

# Patent Law of Georgia

## CHAPTER I. GENERAL PROVISIONS

### Article 1. Scope of Regulation

This law regulates relations in connection with the creation, use and legal protection of inventions and utility models.

### Article 2. Use of Terms

1. Terms used in this law shall have following meaning:

a ) legal entity of public law - National Intellectual Property Center of Georgia "Sakpatenti" - an independent agency operating in the field of intellectual property protection (hereinafter -Sakpatenti );

b) International Bureau - International Bureau of the World Intellectual Property Organization;

c) Paris Convention - the Paris Convention for the Protection of Industrial Property, signed in Paris on March 20, 1883, as revised and amended in Stockholm on July 14, 1967 and on September 28, 1979;

d) Patent Cooperation Treaty (PCT) - multilateral international treaty, signed on June 19, 1970 revised on September 28, 1979, amended on February 3, 1984;

e) repealed;

e<sup>1</sup>) Inventor – an individual who has created an invention by creative intellectual effort.

f) Patent - a document issued in the name of the patent owner in accordance with this law, confirming exclusive rights of the patent owner for the moment of its issuance;

g) repealed;

h) Applicant – an individual or legal entity applying for a patent;

i) Application - collection of documents necessary for grant of a patent under this law;

j) International application – an application drafted and filed under the Patent Cooperation Treaty;

k) repealed;

l) Priority - privilege enjoyed by an application filed earlier, in respect to the later application;

m) Convention priority - priority established under Article 4 of Paris Convention entitling the applicant to exercise such priority in member state to the Paris Convention or the World Trade Organization;

n) Exhibition priority - priority established under Article 11 of Paris Convention entitling the applicant to exercise such priority in member state to the Paris Convention or the World Trade Organization;

o) repealed;

p) Depository – an authorized organization that stores biologically reproducible material.

q) medical product - for the purposes of this law, active substance or combination of active substances intended for human or animal treatment or prevention of disease, as well as substance or combination of substances that could be prescribed to human or animal for medical diagnosis and recovery, correction or modification of physiological function.

**Article 3. repealed -**

**Article 4. repealed -**

### **Article 5. Validity of patent for an invention**

1. Term for patent protection of an invention is 20 years from the date of application to Sakpatenti.

2. repealed;

3. repealed;

4. repealed;

5. Patent validity of an invention related to medical product, which requires consent of competent authority for entry into the Georgian market, can be extended by request of the patent owner for additional term which corresponds to the period from the date of application to "Sakpatenti" until receiving consent from the competent authority, but no longer than 5 years. Application requesting additional time for patent validity shall be submitted by patent owner within a year from the date of obtaining consent of the competent authority.

### **Article 6. Scope of Protection**

1. The scope of legal protection of an invention is determined by formula of invention.

2. repealed -

3. repealed -

### **Article 7. Confidentiality of an Invention**

1. Sakpatenti grants patent in respect of an invention that is rendered confidential by competent authority for purposes of state defense only after such authority decides on declassification of an invention.

2. An invention can be kept secret for no longer than 2 years, which can be extended multiple times during validity of patent by term(s) determined by this paragraph.

3. repealed;

4. In case of rendering an invention secret, appropriate compensation is paid to the inventor in the amount and through the procedures determined by normative act of a competent authority.

## **CHAPTER II. "SAKPATENTI"**

### **Article 8. Sakpatenti**

1. Functions and competences of Sakpatenti are defined by its Statute, approved by the Government of Georgia.

2. Sakpatenti is headed by a Chairman, who is appointed and relieved by the President of Georgia upon the proposal of the Prime Minister.

3. The Chairman of Sakpatenti is appointed for a term of 4 years.

4. Article 11 of the Law of Georgia on "Legal Entity of Public Law" does not apply to Sakpatenti.

5. Sakpatenti is accountable before the Prime Minister of Georgia.

### **Article 9. Chamber of Appeals**

1. The Chamber of Appeals is established at Sakpatenti for settlement of disputes arising from decisions of "Sakpatenti" on objects of intellectual property, as well as disputes related to criteria of their protection, grant of a patent, and registration of industrial property and other objects.

2. Functions and competences of the Chamber of Appeals are defined under its Statute, approved by the Chairman of Sakpatenti.

## **Article 10. repealed -**

### **Article 11. Budget of Sakpatenti**

1. Sakpatenti is funded by:
  - a) Income from services related to main activities of "Sakpatenti";
  - b) Income from performing work on the basis of a contract;
  - c) Other income permitted by law of Georgia, including income from the State Budget of Georgia.
2. Fees for services noted under par. 1(a) of this Article are approved by the Government of Georgia.
3. Fees and other income are paid to the account of "Sakpatenti", managed exclusively by Sakpatenti. Unspent funds from the current year shall be deferred to the budget of the following year.
4. Before 1 December of every year, "Sakpatenti" prepares the budget for the next year, defining total expenses of Sakpatenti and sources for their payment.
5. In extraordinary cases, funds unspent by Sakpatenti during the year may be transferred to the state budget upon instruction of the Prime Minister of Georgia.
6. The budget of "Sakpatenti" is approved by the Sakpatenti Chairman, in agreement with the Prime Minister of Georgia.
7. "Sakpatenti" has the right to acquire and dispose of property independently, except for the real estate. Sakpatenti purchases and disposes of real estate in agreement with the Prime Minister of Georgia.

