

A BILL

*i n t i t u l e d*

An Act to amend the Industrial Designs Act 1996.

[ ]

**ENACTED** by the Parliament of Malaysia as follows:

**Short title and commencement**

1. (1) This Act may be cited as the Industrial Designs (Amendment) Act 2012.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

**Amendment of section 3**

2. The Industrial Designs Act 1996 [Act 552], which is referred to as the “principal Act” in this Act, is amended in subsection 3(1) by inserting after the definition of “Minister” the following definition:

‘ “Official Journal” means the Intellectual Property Official Journal published by the Registrar under section 46A;’.

**Amendment of section 12**

3. Paragraph 12(2)(a) of the principal Act is amended by inserting after the word “Malaysia” the words “or elsewhere”.

**Amendment of section 22**

4. Subsection 22(2) of the principal Act is amended by substituting for the word “*Gazette*” the words “Official Journal”.

**Amendment of section 25**

5. Section 25 of the principal Act is amended—

(a) in subsection (2), by substituting for the word “two” the word “four”; and

(b) in subsection (4), by substituting for the word “*Gazette*” the words “Official Journal”.

**Amendment of section 26**

6. Section 26 of the principal Act is amended by substituting for the word “*Gazette*” wherever it appears the words “Official Journal”.

**Amendment of heading of Part V**

7. The principal Act is amended by substituting for the heading of Part V the following heading:

“REGISTERED INDUSTRIAL DESIGN AS  
PERSONAL PROPERTY”.

**Substitution of sections 29 and 30**

8. The principal Act is amended by substituting for sections 29 and 30 the following sections:

**“Registered industrial design is personal property**

29. (1) A registered industrial design is personal property and is capable of assignment, transmission or being dealt

with by operation of law in the same way as other personal or moveable property, subject to the provisions of this section.

(2) Any transmission of a registered industrial design or an application for the registration of an industrial design is subject to any rights vested in any other person of which notice is entered in the Register or of which notice is given to the Registrar.

(3) An assignment of a registered industrial design or an application for the registration of an industrial design shall not be effective unless it is in writing and signed by or on behalf of the assignor and the assignee or, as the case may be, a personal representative thereof.

(4) Subsection (3) shall apply to assignment by way of security as in relation to any other assignment.

(5) A registered industrial design may be the subject of a security interest in the same way as other personal or moveable property.

(6) The owner of a registered industrial design may grant a licence to any person to use that registered industrial design.

(7) Any rights in respect of a registered industrial design may be enforced in like manner as in respect of any other personal or moveable property.

**Recording of assignment, etc.**

**30.** (1) Where a person becomes entitled to a registered industrial design by way of assignment or transmission or by operation of law or by a security interest transaction, he shall apply to the Registrar in the prescribed manner to record his title or interest in the Register.

(2) The Registrar shall record the particulars of the title or interest referred to in subsection (1) in the Register.

(3) No assignment or transmission or operation of law or security interest transaction in respect of a registered industrial design shall have effect against third parties unless recorded in the Register.”.

### **Amendment of section 35**

9. Section 35 of the principal Act is amended by inserting after subsection (3) the following subsection:

“(4) The Court shall refuse to award costs to the owner of a registered industrial design who becomes entitled to the registered industrial design by way of assignment or transmission or by operation of law or by a security interest transaction in respect of an infringement unless—

- (a) an application to record his title or interest is made under section 30 before the end of the period of six months beginning from the date of the relevant transaction; or
- (b) the Court is satisfied that it was not practicable for the said application to be made before the end of that period and that an application was made as soon as practicable thereafter.”.

### **New section 46A**

10. The principal Act is amended by inserting after section 46 the following section:

#### **“Intellectual Property Official Journal**

**46A.** (1) The Registrar shall publish an Intellectual Property Official Journal which shall contain—

- (a) all matters relating to industrial designs which is required to be published under this Act or any regulations made under this Act; and
- (b) such other information or matters relating to industrial designs as the Registrar considers generally useful or important.

