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**Council for Trade-Related Aspects
of Intellectual Property Rights**

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REVIEW OF LEGISLATION IN THE FIELDS OF PATENTS, LAYOUT-DESIGNS
(TOPOGRAPHIES) OF INTEGRATED CIRCUITS, PROTECTION OF
UNDISCLOSED INFORMATION AND CONTROL OF
ANTI-COMPETITIVE PRACTICES IN
CONTRACTUAL LICENCES

Ireland¹

The present document reproduces the questions put to the delegation of Ireland and the responses given in the review of legislation on patents, layout-designs (topographies) of integrated circuits, protection of undisclosed information and control of anti-competitive practices in contractual licences at the Council's meeting of 26-30 May 1997.²

I. REPLY TO THE GENERAL QUESTION ON PRIORITY RIGHTS³

Does your country recognize a right of priority on the basis of an earlier patent application filed in any other WTO Member by a national of a WTO Member?

Yes.

Pursuant to Section 25(1) of the Irish Patents Act 1992, a person who has duly filed in or for any state party to the Paris Convention an application for a patent shall enjoy for filing a subsequent application under the Act in respect of the same invention a right of priority.

Pursuant to Section 25(5) of the Act a filing in a country which is not party to the Paris Convention may give rise to a priority right if the Government makes an order to that effect consequent upon bilateral or multilateral agreements. The TRIPS Agreement is considered to be a multilateral agreement for the purposes of Section 25 and the Government has made an order dated 30 January 1996 (S.I. No. 38 of 1996) by virtue of which filing an earlier patent application in a WTO Member may give rise to a priority right as in the case of an earlier patent application in a Paris Convention country.

¹ As regards laws and regulations relevant to the areas under review as notified by Ireland under Article 63.2 of the Agreement, reference is made to documents IP/N/1/IRL/1 and IP/N/1/IRL/P/1.

² The minutes of the meeting have been circulated in document IP/C/M/13.

³ At the meeting of the TRIPS Council of 27 February 1997, Members agreed to respond to this question in the context of the present review (document IP/C/M/12, paragraph 18).

II. REPLIES TO QUESTIONS POSED BY JAPAN

1. In your country, are the following subject matters protectable by patent: (1) plants and animals, and (2) plant and animal varieties?

Inventions relating to plants and animals are patentable.

Section 10(b) of the Patents Act 1992 excludes from patentability "a plant or animal variety or an essentially biological process for the production of plants or animals". The latter exception is subject to the qualification that it does not apply to "microbiological processes or the products thereof".

2. In your country, is the act of offering for sale included in the exclusive rights of patent?

Offering for sale is an infringing act under Section 40 of the Patents Act.

3. In your country, what kinds of acts are recognized as exceptions to the exclusive rights conferred by a patent right?

Section 42 of the Patents Act provides that the rights conferred by a patent shall not extend to:

- (a) acts done privately for non-commercial purposes;
- (b) acts done for experimental purposes relating to the subject-matter of the relevant patented invention;
- (c) the extemporaneous preparation for individual cases in a pharmacy of a medicine in accordance with a medical prescription issued by a registered medical practitioner or acts concerning the medicine so prepared;
- (d) the use on board vessels registered in any of the countries of the Union of Paris for the Protection of Industrial Property, other than the State, of the invention which is the subject of the patent, in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the territorial waters of the State, provided that the invention is used in such waters exclusively for the needs of the vessel;
- (e) the use of the invention which is the subject of the patent in the construction or operation of aircraft or land vehicles of countries of the Union of Paris for the Protection of Industrial Property, other than the State, or of such aircraft or land vehicle accessories when such aircraft or land vehicles temporarily or accidentally enter the State;
- (f) the acts specified in Article 27 of the Convention on International Civil Aviation, where those acts concern the aircraft of countries, other than the State, benefiting from the provisions of that Article.

Further, Section 43 specifies that the rights conferred by a patent shall not extend to any act which, pursuant to any obligations imposed by the law of the Treaties establishing the European Communities, cannot be prevented by the proprietor of the patent.

4. In your country, in which case is use without the authorization of the right holder permitted, including use by the government or by third parties authorized by the government?

- (a) Section 55 provides a person with which a right to continue to do acts which he did or prepared to do, in good faith, before the priority date of an invention protected by a patent and which would otherwise be an infringement of the patent.
- (b) An order may be made in pursuance of an application under Section 70 or 72 for the grant of compulsory licences under a patent.

5. In your country, how is the obligation under Articles 34.1 and 34.2 of the TRIPS Agreement regarding the shift of the burden of proof in civil proceedings for patent infringement related to a process patent implemented?

In respect of a process patents, the doctrine of reversal of the burden of proof is provided in Section 46(1) of the Patents Act which reads:

"If the subject-matter of a patent or patent application is a process for obtaining a new product, the same product when produced by a person other than the proprietor or applicant, as the case may be, shall, in the absence of sufficient evidence to raise an issue as to whether the product was obtained by that or another process, be deemed to have been obtained by the process which is such subject-matter."

