

Law N° 17.164, on Invention Patents, Utility Models, and Industrial Designs.

• TITLE I. PRELIMINARY DISPOSITIONS	2
• TITLE II. PATENT OF INVENTION	3
• CHAPTER 1. PATENTABILITY	3
• CHAPTER 2. TITLE TO PATENT REGISTRATION	4
• Section I. Patentee	4
• Section II. Inventions made during a labor relation	4
• Section III. Term of protection	5
• CHAPTER 3. REQUIREMENTS AND STEPS TO BE TAKEN FOR THE GRANT OF PATENT CERTIFICATES	5
• CHAPTER 4. RIGHTS GRANTED BY PATENTS EXCEPTIONS, LIMITS AND EXPIRATION THEREOF	7
• Section I. Rights Granted	7
• Section II. Transfer of Patents	7
• Section III. Exceptions, Extent and Expropriation of Granted Rights	8
• Section IV. Nullity, expiration and waiver	9
• CHAPTER 5. LICENSES AND OTHER USES	10
• Section I. Conventional Licenses	10
• Section II. License Offer	10
• Section III. Compulsory licenses and other uses granted without the authorization of the patentee	11
• Paragraph I. Licenses and other uses on the grounds of failure to work	11
• Paragraph II. Compulsory licenses and other uses granted without the authorization of the patentee on the grounds of public utility ...	11
• Paragraph III. Compulsory Licenses and other uses granted without the authorization of the patentee on the grounds of unfair competition	12
• Paragraph IV. Other compulsory licenses and other uses without the authorization of the patentee	12
• Paragraph V. Dependent Patents	13
• Paragraph VI. General provisions and proceedings	14
• TITLE III. UTILITY MODELS PATENTS	16
• TITLE IV. INDUSTRIAL DESIGNS PATENTS	16
• CHAPTER 1. PROTECTION REQUIREMENTS, CONDITIONS AND EXTENT	17
• CHAPTER 2. PROCEEDINGS	18
• TITLE V. ACTIONS AND PENALTIES FOR THE INFRINGEMENT OF PATENTS	18
• CHAPTER 1. ADMINISTRATIVE AND CIVIL PROCEEDINGS	18
• CHAPTER 2. PENAL PROVISIONS	19
• TITLE VI. REGISTERS AND ADVERTISING	20

• CHAPTER 1. PATENT REGISTER	20
• CHAPTER 2. REGISTER OF PATENT ACTIONS AND CONTRACTS	20
• TITLE VII. TECHNOLOGY TRANSFER	20
• TITLE VIII. TAX REGULATIONS AND FEES	20
• TITLE IX. GENERAL DISPOSITIONS	21
• TITLE X. JURISDICTIONAL, PROVISIONAL AND FINAL PROVISIONS	22
• CHAPTER 1. JURISDICTIONAL PROVISIONS	22
• CHAPTER 2. PROVISIONAL CLAUSES	22
• CHAPTER 3. SPECIAL PROVISIONAL CLAUSES AS DEVELOPING COUNTRY	23
• CHAPTER 4. FINAL PROVISIONS	23

Date: September 2, 1999

Let the rights and obligations regarding invention patents, utility model and industrial designs be hereby regulated

The Senate and the Chamber of Representatives of the Republic of Uruguay met in General Assembly DECREE:

TITLE I. PRELIMINARY DISPOSITIONS ➔

ARTICLE 1- This Law regulates the rights and obligations regarding invention patents, utility models and industrial designs according to the public interest and national development targets in the different areas thereof.

ARTICLE 2- The moral rights of the inventors and designers to be recognized as authors of his/her intentions and creations is inalienable and imprescriptible and shall inure to the benefits of their heirs.

Patrimonial rights derived from inventions, utility models and industrial designs shall be protected by the grant of patents. Said granted rights shall be certified by the corresponding patent certificates

The inventor shall be mentioned as such in the patent certificate and in the publications and official documents related thereto, unless the corresponding waiver thereof is filed by the patentee in writing.

Any agreement--dated before the patent application is duly filed--by which the inventor waives his right to be mentioned in the corresponding patent certificate, shall be null and void.

ARTICLE 3- The right granted to the inventor or designer by virtue of a patent enters into force as from the issuing of the resolution granting such patent, notwithstanding the right of priority and those rights derived from the filing of the corresponding application.

ARTICLE 4- The State Government does not guarantee the newness nor the worth of patented inventions and is not liable for the capacity as inventor of the patentee.

ARTICLE 5- National or foreign physical or legal persons may be patentees of those patents regulated hereof.

ARTICLE 6- Those provisions regarding national treatment and right of priority established in international treaties ratified by the country as far as patents are concerned shall be applied in the same conditions to nationals of those States being a party to said treaties and to those persons who, by operation of law, are to be treated in the same manner as nationals of these countries.

ARTICLE 7- In the absence of international agreements foreigners shall have the same rights as nationals. The Executive Power shall be entitled to limit the application of this provision to nationals of those countries granting suitable reciprocity or to persons who, by operation of law, are to be treated in the same manner as nationals of said countries.

TITLE II. PATENT OF INVENTION ➔

CHAPTER 1. PATENTABILITY ➔

ARTICLE 8- New inventions of products or proceedings entailing an inventive activity and having industrial applicability are deemed patentable inventions.

ARTICLE 9- The invention is deemed novel when it is not within the state of the art.

By state of the art it is meant the know-how that has been made known to the public before the application filing date or, if this is the case, before verified priority, through an oral or written description or by any other means, within the country or abroad, so that said know-how can be executed.

The contents of an already filed application whose corresponding steps are being taken in the country, with a filing date or, if this is the case, with a priority date, prior to the date of the application under examination, shall also be considered within the state of the art, providing said contents will be kept in the first application when published.

