

Ministerial Regulations

No. 25 (B.E. 2542)

Issued under the Patent Act B.E. 2522

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By virtue of the power granted under Sections 4, 39 (1), 41 paragraph one, 42, and 65 of the Patent Act B.E. 2522 Section 39 (1) paragraph two of the Patent Act B.E. 2522 as amended by the Patent Act (No.2) B.E. 2535 and Section 65 decies of the Patent Act B.E. 2522 as amended by the Patent Act (No.3) B.E. 2542, the Minister of Commerce issues the Ministerial Regulations as follows:

Clause 1 The Ministerial Regulations No. 15 (B.E. 2535) issued under the Patent Act B.E. 2522 shall be repealed.

Clause 2 In these regulations,

“Patent licence” means an agreement whereby the patentee licenses under Section 38 or Sections 65 and 38 a licence to exercise the rights under Sections 36 and 37 or Section 65 and 37, as the case may be, for a fixed period of time whether or not remuneration or provisions relating to other matters are included,

“Petty Patent Licence ” means an agreement whereby the owner of a petty patent licenses under Sections 65 decies and 38 a licensee to exercise the rights under Sections 65 decies and 36 and 37 for a fixed period of time whether or not remuneration or provisions relating to other matters are included,

“Licensee” means a person who has been licensed to exercise rights under a patent licence or a petty patent licence,

“Law on competition” means the law on pricing of goods and services, competition or anti-monopoly law or the prevention of unfair competition.

Clause 3 Whether or not a condition, restriction or remuneration in a patent licence or a petty patent licence is unjustifiably anti-competitive shall be considered on each individual case of such

a licence by examining the purpose or intent of the parties whether they intend to cause unfair competition and the consequences derived or may derive from such a condition, restriction or remuneration and taking into account the judicial decisions, decisions of the Board of Patents and decisions of the committees appointed under the law on competition.

Where it appears to the Director-General that any patent licence or petty patent licence contains any of the following conditions, restrictions or remuneration, he shall consider whether or not such condition, restriction or remuneration is unjustifiably anti-competitive pursuant to Section 39 (1), Sections 65 and 39 (1) or Sections 65 decies and 39 (1), as the case may be, by applying the criteria prescribed in the first paragraph:

(1) a requirement that the licensee shall obtain all or part of the material to be used in production from the patentee, the owner of a petty patent or from the distributor, designated or licensed by the patentee or the owner of a petty patent, whether or not such materials are obtained for value, unless it is proved that the requirement is necessary for the effective working of the patent and the calculated value is no higher than the price of materials of comparable quality obtainable from other sources;

(2) a prohibition against the licensee obtaining all or part of the materials to be used in production from sellers designated by the patentee or the owner of a petty patent, as the case may be, unless it is proved that except for such prohibition the working of the patent or petty patent would be ineffective or the materials cannot be obtained from other sources;

(3) a condition or restriction on the licensee concerning the employment of persons for manufacturing in which the licensed invention or design is used unless it is proved such requirement is necessary for the effective working of the patent or petty patent;

(4) a requirement that the licensee shall sell or distribute more than half his production to the patentee or persons designated by the patentee or the owner of the petty patent;

(5) a requirement that the patentee shall appoint the patentee, the owner of the petty patent or persons designated by the patentee or the owner of the petty patent as the seller or distributor of all or part of his production;

(6) a restriction on the quantity of production, sale or distribution of the licensee's products;

(7) a prohibition on the export of the licensed products for sale or distribution in another country or a requirement that the licensee shall seek an authorization from the patentee or the owner of the petty patent before the export of the licensed product for sale or distribution in another country unless the patentee or the owner of the petty patent is also the patentee or the owner of the patent in such country and has exclusively licensed another person to sell or distribute the patented products in such country prior to the entering of the licence agreement with the licensee;

(8) a condition or restriction on the licensee concerning study, research, experimentation, analysis or development of the invention or industrial design;

(9) a condition or restriction on the licensee on the use of inventions or industrial designs of others apart from the licensed invention or industrial design;

(10) a requirement that the patentee or the owner of the patent shall have authority in fixing the selling price or marketing of the products manufactured;

(11) an exclusion or limitation of the liability of the patentee or the owner of the patent for defects in the licensed invention or product design not easily checked at the time of entering the license agreement;

(12) fixing the remuneration for the licence which is excessive or unfair when compared with the rates prescribed in the patentee's license agreements with other licensees;

(13) other conditions in violation of the law on competition.

