NO. 3 OF 2001

INDUSTRIAL PROPERTY ACT

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FIRST SCHEDULE — PROVISIONS AS TO THE CONDUCT OF BUSINESS AND AFFAIRS OF THE BOARD
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An Act of Parliament to provide for the promotion of inventive and innovative activities, to facilitate the acquisition of technology through the grant and regulation of patents, utility models, technovations and industrial designs, to provide for the establishment, powers and functions of the Kenya Industrial Property Institute and for purposes incidental thereto and connected therewith


PART I – PRELIMINARY

1. Short title
This Act may be cited as the Industrial Property Act, 2001.

2. Interpretation
In this Act, unless the context otherwise requires—

“application” means an application under this Act for the grant of—
   (a) a patent;
   (b) a certificate of utility model or technovation; or
   (c) registration of an industrial design.

“ARIPO” means the African Regional Industrial Property Organisation;

“ARIPO Protocol” means the protocol on patents and industrial designs adopted at Harare on December 10, 1984;

“Assistant Managing Director” means the Assistant Managing Director appointed under section 12;

“Board” means the Board of Directors of the Kenya Industrial Property Institute constituted under section 6;

“Court” means the High Court of Kenya;

“Deputy Managing Director” means a Deputy Managing Director appointed under section 12;

“examiner” means an examiner appointed under section 12;

“former Office” means the Kenya Industrial Property Office existing immediately before the commencement of this Act;

“industrial design” has the meaning assigned to it in section 84;

“Industrial Property Journal” means a journal published by the Institute mainly for the purpose of advertising industrial property applications and for publishing other matters required to be published under the Act;
“industrial property rights” mean rights under patents, certificates of utility models and include technovation and registration of industrial designs issued under this Act;

“innovation” means utility models, technovation models, and industrial designs and any other non-patentable creations or improvements that may be deemed as deserving specified intellectual property rights;

“Institute” means the Kenya Industrial Property Institute established under section 3;

“International Bureau” means the International Bureau of the World Intellectual Property Organisation established by the convention signed at Stockholm on the 14th July, 1967;

“international classification” as regards industrial designs, means classification in accordance with the Locarno Agreement of October, 1968, establishing an international classification for industrial designs;

“invention” means a new and useful art (whether producing a physical effect or not), process, machine, manufacture or composition of matter which is not obvious, or any new and useful improvement thereof which is not obvious, capable of being used or applied in trade or industry and includes an alleged invention;

“inventor” means the person who actually devises the invention as defined in section 21 and includes the legal representative of the inventor;

“licence contract” means a contract or agreement by which a person grants permission to use his industrial property rights;

“licensee” means a licensee under a contract registered or deemed to have been registered under this Act;

“licensor” means a party to the licence contract who grants the permission;

“Managing Director” means the Managing Director of the Institute appointed under section 11;

“Minister” means the Minister for the time being responsible for matters relating to the Institute;

“National Council for Science and Technology” means the Council established by section 3 of the Science and Technology Act (Cap. 250);

“Paris Convention” means the Paris Convention for the Protection of Industrial Property, of 20th March, 1883, as last revised;

“Patent Co-operation Treaty” means the treaty of that name signed at Washington on the 19th June, 1970;

“priority date” means the date of the first application that serves as the basis for claiming the right of priority provided for in the Paris Convention;

“regulations” means regulations made under this Act;

“self-replicable matter” means any matter possessing the genetic material necessary to direct its own replication by way of a host organism or in any other indirect way;
“Tribunal” means the Industrial Property Tribunal established under section 113;

“utility model” means any form, configuration or disposition of element of some appliance, utensil, tool, electrical and electronic circuitry, instrument, handicraft mechanism or other object or any part of the same allowing a better or different functioning, use, or manufacture of the subject matter or that gives some utility, advantage, environmental benefit, saving or technical effect not available in Kenya before and includes micro-organisms or other self-replicable material, products of genetic resources, herbal as well as nutritional formulations which give new effects.

PART II – ADMINISTRATION

3. Establishment and incorporation of the Institute

There is established an institute to be known as the Kenya Industrial Property Institute which shall be a body corporate with perpetual succession and a common seal and shall be capable, in its corporate name, of—

(a) suing and being sued;
(b) taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property;
(c) borrowing and lending money; and
(d) charging fees for services rendered by it;
(e) entering into contracts;
(f) doing or performing all such other things or acts necessary for the proper performance of its functions under this Act which may lawfully be done by a body corporate.

4. Headquarters

The Headquarters of the Institute shall be in Nairobi.

5. Functions of the Institute

The functions of the Institute shall be to—

(a) consider applications for and grant industrial property rights;
(b) screen technology transfer agreements and licences;
(c) provide to the public, industrial property information for technological and economic development; and
(d) promote inventiveness and innovativeness in Kenya.

6. Boards of Directors

There shall be a Board of Directors for the Institute which shall consist of—

(a) a chairman appointed by the Minister, who shall be the holder of a degree in law or science and with at least seven years’ experience in matters relating to industrial property;
(b) the Permanent Secretary in the Ministry for the time being responsible for matters relating to Industrial Property or his representative;
(c) the Permanent Secretary in the Ministry for the time being responsible for matters relating to Finance or his representative;
(d) the Permanent Secretary in the Ministry for the time being responsible for matters relating to Industrial Development or his representative;
(e) the Secretary to the National Council for Science and Technology;
(f) the Attorney-General or his representative;
(g) eight other members appointed by the Minister seven of whom shall be nominated as follows—
   (i) one representative nominated by Kenya Industrial Research Development Institute;
   (ii) one representative nominated by Kenya Association of Manufacturers;
   (iii) one representative nominated by the Law Society of Kenya;
   (iv) one representative nominated by the Kenya Medical Research Institute;
   (v) a renowned research scientist from the public universities appointed by the Minister for the time being in charge of education;
   (vi) one representative nominated by the Institution of Kenya Engineers;
   (vii) one representative nominated by the Jua Kali Association;
(h) the Managing Director appointed under section 11;
(i) the Chief Executive of the Kenya Association of Manufacturers or his representative.

7. Functions and powers of the Board

The Board shall have all powers necessary for the proper performance of its functions under this Act and in particular but without prejudice to the generality of the foregoing, the Board shall have power to—

(a) control, supervise and administer the assets of the Institute in such manner as best promotes the purpose for which the Institute is established;
(b) determine the provisions to be made for capital and recurrent expenditure and for reserves of the Institute;
(c) receive any grants, gifts, donations or endowments on behalf of the Institute and make legitimate disbursements therefrom;
(d) enter into association with other bodies or organizations within or outside Kenya as the Board may consider desirable or appropriate and in furtherance of the purpose for which the Institute is established;
(e) open a banking account or banking accounts for the funds of the Institute; and
(f) invest any funds of the Institute not immediately required for its purposes in the manner provided in section 20.

8. Conduct of business and affairs of the Board

(1) The conduct and regulation of the business and affairs of the Board shall be as provided in the affairs of the First Schedule.

(2) Except as provided in the First Schedule, the Board may regulate its own procedure.

9. Remuneration of Board members

The Board shall pay members of the Board such remuneration, fees, or allowances for expenses as it may determine after consultation with the Minister for the time being responsible for Finance.

10. Delegation by the Board

The Board may, by resolution either generally or in any particular case, delegate to any committee of the Board or to any member, officer, employee or agent of the Institute, the exercise of any of the powers or the performance of any of the functions or duties of the Board under this Act or under any other written law.

11. Managing Director

(1) There shall be a Managing Director of the Institute who shall be appointed by the Board and whose terms and conditions of service shall be determined by the Board in the instrument of appointment or otherwise in writing from time to time.

(2) No person shall be appointed under this section unless such person—
   (a) has a university degree in law, science, information technology or business administration from a recognised university; and
   (b) has at least seven years’ working experience in matters relating to industrial property.

(3) The Managing Director shall—
   (a) be an ex-officio member of the Board but shall have no right to vote at any meeting of the Board;
   (b) deleted by Act No. 11 of 2017, Sch.;
   (c) subject to the directions of the Board, be responsible for the day to day management of the affairs of the Institute.

[Act No. 7 of 2007, Act No. 11 of 2017, Sch.]

12. Staff of the Institute

(1) The Board may appoint a Corporation Secretary and such Deputy Managing Directors, Assistant Managing Directors, examiners and such officers or other staff of the Institute as are necessary for the proper discharge of its functions under this Act or any other written law, upon such terms and conditions of service as the Board may determine.
(2) The Managing Director may delegate to any officer any of the duties and functions conferred on him under this Act.

[Act No. 11 of 2017, Sch.]

13. The Common seal of the Institute

(1) The common seal of the Institute shall be kept in such custody as the Board may direct and shall not be used except on the order of the Board.

(2) The common seal of the Institute when affixed to a document and duly authenticated shall be judicially and officially noticed and unless and until the contrary is proved, any necessary order or authorisation by the Board under this section shall be presumed to have been duly given.

14. Protection from personal liability

No matter or thing done by a member of the Board or any officer, employee or agent of the Institute shall, if the matter or thing is done bona fide for executing the functions, powers or duties of the Institute, render the member, officer, employee or agent or any person acting on his directions personally liable to any action, claim or demand whatsoever.

15. Liability of the Board for damages

The provisions of section 14 shall not relieve the Institute of the liability to pay compensation or damages to any person for an injury to him, his property or any of his interests caused by the exercise of the powers conferred on the Board by this Act or by any other written law or by the failure, whether wholly or partially, of any works.

16. Funds of the Institute

(1) The funds of the Institute shall comprise of—

(a) such sums as may be granted to the Institute by the Minister pursuant to subsection (2);

(b) such monies or assets as may accrue to or vest in the Institute in the course of the exercise of its powers or the performance of its functions under this Act or under any other written law; and

(c) all monies from any other source provided for or donated or lent to the Institute.

(2) There shall be made to the Institute, out of monies provided by Parliament for that purpose, grants towards the expenditure incurred by the Institute in the exercise of its powers or the performance of its functions under this Act.

17. Financial year

The financial year of the Institute shall be the period of twelve months ending on the thirtieth June in each year.

18. Annual estimates

(1) At least three months before the commencement of each financial year, the Board shall cause to be prepared estimates of the revenue and expenditure of the Institute for that year.
(2) The annual estimates shall make provision for all estimated expenditure of the Institute for the financial year and in particular, the estimates shall provide for—
(a) the payment of the salaries, allowances and other charges in respect of the staff of the Institute;
(b) the payment of pensions, gratuities and other charges in respect of the staff of the Institute;
(c) the proper maintenance of the buildings and grounds of the Institute;
(d) the maintenance, repair and replacement of the equipment and other property of the Institute; and
(e) the creation of such reserve funds to meet future or contingent liabilities in respect of retirement benefits, insurance or replacement of buildings or equipment, or in respect of such other matter as the Board may deem appropriate.

(3) The annual estimates shall be approved by the Board before the commencement of the financial year to which they relate and shall be submitted to the Minister for approval and after the Minister’s approval, the Board shall not increase the annual estimates without the consent of the Minister.

19. Accounts and audit

(1) The Board shall cause to be kept all proper books, and records of accounts of the income, expenditure and assets of the Institute.

(2) Within a period of four months from the end of each financial year, the Board shall submit to the Auditor-General (Corporations) or to an auditor appointed under this section, the accounts of the Institute together with—
(a) a statement of the income and expenditure of the Institute during that year; and
(b) a balance sheet of the Institute on the last day of that year.

(3) The accounts of the Institute shall be audited and reported upon in accordance with sections 29, 30A of the Exchequer and Audit Act (Cap. 412), by the Auditor-General (Corporations), or by an auditor appointed by the Board with the approval of the Auditor-General (Corporations) given in accordance with section 29(2)(b) of the Exchequer and Audit Act.

20. Investment of funds

(1) The Board may invest any of the funds of the Institute in securities in which for the time being trustees may by law invest trust funds, or in any other securities which the Treasury may, from time to time, approve for that purpose.

(2) The Board may, subject to the approval of the Treasury, place on deposit with such bank or banks as it may determine, any monies not immediately required for the purposes of the Institute.

