

American Intellectual Property Law Association

January 30, 2025

H.E. Ms. Nusara Kanjanakul
Director General
563 Nonthaburi Road
Bangkrasor
Muang Nonthaburi 11000
Thailand Department of Intellectual Property

Re: AIPLA Comments to the Draft New Patent Law

Dear H.E. Ms. Nusara Kanjanakul

Your Excellency,

We hope this letter finds you in good health and spirits. The American Intellectual Property Law Association (AIPLA) understands that the public has the opportunity to comment on the Draft New Patent Law until January 31, 2025. We understand that the Draft New Law has the purpose to update the Thai Patent Law and harmonize it with international treaties especially the Hague Agreement. With respect, we submit our comments to the Draft New Patent Law for your consideration.

Founded in 1897, AIPLA is a national bar association of approximately 7,000 members including professionals engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public's interest in healthy competition, reasonable costs, and basic fairness.

General Overview:

The proposed Draft Thailand Patent Law represents a significant effort to modernize Thailand's patent framework and align it with international standards. Below is a detailed review with comments comparing the draft law's provisions to those in IP5 (USA, Europe, China, Japan, and South Korea) and India. Each section is addressed with recommendations for improvements or clarifications where needed. The absence of comments on any part or provision does not reflect support or lack of support of this part by AIPLA.

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1. Definitions and General Provisions

Overview:

- The definitions provided in Section 4 are thorough and include essential terms such as "Patent," "Petty Patent," "Invention," and "Design".
- The inclusion of "First Filing Date" and references to international treaties (e.g., Hague Agreement) demonstrate alignment with global practices.

Recommendations:

• In section 6, clarify the term "applied industrially" to ensure it encompasses a broad range of industries.

2. Patentable Inventions (Sections 6-11)

Overview:

- Sections 6-10 establish a robust framework for patentability: novelty, inventive step, and industrial applicability.
- Section 11 outlines non-patentable subject matter, including exclusions for morality and public order.

Harmonization Perspective:

- Europe: The EPC applies a "technical contribution" approach for software-related inventions.
- USA: Software and business methods are patentable under certain conditions (e.g., *Alice Corp. v. CLS Bank*).
- India: Section 3 of the Indian Patents Act excludes software "per se", but inventions with a "technical effect" are patentable.

Recommendations:

- Amend Section 11(3) to allow for software patents with a demonstrable technical contribution, thereby aligning with practices in Europe and Japan.
- Define "reasonable cause" in Section 11(5) to ensure consistent application, particularly for exclusions based on morality or environmental concerns.

3. Employee Inventions (Sections 12-15)

Overview:

• The provisions strike a balance between employer and employee rights, thereby ensuring employees receive "special compensation" for their inventions.

Harmonization Perspective:

- Japan: The Patent Act (Article 35) explicitly defines criteria for determining "reasonable remuneration," including the invention's value and the employer's profit.
- South Korea: Employee inventions are governed by fair compensation rules, with detailed procedures for dispute resolution.

Recommendations:

- Incorporate specific criteria for calculating "special compensation," such as the invention's commercial value and the employer's revenue from its use.
- Establish a formal dispute resolution mechanism for compensation claims, which will ensure transparency and fairness.

Section 33 recommendation:

• Suggest adding to Section 33 that the examiner should issue an examination report within one year from substantive examination request deadline.

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Section 36 recommendation:

• Suggesting adding timeline of 3 to 6 months for submission of additional evidence in section 36.

4. Patent Term and Maintenance (Sections 42-54)

Overview:

- A 20-year patent term aligns with TRIPS and global norms.
- Clear provisions for annual fee payments and penalties for non-payment.

Harmonization Perspective:

- USA: The Hatch-Waxman Act allows patent term extensions for pharmaceutical products delayed by regulatory approvals.
- Europe: Supplementary Protection Certificates (SPCs) extend protection for pharmaceuticals and agrochemicals.

Recommendations:

- Introduce provisions for patent term extensions for pharmaceutical and biotech patents delayed by regulatory processes.
- Specify grace periods for fee payments to avoid unintentional lapses, as practiced in South Korea, Japan, and India.

5. Opposition and Revocation (Sections 36-39)

Overview:

• While AIPLA acknowledges that the pre-grant opposition provisions are intended to enhance transparency and safeguard public welfare by allowing public participation in the opposition process, AIPLA generally opposes such provisions. AIPLA believes that opposition procedures should not be available prior to the grant of a patent, as they may unnecessarily delay the patent granting process.

Harmonization Perspective:

- Europe: The opposition procedure before the European Patent Office (EPO) occurs postgrant and involves a robust review process.
- USA: Post-grant opposition (PGR) in the United States ensure fairness and it is an important tool to strike the balance between monopolistic rights and public welfare.

Recommendations:

- To fulfill the intent of the legislation, AIPLA recommends introducing post-grant opposition provisions with a clear timeline, which would allow third parties to file oppositions after a patent is granted. This approach ensures transparency while safeguarding public welfare.
- Specify timelines and procedures for revocation based on invalidity, thereby aligning with global practices.

