



# Utility Models in Cambodia

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**A** No 64, St 111  
PO Box 172  
Phnom Penh  
Cambodia

**T** +855 23 217 510  
+855 23 212 740

**F** +855 23 212 840

**E** [info@bnglegal.com](mailto:info@bnglegal.com)

**W** [www.bnglegal.com](http://www.bnglegal.com)

## INTRODUCTION

Cambodia's Law on Patents, Utility Models and Industrial Designs provides a set of exclusive rights to an inventor or his assignee for a fixed period of time in exchange for disclosure of an invention, utility model or industrial design. Enacted in 2003 to comply with Cambodia's WTO obligations, the Law was supplemented in 2006 by a decree detailing procedures.<sup>1</sup>

A utility model certificate, known elsewhere as a petty patent, differs from a patent in its term (7 years instead of a patent's 20) and the lack of the inventive-step requirement. Thus, a utility model means any invention which is new and industrially applicable, and may be or relate to a product or process. They are less significant technological advances, and therefore are granted a shorter term of exclusivity.

The Law concerning utility model certificates was passed in 2003, and the Registrar is now accepting applications for certificates. Almost all the provisions related to utility models in the law are identical to the patent articles. Although the law is relatively new and untested, it specifically provides that any international IP treaty to which Cambodia is a party<sup>2</sup>, will trump the national legislation in case of conflict. While Cambodia is not a party to the Patent Cooperation Treaty, the Law provides a procedure for registering foreign applications in Cambodia.

This guide couples a synthesis of the legal provisions with practical advice and interpretation. While all the major topics are discussed, the reader should consult the text of the law itself, or ideally an experienced attorney, before relying on this guide for legal advice.

## UTILITY MODEL SUBJECT MATTER

Utility model certificates may be granted only for certain types of inventions. The Law defines an invention as "an idea of an inventor which permits in practice the solution to a specific problem in the field of technology", which may relate to either a product or a process. Six types of inventions are categorically excluded from protection :

- Discoveries, scientific theories and mathematical methods;
- Schemes, rules or methods for doing business, performing purely mental acts or playing games;
- Methods for treatment of the human or animal body by surgery or therapy as well as diagnostic methods practiced on the human or animal body, excluding products for use in any of these methods;
- Certain pharmaceutical products (until January 1, 2016);
- Plants and animals other than micro-organisms, and essentially biological processes for the production of plants or animals;

<sup>1</sup> Prakas No 706 on The Procedure to Issue Patent and Utility Model Certificate

<sup>2</sup> Cambodia is presently a party to the Paris Convention for the Protection of Industrial Property (1883), the WIPO Convention (1967), Agreement on Trade-Related Aspects of Intellectual Property Rights (1994), and the Convention on Biological Diversity (1992).

- Plants varieties.<sup>3</sup>

The law specifies that certain types of computer processes and products are registerable:

- Process inventions which, in whole or in part, consist of steps that are performed by computer and are directed by a computer;
- Product inventions consisting of elements of a computer-implemented invention, including in particular:
  - Machine-readable computer program codes stored on a tangible medium such as a floppy disk, computer hard drive or computer memory; and
  - A general purpose computer whose novelty over the prior art arises primarily due to its combination with a specific computer program.

Utility model protection of software products and processes automatically waives any copyright protection in the code.

## NOVELTY AND UTILITY

To be granted a utility model certificate, an invention must be new and industrially applicable. There is no requirement of an inventive step, the major difference from a patent.

An invention is new if it is not anticipated by prior art. Prior art consists of everything disclosed to the public, anywhere in the world, by publication in tangible form or by oral disclosure, by use or in any other way, prior to the date of filing or the priority date. The only exclusion to this broad definition of prior art are disclosures made by the applicant or his predecessor in title, or an abuse by a third party (e.g. divulging the applicant's trade secret), made within twelve months of filing or the priority date.

To be industrially applicable, an invention must simply be capable of being made or used in any kind of industry. The law vaguely excludes certain inventions on public policy grounds:

- Those which the commercial exploitation in the Kingdom of Cambodia would be contrary to public order or morality,
- Harmful to human, animal, or plant life or health,
- Seriously prejudice the environment, or
- Prohibited by law.

## INVENTOR'S RIGHT TO A UTILITY MODEL CERTIFICATE

The right to a utility model certificate belongs to the inventor. Like most countries, Cambodia is a "first-to-file" system. Thus, where two or more persons have independently arrived at the same invention, the utility model certificate is awarded to the applicant with the earliest filing or priority date. Where two or more people have jointly made an invention, they jointly have the right to the utility model certificate. Unless otherwise agreed by contract, the employer has the right to any invention made in execution of an employment contract. Even though the employer has the right to the utility model certificate, the employee has the right to be named as the inventor on the application.

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<sup>3</sup> Plant varieties are protected under a separate law, Royal Kram No NS/RKM/0508/015 on Seed Management and Plant Breeder's Right

## APPLICATION PROCEDURE

Utility model applications are filed with the Department of Industrial Property of the Ministry of Industry, Mines, and Energy (MIME). Foreign applicants must be represented by an agent residing and practicing in Cambodia. The applicant must submit:

- **Application Form:** Including the name, address, nationality, and residence of each applicant.
- **Statement of Applicant's Right:** Where the applicant is the inventor, the filing must include a statement to that effect. Where the applicant is not the inventor, the filing must indicate each inventor's name and address, and be accompanied by a statement justifying the applicant's right to the patent.
- **Power of Attorney:** Certified by a notary public, granting an agent the authority to act on behalf of the applicant in the registration process.
- **Foreign Filing Information:** The Registrar can request information for any utility model application filed internationally for the same or nearly the same invention as applied for in Cambodia. If requested by the Registrar, the applicant must provide a search report, copy of the utility model registration granted based on the foreign application, and any final decision rejecting the foreign utility model application.

