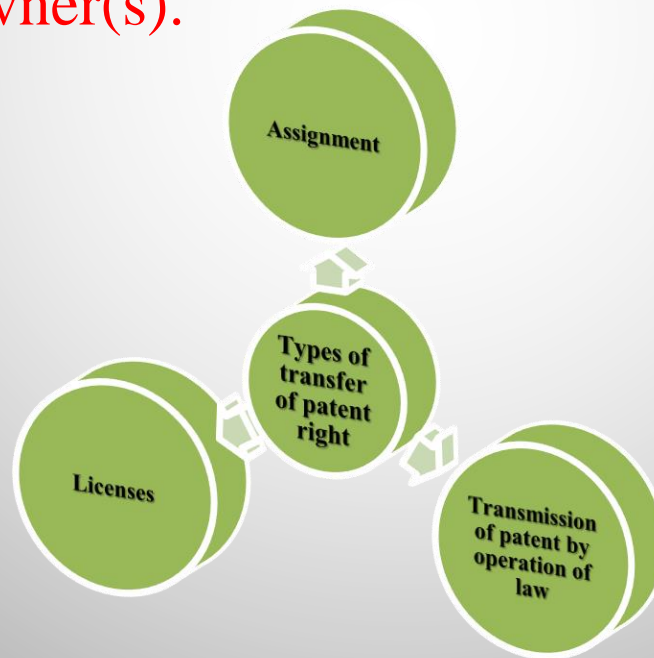


- Patent licenses and purchases - legal actions and Litigations - no-aggression agreements, Rights and duties, Information and idea sources

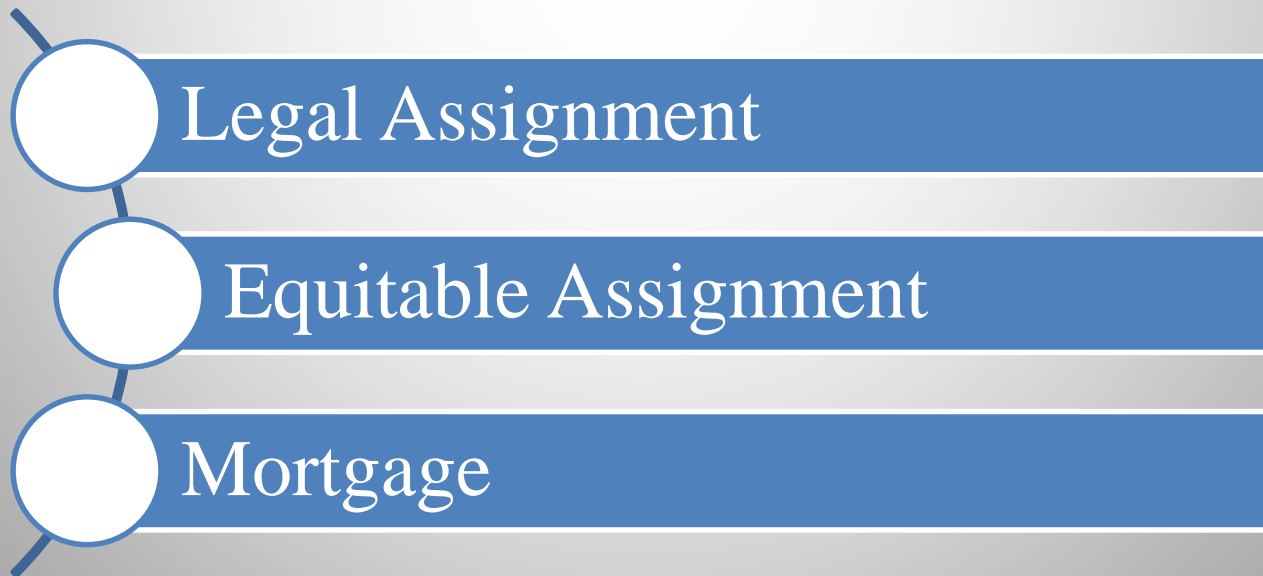
Patent licenses and purchases - legal actions and Litigations - no-aggression agreements

