrar upon the request of the owner of the earlier patent, shall issue a non-voluntary licence in respect of the later patent.
  - (7) In the case for a request for the issuance of a non-voluntary licence under subsections (5) and (6), subsection (3) shall apply mutatis mutandis with the proviso that no time limit needs to be fixed.
  - (8) In the case of a non-voluntary licence issued under subsection (5), the transfer may be made only with the later patent, or, in the case of non-voluntary licence issued under subsection (6), only with the earlier patent.
  - (9) The request for the issuance of a non-voluntary licence shall be subject to payment of the prescribed fee.”
10. The Principal Act is amended by adding the following new section 16A immediately after section 16 -

**“16A. Emergency Measures**

- (1) The Minister may decide that, even without the agreement of the owner of the patent, a Government agency or a third person designated by him may exploit a patented invention where the-
  - (a) public interest, in particular, national security, nutrition, health or the development of other vital sectors of the national economy so requires; or
  - (b) court has determined that the manner of exploitation, by the owner of the patent or licensee, is anti-competitive, and the Minister is satisfied that the exploitation of the invention in accordance with this subsection would remedy such practice.
- (2) The exploitation of the patented invention shall be limited to the purpose for which it was authorised and shall be subjected to the payment to the owner of an adequate remuneration taking into account the economic value of the Minister’s authorisation, as determined in the said decision, and, where a decision has been taken under subsection 1(b), the need to correct anti-competitive practices.
- (3) The Minister shall make his decision after hearing the owner of the patent and any interested person if they wish to be heard.
- (4) A request for the Minister’s authorisation shall be accompanied by evidence that the owner of the patent has received, from the person seeking authorisation, a request for a contractual licence, but that person has been unable to obtain such a licence on reasonable commercial terms and conditions and within a reasonable time.

- (5) Subsection (4) shall not apply in cases of –
- (a) national emergency or other circumstances of extreme urgency provided, that in such cases the owner of the patent shall be notified by the Minister's decision as soon as reasonably practicable;
  - (b) public non-commercial use; and
  - (c) anti-competitive practices determined as such by the Minister.
- (6) The exploitation of a patented invention in the field of semi-conductor technology shall only be authorised either for public non-commercial use or where the Minister has determined that the manner of exploitation of the patented invention, by the owner of the patent or his licensee, is anti-competitive and if the Minister is satisfied that the issuance of the non-voluntary licence would remedy such practice.
- (7) The authorisation shall not exclude the-
- (a) conclusion of a licence contract by the owner of the patent;
  - (b) continued exercise, by the owner of the patent, of his rights under section 13(1); or
  - (c) issuance of a non-voluntary licence under section 15.
- (8) Where a third person has been designated by the Minister, the authorisation may only be transferred with the enterprise or business of that person or with the part of the enterprise or business within the patented invention that is being exploited.
- (9) Where the exploitation of the invention by the Government agency or third person designated by the Minister is authorised under subsection (1), it shall be predominantly for the supply of the market in Tonga and this authorisation shall not apply where the exploitation is authorised under subsection (1) (b).
- (10) Upon request of the owner of the patent or to the Government agency or of the third person authorised to exploit the patented invention, the Minister may, after hearing the parties vary the terms of the decision authorising the exploitation of the patented invention to the extent that changed circumstances justify such variation.
- (11) (a) Upon the request of the owner of the patent, the Minister shall terminate the authorisation if he is
- (b) satisfied after hearing the parties that the circumstances which led to his decision have ceased to exist and are unlikely to occur or that the Government agency or third person designated by him has failed to comply with the terms of the decision.
  - (b) Notwithstanding paragraph (a), the Minister shall not terminate the authorisation if he is satisfied that the need for adequate protection of the legitimate interests of the Government agency or third person designated by him justifies the maintenance of the decision.

11. Section 24(3) of the Principal Act is amended by inserting the words “or in any other country” after the word “Tonga”;
12. Section 26(2)(e) of the Principal Act is amended by-
  - (a) replacing the semi colon after “enterprise” with a comma; and
  - (b) adding immediately at the end of the sub-section the following “if it is well known and registered in Tonga for goods or services which are not identical or similar to those in respect of which registration is applied for, provided, in the latter case, that use or the mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the well-known mark and that the interests of the owner of the well-known mark are likely to be damaged by such use;”
13. Section 27 (2) of the Principal Act is amended by inserting after the words “his predecessor in title,” the words “in or for any State Party to the said Convention or any member of the World Trade Organisation,”.
14. Section 28 of the Principal Act is amended by inserting after subsection (8) the following new subsections-
  - “(9) All applications filed with the International Bureau for international registration of a mark or marks in which Tonga is designated for the purpose of obtaining protection under this Act shall be governed by the provisions of this Act and its Regulations and the provisions of the Madrid Protocol and the Regulations.
  - (10) In the event of conflict between the provisions of this Act and its Regulations and the provision of the Madrid Protocol and the Regulation pertaining thereto, the former shall prevail unless the application of these provisions contravene the underlying principles of the latter, in which case the latter shall prevail, according to prescribed procedures ”
15. Section 29(3) of the Principal Act is amended by inserting the words “or in any other country” after the word “Tonga”.
16. Section 39 (3) of the Principal Act is amended by inserting after the word “Gazette” the words “, and any other publication approved by him,”.

Passed in the Legislative Assembly this 5th day of November, 2009.