

(12) On receipt of the observations of the applicant the Director-General shall after hearing the parties, where taking all the circumstances into consideration he considers such hearing necessary, decide, as expeditiously as possible, whether or not the industrial design may be registered. If he decides that the industrial design is registrable he shall accordingly register such industrial design—

- (a) where no appeal is preferred against his decision, upon the expiry of the period within which an appeal may be preferred against his decision ;
- (b) where an appeal is preferred against his decision, upon the dismissal of such appeal, as the case may be.

(13) The Director-General may allow a reasonable extension of the prescribed period within which any act has to be done or any fee has to be paid under this section.

Issue of certificate
of registration.

41. Upon the registration of an industrial design, the Director-General shall issue to the registered owner thereof a Certificate of Registration and shall, at the request of the registered owner, send such certificate to him by registered post to his last recorded postal address in Sri Lanka or, if he is resident outside Sri Lanka, to his last recorded postal address.

Register of
Industrial
Designs.

42. (1) The Director-General shall keep and maintain a register called the “Register of Industrial Designs” wherein shall be recorded, in the order of their registration, all registered industrial designs and such other particulars relating to the industrial designs as are authorised or directed by this Part to be so recorded or may from time to time be prescribed

(2) The registration of an industrial design shall include a representation of the industrial design and shall specify its number, the name and address of the registered owner and, if the registered owner is resident outside Sri Lanka, a postal address for service in Sri Lanka ; the date of application and

registration ; if priority is validly claimed, an indication of that fact and the number, date and country of the application on the basis of which the priority is claimed ; the kinds and classes of products referred to in paragraph (d) subsection (1) of section 36 and the name and address of the creator of the industrial design, if he has requested his name to be indicated as such in the registration.

43. Any person may examine the register and may obtain certified extracts therefrom on payment of the prescribed fee.

Examination of register and certified copies.

44. The Director-General shall cause to be published in the Gazette, in the prescribed form, all registered industrial designs in the order of their registration, including in respect of each industrial design so published reference to such particulars as may be prescribed.

Publication of registered industrial designs.

CHAPTE R VI

DURATION OF REGISTRATION OF AN INDUSTRIAL DESIGN

45. Subject to, and without prejudice to the other provisions of this Part, registration of an industrial design shall expire on the completion of five years from the date of receipt of the application for registration.

Duration of registration.

46. (1) Registration of an industrial design may be renewed for two consecutive periods of five years each, on an application made in that behalf and on payment of the prescribed fee.

Renewal.

(2) The renewal fee shall be paid within the six months preceding the date of expiration of the period of registration :

Provided, however, that a period of grace of six months shall be allowed for the payment of the fee after the date of such expiration, upon payment of such surcharge as may be prescribed.

(3) The Director-General shall record in the register and cause to be published in the Gazette in the prescribed form a list of all renewals of registration of industrial designs.

(4) Where the renewal fee has not been paid within such period or such extended period as is specified in subsection (2), the Director-General shall remove from the relevant register the registration relating to such industrial design.

CHAPTER VII

RIGHTS OF A REGISTERED OWNER OF AN INDUSTRIAL DESIGN

Rights of a registered owner of an industrial design.

47. (1) Subject and without prejudice to other provisions of this Part, the registered owner of an industrial design shall in relation to such industrial design have the exclusive rights to —

- (a) reproduce and embody such industrial design in making a product ;
- (b) import, offer for sale, sell or use a product embodying such industrial design ;
- (c) stock for the purpose of offering for sale, selling or using, a product embodying such industrial design ;
- (d) assign or transmit the registration of the industrial design ;
- (e) conclude licence contracts.

(2) No person shall do any of the acts referred to in subsection (1) without the consent of the registered owner of the industrial design.

(3) The acts referred to in subsection (1), if done by any unauthorized person, shall not be lawful solely by reason of the fact that the reproduction of the registered industrial design differs from the registered industrial design in minor respects or that the reproduction of the registered industrial design is embodied in a type of product different from a product embodying the registered industrial design.