- A patent is **a transferrable property** that can be transferred from the original patentee to any other person by assignment or by operation of law. A patent can be licensed or assigned only by the owner of the patent. **In case of co-owners or joint-owners, a co-owner can assign or license the patent only upon consent of the other owner(s).**



Assignment

- It is an act by which the patentee assigns whole or part of his patent rights to the assignee who acquires the right to prevent others from making, using, exercising or vending the invention. There are three kinds of assignments



- **Legal Assignment:** An assignment of an existing patent is a legal assignment, where the assignee may enter his name as the patent owner. A legal assignee entitled as the proprietor of the patent acquires all rights thereof.
- **Equitable Assignments:** Any agreement including a letter in which the patentee agrees to give a certain defined share of the patent to another person is an equitable assignment of the patent. However an assignee in such a case cannot have his name entered in the register as the proprietor of patent.
- **Mortgages:** An agreement in which the patent rights are wholly or partly transferred to assignee in return for a sum of money. Once the assignor repays the sum to the assignee, the patent rights are restored to assignor/patentee. The person in whose favour a mortgage is made is not entitled to have his name entered in the register as the proprietor, but he can get his name entered in the register as mortgagee.

Licenses

- A patentee by the way of granting a **license may permit a licensee to make, use, or exercise the invention**. A license granted is not valid unless it is in writing. It is contract signed by the licensor and the licensee in writing and the terms agreed upon by **them including the payment of royalties at a rate mentioned for all articles made under the patent**. Licenses are of the following types,



- **Voluntary licenses:**

- ✓ Given to any other person **to make, use and sell the patented article as agreed upon the terms of license in writing.** Since it is a voluntary license, the Controller and the Central government do not have any role to play. The terms and conditions of such agreement are mutually agreed upon by the licensor and licensee. In case of any disagreement, the licensor can cancel the licensing agreement.

- **Statutory licenses and Compulsory licenses :**

- ✓ Statutory licenses are **granted by central government by empowering a third party to make/use the patented article without the consent of the patent holder in view of public interest.**
- ✓ **Compulsory licenses** are generally defined as "authorizations **permitting a third party to make, use, or sell a patented invention without the patent owner's consent**

- **Exclusive Licenses and Limited Licenses:**

- ✓ Depending upon the degree and extent of rights conferred on the licensee, a license may be Exclusive or Limited License, it **excludes all other persons excluding the patentee from the right to use the invention**. Any one or more rights of the patented invention can be conferred from the bundle of rights owned by the patentee.
- ✓ The rights may be divided and assigned, restrained entirely or in part. In a limited license, the **limitation may arise as to persons, time, place, manufacture, use or sale**.

