

Ministry of Commerce and Industry Executive Decree N° 7

(Of February 17, 1998)

“WHEREBY LAW N° 35 OF MAY 10, 1996

Whereby provisions on industrial property are adopted, IS REGULATED”

The President of the Republic in use of his constitutional and legal abilities

CONSIDERING

That Law N° 35 of May 10, 1996, “Whereby provisions on industrial property are adopted”, is designed to protect inventions, the models of use, the industrial models and drawings, industrial and commercial secrets, trademarks for products and services, collective and warranty trademarks, the marks of origin, denomination of origins, commercial names and advertising slogans and signs.

That in the exercise of the legal authority conferred by **article 179 number 14** of the Constitution, The Executive Branch of Government should regulate the laws required for its best performance, without deviating from its text or its spirit.

That the Executive Branch of Government, through the Ministry of Commerce and Industry, prior to consulting with the sectors related to the industrial property, as well as to commerce and industry, has elaborated the provisions regulating Law N° 35 of May 10, 1996, which are adopted by means of this Decree, with the purpose of facilitating the steps and procedures for the defense and the protection of the rights of exclusive use of the industrial property.

DECREES:

TITLE I GENERAL PROVISIONS

ARTICLE 1: The purpose of the present Decree is to regulate the protection of inventions, models of use, industrial models and drawings, industrial and commercial secrets, trademarks for products and services, collective and warranty trademarks, the marks of origin, denomination of origins, commercial names and advertising slogans and signs, and any other subject matter comprised in Law No.35 of May 10, 1996.

ARTICLE 2: For the effects of this Decree, the definitions given by the Law 35 of May 10, 1996 will be applied, and those that follow:

1. Law: Law 35 of May 10, 1996.
2. Patent: Exclusive right granted by the State, through an administrative act, to exclude third parties of the exploitation of an invention, and whose effects and limitations are determined by the Law and this Decree.
3. Registration: Exclusive right granted by the State, through an administrative act, to exclude third parties from the exploitation of a model of use, industrial model or drawing, trademarks for products and services, collective and warranty trademarks, commercial names and advertising slogans and signs, whose effects and limitations are determined by the Law and this Decree.

4. Public sector: People working in a permanent or temporary manner in government institutions which include, among others, the autonomous, semiautonomous entities, the Municipality and the Executive, Legislative and Judicial Branches of the Government.
5. Private sector: People that are not part of the public sector.
6. DIGERPI: General Directorate for the Registration of Industrial Property of the Ministry of Commerce and Industry.
7. BORPI: Official Bulletin for the Registration of Industrial Property.
8. Patent of Invention classification: International Classification of Patents established by the Agreement of Strasbourg of March 24, 1971 and its later modifications.
9. Models of use classification: International Classification of Patents established by the Agreement of Strasbourg of March 24, 1971 and its later modifications
10. Industrial Models and Drawings Classification: International Classification for the Drawings and Industrial Models established by the Agreement of Locarno of October 8, 1968 and its later modifications.

ARTICLE 3: The file of a patent, registration of model of use, or industrial model and drawing shall become public, starting from the publication of the application in the BORPI.

ARTICLE 4: The DIGERPI will supply technological information in relation to the inventions, models of use and industrial models or drawings, and the patents and registrations that are of public domain. This information will be given through manuals, automated systems, or in any other probable form of disclosure, for which the corresponding fees will be paid.

TITLE II OF INVENTIONS AND MODELS OF USE

CHAPTER I GENERAL DISPOSITIONS

ARTICLE 5: The DIGERPI will classify the inventions and models of use according to the International Classification of Patents established in [article 2](#) of this Decree.

ARTICLE 6: The right to the patent or the registration will belong to the inventor. When an invention or model of use is carried out or created by two or more people jointly, the right to obtain the patent or the registration will belong to all in common.

ARTICLE 7: The right to the patent or to the registration can be granted to an individual or legal entity by an act between the living individuals or through hereditary succession. The surrender will be carried out in the terms and formalities established by the common legislation. Once the surrender is made, the right to obtain the patent or registration will belong to the grantee. The inventor or inventors may reserve the right to be mentioned in the publications, in the patent or registration and in the corresponding official documents.

ARTICLE 8: When the invention or model of use has been carried out in execution of a work contract or of service, the right to obtain the protection will belong to the person that hired the work or the service, except for an agreement to the contrary.

ARTICLE 9: When the invention or model of use is created during a labor relationship, either in the public sector or in the private sector, the provisions of the Labor Code will be applicable.

CHAPTER II OF INVENTIONS

ARTICLE 10: An invention can be a product or a procedure, or be related to them.

1. Invention of Products: Are those that have substantial forms. It includes, among others, any substance composition or material, and any article, apparatus, machine, equipment, mechanism, device and another object or substantial result, as well as anyone of its parts.
2. Invention of Procedures: Includes, among others, any method, system or sequence of stages conducive to the production or the obtaining of a product or of a result, as well as the use or the application of a procedure or of a product, for the obtaining of a certain result.

It is also considered an invention of procedure to the special use, or not evident use of a product that has for object the use of a well-known product to obtain from it a different result from the one that until then had produced.

ARTICLE 11: The patent will grant to its owner for the special, or not evident use of a product, the right of preventing third parties from carrying out the following acts:

- a) To utilize the new use;
- b) To offer for sale, to sell or to use the product, or to import or store it with the purpose of utilizing the new use.

ARTICLE 12: For the effects of [numeral 3 of article 19](#) of the Law shall be understood that the right that confers a patent will not produce any effect against any person that trades, acquires or uses the patented product or obtained by the patented process, after the product had been introduced legally in the market place.

ARTICLE 13: For the effects of [numeral 4 of article 19](#) of the Law, on the rights derived from the manufacture or previous use of the patented invention or model of use registered, the person that finds himself in this situation, may exploit the patented or registered invention, under the condition that he can prove that his knowledge of the invention has not been the result of acts carried out, directly or indirectly, by the owner of the patent or its legal predecessor or of an abuse made against the owner of the patent or of the registration or its legal predecessor. This right cannot be surrendered or transferred without the consent of the company that has carried out such manufacture or previous use, or that had begun the necessary preparations to such effects.

CHAPTER III MODELS OF USE

ARTICLE 14: A model of use will be subject for registration when it fulfills the condition of innovation in the terms specified in [articles 12](#) and [13](#) of the Law. The following shall not be subject of registration as a model of use:

1. Procedures.
2. Substances or chemical compositions, metallurgical or of any other nature;

3. Inventions that deal with live matter.
4. Matter not protected by a patent of invention according to the Law and this Decree.

ARTICLE 15: Models of use will not be able to be registered if:

1. They only present slight differences regarding prior inventions or models of use.
2. Are contrary to the law, to the public order, to the morals and good manners and were presented for their registration before the DIGERPI, by someone who is not their legitimate creator or grantee.

ARTICLE 16: The registration of a model of use will grant its owner the right to prevent third parties from carrying out the following acts:

1. To manufacture a product that incorporates the registered model of use.
2. To offer for sale, to sell or to use the product referred to in [numeral 1](#), or to import or to store it for any of these purposes.

CHAPTER IV PATENTS PROCEEDINGS AND MODELS OF USE

ARTICLE 17: The application for invention patents and for registration of models of use can be filed through a representative of the interested party without Power of Attorney as provided in [article 103](#) of the Law. When the applicant is a legal entity, he shall present certificate of existence and legal representation issued by the proper authority of the country of incorporation.

The documents that are accompanied the application for patent or model of use should be presented in separate texts, in an original and two copies. If the application had been presented omitting some of the elements indicated in [article 35](#) of the Law, the DIGERPI will notify the applicant so that it corrects the omission within the period of two months starting from the date of the notification. If the omission was corrected within the suitable term, it will have as date of presentation of the application the date of reception of the omitted elements; otherwise, the application will be considered as not being presented and it will be filed.