Clause 4 The following condition, restriction or remuneration shall be regarded as being unjustifiably anti-competitive regardless of the criteria prescribed in Clause 3:

(1) a requirement that the licensee shall use other invention or design of the patentee or the owner of the petty patent with remuneration for such use, unless it is proved that the requirement is necessary for the effective working of the patent or petty patent or the invention or design cannot be obtained from any other source in the country and the remuneration is suitable with the benefits from such invention or design;

(2) a prohibition that the licensee shall not challenge or raise a defense that the patent is invalid pursuant to Section 54 or 64 or the petty patent is invalid pursuant to Section 65 novies or Section 77 octies;

(3) a requirement that the licensee shall disclosed to the licensor any improvement of the licensed invention or design or allow the patentee to exclusively exploit such improved invention or design without providing for appropriate compensation for such exploitation;

(4) a requirement that the licensee shall pay remuneration for the use of the licensed invention or design after the expiry of the patent or petty patent;

(5) a requirement that the licensee shall be subject to such a condition, restriction or remuneration regarded as being unjustifiably anti-competitive by the court, the Board of Patents or the committees appointed under the law on competition.

Clause 5 In applying for the registration of a patent licence or a petty patent licence, the patentee or the owner of the patent shall submit an application in the form prescribed by the Director-General together with the licence to the competent officer or send by a registered mail to any of the following places:

(1) The Department of Intellectual Property, Ministry of Commerce;

(2) Any provincial commercial office or governmental office prescribed by the Director-General.

In filing the application under the first paragraph, the patentee or the owner of the petty patent who does not reside in the country shall appoint an agent registered with the Director-General to act on his behalf by submitting a power of attorney with the application as follows:

(1) In the case where the appointment is done in a foreign country, the power of attorney shall be certified by a competent officer of the Thai embassy or consular office or head of the office attached to the Thai Ministry of Commerce in such country or any officer designated to act on behalf of the officer or certified by a person empowered by the law of such country to certify signatures; or

(2) In the case where the appointment is done in Thailand, a copy of the passport or certificate of temporary residence or other evidence to prove to the Director-General that the applicant is actually in Thailand when such appointment is done.

In the case where the patentee or the owner of the patent resident of Thailand wants to appoint another person to file the application on his behalf may appoint an agent registered with the Director-General by submitting his power of attorney with the application

Clause 6 In applying for the registration of the assignment of a patent or a petty patent, the assignee shall submit an application in the form prescribed by the Director-General together with the assignment agreement to the competent officer or send by a registered mail to the competent officer at any of the following places:

- (1) the Department of Intellectual Property, Ministry of Commerce;
- (2) any provincial commercial office or governmental office prescribed by the Director-General.

In applying for the registration of the transfer of a patent or petty patent by succession, the heir of the patentee or the or the owner of the patent shall submit an application in the form prescribed by the Director-General together with the evidence of inheritance prescribed in the notifications of the Department of Intellectual Property to the competent officer or send by a registered mail to the competent officer at any of the following places:

- (1) the Department of Intellectual Property, Ministry of Commerce;
- (2) any provincial commercial office or governmental office prescribed by the Director-General.

In filing the application under paragraph one or two and the applicant wants to appoint another person to act on his behalf, the provisions of Clause 5 paragraph two or three shall apply *mutatis mutandis*.

Clause 7 In considering the application for recordal under Clause 5 or 6, if the competent officer finds an application is not in order or the evidence is not complete, he shall notify the applicant to amend the application or submit additional document or things or may summon the applicant or agent to give additional statements.

If the applicant fails to comply with the order of the competent officer under the first paragraph within ninety days following the receipt of such order, he shall be deemed to have abandoned the application. In case of necessity, the Director-General may extend such period as he deems appropriate.

When the competent officer has examined the application and thinks it completely complies with Clause 5 or 6, he shall submit his report to the Director-General.

Clause 8 If the Director-General finds that the application for recordal of a patent licence or petty patent licence and supporting evidence is in order and complete under Clause 5 and the term of licence agreement are not contrary to the provisions of Section 39, Sections 65 and 39, Section 65 decies and 39 or other law, he shall direct that it shall be recorded . If the Director-General finds that the application or evidence is not in order or is not complete, he shall give an order refusing recordal

In the event the Director-General finds that any provision of a patent licence or petty patent licence is contrary to the provisions of Section 39, Sections 65 and 39, Section 65 decies and 39 or other law, the matter shall be referred to the Board for consideration under Section 1 paragraph two, Sections 65 and 41 paragraph two or Section 65 decies and 41 paragraph two, as the case may be.

If the Director-General finds that an application to record an assignment or inheritance of a patent or petty patent and supporting evidence is in order and complete under Clause 6, he shall direct that it to be recorded. If the Director-General finds that the application or supporting evidence is incomplete, he shall give an order to refuse such recordation.

The competent officer shall, without delay, inform the applicant of the Director-General's order to record or not to record.

Clause 9 If the documents submitted under these Ministerial Regulations are in a foreign language, the shall be accompanied by a translation into Thai certified correct by the translator.

Given on September 24, 1999

(sign) Paitoon Kaewtong

(Mr.Paitoon Kaewtong)

Deputy Minister of Commerce

Acting for the Minister of Commerce