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Peru

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Patent enforcement proceedings

1 Lawsuits and courts

What legal or administrative proceedings are available for enforcing patent rights against an infringer? Are there specialised courts in which a patent infringement lawsuit can or must be brought?

In Peru, patent rights are protected against an infringer by an infringement action duly filed before the administrative authority and a criminal action duly filed before the judicial criminal authority. Administrative actions can be submitted as administrative proceedings before the Inventions and New Technologies Commission (CIN) of the National Institute for the Defence of Competition and Protection of Intellectual Property (INDECOPI). With regard to criminal proceedings, criminal actions can be submitted in specialised courts.

Administrative proceedings

Administrative proceedings of a patent infringement start with an infringement action, which is submitted before the CIN along with the patent document protecting the plaintiff's rights, and clearly points out both the alleged infringer and the address of the facilities where such infringement actions are alleged to have taken place. A verification inspection of these facilities will be carried out. An administrative proceeding can also be entered against actions that show an imminent infringement. They can be raised either at the request of a party or ex officio (see article 238 of Decision 486 of the Andean Community Decision, in force since 2000, and articles 97 and 99 of Legislative Decree No. 1075, in force since 1 February 2009).

Criminal proceedings

A criminal proceeding comprises several stages, namely:

- the order to commence investigation proceedings against the defendant due to an alleged crime against industrial property;
- the formalisation stage of the investigation;
- the district attorney's charges and evidence;
- the arguments; and
- the first criminal instance decision (which can be a judgment of acquittal or a judgment of conviction) that can be appealed in the superior court, which is the second criminal instance.

Industrial Property crimes are classified in the Peruvian Criminal Code (see article 222, paragraph b for crimes related to patents and article 224 for preventive seizure, confiscation and destruction in aggravated cases by the judicial authority).

Civil proceedings

The owner of a patent right that has obtained a favourable resolution in the second administrative instance in an infringement proceeding can sue the infringer in court by requesting compensation for damages in a civil trial.

2 Trial format and timing

What is the format of a patent infringement trial?

Administrative proceedings

The administrative proceeding format of a patent infringement is outlined as follows.

A formal complaint for a patent infringement is submitted that fulfils the requirements of article 99 of Legislative Decree 1075. A temporary injunction can be requested until a resolution is issued. After the formal complaint is accepted for consideration, the administrative authority orders an inspection of the facilities wherein the infringement act is alleged to have taken place. Products with protected patent are also recorded, temporary injunctions are given, the infringer is notified and an official inspection minutes is taken. The infringer has a five-working day term to reply the infringement complaint (article 102, Decree 1075). In the following stage, the parties are summoned to attend a conciliation hearing. If the parties reach an agreement, the proceeding finishes. If an agreement is not reached, a substantive examination must be carried out, to be paid for by the plaintiff (article 109, Decree 1075). The first instance resolution is issued, with or without the reply to the complaint. If the resolution is unfavourable to any party, that party can lodge an appeal within a five-working day term, with the same term offered for the other party's reply. The second-instance resolution can be impugned before the judiciary.

Documents that should be submitted in infringement proceedings are as follows:

- all kinds of briefs, invoices or sale receipts bearing the infringing product for undue use of a patent;
- sworn declarations and statements of experts or relevant technical institutions;
- photographs;
- video and audio tapes; and
- other items evidencing a certain fact, activity or result.

Moreover, the parties should offer other probatory means such as inspection and expertness (article 103, Decree 1075).

The cross-examination of witnesses is unusual at an administrative level.

Expert external or internal patent examiners are involved to evaluate the probatory means (physical samples, photographs and reports from the interested party) by issuing a technical report. They carry out a technical assessment of the specification and the set of claims in order to limit the scope of the exclusivity rights of the plaintiff and determine how a certain infringement supposition is shaped.

The issues to be discussed are solved by a professional administrative commission consisting of three to four members making use of the technical report issued by the patent examiner or expert.

The development of an administrative proceeding for infringement of patent rights until the issuance of the first instance resolution takes about six months (pursuant to law, it should last 180 days). In

the second instance it would take about one year, since an external expert has to be hired.