If the description had been presented in a language different from Spanish, the corresponding translation will be presented within the term of two months counted from the date of the notification. If presented within this term, it will have as date of presentation of the application the date of reception of the elements indicated in the previous paragraph, otherwise, the application will be considered as not having been presented and it will be filed.

ARTICLE 18: The applicant could desist of his application at any moment of the procedure, by means of a written declaration to the DIGERPI.

The waiver of an application for patent or for a model of use ends the administrative process, losing the rights derived from the assigned date of application.

ARTICLE 19: The description, the claims and the summary that establish units of weight and measures will be expressed, preferably, by means of the International System of Measures.

The symbols, terminology or units used in the formulas that are accompanied in the description of the invention, will be composed only of those which are commonly accepted in the respective science and should be used evenly in all the documentation presented to the DIGERPI.

ARTICLE 20: The application for patent will indicate the title of the invention. The title will be clear and precise preferably having no more than ten (10) words and will make direct reference

to the essential part of the invention. The title will detail if the invention refers to a procedure, a product, a use or two or more of these categories.

The title of the invention will not contain proper names, appointments or fictional words, marks, commercial names or other distinctive signs, or other particular appointments that do not have a clearly established meaning in the technique or specialty of which it is.

Having examined the form, the DIGERPI could communicate to the applicant that he should change the name given to the invention, with the provision that if the correction is not made the application will be considered abandoned and it will be ordered filed. The term to make the correction will be the one stated in [article 45](#) of the Law. However, the title of the invention will be accepted if it is expressed in the same terms that are indicated in the patent of the country of which the priority is invoked.

ARTICLE 21: The description will be presented in the way and following the order indicated in [article 30](#) of the Law, unless because of the nature of the invention, a different way or order of presentation allows for a better comprehension or a more concise presentation.

ARTICLE 22: When the invention refers to a product or procedure that supposes the use of biological material referred to in [article 31](#) of the Law, the deposit of this material will be accepted by the following authorities:

1. One of the international authorities of deposit recognized by virtue of the Treaty of Budapest 1977, about the international recognition of deposit of microorganisms for the purpose of the procedure as it regards patents.
2. Microorganisms deposit banks recognized by the DIGERPI. The DIGERPI will publish periodically in the BORPI by means of an administrative resolution, an updated list of recognized authorities to receive the deposits that will include the international authorities of deposits accepted in the Treaty of Budapest 1977.

The applicant, within the term of two months starting from the date of the presentation of the application for patent in the DIGERPI, should present:

- a. A copy of the certificate of deposit of the microorganism in one of the institutions recognized by the DIGERPI or another document, which evidences such deposit.
- b. Authorization so that the DIGERPI can consult without reservation or in an irrevocable way the biological material, deposited and
- c. Authorization so that the public in general, after the application for patent has been published, can consult without reservation and in an irrevocable way the biological material deposited.

ARTICLE 23: Drawings are understood to be any graphic representation, structure or spreadsheet that contributes simplicity for the execution of the invention. The drawings should be made by means of a technical sketch of conventional color, preferably black, without a frame or enclosing lines, omitting all types of headings, using a definite scale, which allows their reduction with definition of details allowing it to contain one or more figures.

ARTICLE 24: The claims will define the invention based on their technical characteristics, without containing examples or imprecise terms, unless they are defined accurately in the description. When there is more than one claim they will be numbered consecutively with Arabic numbers.

The content of the claims will be self-sufficient and consequently, will not make reference to parts of the description attached to the application or to the drawings; however, when it is

indispensable to make reference to drawings, it will be indicated in parenthesis, and this reference could be interpreted like a limitation of the claim.

ARTICLE 25: Except when the nature of the invention requires a different writing, each claim will be structured so that it contains a preamble followed by a characterization.

The preamble of the claim will define the invention in the matter referred to with indication of the technical problem that it seeks to solve. This part of the clause could include common elements that the invention has with the state of the technique, therefore, it should not contain new elements. The characterization of the claim connected by the expression “characterized”, could follow the preamble when this is feasible.

ARTICLE 26: The characterization is the medullar part of the claim since it defines the elements, combinations or groupings of them that constitute the technical contribution that gathers the conditions of industrial application, innovation and inventive level, and therefore, the merit to grant a patent.

ARTICLE 27: An application for a patent could contain one or more independent claims, each of which could be linked to one or more dependent claims.

A claim is considered independent when it defines the matter protected without difference to a precedent claim. When there were two or more independent claims, they should conform to what is established in [articles 39](#) and [41](#) of the Law.

ARTICLE 28: A claim will be dependent when it is part of, or it refers to a previous claim. When the dependent claim refers to two or more previous claims, it will be considered as a dependent multiple claim.

Every dependent claim should indicate in their preamble, the number of the claim that serves as basis, and in its characterization should specify the additional characteristic, variation, modality or alternative of realization of the invention referred in the respective original claim.

A dependent multiple claim should only refer in an alternative way to the claims in which it is based, and shall not serve as basis for another dependent multiple claim.

Every dependent claim shall be understood and interpreted in a way that it includes all the characteristics and the limitations contained in the basic corresponding claim. A dependent multiple claim will be interpreted so that it includes all the characteristics and the limitations contained in the claim which should be applied.

The dependent claims should be grouped after the claims that serve as basis.

ARTICLE 29: The applicant could at any moment of the procedure give up one or more claims, contained in the application or modify them, as long as the modification does not imply including or amplifying claims referred to matter not disclosed in the application initially presented.

The DIGERPI shall also point out to the applicant the claims that it considers should be modified or suppressed from its application.

ARTICLE 30: The summary will be written so that it can serve efficiently as an instrument for search and recovery of the technical information contained in the respective document, and it should be referred only to that which the invention contributes as an innovation to the state of the technique. Its volume should not exceed two hundred (200) words approximately.

The summary will include:

- a. A synthesis of that disclosed in the description, the claims and the drawings, indicating the technological sector to which the invention belongs and be written so that it allows

to clearly understand the technical problem, the essence of the solution of that problem and the use or main uses of the invention; and

- b. In its case, the chemical formula or the drawing that better characterizes the invention.

Paragraph: The summary shall include, among others, the following elements of information taken from the description of the invention:

- a. If they are products or chemical compounds: their identity, preparation and use or application;
- b. If they are chemical procedures: their stages or steps, the reaction type, and the reagents and necessary conditions;
- c. If they are machines, apparatuses or systems: their structure or organization and their operation;
- d. If they are products or articles: their method of manufacture; and
- e. If they are mixtures: their ingredients.

When the summary includes a drawing, each technical characteristic mentioned in the summary will be followed by a reference number written in parenthesis which refers to the characteristics illustrated in that drawing.

The DIGERPI will be able to order the applicant to correct or modify the content of the summary when deemed necessary to improve its informative value or to adapt it to the applicable norms.

ARTICLE 31: The applicant could modify or correct his application at any time of the procedure, but it could not imply an amplification of the publication contained in the initial application.

If the modification or correction was made after the exam and it affected some of the technical documents of the application, a complementary exam could be ordered.

ARTICLE 32: When the application includes independent claims in the following combinations, among others, it shall be understood that the requirement of unity of the invention is complied with:

- a) A product and a procedure for the manufacture of that product;
- b) A procedure and an apparatus or medium for the setting in practice of that procedure;
- c) A product, a procedure for the manufacture of that product, and an apparatus or medium for the setting in practice of that procedure;
- d) A procedure for the manufacture of a product and a use or application of that product;
- e) A product and a use or application of that product;
- f) A product, a procedure for the manufacture of that product, and a use or application of such product.

