

THE STATUTES OF THE REPUBLIC OF SINGAPORE

**PATENTS (COMPULSORY LICENSING) ACT
(CHAPTER 221)**

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Act
12 of 1968**

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Patents (Compulsory Licensing) Act

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An Act to provide for the granting of compulsory licences in respect of specified classes of patented inventions and in respect of the making, using, exercising and vending of patented inventions concerned with food or medicine or a surgical or curative device and to provide that the rights conferred by a patent shall not be infringed by the making, importation or obtaining by or on behalf of the Government of any patented medicine or drug for distribution and use in Government hospitals or institutions.

[16th April 1969]

Short title. 1. This Act may be cited as the Patents (Compulsory Licensing) Act.

Interpretation. 2. In this Act, unless the context otherwise requires —
 “patentee” means the person for the time being entered on the Register of Patents as the grantee or proprietor of the patent;

“person interested” includes the Government and any person engaged in, or engaged in promoting research in, the same field as that to which the invention relates;

Cap. 271. “Register of Patents” means the Register of Patents kept and maintained under section 13 of the Registration of United Kingdom Patents Act;

“Registrar” means the Registrar of Patents appointed under section 2 of the Registration of United Kingdom Patents Act.

Power to grant compulsory licences in respect of specified classes of patented invention. 3.—(1) At any time after the expiration of 3 years from the date of the sealing of any patent in the United Kingdom belonging to a class of inventions specified in the Schedule and where such patent has been registered in Singapore and remains in force, any person interested may apply to the Registrar upon any one or more of the grounds set out in subsection (2) for a licence under the patent.

(2) The grounds upon which application may be made for an order under this section shall be as follows:

(a) that the patented invention, being capable of being commercially worked in Singapore, is not being commercially worked therein or is not being so worked to the fullest extent that is reasonably practicable;

(b) that a demand for the patented article in Singapore is not being met on reasonable terms or is being met to a substantial extent by importation;

(c) that the commercial working of the invention in Singapore is being prevented or hindered by the importation of the patented article;

(d) that by reason of the refusal of the patentee to grant a licence or licences on reasonable terms —

(i) a market for the export of the patented article manufactured in Singapore is not being supplied;

- (ii) the working or efficient working in Singapore of any other patented invention which makes a substantial contribution to the art is prevented or hindered; or
 - (iii) the establishment or development of commercial or industrial activities in Singapore is unfairly prejudiced; and
- (e) that by reason of conditions imposed by the patentee upon the grant of licences under the patent, or upon the purchase, hire or use of the patented article or process, the manufacture, use or sale of materials not protected by the patent, or the establishment or development of commercial or industrial activities in Singapore is unfairly prejudiced.

(3) Subject as hereinafter provided, the Registrar may, if satisfied that any of the grounds aforesaid are established, make an order in accordance with the application; and the order may require the licence to be granted upon such terms as the Registrar thinks fit:

Provided that —

- (a) where the application is made on the ground that the patented invention is not being commercially worked in Singapore or is not being worked to the fullest extent that is reasonably practicable, and it appears to the Registrar that the time which has elapsed since the sealing of the patent has for any reason been insufficient to enable it to be so worked, he may by order adjourn the application for such period as will in his opinion give sufficient time for the invention to be so worked;
- (b) no order shall be made under this section in respect of a patent on the ground that the working or efficient working in Singapore of another patented invention is prevented or hindered unless the Registrar is satisfied that the patentee in respect of that other invention is able and willing to grant to the patentee and his licensees a licence in respect of that other invention on reasonable terms.

(4) An application under this section may be made by any person notwithstanding that he is already the holder of a licence under the patent; and no person shall be estopped from alleging any of the matters specified in subsection (2) by reason of any admission made by him, whether in such a licence or otherwise, or by reason of his having accepted such a licence.

(5) In this section “patented article” includes any article made by a patented process.

Exercise of powers on applications under section 3.