Criminal proceedings

The development of a criminal proceeding is as follows:

The first step towards formalising the denunciation is a police investigation wherein the parties are summoned to present their statements. At the conclusion of the investigation, a police affidavit is sent to the district attorney's office. After investigation and analysis, the office may conclude with the formalisation of the denunciation before the criminal court.

The criminal court opens the investigation with the offended party assuming the position of the civil party. The district attorney's opinion is issued, followed by the issuing of the judgment, the reading of the judgment and the appeal.

The investigations, sworn declarations, statements, documents and witnesses are presented, followed by the submission of the INDECOPI reports.

In both instances trial is by criminal court – in the first instance with a judge and in second instance with a professional body of three judges.

The processes may last between five and six years depending on the procedural activity of the parties, the experts, the technical reports of the parties and the INDECOPI report.

3 Proof requirements

What are the burdens of proof for establishing infringement, invalidity and unenforceability of a patent?

The burden of proof corresponds to the plaintiff with exception of patents related to a process wherein the burden of proof is reversed. In such cases, the defendant bears the burden of proving that the process used for obtaining the product is different from the process protected by the patent.

4 Standing to sue

Who may sue for patent infringement? Under what conditions can an accused infringer bring a lawsuit to obtain a judicial ruling or declaration on the accusation?

Administrative proceedings

Only the owner of a patent in force is entitled to sue for patent infringement (article 238, Decision 486), and if the patent infringement is instituted ex officio then the administrative authority initiates the proceeding.

In the case of a product patent, the probatory means must be appropriate so that the plaintiff can prove the infringer has committed the alleged illegal actions. Collecting proofs is the responsibility of the plaintiff, who affirms the actions that support the infringement (see article 104, Legislative Decree 1075).

In cases where infringement of a patent on a process for obtaining a product is alleged, defendants are liable for proving that the process they have used to obtain said product is different than the process protected by the patent whose infringement is claimed. Therefore, in such cases, any identical product produced without the consent of the patent owner shall be presumed, in these regards and unless otherwise proven, to have been obtained by the patented process, if the product obtained by means of the patented process is a new product or if there is a strong likelihood that the identical product was manufactured through the patented process and the patent owner is unable, despite reasonable efforts, to determine the process effectively used (article 240, Decision 486 and article 104, Legislative Decree 1075).

Criminal proceedings

Criminal proceedings can be initiated either ex officio by the district attorney's office (in charge of accusing, investigating and formalising

denunciations, charges or reports) or at the request of the owner of a product or procedure patent.

Any person can be accused of a non-authorised patent use before a judicial criminal court and can receive an unfavourable verdict if it is evidenced that they store, manufacture or use with commercial purposes, offer for sale, distribute, sell, import or export products protected by a patent.

5 Inducement, and contributory and multiple party infringement

To what extent can someone be liable for inducing or contributing to patent infringement? Can multiple parties be jointly liable for infringement if each practises only some of the elements of a patent claim, but together they practise all the elements?

The concepts of inducement and contributory infringement are not considered in either our legislation or case law.

Any person who manufactures, offers for sale, sells, uses or imports the product can be liable for infringement (article 52 of Decision 486).

When a procedure is claimed in a patent, any person or company can be accused of infringement as long as said person or company uses such procedure or carries out prior actions with respect to a product obtained by the protected procedure.

Although we have not found any cases of multiple party infringement, if the fact that each party carries out the steps or elements of the patent claim to produce the whole patented object is demonstrated, action would have to be taken against each one of the involved parties.

6 Infringement by foreign activities

To what extent can activities that take place outside the jurisdiction support a charge of patent infringement?

In Peru, patent rights are territorial. Therefore, activities that take place outside the country do not support a charge of patent infringement.

7 Infringement by equivalents

To what extent are 'equivalents' of the claimed subject matter liable for infringement?

Peruvian law establishes that the scope and protection of a patent can be determined by the content of the claims (articles 30 and 51 of Decision 486). Priorly, under article 51, paragraph 1, the Peruvian administrative authority interpreted that the scope of protection was defined by the literal text of the claims and did not consider patent infringements by equivalents. Therefore, in order to analyse an alleged infringement action, the Peruvian administrative authority reviewed and was limited to the literal text of the claims. If the claims were not clear, the Peruvian administrative authority reviewed the main text of the specifications as such.