The applicant will be able to divide the application in two or more fractional applications, at any time of the procedure, but none of these will be able to amplify the publication contained in the initial application. What is established in [article 43](#) of the Law shall be applicable.

The DIGERPI will be able to require from the applicant the division of its application when it did not fulfill the requirement of unity of invention.

Each fractional application will benefit of the date of presentation of the initial application and, as soon as it corresponds, of the date of priority invoked.

Each fractional application will be subject to the payment of the fees and taxes set forth in [articles 200, 207, 208](#) and [212](#) of the Law as it corresponds.

ARTICLE 33: The applicant could require the conversion of its application only once until the concession of the patent or registration.

ARTICLE 34: The DIGERPI by means of proper resolution will be able to:

1. Declare abandoned the application of a patent and to order it filed, if the application does not fulfill what is determined in the Law and this Decree and if the applicant does not make the corrections within the terms pointed out in the Law. It will also be declared abandoned if the interested party does not request the report on the state of the technique within the term referred to in [article 48](#) of the Law.
2. Reject the application totally or partially, if it believes that according to what is established in [articles 10, 14](#) and [15](#) of the Law, their object is not patentable, and
3. Reject the application totally or partially, if it estimates that the defects subsist in it.

ARTICLE 35: The DIGERPI will publish in the BORPI the application for patent and the report on the state of the technique. The applicant shall opt to make these publications in a simultaneous way or in different dates, but within the terms pointed out by the Law and previous payment of the corresponding fees.

ARTICLE 36: The notice of publication of the application in the BORPI, will contain the following:

- a) Application number;
- b) Date of filing;
- c) Name and address of the applicant;
- d) Name of the legal attorney or representative, if any;
- e) The country or office, date and number of the applications whose priority apply;
- f) The symbol or classification symbols, when they have been assigned;
- g) The title of the invention;
- h) The summary;
- i) A representing drawing of the invention, if any.

The DIGERPI will be able to specify other aspects in the form and content of the notice that will comply with applicable international technical norms.

ARTICLE 37: In the report about the state of the technique the documents of patents consulted which show a preexistence similar or exact to the claims of the application, will be quoted.

Each quote should be made in relation to the claims referred to. If it were necessary, the pertinent parts of the mentioned document will be identified, indicating for example, the page, the column, the line or the drawings.

The report should distinguished the documents mentioned which have been published before the date of priority claimed, and in between the date of priority and the presentation date, in the presentation date, or after such date.

Any document that refers to a spoken publication, to a use, or to any other kind of publication that has taken place prior to the date of presentation of the application for patent, should be mentioned in the report, with indication of the date of publication of the document, if there is any, and the date of the spoken publication.

The report should indicate the agreement classification with the international classification adopted by the DIGERPI.

ARTICLE 38: Upon request of the DIGERPI the applicant will indicate the date, the number and the office of presentation of all application for patent or another title of protection presented or obtained abroad and that refers totally or partially to the same invention claimed in the application presented in the country.

Upon request of the DIGERPI the applicant will provide together with the corresponding simple translation, one or more of the following documents or of part of them related to one or more of the applications referred to in the previous paragraph:

- a) A simple copy of the foreign application;
- b) A simple copy of the results of exams of innovation or of patent made regarding the foreign application;
- c) A simple copy of the patent or another protection title that has been granted based on the foreign application.

In both cases the applicant will have a term of three (3) months to comply the requirements of the DIGERPI.

ARTICLE 39: The DIGERPI will publish periodically in the BORPI by means of administrative resolution, a updated list of domestic and international organizations or similar offices that shall be authorized to report on the state of the technique. The DIGERPI shall admit reports on the state of the technique presented by the applicant duly process by the organizations or offices referred to in this article.

ARTICLE 40: The DIGERPI shall reject, previous interview with the applicant, the concession of the patent or registration of the model of use, by means of proper resolution, when the invention object of the application lacks innovation in an apparent and notorious way. This determination could be adopted by the DIGERPI while a patent has not been granted.

ARTICLE 41: For the effects of the interview referred to in the previous article, the DIGERPI will make the citation by means of a notice in compliance with what is indicated in [article 162](#) of the Law. The notice should contain at least an indication of the day, hour and place of the citation and the reason for it.

The interview can not take place, one (1) month before the date of the notification of the notice.

ARTICLE 42: The DIGERPI shall write a minute of the interview, which will contain details that are strictly necessary to identify the applicant of the patent of invention patent or model of use who appears at the citation, the facts and the result of the citation. The applicant can request only once that the interview be postponed. For the effects of this Decree the non appearance of the applicant to the interview shall be considered as terminating the interview stage and the DIGERPI will proceed to reject the application according to the Law.

ARTICLE 43: For the effects of [article 48](#) of the Law, in case that the applicant should correct deficiencies in the application, as a result of the examination, it is understood that it should be done within the term specified in [article 45](#) of the Law. If the fourteen months referred in [article](#)

[48](#) of the Law have passed, the applicant shall request to the DIGERPI to issue a report on the state of the technique no later than one (1) month from the date that the DIGERPI notifies that its deficiencies have been corrected.

ARTICLE 44: According to the results included in the report about the state of the technique and of the observations formulated by third parties, once the term has concluded for the applicant's observations, the DIGERPI, will proceed to grant the requested patent, previous payment of the corresponding fees.

ARTICLE 45: When an applicant has presented several applications of patents, and the DIGERPI considers that those presented at a later date constitute applications of patents of additions to the initial patent, the applicant won't be able to request a the report about the state from the technique for the later applications, until he has not done the same for the previous ones.

ARTICLE 46: For the processing of applications for models of use the dispositions of the present chapter shall apply. For the effects of the elaboration of the report about the state of the technique, the DIGERPI will publish in the BORPI, by means of administrative resolution, the organizations authorized to prepare this reports.

ARTICLE 47: The owner of a patent could request at any moment that an of form or omission related to the patent or its registration be corrected. No correction that implies an addition to the publication contained in the initial application will be admitted.

The petition for correction will pay the established fee, except when it is made to correct an error or omission attributed to the DIGERPI.

CHAPTER V OF LICENSES AND TRANSFERENCE OF RIGHTS

ARTICLE 48: Surrender or transference of rights referred to in [articles 55](#), [56](#) and [57](#) of the Law, the following should be presented to the DIGERPI:

1. Application form prepared by the DIGERPI,
2. Power of attorney to a lawyer, or the bond referred to in [article 103](#) of the Law, and
3. Document of surrender and/or transference or another document that clearly establishes such surrender or transfer of the application, or of the patent or registration, or of the license. The effects of the registration will be determined by the content of the document is registered.

ARTICLE 49: The owner of a patent or registration will request that DIGERPI records any change that affects the data contained in its patent or registration so that it has effect in relation to third parties In order that the inscription referred to in this article takes place, the applicant should present:

1. Application form prepared by the DIGERPI,
2. Power of attorney to a lawyer, or the bond referred to in [article 103](#) of the Law, and
3. Document that contains the evidence so that the change object of the application be effected.

ARTICLE 50: The DIGERPI will make and distribute the forms for application of patents, models of use and any other required to make petitions from this administrative authority, which will only contain the indispensable information to establish clearly what is requested.

TITLE III OF INDUSTRIAL MODELS AND DRAWINGS

ARTICLE 51: Industrial drawings are all combination of forms, lines or colors that are incorporated to an industrial product with the purpose of ornamentation, that give it its own and peculiar aspect. The industrial drawings are essentially bi-dimensional.