48. The provisions of subsection (1) of section 47 shall—

Limitation of registered owner's rights.

- (1) extend only to acts done for industrial or commercial purposes ;
- (2) not preclude third parties from performing any of the acts referred to therein in respect of a product embodying the registered industrial design after the said product has been lawfully manufactured, imported, offered for sale, sold, used or stocked in Sri Lanka.

CHAPTER VIII

ASSIGNMENT AND TRANSMISSION OF APPLICATIONS FOR REGISTRATION OF INDUSTRIAL DESIGNS AND REGISTRATIONS OF THE SAME

49. (1) An application for registration or the registration of an industrial design may be assigned or transmitted and such assignment or transmission shall be in writing signed by or on behalf of the contracting parties.

Assignment and transmission of applications and registrations.

(2) Any person becoming entitled by assignment or by transmission to an application for registration or the registration of an industrial design may apply to the Director-General in the prescribed manner along within the prescribed fee to have such assignment or transmission recorded in the register.

(3) No such assignment or transmission shall be recorded in the register unless the prescribed fee has been paid to the Director-General.

(4) No such assignment or transmission shall have effect against third parties unless so recorded in the register.

50. In the absence of any agreement to the contrary between the parties, joint owners of an application for registration or the registration of an industrial design may, separately, assign or transmit their rights in the application

Joint ownership of applications and registration.

or registration, use the industrial design and exercise the exclusive rights referred to in paragraphs (a) to (c) of subsection (1) of section 47, but may only jointly withdraw the application, renounce the registration or conclude a licence contract.

CHAPTER IX

LICENCE CONTRACTS OF INDUSTRIAL DESIGNS

Interpretation.

51. For the purposes of this Part licence contract means any contract by which the registered owner of an industrial design (“the Licensor”) grants to another person or enterprise (“the licensee”) a licence to do any or all of the acts referred to in paragraphs (a), (b) and (c) of subsection (1) of section 47.

Form and record of licence contract.

52. (1) A licence contract shall be in writing signed by or on behalf of the contracting parties.

(2) Upon a request in writing signed by or on behalf of the contracting parties, the Director-General shall on payment of the prescribed fee, record in the register such particulars relating to the contract as the parties thereto requires to be recorded :

Provided that the parties shall not be required to disclose or have recorded any other particulars relating to the said contract.

Rights of licensee.

53. In the absence of any provision to the contrary in the licence contract, the licensee shall—

- (a) be entitled to do any or all of the acts referred to in paragraphs (a), (b) and (c) of subsection (1) of section 47 within Sri Lanka, during the period of validity of the registration of the industrial design, inclusive of the period of renewal if any ;
- (b) not be entitled to assign or transmit his rights under the licence contract or grant sub-licenses to third parties.

54. (1) In the absence of any provision to the contrary in the licence contract, the licensor may grant further licenses to third parties in respect of the same industrial design or on behalf of himself do any or all of the acts referred to in sub-paragraphs (a), (b) and (c) of subsection (1) of section 47.

Rights of licensor.

(2) Where the license contract provides that the license is exclusive, and unless it is expressly provided otherwise in such contract, the licensor shall not grant further licenses to third parties in respect of the same industrial design or not execute any of the acts referred to in sub-paragraphs (a), (b) and (c) of subsection (1) of section 47 or cause to be executed.

55. Any clause or condition in a license contract shall be null and void in so far as it imposes upon the licensee, in industrial or commercial field, restrictions not derived from the rights conferred by this Part on the registered owner of an industrial design, or unnecessary for safeguarding of such rights :

Invalid clauses in license contracts.

Provided that—

- (a) restrictions concerning the scope, extent, or duration of use of the industrial design, or the geographical area in or the quality or quantity of the products in connection with which the industrial design may be used ; and
- (b) obligations imposed upon the licensee to refrain from all acts capable of prejudicing the validity of the registration of the industrial design,

shall not be deemed to constitute such restrictions.