PART III – PATENT: PATENTABILITY

21. Meaning of “invention”

(1) For the purposes of this Part, “invention” means a solution to a specific problem in the field of technology.
(2) Subject to subsection (3), an invention may be, or may relate to, a product or a process.

(3) The following shall not be regarded as inventions and shall be excluded from patent protection—

(a) discoveries, scientific theories and mathematical methods;
(b) schemes, rules or methods for doing business, performing purely mental acts or playing games;
(c) methods for treatment of the human or animal body by surgery or therapy, as well as diagnostic methods practised in relation thereto, except products for use in any such methods;
(d) mere presentation of information; and
(e) public health related methods of use or uses of any molecule or other substance whatsoever used for the prevention or treatment of any disease which the Minister responsible for matters relating to Health may designate as a serious health hazard or as a life threatening disease.

22. Patentable inventions

An invention is patentable if it is new, involves an inventive step and, is industrially applicable.

[Act No. 11 of 2017, Sch.]

23. Novelty

(1) An invention is new if it is not anticipated by prior art.

(2) For the purposes of this Act, everything made available to the public anywhere in the world by means of written disclosure (including drawings and other illustrations) or, by oral disclosure, use, exhibition or other non-written means shall be considered prior art:

Provided that such disclosure occurred before the date of filing of the application or, if priority is claimed, before the priority date validly claimed in respect thereof.

(3) For the purpose of the evaluation of novelty, an application for the grant of a patent or a utility model certificate in Kenya shall be considered to have been comprised in the prior art as from the filing date of the application, or if priority is claimed, as from the date of its validly claimed priority, to the extent to which its content is available, or is later made available, to the public in accordance with this Act or in accordance with the Patent Co-operation Treaty.

(4) For the purposes of subsection (2), a disclosure of the invention shall not be taken into consideration if it occurred not earlier than twelve months before the filing date or, where applicable, the priority date of the application and if it was by reason or in consequence of—

(a) acts committed by the applicant or his predecessor in title; or
(b) an evident abuse committed by a third party in relation to the applicant or his predecessor in title.
24. Inventive step

An invention shall be considered as involving an inventive step if, having regard to the prior art relevant to the application claiming the invention, it would not have been obvious to a person skilled in the art to which the invention pertains on the date of the filing of the application or, if priority is claimed, on the priority date validly claimed in respect thereof.

25. Industrial application

An invention shall be considered industrially applicable if, according to its nature, it can be made or used in any kind of industry, including agriculture, medicine, fishery and other services.

26. Non-patentable inventions

The following shall not be patentable—

(a) plant varieties as provided for in the Seeds and Plant Varieties Act (Cap. 326), but not parts thereof or products of biotechnological processes; and

(b) inventions contrary to public order, morality, public health and safety, principles of humanity and environmental conservation.

27. Information prejudicial to defence of Kenya or safety of public

(1) Where an application for a patent is filed with the Institute under this Act or under any international convention to which Kenya is a party, and it appears to the Managing Director that the application contains information of a description notified to him by the Minister responsible for Defence or the concerned Minister as being information the publication of which might be prejudicial to the defence of Kenya, the Managing Director may give directions prohibiting or restricting the publication of that information or its communication to any specified person or persons.

(2) If it appears to the Managing Director that any application so filed contains information the publication of which might be prejudicial to the safety of the public, he may give directions prohibiting or restricting the publication of that information or its communication to any specified person or persons until the end of a period not exceeding three months from the end of the period prescribed for the purposes of section 42.

(3) Where directions under this section are in force with respect to any application—

(a) if the application is made under this Act, it may be processed to the stage where it is in order for the grant of a patent, but shall not be published and any information relating thereto shall not be communicated and no patent shall be granted in pursuance of the application;

(b) if it is an application for an ARIPO patent, it shall not be sent to the ARIPO Office; and

(c) if it is an international application for a patent, a copy thereof it shall not be sent to the International Bureau or to any international searching authority appointed under the Patent Co-operation Treaty.
(4) Where the Managing Director gives instructions under this section with respect to any application, he shall give notice of the application and of the directions to the Minister responsible for Defence or the concerned Minister and the following provisions shall then have effect—

(a) the Minister responsible for Defence or the concerned Minister shall, on receipt of the notice, consider whether the publication of the application or the publication or communication of the information in question would be prejudicial to the defence of Kenya or the safety of the public;

(b) if the Minister responsible for Defence or the concerned Minister determines that the publication of the application or the publication or communication of the information would be prejudicial to the safety of the public, he shall notify the Managing Director, who shall continue his directions under subsection (2) until they are revoked under paragraph (e);

(c) if the Minister responsible for Defence or the concerned Minister determines that the publication of the application, or the publication or communication of the information would be prejudicial to the Defence of Kenya or the safety of the public, he shall (unless a notice under paragraph (d) has previously been given by the Minister responsible for Defence or the concerned Minister to the Managing Director) reconsider that question during the period of nine months from the date of filing the application and at least once in every subsequent period of twelve months;

(d) if on the consideration of an application at any time it appears to the Minister responsible for defence or the concerned Minister that the publication of the application, or the publication or communication of the information, contained in it would not, or would no longer, be prejudicial to the defence of Kenya or the safety of the public, he shall give notice to the Managing Director to that effect; and

(e) on receipt of a notice under paragraph (d), the Managing Director shall revoke the directions and may, subject to such conditions as he may deem fit, extend the time for doing anything required or authorised to be done by or under this Act in connection with the application, whether or not that time had previously expired.

(5) The Minister responsible for Defence or the concerned Minister may, in determining a question under paragraph (c) of subsection (4)—

(a) at any time after, or, with the consent of the applicant, before the expiry of the period prescribed for the purposes of section 42, consider the application and any documents submitted in relation thereto; or

(b) where the application contains information relating to the production or use of atomic energy or research into matters connected with such production or use, authorise the National Council for Science and Technology to study the application and any documents sent to the Managing Director in connection therewith and report to him as soon as reasonably practicable on the utility or otherwise of the patent applied for.
(6) Where directions have been given under this section in respect of an application for a patent for an invention and the period prescribed in relation thereto expires, and while such directions are still in force, an application is brought for the grant of a patent, then—

(a) if while the directions are in force, the invention is used by or with the written authorization of or on the order of a Government Ministry, Department or agency, the provisions of section 80 shall apply as if—

(i) the use was made pursuant to the provisions of that section;
(ii) the application had been published at the end of that period; and
(iii) a patent had been granted for the invention at the time the application is brought for the grant of a patent (taking the terms of the patent to be those of the application as at the time it was so brought); and

(b) if it appears to the Minister responsible for Defence or the concerned Minister that the applicant for the patent has suffered hardship by reason of the continuation in force of the directions, he may, with the consent of the Ministry responsible for Finance, make such payment by way of compensation to the applicant, as appears to be reasonable having regard to the inventive merit and utility of the invention, the purpose for which it is designed and any other relevant circumstances.

(7) If the applicant is dissatisfied with the amount of compensation paid to him under subsection (6), he may appeal to the Tribunal.

(8) Where a patent is granted in pursuance of an application in respect of which directions have been given under this section, no renewal fees shall be payable in respect of any period during which those directions remain in force.

(9) A person who fails to comply with any direction under this section shall be liable, on conviction, to imprisonment for a term not exceeding two years, or to a fine not exceeding twenty thousand shillings, or to both.

28. Restriction on applications abroad by Kenya residents

(1) Subject to the provisions of this section, no person resident in Kenya shall, without written authority granted by the Managing Director, file or cause to be filed outside Kenya, an application for a patent for invention, unless—

(a) an application for a patent for the same invention has been filed with the Institute not less than six weeks before the filling of the application outside Kenya; and

(b) either no directions have been given under section 27 in relation to the application in Kenya or any such directions have been revoked.

(2) Subsection (1) shall not apply to an application for a patent for an invention in respect of which an application for a patent has first been filed in a country outside Kenya by a person resident outside Kenya.
(3) A person who files or causes to be filed an application for the grant of a patent in contravention of this section shall be liable on conviction, to a fine not exceeding two hundred thousand shillings, or to imprisonment for a term not exceeding two years, or to both.

(4) Deleted by Act No. 11 of 2017, Sch.

[Act No. 11 of 2017, Sch.]

29. Patents relating to living matter

(1) If an invention concerns a micro-biological process or the product thereof and involves the use of a micro-organism which is not available to the public and which cannot be described in the patent application in such a manner as to enable the invention to be carried out by a person skilled in the art, the invention shall only be regarded as being disclosed if—

(a) a culture of the micro-organism has been deposited with a depository institution not later than the date of filing of the application;
(b) the application as filed gives such relevant information as is available to the applicant on the characteristics of the micro-organism; and
(c) the depository institution and the file number of the culture deposit are stated in the application.

(2) The information referred to in paragraph (b) of subsection (1) may be submitted within a period of sixteen months after the date of filing of the application or, if priority is claimed, after the priority date.

(3) The deposited culture shall be made available upon request of any person having the right to inspect the files.

(4) If a deposited micro-organism ceases to be available from the institution with which it was deposited because—

(a) the micro-organism is no longer viable; or
(b) for any other reason the depository institution is unable to supply samples, and if the micro-organism has not been transferred to another depository institution from which it continues to be available, an interruption in availability shall not be deemed to have occurred if a new deposit of the micro-organism originally deposited is made within a period of three months from the date on which the depositor was notified of the interruption by the depository institution and a copy of the receipt of the deposit issued by the institution is forwarded to the Institute within four months from the date of the new deposit stating the number of the application or of the patent.
(5) A new deposit shall be accompanied by a statement signed by the depositor indicating that the newly deposited micro-organism is the same as originally deposited.

PART IV – RIGHT TO INVENTIONS AND NAMING OF INVENTOR

30. Right to a patent

(1) Subject to this section, the right to a patent shall belong to the inventor.

(2) If two or more persons have jointly made an invention the right to the patent shall belong to them jointly.

(3) If and to the extent to which two or more persons have made the same invention independently of each other, the person whose application has the earliest filing date, or if priority is claimed, the earliest validly claimed priority date that leads to the grant of a patent shall have the right to the patent.

(4) The right to a patent may be assigned or may be transferred by succession.

(5) Sections 64 to 80 shall apply mutatis mutandis to contracts assigning the right to a patent.

31. Unauthorized application based on an invention of another person

Where the applicant has obtained the essential elements of the invention which is the subject of his application from the invention of another person, he shall, unless authorized by the person who has the right to the patent or who owns the patent, be obliged to assign to such person the application or, where the patent has already been granted, the patent.

32. Inventions made in execution of commission or by employee

(1) Notwithstanding section 30 and in the absence of contractual provisions to the contrary, the right to a patent for an invention made in execution of a commission or of an employment contract shall belong to the person having commissioned the work or to the employer:

Provided that where the invention is of exceptional importance the employee shall have a right to equitable remuneration taking into consideration his salary and the benefit derived by the employer from the said invention.

(2) The provisions of subsection (1) shall apply where an employment contract does not require the employee to exercise any inventive activity but when the employee has made the invention by using data or means available to him during his employment.

(3) In the circumstances provided for in subsection (2), the employee shall have a right to equitable remuneration taking into account his salary, the importance of the invention and any benefit derived from the invention by the employer.

(4) In the absence of agreement between the parties, the remuneration shall be fixed by the Tribunal.
(5) Inventions made without any relation to an employment or service contract and without the use of the employer’s resources, data, means, materials, installations or equipment shall belong solely to the employee or the person commissioned.

(6) This section shall, where relevant, apply directly or indirectly to governmental and other organizations.

33. Naming of inventor

The inventor shall be named as such in the patent application and in the patent unless in a special written declaration addressed to the Managing Director he indicates that he wishes not to be named and any promise or undertaking by the inventor made to any person to the effect that he will make such declaration shall be without legal effect.

PART V – APPLICATION, GRANT AND REFUSAL OF GRANT OF PATENT

34. Application

(1) An application for a patent shall be filed with the Managing Director and shall contain—

(a) a request;
(b) a description;
(c) one or more claims;
(d) one or more drawings (where necessary); and
(e) an abstract.