ARTICLE 52: Industrial models are all three-dimensional forms that serve as type or pattern for the manufacturing of an industrial product that gives it special appearance as long as it does not imply technical effects.

ARTICLE 53: When the industrial model or drawing has been created by two or more people jointly, it will be enough that one of them makes the application for registration, but it must identify each one of the other creators, to which the right in common will belong, except for contractual provisions to the contrary.

ARTICLE 54: When the industrial model or drawing has been created in execution of a working contract or service or a labor contract, it will belong to the person that hired or received the work or service or to the employer without the need of a document or surrender act. In that case, when presenting the application for registration will be enough to mention that the creation has been through a contract, indicating the nature of it. The right to request the registration will correspond to the person that contracted the work or the service, or to the employer.

ARTICLE 55: For the purpose of [numeral 1 of article 69](#) of the Law, it must be understood that the promulgation of an industrial model or drawing, shall be effected when it has been published through any means in the Republic of Panama, either by acts carried out directly by the owner of the right or it has been made accessible to the public, by way of a concrete publication, a spoken publication, the sale or commercialization, the use, or any other means.

ARTICLE 56: Conjointly with the requirements pointed out in [article 75](#) of the Law, the applicant shall attach to the application the following:

1. When the applicant is a legal entity must present a notarized certification of the company's existence and of its legal representation issued by the proper authority in the country of its incorporation.
2. An introduction indicating the industrial object that it is and the application of preference.
3. A description of the industrial model or drawing, which must briefly refer to the graphic reproduction of the industrial model or drawing.
4. The basic characteristics of the pattern or industrial drawing that contribute the originality and innovation that distinguishes it, giving it appearance and its own characteristic.

The application for registration of an industrial model or drawing could be presented by a representative of the interested party without a power of attorney as provided in [article 103](#) of the Law.

ARTICLE 57: When the DIGERPI requires it, the petitioner will include a scale model or prototype of the pattern or industrial drawing that he wants to register, if its complexity requires it. The DIGERPI will classify the industrial models and drawings according to the classification established in [article 2](#) of this Decree.

ARTICLE 58: The graphic reproduction shall include drawings with front, lateral view, and show elevation sketches and flat forms, or isometric, being able to request other views according to the complexity of the model or industrial drawing to be registered.

When the reproduction of the industrial model or drawing is constituted by a picture or digital image by computer, or when a sample of the textile material, paper or any other flat material is incorporated by the pattern or industrial drawing, they should be of a quality that will allow its clear reproduction in the BORPI and in the photocopies made to attend orders made by the public.

ARTICLE 59: When an application for patent of invention or registration of a model of use, incorporates industrial models or drawings that can be registered as such, without affecting the application filed, the interested party shall separate them from the original application and request its registration in the DIGERPI. For this purpose, it must fulfill the requirements established in the Law and this Decree for the registration of industrial models or drawings. The interested party shall make this separation within a term of six months starting from the date of presentation of the application, or before the publication of the application for patent or model of use, whatever happens first.

The application for registration of the industrial model or drawing referred to by this article shall maintain the date of presentation of the initial application from which it was separated.

ARTICLE 60: If when examining the application the DIGERPI finds that it is deficient, it shall communicate it to the applicant by means of a notice and will grant him a term of three (3) months to make the corrections. If the applicant does not correct all the deficiencies within this term, the DIGERPI will dictate proper resolution declaring the application deserted and ordering it filed. The application will be declared abandoned and it will be considered as not having been presented.

ARTICLE 61: If in the same application there is more than one industrial model or drawing, the DIGERPI by means of a notice will ask the applicant to separate them, granting him a period of three months to make the separation. For this purpose the applicant must comply with the requirements established in the Law and this Decree.

The application for registration of the industrial model or drawing, referred to in this article, will maintain the date of presentation of the original application from which it was separated.

In case the applicant does not correct this deficiency, the DIGERPI shall proceed to reject the application.

ARTICLE 62: An industrial model or drawing which is composed of different parts, needed to form a whole such as, a deck cards, a chess game, alphabets, chinas, domino, will be considered as one unit and are exempted from the application of the previous article

ARTICLE 63: For the effects of the recognized priority referred to in [numeral 2 of article 70](#) of the Law, the same shall be considered as such, as long as the applicant had referred to this priority when he filed his application to the DIGERPI.

This priority will be checked when presenting the application, or within the six (6) months following its presentation in Panama, providing a copy of the priority application, with the certified conformity by the office of Industrial Property that has received the application and the certification of the presentation date issued by this office.

ARTICLE 64: For the purpose of [article 76](#) of the Law, when examining the application the DIGERPI could use the services of domestic and international organizations or of similar offices, as

well as admit the search report presented by the applicant and made by domestic and international organizations.

The DIGERPI will publish periodically in the BORPI by means of an Administrative Resolution an updated list of domestic and international organizations or similar offices that will be entitled to make search reports about industrial models or drawings. The DIGERPI will admit the search reports that the applicant presents if they adjust to what is established in this article.

ARTICLE 65: After making the examination report according to [article 76](#) of the Law, the DIGERPI will order that the application be announced through a notice publish in the BORPI only once.

Upon request presented to the DIGERPI by the applicant at any moment, before the publication is ordered, this will be postponed by the period indicated in the request and can not exceed twelve (12) months counted from the date of presentation of the application.

ARTICLE 66: The publication of the application for industrial model or drawing will contain:

- a) Application number;
- b) Date of filing;
- c) Name and address of the applicant;
- d) Name of the legal attorney or representative, if any;
- e) The country or office, date and number of the applications whose priority apply;
- f) A sample of each pattern or industrial drawing included in the application, individually numbered;
- g) The products to which the industrial pattern or drawing will be applied;
- h) Class and subclass of the respective products.

The DIGERPI shall specify other aspects of the content of the publication that will conform to the applicable international technical norms.

ARTICLE 67: All merger, name change, domicile or another information relative to the applicant, creator of the design, owner or representatives, as well as any surrender, transference or license relative to an industrial model or drawing shall be registered in the DIGERPI, in order for it to have effect on third parties.

TITLE IV OF INDUSTRIAL AND COMMERCIAL SECRETS

ARTICLE 68: For the effects of [article 83](#) of the Law, it will be understood that the individual who possesses an industrial or commercial secret has adopted enough measures to preserve the confidentiality or restricted access, when he has proceeded in anyone of the following ways:

1. When he has marked the supportive material which contains the industrial or commercial secret, with the words “confidential”, “secret” or with any other word or warning, phrase or signal that indicates that it cannot be revealed.
2. When he has kept the supportive material that contains the commercial industrial secret in a safe place, out of the reach of people unknown to him.

3. When he has warned in a verbal or written form to the people who in one way or another have access to the industrial or commercial secret, about its confidentiality and the inviolability of such confidentiality.
4. When he takes any other measures directed to avoid the publication of the industrial or commercial secret, or to warn about the prohibition of the publication of it.

ARTICLE 69: All industrial or commercial secret must be related at least to the nature, characteristics or purposes of products, to the methods or manufacturing processes, or to the means or distribution forms or marketing or sale of the products, or of rendering of services and, in short, to any other object that grants a competitive advantage over third parties.

The industrial or commercial secrets could consist, among others, of formulas, recipes, list of clients, methods of production, access codes, and design materials, mailing list, databases.