4.—(1) The powers of the Registrar upon an application under section 3 shall be exercised with a view to securing the following general purposes:

- (a) that inventions which can be worked on a commercial scale in Singapore and which should in the public interest be so worked shall be worked therein without undue delay and to the fullest extent that is reasonably practicable;
- (b) that the inventor or other person beneficially entitled to a patent shall receive reasonable remuneration having regard to the nature of the invention; and
- (c) that the interests of any person for the time being working or developing an invention in Singapore under the protection of a patent shall not be unfairly prejudiced.

(2) Subject to subsection (1), the Registrar shall, in determining whether to make an order in pursuance of any such application, take account of the following matters:

- (a) the nature of the invention, the time which has elapsed since the sealing of the patent and the measures already taken by the patentee or any licensee to make full use of the invention;
- (b) the ability of any person to whom a licence would be granted under the order to work the invention to the public advantage; and
- (c) the risks to be undertaken by that person in providing capital and working the invention if the application is granted,

but shall not be required to take account of matters subsequent to the making of the application.

5.—(1) At any time after the date of sealing of a patent in the United Kingdom in respect of —

- (a) a substance capable of being used as food or medicine or in the production of food or medicine;
- (b) a process for producing any such substance; or
- (c) any invention capable of being used as or as part of a surgical or curative device,

Power to grant compulsory licences for patented inventions concerning food or medicine or a surgical or curative device.

and where the patent has been registered in Singapore and remains in force, the Registrar may, on application made to him by any person interested, order the grant to the applicant of a licence under the patent on such terms as he thinks fit, unless it appears to him that there are good reasons for refusing the application.

(2) The Registrar shall not order the grant of a licence under subsection (1) if the patentee satisfies him that he has already established an industry in Singapore for the making of the food, medicine or surgical or curative device to which the patent relates or that he is likely to do so in the near future.

(3) In settling the terms of licences under this section the Registrar shall endeavour to secure that food, medicine and surgical and curative devices shall be available to the public at the lowest prices consistent with the patentee's deriving a reasonable advantage from his patent rights.

(4) A licence granted under this section shall entitle the licensee to make, use, exercise and vend the invention as a food or medicine, or for the purposes of the production of food or medicine or as part of a surgical or curative device, but for no other purposes.

(5) An application under this section may be made notwithstanding that the applicant is already the holder of a licence under the patent.

6.—(1) Where the Registrar is satisfied, on application made under section 3 or 5 that the manufacture, use or sale of materials not protected by the patent is unfairly prejudiced by reason of conditions imposed by the patentee upon the grant of licences under the patent, or upon the purchase, hire or use of the patented article or process, he may, subject to the provisions of those sections, order the

Provisions as to licences under section 3 or 5.

grant of licences under the patent to such customers of the applicant as he thinks fit as well as to the applicant.

(2) Where an application under section 3 or 5 is made by a person being the holder of a licence under the patent, the Registrar may, if he makes an order for the grant of a licence to the applicant, order the existing licence to be cancelled, or may, if he thinks fit, instead of making an order for the grant of a licence to the applicant, order the existing licence to be amended.

(3) Where on an application under section 3 or 5 the Registrar orders the grant of a licence, he may direct that the licence shall operate —

- (a) to deprive the patentee of any right which he may have as patentee to make, use, exercise or vend the invention or to grant licences under the patent; and
- (b) to revoke all existing licences in respect of the invention.

(4) The licensee under any licence granted in pursuance of an order under section 3 or 5 shall (unless, in the case of a licence the terms of which are settled by agreement, the licence otherwise expressly provides) be entitled by notice in writing to call upon the patentee to take proceedings to prevent any infringement of the patent; and if the patentee refuses or neglects to do so within two months after being so called upon, the licensee may institute proceedings for the infringement in his own name as if he were the patentee making the patentee a defendant:

Provided that a patentee so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

Revocation
of patent.