(2) Where the applicant’s ordinary residence or principal place of business is outside Kenya, he shall be represented by an agent who shall be a citizen of Kenya admitted to practice before the Institute.

(3) The request shall state the name of, and prescribed data concerning the applicant, the inventor and the agent, if any, and the title of the invention; and where the applicant is not the inventor the request shall be accompanied by a statement justifying the applicant’s right to the patent.

(4) The appointment of an agent shall be indicated by the designation of the agent in the request or by furnishing a power of attorney signed by the applicant and, where subsection (2) applies, the agent shall be designated in the request.

(5) The description shall disclose the invention and at least one mode for carrying out the invention, in such full, clear, concise and exact terms as to enable any person having ordinary skills in the art to make use and to evaluate the invention and that description shall include any drawing and relevant deposits as in the case of micro-organisms and self-replicable material which are essential for the understanding of the invention.

(6) The claim or claims shall define the matter for which protection is sought and shall be clear and concise and fully supported by the description.

(7) The abstract shall merely serve the purpose of technical information; in particular, it shall not be taken into account for the purpose of interpreting the scope of the protection sought.
(8) The details of the requirements with which the application must comply shall be prescribed by the regulations made under this Act.

35. **Unity of inventions**

(1) The application shall relate to one invention unity of only or to a group of inventions so linked as to form a single general inventive concept.

(2) The regulations shall contain rules concerning compliance with the requirements of unity of invention under subsection (1).

(3) The fact that a patent has been granted on an application that did not comply with the requirements of unity of invention shall not be a ground for the invalidation or revocation of the patent.

36. **Amendment and division of application**

(1) The applicant may amend the application, provided that the amendment shall not go beyond the disclosure in the initial application.

(2) The applicant may divide the initial application into two or more applications (hereinafter referred to as “divisional applications”) provided that each divisional application shall not go beyond the disclosure in the initial application.

(3) The Cabinet Secretary may make regulations for the carrying out of the provisions of this section.

37. **Right of priority**

(1) The application may contain a declaration claiming the priority as provided for in the Paris Convention of one or more earlier national, regional or international applications filed by the applicant or his predecessor in title in or of any state party to the Paris Convention.

(2) The Managing Director may, at any time after the expiration of three months from the filing of an application containing the declaration, require that the applicant furnish a copy of the earlier application, certified as correct by the Institute with which it was filed or, where the earlier application is an international application filed under the Patent Co-operation Treaty, by the International Bureau.

38. **Information concerning corresponding foreign applications and grants**

(1) At the request of the Managing Director, the concerning applicant shall furnish him with the date and corresponding number of any application for a patent or other foreign applications title of protection filed by the applicant with a national industrial property office of another country or with a regional industrial property office (in this Act referred to as a “foreign application”), relating to the same invention as that claimed in the application filed with the Managing Director.

(2) The applicant shall, at the request of the Managing Director, furnish him with the following documents relating to one of the foreign applications—

   (a) copies of any communication received by the applicant concerning the results of any search or examination carried out in respect of the foreign application;

   (b) a copy of the patent or other title of protection granted on the foreign application; and
(c) a copy of any final decision rejecting the foreign application or refusing the grant requested in the foreign application.

(3) The applicant shall, at the request of the Managing Director, furnish him with a copy of any decision revoking or invalidating the patent or any other title of protection granted by the applicant on the basis of the foreign application.

(4) The applicant shall, at the request of the Managing Director, furnish him with copies of any communication received by the applicant concerning the results of any search or examination carried out in respect of any foreign application other than the one referred to in subsection (2).

(5) The documents furnished under this section shall merely serve the purpose of facilitating the evaluation of novelty claimed in the application filed with the Managing Director or in the patent granted on the basis of that application.

(6) The applicant shall have the right to submit comments on the documents furnished under this section.

(7) The details of the requirements under this section shall be prescribed by the regulations.

39. Payment of fees

(1) The application shall be subject to the payment of the prescribed fees.

(2) The Board may waive whole or part of the fees in the manner and in the circumstances as may be prescribed.

40. Withdrawal of application

The applicant may withdraw the application at any time before the grant of a patent or the notification of rejection of the application or of refusal to grant a patent.

41. Filing date and examination of application as to form, etc

(1) The Managing Director shall accord as the filing date the date of receipt of the application, provided at the time of receipt, the documents filed contain—
   (a) the name and address of the applicant;
   (b) a part which on the face of it appears to be a description; and
   (c) a part which on the face of it appears to be a claim or claims.

(2) If the Managing Director finds that the application did not, at the time of receipt, fulfil the prescribed requirements, he shall invite the applicant to file the required correction.

(3) If, the applicant complies with the invitation referred to in subsection (2), the Managing Director shall accord as filing date the date of receipt of the required correction; otherwise he shall treat the application as if it had not been filed.

(4) Where the application refers to drawings which are not included in the application, the Managing Director shall invite the applicant to furnish the missing drawings, and, if the applicant complies with the invitation, the Managing Director
shall accord as the filing date the date of receipt of the missing drawings; otherwise he shall accord as the filing date the date of receipt of the application and shall treat any reference to the drawings as non-existent.

(5) Where no invitation under subsections (2) and (4) was sent to the applicant and the applicant nevertheless files a correction, pertaining to any of the requirements under subsection (1), to his application, the Managing Director shall accord as filing date the date of receipt of the correction, provided that the correction was received within thirty days from the date of application.

(6) Deleted by Act No. 11 of 2017, Sch.

(7) The Managing Director shall cause an examination to be carried out as to whether there are any of the following defects with respect to the application—

(a) the request does not comply with the requirements of section 34(3) and the rules pertaining thereto;
(b) the description, the claims and, where applicable, the drawings do not comply with the physical requirements prescribed by the regulations;
(c) the application does not contain an abstract;
(d) deleted by Act No. 11 of 2017, Sch.;
(e) the fees referred to in section 39 have not been paid as provided for in the regulations or the payment of such fees has been waived under that section.

(8) If the Managing Director finds any of the defects referred to under subsection (7), he shall invite the applicant to remedy such defects provided that any corrections made to the application shall not be such that they would require a change of the filing date and if the applicant does not comply with the invitation, the application shall be rejected by the Managing Director.

(9) The details of the requirements and the procedure under this section shall be prescribed by the regulations.

[Act No. 11 of 2017, Sch.]

42. Publication of application

(1) The Managing Director shall publish the application as soon as possible after the expiration of eighteen months from the filing date or, where priority is claimed, the date of priority.

Provided that the Managing Director may at the request of the applicant, publish the application before the expiry of eighteen months.

(2) For the purposes of subsection (1), in the case of applications claiming priority, the term of eighteen months shall be construed from the original filing date and in the case of applications with two or more priority claims, the period shall be construed from the earliest priority dates.

(3) The publication of the patent application shall be effected by publishing the particulars set out in the regulations, in the Kenya Gazette or in an Industrial Property Journal.
(4) The Cabinet Secretary may make regulations for the carrying out of the provisions of this section.

[Act No. 11 of 2017, Sch.]

43. International-type search

(1) The Managing Director may instruct that any application found in order as to form be the subject of an international-type search.

(2) When a direction under subsection (1) is made, the Managing Director shall invite the applicant to pay the prescribed fee; and if the applicant does not comply with the invitation, the application shall be rejected.

(3) Upon receipt of the report on the international-type search, the Managing Director may request the applicant to furnish him with a copy of any document cited in the report and if without lawful reason, any copy is not furnished within the prescribed time limit, the application shall be rejected.

(4) If it is apparent from the report on the international-type search or from the declaration on the non-establishment of the report, that the subject of the application or of any claim or claims is not an invention, the Managing Director shall reject the defective application or consider the defective claim or claims to be withdrawn, as the case may be, unless the applicant satisfies him that the subject of the application or claims constitutes an invention.

(5) If it is apparent from the report on the international-type search or from the declaration on the non-establishment of the report, that—

(a) the description, the claims or, where applicable, the drawings do not comply, in whole or in part, with the prescribed requirements to such an extent that no meaningful search could be carried out; or

(b) the application does not comply, in whole or in part, with the requirements of unity of invention prescribed by section 35 and the rules pertaining thereto; or

(c) the invention claimed in the application does not fulfil the requirements of novelty; the Managing Director shall reject the application unless the applicant either satisfies him that the requirements have been fulfilled or amends or divides the application so as to comply with the requirements.

(6) The details of the requirements and the procedures under this section shall be prescribed by the regulations.

44. Examination as to substance

(1) Deleted by Act No. 11 of 2017, Sch.

(2) Where an application for a patent satisfies the requirements specified in subsection (7) of section 41, the Managing Director shall so notify the applicant who shall, within five years from the filing date of the application, submit a request in the prescribed form for the examination of the application pursuant to the provisions of subsection (3):
Provided that where no request is made within the prescribed period, the application shall be deemed to be abandoned.

(3) Where a request is filed under subsection (2), the Managing Director shall cause an examination of the application to be made as to whether—
   (a) the invention in respect of which the application is made is patentable within the meaning of this Act;
   (b) the application complies with the requirements of subsections (5) and (6) of section 34; and
   (c) the application complies with the requirements of unity of invention prescribed in section 35.

(4) Deleted by Act No. 11 of 2017, Sch.

(5) Deleted by Act No. 11 of 2017, Sch.

(6) Deleted by Act No. 11 of 2017, Sch.

(7) Where the Managing Director is of the opinion that any of the conditions referred to in subsection (3) are not fulfilled, he shall notify the applicant accordingly and invite him to make his observations, and where applicable, to amend his application.

(8) Where, despite any observation or amendment submitted by the applicant, the Managing Director finds that any of the conditions referred to in subsection (3) are not fulfilled, he shall refuse the grant of a patent and notify the applicant accordingly.

(9) The details of the requirements and the procedure to be followed under this section shall be prescribed by the regulations.

[Act No. 11 of 2017, Sch.]

45. Grant, registration and publication of a patent

(1) Unless an application has been rejected under or a patent has been refused under section 41 or 44, a patent shall be granted and issued to the applicant in the prescribed form.

(2) Every patent granted under subsection (1) shall be registered, and shall, as soon as reasonably practicable, be published by the Managing Director in the manner prescribed in the regulations.

[Act No. 11 of 2017, Sch.]
46. Register of patents

(1) The Managing Director shall maintain a register in which all patents granted under this Act shall be recorded and numbered in the order of grant, and, in respect of each patent, where appropriate, its lapse for non-payment of annual fees and all transactions to be recorded by virtue of this Act.

(2) Any person may, during working hours, inspect the register maintained under subsection (1) and may, subject to the payment of the prescribed fee and any regulations made under this section, obtain extracts therefrom.

(3) The details concerning the register shall be prescribed by the regulations.

47. Appeals

The applicant may appeal to the Tribunal against any decision by which the Managing Director accords a filing date, rejects the application, treats the application as if it had not been filed, considers any of the claims to be withdrawn or refuses to grant a patent.

PART VI – INTERNATIONAL APPLICATIONS

48. Interpretation of Part VI

For the purposes of this Part—

“international application” means an international application filed in accordance with the Patent Co-operation Treaty and the Regulations established thereunder;

“Receiving Office”, “designated Office”, “elected Office”, “international publication”, “international search report”, “international preliminary examination report”, and the words “to designate” and “to elect” have the meanings respectively assigned to them in the Patent Co-operation Treaty.

49. Further functions of the Institute

(1) The Institute shall act as a receiving Office where an international application is filed with it by a national or a resident of Kenya.

(2) The Institute shall act as a designated Office or an elected Office in the case of any international application in which Kenya is designated or elected for a national patent.

(3) The functions of the Institute under this Part shall be performed in accordance with the provisions of the Patent Co-operation Treaty, the regulations made there under and the administrative instructions issued under the said regulations and with the provisions of this Act and the regulations pertaining thereto:

Provided that in case of conflict, the provisions of the Patent Co-operation Treaty, the regulations and the administrative instructions issued hereunder shall apply.

50. Unsearched or unexamined international applications, etc.

(1) Where an international search report is not established or relates to only one or some of the claims of the international application, the Managing Director
shall reject the international application or consider withdrawn claim or claims not covered by the report, as the case may be, except to the extent that the applicant satisfies him that the non-establishment of the report in whole or in part was not justified.