ARTICLE 70: It shall be considered, among others, that there is a violation to an industrial or commercial secret, in any of the following cases:

1. When it is revealed or used an industrial or commercial secret by means of the violation of any of the measures to preserve the confidentiality or access to it, according to that established in [article 69](#) of this Decree.
2. When a person, whom had been advised about the confidentiality of the industrial or commercial secret reveals or uses it.
3. When a person reveals or uses an industrial or commercial secret knowing or having known because of its condition or circumstances of the case, that it is an industrial or commercial secret, even though when he has had access to it by chance or error.
4. When it is revealed or used an industrial or commercial secret acquired by illegitimate means.
5. When it is revealed or used an industrial or commercial secret knowing or having known about their condition or circumstances of the case that the person that provided it had acquired it by illegitimate means.
6. When it is revealed or used an industrial or commercial secret without its owner's consent, even when some modification had been made to it.
7. When by any means, is given the disclosure or use of an industrial or commercial secret without justified cause or without authorization of the person that keeps the industrial or commercial secret.

ARTICLE 71: In order to determine the indemnity amount for damages and injury in the case of violation of an industrial or commercial secret, what is established in [article 170](#) of the Law shall be applied.

TITLE V OF MARKS AND COMMERCIAL NAMES

ARTICLE 72: For the effects of [numeral 3 of article 90](#) of the Law, letters, digits and their combinations, could be registered when by its features are susceptible of constituting a distinctive sign identifiable by the consumer.

ARTICLE 73: For the effects of [article 91](#) of the Law, these prohibitions do not extend to:

1. In the case of [numeral 8](#), to trademarks when requested by the person that grants such a distinction or recognition.
2. In the case of [numeral 9](#), could be registered identical, similar or resembling trademarks to protect products or services identical or similar, even when they are included under the same class of the International Classification, when the owner of the previously registered or requested mark grants his expressed consent, so that the applicant obtains the registration of the new trademark. In these cases the applicant shall present before the DIGERPI, the authorization document from the owner of the previously registered or requested trademark, properly notarized.

Goods or related services that for their nature, characteristic, destination, properties, uses or application, are related to each other, even when they are included in classes different from the International Classification of Products and Services.

3. For the effects of [numeral 16 of article 91](#) of the Law, the term author will be applicable to the person that demonstrates, by any means, to be the owner of the literary, artistic or scientific work and of the fictitious or symbolic characters.
4. In the case of [numeral 17](#), to the combinations of letters, numbers or colors, or a mixture (or to the group) of it.
5. In the case of [numeral 19](#), to the applicant who has the expressed consent of the corresponding government entity.

ARTICLE 74: When the DIGERPI considers, according to [article 92](#) of the Law that a label or logo of a mark contains terms or generic signs of common use or average, in the industry, the commerce or in the activities of services, it will notify it to the applicant to end so that he corrects his application in the sense that it doesn't claim the right to the exclusive use of such terms or signs.

The circumstance that the right to the exclusive use of the terms or signs mentioned in the previous paragraph are not claimed won't impede that this terms or signs form part of the trademark. The trademark will be examined, considered and protected in its entirety. This protection is given except for the right of third parties to use the term or sign not claimed.

ARTICLE 75: The applicant will be able to modify or to correct his application at any moment of the procedure. No modification or correction that implies a substantial change in the trademark will be admitted. However, the applicant will be able to introduce changes in the list of products or services in any moment of the procedure, before the concession of the registration of the trademark.

When the application for registration has been published, all additions or modification of the list of products or services, or any non substantial changes of the trademark should be object of a new publication in the BORPI.

The specification or limitation of the list of products or related services to an application of registration already published in the BORPI shall not require a new publication.

ARTICLE 76: The DIGERPI will solve any doubt regarding the class to which a product or service corresponds, using as basis, the publications issued in such direction by the international organisms related to the International Classification of Products and Services, in conformity with the Agreement of Nice.

ARTICLE 77: In order to oppose an application of registration of a trademark, or to demand the annulment or cancellation of the registration, it is required to have a better right over the mark,

which can be proven by means of the use and/or the registration. These actions could equally be used when the trademark contravenes some of the dispositions contained in [article 91](#) of the Law.

ARTICLE 78: For the purpose of [article 99](#) of the Law, the term “owner of the registration” includes the person possessing rights over a famous or well-known trademark in agreement to that established in the [second paragraph of article 98](#) of the Law.

ARTICLE 79: The placement of the products in the domestic or international market, articles or goods designated under it, being produced, manufactured, elaborated or made in the Republic of Panama or abroad will be considered use of a trademark of products.

The rendering of services protected by this trademark in the domestic or international trade will be considered use of a trademark of services.

ARTICLE 80: The application filed in the DIGERPI in order to obtain the registration of a trademark as established in [article 102](#) of the Law, should express, the following:

1. The non claims or claims that should be included in the registration.
2. The specific class of the International Classification under which the products or services protected by such trademark are included.
3. The claim of a priority right, it being the case, in attention to international agreements. This indication should established:
 - c) Country or office in which the high-priority application was presented.
 - d) Date of such presentation.
 - e) Number assigned to the application, if there is any.

The right of priority that is invoked will only be recognized regarding the products and services that are common to the high-priority application and to the application presented in Panama, or when the products or services indicated in this last one are included within those designated in the high-priority application.

ARTICLE 81: The documents included in an application, according to [article 103](#) of the Law, are subject to the following:

1. If dealing with a foreign corporation it should be issued by the proper authority of the country of incorporation and must certify the legal existence of the corporation. Proper authority is understood to be a notary public, or a government or private entity which according to the law of the respective country can give faith of the existence of the corporation. The certificate should be authenticated through means of an annotation or the note of the Convention of The Hague of 1991, by a Panamanian diplomatic or consular official, or, in its defect, by the corresponding Panamanian diplomatic or consular official or, in its defect, by the corresponding diplomatic or consular official of a friendly nation. By means of the authentication it is presumed that the certificate has been granted in accordance with the laws of the country of origin, unless it is proven the contrary. This certification will have a validity of one (1) year, counted from the date of its expedition.
2. In the case of the sworn declaration referred to in [numeral 2](#), it should be issued by the applicant of the trademark or its legal representative, and it should contain the following: that the applicant is the owner of the trademark; that no other person, individual or legal entity, has right to use such trademark; that such trademark is or will be used by the applicant in the domestic or international market place; that the

description of the trademark and the design referred to in the declaration, represent the trademark exactly like it is wanted to be registered and protected.

3. In the case of the label of the trademark or its representation referred to in [numeral 3](#), it could be adhered to or print on the application, by any mechanical means.
4. In the case of a claim of the priority right referred to in [numeral 5](#), such priority should be checked the moment the application is presented, or within the six (6) months following the presentation of the application in Panama, presenting a copy of the high-priority application, with the conformity certified by the office of Industrial Property that could have received this application and the certification of the presentation date issued by that office.

In the event that the document of priority is not presented within the enunciated term, it will be deemed has not having been presented, and the application will follow its registration procedure.

The documents and certifications that are not expressed in Spanish, should be accompanied by their corresponding translation. These documents and certifications will be excused from all legalization or notarized or consular authentication.

In the case of officious action where the power of attorney and the certificate of legal existence of the applicant have not been presented within the legal term established, the DIGERPI will dictate proper resolution rejecting the registration application, the entrance of the amount of the deposit to the national treasury and ordered the case closed.

ARTICLE 82: The applicant will be able to divide his application at any moment of the proceedings, in order to separate in two or more applications the products or services that appear in the list of the initial application.

Each fractional application will keep the date of presentation of the initial application and the right of priority, when it corresponds. Starting from the division, each fractional application will be independent. The publication of the application made before having made the division will provide effects for each fractional application.

ARTICLE 83: For the effects of [article 104](#) of the Law, in the cases where the error or the omission is not corrected within the established term, the DIGERPI will dictate proper resolution declaring the application abandoned and ordering the case closed.

The application that is declared abandoned will be considered has not having been presented.

ARTICLE 84: The applicant will be able to desist of his application at any moment of the proceedings, by means of a written note directed to the DIGERPI. The waiver of the application puts an end to the administrative process which causes the loss of all the rights derived from the date of attributed presentation.