ARTICLE 10- Novelty shall not be affected by the disclosure of the invention made within the term of one year before the filing date of the application or the invoked priority, providing said disclosure comes directly or indirectly from actions performed by the inventor as well as by his/her heirs or by third parties, based on information obtained directly or indirectly from said inventor.

ARTICLE 11- An invention entails inventive activity when said invention cannot be obviously deducted from the state of the art by a subject matter expert.

ARTICLE 12- An invention is deemed to have industrial applicability when object thereof can be used in the industry, understanding the latter in its widest meaning.

ARTICLE 13- The following shall not be deemed inventions under the provisions hereof:

Discoveries, scientific theories and mathematical methods.

Plants and animals, with the exception of microorganisms, as well as essentially biologic processes for the production of plants or animals, with the exception of non-biologic or

microbiologic processes.

Schedules, plans and rules of the game as well as commercial, accounting, financial, educational, advertising, draw and supervision principles or methods.

Literary or artistic works or any other aesthetic creation as well as scientific works.

Computing programs considered as isolated items.

Different manners of reproducing information

Biological and genetic material, as found in Nature

ARTICLE 14- The following are not deemed patentable inventions:

Diagnosis, therapeutic and surgical methods for the treatment of persons or animals.

Those inventions contrary to public order, socially accepted manners, public health, population nutrition, security and environment.

ARTICLE 15- Already patented products or processes comprised within the state of the art -under the provisions hereof- shall not be the object of a new patent on the grounds of entailing a different use from the use comprised in the initial patent.

CHAPTER 2. TITLE TO PATENT REGISTRATION ➡

Section I. Patentee ➡

ARTICLE 16- The title to the patent registration shall be vested on the inventor or his/her heirs and may be transferred by inter vivos action or on death of the previous owner.

If many persons make the same invention independently from one another, the patent shall be granted to the first person who files the application or to the person who invokes the priority granted first to the said invention or to his/her successors in title.

Section II. Inventions made during a labor relation ➡

ARTICLE 17- Whenever an invention is made in the performance of a labor or service contract whose total or partial purpose is the research activity the title to the patent resulting from said research shall be vested on the employer, unless otherwise provided.

Whenever the personal contribution to the invention on the part of the employee and the importance of the said contribution to the company are obviously in excess of the explicit or implicit contents of the contract or the labor relation, the employee shall be entitled to a supplementary remuneration.

ARTICLE 18- Whenever the employee makes an invention related to his/her professional activity in the company and attainment thereof is mainly due to the knowledge acquired in or the utilization of means provided by the company, and the research activity is not within the employee's duties, said employee shall communicate the fact in writing to his/her employer.

If the employer notifies his/her interest in the invention in writing and within the term of ninety days, the title to the patent registration shall be vested on both.

Any invention whose patent application is filed within the term of one year as from the cancellation of the labor contract shall be deemed to have been developed during the labor relation.

ARTICLE 19- Inventions made during a labor relation and not comprised in the previous articles shall exclusively belong to the author thereof.

ARTICLE 20- Any contractual provision less favorable to the inventor than the ones herein provided shall be void and null.

Section III. Term of protection ➡

ARTICLE 21- Invention patents shall be in force during the term of twenty years as from the application date.

CHAPTER 3. REQUIREMENTS AND STEPS TO BE TAKEN FOR THE GRANT OF PATENT CERTIFICATES ➡

ARTICLE 22- Applications for the registration of invention patents shall include the following:

Name of the inventor and name of the applicant with the corresponding address.

Classification of the applied patent.

Title of the invention

Clear and complete description of the invention.

One claim or more than one.

Summary of the invention.

Reference to fees payment.

Date, country and number of the invoked priority application, when proper.

Documents certifying assignment of rights, when proper.

ARTICLE 23- Whenever the preliminary formal examination of an invention patent application reveals that the same does not comply with the requirements mentioned in the previous article but it includes the identification of the applicant, the description of the object and the corresponding claims, the applicant shall be granted a stated term to comply with said requirements. Said term, whose maximum extension shall be established in the regulations hereof, shall not exceed ninety days. If the corresponding requirements are duly met within the stated term the application shall maintain the same filing date. On the other hand, default in the fulfillment of said requirements within the stated term shall be deemed as the abandonment of the application.

ARTICLE 24- Whenever a foreign priority is claimed according to paragraph D), article 4th of the Paris Convention for the Protection of the Industrial Property (Decree-Law N° 14.910 dated July 19, 1979), the applicant shall be granted a term of ninety days to add a certified copy of the application and the filing date, issued by the corresponding authority of the country where said application was filed. Failure to file said certification shall entail the loss of the right of priority.

ARTICLE 25- In the event of applications regarding microorganisms, the filing of the biologic material required for the description of the corresponding object shall be done before the institutions authorized by the Industrial Property Office of the Ministry of Industry, Energy and Mining until the ratification of international agreements regarding the matter.

ARTICLE 26- Once the required formalities and steps are duly complied with the patent application shall be published in the Industrial Property Gazette after the term of eighteen days as from the day following the filing date or the day following the priority date, as appropriate.

The publication may be done earlier, at the request of the applicant.

ARTICLE 27- Applications for the registration of invention patents, utility models or industrial designs may, at the request of the interested party and with the agreement of the Examining Office, become in another patent class before the corresponding resolution is issued.

ARTICLE 28- In those cases provided for in the previous article the applicant shall make a new publication of the application which shall maintain the filing date of the original application.

When the conversion is applied for the corresponding fees are to be paid.

ARTICLE 29- The application for a patent registration shall comprise only one invention or several inventions, providing said inventions are mutually related so that they integrate an only inventive concept.

When the examination of an application reveals that it does not comply with the above mentioned requirement, the applicant shall divide said application in as many divisional applications as necessary.

Divisional applications shall preserve the same filing date as the original.

ARTICLE 30- Applications for the registration of patents shall not be modified except in the following cases:

To correct mistakes in data, text or graphic expressions

To clarify, specify, limit or restrict object thereof.