## **CHAPTER III. PATENTABILITY**

### **Article 12. Criteria of patentability of an invention**

1. An invention is patentable where it satisfies the criteria of patentability - novelty, inventive step and industrial applicability.
2. An invention is novel if it does not relate to the existing state of the art.
3. An invention involves the inventive step where, for the date of establishing priority, it is not known at current state of the art.
4. An invention is industrially applicable where it implies the capability of its production or use in industry or agriculture.
5. Existing state of the art is defined by all data that, before the date of establishing priority, has become publicly accessible in writing, by verbal description, public use or from other source.
6. In the course of determining novelty, the state of the art, in addition criteria defined in par. 5 of this Article, includes all applications for invention and utility model filed with Sakpatenti, provided that these have an earlier priority compared to an application whose novelty is being determined and such applications were published after establishing priority date of the application.
7. In the course of determination of an inventive step, the state of the art does not include non-public data indicated in applications on invention and utility model filed with "Sakpatenti".
8. repealed -

### **Article 13 repealed -**

### **Article 14 repealed -**

### **Article 15. Disclosure of information**

Data related to the inventive step shall not have an influence on patentability of the object of application where, before the date of filing an application or within 12 months before establishing the date of priority, such data became publicly accessible:

- a) by action of an inventor or his/her successor;
- b) if information for the third party is disclosed, directly or indirectly, on the condition of confidentiality;
- c) as a result of third person's action in bad faith against the inventor or his/her successor.

### **Article 16. Objects that cannot be regarded as an invention**

1. The following shall not be regarded as an invention:

- a) discovery, scientific theory, or mathematical method;
- b) artistic creation;
- c) algorithm, computer program;
- d) educational or teaching method and system, language grammar system, methods for performance of mental acts, rules for games or gambling;
- e) methods of business and organizational management;
- f) plans and schemes of structures, buildings or territories;
- g) presentation of information.

2. Objects under paragraph 1 of this Article shall not be considered patentable only where these are an immediate object of application.

Article 17. Objects that cannot be granted a patent

A patent is not granted for:

- a) inventions against public order;
- b) inventions related to surgical, therapeutic and diagnostic methods of treatment of humans and animals. This rule does not apply to devices and substances used in such methods;
- c) inventions related to plant varieties and breeds of animals, as well as primarily biological methods for plant and animal breed selection. This rule does not apply to micro-biological methods and products obtained through such methods;
- d) repealed -
- e) repealed -

## **CHAPTER IV. INVENTOR AND PATENT OWNER**

### **Article 18. Inventor**

1. repealed -
2. repealed -
3. Sakpatenti shall not publish inventor's name if he/she so requests.
4. If an invention was created by effort of several persons, each of these persons shall be regarded as a co-inventor.
5. Relations between co-inventors are defined by contract. In case of absence of contract, each of co-inventors enjoys common equal rights.

### **Article 19. Right to obtain a patent**

1. Inventor or his/her successor has the right to obtain a patent.
2. In case of invention created by several persons, either all co-inventors jointly, or each of co-inventors with written consent of remaining co-inventors, have the right to obtain a patent, unless otherwise provided by contract concluded between them.

3. Where one and the same invention was independently created by two or more persons, an inventor having an earlier application priority has the right to obtain a patent.

4. If applications under par. 3 of this Article were established to have the same priority, patent is granted to the person(s) duly noted in the agreement of applicants. In case of disagreement between the parties, the dispute is decided by court.

5. An employer or contractor has the right to acquire a patent for an invention created by a staff member or hired employee in the course of official or contract duty, unless otherwise provided by contract.

6. Where creation of an invention is not related to official or contract duty of a staff member or hired employee, albeit staff member/hired employee makes use of resources owned by an employer or contractor for the creation of an invention, the employer/contractor has the right to a patent while staff member/hired employee has the right to acquire non-exclusive private license on such invention free of charge or the priority right to acquire exclusive rights deriving from patent, unless otherwise provided by contract.