ARTICLE 85: All the files that contain applications of registrations of marks, commercial names and expressions or advertising signs, are public from the moment that such an application has been presented before the DIGERPI, even when it has not been published in the BORPI.

ARTICLE 86: The official date of expiration of the term to present oppositions, should be indicated in the BORPI. It is assumed that the application for registration has not been object of opposition if within the fifteen working days following the expiration of the term to present oppositions indicated in the BORPI, the interested party has not presented the certification established in [article 195](#) of the Law. In these cases, the DIGERPI will continue with the registration procedure and it will send the corresponding certificate, safeguarding the rights of third parties.

ARTICLE 87: The renewal for application of registration of the trademark, should go accompanied by the receipt of payment of the renewal tariff, and it could be presented through officious action according [article 103](#) of the Law. Once the term for the registration is due, without the request for the renewal, the registration will expire of full right, and the DIGERPI will communicate it by means of a notice with the listing of the cancelled trademarks.

ARTICLE 88: The renewal of a registration will be effective from the date of expiration of the previous term of validity of the registration.

ARTICLE 89: The owner of the registration could request the DIGERPI at any moment to registered a change in the name, domicile or another fact of the owner because of a change in the by-laws, a legal change, a merger or another cause different from the transfer of the right on the trademark. The change will have legal effects upon third parties from its registration in the DIGERPI.

ARTICLE 90: The owner of a registration shall request at any moment that the registration of the trademark be divided in order to separate in two or more registrations the products or services contained that appear in the list of the initial registration.

Once the separation have been made, each separate registration will be independent and it will keep the date of the concession and of the expiration of the initial registration. Their renewals will be made separately.

ARTICLE 91: The owner of a registration could ask at any moment that an error in form or omission related to the trademark or its registration be corrected. No correction that implies an addition to what is indicated in [article 108](#) of the Law will be admitted. The request for correction will pay the established tariff, except for when it is being made to correct an error or omission attributable to the DIGERPI.

CHAPTER II OF COLLECTIVE AND WARRANTY MARKS

ARTICLE 92: The application for registration of a collective mark should indicate that its object is a collective mark, and include a copy of the regulation for the use of the trademark.

The regulation of use of the collective mark should specify the characteristics that will be common to the products or services for which the mark will be used, and to foresee the conductive dispositions to assure and to control that the mark is used according to the regulation; and the sanctions in the event of noncompliance.

ARTICLE 93: The examination of the application for registration of a collective mark will include the verification of the requirements related to the regulation for use of the trademark.

A simple copy of the regulation for the use of the collective mark shall be attached to the registration certificate as an integral part of it.

ARTICLE 94: The owner of a collective mark will be able to use the mark for himself, whenever it is also used by people that are authorized to do it, according to the regulation for the use of the mark.

The use of the collective mark by people authorized to use it, will be considered as being effected by the owner.

ARTICLE 95: The owner of a warranty mark could be a corporation, a domestic or foreign institution, of private or public order, or a state, regional or international organization.

The warranty mark can not be used in connection with products or services produced, loaned or marketed by the owner of the trademark himself, nor by any person economically linked to him.

ARTICLE 96: The publication of the application for registration of a warranty mark in the BORPI shall not proceed until a favorable report of the competent organization is received, in attention to the nature of the products and services to which the warranty mark refers.

ARTICLE 97: The provisions established in the Law with relation to the marks of products or services, will be applicable. The collective and warranty marks are subject to the provisions set forth in this Law to the collective marks and of warranty.

CHAPTER III OF LICENSES OF USE

ARTICLE 98: The expressed authorization of the owner of the protected right is required for the granting of a sublicense.

The sublicense contracts will be subject to the terms and conditions foreseen in the contract or license act.

In order for it to affect third parties, the contracts of sublicenses must be recorded in the DIGERPI; subject to what is established in [Chapter IV](#) of the Law.

ARTICLE 99: The application for the registration of a license of use of a trademark filed in the DIGERPI according to [article 122](#) of the law, must indicate:

- a) The identification number or document of personal identity when the parties, or one of them, is an individual.
- b) The application number and presentation date, in the cases of licenses of use of a trademark whose registration is in process.
- c) The term for the duration of a license will be subject to that established in the license contract. This term could be perpetual and/or indefinite.

ARTICLE 100: For the effects of [numeral 2 of article 123](#) of the Law, it will be equally considered as a minute an excerpt of the contract of the license for the use of the trademark, which must be signed by all the parties.

ARTICLE 101: The license for the use could not be registered in the DIGERPI, when the trademark is in the registration process. However, the inscription of a license of use of a trademark whose registration is in process could be requested, but such inscription will be pending until the registration of the mark is granted.

CHAPTER IV OF ASSIGNMENT OR TRANSFERENCE OF RIGHTS

ARTICLE 102: Any merger, change of name or of domicile of the applicant of A trademark in the process of registration must be presented for their inscription in the DIGERPI. Of these changes shall be taken A note of these changes will be taken in the Resolution which grants the registration of the trademark and will be reflected directly in the certificate of registration of the trademark.

ARTICLE 103: The rights arising from an application or a registered trademark, might be assigned or transferred to one or several persons, as a whole or part of the products or services

protected by such trademark or by an application for registration in process, with or without the transference from the company to which the trademark belongs.

When the transference shall affect only one or some of the products and services protected by the trademark, the registry shall be divided granting a new one in the name of the receiver.

The DIGERPI shall take note of the assignment or transference of an application for registration, in the resolution granting the registration of the trademark, and this shall be reflected directly in the registration certificate.

CHAPTER V OF INDICATIONS OF ORIGIN AND DENOMINATIONS OF ORIGIN

ARTICLE 104: An indication of origin could not be used in the market place in relation with a product or a service when such indication was false or deceiving with regard to the origin of the product or service, or when its use could lead the public to confusion with respect to the source, origin, characteristic or qualities of the product or service. To these effects it also constitutes use of the indication of origin the one used in the marketing and in any commercial documentation related to the sale, exhibition or offer of products or services.

ARTICLE 105: Every merchant could indicate his name and domicile on the products that he sells, although they could come from a different country, as long as the name and domicile are shown together with the precise indication, in outstanding characters, of the country or place of manufacture or of production of the products, or of any other sufficient indication to avoid any error about its true origin.

ARTICLE 106: The DIGERPI will maintain a special registration of denominations of origin concerning the registration and identification of the denominations of origin.

Denominations of domestic origin could be registered in the DIGERPI to the request of any legally constituted entity that represents the producers, manufacturers or artisans whose production or manufacture establishments are in the region or town to which the denomination of origin corresponds. A proper public authority could also request the registration of a denomination of origin.

The denominations of origin from abroad will be protected as established in the Treaties subscribed by the Republic of Panama.

ARTICLE 107: Denomination of origins will not be able to be registered if:

- a) Are not in agreement with the definition of denomination of origin included in the Law;
- b) Are against the morals or the public order, or that could lead the public to error about the geographical origin, the nature, the way of production, the characteristics or qualities, or the aptitude for the use or the consumption of the respective products; or
- c) The one that is the common or generic denomination of some product, being considered common or generic a denomination when it is considered as such by the experts of that type of product as well as for the public in general.

A denomination of origin accompanied by the generic name of the respective product or an expression related to that product, could be registered but the protection shall not be extended to the generic name or expression used.

ARTICLE 108: The application of registration of a denomination of origin will indicate:

- a) Name, nationality and the applicant or applicants' address and the place where they have their production or manufacturing establishments;
- b) The denomination of origin whose registration is requested;
- c) The delimited geographical area of production to which the denomination of origin refers;
- d) The products for which the denomination of origin is used; and
- e) A review of the basic characteristics of the products for which the denomination of origin is used.

