CHAPTER 107.

An Act to make such special provision with respect to patents, registered designs, copyright and trade marks, as is expedient to meet any emergency which may arise as a result of war.

[21st September 1939.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

Provisions as to existing licences under patents, designs and copyright of enemies and enemy subjects, and as to contracts relating thereto. 2 & 3 Geo. 6. c. 89.

1.—(1) Notwithstanding the provisions of section one of the Trading with the Enemy Act, 1939, or any rule of law relating to intercourse or dealings with or for the benefit of enemies, a licence under a patent or for the application of a registered design or granting an interest in a copyright, being a licence which would have been in force in favour of a person resident in the United Kingdom or the Isle of Man if neither the proprietor of the patent or registered design, or the owner of the copyright, as the case may be, nor any person otherwise interested therein, had been an enemy, shall not be invalid by reason of the fact that the proprietor or owner or any person otherwise interested therein is an enemy, nor shall any contract, in so far as it relates to any such licence as aforesaid, be invalid by reason of the fact that any party to the contract is an enemy :

Provided that nothing in this section shall—

(*a*) render valid a grant or an assignment of any such licence as aforesaid, or any contract relating to any such licence, if that grant, assignment or contract is made during the existence of a state of war and is unlawful by virtue of any provision of the said section one or of any such rule as aforesaid, or

(*b*) authorise the performance of any contract relating to any such licence as aforesaid in a manner inconsistent with any of the provisions of the Trading with the Enemy Act, 1939, or of any other enactment relating to intercourse or dealings with or for the benefit of enemies, or to the property, rights, or capacity of enemies, or in a manner inconsistent with any rule of law relating to any of those matters.

(2) In the case of any such licence as aforesaid, where an enemy or an enemy subject is, or has at any time since the beginning of the third day of September nineteen hundred and thirty-nine been, whether alone or jointly with any other person, the proprietor of the patent or registered design, or the owner of the copyright, as the case may be, or entitled to any other interest therein (not being merely the interest of a licensee), the comptroller may, on the application of the licensee or any other person interested in the patent, registered design or copyright, by order—

(*a*) revoke the licence;

(*b*) revoke or vary any conditions subject to which the licence has effect; or

(*c*) revoke or vary any of the provisions of a contract relating to the licence in so far as they relate thereto.

An order for a variation made under this subsection may be revoked or varied by a subsequent order made thereunder.

Power of comptroller to grant licences under

2.—(1) Where—

(*a*) an enemy or an enemy subject is, or has at any time since the beginning of the third

day of September nineteen hundred and thirty-nine been, whether alone or jointly with any other person, the proprietor of a patent or registered design or the owner of a copyright, or entitled to any other interest in a patent, registered design or copyright (not being merely the interest of a licensee), and

patents, designs or copyright of enemies and enemy subjects.

(*b*) the comptroller is satisfied that it is in the interest of all or any of His Majesty's subjects that the rights conferred by the patent should be exercised, or that the design should be applied or the copyright exercised, as the case may be, and that a person who is not an enemy or an enemy subject desires to exercise the said rights or apply the said design or exercise the said copyright and is in a position so to do,

the comptroller may, on the application of that person, make an order granting to him a licence under the patent or for the application of the design or granting an interest in the copyright, as the case may be, either for the whole of the residue of the term of the patent, registration or copyright, or for such less period as the comptroller thinks fit.

(2) The power of the comptroller under this section to make an order granting a licence shall include the power—

(*a*) to make an order granting an exclusive licence;

(*b*) to make an order granting a licence in relation to a patent, registered design or copyright, notwithstanding that a licence, whether exclusive or otherwise (not being an exclusive licence granted by virtue of the powers conferred by this section), is in force in relation thereto; and

(*c*) to make an order granting a licence on any terms that the comptroller may think expedient.

