

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

Replies from Slovenia to questions posed by the European Communities  
and their Member States, Japan and the United States

**REPLIES TO QUESTIONS POSED BY THE EUROPEAN COMMUNITIES AND THEIR  
MEMBER STATES**

***Patents***

1. *Article 12(1) of the Law on Intellectual Property excludes patentability of certain inventions the publication or use of which would be contrary to law or morality. Is the reference to "publication or use" broader in coverage than the term "commercial exploitation" used in Article 27.2 of TRIPS to define the relevant permitted exclusions from patentability?*

The phrase "publication or use" is almost identical with the English text of Article 53(a) of the European Patent Convention. However, it will be amended to comply with Article 27.2 of the TRIPS Agreement which, meanwhile, is superseding the LIP on the basis of Article 8 of the Constitution, which provides for direct applicability of international treaties as national law.

***Layout-designs (topographies) of integrated circuits***

1. *On what basis can the Slovenian court reach decisions concerning royalties for the commercial exploitation of protected layout designs in cases where the right holder and the person exploiting the design have not reached agreement? Is the concept of "reasonable royalty" found in Slovenian law (Article 37.1 TRIPS)?*

The concept of "reasonable royalty" does not appear verbatim in Slovenian law, though it is to be assumed that the court will decide accordingly. In addition, the TRIPS Agreement is directly applicable as the law (see Article 8 of the Constitution) and is therefore binding for courts.

***Protection of undisclosed information***

1. *How is undisclosed test or other data which is submitted to the Slovenian Government as a condition of approving the marketing of pharmaceutical or of agricultural chemical products protected under Slovenian law (Article 39.3 TRIPS)?*

The Article 52(1) of the Law on Marketing of Pharmaceutical Products (Official Gazette No. 9/96) explicitly provides that the documentation which accompanies an application for

a marketing authorization shall remain the property of the applicant and be considered as a trade secret. In addition, Article 39.3 of TRIPS is directly applicable as the law as far as agricultural products are concerned.

## REPLIES TO QUESTIONS POSED BY JAPAN

### *Patents*

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

Yes (see Article 12 of the Law on Industrial Property (LIP) in conjunction with Article 8(1)).

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

Yes (see especially point 2 of Article 32 of the LIP).

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

Exceptions to the exclusive rights conferred by a patent right are defined in the Article 32(2) of LIP which reads as follows:

"The rights conferred by a patented invention shall not extend to:

- (i) acts done privately and for non-commercial purposes;
- (ii) acts done for research and experimental purposes of any kind relating to the subject matter of the patented invention irrespective of their final purpose;
- (iii) the extemporaneous preparation for individual cases in a pharmacy of a medicine in accordance with a medical prescription or acts concerning the medicine so prepared;
- (iv) the use on board vessels of other countries of the Union of Paris for the Protection of Industrial Property of the patented invention, in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the waters of the Republic of Slovenia, provided that the invention is used there exclusively for the needs of the vessel;
- (v) the use of the patented invention in the construction or operation of aircraft or land vehicles of other countries or of accessories to such aircraft or land vehicles, when these temporarily or accidentally enter the territory of the Republic of Slovenia;
- (vi) the acts specified in Article 27 of the Convention on international civil aviation of 7 December 1944 where these acts concern the aircrafts of a State benefiting from the provisions of that Article."

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

The use without the authorization of the right holder is possible in two cases:

First, according to Article 43 of LIP, an invention may be used without authorization of the right holder if prior to the filing of an application a third person had been exploiting that invention privately in good faith or had made the necessary preparation for its exploitation.

Second, if a compulsory licence is granted under conditions set out in Article 113 to 118 of the LIP. A compulsory licence may be granted only if an invention is in the public interest or if the patentee misuses the rights granted by a patent to him. The law provides for many restrictions as far as a compulsory licence is concerned, and also provides for safeguarding the legitimate interests of a patentee.

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

The shift of the burden of proof is provided for in Article 93(3) of LIP. This provision is in compliance with provisions of Article 33 of TRIPS.

## **REPLIES TO QUESTIONS POSED BY THE UNITED STATES**

### ***Patents***

1. *Article 47 of the Law on Industrial Property implements Article 11 of the Paris Convention regarding protection for inventions displayed at recognized exhibitions. It restricts acceptable exhibitions to those held in Slovenia or the countries of the Paris Union. Please explain how this provision complies with the requirement to provide national treatment and most-favoured nation treatment to all WTO Members pursuant to Articles 3 and 4 of the TRIPS Agreement.*

2. *Article 48 of the Slovenian Law on Industrial Property implements Article 4 of the Paris Convention regarding the right of priority. This provision is limited to nationals of countries of the Paris Union. Please explain how this provision complies with the requirements of Article 4 of the TRIPS Agreement to provide most-favoured nation treatment to all TRIPS Members.*

### **Answers to questions 1 and 2**

The Law on Industrial Property (LIP) had been adopted before the TRIPS Agreement was concluded, however, the TRIPS Agreement is directly applicable as a law (Article 8 of the Constitution). Consequently, the rights provided for in Articles 47 and 48 of the LIP for Members of the Paris Union extend automatically to all WTO Members.

3. *Article 94 of the Law on Industrial Property defines infringement of a patent as any unauthorized use. No specific acts of infringement are enumerated in this or any other provision of Slovenian law. Please explain how the Slovenian patent law complies with Article 28 of the TRIPS Agreement, in particular with respect to the specifically enumerated rights that are to be associated with the grant of a patent.*

Exclusive rights conferred by a patent are enumerated in Article 32(1) of the LIP and are to be interpreted to be in compliance with the provision of Article 28 of TRIPS.