Currently, the administrative authority recognises expressly the possibility of the equivalents doctrine application for the analysis of protection extension of the patent in cases of infringement of rights, and makes an interpretation supported in the specifications, article 51, paragraph II, since it considers the possibility to interpret the scope of protection beyond the terms used in the literal text of the claims to be open (case: Resolution No. 1757-2010/TPI-INDECOPI, dated 6 August 2010, docket No. 87-2008/OIN, pages 4-6 and 8-11.)

8 Discovery of evidence

What mechanisms are available for obtaining evidence from an opponent, from third parties or from outside the country for proving infringement, damages or invalidity?

In administrative proceedings, as a mechanism to obtain evidence, the plaintiff can submit invoices by purchases of infringing products or a

third party's copies of invoices or testimonies. Other mechanisms are administrative inspection diligences and examiners' reports, and documents can be filed until the issuance of the first administrative instance resolution. In criminal proceedings, the plaintiff may submit, among other things, the counterfeited product and the examiner's technical report, and may request court inspections and examiners' reports.

9 Litigation timetable

What is the typical timetable for a patent infringement lawsuit in the trial and appellate courts?

The timetable for an infringement proceeding of a patent in an administrative proceeding is six months from the formal denunciation until the first instance resolution. The appeal to the administrative court resolution takes between eight months to one year, since hiring an examiner is a requirement.

The timetable for a criminal proceeding of a patent crime before the judiciary (first instance) is between 18 months and two years, and in the superior appeal courts (second instance) the legal term is between two and three years.

10 Litigation costs

What is the typical range of costs of a patent infringement lawsuit before trial, during trial and for an appeal?

Administrative infringement costs may range from 3,000 nuevo sol to 8,400 nuevo sol in the first instance; in the event of appeal, the whole administrative proceeding in the second instance may range from 1,960 nuevo sol to 2,800 nuevo sol.

An infringement that ends in the administrative channel can be revised by the judicial authority in an administrative contentious lawsuit. The costs of this lawsuit until the issuance of a first instance judgment are 13,160 nuevo sol and, in case of appeal, the costs in the second instance are 11,200 nuevo sol.

The costs of a criminal proceeding depend on whether it is at the request of a party or ex officio. If it is initiated at the request of a party, costs may range between 5,600 nuevo sol and 14,000 nuevo sol depending on the operative action. In the second instance (superior court) it may range between 2,800 nuevo sol and 5,600 nuevo sol.

In the event of an ex-officio process, the costs for the police and district attorney's investigation may range from 840 nuevo sol to 1,680 nuevo sol. In a judicial criminal proceeding, total costs may range from 2,800 nuevo sol to 8,400 nuevo sol from the constitution of the civil party until the issuance of the first instance judgment. In an appeal in the second instance (superior court), costs may range from 2,800 nuevo sol to 5,600 nuevo sol.

11 Court appeals

What avenues of appeal are available following an adverse decision in a patent infringement lawsuit?

In accordance with article 133 of Legislative Decree 1075, in an administrative proceeding there is a five-working day legal term to appeal and such appeal is solved by the Intellectual Property Administrative Court (TPI) of INDECOPI.

On the other hand, in accordance with article 7 of Legislative Decree 124, in a criminal proceeding there is a three-working day legal term to appeal, or an appeal can be submitted during the same act of the judgment.

12 Competition considerations

To what extent can enforcement of a patent expose the patent owner to liability for a competition violation, unfair competition or a business-related tort?

In accordance with article 124 of Legislative Decree 1075, a patent owner can be accused of a false charge or for a lack of reasonable

cause for an infringement denunciation and penalised with a 140,000 nuevo sol fine and a possible criminal penalty, and be forced to pay compensation for damages.

The patent owner can also be accused if he or she carries out dishonest commercial acts contrary to the business that good faith demands and that affect the competition of the market according to Legislative Decree 1044 approving the Law on Repression of Unfair Competition (2008).