**Article 20 repealed**

**Article 21 repealed**

**Article 22 repealed**

## **CHAPTER V. FILING AN APPLICATION**

### **Article 23. Filing an application**

1. Applicant or her/his representative shall file an application with Sakpatenti.

2. repealed -

3. repealed -

4. repealed -

5. An application is filed with "Sakpatenti" by submitting application documents in person or otherwise.

6. A representative may be a patent attorney registered in "Sakpatenti".

7. Registration rules and qualification requirements are defined by regulation approved by the Chairman of Sakpatenti.

8. The form of application and instructions on procedures for filing applications are defined by Instruction on drafting and filing of invention and utility model applications and on procedures related to granting of a patent (hereinafter- Instruction).

### **Article 24 Application**

1. An application shall include:

a) An application for granting a patent;

b) description of an invention;

c) invention formula;

d) drawings and other documents, if they are necessary to explain the idea of an invention;

e) abstract of an invention, which is only of informative nature.

2. If an application is filed by applicant's representative, a document certifying representation authority shall be attached to application at the time of filing or within two months from the filing date.

3. If an application is filed by applicant's successor, a document certifying successor's status shall be attached to application at the time of filing or within two months from the filing date.

4. An application shall be filed in an official language of Georgia, and other application documents - in any language.

5. In case of filing application documents in foreign language, the applicant shall provide the Georgian translation within two months from the date of their submission. Failure to do so will render void the application materials presented in foreign language.

#### **Article 25 repealed**

#### **Article 26 repealed**

#### **Article 27 The Date of Application Filing**

An application shall be considered filed from the moment an application claiming a patent, description of invention, formula and drawings of the invention (if noted in the description of the invention) are submitted.

#### **Article 28 Unity of the invention**

1. An invention must satisfy a requirement of integrity of invention, namely, an application shall contain a single invention or a group of inventions linked by single inventive idea.

2. repealed -

#### **Article 29. Joining and Dividing Applications**

1. An applicant has the right:

a) to divide submitted application into separate parts and file a divisional application;

b) to join applications and file a joint application.

2. An application divided according to par. 1(a) of this Article retains initial filing date with Sakpatenti and date of priority.

3. An application joined under par. 1(b) of this Article retains priority for each constituting application.

4. Divisional or joint application can be filed before Sakpatenti decides on granting a patent.

#### **Article 30. Priority**

1. An applicant willing to apply for the Convention priority is required to file application with Sakpatenti within twelve months from the date of filing of earlier application for this invention in other state party to the Paris Convention or member state of the World Trade Organization

2. An applicant willing to utilize exhibition priority is required to file application with Sakpatenti within six months from the date of exposition of an invention at official/officially recognized exhibition held in state party to the Paris Convention or any member state of the World Trade Organization. Convention and exhibition priorities do not extend each others' time limits.

3. In cases where applicant, for excusable reasons, fails to file application with Sakpatenti in time limits under par. 1 and 2 of this Article claiming Convention or exhibition priority, he/she may file an application within the following two months.

4. An applicant willing to apply for the Convention or exhibition priority shall:

a) indicate such willingness at the time of filing application with Sakpatenti or within 4 months from filing date, but not later than 16 months from the date of establishment of a claimed priority, as well as attach document confirming the right of such claim, or

b) provide Sakpatenti with document certifying the right to claim priority within 3 months from the date of claiming Convention or exhibition priority.

5. Priority may be established:

a) repealed -

b) by earlier application filing date with Sakpatenti by the same applicant disclosing essence of an invention, provided that the application on the basis of which such priority is sought was filed within twelve months from the filing date of earlier application for an invention. The applicant should declare such claim of priority at the moment of submitting application to Sakpatenti or within 4 months from the application, but not later than 16 months from establishment of a claimed priority. Hereby, an application whose priority was sought is considered withdrawn;

c) on the basis of several applications filed earlier, where each of these conforms to the conditions set in preceding sub-paragraph.

6. The priority shall not be established by the filing date of an application for which an earlier priority has already been claimed.

### **Article 31. repealed**

## **CHAPTER VI. PATENT EXAMINATION AND GRANTING OF PATENT**

### **Article 32 Examination of application**

1. Sakpatenti conducts patent examination, on the basis of which it takes the decision about granting a patent.

2. Patent examination comprises confirmation of application filing date, examination of the formal requirements and substantive examination.

3. During examination, Sakpatenti may request the applicant to amend or correct the application or present explanations that are necessary to continue examination of application and publication of application materials. The applicant shall comply with the request within 2 months from the date of notification. Where applicant fails to comply with the request, Sakpatenti decides on termination of proceedings.

### **Article 33. Confirmation of the application filing date**

1. Sakpatenti confirms the filing date of an application within two weeks from its filing.

2. Where application is found to be lacking any of application materials required by Article 27 of this law, the applicant shall provide such materials within one month from the date of notification.

3. Where applicant complies with the requirements of par. 2 of this Article, the date of compliance shall be considered an application filing date. In case of failure to comply, the application shall not be considered filed.