7.—(1) Where an order for the grant of a licence under a patent has been made in pursuance of an application under section 3, any person interested may, at any time after the expiration of two years from the date of that order, apply to the Registrar for the revocation of the patent upon any of the grounds specified in section 3 (2); and if upon any such application the Registrar is satisfied —

- (a) that any of those grounds are established; and
- (b) that the purposes for which an order may be made in pursuance of an application under section 3

could not be achieved by the making of any such order as is authorised to be made in pursuance of such an application,

he may order the patent to be revoked.

(2) An order for the revocation of a patent under this section may be made so as to take effect either unconditionally or in the event of failure to comply, within such reasonable period as may be specified in the order, with such conditions as may be imposed by the order with a view to achieving the purposes aforesaid; and the Registrar may, on reasonable cause shown in any case, by subsequent order extend any period so specified.

8.—(1) Every application under section 3, 5 or 7 shall specify the nature of the order sought by the applicant and shall contain a statement (to be verified in such manner as may be prescribed) setting out the nature of the applicant's interest and the facts upon which the application is based.

Procedure on application under section 3, 5 or 7.

(2) Where the Registrar is satisfied, upon consideration of any such application, that a prima facie case has been made out for the making of an order, he shall direct the applicant to serve copies of the application upon the patentee and any other person appearing from the Register of Patents to be interested in the patent in respect of which the application is made, and shall advertise the application in the *Gazette*.

(3) If the applicant and the patentee have agreed upon the terms and conditions of a licence to be granted under the patent, the Registrar may order the grant of a licence to the applicant on those terms and conditions.

(4) In any case where the applicant and the patentee are in substantial agreement as to the terms and conditions for the grant of a licence under the patent but have not agreed as to the amount of royalty or compensation payable to the patentee, the Registrar may, if he thinks fit, order the grant of a licence to have effect pending any agreement between the parties or the decision of the Registrar on the royalty or compensation payable.

(5) The patentee or any other person desiring to oppose the application may, within such time as may be prescribed or within such further time as the Registrar may on

application (made either before or after the expiration of the prescribed time) allow, give to the Registrar notice of opposition.

(6) Any such notice of opposition shall contain a statement (to be verified in such manner as may be prescribed) setting out the grounds on which the application is opposed.

(7) Where any such notice of opposition is duly given, the Registrar shall notify the applicant, and shall, subject to the provisions of section 9, give to the applicant and the opponent an opportunity to be heard before deciding the case.

Reference to
authority
appointed by
Minister.

9.—(1) Where any such application is opposed in accordance with section 8, and either —

(a) the parties consent; or

(b) the proceedings require a prolonged examination of documents or any scientific or local investigation which cannot in the opinion of the Registrar conveniently be made before him,

the Registrar may at any time order the whole proceedings, or any question or issue of fact arising therein, to be referred to an authority appointed by the Minister.

(2) The appointed authority to whom any reference is made by the Registrar under subsection (1) shall report to the Registrar the findings of the authority.

(3) The expenses of and incidental to a reference to an authority under subsection (1) shall, in default of agreement between the parties, be borne equally by the parties to the reference.

Royalty or
compensa-
tion payable.

10. Where a licence has been granted under section 3 or 5 and the patentee and the licensee are unable to agree within a reasonable time on the amount of royalty or compensation to be reserved to the patentee under the licence, the Registrar shall determine the royalty or compensation payable, but in no case shall the Registrar fix a royalty or compensation payable to the patentee under the licence exceeding 10% of the net ex-factory sale price in bulk of the patented article, to be determined in such manner as may be prescribed.

11. On the application of the patentee or of the licensee or of any person interested a licence granted under section 5 may be amended or cancelled by the Registrar on such terms and conditions as he may think fit, but before cancelling a licence the Registrar shall give a reasonable time to the licensee to cease working the invention if it appears to him that an immediate stoppage would cause serious damage to the licensee.

Amendment and cancellation of licence granted under section 5.