13 Alternative dispute resolution

To what extent are alternative dispute resolution techniques available to resolve patent disputes?

Within the administrative proceeding of infringements it is usual that, after the inspection, the administrative authority summons the parties to a conciliation hearing where, if both parties agree, the dispute is solved—although the official citations may be done at any moment of the proceeding. The hearing is carried out before the competent authority or before any person appointed by both parties. If both parties reach an agreement, an official minutes is taken by the competent authority, wherein the agreement is recorded that will have right of execution according to article 108 of Legislative Decree 1075.

Disputes regarding patents can be solved by arbitration. In Peru, there are private arbitration centres, such as that of the Chamber of Commerce of Lima and of the Lima Bar Association. In these centres, any intellectual property dispute can be solved, particularly patents. They have a large list of specialised arbitrators' names. Disputes can also be solved by conciliation or mediation.

Scope and ownership of patents

14 Types of protectable inventions

Can a patent be obtained to cover any type of invention, including software, business methods and medical procedures?

Yes, but with some restrictions established by law. Software and business methods are protected as copyrights. Therefore, they are not considered inventions in accordance with article 15 of Decision 486. Medical procedures (therapeutic and surgical methods for the treatment of humans or animals) are not considered patentable in accordance with article 20 of Decision 486.

15 Patent ownership

Who owns the patent on an invention made by a company employee, an independent contractor or multiple inventors? How is patent ownership officially recorded and transferred?

Pursuant to our law, article 36 of Legislative Decree 1075, there are two instances when the right to the patent belongs to the employer: when during the employment relationship the employee's role is to carry out inventive tasks or actions; or when in the employment relationship something related to its professional activity is invented using media or data provided by the employer.

With the exception of these cases, the right to the patent exclusively belongs to the inventor when he or she carries out inventions during his or her employment relationship or services contract.

Article 22 of Decision 486 outlines the following rules with regards to multiple inventors: 'a) If several persons make an invention jointly, they shall share the right to patent it and b) If several persons make the same invention, each independently of the others, the patent shall be granted to the person or assignee with the first filing date or, where priority is claimed, date of application.'

The ownership of a patent is officially recognised and transferred by a written agreement and recorded in the registry according to article 56 of Decision 486.

Defences

16 Patent invalidity

How and on what grounds can the validity of a patent be challenged?
Is there a special court or administrative tribunal in which to do this?

A patent can be invalidated:

- if the patent was granted for an invention that falls in the prohibitions stated by law (articles 15, 20, 21 and 75 of Decision 486);
- if the patent was granted by not fulfilling some of the requirements stated by law (article 75 of Decision 486);
- if the claims lack sufficiency, clarity and support;
- if there are defects in administrative acts (article 76 of Decision 486);
- if a patent has been granted to a person who has no right to it (article 77 of Decision 486); or
- if there has been fraud, false representation or unfair behaviour (article 8A, Law No. 29316, published on 14 January 2009, which modifies Legislative Decree 1075).

Failure to pay an annual fee within the legal terms as stipulated in article 80 of Decision 486 shall result in the legal lapsing of the patent or the patent application.

The Commission of Inventions and New Technologies, a first administrative instance body composed of three commissioners and a president who is the director of the directorate of inventions and new technologies, is in charge of patent invalidity. The decision of this Commission can be appealed and is remitted to the second administrative instance, which is a specialised intellectual property chamber composed of four members and the president of the chamber. There is also a deputy president who occasionally replaces the president.

17 Absolute novelty requirement

Is there an 'absolute novelty' requirement for patentability, and if so, are there any exceptions?

In accordance with our law, novelty is absolute and universal. It must have been neither known nor accessible before the filing date of the patent application or of the claimed priority. No account shall be taken of any disclosure of the contents of the patent during the year prior to the filing date of the application in the member country or during the year before the date of priority, if claimed, providing that the disclosure was attributable to:

- the inventor or the inventor's assignee;
- a competent national office that publishes the contents of a patent application filed by the inventor or the inventor's assignee in contravention of the applicable provision; or
- a third party who obtained the information directly or indirectly from the inventor or the inventor's assignee (see articles 16 and 17 of Decision 486).