(3) Where, under the power conferred by this section, the comptroller makes an order granting a licence in relation to a patent, registered design, or copyright in relation to which any other licence has been granted otherwise than by an order made under this section, the comptroller may, in relation to that other licence, make

any order which the comptroller would have had power to make on an application under subsection (2) of the last foregoing section, and which appears to him to be expedient having regard to the order made under this section.

(4) An order granting a licence under this section shall, without prejudice to any other method of enforcement, operate as if it were embodied in a deed granting the licence which the patentee, the proprietor of the registered design, or the owner of the copyright, as the case may be, and all other parties having any interest therein, had executed with full capacity so to do, and the order shall accordingly operate to take away from any such party any right in relation thereto the exercise whereof would be inconsistent with the exercise of the licence in accordance with and subject to the terms on which it is granted.

(5) A licensee under a licence granted under this section may institute proceedings for infringement in his own name as though he were the patentee, the proprietor of the registered design or the owner of the copyright, as the case may be, so, however, that any person other than an enemy who, whether alone or jointly with any other person, is the patentee, the registered proprietor of the registered design, or the owner of the copyright, as the case may be, shall, unless the court in which the proceedings are taken thinks fit to direct otherwise, be made a party to the proceedings, either—

(*a*) if he consents in writing thereto, as a plaintiff, or

(*b*) if he does not so consent, as a defendant.

Where any person is made defendant to any proceedings by virtue of this subsection, he shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

(6) An order granting a licence under this section shall give directions as to the person to whom or the manner in which the licensee is to pay or deal with any royalties or other payments to be paid in respect of the licence. In framing any such directions, the comptroller shall have regard to the purposes of any relevant order for the time being in force under the Trading with the

Enemy Act, 1939; but any directions given by him under this subsection shall, in so far as they may be inconsistent with the provisions of any such order, have effect to the exclusion of those provisions.

(7) An order under this section and a licence granted by such an order may be varied by a subsequent order made by the comptroller either :—

(*a*) where the licensee makes application to the comptroller for the variation thereof, or

(*b*) where the comptroller is of opinion that circumstances have arisen which make it just and equitable, or that the public interest requires, that it should be varied.

(8) An order under this section and a licence granted by such an order may be revoked by a subsequent order made by the comptroller in any of the following cases, that is to say :—

(*a*) where the licensee makes application to the comptroller for the revocation thereof;

(*b*) where it appears to the comptroller that it was obtained by any misrepresentation, whether intentional or not, or was made or granted without the comptroller's having full knowledge of the material facts;

(*c*) where the licensee has failed to comply with any term on which the licence was granted or with a direction given under subsection (6) of this section, or has failed to exercise the licence in such a manner as to satisfy the reasonable requirements of the public in relation to the invention, registered design or work in which copyright subsists, as the case may be, or has charged unreasonable or excessive prices in respect of anything made or done in the exercise of the licence; or

(*d*) where the comptroller is of opinion that circumstances have arisen which make it just and equitable, or that the public interest requires, that it should be revoked.

Power of comptroller to suspend trade mark rights of an enemy or an enemy subject.

3.—(1) Where it is made to appear to the comptroller that it is difficult or impracticable to describe or refer to an article or substance without the use of a trade mark registered in respect of that article or substance, being a trade mark which is, or has at any time since the beginning of the third day of September nineteen hundred and thirty-nine been, registered in the name of an enemy or an enemy subject, whether alone or jointly with another, or which is, or has at any such time as aforesaid been, in the proprietorship of an enemy or an enemy subject, whether alone or jointly with another, the following provisions of this section shall have effect.

(2) On the application of any person who proposes to deal in the course of trade in the United Kingdom or the Isle of Man with an article or substance which is or is intended to be the same as, or equivalent to or a substitute for, the article or substance in respect of which the trade mark is registered, the comptroller may order that the right to the use of the trade mark given by the registration thereof shall be suspended—

(*a*) so far as regards use thereof by the applicant and any such use thereof by any other person in relation to goods connected in the course of trade with the applicant as would not be an infringement of the said right if the applicant were the proprietor of the trade mark,

(*b*) to such extent and for such period as the comptroller may consider necessary for enabling the applicant to render well-known and established some description of, or means of reference to, the article or substance with which he proposes to deal in the course of trade, being a description or means of reference which does not involve the use of the trade mark.

