

Provisions on the Legal Protection of Topographies of Semiconductor Products

(Law No. 70 of February 21, 1989)

Definitions

1. -

1. "Semiconductor product" shall mean any finished or intermediate product:

(a) consisting of a body of material which includes a layer of semiconducting material;

(b) containing one or more layers composed of conducting, insulating or semiconducting material, arranged in accordance with a predetermined three-dimensional pattern;

(c) intended to perform, exclusively or together with other functions, an electronic function.

2. "Topography" of a semiconductor product shall mean a series of related designs, however fixed or encoded:

(a) representing the three-dimensional pattern of the layers of which a semiconductor product is composed:

(b) in which series, each image reproduces in whole or in part a surface of the semiconductor product at any stage of its manufacture.

3. "Commercial exploitation" shall mean the sale, rental, leasing or any other method of commercial distribution, or an offer for these purposes. However, for the purposes of Section 4.5 and of Sections 5, 6, 7.1 and 3 and 18.2 and 3, "commercial exploitation" shall not include exploitation under conditions of confidentiality to the extent that no further distribution to third parties occurs, except where exploitation of a topography takes place under conditions of confidentiality required by a measure considered necessary for the protection of the essential interests of security which are connected with the production of or trade in arms, munitions and war material.

Subject of Protection

2. -

1. Exclusive rights may be enjoyed in topographies that are the result of creative intellectual effort on the part of their creators and that are not commonplace or ordinary in the semiconductor product industry.
2. Exclusive rights may also be enjoyed by topographies resulting from a combination of commonplace or ordinary elements where, taken as a whole, they satisfy the requirements of subsection 1.
3. Protection afforded to topographies of semiconductor products shall not extend to any concept, process, system, technique or encoded information embodied in the topography.

Ownership

3. -

1. The exclusive rights under Section 2 shall apply in favor of the creator or his successors in title.
2. Where a topography has been created under a dependent work relationship, the right to protection shall apply in favor of the creator's employer, unless the employment contract provides to the contrary.
3. Where a topography has been created under a contract other than a contract of employment, the right to protection shall apply in favor of the party who has commissioned the topography, unless the contract provides to the contrary.

Content of Rights

4. -

1. The exclusive rights under Section 2 shall consist in the faculty of:
 - (a) reproducing the topography in any manner or form whatsoever, either in whole or in part;
 - (b) commercially exploiting, holding or distributing for the purpose of marketing or importing the topography or a semiconductor product in which the topography is embodied.
2. The rights under subsection 1 shall be transferable and assignable.
3. The exclusive rights under subsection 1 shall not extend to reproduction in the private sphere, for experimental purposes, for the purpose of teaching,

analysis or evaluation of the topography or of the concepts, procedures, systems or techniques embodied in the topography itself.

4. The exclusive rights may not be exercised in respect of topographies created by others on the basis of an analysis or evaluation carried out in conformity with subsection 3, where such topographies meet the requirements laid down in Section 2.

5. The rights under subsection 1(b) shall expire in respect of the specific semiconductor product or the specific topography on first commercial exploitation anywhere in the world carried out by the owner or with his consent.

Recognition of Rights

5. -

1. The exclusive rights under Section 4 shall be afforded where:

(a) the topography meets the requirements of Section 2;

(b) the topography is registered in Italy or, if the topography has already been commercially exploited elsewhere in the world, the registration is made within the time limit set out in Section 7;

(c) at the time of first commercial exploitation or of the request for registration, the owner of the topography is:

(1) a national or legal person of Italy or of any other Member State of the European Economic Community or has his habitual residence or an effective industrial or commercial establishment on the territory of one of those States;

(2) a national or legal person of any other State party to a convention regulating the protection of topographies to which Italy has acceded;

(3) a national or legal person of any other State to which Italy, in the absence of international bilateral agreements on the protection of topographies, affords national treatment on a reciprocal basis, if the protection afforded by the law of such other State in respect of Italian natural or legal persons is comparable with the protection laid down by this Law.

Term of Protection

6.-

1. The exclusive rights under Section 4 shall expire 10 years after the earliest of the following dates:

(a) the end of the calendar year in which the topography or the semiconductor product embodying the topography has been commercially exploited for the first time anywhere in the world;

(b) the end of the calendar year in which the application for registration has been filed in due form.

Request for Registration

7.-

1. Topographies shall be protected on condition that registration is requested in Italy within a period of two years from the date of first commercial exploitation anywhere in the world.

2. Protection shall be afforded to topographies whose commercial exploitation has begun within the two years preceding the entry into force of this Law on condition that the application for registration is filed within 12 months as from the entry into force of this Law.