56. Where, before the expiration of the license contract the registration is declared null and void the licensee in such event not be required to make any payment to the licensor under the licence contract, and shall be entitled to reimbursement of the payments already made :

Effect of nullity of registration of license contract.

Provided that the licensor shall not be required to make any repayment, or be required to make repayment in part, to the extent of his ability to prove that such repayment would be inequitable having considered all the circumstances and in particular whether the licensee has effectively profited from the licence.

Expiry,
termination or
invalidation of
licence
contract.

57. The Director-General shall—

- (1) if he is satisfied that a recorded licence contract has expired or been terminated, record that fact in the register upon a request in writing to that effect signed by or on behalf of the parties thereto ;
- (2) record in the register the expiry, termination or invalidation of a licence contract under any provision of this Part.

Licence
contracts
involving
payments
abroad.

58. (1) Where the Director-General has reasonable cause to believe that any licence contract or any amendment or renewal thereof—

- (a) which involves the payment of royalties abroad ; or
- (b) which by reason of other circumstances relating to such licence contract,

is detrimental to the economic development of Sri Lanka he shall in writing communicate such fact to the Governor of the Central Bank and transmit all papers in his custody relevant to the matter which are essential to the making of a decision on such matter to the Governor of the Central Bank.

(2) Where the Governor of the Central Bank on receipt of any communication under subsection (1) informs the Director-General in writing that the said licence contract or any amendment or renewal thereof is detrimental to the economic development of Sri Lanka, the Director-General shall cancel and invalidate the record of such contract in the register.

(3) The provisions of this section shall apply, *mutatis mutandis*, to assignment and transmissions.

(4) The provisions of this Chapter shall apply *mutatis mutandis*, to sub-licences.

CHAPTER X

RENUNCIATION AND NULLITY OF REGISTRATION OF INDUSTRIAL DESIGN

59. (1) The registered owner of an industrial design may renounce the registration by a declaration in writing signed by him or on his behalf in writing and submit it to the Director-General.

Renunciation of registration.

(2) The Director-General shall, on receipt of the said declaration, record it in the register and cause such record to be published in the Gazette.

(3) The renunciation shall take effect from the date that the Director-General receives the said declaration.

(4) Where a licence contract in respect of an industrial design is recorded in the register the Director-General shall not, in the absence of any provision to the contrary in such licence contract, accept or record the said renunciation except upon receipt of a signed declaration by which every licensee or sub-licensee on record consents to the said renunciation, unless the requirement of their consent is expressly waived in the licence contract.

60. (1) The Court may on the application, to which the registered owner of the industrial design and every assignee, licensee or sub-licensee on record shall be made a party, of any person having a legitimate interest, or of any competent authority including the Director-General, declare the registration of the industrial design null and void on any one or more of the following grounds—

Nullity of registration.

- (a) that the provisions of sections 29, 30 and 31 have not been complied with :

Provided, however, that the grounds of nullity referred to in subsection (2) of section 29 shall not be taken into account if such grounds are not apparent on the date of the making of the application to Court ;

- (b) that the identical industrial design has been previously registered upon a prior application or has been conferred earlier priority by virtue of an application in that behalf upon the ground of prior registration in another country ;
- (c) that the essential elements of the registered industrial design have been unlawfully derived from the creation of another person within the meaning of section 33.

(2) Where an application under subsection (1) of this section relates to several industrial designs, included in the registration and any ground for nullity applies to some, the Court shall declare such registration null and void in so far as it relates to the industrial design in respect of which the ground for nullity applies.

Date and effect of nullity.

61. (1) Upon a final decision of the Court declaring total or partial nullity of the registration of an industrial design, the registration shall be deemed to have been null and void totally or partially, as the case may be, from the date of such registration.

(2) When a declaration of nullity becomes final the Registrar of the Court shall notify the Director-General who shall record such declaration in the register and cause it be published in the Gazette.