Whenever modifications are deemed appropriate by the technicians in charge of the examination.

No modification, correction or clarification shall be allowed whenever the same entails an extension of the information contained in the original application.

ARTICLE 31- Any third interested party shall be entitled to file a well-founded opposition to the patent application within a strict time limit to be fixed by the regulations hereof. Said term shall be deemed to start as from the publication date. The filing of oppositions shall not entail the stay of the proceedings and the party filing them shall not become a party to said proceedings.

ARTICLE 32- A thorough examination of the application shall be carried out to determine if the applied invention meets the patentability requirements and conditions herein provided.

With the above mentioned purpose, the following actions may be taken:

Require the applicant the filing of a copy of the search for anteriorities, thorough examinations and further documentation to which he/she may have access.

Apply for the advisory opinion of institutions developing scientific and technological activities.

Resort to patent documents, search and exam reports and similar documents, issued by other patent offices.

Any remark resulting from the thorough examination shall be filed in only one act, except when new or subsequent elements arise which may affect patentability.

The applicant shall be granted a strict time limit to be fixed by the regulations hereof to answer the opposition.

ARTICLE 33- Once all the requirements provided for herein are duly complied with resolution shall be taken regarding the grant of the patent registration and the corresponding patent certificate shall be issued, when applicable.

CHAPTER 4. RIGHTS GRANTED BY PATENTS EXCEPTIONS, LIMITS AND EXPIRATION THEREOF ➡

Section I. Rights Granted ➡

ARTICLE 34- Patents grant to the patentee the right to prevent third parties from executing the following actions without his/her authorization:

When the patent has been granted for a product: to manufacture, offer, sell or use said product or to import or store said product with any of the mentioned purposes.

When the patent has been granted for a process: use said process or execute any of the actions mentioned in paragraph A) regarding those products obtained by means of said process.

ARTICLE 35- The extent of the protection granted by a patent is determined by the claims thereof which shall be construed according to the description and the corresponding drawings.

Section II. Transfer of Patents ➡

ARTICLE 36- Rights derived from the ownership of a patent or an application for the

registration of a patent may be transferred or assign by the patentee or his/her heirs, either totally or partially, by succession or inter vivos action. These actions shall be valid against third parties upon their registration in the corresponding register.

ARTICLE 37- The payment of the corresponding fees in the event of partial transfer or assignment of a patent or application for the registration of a patent shall be on the patentee account unless otherwise agreed upon.

ARTICLE 38- Whenever several interested parties apply for the registration of a patent, transfer a patent or make a license agreement, they shall expressly state if they are joint-owners or partners. Without said statement the patent certificate shall not be granted and the transfer or contract shall not be registered.

Section III. Exceptions, Extent and Expropriation of Granted Rights ➡

ARTICLE 39- Rights granted by a patent shall not affect the following actions:

Those private actions performed with aims other than industrial or commercial, providing said actions do not cause an economic prejudice to the patentee.

Preparation of a medicine for an individual patient, under medical prescription and manufactured under the direction of a qualified professional.

Among other, those cases of preparation of a medicine under medical prescription, for an individual patient, manufactured under the direction of a qualified professional.

Those actions made exclusively with experimental aims, even the ones made for the preparation of a future commercial exploitation, carried out within the term of one year before the patent expiration.

Those actions targeted to educational as well as scientific or academic research aims.

Import or introduction of small volumes of goods with non-commercial aims which are part of the personal luggage of the passengers or are sent in small consignments.

ARTICLE 40- Once a patented product starts to be legally commercialized within the country or abroad by the patentee or by a third party with the patentee consent or otherwise legally authorized, said patentee shall not be entitled to prevent any person from using, importing or commercializing the patented product.

Those products or processes violating industrial property rights (Part III, Section 4, World Trade Organization ADPIC Agreement: Agreement on Trade Related Industrial Property Rights) shall not be considered as legally commercialized products.

ARTICLE 41- The patentee shall not be entitled to obstruct or hinder those actions carried out in good faith by third parties, even if said actions are not disclosed, providing said third parties were already manufacturing the product or using the process object of the invention or have performed formal preparations to carry out said manufacture, use or exploitation before the filing date of the application for the patent registration or the priority date.

Third parties shall be entitled to continue said actions to meet the company needs to the extent required by said needs and regarding the obtained products.

Said right shall only be transferred with the corresponding part of the company or of the company intangible assets beneficiary thereof.

ARTICLE 42- Inventions comprised in monopolies authorized to the State or to civil persons are nevertheless patentable. Industrial or commercial working thereof shall be carried out only upon agreement with the corresponding monopolist or after the monopoly is no longer in force.

ARTICLE 43- Rights to be derived from a patent application or an already granted patent may be expropriated by the State according to the relevant provisions.

Said expropriation may be limited to the right to use the application or the patent to meet State needs.

Section IV. Nullity, expiration and waiver ➔

ARTICLE 44- Patents shall be null and void:

When grant thereof violates the patentability conditions and requirements herein provided.

When description thereof is incomplete or inaccurate not allowing the full appraisal of the subject matter of the invention.

When claimed matter was not included in the original application, according to the provisions hereof.

ARTICLE 45- The grant of a patent to whom is not entitled to obtain it shall not be valid.

The corresponding opposition can be filed by the person stating to be the legitimate owner and shall prescribe in the term of five years as from the grant date or in the term of three years as from the date when the invention starts to be worked in the country, whichever term expires first.

ARTICLE 46- Whenever the opposition affects total or partially any of the patent claims the corresponding resolution shall be limited to said claim and the extent of said resolution shall be clearly stated, when applicable.

ARTICLE 47- The Industrial Property Office shall be the competent authority with jurisdiction on the matter and resolutions thereof may be contested according to the provisions of articles 317 and following ones of the Constitution of the Republic and provisions thereto.

ARTICLE 48- Lawfully granted patents shall expire in the following cases:

At the expiration of their agreed term of validity.