4. Where description of an invention refers to drawings that are not attached to the application, the applicant shall present such drawings within the term provided by par. 2 of this Article. Where drawings are submitted in time, the date of receipt of such drawings shall be considered an application filing date. In case of failure to comply with the term, the date of receiving application without drawings shall be considered an application filing date, while any reference to the drawings shall be considered omitted.

### **Article 34. Examination of formal requirements**

1. Within two months from the confirmation of an application filing date, Sakpatenti conducts examination of formal requirements consisting of a check of integrity of application and compliance with the form.

2. If an application meets the formal requirements, Sakpatenti decides to conclude examination of the formal requirements.

### **Article 35. Substantive Examination**

1. Sakpatenti conducts substantive examination within six months from the completion of the formal requirements' examination, in order to determine the object of protection and the state of the art.

1<sup>1</sup>. In order to determine the object of protection as described in the application, formula of an invention, its description and unity, as well as compliance with the requirements of Articles 16 and 17 of this Law, are subject to substantial examination.

1<sup>2</sup>. In order to determine the state of the art, Sakpatenti conducts research and examination of novelty. Once proven that the application meets the requirements of examination of novelty, Sakpatenti decides on granting a patent.

1<sup>3</sup>. Where expert is fully convinced that an invention is clearly derived from existing state of the art, Sakpatenti, after hearing considering expert's proposal, decides on examination of an inventive step, on the basis of which Sakpatenti decides on granting a patent.

2. repealed -

3. repealed -

### **Article 36. Procedure for deciding on the substantive examination of application**

In the course of substantive examination of an application, Sakpatenti provides the applicant with the following:

- a) decision on establishing an object of protection described in the application;
- b) results of research on state of the art (research report);
- c) decision on the state of the art, taking into view the results of examination of novelty;
- d) decision on granting a patent.

**Article 37 repealed -**

**Article 38 repealed -**

**Article 39 repealed -**

### **Article 40. Decision on granting a patent and publication**

1. Following decision on granting a patent, Sakpatenti publishes the data of application and abstract of an invention in the Official Bulletin, and exhibits materials of application.

2. In case decision on refusal to grant a patent is overturned by a court decision in force, which grants a patent, Sakpatenti publishes application data and abstract of an invention in the Official Bulletin, and exhibits application materials within a month from the receipt of a court decision.

### **Article 40<sup>1</sup>. Amending a granted patent**

1. By request of the patent owner, it is permitted to amend description and formula of an invention that has been granted a patent, for the purpose of rectifying accidental mistakes, only where such changes are clearly derived from the substance of documents in question and it is obvious that nothing else could be implied.



2. The rules on amending patent pursuant to par. 1 of this Article are defined by the instruction.

#### **Article 40<sup>2</sup>. Disclosure of Information**

Anyone who willfully discloses information on the substance of application filed with Sakpatenti before publication of application data in Sakpatenti Bulletin, except for the applicant or his/her successor, shall be held liable under Georgian law.

#### **Article 40<sup>3</sup> Grounds for appeal to the Chamber of Appeals**

1. An applicant has the right to file an appeal to the Chamber of Appeals against decision of Sakpatenti on completion of the formal requirements examination or termination of proceedings, as well as decision on substantive examination refusing to grant a patent.

2. An interested party has the right to file an appeal to the Chamber of Appeals against decision of the patent examination, claiming non-compliance with the requirements of Articles 16 and 17 of this Law or non-compliance of an invention with the criteria of novelty and inventive step provided by par. 1<sup>2</sup> and 1<sup>3</sup> of Article 35 of this Law. At the same time, it is inadmissible to file an appeal to the Chamber of Appeals against decision of patent examination where appeal is based on the grounds that are subject to ongoing court proceedings and/or there is a court decision on the merits of appeal.

3. An interested party has the right to apply to the Chamber of Appeals with the request to assess criteria of patentability that were not examined by expert in the course of patent examination, and to request a decision on granting a patent on this basis. In assessing the criteria of patentability, the Chamber of Appeal should take into account only those reasons that are presented by the interested party on the basis of relevant documents.

4. The appeal should be filed to the Chamber of Appeals within three months from the date of publication/receipt of the decision in question.

5. The Chamber of Appeals hears the appeal and renders decision within three months from the filing date.

6. Decision by the Chamber of Appeals may be appealed in court within the term provided by law for appealing administrative-legal acts.

#### **Article 40<sup>4</sup>. Conflict of Interest.**

1. The following persons are prohibited from filing an application:

- a) an individual currently employed by Sakpatenti or formerly employed by Sakpatenti in the period of 12 months preceding the date of filing an application;
- b) a legal entity whose member, partner, stockholder or chair is a person noted in sub-paragraph "a".

2. In deciding a legal dispute related to granting of a patent, a person who took immediate part in delivering the appealed decision shall be prohibited from taking part in the Chamber of Appeals.