III. REPLIES TO QUESTIONS POSED BY UNITED STATES

1. Subsection 9(2) of the Irish Patents Act, 1992, provides that computer programs are not to be regarded as an invention within the meaning of the Patent Act. Please explain whether, under this provision, inventions within the categories specified below are not eligible to be patented in Ireland, notwithstanding the fact that the invention is novel, involves an inventive step, and is useful:

- (a) process inventions which, in whole or in part, consist of steps that are performed by a computer and are directed by a computer program;
- (b) product inventions consisting of elements of a computer-implemented invention, including in particular:
 - (i) machine-readable computer program code stored on a tangible medium such as a floppy disk, computer hard drive or computer memory; and
 - (ii) a general purpose computer whose novelty over the prior art arises primarily due to its combination with a specific computer program.

If any of these types of invention are excluded from eligibility to be patented, please explain how the Irish patent law complies with the obligations of Article 27 of the TRIPS Agreement, which mandates patent eligibility for all categories of invention without discrimination.

Section 9(2) of the Patents Act 1992 corresponds to Article 52(2) of the European Patent Convention. Since Ireland's ratification of the EPC, the Irish Patents Office has, in general, followed the criteria laid down by the European Patent Office on the patentability of computer program-related inventions.

The exclusions from patentability of the subject-matter or activities referred to in subsection 9(2) are subject to the qualification set out in subsection 9(3), namely that such subject-matter or activities are excluded from patentability "only to the extent to which a patent application or patent relates to such subject-matter or activities as such". Although computer programs as such are excluded from patentability the current interpretation of Section 9(1), (2), and (3) allows patentability of subject-matter which makes a technical contribution to the known art even if computer programs are involved.

As regards the types of computer-related inventions set out in the question they are not excluded from patentability under the Irish Patent Law.

2. Paragraph 13 of the First Schedule concerning transitional measures of the 1992 Irish Patents Act specifies that any application for a compulsory licence under Article 42 of the 1964 Act that was pending at the commencement of this Act (27 February 1992) shall be decided under the provisions of the Act of 1964. Article 42 of the 1964 Patents Act discriminates in its application between patents covering pharmaceuticals and patents covering inventions in other areas of technology. Article 70.6 of the TRIPS Agreement specifies that Members are not obliged to apply the requirements of Article 31 concerning compulsory licences or Article 27.1 concerning non-discrimination in the availability or enjoyment of patent rights where use by a third party has been authorized by the Member before the date this Agreement *became known*. With regard to these provisions:

- (a) **Please indicate whether the Irish Government has granted any compulsory licences on the basis of an application filed under the 1964 Act, where the decision to grant the licence was made on or after 20 December 1992. If the answer is "yes", please explain how such an action complies with Article 70.6 of the TRIPS Agreement.**
- (b) **Please indicate whether it is the policy of the Irish Government to deny approval of any application that is subject to this transitional provision where such applications remained pending on or after 20 December 1992.**
- (c) **Please explain how paragraph 13 of the transitional measure, to the extent it permits the issuance of a compulsory licence on the terms of the 1964 Act, complies with Articles 27 and 70.6 of the TRIPS Agreement.**

The Patents Act 1992 was enacted on 27 February 1992 and came into force on 1 August 1992. Section 5 repealed the Patents Act 1964 subject to the transitional provisions of the First Schedule. Paragraph 13 of the Schedule provided that any application for a licence under Section 42 of the 1964 Act which was pending at the commencement of the 1992 Act (1 August 1992) should be decided under the provisions of the 1964 Act.

- (a) The power to grant a licence under Section 42 is vested in the Controller of Patents, Designs and Trade Marks and not in the Government. On 2 June 1995 the Controller made an order providing for compulsory licences in respect of two patents. He held that the TRIPS Agreement had no application in the internal legal system of Ireland as it had not been enacted into domestic law. The High Court on appeal to it from the Controller held that the TRIPS Agreement precluded the grant of a licence under Section 42 by reason of Section 46(3) of the Patents Act 1964 which provides : "No order shall be made in pursuance of any application under Sections 39 to 43 of this Act which would be at variance with any treaty, convention, arrangement or engagement applying to the State and any convention country". Currently an appeal to the Supreme Court from the decision of the High Court is pending.

- (b) Unless and until the decision of the High Court is reversed by the Supreme Court, the Controller has no jurisdiction to grant licences under Section 42 of the 1964 Act.
- (c) It is proposed to amend paragraph 13 of the First Schedule making it clear that no order under Section 42 of the 1964 Act shall be made at variance with the TRIPS Agreement.

3. Articles 70(2)(a), (b) and (c) of the Irish Patents Act of 1992 provide for the availability of compulsory licences in situations involving inadequate working of an invention within Ireland. In each of these provisions, importation is cast as a condition that *justifies* the grant of an involuntary licence. Please explain how these provisions comply with the requirement of Article 27.1 of the TRIPS Agreement, which precludes discrimination in the enjoyment of patent rights with regard to local manufacture or importation of the patented invention.