Upon default in the prompt and full payment of the corresponding annuities according to the provisions hereof.

ARTICLE 49- The patentee shall be entitled to waive his/her rights as such by filing a waiver in writing. Said waiver may be filed as regards the whole patent or as regards one or more than one of the patent claims.

CHAPTER 5. LICENSES AND OTHER USES ➔

Section I. Conventional Licenses ➔

ARTICLE 50- The patentee or the applicant for a patent registration shall be entitled to grant licenses for the working of the same. Said licenses shall be valid and in force against third parties upon registration thereof in the corresponding register.

ARTICLE 51- The following provisions shall be applied unless otherwise provided:

Licenses shall be valid and in force regarding all working or commercialization actions concerning the patent object, during the corresponding term of validity, throughout the territory of the country and regarding any and all applications of said object.

The licensee shall not be entitled to transfer or assign his/her license not even in the form of the grant of a sub-license.

Licenses shall not be exclusive. The licensee shall be entitled to grant other licenses for the working of the patent in the country or to work it him/herself.

Notwithstanding those rights granted by the patentee and upon the absence of initiative on the part of said patentee, the licensee shall be entitled to take the necessary measures to defend the patent.

ARTICLE 52- Let those clauses or conditions included in a license agreement and producing a negative effect in the competition or constituting unfair competition, or enabling an abuse on the part of the patentee or his/her dominant position in the market, be hereby prohibited.

Said clauses and conditions shall include the ones producing the following effects:

Effects detrimental to commerce.

Exclusive conditions of retrocession.

Impediments to opposition against the validity of dependent patents or licenses.

Limitation to the licensee in the commercial or industrial areas providing said limitation do not derive from the rights granted by the patent.

Limitation to the exportation of the product protected by the patent towards those countries with which there is an agreement to establish an economic and commercial integration zone.

Section II. License Offer ➔

ARTICLE 53- The owner of an invention patent domiciled in the country shall be entitled to authorize the working of his/her patent to any interested party with certified technical expertise and economic means to carry out an efficient working. The offered patent shall have the corresponding annuity reduced in half. The offer shall be regulated by those provisions governing conventional licenses, when applicable. Upon the lack of an agreement regarding the license remuneration any of the parties thereof shall be entitled to

resort to the proceedings provided for in articles 74 and 75 hereof.

Section III. Compulsory licenses and other uses granted without the authorization of the patentee ➡

Paragraph I. Licenses and other uses on the grounds of failure to work ➡

ARTICLE 54- Any interested party shall be entitled to apply for a compulsory license before the term of three years as from the patent grant or four years as from the application date, whichever term expires last, on the grounds of failure to work or failure to carry out effective and formal preparations thereto or when the working has been interrupted for more than one year, providing no force majeure circumstances have occurred.

Besides the force majeure circumstances recognized by law those objective and unavoidable difficulties of technical and legal character such as delays in public entities to issue authorizations, which are beyond the patentee control and hinder the working, are also deemed force majeure circumstances.

Working of patents comprises use, importation and any other commercial activity carried out as regards the object thereof.

To the corresponding effects the working of a patent carried out by a representative or licensee shall be deemed as carried out by the patentee.

Paragraph II. Compulsory licenses and other uses granted without the authorization of the patentee on the grounds of public utility ➡

ARTICLE 55- In particular situations which may affect public utility, national defense or security and economic, social and technological development of certain strategic sectors of the country as well as in cases of public health emergency and other similar circumstances of public interest, the Executive Power shall grant compulsory licenses or other uses by express resolution and without the authorization of the patentee. The extent and duration of said compulsory licenses or other uses shall be suitable and proper to the ends they were granted for.

ARTICLE 56- The right of the patentee may be limited according to the provisions of the previous article upon lack of or insufficient commercial supply to cover the internal market needs.

ARTICLE 57- In the event of the grant of compulsory licenses or other uses without the authorization of the patentee the corresponding notification of the application for a license or other use shall be sent to the patentee and to the patent licensee for the strict time limit of thirty days. Upon expiration of the mentioned term, if no express opposition is filed, the application shall be deemed to have been accepted.

ARTICLE 58- Any resolution granting a compulsory license or other use according to the above article shall provide for the permanent or provisional extent thereof and for the remaining aspects prescribed for compulsory licenses.

ARTICLE 59- Authorization to said uses may be denied for the safeguard of the suitable protection due to the legitimate interest of the persons to whom said authorization was granted providing the circumstances giving rise to said authorization have disappeared and they are not likely to reappear. Competent authorities shall be authorized to examine, upon duly founded application, if the corresponding circumstances still exist. .

Paragraph III. Compulsory Licenses and other uses granted without the authorization of the patentee on the grounds of unfair competition ➡

ARTICLE 60- The Industrial Property Office shall grant, by express resolution, compulsory licenses regarding patents whenever the competent authority, through an administrative or judicial process granting the patentee the corresponding right to legal defense and further guarantees, has determined that said patentee has incurred in unfair competition, abuse of the rights granted by the patent or his/her dominant position in the market.

ARTICLE 61- The situations provided for in the previous article include the following:

The fixing of prices comparatively in excess regarding the international mean market price of the patented product.

The existence of offers to supply the market at significantly minor prices than the ones offered by the patentee.

Refusal to supply the market suitably and regularly with the raw material or patented product, in reasonable marketing conditions.

Hindrance or prejudice affecting commercial or productive activities in the country.

Those acts limiting commerce in an unjustified manner or being prejudicial to technology transfer

ARTICLE 62- After more than two years as from the grant of the first compulsory license or other uses on the grounds of unfair competition or abuse of the rights granted by the patent, if the patentee persists in the actions or practices which gave rise to the compulsory license or other uses, the right of the patentee as such may be revoked ex-officio at the request of the interested party, after granting the patentee a strict time limit of thirty days to contest the action.