(3) Where an order has been made under the last foregoing subsection, no action for passing off shall lie on the part of any person interested in the trade mark in respect of any use thereof which, by virtue of the order, is not an infringement of the right to the use thereof given by the registration thereof.

(4) An order under this section may be varied or revoked by a subsequent order made by the comptroller.

Effect of war on grant of patents and registration of designs and trade marks.

4.—(1) Notwithstanding the provisions of section one of the Trading with the Enemy Act, 1939, or any rule of law relating to intercourse or dealings with or for the benefit of enemies, it shall be lawful, subject to the provisions of this Act—

(*a*) for a patent to be granted under the Patents and Designs Act, 1907;

(*b*) for a design to be registered under that Act; or

(*c*) for a trade mark to be registered under the Trade Marks Act, 1938; 1 & 2 Geo. 6. c. 22.

on the application of an enemy:

Provided that, where such a grant or registration as aforesaid is effected on the application of an enemy,—

(i) the grantee or person registered shall not be entitled to require the delivery of the patent or the grant or issue of the certificate of registration, as the case may be; and

(ii) the patent, or the rights conferred by the registration, as the case may be, shall be subject to any relevant provisions of any enactment for the time being in force relating to the property of an enemy.

(2) A declaration made by His Majesty under section ninety-one A of the Patents and Designs Act, 1907, declaring a country to be a Convention country, shall not cease to have effect for the purposes of section ninety-one of that Act by reason that His Majesty is at war with that country.

(3) The comptroller may, in any case in which in his opinion it is desirable in the public interest so to do, refuse to take, or suspend the taking of, any proceedings on or in relation to an application of an enemy for a patent or for the registration of a design or of a trade mark.

(4) No act requisite for enabling such a grant or registration as aforesaid to be effected, in so far as it is done for that purpose and for that purpose only, shall, whether the grant or registration is effected or not, be treated as a contravention of any of the provisions of section one of the Trading with the Enemy Act, 1939, or of any rule of law relating to intercourse or dealings with or for the benefit of enemies.

(5) References in this section to an application of an enemy shall be construed as including references to an application of an enemy jointly with any other person, whether an enemy or not, and, in the case of an application for a patent, to an application made in respect of an invention communicated by an enemy.

Effect of war on international arrangements as to copyright. 1 & 2 Geo. 5. c. 46.

5.—(1) When His Majesty is at war with a country in respect of which there was in force immediately before the commencement of the war an Order in Council made by His Majesty under section twenty-nine of the Copyright Act, 1911, then, unless and until the Order in Council is revoked under that Act, it shall be deemed for the purposes of that Act to continue in force, notwithstanding the state of war, subject to any alteration or variation thereof under that Act.

(2) Notwithstanding the provisions of section one of the Trading with the Enemy Act, 1939, or any rule of law relating to intercourse or dealings with or for the benefit of enemies, any copyright that would have subsisted under the Copyright Act, 1911, by virtue of such an Order in Council as aforesaid if the owner of the copyright had not been an enemy shall so subsist where an enemy is, whether alone or jointly with any other person, the owner thereof:

Provided that, where an enemy, whether alone or jointly with any other person, is the owner of copyright subsisting under the Copyright Act, 1911, the provisions of the Trading with the Enemy Act, 1939, and of any other enactment relating to intercourse or dealings with or for the benefit of enemies, or to the property, rights, or capacity of enemies, and any rule of law relating to any of those matters, shall, as respects that enemy, have effect in relation to the copyright so subsisting.

Power of comptroller to extend time limits having regard to war circumstances.