18 Obviousness or inventiveness test

What is the legal standard for determining whether a patent is 'obvious' or 'inventive' in view of the prior art?

Article 18 of Decision 486 considers that an invention involves an inventive step if, for any person in the trade who is conversant with the corresponding technical matter, the invention cannot be considered obvious, nor could it have been derived in an evident manner from the state of the art.

19 Patent unenforceability

Are there any grounds on which an otherwise valid patent can be deemed unenforceable owing to misconduct by the inventors or the patent owner, or for some other reason?

A patent can be deemed unenforceable with respect to acts carried out in a private circle and for non-commercial purposes, exclusively to experiment with the subject matter of the patented invention, exclusively for the purposes of teaching or scientific or academic research, among others (see article 53 of Decision 486).

Further, a patent can be deemed unenforceable in cases of international exhaustion of the patent right (see article 54 of Decision 486).

On the other hand, article 55 sets forth that:

The rights conferred by a patent may not be asserted against a third party that, in good faith and before the priority date or the filing date of the application on which the patent was granted, was already using or exploiting the invention, or had already made effective and serious preparations for such use or exploitation. In such case, the said third party shall have the right to start or continue using or exploiting the invention, but that right may only be assigned or transferred together with the business or company in which that use or exploitation is taking place.

Remedies

20 Monetary remedies for infringement

What monetary remedies are available against a patent infringer?
When do damages start to accrue? Do damage awards tend to be nominal, provide fair compensation or be punitive in nature?

According to article 239 of Decision 486, 'compensation shall be lawful only in respect of the subject matter covered by the patent grant, and shall be computed in accordance with the patent's effective exploitation by the defendant over the period in question'.

Costs for damages must be objectively proven (with documents). For example, in cases of an emerging damage – that is, the wealth loss suffered by the patent owner as a result of the unauthorised exploitation of the patent – the common market value of the patented object must be considered.

In cases of *lucrum cessans*, the profits the owner would have obtained by the exploitation of the patent in the period between the damage effective fact and the monetary payment of the compensation will constitute damages.

On top of that, the amount of real or potential illicit profits obtained by the infringer as a consequence of their infringement actions and the price they must have paid for the granting of a contractual licence of exploitation of the patent will be considered, taking into account the commercial value of the infringed right and the previously granted licences. In some cases, the legal effect of the exploitation right of the patent and the initial infringement period are also considered. Types of granted licences are also considered.

In other cases, recidivism of infringing actions and the infringers' bad faith are also taken into consideration in order to determine the monetary penalty.

In criminal proceedings, monetary compensation is requested along with the penalty according to article 92 of the Criminal Code. Pursuant to article 93 of the Criminal Code, it comprises the following: the restitution of the goods or, if this is not possible, the payment of its value and compensation for damages and losses.

21 Injunctions against infringement

To what extent is it possible to obtain a temporary injunction or a final injunction against future infringement? Is an injunction effective against the infringer's suppliers or customers?

It is possible to obtain an injunction if the person who requests it evidences his or her right, the existence of an imminent infringement and proofs that allow him or her to suppose the infringement.

According to article 247 of Decision 486:

A provisional measure shall be ordered only where the persons requesting it accredit their lawful right to act and the existence of the infringed right, and provide evidence allowing for a reasonable presumption of infringement or that infringement is imminent. The competent national authority may require persons requesting the measure to post a hand or sufficient equivalent assurance before ordering such a measure.

The applicant for a provisional measure in respect of particular goods shall supply the necessary information and a sufficiently detailed and precise description so that the allegedly infringing goods can be identified.

Immediate provisional measures may be requested before or during an infringement in accordance with article 245 of Decision 486, which states that any party initiating or who shall initiate an action for infringement may request the competent national authority to order immediate provisional measures for the purpose of preventing an infringement from occurring, avoiding its consequences, obtaining or preserving evidence, or ensuring the effectiveness of the action or arranging compensation for damages.

Provisional measures may be requested before starting the action, alongside it or after it has been initiated.