ARTICLE 63- Revocation of the patent or the license shall not affect those actions or contracts made for the exploitation of the patent during their corresponding term of validity neither shall it hinder the commercialization of the corresponding products.

Paragraph IV. Other compulsory licenses and other uses without the authorization of the patentee ➡

ARTICLE 64- Any interested party shall be entitled to obtain a compulsory license or other use without the authorization of the patentee when said interested party has required the patentee to celebrate a license agreement and was not able to celebrate said agreement in reasonable commercial conditions suitable for the country within the term of ninety days as from the corresponding requirement. In any of the above mentioned situations the Industrial Property Office shall grant the compulsory license or other uses without the authorization of the patentee once the interested party proves the following:

That said interested party has the technical expertise and the economic means to carry out the corresponding working. The technical expertise shall be evaluated by the competent authority, according to the specific provisions in force in the country regarding each field of the activity. By economic means it is meant the possibility of meeting those obligations arising from the working to be carried out.

That said interested party has an entrepreneurial infrastructure allowing he/she to contribute to the development of the market of the product object of the license at a

domestic level.

When the patent was granted for a raw material from which a final product is to be developed, that the said interested party is able to carry out said development by him/herself or through third parties within the country, except in those cases when production is not possible within the national territory.

When the technological sectors involved were not under protection by the entry into force of this law and the patent comprises raw material from which a final product is to be developed, the licensee shall covenant and agree to acquire said raw material, molecule or principle from the patentee or from the person indicated by the patentee, at the prices offered by the same in the international market, and the patentee shall covenant and agree to sell them in the suitable time and manner. Should there exist and special price for the patentee subsidiaries, said raw material, molecule or principle shall be offered to the licensee at said price.

The licensee shall be entitled to acquire the raw material from another supplier providing said supplier offers it at an at least 15% (fifteen per cent) minor price as regards the price offered by the patentee in the national territory. If this is the case, the licensee shall prove that the raw material acquired in this manner has been lawfully commercialized, within the country or abroad, by the patentee, by a third party with the patentee consent or by a lawfully qualified third party.

ARTICLE 65- To fix the remuneration provided for in the previous article the provisions of paragraph B), article 77 hereof shall be applicable.

ARTICLE 66- Compulsory licenses or other uses without the authorization of the patentee shall only be in force regarding all working or commercialization actions in connection with the object of the license during all the term of validity of the patent within the territory of the country and regarding any application thereof.

ARTICLE 67- Once a compulsory license is granted the patentee undertakes the obligation of providing all the required information for the exploitation of the object of the license such as technical knowledge, manufacturing documentation and analysis and verification techniques as well as to authorize the use of the patents relative to those components or manufacturing processes in connection with the patent which is the object of the license.

Groundless denial from the patentee to provide the technical knowledge and transfer the required technology to achieve the pursued aim or non-selling in the suitable time and manner of the raw material when the latter is the object of the patent shall entail the immediate loss of the corresponding royalties on the part of the patentee.

ARTICLE 68- The patent shall forfeit if after the term of two years as from the grant of the first compulsory license or other uses without the authorization of the patentee the object of the license cannot be exploited on the part of the compulsory licensee by reasons imputable to the patentee or his/her contractual licensee.

By "reasons imputable to the patentee" it is meant, amongst other things, denial to provide information or the authorization provided for in the previous article.

Paragraph V. Dependent Patents ➡

ARTICLE 69- Whenever the patented invention or utility model cannot be exploited in the country without violating a previous patent, the patentee or a licensee to any title thereof

shall be entitled to apply for the grant of a compulsory license regarding the other dependent patent as long as it is necessary to exploit the same and avoid violation thereof.

When the object of one of the patents is a product and the other's is a process both patents are deemed to be dependent from each other for the corresponding exploitation.

ARTICLE 70- The license or use without the authorization of the patentee whose aim is to allow the exploitation of a dependent patent shall be granted in the following conditions:

The invention claimed in the second patent shall entail a significant technological advance with a considerable economic importance regarding the invention claimed in the first patent.

The patentee of the first patent shall be entitled to obtain a cross-license under reasonable conditions to exploit the invention claimed in the second patent.

Assignment of the authorized use of the first patent shall include assignment of the authorized use of the second patent.

Paragraph VI. General provisions and proceedings ➔

ARTICLE 71- The interested party wanting to obtain a compulsory license or other uses shall certify that he/she has required the patentee to celebrate a license agreement and was not able to celebrate said agreement in reasonable commercial conditions suitable for the country within the term of ninety days as from the corresponding requirement.

This requirement shall not be compulsory in the event of national emergency or utmost urgency and in the event of non-commercial public use and unfair competition.

ARTICLE 72- The interested party wanting to obtain a compulsory license or other use without the authorization of the patentee shall have the technical expertise and the economic means as well as the entrepreneurial infrastructure allowing he/she to carry out the corresponding working.

ARTICLE 73- A compulsory license or other use without the authorization of the patentee shall not:

be granted with exclusive character,

be the object of a license,

be granted to the defaulter,

be assigned, except together with the company or such part thereof carrying out the exploitation of the object of the license.

ARTICLE 74- The patentee shall be granted a strict time limit of thirty days to answer the application for the compulsory license. Once this term is due, if no express opposition has been filed, the application shall be deemed as duly accepted by said patentee.

If an opposition is filed an Arbitration Board with full powers shall be appointed within the term of forty days. Said Board shall be made up of three arbitrators, one of them to be appointed by the patentee, the other by the applicant for the license and the third one by both parties, in common agreement. If any of the parties fails to appoint the corresponding

member or if the parties do not come to an agreement regarding the appointment of the third member, the Industrial Property Office shall appoint the third member within the term of ten days.

The Arbitration Board shall take a resolution as regards the denial or the granting of the said compulsory license as well as the extent, conditions and remuneration thereof, within a term not exceeding sixty days as from the appointment date.