4. Article 72(1) of the Irish Patents Act specifies that any Minister of the Government may, after a specified period, request the Controller of Patents to specify that, on one of the grounds for issuance of a compulsory licence, the patent be designated as having a licence of right that permits any interested party to request and obtain a compulsory licence under the patent. Please explain how this provision complies with the requirement of Article 31(a) of the TRIPS Agreement, which specifies that applications for compulsory licences are to be considered on their individual merits.

5. Article 75(1) of the Irish Patents Act specifies that a compulsory licence granted under the Act shall "have effect as if it were a deed". Please explain whether this provision enables the recipient of a compulsory licence to assign the compulsory licence to a third party without having to assign along with the licence that part of the enterprise or goodwill which is to enjoy the benefits of the licence. If this is the case, please explain how this provision of the Irish Patents Act complies with Article 31(d) of the TRIPS Agreement.

6. Under Article 31 of the TRIPS Agreement, numerous conditions must be adhered to by WTO Members should such Members provide for the possibility of granting involuntary licences under a patent. Articles 70 to 75 of the Irish Patents Act establishes a system whereby such licences may be granted. These provisions are silent on a number of the elements required by Article 31. In view of this, please explain how Irish patent law complies with the following requirements of Article 31 of the TRIPS Agreement, and in particular that the following conditions be associated with the grant of any compulsory licence:

- (a) that the licence be granted only if, prior to the authorization, the party seeking the licence has sought unsuccessfully to obtain a voluntary licence from the patent owner on reasonable commercial terms and conditions and within a reasonable period [Article 31(b)];
- (b) the scope and duration of the licence be limited to the purpose for which it was authorized [Article 31(c)];
- (c) that the licence be non-exclusive [Article 31(d)];
- (d) that the licence be non-assignable, except with that part of the enterprise or goodwill which enjoys the use of the patented invention [Article 31(e)];
- (e) that the licence authorize use of the patented invention predominantly for the supply of the domestic market of the Member [Article 31(f)];

- (f) that the licence be subject to termination if the conditions that led to its issuance cease to exist and are unlikely to recur [Article 31(g)];
- (g) that the patent owner be paid adequate remuneration that reflects, *inter alia*, the economic value of the licence [Article 31(h)]; and
- (h) that with respect to dependent patents, the invention claimed in the dependent patent be an important technical advance of considerable economic significance over the original patented invention, that the owner of the dominant patent be issued a cross-licence for the dependent patent, and that the licence of the dependent patent not be assignable except with the assignment of the second patent [Article 31(l)].

7. Please explain how the Irish law complies with the obligations of Article 31(c) of the TRIPS Agreement, which specifies that compulsory licences under a patent shall not be issued with regard to inventions in the field of semiconductor technology other than for public non-commercial use or to remedy adjudicated findings of anti-competitive practices by the patent owner.

Sections 70-75 of the Patents Act related to granting of compulsory licences. The necessary legislation for the purpose of implementing the provisions of the TRIPS Agreement is currently being finalised.⁴

8. Please indicate how many compulsory licences on a yearly basis have been granted in Ireland since 1 January 1993.

See reply to question 2(a) above.

No compulsory licences have been granted under the provisions of Patents Act 1992.

9. Paragraph 4 of the transitional provisions of the First Schedule to the 1992 Irish Patents Act specifies that a patent owner may not institute actions for infringement against a third party during the final two years of the 20 year patent term if the third party has made certain preparations for putting the invention into effect commercially after the expiration of the patent term. Article 70.4 of the TRIPS Agreement specifies that WTO Members may limit the rights given to patent owners vis-à-vis parties that have commenced use of or who have made substantial investments *prior to the date of acceptance of the Agreement by the Member*. Should such a limitation be imposed, the WTO Member must at least provide for equitable remuneration to the patent owner. No conditions concerning the date on which a third party has engaged in the qualifying activities or on equitable remuneration can be found in paragraph 4 of the transitional procedures. Please explain how Irish law complies with Article 70.4 of the TRIPS Agreement.

Consideration is currently being given to amending the provisions of paragraph 4 of the First Schedule to the Patents Act so that they comply with the TRIPS Agreement.

⁴ This answer applies to questions 3 through 7.

1. Please indicate how Ireland, in accordance with Article 39.3 of the TRIPS Agreement:

- **protects test data submitted to an Irish regulatory agency to support a request for marketing approval of a pharmaceutical or agricultural chemical product against disclosure; and**
- **protects such data against unfair commercial use, including by preventing later applicants from relying directly or indirectly on the data provided by the first applicant to support their applications for marketing approval.**

Legislative amendments necessary to bring the Irish Patent Law into full conformity with the TRIPS Agreement are being drafted by the Parliamentary Draftsman's Office. It is our expectation that the necessary amending legislation will be finalised within the next few months.