ARTICLE 109: The application for registration of a denomination of origin will be examined in order to verify:

- a) That the requirements of [article 108](#) of this Decree are abided; and
- b) That the denomination whose registration is requested is not included in any of the prohibitions provided by in [article 107](#) of this Decree.

ARTICLE 110: The resolution that grants the registration of a denomination of origin will indicate:

- a) The delimited geographical area of production;
- b) The products to which the denomination of origin will be applied; and
- c) The basic characteristics of the products to which the denomination of origin will be applied.

ARTICLE 111: The registration of a denomination of origin will have indefinite duration.

The registration of the denomination of origin could be modified at any time when any of the points referred to in [article 108](#) of this Decree change.

ARTICLE 112: Only the producers, makers or artisans that carry out their activity within the defined geographical area, will be able to commercially use the denomination of origin registered for the products indicated in the registration.

All the producers, makers or artisans that carry out their activity within the defined geographical area, including those that are not among the ones that initially requested the registration, will be entitled to use the denomination of origin in relation with the products indicated in the registration, whenever they comply with the dispositions that regulate the use of the denomination.

Only the producers, makers or artisans authorized to use the registered denomination of origin could use together with it the expression "DENOMINATION OF ORIGIN."

The actions related to the right of using a registered denomination of origin will be exercised in the courts.

The dispositions of [article 100](#) of the Law, are applicable to the registered denomination of origins whenever it corresponds.

ARTICLE 113: To any interested person's order or competent public authority, the judicial authority will declare the annulment of the registration of a denomination of origin when it is demonstrated that it is included in some of the prohibitions provided for in [article 107](#) of this Decree.

To any interested person's order or competent public authority, the judicial authority will cancel the registration of a denomination of origin when it is demonstrated that the denomination is used in the trade in a way that doesn't correspond to that indicated in the respective registration, according to [article 110](#) of this Decree.

ARTICLE 114: The DIGERPI will grant protection to the denomination of origins, through proper resolution, which will be notified by means of an edict posted in a visible place of this Directorate for the term of five (5) working days, upon whose expiration the notification will be understood to have been executed.

Against this declaration the option of reconsideration or appeal is allowed in the terms established in [article 163](#) of the Law. An excerpt of the declaration of protection will be published in the BORPI, which will contain:

- 1) Expedition date
- 2) Indication of the protected denomination of origin, as well as the products or services to which it refers.

ARTICLE 115: The dispositions of this chapter about denomination of origins will be applied to the marks of origin.

CHAPTER VI OF CANCELLATION AND ANNULMENT OF THE REGISTRATION

ARTICLE 116: For the purpose of [numeral 2 of article 138](#) of the Law, the judicial authority will cancel the registration of a trademark, upon request of any interested person and previous hearing of its owner, when it had not been used for more than five consecutive years immediately before the date in which the cancellation action begins. The cancellation order shall not proceed before five years have passed since the date when the trademark was initially registered in the country.

ARTICLE 117: The registered trademark must be used just as it appears registered in the registry; however, the use of the trademark in a way different from how it appears registered regarding details or elements which are not basic and that do not alter the identity of the trademark, shall not be reason for the cancellation of the registration nor will it diminish the protection that it confers.

ARTICLE 118: The test of the use of the trademark will correspond to the owner of the registration. The use of the mark shall be credited by any means of test admitted by the law.

ARTICLE 119: The person with the right to request the cancellation and annulment, or both, of the registration of trademarks, and this is declared by a final sentence issued by the proper authority, should present the application for registration of a trademark, within the three (3) months after the communication of the final sentence to the DIGERPI. During this term no other person could present an application of registration of trademarks identical, similar or resembling the one declared canceled or annulled.

ARTICLE 120: For the purpose of [numeral 3 of article 142](#) of the Law, the term user includes any person, individual or legal entity, that trades products or renders services under the trademark.

CHAPTER VII OF COMMERCIAL NAMES AND ASSOCIATIONS

ARTICLE 121: For the effects of [article 146](#) of the Law, the prohibitions are applicable to:

1. In the case of [numeral 1](#), those which are identical or similar to well-known commercial names or famous or well-known trademarks, as well as those that constitute a translation of it;
2. In the case of [numeral 3](#), when it refers to a foreign company, the commercial name shall coincide with the one shown in the certification issued by the proper authority of the respective country, in which it is shown that the applicant is devoted to the trade or the industry using the commercial name whose registration is being requested.
3. In the cases of people that do not require commercial or industrial license, or the certification of operation permit of the client of a duty—free zone, it shall not be required that the commercial name, which registration is requested, corresponds to the firm name.
4. Within the concept of identical or similar enunciated in [numeral 6](#), are included the translations of the commercial names used, registered or in the process to be registered in favor of another person.

ARTICLE 122: The documents that accompany an application according to [article 149](#) of the Law, will be subject to the following:

1. In the case of [numeral 1](#), being foreign corporations, will be applied whatever is established in [numeral 1 of article 81](#) of the present Decree, in relation with the documentation demanded for the presentation of applications of registration of trademarks.
2. In the case of the sworn declaration to which [numeral 2](#) refers should be issued by the applicant of the commercial name or its legal representative, and should point out the following: that the applicant is the owner of the commercial name; that no other person, individual or legal entity, has the right to use such commercial name; that said commercial name is or will be used by the applicant in the domestic or international market place; that the description of the commercial name and the design to which the declaration refers, represent the commercial name exactly as he wants it to be registered and protected.

ARTICLE 123: In those cases where the document required in [article 150](#) of the Law is not included, within the established term, the DIGERPI will dictate proper resolution rejecting the application and ordering the file closed.

ARTICLE 124: The renewal of a commercial name shall become effective starting from the date of expiration of the previous period of registration.

CHAPTER VIII OF SLOGANS OR ADVERTISING SIGNS

ARTICLE 125: When a sign or advertising slogan uses trademarks or commercial names registered in favor of another person, its registration will be allowed, as long as it has the expressed authorization of the owner of the trademark or commercial name previously registered.

In these cases, what is established in the present decree, with relation to the letters of consent for the registration of trademarks, will be applied.

TITLE VI OF NOTIFICATIONS AND THE ADMINISTRATIVE RESOURCES

ARTICLE 126: The notebook formed with the edicts of notification of the decisions, warnings and resolutions at the DIGERPI, will be public and, therefore, could be consulted or reproduced by any person.

TITLE VII OF UNLAWFUL USE OF THE RIGHTS OF INDUSTRIAL PROPERTY

ARTICLE 127: In the cases pointed out in [numeral 5 of article 164](#) of the law, it will be considered included the industrial models or drawings that although have not been registered, enjoy the protection granted by [article 73](#) of the law.

ARTICLE 128: Regarding [numerals 6, 7, 8, 9, and 12 of article 164](#) of the law, it will be considered included the slogans or advertising signs referred to in [Chapter IX of Title V](#) of the Law.