3. A person cannot serve as a patent attorney if he/she is currently employed by Sakpatenti or was formerly employed by Sakpatenti as an expert in the period of 12 months preceding the date of patent attorney registration, or if he/she is a first-kin relative of Sakpatenti expert,.

### **Article 41. Granting a Patent**

1. Sakpatenti registers a patent in the Registry of Industrial Property (hereinafter - the Registry) and issues a patent certificate, if:

a) no appeal was filed to the Chamber of Appeals within the term provided by par. 4 of Article 40<sup>3</sup> of this Law;

b) the Chamber of Appeals decides to grant a patent on the basis of an appeal filed under Article 40<sup>3</sup> of this Law,

c) the court decides to grant a patent.

2. Sakpatenti defines the form of patent certificate and data to be entered into the Registry.

3. Any person has the right to access Registry data.

4. repealed -

### **Article 42 Decision Refusing a Grant of Patent**

1. Sakpatenti decides to refuse granting of a patent where:

a) an application concerns an object that cannot be considered invention under Article 16 of this Law;

b) an application concerns an invention that is not patentable under Article 17 of this Law;

c) an invention does not comply with the criteria of novelty;

d) in cases under par. 13 of Article 35 of this Law, an invention does not meet the criteria of an inventive step;

e) an application does not meet the requirements provided by par. 6 of Article 23 of this Law;

f) description and claim of an invention that form a part of an application are not sufficient for defining an object of protection pursuant to par. 11 of Article 35 of this Law.

2. Where refusal to grant a patent relates only to part of an application, corresponding articles of an invention formula shall be considered withdrawn.

### **Article 42<sup>1</sup>. Re-Examination of an invention**

1. An interested party has the right to request re-examination of an invention within the term of patent validity, on the grounds that an invention does not meet the patentability criteria.

2. An application for re-examination should be supported by the following documents:

a) written argument pertaining to non-compliance of an invention with the patentability criteria;

b) copies of all issued and published patents that form the basis for party's argument. In addition, where documents required by this sub-paragraph are presented in foreign language, the interested party shall provide their Georgian translation within 1 month. Failure to comply will cause the documents to be considered non-filed.

3. Within two weeks from the date of filing an application for re-examination of invention, patent owner has the right to make written objections that will be taken into account during re-examination.

4. On the basis of re-examination, Sakpatenti decides to decline the request for revocation of the patent or to revoke the patent wholly or partially.

5. The data on full or partial revocation of the patent are published in the Bulletin and recorded into the Registry.

6. Procedures for re-examination of an invention shall be determined by the instruction.

**Article 43. repealed -**

**Article 44. repealed -**

**Article 45. Recalling an application**

The applicant has the right to recall his/her application before publication.

**Article 46. Extension and restoration of procedural terms**

1. In the course of application proceedings, in accordance with applicable rules, the applicant has the right to require:

- a) suspension of the application review;
- b) amendments to the presented application materials, provided that such amendments are not beyond the substance of an invention;
- c) extension of time-limit for response to requirements raised by Sakpatenti;
- d) reinstatement of application-related rights that were revoked due to failure to meet time-limits.

2. Procedures for actions under par. 1 of this Article are determined by the instruction.

**Article 47. Service Fee**

1. Examination of formal requirements of application, patent examination, publication and registration, yearly continuance of patent protection, appeal, amendments to Registry data and other activities shall be subject to a fee.

2. Failure to comply with time limits for payment of fees provided in par. 1 of this Article results in termination of application proceedings.

3. Type and amount of fees shall be determined by the decree of the Government of Georgia.

4. Form and rules for payment of fees are determined by the instruction.

**CHAPTER VII. SCOPE OF EXCLUSIVE RIGHTS DERIVING FROM PATENT**

**Article 48. Scope of exclusive rights**

1. The patent owner uses invention at his/her discretion. The patent owner has the right to sell or dispose of the patent otherwise, issue private license on the use of patent in accordance with applicable rules or/and to lease the patent.

2. The patent vests its holder with the exclusive rights to prohibit others, without holder's permission, from:

- a) production, sale, offer for sale, use, import or other market use of a product protected by patent;
- b) use or offer for sale of a patented method;
- c) sale, offer for sale, use, import or other market use of a product directly made by the use of a patented method.

3. Where exclusive right of the patent holder extends to the patent protecting the method for producing a new product, any other similar product made by another person will be deemed produced by the use of this method, until proven otherwise.

4. Where patent is held by several persons:

- a) transfer of patent right, issuing private license for use of patent or patent lease requires consent of all owners;
- b) each patent owner has a right to use a patented object at his/her own production without consent of the other patent owners.

**Article 49 repealed**

**Article 50 repealed**

### **Article 51. Conditional rights**

The applicant holds conditional entitlement to all rights accorded by the patent, from the day of publishing an application until he/she is granted a patent. In case a patent is not granted, these rights will not be considered established.