It is worth noting that injunctions look for the effectiveness of stopping infringements. Pursuant to article 246 of Decision 486, 'several provisional measures may be ordered, among others'.

22 Banning importation of infringing products

To what extent is it possible to block the importation of infringing products into the country? Is there a specific tribunal or proceeding available to accomplish this?

Yes, it is possible to block the importation of infringing products into the country as there is a proceeding that may be either at the request of a party or ex officio. The Industrial Property Authority, which is located at Customs and has detected the arrival of alleged infringing material, sends an official letter to Customs and to the owner. The owner of an industrial property right may request an injunction to order immobilisation at customs. If there is a formal infringement complaint, a preliminary examination (technical report) is carried out in order to verify whether the products have the same matter protected by a patent, and then the Customs authority is notified. After this, a verifying inspection is carried out where the products may be immobilised until the issuance of the respective resolution.

23 Attorneys' fees

Under what conditions can a successful litigant recover costs and attorneys' fees?

In the administrative proceeding, article 126 of Legislative Decree 1075 states that, at the request of a party, the administrative authority shall order that the defeated party assumes the payment of court costs and expenses of the procedure. Likewise, in accordance with article 127 of Legislative Decree 1075, the winning party must submit a settlement of court costs and expenses so that the competent authority can issue a decision. This resolution, which determines the fees, is considered as an execution paper.

In the civil channel, court costs and expenses can also be satisfactorily recovered. Court costs, such as attorneys' fees, have to correspond to the accredited real costs.

24 Wilful infringement

Are additional remedies available against a deliberate or wilful infringer? If so, what is the test or standard to determine whether the infringement is deliberate?

There are no additional remedies available against a deliberate or wilful infringer.

25 Time limits for lawsuits

What is the time limit for seeking a remedy for patent infringement?

In accordance with article 129 of Legislative Decree 1075, the time limit for initiating a compensation action for damages (civil court) is two years as of when the administrative procedure is finished.

26 Patent marking

Must a patent holder mark its patented products? If so, how must the marking be made? What are the consequences of failure to mark? What are the consequences of false patent marking?

There are no provisions for the mandatory marking of patented products under Andean Community patent law. As such, there are no adverse consequences if the patent is not marked on the product, but it is considered good practice since the patent marking informs about the patented product.

False patent marking constitutes a law infringement due to being deceitful or false advertising in accordance with article 13 of Law 29571, the Code for Protection and Defense of Consumers.

With regard to the consequences of false patent marking, if marking is included without the product being patented, the patent holder would be subject to legal sanctions due to false declaration or deceitful advertising, or both.

Licensing

27 Voluntary licensing

Are there any restrictions on the contractual terms by which a patent owner may license a patent?

The unique restrictions are those ones limiting the free market in accordance with article 58 of Decision 486.

Pursuant to this article, 'the competent national authority shall not register any license agreements for patent exploitation that do not conform to the provisions of the Common Regime for the Treatment of Foreign Capital and for Trademarks, Patents, Licenses, and Royalties, or that do not conform to Andean Community or domestic antitrust provisions'.

28 Compulsory licences

Are any mechanisms available to obtain a compulsory licence to a patent? How are the terms of such a licence determined?

In the Andean Community, if a patent is not exploited or if its exploitation has been suspended for more than a year, the Patent Office may grant a compulsory licence. However, article 61 of Decision 486 states the following:

At the expiry of a period of three years following a patent grant or of four years following the application for a patent, whichever is longer, the competent national office may grant a compulsory licence mainly for the industrial manufacture of the product covered by the patent, or for full use of the patented process, at the request of any interested party, but only if, at the time of the request, the patent had not been exploited in the manner specified in articles 59 and 60, in the Member Country in which the license is sought, or if the exploitation of the invention had been suspended for more than one year.

Compulsory licenses shall not be granted if patent owners are able to give valid reasons for their failure to act, which may be reasons of force majeure or an act of God, in accordance with the domestic provisions in effect in each Member Country.

A compulsory license shall be granted only if, prior to applying for it, the proposed user has made efforts to obtain a contractual license from the patent holder on reasonable commercial terms and conditions and that such efforts were not successful within a reasonable period of time.