6.—(1) The comptroller may, subject to such conditions, if any, as he thinks fit to impose, extend the time limited by or under the Patents and Designs Act, 1907, the Trade Marks Act, 1938, or this Act, for doing any act, where he is satisfied—

(*a*) that the doing of the act within the time so limited was prevented by a person's being on active service or by any other circumstances arising from the existence of a state of

war which, in the opinion of the comptroller, justify an extension of the time so limited, or

(*b*) that, by reason of circumstances arising from the existence of a state of war, the doing of the act within the time so limited would have been or would be injurious to the rights or interests of the person by or on whose behalf the act is or was to be done or to the public interest.

(2) An extension under this section of the time for doing any act—

(*a*) may be for any period that the comptroller thinks fit, notwithstanding that by or under any enactment in the said Acts power is conferred to extend the time for doing that act for a specified period only; and

(*b*) may be granted notwithstanding that that time expired before any application or request for extension was made, or that, by reason of that act not having been done within that time, the relevant application, patent, registration or proceeding has ceased or expired, or become void or invalid, or been treated as abandoned.

(3) The powers conferred by this section may be exercised notwithstanding that the exercise thereof benefits, whether directly or indirectly, an enemy or an enemy subject.

Evidence relating to nationality and place of residence, and decisions relating to enemy character.

7.—(1) For the purposes of this Act—

(*a*) the fact that the address of any person registered in any register kept under the Patents and Designs Act, 1907, or in the register of trade marks kept under the Trade Marks Act, 1938, is an address in enemy territory within the meaning of the Trading with the Enemy Act, 1939, shall be prima facie evidence that that person is resident in that territory, and

(*b*) the fact that in any such register a person is stated to be of a particular nationality shall be prima facie evidence that he is of that nationality.

(2) No order made by the comptroller under this Act shall be held to be invalid by reason only that any decision made for the purposes of the order that a particular person is an enemy or an enemy subject is wrong.

Persons to be heard before making of orders.

8. Before deciding as to the making of any order under this Act, the comptroller shall, unless having regard to the circumstances he considers it inexpedient or impossible so to do, give to any person who appears to the comptroller to be interested such opportunity of being heard as appears to him to be just.

Rules and fees.

9.—(1) The Board of Trade may make rules for regulating the practice under this Act, including rules providing for oppositions and rules regulating the service of documents and the time within which any act authorised or required by this Act or the rules may or must be done.

(2) There shall be paid in respect of applications and other matters under this Act such fees as may be prescribed by the Board of Trade with the sanction of the Treasury.

Interpretation.

10.—(1) In this Act, unless the context otherwise requires,—

"enemy" and "enemy subject" have the meanings respectively assigned to them by the Trading with the Enemy Act, 1939;

"the comptroller" means the Comptroller-General of Patents, Designs and Trade Marks, and, in relation to trade marks, means the said Comptroller-General in his capacity as the Registrar within the meaning of the Trade Marks Act, 1938;

"copyright" has the meaning assigned to it by the Copyright Act, 1911;

"design", "invention", "patent" and "patentee", have the meanings assigned to them respectively by the Patents and Designs Act, 1907.

(2) Where a patent has been granted to any person in respect of an invention communicated to him by some other person, that other person shall, for the

purposes of this Act, be deemed to have an interest in the patent unless the contrary is proved.

(3) References in this Act to any enactment shall be construed as references to that enactment as amended by any subsequent enactment, including, except where the context otherwise requires, this Act.

Short title, commencement and extent.

11.—(1) This Act may be cited as the Patents, Designs, Copyright and Trade Marks (Emergency) Act, 1939.

(2) This Act shall be deemed to have come into operation on the third day of September nineteen hundred and thirty-nine.

(3) This Act shall extend to the Isle of Man.

(4) It is hereby declared that this Act extends to Northern Ireland.

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FOR
SIR WILLIAM RICHARD CODLING, C.B., C.V.O., C.B.E., the King's Printer of Acts of Parliament