As provided for in the Paris Convention, the application may claim priority based on an earlier national, regional, or international application. If priority is claimed, the Registrar may request the applicant to furnish a certified copy of the earlier application. Further, the Registrar may request the applicant to submit any search or examination reports relating to the foreign application, a copy of the granted foreign patent, or foreign office action.

The application must contain a request, a description of the invention, one or more claims and drawings, and an abstract. The written description must disclose the invention in a manner sufficiently clear and complete for the invention to be carried out by a person having ordinary skill in the art and must indicate the best mode known to the applicant for carrying out the invention. Claims must be clear and concise, and fully supported by the description. If necessary to understand the invention, drawings must be provided. The abstract merely provides technical information, it does not affect the scope of protection.

At any time before the grant or refusal of a utility model certificate, an applicant may convert his application into a patent application, and vice-versa. The converted application retains the original's filing date. An application may be converted from one to the other only once.

Any decision of the Registrar, and in particular the refusal to grant a utility model certificate, may be appealed to the competent Court within three months of the decision.

## RIGHTS CONFERRED BY A UTILITY MODEL CERTIFICATE

The owner of a product utility model certificate has the right to exclude others from making, importing, selling, offering for sale, and using the product, and from stocking the product for the purpose of sale or use. As for process utility model certificates, the owner has the right to prevent others from using the process and from doing any of the acts covered by a product certificate where the product is obtained directly by means of the process. The owner may institute court proceedings against anyone who performs such acts, or who makes such acts more likely to occur.

The law provides for four affirmative defenses to an infringement claim:

- The owner has consented to the allegedly infringing act;
- The use of articles on aircraft, land vehicles, or vessels of other countries temporarily or accidentally entering Cambodian airspace, territory, or waters;

- Acts done for experimental purposes; and
- Acts performed by someone who in good faith, before the filing or priority date, was using the invention or was making effective and serious preparations for such use.

## **GOVERNMENT EXPLOITATION**

The Ministry has the right to allow a government agency or third party to exploit the invention on public interest grounds (such as national security, nutrition, health, or development) or where a court has determined that the owner or licensee has acted anti-competitively. Such a non-voluntary license may only be made after a hearing, and with adequate compensation to the owner. The owner is allowed to request modification or termination of such a license, and can appeal to the competent court.

## **NON-VOLUNTARY LICENSES**

Owners who delay in exploiting their inventions risk having the Minister grant others licenses without their permission. Four years from filing or three years from issuance, whichever comes later, anyone may request the Ministry to issue them a non-voluntary license. The request will be granted where the Ministry is satisfied that the invention has been insufficiently exploited in Cambodia, except if the owner can show this was justified.

The Ministry must fix the license's scope and function, time limit for the licensee to begin exploitation, and compensation to the owner. Where a non-voluntary license has been issued on a utility model certificate involving an important technical advance of considerable economic importance over an earlier utility model certificate, the Law provides a process for issuance of a non-voluntary license on the earlier utility model certificate too. Finally, the rules for the modification, termination, and appeal of government exploitation licenses, also apply to non-voluntary licenses.

## **INVALIDATION**

Any interested party may request a court to invalidate a utility model certificate after its issuance. The following are the sole grounds for invalidation:

- The invention is not, or does not relate to, a product or a process;
- Lack of novelty or industrial applicability;
- The invention is against public policy;
- The invention is within a category explicitly excluded from protection;
- Insufficient description or best mode;
- Unclear, verbose, or unsupported claims;
- Lack of drawings necessary to understand the invention;
- The owner of the utility model certificate is not the inventor or his successor in title.

## **DURATION AND ANNUAL MAINTENANCE FEES**

The term of a utility model certificate is seven years after the application's filing date. An annual fee must be paid in advance to the Registrar, starting one year after the filing date of the application. A six-month grace period is allowed for the late payment of the annual fee, with an additional surcharge. Failure to pay the annual fee results in the withdrawal of the application, or lapse of the granted utility model certificate.

## **ASSIGNMENTS & LICENSES**

Both registered certificates and applications may be freely assigned. All changes in ownership (assignments) must be in writing and must be recorded by the Registrar. Unless recorded, assigned utility model certificates are unenforceable against third parties. License contracts concerning a utility model certificate also need to be registered in order to be enforceable. The Registrar will publish a reference to the recordation, while keeping the license terms confidential.

## **INFRINGEMENT AND CRIMINAL PENALTIES**

A civil infringement suit may be brought by both the owner and a licensee, following an unsuccessful request to the owner to do so. The court has wide discretion to award monetary damages and order injunctive relief. Further, the Law provides for criminal penalties for infringement of five million to twenty million Riels (approximately US\$1,250 to US\$5,000), or one to five years imprisonment, or both. Repeat offenders are subject to up to double the fine and imprisonment term.