### **Article 52 Limitation of exclusive rights**

The following shall not be considered a violation of exclusive rights:

- a) further dissemination or other use of the product produced by the patent owner or under his/her permission and put on the market;
- b) private use of invention for personal ends, unless such action is not intended for commercial purposes;
- c) use of invention abroad the foreign vessel, aircraft or land transport present on the territory of Georgia. In such cases, invention should be used exclusively abroad such transportation means and not for entrepreneurial purposes;
- d) use of invention in cases of natural disaster, catastrophe, epidemic or other emergency situations.

### **Article 53. Right of Prior Use**

1. Right of prior use is a right of a person to use the patent regardless of its effect, where such person has been using invention in good faith or conducted preparatory works for its use prior to the date of filing patent application in Sakpatenti or the priority establishment date.

2. The right of prior use entitles third persons to use invention exclusively for purposes and in volume corresponding to its purposes and volume of its past use or preparatory works, up to the date of filing or establishment of priority.

3. The right of prior use shall not be licensed privately.

4. It is permitted to transfer the right of prior use only together with an enterprise where actions referred to in par. 2 of this Article were undertaken.

### **Article 54. Revocation of the Patent**

1. A patent may be revoked by Sakpatenti:

- a) on the application of the patent owner;
- b) in cases of non-payment of the yearly fee for extension of patent protection;
- c) based on results of re-examination of an invention.

2. A patent revoked pursuant to sub-par. 1(b) of this Article may be reinstated if the patent owner pays the next-year fee for patent validity within 6 months from expiry of the term for payment of the annual patent validity fee. Following six months from the expiry of the afore-noted term, revoked patent may be reinstated if the patent holder pays patent restoration and validity fees.

3. In cases where next-year fee for patent validity is not paid before expiry of the term noted in par. 2 of this Article, the patent is considered revoked from the date of expiry of the term.

4. Information on patent revocation and reinstatement is recorded in the Registry.

5. The patent is considered reinstated from the date of publishing corresponding information.

### **Article 55. Right of further use**

Any person, who has utilized an invention protected by patent in good faith or conducted preparations for exploitation of such invention from the date of patent revocation on the territory of Georgia until its reinstatement has the right to continue its

use for entrepreneurial purposes. Transfer of this right is permitted only together with the enterprise (right of further use).

#### **Article 56 repealed -**

#### **Article 57. Invalidation of a patent**

1. A court shall declare a patent invalid where it has established that:

- a) an object of patent is not patentable;
- b) a patent does not describe an invention to the degree that makes its realization possible;
- c) object of patent falls in the category of objects that cannot be patented under Article 16 of this Law;
- d) object of patent falls in the category of objects that cannot be considered an invention under Article 17 of this Law;
- e) object of patent falls beyond the scope of application in respect of which the priority was established, or the patent is granted on the basis of a divisional application and its object is beyond the scope of the first application;
- f) if the patent owner had no right to hold patent in accordance with Article 19 of this Law.

2. In cases envisaged by sub-par. 1(f) of this Article, an interested party may request an entitlement to a patent instead of requesting its invalidation.

3. Information on invalidation of patents is recorded in the Registry.

#### **Article 58 Results of patent invalidation**

As a result of patent invalidation, rights granted by the patent are considered not established.

### **CHAPTER VIII. Transfer of patent rights and private license on the use of patent**

#### **Article 59. Private license on patent use**

1. Patent owner has the right to grant private license for the use of a patent.

2. Private license is not a license envisaged by the Law of Georgia on Licenses and Permits.

3. Private license agreement should be concluded in writing. Private license should define the scope of use for the object protected by patent.

4. Private license may be exclusive or non-exclusive. If an agreement on private license does not define a type of license, the license shall be deemed non-exclusive.

5. Granting non-exclusive private license does not deprive the license granter of the right to issue other license on equivalent terms.

6. Granting exclusive private license deprives the license granter of a right to issue other license on equivalent terms.

7. Private license holder has a right to file an appeal in court claiming infringement of the rights deriving from patent, unless the patent owner files an appeal on his/her own accord within reasonable time from being notified such infringement.

8. Private license agreement and amendments thereto may be recorded in the Registry.

#### **Article 60. Open Licensing**

1. Patent owner has the right to announce open license status where patent has not been a subject of an exclusive license.

2. An open license can be only non-exclusive.

3. An open license status confers any person the right to use patent pursuant to the conditions established by open license.

4. In the case of announcing an open license, the amount of patent fee is halved.

5. Sakpatenti shall be informed about the open license, so that it enters corresponding records in the Registry and publishes data in the Bulletin.

6. Patent owner can request Sakpatenti to terminate open license status at any time. Cancellation of open license status approach does not have an effect on open licenses issued.