3. The right to request registration shall lapse on expiry of 15 years as from the date on which the topography is fixed or encoded for the first time if it has not been commercially exploited anywhere in the world during that period.

4. In procedures before the Central Patent Office, the applicant shall be deemed to have the right to registration and be entitled to exercise that right.

First Act of Commercial Exploitation

8.-

1. The date of the first act of commercial exploitation within the meaning of Section 1.3 shall be set out in a relevant written statement.

Administrative Provisions

9.-

1. The Central Patent Office shall provide the services relating to the

subject matter regulated by this Law and shall ascertain whether the requirements of Section 2 have been met.

2. The Implementing Regulations under this Law shall be laid down by decree of the Minister for Industry, Trade and Handicrafts within a period of six months as from the date of entry into force of this Law.

Application for Registration

10.-

1. Section 91 of Royal Decree No. 1127 of June 29, 1939¹ and Section 93 of that same Decree, as amended by Decree of the President of the Republic No. 338 of June 22, 1979, shall apply to the filing of applications for registration.

2. The application for registration shall be accompanied by drawings and documents required to identify the topography and to ascertain that the requirements of Section 2 have been met.

3. The drawings and documents attached to the application shall be published as of the date of registration. However, the applicant may request that publication of such drawings and documents be postponed until first commercial exploitation of the topography, for a maximum period of one year as from the date of registration.

4. The competent judicial authority may authorize disclosure of such material to parties in a dispute concerning the validity or infringement of exclusive rights under Sections 2 and 4.

Examination of Application for Registration

11.-

1. The Central Patent Office, after having ensured that the application is formally correct and that the conditions laid down by this Law have been met, shall effect registration of the topography and immediately issue a registration certificate to the person concerned.

2. The Implementing Regulations referred to in Section 9 shall lay down the particulars to be recorded in the Topography Register and on the registration certificate, together with the registration procedure and the procedure for appeals before the Board referred to in Section 13.

Refusal of Registration

12.-

1. Any decision by which the Central Patent Office refuses an application for registration or does not accept it in full shall be communicated to the applicant, who may appeal from such decision, within a period of 30 days as from the date of receiving the communication, to the Board referred to in Section 13.

Appeals Board

13.-

1. An appeal, within the meaning of and for the purposes set out in the Decree of the President of the Republic No. 1199 of November 24, 1971, filed before the Appeals Board referred to in Section 71 of Royal Decree No. 1127 of June 29, 1939, shall be admissible in respect of decisions taken by the Central Patent Office in the field regulated by this Law.

2. The final paragraph of Section 71 of the above-mentioned Royal Decree No. 1127 of 1939, added by Section 17 of Law No. 60 of February 14, 1987, shall be replaced by the following text:

....²

Fees

14.-

1. The following item 90ter shall be inserted following No. 90bis of Article VIII of the schedule of fees annexed to the Decree of the President of the Republic No. 641 of October 26, 1972, and its successive amendments and adjustments:

Acts Subject to Fees	Amount of Fees	Method of payment
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90ter. Registration certificates for topographies of semiconductor products:

- (1) Examination of application for registration 600,000 ordinary
- (2) Registration 500,000 ordinary
- (3) Entry of an act of transmission or constitution of warranty rights 50,000 ordinary

The provisions recorded in the notes relating to No. 90 shall be applicable by analogy.

The fee referred to in item (1) shall be paid prior to filing of the application and shall comprise the application for registration, the power of attorney where appropriate and examination of the application; in the event of refusal or withdrawal of the application, this fee shall not be refunded.

The fee referred to in item (2) shall be paid, at the request of the Central Patent Office, prior to the decision on registration, within 60 days of receipt of the request. If the fee has not been paid on expiry of that period, the Office shall reject the application.

Entries

15. -

1. The provisions of Title VII of Royal Decree No. 1127 of June 29, 1939, concerning entries shall apply to the subject matter regulated by this Law.

2. The constitution and modification of rights in topographies of semiconductor products occurring prior to filing of the application for registration may be asserted in respect of third parties as from their respective dates, subject to those dates being certain.

Notice of Protection

16. -

1. The topography, the semiconductor product and its packaging may bear a notice comprised of:

- (a) the sign T within a circle;
- (b) the date of first commercial exploitation of the topography;
- (c) the name, denomination or sign of the owner of the right in the topography.

2. Such notice shall constitute evidence of registration of the topography, of claim to ownership of the topography or of the intention to apply for registration within the period laid down in Section 7.

3. The notice may not be affixed to products for which no application for

registration has been filed within the period laid down in Section 7 or where such application has been definitively refused.