(2) The Official Journal shall be made available to the public on payment of the prescribed fee.

(3) Publication in the Official Journal shall constitute sufficient notice of any matter required to be published under this Act or any regulations made under this Act.

(4) A copy of the Official Journal shall on its production be admitted in legal proceedings as evidence without further proof being given that the copy was so published.

(5) A copy of the Official Journal shall be *prima facie* evidence of the facts stated therein.

(6) Where the Official Journal is published in more than one form, the date of publication of the Official Journal shall be deemed to be the date the Official Journal is first published in any form.”.

#### **Amendment of section 47**

**11.** Subsection 47(2) of the principal Act is amended by inserting after paragraph (c) the following paragraphs:

“(ca) to regulate the procedure for the recording of the matters required under section 30;

(cb) to prescribe any matters or information to be published in the Official Journal;”.

#### **Saving and transitional**

**12.** (1) Any legal proceedings which are pending before the date of coming into operation of this Act shall be continued as if this Act had not been enacted.

(2) Any matter required to be published in the *Gazette* before the date of coming into operation of this Act shall be published accordingly in the *Gazette* as if this Act had not been enacted.

(3) Any application for the registration of an industrial design pending on the date of coming into operation of this Act shall be dealt with under the principal Act as amended by this Act.

(4) Except for a registered industrial design saved under section 49 of the principal Act, an industrial design that has been registered under the principal Act before the date of coming into operation of this Act may, on an application under section 25 of the principal Act as amended by this Act, be extended for the available further consecutive terms of five years each.

(5) Any matter published in the *Gazette* under the principal Act shall be deemed to be published in the Official Journal and section 46A shall apply accordingly without prejudice to any other written laws.

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#### EXPLANATORY STATEMENT

This Bill seeks to amend the Industrial Designs Act 1996 (“Act 552”).

2. *Clause 1* contains the short title and the power of the Minister to appoint the commencement date of the proposed Act.

3. *Clause 2* seeks to amend subsection 3(1) of Act 552 to introduce a new definition of “Official Journal” consequent to the introduction of the new section 46A into Act 552.

4. *Clause 3* seeks to amend paragraph 12(2)(a) of Act 552 to provide for consideration of public disclosure elsewhere than in Malaysia in determining the novelty of an industrial design.

5. *Clauses 4, 5 and 6* seek to amend subsections 22(2) and 25(4) and section 26 of Act 552 respectively consequent to the introduction of the new section 46A into Act 552.

6. *Clause 5* also seeks to amend subsection 25(2) of Act 552 to provide for the extension of the period of registration of an industrial design from two further consecutive terms to four further consecutive terms of five years each. This will result in a maximum duration of protection of twenty-five years for a registered industrial design.

7. *Clause 8* seeks to substitute sections 29 and 30 of Act 552. The new section 29 seeks to clarify the attributes of a registered industrial design as personal property and also seeks to provide for the collateralization of registered industrial designs. The new section 30 seeks to clarify the obligation to record any title or interest acquired by way of assignment or transmission or by operation of law or by a security interest transaction in the Register.

8. *Clause 9* seeks to amend section 35 of Act 552 to introduce a new subsection (4) to provide that a person who becomes entitled to a registered industrial design by way of assignment or transmission or by operation of law or by a security interest transaction shall not be awarded costs in respect of an infringement unless an application to record his title or interest in the Register has been duly made within the specified period.

9. *Clause 10* seeks to introduce a new section 46A into Act 552 to provide for the publication of an Intellectual Property Official Journal.

10. *Clause 11* seeks to amend subsection 47(2) of Act 552 to empower the Minister to make regulations on the procedure for the recording of the matters required under section 30 and to prescribe the matters or information to be published in the Intellectual Property Official Journal.

11. *Clause 12* seeks to provide saving and transitional provisions.

12. Other amendments not specifically dealt with in this Statement are minor or consequential in nature.

*FINANCIAL IMPLICATIONS*

This Bill will not involve the Government in any extra financial expenditure.

[PN(U<sup>2</sup>)2878]