#### **Article 60<sup>1</sup>. Transfer of patent rights**

1. Agreement on transfer of exclusive rights shall be concluded in writing.

2. In line with applicable rules, agreement on transfer of exclusive rights and amendments thereto shall be recorded in the Registry and data published in the Bulletin.

3. New owner of the patent shall not use the rights accorded by patent against third parties until relevant changes are entered into the Registry.

#### **Article 61. repealed**

#### **Article 62. repealed**

### **CHAPTER VIII<sup>1</sup> Patent lease**

#### **Article 62<sup>1</sup>. Patent lease**

1. Unless provided otherwise by this Law, provisions of Chapter 6, Title 3, Book 2 of the Civil Code of Georgia shall govern agreements on patent lease.

#### **Article 62<sup>2</sup>. Form and Procedure for Patent Lease Agreement**

1. Patent lease agreement shall be concluded in writing. Failure to comply with written form of agreement shall render lease agreement void.

2. A patent cannot be leased simultaneously in favor of multiple persons.

3. Patent lease agreement shall be registered at Sakpatenti and data are published in the Bulletin.

#### **Article 62<sup>3</sup>. Private License on Leased Patent.**

1. Licenses issued by the patent owner prior to the conclusion of the patent lease agreement, pursuant to rules defined by Law, shall remain in effect.

2. Lease holder's prior written consent is required for granting license on a leased patent.

#### **Article 62<sup>4</sup> Alienation of a Leased Patent**

1. Lease holder has the right to alienate the leased patent only after notifying the patent owner in accordance with the rules established by part 1 of Article 282 of the Civil Code of Georgia.

2. Alienation of the leased patent is conducted through auction.

3. Auctions are held in accordance with applicable rules of Articles 301-309 of the Civil Code of Georgia.

4. Owner of exclusive license on leased patent has a priority right to purchase the leased patent prior to the auction.

5. In the course of alienation of a patent by the lease holder, licenses granted by the patent owner prior to conclusion of the lease agreement, pursuant to rules set by law, shall remain in effect.

**Article 62<sup>5</sup>. Open License Status of a Leased Patent**

1. Upon application by the lease holder, the court may order open license status of the leased patent instead of its compulsory alienation by way of auction.

2. Open licensing status of the leased patent is terminated whenever the creditor is satisfied or it is obvious that the creditor will not be fulfilled by such status.

3. Licenses granted in the course of open license status of a leased patent shall remain in effect after cancellation of an open status.

**CHAPTER IX. repealed -**

**CHAPTER X repealed -**

**CHAPTER XI. repealed -**

**Article 68 repealed -**

**Article 68<sup>1</sup>. Appeal to the Court**

1. Infringement of rights derived from patent shall mean infringement of rights accorded by this Law leading to responsibility under the law of Georgia.

2. Sakpatenti shall not take part in patent dispute concerning infringement of rights derived from patent.

3. Infringement of exclusive rights may lead to criminal and civil responsibility.

**Article 68<sup>2</sup>. Statute of limitation**

Unless provided otherwise by this Chapter, a claim concerning infringement of rights deriving from patent can be filed within 3 years from the moment when infringement of rights has become known to the patent owner.

**Article 68<sup>3</sup>. Intermediate Measures for Securing the Claim**

1. Before the start of a hearing on merits, the court may issue a ruling prohibiting defendant or a person against whom there is a reasonable doubt of having infringed exclusive rights from actions provided by Article 48 of this Law.

2. Before the start of the hearing on merits, the court may issue a ruling on arrest of those goods that are subject of a reasonable doubt of being produced in violation of exclusive rights, as well as tools, equipment and other supporting means necessary for the production of such product.

**Article 68<sup>4</sup>. Responsibility for infringement of rights deriving from patent**

1. A person who sustains damages from infringement of rights derived from patent has the right to request destruction of products, as well as tools, equipment and other supporting means necessary for the production of such product, owned or used by infringer, in case there are no alternatives to remedy the infringement and illegally produced product cannot be held over to the infringer or exclusive rights' holder.

2. Request provided by par. 1 of this Article can be made in cases where product is made through direct use of means that are presented as a method protected by patent.

3. Product produced in violation of exclusive rights deriving from patent, which was obtained by a third party in good will, cannot be confiscated unless the patent was obtained for receiving profit from its introduction to the market.

**Article 69 repealed -**

**Article 70 repealed -**

**Article 71 repealed -**

## **CHAPTER XI<sup>1</sup> UTILITY MODEL**

### **Article 71<sup>1</sup>. Criteria of Patentability of a Utility Model**

1. A utility model, characterized by lesser inventive step compared to invention and a diminutive invention in essence, is patentable where it satisfies the criteria of patentability - novelty, inventive step and industrial applicability.

2. A utility model accords to requirement of novelty where it is not known from the existing state of the art.

3. A utility model accords to inventive step where it is not known from existing state of the art to the person skilled in the art at the date of application or establishing priority.