ARTICLE 129: In the events described in [numerals 10 and 11 of article 164](#) of the Law, it will be considered that the trademark or the advertising slogan is registered when it is legally filed in the country of origin of the product or service that it protects, or in any signatory State of international treaties about the subject, which the Republic of Panama has subscribed. The owner of the protected rights, to which reference is made in the provision of this title, includes the owner of the rights recognized by this Law, by the Law on Copyright and Related Rights or by the international conventions regarding these matters, subscribed by the Republic of Panama

TITLE VIII OF TARIFFS AND RATES FOR SERVICES

CHAPTER I OF TARIFFS

ARTICLE 130: The DIGERPI will perceive the tariffs in concepts of services in the following cases:

1. Application for change of name of the owner of a patent, model of use and industrial model or drawing

B/.5.00

2. Application for surrender or transfer and patent merger, model of use and industrial model or drawing

B/.5.00

3. For services of technological information

B/.10.00

4. Search for patents, model of use, industrial model or drawing

B/.10.00



5. International search reports for models or industrial drawing

B/.100.00

6. Application for advertising slogan or sign

B/.10.00

7. Application antecedents of commercial names or advertising slogan or sign

B/.1.00

8. Application for change of name of the owner of an advertising slogan

B/.5.00

9. Application for merger of the trademarks, commercial name, advertising slogan or sign

B/.5.00

10. For each publication of the application or correction of the application for registration of
an advertising slogan or sign

B/.6.00

11. Application for trademark renewal, commercial name, of advertising slogan or sign

B/.10.00

12. Application for limitations of product of the trademarks

B/.5.00

13. Search for antecedents of the owner of a patent, model of use, industrial model or drawing, trademark, commercial name, advertising expressions

B/.5.00

14. Application for license of use of the marks, expression or advertising sign, commercial name and associations

B/.5.00

15. Each publication for additional page of the trademark application, patent, model of use or industrial model or drawing

B/.2.00

16. Separation of the application and trademark registration, commercial name, expressions or advertising sign, patents, model of use and industrial model or drawing

B/.10.00

17. Conversion of the application for patent, model of use and industrial model or drawing

B/.10.00

ARTICLE 131: The rights for registration of an advertising slogan or sign will be the same as those established in the Law for trademarks.

TITLE IX OF TRANSITORY DISPOSITIONS

ARTICLE 132: That pointed out in [article 216](#) of the Law will be applicable to the trademarks for products and services registered or in the process of registration before the enforcement of the Law.

ARTICLE 133: The DIGERPI will grant the registration of trademarks filed before the Law becomes in force, without taking into consideration the registration of origin based on which the trademark was presented.

The registration certificate will be in force for ten (10) years counted from the date of presentation of the application for registration.

ARTICLE 134: The DIGERPI will grant the renewal of trademarks filed before the enforcement of the Law, without taking into consideration the registration of origin.

The renewal will be granted for a term of ten (10) years, starting from the date of expiration of the previous period.

ARTICLE 135: In reference to the applications for patents of inventions, models of use and industrial models or drawings in process at the DIGERPI when the Law becomes effective a patent or registration will be granted respectively, without taking into consideration the registration of origin, based on which the application was presented. The patent or registration will be granted for the corresponding term as established by the Law in force at the time of its presentation.

TITLE X OF SURCHARGES

ARTICLE 136: The Committee for Implementation and Control of the Special Fund of incentives for the productivity of the Public Officials of the Registry of the Industrial Property is created, which will have the responsibility of executing the parameters for incentives contained in this Decree, as well as the recommendation of the steps that promote productivity in the office of the Registration of the Industrial Property.

ARTICLE 137: The following members will form The Committee for Implementation and Control of the Special Incentives Funds for the Registry of Industrial Property:

1. The Minister of Commerce and Industry or in his absence, the Vice-minister.
2. The General Director of the Registry of the Industrial Property or in his absence, the General Sub-director of the Registry of the Industrial Property.
3. A (1) commissioner named by the General Director of the Registry of Industrial Property who will require the previous approval of the Ministry of Commerce and Industry and whose appointment will be notified by ordinary note.
4. The Head of Budget of the Ministry of Commerce and Industry.
5. The Administrative Director of the Ministry of Commerce and Industry.
6. The Comptroller General of the Republic or the public official designated by him could attend the sessions of the committee for Implementation and Control of the Special Incentives Fund for the Registry of the Industrial Property with right to opinion.

ARTICLE 138: The Committee for Implementation and Control of the Special Incentives Fund for the Registry of the Industrial Property will have the following functions:

1. To calculate the complementary salary as an incentive over the public officials' monthly salary.
2. To take the necessary measures for their internal operation and regulation, as well as any other similar measure related to the application of the present Decree and its purpose.
3. To know about the annual financial statements of the General Directorate for the Registration of the Industrial Property and the general balances.
4. To approve or disapprove the projects of resolutions and other subjects submitted by the General Director of the Registry of the Industrial Property.

ARTICLE 139: The Committee for Implementation and Control of the Special Fund of Incentives for the Registry of the Industrial Property will meet at least once (1) a month.

Decisions or recommendations will be taken by simple majority of the entirety of the members of the committee, which will also be a minimum requirement for the quorum.

The Minister of Commerce and Industry will preside over the committee and in his absence will be the Vice-minister, or whom he shall appoint.

The members named in the committee will exercise their functions until replaced through a formal note. Copies of this note should be handed in the secretary's office of the committee.

ARTICLE 140: The percentage of the complementary incentive is calculated monthly, and the first payment will become effective the month following its approval by the Committee. To be a

beneficiary of this incentive, the public official should have completed a minimum of six (6) months of continuous service in the General Directorate for the Registration of Industrial Property of the Ministry of Commerce and Industry.

ARTICLE 141: The Committee for Implementation and Control of the Special Incentives Fund for the Registry of the Industrial Property should apply the following chart of incentives for salary and years of service rendered within the General Directorate of the Industrial Property, that is:

MONTHLY SALARY DIVIDED		PERCENTAGE	PLUS ONE PERCENT (1%) FOR EVERY YEAR OF SERVICE RENDERED
B /. 0.00	UP TO	350.00	(20%)
B /. 351.00	UP TO	500.00	(15%)
B /. 501.00	And	MORE	(10%)

ARTICLE 142: The Committee will recognize the academic preparation, the titles, and the courses that the officials attend, to add them to the benefits of the previous chart, in the following way:

1. To all the officials that have university titles there will be calculated and added in an automatic way to the complementary salary fifteen percent (15%) of their basic salary.
2. To all the officials that have a technical career and those established based on the committee will be calculated and added in an automatic way to the complementary salary, twelve percent (12%) of their basic salary.

ARTICLE 143: The Committee will safeguard that the incentives to the productivity of the officials of the DIGERPI, do not exceed the maximum sum of the complementary salary, according to the maximum percentages pointed out next.

Officials that have a university title, technical career or are studying such university carriers, the department bosses and those establish based on the Committee, are entitled to receive up to forty percent (40%) of allowance or monthly complementary wages on their basic salary.

The officials of government institutions excluding the Ministry of Commerce and Industry, which who work in a permanent way in the Registry of the Industrial Property, will be entitled to an increment of up to ten percent (10%) of their basic salary, up to a maximum amount of one hundred and twenty balboas (B/.120.00) monthly. This sum will be calculated based on the chart of incentives included in this Decree.

ARTICLE 144: In case that the minimum needed to cover the complementary salary established in this Decree could not be collected monthly, the percentage corresponding to the deficit will be calculated and discounted from the complementary salary that all the officials should perceive. In case the deficit turns out to be a number with fraction, this fraction will be taken as a whole percentage.

In case there is a surplus in the monthly collections bound to fulfill the payments of the incentives, the surplus will be dedicated to a contingency fund that will cover the deficits that could arise.

ARTICLE 145: The estimate of the especial fund for a fiscal year will be based on calculations carry out with that purpose jointly by the Ministry of Planning and Economic Politics and the Ministry of Finance.

ARTICLE 146: This Decree will be in force starting from its promulgation. Let it be communicated and published.



Given in the city of Panama on the seventeenth day of the month of February of nineteen hundred and Ninety-eight (1998).

ERNESTO PÉREZ BALLADARES

President of the Republic

RAÚL ARANGO GASTEAZORO

Minister of Commerce and Industry