ARTICLE 75- Within the term of the following thirty days, the Industrial Property Office shall take a well-founded resolution regarding the grant of the compulsory license in the conditions applied for by the applicant, the ones directly agreed by the parties, the ones arising from the arbitration or the ones considered by said Industrial Property Office in the event of the non-existence of the Arbitration Board resolution.

ARTICLE 76- The proceeding provided for in articles 74 and 75 hereof shall not govern those situations provided for in Paragraphs I and III of Section III of this Chapter.

ARTICLE 77- The resolution granting the license shall be issued regarding the following aspects:

The extent of the license, particularly specifying those actions excluded from the same.

The payment of the suitable remuneration by the licensee. The same shall be determined based on the extent and economic value of the exploitation of the invention object of the license, taking into account the royalty average for the corresponding sector in commercial license agreements between independent parts and further circumstances proper to each case.

The rights and obligations of each party thereto.

Those measures taken for the provision by the patentee of the industrial or commercial information required for the corresponding exploitation as well as the guarantees for the corresponding care and confidentiality on the part of the licensee.

The term fixed to start the exploitation of the object and the term within which the failure to work shall entail the license revocation.

Other necessary and advisable aspects for the patent exploitation and the license commercialization, fulfillment and control.

ARTICLE 78- The granted compulsory license can be modified through the proceeding established for the granting thereof when the patentee grants licenses in more advantageous conditions.

ARTICLE 79- The compulsory license and other uses without the authorization of the patentee can be revoked upon any of the following situations:

Failure to work by the licensee, once the term to start the exploitation and the term within which failure to work entails the license revocation, both fixed by the resolution granting the license, are due (paragraph E of article 77 hereof).

Unfair competition or abuse of the granted rights by the licensee.

Non-fulfillment of the terms governing the grant.

ARTICLE 80- The resolution granting a compulsory license or other uses without the authorization of the patentee shall be published and registered in the special register kept therefor.

TITLE III. UTILITY MODELS PATENTS ➔

ARTICLE 81- All new disposition or conformation obtained or introduced in tools, work instruments, utensils, devises, equipments or other already known objects entailing an improvement in their use or in the result of their function are deemed patentable utility models.

A utility model shall be deemed novel when it is not within the state of the art.

A utility model shall be deemed patentable if it implies at least a minimum inventive activity.

ARTICLE 82- The application for a utility model shall refer to only one object, although it may comprise two or more parts working as a unitary set. Several elements or aspects of said object may be claimed in the same application.

ARTICLE 83- The following shall not be protected through an application for a utility model patent:

Those changes in the shape, size, proportions or material of an object, unless said changes modify the object qualities or functions.

The mere substitution of elements by other elements already known as equivalent.

The processes.

The matter excluded from protection by invention patent under to the provisions hereof.

ARTICLE 84- Utility model patents shall be granted for the term of ten years as from the filing date of the application thereof.

Utility models' term of protection may be extended once by the term of five years.

Applications for said extensions shall be filed within one hundred and eighty days prior to the expiration of the term of protection. Said applications may be also filed within one hundred and eighty days following the expiration of the term of protection, subject to the payment of a 50% (fifty per cent) surcharge on the corresponding fees (article 117 hereof).

ARTICLE 85- Notwithstanding the provisions of this Title, utility models shall be governed by the provisions governing invention patents, when applicable.

TITLE IV. INDUSTRIAL DESIGNS PATENTS ➔

CHAPTER 1. PROTECTION REQUIREMENTS, CONDITIONS AND EXTENT ➔

ARTICLE 86- Any original creation with ornamental character that once incorporated or applied to an industrial or handcrafted product gives said product an special appearance is deemed a patentable industrial design.

Said ornamental character may derive from aspects such as the line, the outline, the configuration, the color, the texture or the material.

ARTICLE 87- The protection granted to an industrial design under the provisions hereof does not exclude or affect the protection due to the same design on account of other intellectual property systems.

ARTICLE 88- The patentee of an industrial design has the right to prevent third persons from manufacturing, selling, offering on sale, using, importing or storing without his/her authorization and with commercial aims any product with a design reproducing, being similar to or including his/her design or presenting slight differences with it.

The performance of some of the actions provided for in the previous article can also be impeded when the design reproduced or incorporated is applied to a type of fabric or product different from the ones specified in the patent.

ARTICLE 89- The following shall not be the object of an industrial design patent:

Those designs which have been the object of an application in the country with a prior filing date or priority date, providing they are published, and those whose contents have been disclosed or made available to the public, in any place, through publication, description, exploitation, commercialization, use or any other means, before the filing date or the priority date.

Those designs lacking original shape or aspect and presenting minor differences regarding the previous models or designs.

Those designs whose shape purpose is to achieve a technical effect or to meet requirements of technical character related to the function to be performed by the product.

Those designs lacking a specifically defined shape.

Those designs consisting only in a change in the color of already known designs.

Those designs entailing the performance of a work of art.

Those designs contrary to public order and socially accepted manners.

ARTICLE 90- Novelty shall not be affected by the disclosure of the invention made within the term of six months before the filing date of the application or the invoked priority, providing said disclosure comes directly or indirectly from actions performed by the inventor, his/her heirs or third parties.

ARTICLE 91- The application for the registration of an industrial design shall refer to only one object, although several elements, aspects or variations of the same may be claimed

providing they have the same main distinctive characteristics.

CHAPTER 2. PROCEEDINGS ➔

ARTICLE 92- The application for a design shall be made under the provisions of article 22 hereof with the following modifications:

The specifications and the claims shall not be filed if said requirement is not suitable to the design nature.

A graphic or photographic representation of the design shall be included to allow for the clear, complete and accurate knowledge of the same.

The minimum requirements provided for in article 23 hereof shall consist in the applicant identification and the graphic or photographic representation of the design.

ARTICLE 93- The application shall be examined to verify the fulfillment of the formal requirements provided for in the previous article.