Article 64 of Decision 486 states that ‘the licensee shall exploit the licensed invention within a period of two years following the date the license was granted, unless that licensee is able to give valid reasons for inaction consisting of force majeure or an act of God. Otherwise, at the patent owner’s request, the competent national office shall revoke the compulsory license’.

Article 65 of Decision 486 states the following:

Following the declaration by a Member Country of the existence of public interest, an emergency, or national security considerations, and only for so long as those considerations exist, the patent may be subject to compulsory licensing at any time. In that case, the competent national office shall grant the licenses that are applied for. The owner of the patent so licensed shall be notified as soon as is reasonably possible.

The competent national office shall specify the scope or extent of the compulsory license and, in particular, the term for which it is granted, the subject matter of the license, and the amount of remuneration and the conditions for its payment.

The grant of a compulsory license for reasons of public interest shall not reduce the right of the patent owner to continue exploiting it.

Patent office proceedings

29 Patenting timetable and costs

How long does it typically take, and how much does it typically cost, to obtain a patent?

Obtaining a patent typically takes three and a half years and cannot take more than five years, because after said period of time compensation is required.

Adjustment for unreasonable delay

If the competent authority commits an unreasonable delay during the granting procedure of a patent exceeding more than five years from the application date or three years from the substantive examination (except for patents claiming a pharmaceutical product) the adjustment provided by law is applicable, which is a compensation of the legally effective term of the patent. The adjustment is carried out once: when the competent authority, during the granting process of the patent, has committed an unreasonable delay for more than five years from the filing date of the patent application or three years from the substantive examination to the granting date of the patent. If the delay is incurred by the patent owner, it shall not be compensated. The compensation procedure is regulated in articles 32, 33, 34 and 35 of Legislative Decree 1075.

Costs for obtaining and maintaining a patent, including official fees and attorneys’ fees, are:

- registration of a patent – US\$2,030;
- examiner’s technical report – US\$300 to US\$530; and
- maintenance annuities – US\$230 as from the third year.

Contentious actions are not included.

30 Patent application contents

What must be disclosed or described about the invention in a patent application? Are there any particular guidelines that should be followed or pitfalls to avoid in deciding what to include in the application?

Description or specifications

The description of the invention shall be sufficiently clear and complete to be understood and for the invention to be carried out by a person skilled in the art. The description shall contain the name of the invention and the following information:

- the technological sector to which the invention refers or in which it shall be applied;
- prior technology known to the applicant that would help the invention to be understood and examined and references to previous documents and publications that discuss the technology involved;
- a description of the invention in such a way that the technical problem and the solution provided by the invention may be understood, explaining the differences and possible advantages with respect to previous technology;
- a brief description of drawings, if there are any;
- a description of the best method known to the applicant for carrying out the invention, with the use of examples and references to the drawings if they are pertinent; and,
- a statement as to how the invention meets the condition of being capable of industrial application, if this is not clear from the description or the nature of the invention itself (article 28 of Decision 486).

Claims

Claims shall specify the subject matter for which the patent protection is sought. They must be stated clearly and concisely and be fully substantiated by the description.

Claims may be independent or dependent. A claim shall be independent when it defines the subject matter in respect of which protection is sought without referring to any previous claim. A dependent claim, on the other hand, defines the subject matter for which protection is sought by referring to a prior claim. A claim referring to two or more previous claims is considered a multiple dependent claim (article 30 of Decision 486).

Abstract

The summary shall consist of a synthesis of the technical explanation given in the patent application. That summary shall be used to provide technical information only and shall have no effect whatsoever on the interpretation of the scope of protection conferred by the patent (article 31 of Decision 486).

Moreover, in view of the PCT application, the patent application filed in the original country along with the technical documents and its translation must be disclosed or described according to article 22 of the PCT in regard to patent matters.

31 Prior art disclosure obligations

Must an inventor disclose prior art to the patent office examiner?

There are no legal provisions stating that an inventor must disclose prior art to the Patent Office examiner.

32 Pursuit of additional claims

May a patent applicant file one or more later applications to pursue additional claims to an invention disclosed in its earlier filed application? If so, what are the applicable requirements or limitations?