(2) Where the international search report relates to only one or some of the claims due to the applicant’s refusal to pay additional fees, those parts of the international application which consequently have not been searched shall be considered withdrawn unless the applicant divides out from the application as provided for in section 36(2) the parts concerned or satisfies the Managing Director that the invitation to pay the additional fees was not justified.

(3) Where an international preliminary examination report with respect to an international application has been communicated to the Managing Director the following paragraphs shall apply—

(a) where, in the case of lack of compliance with the requirements of unity of invention, the international preliminary examination report indicates that the international preliminary examination was carried out on restricted claims, or was carried out on the main invention only, those parts of the international application indicated as not having been the subject of international preliminary examination shall be considered withdrawn unless the applicant divides out from the application as provided for in section 36(2) the parts concerned or satisfies the Managing Director that the invitation of the international preliminary examining authority was not justified; and

(b) where the international preliminary examination report states, with respect to the entire international application or one or some of its claims only, the opinion that a defect under Article 34(4)(a) of the Patent Co-operation Treaty exists under the international application or the claim or claims, as the case may be, shall be considered withdrawn unless the applicant satisfies the Managing Director that the defects do not exist.

(4) The Managing Director may refuse to grant a patent upon the application if it is apparent from an international search report or an international preliminary examination report that an invention claimed in an international application does not fulfil the requirements of novelty, unless the applicant either satisfies him that the requirements have been fulfilled or amends the claims in such a way that fulfils the requirements.

51. Provisional protection of published international applications

(1) Relief against infringement may be sought in respect of acts committed before the grant of the patent but after the date of international publication under the Patent Co-operation Treaty, where the said international publication was effected in English.

(2) If the international publication was effected in a language other than English, subsection (1) shall apply where the applicant had transmitted an English translation of the international publication to the infringer and only in respect of acts committed by the latter after he had received such translation.
52. Publication of international application

Publication under Article 21 of the Patent Co-operation Treaty, an international application in which Kenya is designated for a national patent shall be treated as publication in terms of the provisions of section 42.

PART VII – RIGHTS AND OBLIGATIONS OF THE APPLICANT OR THE OWNER OF THE INVENTION

53. Rights and obligations

(1) The applicant or the owner of the invention shall have the following rights—

(a) to be granted the patent, where the relevant requirements under this Act are fulfilled;

(b) after the grant of the patent and within the limits defined in section 58 to preclude any person from exploiting the patented invention in the manner referred to in section 54; and

(c) to conclude licence contracts as provided for in Part X of this Act, and subject to the obligations referred to in subsection (2).

(2) The applicant or the owner of the invention shall have the following obligations—

(a) to disclose the invention in a clear and complete manner, and in particular to indicate at least one mode for carrying out the invention, in accordance with the requirements, and subject to the sanctions, applicable under this Act;

(b) to give information concerning corresponding foreign applications and grants;

(c) to pay fees to the Managing Director, as prescribed in this Act and the regulations, subject to the sanctions provided for therein; and

(d) in connection with licence contracts and contracts assigning patents or patent applications, to refrain from making undesirable provisions referred to in section 69.

54. Rights of owner of patent

(1) The owner of the patent shall have the right to preclude any person from exploiting the protected invention by any of the following acts—

(a) when the patent has been granted in respect of a product—

(i) making, importing, offering for sale, selling and using the product; or

(ii) stocking such product for the purposes of offering it for sale, selling or using the product.

(b) when the patent has been granted in respect of a process—

(i) using the process; or

(ii) doing any of the acts referred to in paragraph (a), in respect of a product obtained directly by means of the process.
(2) The rights conferred on the owner of the patent under this section shall not apply to acts by third parties necessary to obtain approval or registration of a product from a relevant authority, for the purpose of commercialising the product after expiry of the patent.

[Act No. 11 of 2017, Sch.]

55. Enforcement of rights

The owner of a patent shall have the right—

(a) to obtain an injunction to restrain the performance or the likely performance, by any person without his authorization, of any of the acts referred to in section 54; and

(b) to claim damages from any person who, having knowledge of the patent, performed any of the acts referred to in section 54, without the owner's authorization;

(c) to claim compensation from any person who, without his authorization, performed any of the inventions, claimed in the published application, as if a patent had been granted for that invention:

Provided: that the said person, at the time of the performance of the act, had—

(i) actual knowledge that the invention that he was using was the subject matter of a published application; or

(ii) received written notice that the invention that he was using was the subject matter of a published application, such application being identified in the said notice by its serial number.

56. Right of a prior user

(1) Notwithstanding the provisions of section 54, a prior user patent shall have no effect against any person (hereinafter referred to as "the prior user") who, in good faith, for the purposes of his enterprise or business, before the filing date or, where priority is claimed, the priority date of the application on which the patent is granted, and within the territory where the patent produces its effect, was using the invention or was making effective and serious preparations for such use; any such person shall have the right, for the purposes of his enterprise or business, to continue such use or to use the invention as envisaged in such preparations.

(2) The right of the prior user may only be transferred or devolve together with his enterprise or business, or with that part of his enterprise or business in which the use or preparations for use have been made.

57. Scope of protection

The scope of the protection shall be determined by the terms of the claims but the description and the drawings included in the patent may be used to interpret the claims.

58. Limitation of rights

(1) The rights under the patent shall extend only to acts done for industrial or commercial purposes and in particular not to acts done for scientific research.
(2) The rights under the patent shall not extend to acts in respect of articles which have been put on the market in Kenya or in any other country or imported into Kenya by the owner of the patent or with his express consent.

(3) The rights under the patent shall not extend to the use of articles on aircraft, land vehicles or vessels of other countries which temporarily or accidentally enter the airspace, territory or waters of Kenya.

(4) The rights under the patent shall be limited by the provisions of the terms of the patent.

(5) The rights under the patent shall be limited by the provisions on compulsory licences for reasons of public interest or based on interdependence of patents and by the provisions on State exploitation of patented inventions.

(6) The rights of the patent shall not extend to variants or mutants of living forms or replicable living matter that is distinctively different from the original for which patents were obtained where such mutants or variants are deserving of separate patents.

[Act No. 2 of 2002, Sch.]

59. ARIPO Protocol on Patents

A patent, in respect of which Kenya is a designated state, granted by ARIPO by virtue of the ARIPO Protocol shall have the same effect in Kenya as a patent granted under this Act except where the Managing Director communicates to ARIPO, in respect of the application thereof, a decision in accordance with the provisions of the Protocol that if a patent is granted by ARIPO, that patent shall have no effect in Kenya.

PART VIII – TERM OF PATENT AND ANNUAL FEES

60. Term of patent

A patent shall expire at the end of twenty years from the filing date of the application.

61. Annual fees

(1) In order to maintain the application or the patent, an annual fee shall be paid in advance to the Institute which shall fall due on the eve of each anniversary of the date of filing of the application or the patent, and shall be paid in the manner prescribed.

(2) A grace period of six months shall be granted for the payment of the annual fee upon payment of such surcharge as may be prescribed from time to time.

(3) If an annual fee is not paid in accordance with this section, the application shall be deemed to have been withdrawn or the patent shall lapse and respective invention shall cease to be protected.

(4) The Managing Director shall forthwith publish the lapse of any patent under subsection (3).
(5) Within six months from the expiration of the grace period referred to in subsection (2), any interested person may, upon payment of the prescribed fee, request the Institute to restore an application that is deemed to have been withdrawn, or a patent that has lapsed, by virtue of subsection (3).

(6) Upon a request under subsection (5), the Managing Director shall if satisfied that the failure to pay the annual fee was not intended, subject to the payment of the annual fee, make an order restoring the application or the patent, as the case may be.

(7) Where a patent is restored, no proceedings shall be brought in respect of the patent—

(a) with respect to any acts performed after the lapse of the patent and before the date of the order for restoration; or

(b) with respect to any acts performed after the date of the order of restoration in relation to articles imported into or manufactured in Kenya, after the lapse of the patent and before the date of the order for restoration.

PART IX – CHANGE IN THE OWNERSHIP AND JOINT OWNERSHIP OF APPLICATIONS AND PATENTS

62. Change in ownership of applications, etc.

(1) All contracts assigning applications or patents shall be in writing and shall be signed by the parties thereto.

(2) Any change in the ownership of an application or a patent shall be recorded in the patent register in accordance with, and on payment of a fee fixed by the regulations and until the change has been recorded, any document evidencing the change in ownership shall not be admitted in any proceedings as evidence of the title of any person to an application or a patent, unless the court otherwise directs.

63. Joint ownership of applications and patents

In the absence of any agreement to the contrary between the parties, joint owners of an application or a patent may, separately, transfer their shares in the application or the application or the patent, exploit the protected patent and preclude any person from exploiting the patent but may only jointly grant permission to any third person to do any of the acts referred to in section 55.

PART X – CONTRACTUAL LICENSES

64. Rights of licensee

(1) In the absence of any provision to the contrary licensee, in the licence contract, the licensee shall be entitled to do any of the acts referred to in section 54 in respect of the invention, without limitation as to time, in the whole of Kenya and in any field of use of the invention, utility model or industrial design.

(2) In the absence of any provision to the contrary in the licence contract, the licensee may not grant to any third person to do any of the acts referred to in section 54.
65. Rights of licensor to grant further licences and use of the invention

(1) In the absence of any provision to the contrary in the licence contract, the licensor may grant permission to any third person to do, or may himself do, any of the acts which constitute exercising the rights of ownership.

(2) If the licence contract provides that such contract or the permission granted by it is exclusive, the licensor may neither grant permission to any third person to do any of the acts referred to in section 54 and covered by the licence contract, nor himself do any of those acts, and the licensee shall be considered an exclusive licensee for the purposes of this Act.

66. Effects of patent not being granted, revoked or being invalidated

Where, before the expiration of the licence contract any of the following events occurs with respect to any application or patent referred to in that contract—

(a) the application is withdrawn;
(b) the application is finally rejected; or
(c) the patent is finally revoked or declared invalid,

the Tribunal may make any order it deems reasonable under the circumstances for the repayment of the royalties, or the return of any consideration paid or given under the contract, directly relating to any such application or patent.

67. Form of licence contracts

All licence contracts shall be in writing and shall be signed by the parties thereto.

68. Petition for registration

(1) All licence contracts, including modifications thereof, shall be submitted to the Institute for registration in the patent register.

(2) A petition for registration under subsection (1) may be made by any party to the contract, and shall be accompanied by such documents and fees as may be prescribed.

(3) The Managing Director shall issue to the applicant a receipt, which shall be proof of the fact of filing the petition and of the date on which it was filed and if no receipt is issued within fourteen days from the date of the petition, the petitioner may rely on other evidence to prove the fact and date.

(4) Where—

(a) section 67 or subsections (2) to (4) of this section, and the rules relating thereto, have not been complied with; or
(b) the licence contract cannot be registered under section 69,

the Managing Director shall refuse to register the licence contract, stating the reasons for such refusal.

(5) Before refusing to register the licence contract, the Managing Director shall notify the petitioner and allow the parties—

(a) to submit the observations, if any;
(b) to correct any defect in the petition; or

(c) to amend any term, or to correct any defect, in the licence contract that has been declared by the Managing Director to be a term or defect precluding registration, within forty-five days from the date of the notification.

(6) A licence contract shall be void if the registration has been refused by the Managing Director in accordance with the provisions of this Act.