ARTICLE 94- Once all due formalities and steps are duly complied with the application for a design patent shall be published in the Industrial Property Gazette after the term of two months as from the day following the filing date or the day following the priority date, as appropriate.

The publication may be done earlier, at the request of the applicant.

ARTICLE 95- Oppositions may be filed by any interested party or ex-officio, on the grounds of the non-fulfillment of the conditions and requirements for the grant of the protection. Said oppositions shall be filed within a strict time limit to be fixed by the regulations hereof. Said term shall be deemed to start as from the publication date. The filing of oppositions shall not grant to the party filing them the character of party to said proceedings.

ARTICLE 96- In the event of no opposition being filed or if the filed opposition have been dismissed and once all the formal requirements provided hereof are duly complied with the applied design patent shall be granted and the corresponding certificate shall be issued.

ARTICLE 97- The term of validity of the industrial design patent shall be of ten years as from the application filing date.

The patented industrial design may be extended only once by the term of five years. The application for the extension shall be filed within the term of one hundred and eighty days before the expiration of term of validity or after said expiration, by the payment of the corresponding surcharge.

ARTICLE 98- Notwithstanding the provisions of this Title, industrial designs shall be governed by the provisions governing invention patents, when applicable.

TITLE V. ACTIONS AND PENALTIES FOR THE INFRINGEMENT OF PATENTS ➔

CHAPTER 1. ADMINISTRATIVE AND CIVIL PROCEEDINGS ➔

ARTICLE 99- The patentee shall be entitled to file the corresponding actions against the one who violates the rights arising from the patent and shall also be entitled to claim for the recovery of damages on account of those actions performed between the patent application and the granting thereof.

The recovery of damages on account of those prejudicial actions performed as from the filing of the application may also be claimed in the event that the offender obtains knowledge of the patent contents, by any means, prior to the corresponding publication, taking into account the date when the exploitation starts.

When the right belongs to several patentees any of them may file the corresponding actions.

ARTICLE 100- Those persons commercializing or distributing products in infraction shall only be responsible for the resulting damages when there are certain and conclusive evidences that said persons were in conditions of knowing the infraction.

ARTICLE 101- In civil suits, when the object of a patent is a process to obtain a product, the judicial authorities shall have the power to order the defendant to prove that the process to obtain the product is different from the patented process, providing said product is new.

ARTICLE 102- In the event of infringement the licensee with registered license shall be entitled to file or perform the necessary legal actions or administrative measures to defend the rights deriving from the patent.

ARTICLE 103- The judicial authority has the power to adopt, ex-officio or at the request of the interested party, provisional or security measures according to the provisions of Title II of the General Code of Court Proceedings.

ARTICLE 104- The civil action for damages shall prescribe within the term of four years as from the date when the patentee get to know the infraction.

ARTICLE 105- When the applicant for the registration of a patent pretends to be the owner thereof to the prejudice of the real inventor or designer, the latter is entitled to apply for the transfer of said patent to him/her.

A co-inventor a co-designer or other co-holder of the patent right shall also be entitled to apply for said transfer regarding those rights corresponding to him/her.

The action for damages and the application for the transfer to the patentee shall prescribe in the term of five years as from the patent was granted or two years as from the patent started to be exploited in the country, whichever period expires first.

CHAPTER 2. PENAL PROVISIONS ➔

ARTICLE 106- Those violating any of the rights protected by invention patents, utility models or industrial designs shall be punished with six months in prison to three years under penitentiary arrest.

In any case, those objects manufactured in infraction and those tools predominantly used for the manufacturing shall be confiscated and destination thereof shall be decided in consultation with the Industrial Property Office.

ARTICLE 107- The penalty shall consist in fifteen months in prison to four years under penitentiary arrest whenever the following aggravating circumstances have occurred:

To have been a dependant from the patentee or the licensee.

To have obtained the knowledge on the special manners to perform the patented object from the patentee or the licensee.

TITLE VI. REGISTERS AND ADVERTISING ➔

CHAPTER 1. PATENT REGISTER ➔

ARTICLE 108- Patent registers are public and can be consulted by any interested party in the manners to be established by the regulations hereof.

ARTICLE 109- The patent application shall be kept in secret until its publication. Those applications dismissed or abandoned before the corresponding publication shall be also kept in secret.

CHAPTER 2. REGISTER OF PATENT ACTIONS AND CONTRACTS ➔

ARTICLE 110- The Industrial Property Office shall kept the register of the actions and contracts regarding the commercial or industrial exploitation of patents and the register of the actions or contracts modifying, affecting or limiting the rights derived from said patents.

Particularly, the following registers shall be kept:

Conventional licenses, license offers, compulsory licenses and other uses without the authorization of the patentee and further ones provided in Chapter V of Title II hereof as well as the corresponding modifications.

Seizures, prohibitions to innovate and further actions affecting the use or disposition of the patent rights.

Pledges and further rights limiting or being constituted on the patent rights.

TITLE VII. TECHNOLOGY TRANSFER ➔

ARTICLE 111- Let the register of contracts made with the object of technology transfer, research and development, franchise agreements and similar ones be hereby created. Said contracts shall be in force against third parties as from the corresponding registration.

TITLE VIII. TAX REGULATIONS AND FEES ➔

ARTICLE 112- Once the resolution granting the patent registration has been issued the corresponding fee shall be paid within the term of sixty days as from the notification of the resolution. The non-payment of said fee in due time and manner shall be deemed as the abandon of the application.

Annuities shall be paid for the maintenance of the patent rights. Said annuities shall be paid within the term of sixty days before each year is due.

Said term may be extended by six months as from the due date, subject to the payment of a 50% (fifty per cent) surcharge.

Failure to pay any of the annuities shall entail forfeiture of the patent.

ARTICLE 113- Those applications and further actions provided for herein shall pay those fees, prices or rights to be established in article 117 hereof. Regulations hereof may establish exonerations, discounts and payment systems in the following situations:

Cooperation agreements subscribed by the Industrial Property Office and other educational, development or research institutions or agencies.

