



# Standing Committee on Patents

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*Study on Inventor Remuneration*

## National/Regional Group: Italy

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## Questions

### I. Current law and practice

- 1) Please describe your Group's current law defining ownership of an invention made by an inventor employee and identify the statute, rule or other authority that establishes this law.

*Article 64 of the Italian Industrial Property Code (hereinafter also IP Code) rules the ownership of an invention made by an inventor employee. The content of this provision is perfectly consistent with resolution Q40 of AIPPI.*

*In principle, when an industrial invention is made in the performance or fulfillment of a contract/agreement or employment relationship, where inventive activity is expressly considered and specifically remunerated, the rights deriving from the invention belong to the employer (art. 64.1); a reasonable reward shall be given to the inventor, depending on the employment contract, only if the inventive activity is not provided and specifically remunerated in the employment contract (art. 64.2). If an industrial invention (in the technical field of the employer) is not made in the performance or fulfillment of a contract or work or employment relationship, the employer may exercise within a given time the option for exclusive or non-exclusive use of the invention or for the purchase of the invention: in this case, a specific price shall be paid, depending also on the amount of employer resources used in generating the invention (art. 64.3).*

*Article 65 of the Italian Industrial Property Code instead relates to inventions of researchers at universities and public research entities. This article provides special conditions for researchers in that they are the sole owners of the rights resulting from the patentable invention of which they are the authors.*

- 2) Does your Group's current law relating to ownership of an invention made by an inventor employee distinguish between types of employees, for instance between academic staff in universities and in for-profit organizations, or whether they are employed "to invent" (e.g., do research)?

*Yes. See point 1 above.*

- 3) If your Group's current law prescribes that employers own inventions made by inventor employees, does your law impose an obligation on employers to offer to employees the right to file a patent application, or entitlement to a patent application already filed, in the event the employer does not pursue patent protection?

*No. The Italian Industrial Property Code has no provisions in this regard.*

- 4) Does your Group's current law provide in any statute or other regulation that an inventor employee is entitled to receive remuneration beyond their salary for an invention made by the inventor owner but owned by the employer? If yes, please briefly describe the entitlement.

*Yes. See point 1 above.*

- 5) Under your Group's current law, is there any other basis, e.g. common law principles, upon which an inventor employee may claim a right to remuneration beyond their salary for an invention made by the inventor employee but owned by the employer?

*No. The right to remuneration is only ruled by the Articles 64 and 65 of the Italian Industrial Property Code.*

If your answer to question 4) or 5) is 'yes', please answer remaining questions 6) to 8). If no, please go to question 9)

- 6) To what extent do the following factors determine whether an inventor employee is entitled to remuneration?

- a) Nature of employment duties;
- b) Extent to which the invention is relevant to the business of the employer;
- c) Use of employer time/facilities/resources in generating the invention; and
- d) Terms of the employment agreement or collective agreement.

*The Italian Case Law contemplates all the points above, part of which are explicitly mentioned also in the IP Code (art. 64).*

- 7) When does any right to remuneration arise? What stage(s) during the process for invention creation through to patenting, commercialisation or licensing trigger any right to remuneration?

*According to Article 64 of the Italian Industrial Property Code the right to remuneration is triggered either by the grant of the patent or by the decision of the employer to exploit the invention under a secrecy regime.*

- 8) Is the amount of remuneration codified or variable? If variable, how is it determined? For example, what circumstances affect the amount of remuneration? If the amount of remuneration is based on revenue related to the patent (e.g., licensing revenue), how is that amount determined? What impact, if any, does the number of co-inventors have on the amount of remuneration to which any one of the inventors is entitled?

*According to the Italian Case Law, the amount of remuneration is variable and may be determined depending on a number of parameters, such as e.g.:*

- *Economic exploitability of the invention;*
- *Tasks of the inventor employee;*
- *Role of the inventor employee within the Company;*
- *Contribution of the Company/Employer to the attainment of the invention.*

*The employment contract is generally the basis for the evaluation of the remuneration either in the case of a single inventor or in the case of co-inventors.*

- 9) Does contract law (e.g., company employee contracts requiring assignability of inventions to the company) affect any remuneration payable by an employer to an inventor employee?

*The remuneration payable by an employer may also be calculated taking into account the contract law.*

- 10) Does your Group's current law provide for any entitlement to additional remuneration after an employee inventor has already accepted remuneration for the invention? For example, this could arise where the patent value has increased after any initial remuneration entitlement has been paid, and the inventor employee seeks additional compensation for the increased value arising from the issuance of a patent or later commercialisation.

*No. The Italian Industrial Property Code has no provisions in this regard.*

- 11) If remuneration is based on the contribution each inventor made to the invention, how is that contribution determined and how is the remuneration then calculated?

*See point 8. The contribution each inventor made to the invention may be also taken into account to calculate the remuneration.*

- 12) Does any right to remuneration under your Group's current law apply to inventors located outside your jurisdiction if the employer is located in your jurisdiction?

*The Italian Industrial Property Code has no provisions in this regard.*

- 13) Does any right to remuneration under your Group's current law apply to inventors located in your jurisdiction if the employer is located in another jurisdiction?

*See point 12) above.*

- 14) If an employee inventor in your jurisdiction is a co-inventor with one or more inventors outside your jurisdiction, does the number of co-inventors or whether they are entitled to remuneration impact the inventor employee's entitlement to remuneration? Does it matter if the employer is in your jurisdiction or outside your jurisdiction?

*See point 12) above.*

## II. Policy considerations and proposals for improvements of the current law

- 15) If your Group's current law provides inventor employees with a right to remuneration for their inventions:

- a) is the law sufficiently clear as to the circumstances under which the right to remuneration arises?

*Yes, the current law is sufficiently clear.*

- b) does the law provide sufficient guidance as to how the remuneration is to be determined?

*No. The current law does not provide specific guidance as to how the remuneration is to be determined. The remuneration is generally calculated based on Case Law examples.*

- c) are there aspects of your law that could be improved to address remuneration of inventor employees?

*See points a) and b) above.*

- d) are there any proposed reforms of your law with respect to such remuneration?

*We are not aware of proposed future reforms of the Italian Industrial Property Code pending before the Italian Parliament. There was a very recent reform affecting the right to the invention and remuneration in case the invention is not made by an employee but a free-lance worker, which is consistent with the provisions established for employees.*

- 16) If your Group's current law does not presently provide inventor employees with a right to remuneration for their inventions:

- a) Should it do so?  
b) Are there any proposals to introduce such rights? If yes, please describe such proposals.

*Nihil*

### III. Proposals for harmonization

- 17) Is harmonization in this area desirable?

*Yes. Harmonization is desirable. This is particularly true where cross-country IP conventions are expected to enter in force without regulating this substantial aspect (like the UPC within the EU).*

*If yes, please respond to the following questions without regard to your Group's current law.*

*Even if no, please address the following questions to the extent your Group considers your Group's current law could be improved.*

- 18) Please propose a standard for remuneration for employee inventors that your Group considers would be an appropriate international standard, addressing both the circumstances that give rise to remuneration and to the basis for determining it.

*In our view, the parameters listed in point 8 above could be a good standard addressing both the circumstances that give rise to remuneration and to the basis for determining it.*

- 19) Please provide a standard that your Group considers would be an appropriate international standard for handling issues where employee inventors are located in different countries and the countries have differing laws relating to the remuneration of inventor employees.

*In our view, there should be no difference between national and foreign inventor employees and should prevail the law of the country where the employment contract has been signed. See also point 18 above.*