69. Prohibited terms in licence contracts

The Managing Director may refuse to register a licence contract if he is of the opinion that any clause in a licence contract imposes unjustified restrictions on the licensee with the consequence that the contract, taken as a whole, is harmful to the economic interests of Kenya, and that the effect of any such term contained in the contract is—

(i) to permit or require the importation of technology from outside Kenya when substantially similar or equivalent technology may be obtained on the same or more favourable conditions without importation from abroad;

(ii) to require payment of a price, royalty or other consideration which is disproportionate to the value of the technology to which the contract relates;

(iii) to require the licensee to acquire any materials from the licensor or from sources designated or approved by him, unless it is otherwise impossible, for all practical purposes, to ensure the quality of the products to be produced;

(iv) to prohibit the licensee from acquiring, or to restrict his acquisition of, any materials from any source, unless it is otherwise impossible, for all practical purposes, to ensure the quality of the products to be produced;

(v) to prohibit the licensee from using, or to restrict his or her use of any materials which are not supplied by the licensor or by sources designated or approved by him, unless it is otherwise impossible, for all practical purposes, to ensure the quality of the products to be produced;

(vi) to require the licensee to sell products produced by him under the contract exclusively or principally to persons designated by the licensor;

(vii) to require the licensee to make available to the licensor, without appropriate consideration any improvements made by the licensee with respect to the technology to which the contract relates;

(viii) to limit the volume of the products produced by the licensee with the help of the technology to which the contract relates;

(ix) to restrict or prohibit the export of the products produced by the licensee;
(x) to oblige the licensee to employ persons designated by the transferor not needed for the efficient transfer of the technology to which the contract relates, provided that, for persons so needed, the contract shall provide for training of persons to replace them within a reasonable period;

(xi) to impose restrictions on research or technological development carried out by the licensee to absorb or adapt the technology in connection with new products, processes or equipment;

(xii) to prohibit or restrict the use by the licensee of any technology other than the technology to which the contract relates;

(xiii) to extend the coverage of the contract to technology not required for the use of the technology which is the main subject of the contract and to require consideration for such additional technology;

(xiv) to fix prices for the sale or resale of the products produced by the licensee with the help of the technology to which the contract relates;

(xv) to exempt the licensor from any liability consequent upon any defect inherent in the technology to which the contract relates or restrict such liability;

(xvi) to prohibit or restrict the use by the licensee, after the expiration of the contract, of the technology acquired as a result of the contract, subject, however, to any right of the licensor under the patent;

(xvii) to require that disputes arising from the interpretation or performance of the contract be governed by a law other than the law of Kenya or that such disputes be brought before courts located in a country other than Kenya;

(xviii) to establish the duration of the contract for a period which is unreasonably long in relation to the economic function of the contract, provided that any period which does not exceed the duration of the patent to which the contract relates shall not be regarded as unreasonably long;

(xix) to restrict the licensee from entering into sales, representation or manufacturing agreements relating to similar or competing technologies, when such restrictions are not needed for protecting the legitimate interests of the licensor, including, in particular, protecting the licensor’s industrial or intellectual property rights or ensuring that the licensee exercises his best efforts in respect of any manufacturing, distribution or promotional obligations;

(xx) to prevent the licensee from adapting the technology to local conditions or introducing innovations in it or change to alternative inputs, or which require the licensee to introduce unnecessary designs or specification changes, if the licensee makes adaptations on his own responsibility and without using the licensor’s name, trade or service marks or trade names, and except to the extent that this adaptation unsuitably affects those products, or the process for their manufacture, to be supplied by the licensor, his designates, or his other licensees, or to be used as a component or spare part in a product to be supplied to his customer;
(xxi) to impose acceptance of additional technology, future inventions and improvements, goods or services not wanted by the licensee;

(xxii) to impose restrictions on territories, quantities, prices, customers or markets arising out of patent pool or cross-licensing agreements or other international technology transfer interchange arrangements which unduly limit access to new technological developments or which would result in an abusing domination of an industry or market with adverse effects on the licensee, except for those restrictions appropriate and ancillary to co-operative arrangements such as co-operative research arrangements;

(xxiii) to impose restrictions which regulate advertising or publicity by the licensee except where restriction of such publicity may be required to prevent injury to the licensor’s goodwill or reputation where the advertising or publicity makes reference to the licensor’s name, trade or service marks, trade names or other identifying items;

(xxiv) to impose confidentiality after the expiry of the licence agreement or to impose unreasonably long periods for secrecy following the commissioning of manufacturing facilities using the licensed technology, or to impose measures which limit technological learning and mastery, except those which relate to industrial property rights;

(xxv) to impose requirements for payments even under conditions of force majeure;

(xxvi) to impose restrictions which prevent or hinder export by means of territorial or quantitative limitations or prior approval for export or export prices of products or increased rates of payments for exportable products resulting from the technology licensed;

(xxvii) to impose quality control methods or standards not needed by licensee, except to meet the requirement of a guarantee or when the product bears a trade mark, service mark or trade name of the licensor;

(xxviii) to allow the licensor to participate permanently in the management of the licensee’s business as a condition for obtaining the technology;

(xxix) to restrict the licensee from taking measures that will enhance local technological capability and which are not prejudicial to the licensor’s industrial property rights;

(XXX) to restrict the use of local expertise in management and consultancy or in any other positions;

(XXXI) to require payment of royalty for patents granted outside Kenya;

(XXXII) to apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing the licensee at a competitive disadvantage; or

(XXXIII) to make the contract subject to acceptance of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.
70. Registration of the contract and issue of certification

(1) Where the Managing Director finds that the contract may be registered, he shall register the contract and issue a certificate of registration to the petitioner.

(2) If the Managing Director fails—
(a) to notify the petitioner of defects in the petition or of terms or defects precluding registration of the licence contract, within ninety days of the date of the petition; or
(b) to notify the petitioner of his decision to refuse to register the licence contract, within ninety days of the date of notification referred to in paragraph (a),
the licence contract shall be deemed to have been registered and the Managing Director shall issue a certificate of registration to the petitioner.

(3) The registration shall take effect—
(a) if the petition was made within sixty days from the conclusion of the contract, on the date of the conclusion of the contract; and
(b) in all other cases, on the date of the petition.

(4) When the petition is corrected or the licence contract is amended under section 68(5), the petition shall be deemed to have been received on the date when the correction or amendment was made.

(5) The registration and the certificate shall state—
(a) the name of the parties to the contract and of the licensee if he is not a party;
(b) the date of the petition;
(c) the date of the registration; and
(d) the registration number,
all of which shall be published in the Kenya Gazette or in the Industrial Property Journal.

(6) The contents of the contract shall be confidential, unless both parties to the contract agree to permit access thereto by third parties and such access shall only be to the extent of the permission so granted.

71. Remedies

An appeal against the decision of the Managing Director may be made to the Tribunal by the petitioner within two months of his refusal provided that the grounds of such an appeal shall be limited to the following—
(a) that the decision of refusal contains no statement of the reasons for refusal;
(b) that none of the reasons specified in the decision is a valid reason under this Act or that such reason was wrongly applied to the petitioner or to the licence contract; or
(c) that the procedure applied by the Managing Director was irregular and prejudicial to the rights of the petitioner.
72. Compulsory licences for non-working and similar reasons
   (1) At any time after four years from the filing date compulsory of an application or three years from the grant of a patent, whichever period last expires, any person may apply to the Tribunal for a licence to exploit the patented invention on the grounds that a market for the patented invention is not being supplied on reasonable terms in Kenya.
   (2) Notwithstanding subsection (1), a non-voluntary licence shall not be granted if the owner of the patent satisfies the Tribunal that circumstances exist which justify the fact that the market for the patented invention is not being supplied, or is not being supplied on reasonable terms, in Kenya.

73. Compulsory licences based upon interdependence of patents
   (1) Where a patented invention cannot be worked without infringing the rights derived from an earlier patent, the owner of the latter patent may request the Tribunal at any time for the grant of a compulsory licence with respect to the earlier patent to the extent necessary for the working of his invention, if the invention constitutes an important technical advance of considerable economic significance in relation to the invention claimed in the earlier patent.
   (2) The owner of the first patent shall be entitled to a cross-licence on reasonable terms to use the invention claimed in the second patent.
   (3) The use authorized in respect of the first patent shall be non-assignable except with the assignment of the second patent.
   (4) In this section, “earlier patent” or “first patent” means a patent granted on an earlier application or benefiting from an earlier validly claimed priority date, and “latter patent” or “second patent” shall be construed accordingly.

74. Preconditions for grant of compulsory licences
   (1) A compulsory licence shall not be granted unless for grant of the person requesting the licence—
      (a) satisfies the Tribunal that he has asked the owner of the patent for a contractual licence but has been unable to obtain the licence on reasonable commercial terms and within a reasonable time; and
      (b) offers guarantees satisfactory to the Tribunal to work the relevant invention sufficiently to remedy the deficiencies or to satisfy the requirements which gave rise to his request.
   (2) The requirement under subsection (1)(a) shall be waived in the case of a national emergency or other circumstances of extreme urgency, provided the owner of the patent shall be so notified as soon as is reasonably practicable.

75. Grants and terms of compulsory licences
   (1) In considering a request for a compulsory licence, the Tribunal shall decide whether a compulsory licence may be granted and shall then, if it decides in favour of the grant taking into account any terms agreed by the parties, proceed to fix the terms which shall be deemed to constitute a valid contract between the parties and shall be governed by the provisions of contractual licences.
(2) In fixing the terms under subsection (1), the Tribunal shall ensure that the compulsory licence—
   (a) is limited, in scope and duration, to the purpose for which it was authorised, and in the case of semi-conductor technology, shall only be for public non-commercial use or to remedy a practice determined after a judicial or administrative process to be anti-competitive;
   (b) is limited predominantly for the supply of the domestic market;
   (c) does not entitle the licensee to grant further licences, without the consent of the owner of the patent;
   (d) is non-exclusive; and
   (e) provides for the payment to the owner of the patent of remuneration which is equitable with due regard to all the circumstances of the case, including the economic value of the licence.

(3) A representative of the Institute and of the Government shall have the right to appear and be heard at the hearing of an application for a compulsory licence, before the Tribunal.

76. Transfer of compulsory licence

A compulsory licence may be transferred only with that part of the industrial undertaking or its goodwill, in which the relevant invention is used and no such transfer shall be valid until the consent of the Tribunal has been obtained.

77. Cancellation of compulsory licences

(1) On the application of any interested party, the Tribunal may cancel a compulsory licence if—
   (a) the licensee fails to comply with the terms of the licence; or
   (b) the conditions which justified the grant of the licence have ceased to exist and are unlikely to recur; provided that the legitimate interests of the licensee are adequately protected.

(2) On the application of the Minister, or on the application of the owner of the patent, the Tribunal may, cancel the compulsory licence if, within two years from the grant of the licence, the licensee has not taken the necessary steps to work the relevant invention sufficiently so as to remedy the deficiencies or to satisfy the requirements which gave rise to his application for the said licence.

(3) On the application of the owner of the patent or the licensee, the Tribunal may vary the terms of a compulsory licence if new facts justify the variation and in particular if the patentee has granted contractual licence on more favourable terms.

78. Registration of grants, cancellation or variation

Where the Tribunal grants, cancels or varies the terms of a compulsory licence, the Tribunal shall instruct the Managing Director, to record the grant, cancellation or variation in the register without payment of any fee.
79. Licences as of right

(1) The owner of a patent may request the Managing Director to make an entry in the register to the effect that licences under the patent are to be available as of right.

(2) The request shall be notified by the Managing Director to the licensees under the patent.

(3) Any licensee may, within the prescribed time limit, object to the entry requested, on the ground that the owner of the patent is, by the relevant licence contract, precluded from granting further licences.

(4) Where the Managing Director receives no objection under subsection (3) or considers all objections made to be unfounded, he shall make the requested entry in the register and shall publish the entry.

(5) Where a patent is the subject of an entry under this section, any person may require the owner of the patent to grant him a non-exclusive licence under the patent on terms which, in the absence of an agreement between the parties, shall be fixed by the Tribunal.

(6) The amount of the annual fees with respect to a patent which is subject of an entry under this section, falling due after the date of the entry, shall be reduced by half.

(7) The owner of the patent may at any time request the Managing Director to cancel an entry under this section and the Managing Director shall cancel the entry after payment of the balance of all annual fees which would have been payable if no entry had been made and the Managing Director shall publish the cancellation of any entries under this section.

(8) Section 77(3) shall apply, mutatis mutandis, where the terms of licence granted under subsection (5) have been fixed by the Tribunal.