4. Industrial application of the utility model implies capability of its production or use in industry.

5. The patent validity term for utility model is 10 years from the day of application to Sakpatenti.

6. Unless otherwise is provided in this Chapter, utility model is subject to the provisions of this Law on the creation, examination, use and legal protection of inventions.

7. In the course of substantive examination of a utility model application, Sakpatenti supplies the applicant only with decisions provided by sub-paragraphs 1(a) and 1(d) of Article 36 of this Law.

8. In determining novelty of a utility model, Sakpatenti conducts research only with regard to application filed with Sakpatenti.

9. Procedures for examining application on utility model are defined by the instruction.

### **Article 71<sup>2</sup>. Association between Inventions and Utility Models**

1. An applicant can file application for one and the same invention in Sakpatenti claiming simultaneously an invention and a utility model.

2. An application filed in accordance with par. 1 of this Article is examined in separate items and decision is taken independently on each item.

3. In cases under this Article, granting a patent on invention causes revocation of the patent on utility model. Where patent is not granted on the grounds of an invention failing to meet requirement of novelty, the utility model shall be considered void.

4. Before decision on granting a patent, it is permissible to amend an application for invention into utility model application and vice versa.

## **CHAPTER XII. INTERNATIONAL APPLICATION**

### **Article 72. International Application**

1. The rules of this Chapter shall apply to international applications filed with Sakpatenti in accordance with the Patent Cooperation Treaty (PCT).

2. Sakpatenti processes international applications in line with the Patent Cooperation Treaty, this Law and other normative acts.

### **Article 73 Status of an International Application**



1. An international application indicating Georgia as a place for obtaining national patent for an invention or utility model is equal to the application filed with Sakpatenti, and international application shall be treated as a national application from the date of its filing.

2. An applicant is entitled to rights provided by Article 51 of this Law where an international application has been published by Sakpatenti in Georgian language in accordance with Article 40 of this Law.

#### **Article 74 Procedure for filing an International Application**

1. Sakpatenti acts as a "receiving office" for international applications for citizens or permanent residents of Georgia.

2. Sakpatenti, in its capacity of a "receiving office" of international applications, accepts international applications filed in Georgian, English or Russian languages. Whereas, the postage fee for sending application to competent international organizations or agencies shall be paid to Sakpatenti within a month from filing date of international application.

3. In case of filing international application in Georgian language, the applicant shall provide translation of the application in English or Russian within 1 month from the date of filing.

#### **Article 75. Accepting an International Application**

1. Sakpatenti acts as a "designated office" with regard to international applications indicating Georgia as a place for obtaining national patent for an invention or utility model.

2. Sakpatenti acts as an "elected office" with regard to international applications indicating Georgia as a place for obtaining national patent for an invention or utility model, where the inventor has selected Georgia under the provisions of Chapter II of the PCT.

### **CHAPTER XIII. TRANSITIONAL PROVISIONS**

#### **Article 76. Application of the provisions of this Law to formerly established relations**

1. Applications undergoing patent examination at the moment of entry into force of this Law shall continue to be subject to proceedings, including granting of a patent, in accordance with the Decree of the Cabinet of Ministers of Georgia No 302 of March 16, 1992 "On Approving and Enacting of the Statute on Inventions" and Decree No. 303 of March 15, 1992 "On Approving and Enacting of the Statute on Industrial Designs".

2. Applications filed in Sakpatenti on the basis of author's certificate of invention issued by the former USSR may be granted a patent of Georgia unless a 20-year statute of limitation between filing an application on invention in USSR office and an application in Sakpatenti has lapsed.

### **CHAPTER XIV. FINAL PROVISIONS**

#### **Article 77. Measures Related to Enactment of this Law**

1. This law shall enter into force in three months from publication.

2. Along with enactment of this Law, taking into account transitional provisions, Decrees of the Cabinet of Ministers of Georgia No 302 of March 16, 1992 and No 303 of March 15, 1992, respectively, "On Approving and Enacting of the Statute on

Inventions" and "On Approving and Enacting of the Statute on Industrial Designs", shall be considered annulled.

2<sup>1</sup>. Order of the President of Georgia No 233 of May 8, 2002 "On Patent Attorneys of Georgia" shall be considered annulled.

3. repealed -

4. The President of Georgia shall ensure compliance of an Order No. 451 of 16 October 2000 "On Approving the Regulation on "Protection and Use of Secret Invention and Utility Model" with this Law. 5. Sakpatenti shall elaborate and submit to the Government of Georgia for approval:

a) instructions on drafting and filing of invention and utility model applications and on procedures related to granting of patent;

b) service fees for patenting, registration and deposition of intellectual property objects.

6. Sakpatenti shall elaborate Regulation on Patent Attorneys.

#### **Article 78. Status of Patents Granted before enactment of Law**

The patents granted before enactment of this Law are equal to patents granted under this Law.