4. Articles 113 through 118 of the Industrial Property Law provide for the grant of compulsory licences. These Sections, however, do not impose the specific terms of compulsory licences that are granted in Slovenia, nor the situations where such licences are to be terminated. In light of this, please explain how Slovenian law complies with the following provisions of Article 31 of the TRIPS Agreement:

- (a) *the first clause of paragraph (c), which requires that the scope of any licence be limited to the purpose for which it was authorized;*
- (b) *the second clause of paragraph (c), which specifies that licences for inventions in the field of semiconductor technology may only be justified for public non-commercial use or to remedy a judicial or administrative finding of anti-competitive practices;*
- (c) *paragraph (e), which precludes assignability of a compulsory licence except with the transfer of that part of the enterprise or goodwill which enjoys the use of the patented invention authorized by the licence;*
- (d) *paragraph (f), which restricts the authorization provided by a compulsory licence to use of the patented invention for supplying the domestic market of the Member;*
- (e) *paragraph (g), which specifies that the patent owner be able to seek termination of the licence when the conditions leading to its grant cease to exist and are unlikely to recur; and*
- (f) *paragraph (h), which requires the remuneration to take into account the economic value of the authorization provided by the compulsory licence.*

Slovenian law complies with the following provisions of Article 31 of the TRIPS Agreement.

- (a) The provision of Article 31, paragraph (c) of the TRIPS Agreement is met by Article 115 of the LIP which explicitly describes that a compulsory licence may not extend the scope and duration in respect of the purpose for which it was granted.
- (b) The Slovenian Law on Protection of Topographies of Integrated Circuits does not provide for the possibility of compulsory licence at all.
- (c) The provision of Article 31(e) of the TRIPS Agreement is met indirectly by Article 113(3) of the LIP which specifies that a compulsory licence may be granted only to persons who provide evidence of possessing the technological facilities and manufacturing capacities required for effective working of the patented invention.
- (d) Any judicial decision about compulsory licence can be granted only with respect to any patent valid in Slovenia and under circumstances prevailing in Slovenia.
- (e) The provision of Article 31, paragraph (g) of the TRIPS Agreement is met by Article 115 of the LIP.
- (f) Article 31, paragraph (h) of the TRIPS Agreement is directly applicable in conjunction with Article 117 of the LIP.

5. *Article 114 of the Industrial Property law permits the issuance of compulsory licences to the holders of dependent patents if the subject matter of the dependent patent is "of special importance for the economy or is in the public interest". Clause (l) of Article 31 permits compulsory licences only if the subject matter of the dependent patent is an "important technical advance of considerable economic significance". Please explain how Article 114 complies with Article 31(l) of the TRIPS Agreement. Please also explain how the requirement that the licence be non-assignable has been implemented in Slovenia.*

The phrase "special importance for the economy" in Article 114 of the LIP is to be interpreted to have the same meaning as clause (1) of Article 31 of the TRIPS Agreement. With regard to non-assignability, see the answer to the question 4(c) above.

6. *Article 121 of the Industrial Property Law excludes from liability for infringement the use of certain patented substances as medicines if the patent applications were filed before a certain date. Please explain how this complies with the requirements of:*

- (a) *Article 70.2, which requires all WTO Members to apply the Agreement to all subject matter in existence at the date of application;*
  - (b) *Article 27.1, which prohibits discrimination among different fields of technology; and*
  - (c) *Article 30, which places limitations on the types of exceptions to the exclusive rights associated with the grant of a patent.*
- (a) The prime legal effect of Article 121 of the LIP is that the subject matter which relates to substances as medicines for humans and animals in patent claims, or parts thereof, of patents having filing or priority date on or before 31 December 1992, has automatically fallen into the public domain with its first disclosure to the public. The provision of Article 121 of the LIP, that the use of such subject matter does not constitute an act of infringement, is based on, and directly deducted from, this effect. Another consequence arising out of the time limit set by the specified date of 31 December 1992 is that all subject matter affected by Article 121 of the LIP has fallen into public domain before the date of application of the TRIPS Agreement. In compliance with Article 70.3 of the TRIPS Agreement, Article 121 of the LIP does not affect the validity of Article 70.2 of the TRIPS Agreement, which is fully applicable in respect of all subject matter existing at the date of application of this Agreement.

Answer to parts (b) and (c) of question 6

Article 121 of the LIP is part of transitional and final provisions of the LIP, which means that its applicability was timely limited, as explained already above in the answer to the question 6(a). All acts in respect of this Article had therefore occurred, and its applicability had been exhausted, before the date of application of the TRIPS Agreement. The fact that Article 121 of the LIP does not comply with provisions of Articles 27.1 and 30 of the TRIPS Agreement is therefore not relevant, when the above time limit, together with Article 70.1 of the TRIPS Agreement, is taken under consideration. It should be noted, however, that substantive provisions of the LIP, especially Articles 8 to 12, do comply with the provisions of the said (and other) Articles of the TRIPS Agreement without any restriction from the date of its application.

7. *Please explain whether all patents in force in Slovenia as of 1 January 1996 have a term of protection of twenty years from the filing date. If not, please explain which patents are not given this term, and how Slovenian law complies with the obligations of Article 70.2 of the TRIPS Agreement.*

All patents in force in Slovenia as of 1 January 1996 have a term of protection of 20 years from the filing date.

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

No compulsory licence has been granted in Slovenia since its independence, i.e. 25 June 1991.