PART XI – EXPLOITATION OF PATENTED INVENTIONS BY THE GOVERNMENT OR BY THIRD PERSON AUTHORIZED BY THE GOVERNMENT

80. Exploitation of the patented inventions by the Government or by third persons authorized by the Government

(1) Subject to this section, where—

(a) the public interest, in particular, national security, nutrition, health, environmental conservation, or the development of other vital sector of the national economy so requires; or

(b) the Managing Director determines that the manner of exploitation of an invention by the owner of the patent or his licensee is not competitive,

the Minister may, upon application to him in the prescribed form and after consultation with the Institute and the owner of the patent, order that the protected invention shall be exploited by a Government Ministry, Department, agency or other person as the Minister may designate in the order subject to the payment of adequate compensation to the owner of the patent in accordance with this section.
(1A) Upon exercising the powers conferred upon him under subsection (1), the Minister may, notwithstanding any of the measures set out in this section, authorise by written order the importation, manufacture or supply, or authorize the utilisation of any molecule or substance whatsoever by any individual, corporation or society as named or described by any individual, corporation or society as named or described in the order without notice to the patent holder or any other notifiable party, and such order shall remain in force until revoked by the Minister in writing, after giving six months' prior notice of his intention of such revocation to the party named or described in the order.

(1B) An order made under the subsection (1A) shall not require the payment of compensation to the owner of the patent or licence holder or any other party so interested.

(1C) The Minister shall, notwithstanding any of the measures set out in this section, authorise the utilisation of any process for the manufacture, sale or supply of any molecule or substance whatsoever by any individual, corporation or society as named or described in the order, and such order shall remain in force until revoked by the Minister in writing, giving six months prior notice of intention of such revocation to the party named or described in the order.

(2) No application shall be made under subsection (1) unless the applicant has unsuccessfully sought a contractual licence from the owner of the patent:

Provided that the provisions of this subsection shall not apply in cases of national emergency or other extreme urgency in which case the Minister shall cause the contents of the order to be communicated to the owner of the patent as soon as reasonably practicable.

(3) An order under this section shall be subject to such conditions as the Minister may deem necessary.

(4) Where an order under this section is made, the Managing Director shall fix the amount of the compensation to be paid to the owner of the patent, such compensation being equitable with due regard to all the circumstances of the case and in particular, the economic value of the patent.

(5) An order under this section shall not preclude the owner of the patent from concluding a licence contract or from exercising the powers conferred by section 54 of this Act.

(6) The Minister may, upon the request of the owner of the patent or the Government Ministry, Department, agency or other person designated by the Minister for the purposes of any order under this section and after hearing all interested parties, vary the terms of the order to the extent that changed circumstances justify such variation.

(7) The Minister may, upon the request of the owner of a patent and after hearing all interested parties, revoke an order under this section—

(a) if satisfied that the circumstances necessitating the order have ceased and are unlikely to recur; or

(b) where the Government Ministry, Department, agency or other person designated for the purposes of the order is in breach of any condition imposed under subsection (3).
(8) The authorization of any person in an order under this subsection shall not be transferable except to a business or enterprise owned or operated by that person.

(9) The exploitation of the invention pursuant to an order under this section shall be primarily for the supply of the market in Kenya.

(10) An order relating to the exploitation of an invention in the field of semiconductor technology shall only be made where the Tribunal has determined that the manner of exploitation of the patented invention, by the owner of the patent or his licensee, is not competitive and the Minister is satisfied that the issuance of such order would remedy such practice.

(11) Any person aggrieved by any decision of the Minister under this section may appeal to the Tribunal.

PART XII – UTILITY MODELS

81. Applicability of provisions relating to patents

(1) Subject to section 82, the provisions of Parts III, IV, V, VII, VIII, IX, X, XI, XV and XVI shall apply, mutatis mutandis, to utility model certificates or applications therefor, as the case may be.

(2) Where the right to a patent conflicts with the right to a utility model certificate in the case referred to in section 30(3), the said provision shall apply as if the word “patent” were replaced by the words “utility model certificate”.

82. Special provisions relating to utility model certificates

(1) An invention qualifies for a utility model certificate if it is new and industrially applicable.

(2) Section 22, 24, 42, 43, 44 and 60 shall not apply in the case of applications for utility model certificates.

(2A) An application for a utility model certificate shall be published in the Industrial Property Journal upon compliance with the requirements of section 41.

(3) A registration certificate for a utility model shall expire at the end of the tenth year after the date of filing of the application in respect thereof, and shall not be renewable:

Provided that the registration certificates in respect of utility models which were issued under this Act before the commencement of this subsection shall expire at the end of the tenth year from the date of grant.

83. Conversion of patent applications to applications for utility model certificate, and vice versa

(1) At any time before the grant or refusal of a patent an applicant for a patent may, upon payment of the prescribed fee, convert his application into an application for a utility model certificate, which shall be accorded the filing date of initial application.
(2) At any time before the grant or refusal of a utility model certificate, an applicant for a utility model certificate may, upon payment of the prescribed fee, convert his application into a patent application, which shall be accorded the filing date of the initial application.

(3) An application may not be converted under subsection (1) more than once.

PART XIII – INDUSTRIAL DESIGNS

84. Definition of an industrial design

(1) For the purposes of this Part, “an industrial design” means any composition of lines or colours or any three dimensional form, whether or not associated with lines or colours:

Provided that such composition or form gives a special appearance to a product of industry or handicraft and can serve as a pattern for a product of industry or handicraft.

(2) The protection under this Act shall not extend to anything in an industrial design which serves solely to obtain a technical result.

85. Right to industrial design; naming of creator

(1) Subject to the provisions of any other written law, the creator of an industrial design or his successors in title shall have the exclusive rights to sell or cause to be sold for commercial or industrial purposes the goods in which the design is incorporated, subject to the conditions of this Act.

(2) Sections 30, 32 and 33 shall apply mutatis mutandis to the rights of the creator of an industrial design.

86. Registrable industrial designs

(1) An industrial design is registrable if it is new.

(2) An industrial design shall be deemed to be new if it has not been disclosed to the public, anywhere in the world, by publication in tangible form or, in Kenya, by use or in any other way, prior to the filing date or, where applicable, the priority date of the application for registration.

(3) Section 23(4) shall apply mutatis mutandis in respect of priority dates of an industrial design.

(4) Industrial designs that are contrary to public order or morality shall not be registrable.

87. Application and examination

(1) Any person wishing to register an industrial design shall send to the Institute—

(a) an application in the prescribed form;

(b) a power of attorney, where the applicant is represented by an agent;

(c) drawings, photographs or other graphic representations of the article embodying the industrial design and an indication of the kind of products for which the industrial design is to be used; and

(d) the prescribed application fee.
(2) The request shall be accompanied by a specimen of the article embodying
the industrial design.

(3) Where the applicant is not the creator, the request shall be accompanied by
a statement justifying the applicant’s right to the registration of the industrial design.

(4) Two or more industrial designs may be the subject of the same classification
provided that they relate to the same class under international classification or to
the same set or composition of articles.

(5) The applicant may at any time withdraw an application lodged under this
section.

(6) The Managing Director shall accord as the filing date the date of receipt
of the application:
Provided that, at the time of receipt, the application fee is paid and the application
contains the name of the applicant and a graphic representation of the article
embodying the industrial design or a specimen thereof.

(7) Section 37 and 41(2) and (3) shall apply mutatis mutandis in respect of
priority dates and filing of corrections to the application.

(8) The Managing Director shall, if satisfied that an application meets the
requirements of this section and of section 84 and 86, register the industrial design
and issue a certificate of registration to the applicant.

(9) Subject to subsection (7) the date of the registration shall be that of the
application.

88. Duration and renewal of registration of an industrial design

(1) Subject to subsection (2), the duration of the renewal of registration of an
industrial design shall expire at the end of the fifth year following the date of the
application for registration.

(2) The registration of a design may be renewed for two further consecutive
periods of five years upon payment of a prescribed fee.

(3) The fee for the renewal of registration of an industrial design shall be paid
within twelve months preceding expiration of the period of registration but a grace
period of six months shall be allowed for the late payment of the renewal fee on
payment of the surcharge, as may be prescribed.

89. Restoration of registration of industrial designs

(1) Where the protection granted to an industrial design has not been renewed
due to circumstances beyond the control of the owner of the design, the latter or
any other persons entitled may apply designs for its restoration on the payment of
the prescribed renewal fee, as well as of the surcharge, within a period of one year
from the date upon which renewal fee was due.

(2) An application for restoration of registration of an industrial design,
together with documents proving payment of the fees and surcharge mentioned in
subsection (1), shall be sent to the Managing Director and shall contain a statement
of the grounds on which the owner or the persons entitled consider the restoration
justified.
(3) The Managing Director shall examine the reasons referred to above and shall either restore the design or reject the application if he does not consider the grounds valid.

(4) Restoration shall not entail prolongation of maximum duration of the industrial design.

(5) Restored designs shall be published by the Managing Director in the prescribed form.

90. Graphic representations, specimens, etc

(1) The application, including any drawings, photographs or other graphics representations and any specimen of registered industrial design shall be kept by the Institute and after publication of the registration they shall be communicated upon request made in the prescribed manner.

(2) Drawings, photographs or other graphic representations and specimens of industrial designs shall be kept by the Institute for a period of eight years after the expiry of the registration and may be examined by any interested person on payment of the prescribed fee.

(3) After publication, any person may obtain an official copy of the application, representations or specimens.

(4) Subsections (1), (2) and (3) shall apply to official copies furnished by applicants seeking to avail themselves of the priority of an earlier registration and to the documents enabling certain applicants to claim the priority.

(5) An applicant for registration of an industrial design seeking to avail himself outside Kenya of the priority of his registration before registration of the industrial design may obtain an official copy of his application.

91. Publication of reference to registration of industrial designs

(1) The Managing Director shall publish a reference to the registration of all industrial designs, which shall contain, in addition to the prescribed details—

(a) the number of the industrial design;
(b) the date of filing of the application;
(c) the mention of any validly claimed priority; and
(d) the drawings, photographs or other graphic representations of the industrial design and an indication whether a specimen has been deposited with the Institute.

(2) The Institute shall prescribe the conditions of publication of the representations of the industrial design.

92. Rights conferred by registration of industrial designs, etc

(1) Registration of an industrial design shall confer upon its registered owner the right to preclude third parties from performing any of the following registration acts in Kenya—

(a) reproducing the industrial design in the manufacture of a product;
(b) importing, offering for sale and selling a product reproducing the protected industrial design; or
(c) stocking of such a product for the purposes of offering it for sale or selling it.

(2) The rights conferred by the registration of an industrial design shall extend only to acts done for industrial or commercial purposes and shall not extend to acts in respect of a product embodying the protected industrial design after the product has been lawfully imported or sold in Kenya.

(3) The registered owner of an industrial design shall, in addition to any other rights, remedies or actions available to him, have the right to institute court proceedings against any person who infringes the industrial design by performing, without his consent, any of the acts referred to in subsection (1) or who performs acts which make it likely that infringement will occur.

(4) An industrial design in respect of which Kenya is a designated state registered by ARIPO by virtue of the ARIPO Protocol shall have the same effect in Kenya as an industrial design registered under this Act unless the Managing Director has communicated to ARIPO, in respect of an application thereof, a decision in accordance with the provisions of the ARIPO Protocol that if a registration is made by ARIPO that registration shall have no effect in Kenya.

93. Transfer and assignment of industrial designs; licences

(1) Rights subsisting in an industrial design may be transferred in whole or in part.

(2) The provisions of sections 62, 63, 64, 68 and 70 shall apply mutatis mutandis to this Part.

PART XIV – TECHNOVATIONS

94. Definitions

For the purpose of this Part—

(a) “technovation” means a solution to a specific problem in the field of technology, proposed by an employee of an enterprise in Kenya for use by that enterprise, and which relates to the activities of the enterprise but which, on the date of the proposal, has not been used or actively considered for use by that enterprise;

(b) “employee” and “enterprise” mean the employee and the enterprise referred to in paragraph (a), and where several enterprises are owned or operated by one person, all such enterprises shall be considered as one enterprise;

(c) “date of the proposal” means the date on which the employee makes a request in accordance with section 96;

(d) “technovation certificate” means the document issued by the enterprise in accordance with section 95;

(e) “technovator” means an employee to whom the enterprise has issued a technovation certificate.
95. **Right to technovation certificate**

(1) Subject to subsection (2), any employee of the enterprise on the date of the proposal shall be entitled to a technovation certificate as provided for in this Part.

