**PATENT PROTECTION IN CASE OF OTHER ORGANIZATIONS INVEST FUNDS FOR THE AUTHOR**

In current practice, it is not difficult to find the organizations that sponsor funds and facilities for individuals to create objects of intellectual property, including invention. The law on intellectual property has specific provisions on the rights and obligations of the parties in this relationship in order to protect their legitimate rights and interests.

**Legal Basis:**

* Law on Intellectual Property 2005;
* Law amending and supplementing a number of articles of the Law on Intellectual Property 2009; and
* Law amending and supplementing a number of articles of the Law on Insurance Business, Law on Intellectual Property 2019;
1. **Who has the right to register** **for invention protection and become the owner of the protection title?**

According to Article 86.1 (b) and Article 121 of the Law on Intellectual Property, organizations (hereinafter referred to as “**Assignor**”) that invest funds and facilities in the form of assigning or hiring work to the author(s) to create inventions have the right to patent registration and become the owner recognized on the patent protection title.

The following types of agreement can be signed between the Assignor and the author(s):

* Assignment agreement (in case the author is an employee of the organization); or
* Hiring agreement (in case the author is not an employee of the organization).
1. **How to properly divide the rights between the owner (Assignor) and the author(s) according to the regulations?**
* For the author(s), who directly creates the invention, there will be two main groups of rights:

+ Moral rights: the right to be named as the author on the invention patent, to be named as the author in published and introduced documents about the invention.

+ Economic rights: during the term of protection of the invention, the author will be entitled to at least 10% of the profits gained by the owner from the use of the invention and 15% of the total amount received by the owner in each payment for licensing the invention. In the case of more than one author, this minimum remuneration is applicable to all co-authors, who shall agree between themselves on the division of the remuneration paid by the owner. In case the owner and the author(s) have agreed otherwise on the payment of remuneration of the author, this agreement may be applied without subject to the aforesaid remuneration.

* Assignor will have the right to:

+ Directly using, exploiting or allowing others to use and exploit the utility of the invention.

+ Prohibit others from using the protected invention;

+ Freedom in determining the assignment of inventions within the scope of protection.

1. **The contents should be specifically agreed in the Assignment Agreement or - Hiring Agreement**
* Assignment/hire relationship between the parties: In addition to the Assignor has the right to register for invention protection, the author(s) themselves also have the right to register for invention protection if they create the invention at their own expense. Without a tight agreement, there is a risk that the author(s) could bring the invention to be registered in their own names. Therefore, it is absolutely necessary to have an agreement that clearly shows the cooperative relationship between the Assignor and the author(s). In order to minimize risks, the Assignment/Hiring Agreement should clearly state that the author(s) creates the invention under the assignment or hire of the Assignor at the expense of this organization.
* Rights and obligations of the parties: including the remuneration to be paid to the author(s), the registration rights of the organization and the author's commitment that the author(s) are not allowed to register for invention protection for themself.