Offerings of agreements or licenses to exploit the patent in the country.

In the event of inventors with short funds.

ARTICLE 114- Failure to pay the corresponding fees in due time and manner shall entail the filing of the actions.

ARTICLE 115- The Executive Power may grant a period of grace of six months for the payment of the fees for the maintenance of the industrial property rights. Said extensions shall be subject to the payment of the corresponding surcharges.

In the same manner, the restoration of those patents which have lapsed by reason of non-payment of fees may be provided.

In no case said restoration shall affect those rights lawfully and previously acquired by third parties.

ARTICLE 116- Those incomes generated through the execution of this Law shall be applied to the improvement of the service notwithstanding the provisions of paragraphs A), B) and C) of article 305 of Law N° 16.736 dated January 5, 1996, modifying article 290 of Law N° 16.170 dated December 28, 1990 and article 63 of Law N° 16.462 dated January 11, 1994.

ARTICLE 117- The Industrial Property Office shall collect fees for the following proceedings: "NO REPRODUCED"

TITLE IX. GENERAL DISPOSITIONS ➔

ARTICLE 118- Those terms granted hereunder to third interested parties shall consist in days running and shall be strict time limits. They shall be deemed to start the day following the notification of the corresponding action.

Publication in the Official Gazette of the Industrial Property Office shall be deemed as enough notification regarding those actions comprised in the matter governed by this Law. The fees to be collected for said publications shall be fixed by the regulations hereof.

ARTICLE 119- The regulation hereof shall fix those terms granted to answer the proceedings' actions and other terms non provided for hereunder.

ARTICLE 120- Those employees of the Industrial Property Office acting in the proceedings of the applications for the rights governed hereunder shall respect the confidentiality of this information. Violation of the same shall be deemed as serious offence.

ARTICLE 121- Those persons working for the Industrial Property Office who take part in the proceedings of the rights granted hereunder shall not take part in said proceedings on their own interest or representing third parties, neither directly nor indirectly, until the term of two years as from the date when the labor relation ceased.

The nonfulfilment of the precedent disposition will be causal of:

Dismissal, if the person is a civil servant.

Contract cancellation, if the person signed a labor contract with the Industrial Property Office.

Fine, in the event that the person intervenes before the above mentioned term is due.

The amount of the fines shall vary from 10 to 100 UR (ten to one hundred monthly readjusted monetary units) according to the seriousness of the infringement.

TITLE X. JURISDICTIONAL, PROVISIONAL AND FINAL PROVISIONS ➔

CHAPTER 1. JURISDICTIONAL PROVISIONS ➔

ARTICLE 122- The Industrial Property Office is the competent authority in all matters provided for herein. Unless otherwise provided, it has the required powers and authority to take resolutions and issue regulations as well as to order and develop those proceedings required for the fulfillment of its duties.

CHAPTER 2. PROVISIONAL CLAUSES ➔

ARTICLE 123- Those applications for patents under prosecution at the enforcement of this Law shall continue the corresponding proceedings under the provisions of the former legislation. Those patents applied for as from the enforcement of this Law shall be governed by the provisions hereof.

ARTICLE 124- Those patents already in force at the enforcement of this Law shall be governed by the previous legislation with the following exceptions:

Total or partial waiver.

Licenses and other uses without the authorization of the patentee.

Payment of rights, fines, surcharges, interests or annuities during the remaining term.

Grace period for rights restoration on account of non-payment of annuities.

Registration of actions and contracts regarding patents.

Administrative or judicial actions when filed after the enforcement of the present Law.

Rights of several patentees and proceeding to solve their differences.

Term of validity of invention patents which shall be extended to twenty years as from the filing date of the application.

ARTICLE 125- The substances, matters or products obtained by chemical means or processes as well as the food substances, matters and products, the chemical and pharmaceutical substances, matters or products and the medicines of any kind may obtain the patent protection provided for herein providing the first patent application has been filed with any member country of the World Trade Organization as from January 1st, 1995 and said products have not been commercialized in the country or abroad and no formal and effective preparations have been made by third parties -by the grant date of the patent- for the exploitation of the object of the corresponding patent in the country and providing said patent has been applied for before the Industrial Property Office as from January 1st, 1995.

CHAPTER 3. SPECIAL PROVISIONAL CLAUSES AS DEVELOPING COUNTRY ➔

ARTICLE 126- Let the application of the burden of the proof provided for in article 101 hereunder be hereby postponed until January 1st, 2000.

ARTICLE 127- The inventions of pharmaceutical and chemical-agricultural products shall not be patentable until November 1st, 2001.

Notwithstanding the above, invention patents for the mentioned products may be applied for according to the provisions and requirements hereof and the grant of said patents shall be postponed until the date established in the previous paragraph.

When invention patents for pharmaceutical and chemical-agricultural products claim the right of priority provided for in article 4th of the Paris Convention for the Protection of the Industrial Property, in no case the first filing date may be prior to January 1st, 1994.

CHAPTER 4. FINAL PROVISIONS ➔

ARTICLE 128- This Law shall enter into force one hundred and twenty days after its publication. Let Law N° 10.089, dated December 12, 1941 and Decree-law N° 14.549, dated July 29, 1976 be derogated upon the entry into force of this Law.

Sala de Sesiones de la Cámara de Representantes

En Montevideo, a 2 de setiembre de 1999.

ARIEL LAUSAROT PERALTA,

Presidente.

Martín García Nin,

Secretario

MINISTERIO DE INDUSTRIA, ENERGIA Y MINERIA

MINISTERIO DE RELACIONES EXTERIORES

MINISTERIO DE EDUCACION Y CULTURA

Cúmplase, acúcese, recibo, comuníquese, publíquese

e insértese en el Registro Nacional de Leyes y Decretos.

SANGUINETTI - JULIO HERRERA