(2) Where the duties of an employee comprise the making and proposing of technovations, he shall not be entitled to a technovation certificate for any technovation which pertains to the field of activities for which he is employed, unless the degree of the creative contribution inherent in the technovation exceeds that which is normally required of an employee having the said duties.

(3) Where employees severally request a technovation certificate for the same technovation, the employee who is the first to make the request shall be entitled to such certificate.

(4) Where a request for technovation certificate is made jointly by two or more employees, the certificate shall be issued in their joint names.

96. **Request**

A request for a technovation certificate signed by the employee shall be filed in writing with the enterprise and the enterprise shall assist the employee in filing the request and shall issue a receipt to him acknowledging that a request has been filed and indicating the date on which it has been filed.

97. **Issuance or refusal of technovation certificate**

(1) Where the requirements of this Part are satisfied, the enterprise shall, within a period of three months from the date of the proposal, issue a technovation certificate to the employee.

(2) The enterprise may refuse to issue the certificate if it is of the opinion that the requirements of this Part have not been satisfied and shall notify the employee of the reasons therefor within the time limit prescribed in subsection (1).

98. **Use of technovation**

(1) Where the enterprise issues a technovation certificate, it shall, at the same time, notify the technovator, in writing, whether or not it intends to use the technovation.

(2) Where the decision to make use of the technovation depends on testing the technovation in practice, the enterprise shall inform the technovator accordingly and may postpone the notification of its intention to use or not to use the technovation by not more than a year from the date of the proposal.

(3) The technovator shall be obliged to assist the enterprise, to the best of his ability, in any testing, development or use of the technovation.

(4) The enterprise shall be obliged to give adequate opportunity to the technovator to furnish the assistance referred to in subsection (3).

(5) Once the technovation certificate has been issued, the technovator, shall not communicate his technovation to anyone other than the enterprise and shall not use it.
(6) Where the enterprise declares that it does not intend to use the technovation or where the enterprise, having declared its intention to use the technovation, does not in fact start using it within six months from the issuance of the technovation certificate or the expiration of the time limit referred to in subsection (2), the technovator shall be exempted from the obligations referred to in subsections (3) and (4):

Provided that the technovator shall have the right to communicate his technovation to others only to the extent that such communication does not entail the communication of any know how or other knowledge that has acquired as an employee.

99. Remuneration of the technovator

Where the enterprise uses the technovation or communicates it to a third person, the technovator shall be entitled to a remuneration the amount and method of payment of which shall, in the absence of an applicable collective bargaining agreement, be fixed by mutual agreement between the technovator and the enterprise.

100. Derogation by contract

Any contractual provision which is less favourable to the employees or technovators than the provisions of this part shall be null and void.

101. Disputes

(1) Any dispute concerning the application of this part shall be submitted by any interested party to an arbitration board consisting of three members: one member appointed by the employee or technovator, one member appointed by the enterprise, and a chairman appointed by the two members. The arbitration board shall hear interested parties and thereafter deliver its ruling.

(2) Where the parties fail to agree on the appointment of the chairman, he shall be appointed by the Resident Magistrate Court having jurisdiction in the place where the enterprise is located.

(3) An aggrieved party may appeal against the decision of the arbitration board to the Tribunal.

PART XV – COMMON PROVISIONS:
SURRENDER, REVOCATION AND INVALIDATION

102. Surrender

(1) A patent, utility model or industrial design registration certificate may be surrendered by its owner to the Institute.

(2) The surrender may be limited to one or more claims of the patent or utility model or, in the case of industrial designs, one kind of product or class of products.

(3) The surrender shall promptly be recorded in the register and published by the Managing Director and the surrender shall be effective only after it has been published.
If a licence has been recorded in the register, surrender shall only be registered upon the submission of a declaration by which the licensee consents to the surrender, unless the latter has expressly waived this right in the licence contract.

103. Revocation or invalidation

(1) Any interested person may in proceedings instituted by him against the owner of a patent, or a registered utility model or industrial design or in proceedings instituted against him by the owner, request the Tribunal to revoke or invalidate the patent, utility model or industrial design registration.

(2) Deleted by Act No. 11 of 2017, Sch.

(3) The Tribunal shall revoke or invalidate the registration of the patent or the utility model or industrial design on any of the following grounds—

(a) that the owner of the patent is not entitled under section 30, 31 or 32 of the Act to apply for the grant of a patent;

(b) that the owner of the patent is in infringement of the rights of the person filing an application for revocation of the patent or of any persons under or through whom he claims;

(c) that the invention does not relate to an art (whether producing a physical effect or not), process, use, machine, manufacture or composition of matter which is capable of being applied in trade or industry;

(d) that the invention is obvious in that it involves no inventive step having regard to what was common knowledge in the art at the effective date of the application;

(e) that the invention, in so far as it is claimed in any claim of the application is not useful;

(f) that the patent does not fully describe and ascertain the invention and the manner in which it is to be performed;

(g) that the patent does not disclose the best method of performing the invention known to the owner of the patent at the time when the specification was lodged at the Institute;

(h) that at the time the application for the grant of the patent was filed, the application form or any other documents filed in pursuance of the application contained a material misrepresentation; or

(i) that the invention is not new in terms of section 23 of the Act.

(4) An application for revocation or invalidation of a patent shall—

(a) state the grounds on which the applicant intends to rely on in his application for revocation or invalidation of the patent; and

(b) be accompanied by—

(i) a statement setting out particulars of the facts alleged in support of the said grounds; and
(ii) proof of service on the owner of the patent of notice of filing of the application under subsection (1) and (2) and such statement shall be furnished to the Tribunal.

(5) If the owner of the patent wishes to contest the application he shall, within such time as is prescribed or such further time as the Tribunal may allow, lodge with him a counter statement setting out particulars of the grounds upon which the application is to be contested.

(6) A copy of any counter-statement in terms of subsection (5) lodged with the Tribunal shall be served by the owner of the patent concerned.

(7) Particulars delivered in terms of this section may from time to time, with the leave of the Tribunal, be amended.

(8) No evidence shall be admitted in proof of any ground on which particulars have not been delivered in terms of this section, except by leave of the Tribunal.

(9) After receiving an application under subsection (1) and compliance with any other provisions of this section which are applicable, the Tribunal shall arrange for the matter to be heard in the manner prescribed and may make such order therein as it deems fit.

(10) The Tribunal shall publish the application for revocation or invalidation of the patent in the Kenya Gazette or in the Industrial Property Journal.

(11) An aggrieved party may appeal against the decision of the Tribunal to the High Court.

(12) Where the provisions of subsection (2) apply only to some of the claims or some parts of a claim, or some parts of a registered industrial design only those claims or parts may be revoked or invalidated by the Tribunal.

(13) The Tribunal may require the owner of the patent, the utility model or the industrial design registration certificate to submit to it for the purposes of examination, the registration certificate, publications and other documents showing the prior art which have been referred to either in connection with an application for a title to the patent, the utility model or the industrial design filed, for the same or essentially the same invention or design by the owner with any other national or regional industrial property office, or in connection with any proceedings relating to the registration of the patent, utility model or the industrial design or other title or protection granted upon such application.

(14) The notice of the application referred to in subsection (1) shall be served on any licensee under the patent, the utility model or the industrial design who is entitled to join in the proceedings in the absence of any provision to the contrary in the licence contract.

(15) Where, before or during the proceedings, it is alleged or it appears to the Tribunal that the right to the patent, the utility model or the industrial design belongs to a person who is not a party to the proceedings, notice of the application referred to in subsection (1) shall be served on that person and such person who shall be entitled to join in the proceedings.

[Act No. 11 of 2017, Sch.]
104. Effect of revocation or invalidation

(1) Any revoked or invalidated patent, utility model or industrial design or claim or part of a claim of a registered industrial design shall be regarded as null and void from the date of the grant of the patent or certificate of registration for the utility model or the industrial design.

(2) As soon as the decision of the Tribunal is no longer subject to appeal, the Chairman of the Tribunal shall inform the Managing Director who shall register and publish it as soon as possible in the Kenya Gazette or in the Industrial Property Journal.

PART XVI – INFRINGEMENT

105. Acts constituting infringement

Subject to sections 21(3)(e), 58, 61(6), 72, 73, 80(1C) and 86, any act specified in section 54 or 92 and performed by a person other than the owner of the patent or of the registered utility model or industrial design without the owner’s authorization, in relation to a product or a process falling within the scope of a validly granted patent or certificate of registration shall constitute an infringement.

106. Relief

On the request of the owner of the patent or the registered utility model or industrial design, the Tribunal shall grant the following relief—

(a) an injunction to prevent infringement where infringement is imminent or to prohibit the continuation of the infringement, once infringement has started;

(b) damages; or

(c) any other remedy provided for in law.

107. Declaration of non-infringement

(1) Subject to subsection (2), any person showing a legitimate interest may request the Tribunal to declare that the performance of any specific act does not infringe the patent or the registered utility model or industrial design and the owner and any licensee under the patent or the registered utility model or industrial design shall have the right to be a defendant in the proceedings.

(2) No declaration under subsection (1) shall be made—

(a) if the acts to which the request relates are already the subject of infringement proceedings; or

(b) if the person making the request is unable to prove that he has previously demanded from the owner a written acknowledgement of the lawfulness of the acts referred to and that the owner has refused such demand or has failed to reply within fourteen days.

108. Threat of infringement proceedings

(1) Any person threatened with infringement proceedings who can prove that the acts performed or to be performed by him do not constitute infringement of the
patent or the registered utility model or industrial design may request the Tribunal to grant an injunction to prohibit such threats and to award damages for financial loss resulting from the threats.

(2) The mere notification of the existence of the patent, or the registered utility model or industrial design registration shall not constitute a threat of infringement.

109. Criminal proceedings

(1) Any intentional infringement of the patent or the registered utility model or industrial design shall constitute an offence under this Act.

(2) Such an offence shall be punishable with a fine of not less than ten thousand shillings, and not exceeding fifty thousand shillings, or with imprisonment for a term of not less than three years, and not more than five years, or with both.

110. Presumption of use of patented process

For the purposes of proceedings, other than criminal proceedings, in respect of the infringement of the rights of the owner of the patent, where the subject matter of the patent is a process for obtaining a product, the burden of establishing that an identical product was not made by the patented process shall be on the alleged infringer, if either of the following conditions is fulfilled—

(a) the product is new; or

(b) a substantial likelihood exists that the identical product was made by the process and the owner of the patent has been unable, through reasonable efforts, to determine the process actually used.

111. Legal proceedings by licensee

(1) Any exclusive licensee within the meaning of section 65(2) may, by registered letter, request the owner of the patent or the registered utility model or industrial design to institute legal proceedings for a specific relief with respect to any infringement specified by the licensee.

(2) The licensee may, if the owner refuses or fails to institute the legal proceedings within three months from the request, after giving notice to the owner institute such proceedings in his own name; and the owner may join in the proceedings.

(3) Even before the end of the three-month period referred to in subsection (2), the Tribunal may, on the request of the licensee, grant an appropriate injunction to prevent infringement or to prohibit its continuation, where the licensee shows that immediate action is necessary to avoid substantial damage.

PART XVII – INDUSTRIAL PROPERTY TRIBUNAL

112. Appeal from decisions of the Managing Director

Where under this Act provision is made for appeals from the decisions of the Managing Director, all such appeals shall be made to the Industrial Property Tribunal in accordance with the provisions of this Part.
113. Industrial Property Tribunal

(1) For the purposes of hearing and determining appeals in accordance with section 112 and of exercising the other powers conferred on it by this Act, there is established an Industrial Property Tribunal which shall consist of the chairman and four members appointed by the Minister.

(2) The chairman of the Tribunal shall be a person who has been a judge or who is qualified to be appointed a judge of the High Court of Kenya.

(3) At least two members of the Tribunal shall be persons who have, for not less than seven years, been qualified and entitled to practice as advocates in Kenya and the other two members must have experience and/or expertise in industrial, scientific and technological fields.

