

Amendments to the Malaysian Patents Act 1983 & Patents Regulations 1986

Effective 18 March 2022

Amendments have been made to the **Patents Act 1983** (“PA1983”) and Patent Regulations 1986 (“PR1986”), via the **Patents (Amendment) Act 2022** (“the Amending Act”) and Patents (Amendment) Regulations 2022 (“the Amending Regulations”). Both the Amending Act and the Amending Regulations came into effect on 18 March 2022.

Whilst the Amending Act effects numerous changes throughout the PA1983 and PR1986, here is a summary of some of the more substantive amendments brought about.

1. Amendments to Patent Application and Examination Procedures

The Amending Act includes various amendments to the patent application and examination process, including:

- a) Restoration of priority date — Under the amended Section 27, an applicant may make a request for the restoration of a right of priority subject to the prescribed fees and form;
- b) Divisional applications — Under the amended Section 26B, divisional applications are no longer allowed if before the date of filing said request, the initial patent application or the immediately preceding application relating to the initial application has been granted a patent, refused, deemed to be withdrawn, withdrawn, or abandoned. No extension will be allowed to file a divisional application;
- c) Deferment of request for examination — Under the amended Section 29A, deferment is only available for Modified Substantive Examination. Details of the corresponding application from which modified examination is based on must be provided at the time

Intellectual Property Law Update

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of filing the request for deferment. Nevertheless, please note that at the end of the deferment period, if the corresponding patent has not been granted, the applicant may file a request for substantive examination within three months of the expiry of the deferred deadline;

- d) Documents for Substantive Examination — In addition, under amended Section 29A, there is no longer a requirement to provide information or supporting documents concerning the filing of corresponding applications;
- e) Reinstatement of lapsed patent — The amended Section 35A provides that an application for reinstatement of a lapsed patent has been shortened from two years to 12 months from the date of publication the notice of lapsing of a patent is published in the Intellectual Property Official Journal; and
- f) Revision of official fees — Pursuant to the Amending Regulations, official fees have been increased across board and there is no reduction of fees if filed online.

2. Recognition of Micro-biological Processes as Patentable Inventions

There is now express recognition of the deposit of micro-organism with a National Depository Authority or an International Depository Authority, the latter of which is in line with the Budapest Treaty.

3. Limitation Period for Infringement Proceedings Extended

Under the amended Section 59(3), the limitation period for proceedings for patent infringement has been extended from five to six years.

4. Patents as Property

The amended Section 36 allows a patent to be dealt with as a security interest. Furthermore, the amended Section 39 now allows a patent to be recognised as personal property or movable property capable of being the subject of security

interest and security interest transactions may now be recorded with the Patents Office.

5. Notice of Trust in the Register

The amended Section 32A recognises express trust, as opposed to previous provision where express, implied and constructive trust were not allowed entry in the Register. Under this amended Section 32A, notice of implied or constructive trust is however still not allowed to be entered in the Register.

6. Introduction of Patent Opposition Proceedings

The Amending Act introduces a new Section 55A which allows for the opposition proceedings to be commenced by any interested party (including the Federal and State government) against the owner of a patent but that the grounds of challenge are confined to sections 56(2)(a), (b) and (c) of the Patents Act 1983, which are:

- a) that what is claimed as an invention in the patent is not an invention within the meaning of Section 12 or is excluded from protection under Section 13 or subsection 31(1) or is not patentable because it does not comply with the requirements of sections 11, 14, 15 and 16;
- b) that the description or the claim does not comply with the requirements of Section 23;
- c) that any drawings which are necessary for the understanding of the claimed invention have not been furnished.

7. Amendments to Invalidation Proceedings

Under the newly introduced Section 56A, so as to avoid duplicates of proceeding, where a notice of opposition filed by an interested person under the new Section 55A has not been decided by the Registrar, no proceedings may be instituted in

Court for the invalidation of the patent concerned with the exception where:

- a) both parties to the opposition proceedings agree for the invalidation proceedings to be instituted before the Court; or
- b) the interested person is a defendant in an infringement action.

Even if one of these exceptions is met, before the interested person institutes such proceeding, he shall notify the Registrar of his intention to institute such proceeding and withdraw the notice of opposition under Section 55A in the prescribed manner.

8. Amendments to Section 88 — Appeal

The amended Section 88 now states that any appeal at the Court concerning a decision made by the Patents Registrar is to be made in accordance with the Rules of Court 2012 in civil matters. Additional subsections have also been introduced in relation to cost of proceedings; protection against suit and legal proceedings; service of application; order or judgement on Registrar. In addition, the Registrar is accorded protection from proceedings subject to certain conditions.

9. Compulsory Licences

The Amending Act introduces a new provision into Section 49, which allows a party to apply to the Registrar for a compulsory licence:

- a) where the products produced in Malaysia under the patent for sale in the domestic market are sold at unreasonably high prices without any legitimate reason; or
- b) for the purposes of production of a pharmaceutical product in Malaysia and export of such pharmaceutical product to an eligible importing country to deal with its public health problem.

The Amending Act also introduces a new Section 52A which allows the Registrar to grant a compulsory licence even if an exclusive licence contract has been entered into between the

licensor and a licensee as well as to protect a licensor from any action for breach of contract by the licensee which may result from the grant of a compulsory licence.

In addition, the amended Section 53 states that the limitation of a compulsory licence to only the supply of the patented invention predominantly in Malaysia shall not apply to the compulsory licence granted for the purposes of production and exportation of the pharmaceutical product in Malaysia and exportation of that pharmaceutical product to an eligible importing country to address a public health problem.

10. Third Party Observation

A new Section 34A has been introduced to provide the right of third parties to make observations on any matter relating to patentability of an application within three months of date of publication of application or three months from date of the international application entering the national phase, with limitation in that the observation shall be on the grounds of novelty or inventive step; and must be supported by an explanation and documentary evidence in the form of a statutory declaration.

11. Deposit of micro-organisms

A new Section 26C has been introduced to provide for the deposit of a sample of micro-organism with a National Depository Authority or an International Depository Authority not later than the filing date of the patent application in compliance with the Budapest Treaty.

Additional amendments to the Patents Act are as follows:

- a) Definition of Resident — Section of the PA1983 is amended to include a definition of resident. This amendment basically means that all persons falling within the definition of resident will be subject to Section 23A of the Act which requires residents to first apply for a patent application in Malaysia or alternatively obtain a waiver prior to first filing an application outside of Malaysia.
- b) Conversion of applications — Amended section 17B(4) and new Regulation 33C(1A) now provides a reduced

- period of three months to make a request for conversion within three months from the issuance of a substantive examination report.
- c) Judicial assignment — Section 19 of the Act now extends the time limitation to commence an application for judicial assignment from five to six years.
 - d) Time limit to respond to a substantive adverse examination report has been increased from two to three months.
 - e) Extension of time — new sub regulation 53(2) now states that any request for an extension of time after the expiration of a prescribed period must now be made not later than six months from expiry of the prescribed period
 - f) Sequence listing — Section 28(1)(c) of the Act and Regulation 5 and 18 have been amended to include the requirement to submit sequence listings, if any. Regulations 12 and 18 have further been amended to provide for the form of submission of the sequence listing.
 - g) Re-examination for post-grant amendments — where a patentee makes a request to amend a patent, the Registrar may request the patent owner to file a request for re-examination or alternatively the patentee may file such a request of its own volition.

For any questions or clarification on the Amending Act and Amending Regulations, please contact us at info@shearndelamore.com or through our Patents Unit.

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