Infringing Acts

17.-

1. Any of the following acts carried out without the consent of the owner, even through an intermediary, shall constitute an act of infringement and violation of the exclusive rights under Sections 2 and 4:

- (a) reproduction of the topography in any manner and by any means whatsoever;
- (b) fixation by any means whatsoever of the topography in a semiconductor product;
- (c) utilization, importation and holding for the purposes of marketing, as also the marketing or distribution of a semiconductor product in which the topography is fixed.

Damages and Equitable Compensation

18.-

1. Any person who carries out an act referred to in Section 17 following registration of a topography or following a warning given by the person filing an application for registration, where such registration has been accepted, shall be required to make good the damages suffered by the owner of the exclusive rights in the topography.

2. Where an act referred to in subsection 1 is carried out during the period of time between the first act of commercial exploitation of the semiconductor product bearing a notice of protection and registration of the topography, the person concerned shall only be required to pay equitable compensation to the owner of the registered topography.

3. Where an act referred to in items (a) and (b) of Section 17 is carried out after the first act of commercial exploitation of a semiconductor product not bearing a notice of protection, the owner of the registered topography shall be entitled to equitable compensation and the infringer shall be entitled to obtain on equitable conditions a license to continue exploiting the topography within the limits of his use thereof prior to registration of the topography. If the owner of the registration refuses to grant a contractual license, Sections 54quater, quinquies and sexies of Decree No. 1127 of June 29, 1939, shall apply where appropriate.

Acquisition in Good Faith of Infringing Products

19. -

1. The importation, distribution, marketing or use of infringing semiconductor products carried out without knowing or without having any good reason to know of the existence of the exclusive rights under Section 4 shall not constitute acts of infringement.
2. In the case referred to in subsection 1, continuation of the activity undertaken shall be authorized within the limits of contracts already concluded and of existing stocks, whereby the owner of the exclusive rights shall be entitled to obtain equitable compensation. Failing agreement between the parties on the amount and method of payment of the compensation, the provisions of the second and third subsections of Section 50 of Royal Decree No. 1127 of June 29, 1939, shall apply.

Infringement Proceedings

20. -

1. Infringement proceedings for damages or equitable compensation may not be instituted prior to registration and may only be based on acts carried out during the three years preceding institution of such proceedings.
2. The provisions of Sections 74 to 89 of Royal Decree No. 1127 of June 29, 1939, shall apply, where appropriate, to the protection of rights deriving from topographies.
3. The administrative sanctions of two to 20 million lire and one to 10 million lire, respectively, shall apply in respect of the acts referred to in Sections 88 and 89 of the above-mentioned Royal Decree No. 1127 of 1939.
4. Instruments, apparatus and other accessories containing semiconductor products forming part of the structure or fittings of land vehicles, vessels, space vehicles or aircraft that temporarily or accidentally enter the territory, waters or air space of Italy shall not be liable to infringement proceedings or holding measures.

Holding Measures

21. -

1. The exclusive rights in registered topographies and in semiconductor

products may be protected by the measures laid down in Chapter III of Title I of Book IV of the Code of Civil Procedure.

Annulment of Registration

22. -

1. A request for a judicial declaration to annul the registration of a topography may be submitted at any time and by any concerned person if any one of the conditions under Sections 2, 5(c), 7, 8 and 10 has been omitted, has not been satisfied or if there exists no absolute certainty in respect of one of those conditions.

2. The decision to annul the registration shall be entered in the Topography Register.

Provisions Concerning Military and Public Interest

23. -

1. The provisions of the following Sections of Royal Decree No. 1127 of June 29, 1939, shall apply to topographies and semiconductor products in which they are embodied, where appropriate:

(a) Sections 10, 10bis and 11. The administrative sanction laid down in the latter Section shall be set at an amount of from one to 10 million lire;

(b) Sections 60, 61, 62, 63, 64 and 65.

Claim to Ownership of Registration

24. -

1. The provisions in the first and second paragraphs of Section 27bis of Royal Decree No. 1127 of June 29, 1939, shall apply to proceedings for ownership of a topography.

Financial Cover

25. -

1. The costs arising from implementation of this Law, estimated at 60 million lire a year for the activities undertaken by the Central Patent Office and at 85 million lire a year for the operation of the Board referred to in Section 13, shall be covered from the revenue referred to in Section 14.

2. The Minister of the Treasury shall be authorized to effect, by decree, the necessary modifications to the balance sheet.

This Law, bearing the seal of the State, shall be inserted in the Official Collection of Statutory Acts of the Italian Republic. All persons shall be required to comply with this Law and to ensure that it is complied with as a Law of the State.

¹ Law on Patents for Inventions, see Industrial Property Laws and Treaties, ITALY Text 2-001.

² Amendment incorporated in the text of the Law on Patents for Inventions, see note 1, above.