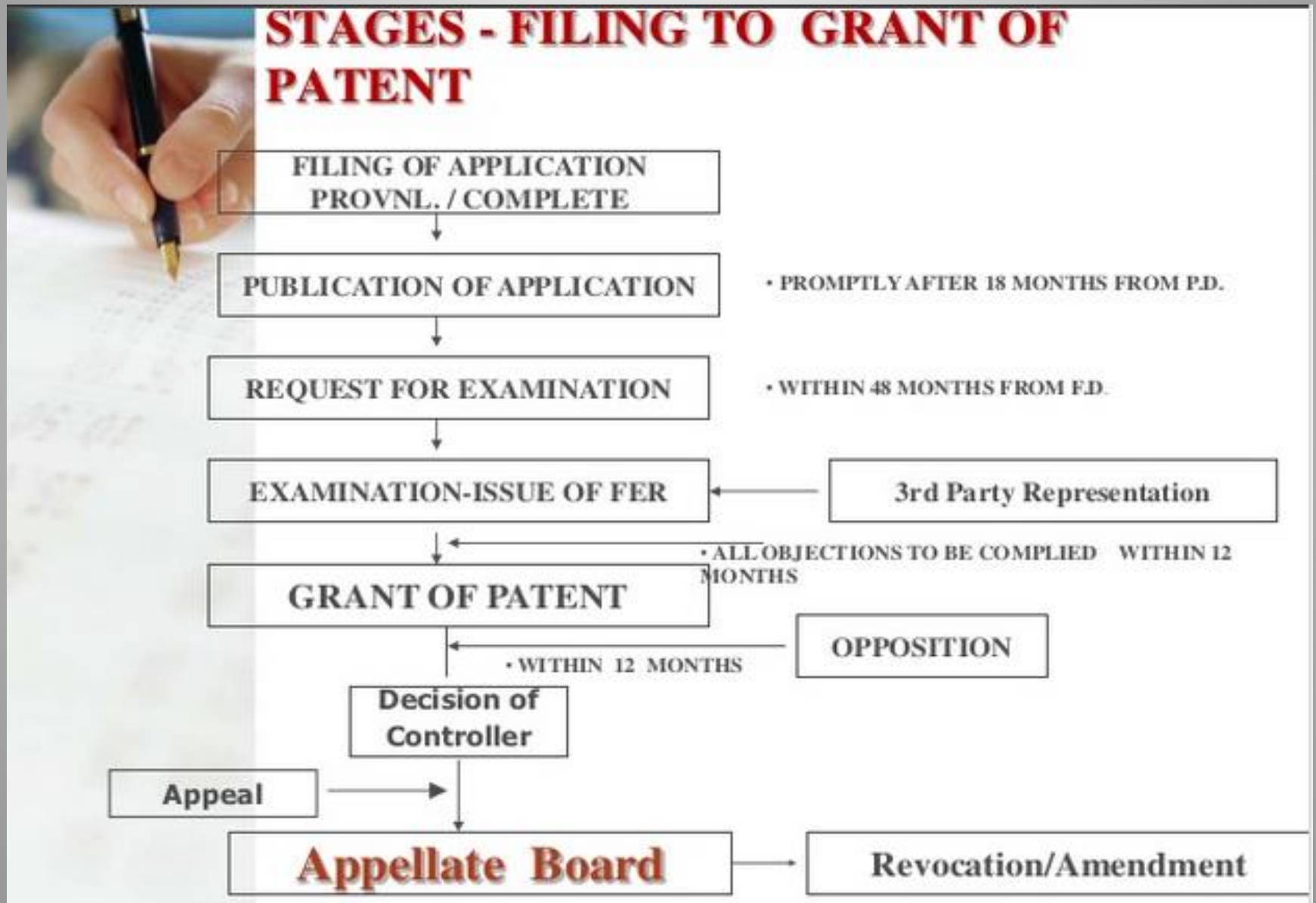
- **Express and Implied Licenses:**

- ✓ Permission to use the patent is **given in express terms**. Such a license **is not valid unless it is in writing in a document** embodying the terms and conditions.
- ✓ In case of implied license though the permission is not given in express terms, it is implied from the circumstances, where a person buys a patented article, **either within jurisdiction or abroad either directly from the patentee or his licensees**, there is an implied license in any way and to resell it.

Transmission of Patent by Operation of law

- When a patentee dies, his interest in the patent **passes to his legal representative**; in case of dissolution or winding up of a company or bankruptcy transmission of patent by operation of law occurs.
- In case no legal representative is there the patent dissolves and becomes government entity

Information and idea sources




Rights & Duties

Renewal Fee

- To be paid within 3+6 months from date of recording in the register [sec 142 (4)]
- No fee for 1st and 2nd year
- Renewal fee, on yearly basis, is required to be paid for 3rd to 20th for keeping the patent in force
- Delay upto six months from due date permissible on payment of fee for extension of time
- Patent lapses if renewal fee is not paid within the prescribed period

Rights & Duties

Rights of a patentee

 Clip slide

1. Right to exploit the patent.

- ✓ The patentee has a right to prevent 3rd parties, from exploiting the patented invention.

2. Right to grant license.

- ✓ The patentee has a power to assign rights or grant license.

3. Right to surrender.

- ✓ The patentee is given the right to surrender the patent by giving notice in prescribed manner to the controller.

4. Right to sue for infringement.

- ✓ A patentee is given the right to institute proceeding for infringement of the patent in a district court .