(4) The Tribunal shall sit at such times as it may appoint.

(5) There shall be paid to the Chairman and the members of the Tribunal such remuneration and allowances as the Minister may determine.

(6) The Cabinet Secretary shall appoint a suitable legal officer to be secretary to the Tribunal.

(7) The chairman and every member appointed under this section shall hold office for a period of three years and shall be eligible for re-appointment.

(8) Any member appointed under subsection (1) shall cease to hold office if—

(a) the Minister removes him from office on the grounds that he is incapacitated by mental or physical illness or is otherwise unable or unfit to discharge the functions of a member or is unable to continue as a member;

(b) he delivers to the Minister a written resignation of his appointment;

(c) he has been absent from three consecutive meetings of the Tribunal without leave or good cause;

(d) he is adjudged bankrupt or enters into a scheme of composition or a scheme of arrangement with his creditors;

(e) he is sentenced by a court to imprisonment for a term of six months or more; or

(f) he is convicted of an offence involving dishonesty, fraud or moral turpitude.

(9) In the event of vacation of office of any member appointed under this section, the Minister may appoint another person to hold office for the unexpired period of the term of office of the member in whose place he is appointed.

(10) If any member of the Tribunal appointed under this section is temporarily unable to perform his duties, the Minister may appoint another person to act in his place during the period of his absence.

114. Powers of the Tribunal

(1) The Tribunal shall have powers to make any order for the purposes of securing the attendance of any person, the discovery or production of any document, or the investigation or punishment for any contempt of court, which the court has power to make.
(2) Upon any appeal to the Tribunal under this Act, the Tribunal may—
(a) confirm, set aside or vary the order or decision in question;
(b) exercise any of the powers which could have been exercised by the Managing Director in the proceedings in connection with which the appeal is brought; or
(c) make such orders as to costs as it may deem fit.

115. Appeals to the High Court

(1) Any party to the proceedings before the Tribunal may appeal in accordance with the rules made under this Part from any order or decision of the Tribunal to the High Court.

(2) Upon the hearing of an appeal under this section, the High Court may—
(a) confirm, set aside or vary the order or decision in question;
(b) remit the proceedings to the Tribunal with such instructions for further consideration, report, proceedings or evidence as the High Court may deem fit to give;
(c) exercise any of the powers which could have been exercised by the Tribunal in proceedings in connection with which the appeal is brought; or
(d) make such order as it may deem fit as to the costs of the appeal or of earlier proceedings in the matter before the Tribunal.

116. Assessors

The chairman of the Tribunal may appoint any person with expert knowledge to act as an assessor in an advisory capacity in any case where it appears to the Tribunal that such knowledge is required for the proper determination of the case.

117. Rules and procedures of the Tribunal

The Minister may make rules for regulating the practice and procedure of the Tribunal.

118. Reference to the Tribunal by the Managing Director

(1) When any matter to be determined by the Managing Director under this Act appears to him to involve a point of law or to be of unusual importance or complexity, he may, after giving notice to the parties refer the matter to the Tribunal for a general direction and shall, thereafter in relation to such matter, act in accordance with the general direction of the Tribunal or any direction substituted thereafter on appeal to the High Court.

(2) Where any matter has been referred to the Tribunal in terms of subsection (1), the Managing Director and the parties thereto shall be entitled to be heard by the Tribunal before any decision is made in such matter and may appear or be represented by an advocate.
PART XVIII – MISCELLANEOUS PROVISIONS

119. Regulations

The Minister may make regulations prescribing anything which under this Act may be prescribed and generally for the better carrying out of the objects and purposes of this Act.

120. Annual Report

(1) The Board shall, within four months after the end of each financial year, submit a report to the Minister on the activities of the Institute during the financial year.

(2) The Minister shall, within fourteen days after the receipt of the report, lay it before the National Assembly.

121. Repeal of Cap. 509 and saving provisions

(1) The Industrial Property Act is repealed.

(2) The transitional and saving provisions set out in the Second Schedule shall have effect upon the repeal of the Industrial Property Act.

122. Exemption from stamp duty

No duty shall be chargeable under the Stamp Duty Act (Cap. 480) in respect of any instrument executed by, or on behalf of, or in favour of the Institute which, but for this section, the Institute would be liable to pay.

FIRST SCHEDULE

[Section 8.]

PROVISIONS AS TO THE CONDUCT OF BUSINESS AND AFFAIRS OF THE BOARD

1. Tenure of office

The chairman or a member of the Board other than an ex officio member shall, subject to the provisions of this Schedule, hold office for a period of three years, on such terms and conditions as may be specified in the instrument of appointment, but shall be eligible for re-appointment, subject to a maximum of three terms of office.

2. Vacation of office

The chairman or a member other than an ex-officio member may—

(a) at any time resign from office by notice in writing to the Minister;

(b) be removed from office by the Minister if the member—

(i) has been absent from three consecutive meetings of the Board without the permission of the Board;

(ii) is convicted of a criminal offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding ten thousand shillings;
(iii) is incapacitated by prolonged physical or mental illness for a period exceeding six months; or
(iv) is otherwise unable or unfit to discharge his functions.

3. Meetings

(1) The Board shall meet not less than four times in every financial year and not more than four months shall elapse between the date of one meeting and the date of the next meeting.

(2) Notwithstanding subparagraph (1), the chairman may, and upon requisition in writing by at least five members shall, convene a special meeting of the Board at any time for the transaction of the business of the Board.

(3) Unless three quarters of the total members of the Board otherwise agree, at least fourteen days’ written notice of every meeting of the Board shall be given to every member of the Board.

(4) The quorum for the conduct of the business of the Board shall be seven members including the chairman or the person presiding.

(5) The chairman shall preside at every meeting of the Board at which he is present but in his absence, the members present shall elect one of their number to preside, who shall, with respect to that meeting and the business transacted thereat, have all the powers of the chairman.

(6) Unless a unanimous decision is reached, a decision on any matter before the Board shall be by a majority of the votes of the members present and voting and in the case of an equality of votes, the chairman or the person presiding shall have a casting vote.

(7) Subject to such subparagraph (4), no proceedings of the Board shall be invalid by reason only of a vacancy among the members thereof.

(8) Subject to the provisions of this Schedule, the Board may determine its own procedure and the procedure for any committee of the Board and for the attendance of other persons at its meetings and may make standing orders in respect thereof.

(1) The Board may establish such committees as it may deem appropriate to perform such functions and responsibilities as it may determine.

(2) The Board shall appoint the chairman of a committee established under subparagraph (1) from amongst its own members.

(3) The Board may where it deems appropriate, co-opt any person to attend the deliberations of any of its committees.

5. Disclosure of interest

(1) If a member is directly or indirectly interested in any contract, proposed contract or other matter before the Board and is present at a meeting of the Board at which the contract, proposed contract or other matter is the subject of consideration, he shall, at the meeting and as soon as reasonably practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter.
(2) A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made.

(3) A member of the Board who contravenes subparagraph (1) commits an offence and is liable to a fine of one hundred thousand shillings, or to imprisonment for a term of six months, or to both.

6. The common seal

The affixing of the common seal of the Institute shall be authenticated by the signature of the chairman and the Managing Director and any document not required by law to be made under seal and all decisions of the Board may be authenticated by the signatures of the chairman and the Managing Director:

Provided that the Board shall, in the absence of either the chairman or the Managing Director in any particular matter, nominate one member to authenticate the seal on behalf of either the chairman or the Managing Director.

7. Contracts and instruments

Any contract or instrument which, if entered into or executed by a person not being a body corporate, would not require to be under seal, may be entered into or executed on behalf of the Board by any person generally or specially authorised by the Board for that purpose.

SECOND SCHEDULE

[Section 121(2), Act No. 7 of 2007, Sch.]

TRANSITIONAL AND SAVING PROVISIONS

1. In this Schedule—

“former Act” means the Industrial Property Act (Cap. 509) repealed by section 121 of this Act;

“former Office” means the Kenya Industrial Property Office existing immediately before the commencement of this Act.

2. Where a patent was registered in Kenya under the former Act or where it was saved under section 126(1) of that Act, and the privileges and rights conferred by the registration were effective immediately before the commencement of this Act, then, subject to this Schedule—

(a) such a patent shall be treated in Kenya as if it had been granted under this Act;

(b) such a patent shall expire as regards Kenya when those privileges and rights could have expired if this Act had not been made;

(c) such a patent may be revoked or invalidated only where those privileges and rights could be declared as not having been acquired in Kenya if this Act had not been made;
(d) the certificate of registration, or a certified copy of such patent, shall be admissible as *prima facie* evidence of the date and the fact of registration; and

(e) an action for infringement of such patent shall be under this Act only if the alleged infringement occurred on or after the commencement of this Act, and in other cases may be instituted and disposed of as if this Act had not been enacted.

3. So far as is necessary for the purposes of paragraph 2, the register of patents under the former Act shall continue to be maintained and shall be deemed to be part of the register under this Act.

4. Where the registered proprietor of a design registered in the United Kingdom under the Registered Designs Act (Cap. 510), 1949 of the United Kingdom enjoyed the same privileges and rights in Kenya in respect of such design under the provisions of the repealed United Kingdom Industrial Designs Act immediately before commencement of the former Act, such design shall be deemed to have been registered under the former Act.

5. Applications for the grant of patents or the registration of utility models or industrial designs filed in Kenya between the date of the commencement of the former Act and the date of the commencement of this Act, shall be processed in accordance with the provisions of this Act and shall retain or be accorded the filing date or validly claimed priority date which was or would have been accorded under the former Act.

6. Section 62 of the Act shall not apply to licence contracts and contracts assigning the right to a patent or assigning applications or patents, provided that the said contracts were concluded before the commencement of this Act and are submitted for registration to the Managing Director within sixty days from the commencement of this Act.

6A. The registration of a utility model granted immediately before the commencement of this Act shall be deemed to be a registration under this Act and shall expire at the end of the tenth year after the date of such grant.

7. All the funds, assets and other property, movable and immovable, which immediately before the coming into operation of this Act, were held by the Government on behalf of the former Office shall, by virtue of this paragraph and without further assurance, vest in the Institute.

8. Every public officer having the power or duty to effect or amend any entry in a register relating to property, or to issue or amend any certificate or other document effecting or evidencing title to property, shall, without payment of any fee or other charge and upon request by or on behalf of the Institute, do all such things as are by law necessary to give final effect to the transfer of any property mentioned in paragraph 7 to the Institute.
9. All rights, powers, liabilities and duties, whether arising under any written law or otherwise, which immediately before the coming into operation of this Act were vested in, imposed on or enforceable by or against the Government in respect of the former Office shall by virtue of this paragraph, be transferred to, vested in, imposed on, or be enforceable by or against the Institute.

10. On and after the coming into operation of this Act, all actions, suits or legal proceedings by or against the Government pending in respect of the former Office shall be carried on or prosecuted by or against the Institute and no such suit, action or legal proceedings shall abate or be affected by the coming into operation of this Act.

11. The annual estimates approved for the former Office in respect of the financial year in which this Act comes into operation shall be deemed to be annual estimates of the Institute for the remainder of the financial year but those estimates may be varied by the Board in such manner as the Minister and the Treasury may approve.

12. Any person who is an officer or employee of the former Office immediately before coming into operation of this Act shall be deemed to be an officer or employee of the Institute:

Provided that—

(a) any officer or employee of the former Office who does not wish to become an officer or employee of the Institute shall exercise his option within a period of thirty-six months from the date of coming into operation of this Act;

(b) subject to subparagraph (a), every officer or employee of the Institute shall enter into a written contract with the Institute within a period of twelve months with effect from the date of the appointment of the Board, whereupon his services with the Government shall be transferred to the Institute:

Provided that the terms and conditions of service of the contract shall not be to the disadvantage of the officer or employee;

(c) any officer or employee of the former office who does not exercise his option under (a) shall be deemed to have been seconded to the Institute for a further period of twelve months, at the end of which he shall either exercise his option as provided under subparagraph (a) or enter into a contract with the Institute as provided for in subparagraph (b).

[Act No. 7 of 2007, Sch.]