

CHAPTER 10

SECTION 40 COMPENSATION OF EMPLOYEES FOR CERTAIN INVENTIONS

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10 COMPENSATION OF EMPLOYEES FOR CERTAIN INVENTIONS

INTRODUCTION

10.01 Section 40 provides for the Court or the comptroller to award compensation to be paid by an employer to an employee in respect of an invention made by the employee, in certain circumstances. The procedure before the comptroller is governed by rule 59 of the Patents Rules 1995.

MAKING AN APPLICATION

Who may apply?

10.02 The employee is the person who can apply. He should be named as inventor of the patent. If he has not been named, he will need to file an application under section 13(1).

To whom should the application be addressed?

10.03 The application should be made with reference to the employer not the current proprietors. The employer may be a different person from the current proprietors (*Fellerman's Application* (BL 0/11/96)). If there is any confusion on this point, it will need to be addressed in the early stages of the proceedings.

Which type of patents can a section 40 application relate to?

10.04 The patent must be a granted patent. Foreign patents as well as GB patents may be the subject of an application. More than one patent may be mentioned on the Patents Form 2/77.

Period during which an application may be made

10.05 The application may be made at any time from the date of grant of the patent until one year after the patent has ceased to have effect (rule 59(2)). If, after failure to pay a renewal fee, a request is made for restoration of the patent under section 28 then:

- if the patent is restored, the period continues as if these events did not occur or
- if the restoration is refused, the period expires either one year after the patent ceased to have effect or six months after the refusal, whichever is the later.

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PUBLIC INSPECTION

10.09 Documents filed in section 40 proceedings are not open to public inspection. Decisions are not open to public inspection for 28 days, pending comments by the parties concerning any parts of the decision for which confidentiality is requested. The comptroller may then issue a redacted version of the decision. This is open to public inspection.

FORMAL REQUIREMENTS

10.10 A Patents Form 2/77 and a statement are required, both filed in duplicate. The application should be accompanied by the correct fee (£50). If the fee is not present or is subsequently found to have been cancelled, then the action has not been properly made.

Statement

- 10.11 The statement should set out fully the facts relied upon. The statement and the Patents Form 2/77 should be checked by the B3 officer who should take into account the points raised above and points raised in Chapters 1 and 2. Any defects in the statement or Patents Form 2/77 should be brought to the attention of the employee (referred to as the “claimant” in the proceedings) with a request that the appropriate changes be made. This will often need to be done before the period for filing of the counter-statement is set. However, certain defects are of such a nature as to allow the two periods to be run concurrently

FURTHER PROCEDURE

- 10.12 See the standard procedures for counter-statement and evidence as outlined in Chapters 1 - 3. For complex problems, see Chapter 16. The employers are referred to as the “defendants” in the proceedings.