12. Any order made under this Act for the grant of a licence shall, without prejudice to any other method of enforcement, have effect as if it were a deed, executed by the patentee and all other necessary parties, granting a licence in accordance with the order.

Effect of order granting compulsory licence.

13.—(1) Notwithstanding anything in this Act or in any other written law, the rights conferred by a patent shall not be deemed to be infringed by the making, importation or obtaining by or on behalf of the Government of any patented medicine or drug for distribution and use in any dispensary, hospital or other medical institution maintained by or on behalf of the Government or in any dispensary, hospital or medical institution which may be specified by the Minister by notification in the *Gazette*.

Rights conferred by patent not deemed to be infringed by Government of patented medicine or drug for Government hospitals.

(2) When any patented medicine or drug is made, imported or obtained in the circumstances set out in subsection (1), the Minister shall cause a notice in such form and containing such particulars as he thinks fit to be published in the *Gazette* notifying the patentee as soon as practicable of such making, importation or obtaining.

(3) The Government shall furnish the patentee with such information as to the extent of the making, importation or obtaining as he may from time to time require.

(4) Any making, importation or obtaining of a patented medicine or drug for the purposes aforesaid shall be made upon such terms as may be agreed upon, either before or after the making, importation or obtaining, between the Government and the patentee, or, in default of agreement, as may be determined by the Registrar on a reference to him.

(5) On a reference made to him under subsection (4), the Registrar may determine the royalty or compensation

payable to the patentee in respect of the making, importation or obtaining by or on behalf of the Government of the patented medicine or drug but such royalty or compensation shall in no case exceed 5% of the net ex-factory sale price in bulk of the patented article to be determined in such manner as may be prescribed.

Appeal from Registrar.

14.—(1) The Chief Justice may nominate a Judge of the Supreme Court to constitute the Appeal Tribunal under this section.

(2) An appeal shall lie to the Appeal Tribunal from any order made by the Registrar and the decision of the Appeal Tribunal shall be final.

(3) On any appeal under this section the Attorney-General or such other counsel as he may appoint shall be entitled to appear and be heard.

(4) The Appeal Tribunal may examine witnesses on oath and administer oaths for that purpose.

(5) Upon any appeal under this section the Appeal Tribunal may by order award to any party such costs as the Appeal Tribunal may consider reasonable and direct how and by what parties the costs are to be paid.

(6) Upon any appeal under this section the Appeal Tribunal may exercise any power which could have been exercised by the Registrar in the proceeding from which the appeal is brought.

(7) An appeal to the Appeal Tribunal under this section shall not be deemed to be a proceeding in the High Court.

Power to vary Schedule.

15. The Minister may from time to time by order amend, vary, delete or add to the Schedule.

Rules.

16.—(1) The Minister may make such rules as may be necessary or expedient to carry out the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), the Minister may make rules —

(a) to regulate the procedure to be followed in connection with any proceeding before the Registrar;

(b) to regulate the procedure to be followed in connection with any proceeding before the Appeal Tribunal;

- (c) to provide for the appointment of scientific advisers to assist the Appeal Tribunal and for their remuneration;
- (d) to prescribe the manner in which royalty or compensation payable to the patentee shall be determined;
- (e) to prescribe the fees which may be payable under this Act; and
- (f) to prescribe any other matter which has to be or may be prescribed.

THE SCHEDULE

Section 3 (1).

CLASSES OF PATENTS

1. Sheet metal; metal tubes; wire.
2. Glass; mineral and slag wool.
3. Textiles and paper:

Textiles

Natural and artificial threads and fibres.

Spinning.

Weaving.

Braiding; lace-making; machine knitting; trimmings; non-woven fabrics.

Sewing; embroidery.

Bleaching; washing; dyeing; finishing and printing of textiles; dyeing and bleaching of leather; bed feathers; wallpaper; floor coverings.

Ropes; cables (non-electric).

Paper

Paper making; production of cellulose.

4. Fixed Construction:

Building

Locks; keys; window and door fittings; safes.