A patent applicant may not file one or more later applications to pursue additional claims to an invention disclosed in its earlier filed application. However, a later divisional patent application that is

extracted from a prior patent application may be filed, as long as it does not include the same matter as originally filed. This later patent application can only be submitted while the previous one is still in processing. The limitation consists in the fact that the matter of the divisional patent application can neither reproduce nor exceed the matter of the patent application as originally filed.

33 Patent office appeals

Is it possible to appeal an adverse decision by the patent office in a court of law?

It is possible to file an appeal brief before the Patent Office within the 15-working day term following the next day of notification of the adverse resolution (first instance resolution) by filing new arguments to be solved in the second administrative instance by the Intellectual Property Court (see article 132 of Legislative Decree 1075).

If the decision is adverse in the second instance, it is possible to initiate a lawsuit on the nullity of the administrative resolution against the administrative authority that issued the adverse resolution. The legal term to raise a nullity action before the court is three months after the notification of the second administrative resolution.

34 Oppositions or protests to patents

Does the patent office provide any mechanism for opposing the grant of a patent?

The Patent Office does provide a mechanism for opposing the grant of a patent. According to article 42 of Decision 486, oppositions may be filed by interested parties within the following 60-working day legal term from its publication in the official gazette *El Peruano*.

At the request of a party, the competent office shall grant an additional unique 60-day term to support the opposition.

35 Priority of invention

Does the patent office provide any mechanism for resolving priority disputes between different applicants for the same invention? What factors determine who has priority?

When a patent has been applied for or obtained by persons with no right to obtain it, or to the detriment of other parties possessing a right to the patent, the parties affected may claim before the Patent Office that they have the best right on the patent or the patent application by virtue of the document wherein the date, number and office where the patent application was filed are recorded.

Alongside the filing date of the patent application, this document must record the payment of established fees. It is worth noting that the priority statement and the document accrediting the priority must be filed along with the patent application within the 16-month legal term from the filing date of the patent application whose priority is invoked (see article 10 of Decision 486).

36 Modification and re-examination of patents

Does the patent office provide procedures for modifying, re-examining or revoking a patent? May a court amend the patent claims during a lawsuit?

The Patent Office does have procedures for modifying a patent in accordance with article 34 of Decision 486.

It is also possible to divide the patent application as originally filed into two or more divisional patents, according to article 36 of Decision 486. This division can be done either ex officio or at the request of the interested party.

Regarding the re-examination of a patent, there is a reconsideration mechanism available to applicants for patents who wish to contest a negative verdict. The applicant may submit new documentary evidence and request that the invention be examined again in the light of the new submitted documents.

Revoking a patent is possible by an administrative nullity action of the patent in accordance with articles 75 (absolute nullity) and 76 (relative nullity) of Decision 486 and in nullity cases, when a patent was granted to a person who has no right to it, in accordance with article 77 of Decision 486.

The nullity of a patent can be requested by an impugning judicial action of the administrative resolution according to article 5 of the Ordered Unique Text of the Law, which regulates the contentious administrative process (Law 27584, Supreme Decree No. 013-2008-JUS).

The judicial authority cannot amend the claims of a patent but can rule the nullity of the second administrative instance resolution that granted the patent and order that the competent administrative authority assesses the claims through a new substantive examination and issues a resolution.

The re-examination of patents is carried out in a reconsideration or appeal because the administrative authority carries out an examination of the patent again but not of the set of claims, since this cannot be amended in the reconsideration. The patentability examination is performed on the new instrumental proof and in the appeal on the arguments.

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37 Patent duration

How is the duration of patent protection determined?

The duration of a patent of invention is 20 years as from the filing date for national applications or from the PCT International application date for national phase applications (see article 50 of Decision 486). Upon granting, maintenance fees must be paid regularly each year in advance.

The due date of each annual payment is the last day of the month on which the application was filed. There is a grace period of six months from the due date in which to pay the annuities together with the established overcharge. During the grace period, the patent maintains full enforceability. Lack of payment of an annuity causes the patent to lapse.

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