6. Licensing and Use (Sections 48-52 & 55-67)

Overview:

• Detailed provisions for compulsory licensing are provided in the Draft Patent Law.

Recommendations:

• AIPLA generally opposes compulsory licensing, but if the changes are to move forward, it should be in very limited circumstances where substantial evidence demonstrates that the specific requirements for issuing a compulsory license have been met. Furthermore,

AIPLA believes that the determination of such requirements should be subject to a rigorous and transparent administrative process to ensure fairness and accountability.

• However, if the proposal moves forward and given the significance of granting compulsory licenses, AIPLA proposes the following:

(a) A person requesting a compulsory license must submit a formal request to the patent administration department under the Director-General, clearly stating the reasons for the request and attaching all relevant supporting documents. The required supporting documents must include:

- (a1) Evidence of Efforts to Obtain Authorization:
 - Proof that the requestor has made reasonable efforts to obtain authorization from the patent right holder on fair commercial terms and conditions, and that these efforts were unsuccessful within a reasonable period of time.
- (a2) Alternative Evidence (if applicable):
 - A certified final judgment from the Court indicating that the grant of a compulsory license is necessary to remedy anti-competitive effects caused by the patent right holder's conduct.
- (a3) Evidence of Capability:
 - Proof that the requestor possesses sufficient financial resources and technical capability to commercially exploit the patent upon receiving the compulsory license.

Before making a final decision to reject or grant the request for a compulsory license, the patent administration department must notify both the requestor and the patentee. Both parties should be given the opportunity to provide written comments and participate in an in-person hearing.

- Define "reasonable attempts to negotiate" under Sections 55-57, specifying timelines and criteria for assessing efforts as it is very subjective.
- We also suggest there should be a standard or definition for determining exploitation.

7. Enforcement and Infringement (Sections 42-47, 103-105)

Overview:

• Provisions for determining infringement align with global standards, including rights for indirect infringement.

Harmonization Perspective:

- USA: Explicit provisions for contributory and induced infringement under 35 U.S.C. § 271.
- India: Remedies include injunctions, damages, and accounts of profits.

Recommendations:

- Include detailed remedies for indirect and contributory infringement to strengthen enforcement mechanisms.
- Address enforcement challenges in cross-border scenarios, considering Thailand's position within ASEAN.

Best Practices for Cross-Border Enforcement:

I. ASEAN Patent Examination Cooperation (ASPEC): Thailand can actively leverage ASPEC, a regional framework for work-sharing among ASEAN countries, to expedite patent prosecution and harmonize enforcement strategies. For example, patent applicants can request accelerated examination in participating countries, reducing discrepancies and fostering mutual recognition of patent rights.

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II. Mutual Recognition Agreements (MRAs): Establish bilateral or multilateral MRAs with ASEAN member states to streamline patent enforcement and dispute resolution. For example, MRAs could ensure that a patent infringement judgment in Thailand is recognized and enforced in partner countries, thereby reducing jurisdictional conflicts and improving legal certainty for patent holders.

8. International Applications (Sections 71-81, 110-118)

Overview:

• Provisions for international filings under the PCT and Hague Agreement are wellstructured.

Harmonization Perspective:

- USA & South Korea: Expedited examination procedures under the Patent Prosecution Highway (PPH) streamline international applications.
- China: Strict timelines for translations and formalities ensure efficiency.

Recommendations:

- Implement expedited examination for PCT applications, leveraging Thailand's participation in the PPH.
- Clarify timelines for translations and fee payments to minimize administrative delays.

9. Miscellaneous Provisions

Recommendations:

- Introduce provisions for restoring lapsed patents due to unintentional errors, similar to the United States, South Korea and India.
- Mandate digital filing and electronic processing to streamline patent administration, following USA, China's advanced e-filing systems.

Lastly, AIPLA notes that on November 22, 2024, the WIPO Member States agreed on final Articles and Rules and <u>adopted the historic Riyadh Design Law Treaty (DLT)</u>. The Delegation of Thailand participated in Diplomatic Conference for the Design Law Treaty and expressed support for its adoption. The <u>DLT consists of 34 Articles and 18 Rules</u> that seeks to streamline and harmonize international design law. The obligations under the Design Law Treaty should be taken into consideration in drafting any new Thai design law legislation. (e.g. maximum application requirements, minimum filing date requirements, 12-month grace period, forgiveness provisions, priority claim, drawings requirements., etc.)

Conclusion:

AIPLA sincerely appreciates the opportunity to provide its comments on the Draft New Patent Law and hopes these comments are helpful. If AIPLA can be of any further assistance in the development and implementation of the New Patent Law to the office of the Director General or of any other assistance on intellectual property issues, please do not hesitate to contact us. Re: AIPLA Comments on Proposed Thai Patent Law January 30, 2025 Page 6

Thank you and best regards,

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Kimberly Van Voorhis President American Intellectual Property Law Association