

Question Q228

**National Group:** Portugal  
**Title:** Prior User Rights  
**Contributors:** Paulo MONTEVERDE  
Manuel MONIZ PEREIRA  
António CORTE REAL  
Ana Teresa PILIDO  
Manuel DURAES ROCHA  
**Reporter:** Paulo MONTEVERDE  
**Date:** May 28, 2014

## Questions

### I. Analysis of current law and case law

Groups are invited to answer the following questions under their national laws:

1. Is there a provision in your national patent law that makes an exception to the exclusive right of a patent holder for parties who have used the invention before the filing/priority date of the patent (“prior user rights”)?

Yes. It is foreseen in article 104 of the Industrial Property Code (Decree-Law n<sup>o</sup> 36/2003 of 5<sup>th</sup> March)

2. How frequently are prior user rights used in your country? Is there empirical data on how often prior user rights are asserted as a defense in negotiations or court proceedings?

As far as we know, the prior user rights have never been used in Portugal. We are not aware of any court decision on the issue.

3. To what degree must someone claiming a prior user right have developed the embodiment which is asserted as having been used prior to the filing/priority date of the patent? Is it sufficient to have conceived of the embodiment, or must it have been reduced to practice or commercialized?

It is not sufficient to have conceived the embodiment. The prior user must have used the invention or, at least, made preparatory effective actions for using the invention.

4. Does it make a difference in your country if
- the prior use occurred before the priority date; or
  - it occurred after the priority date, but before the filing date?

Yes, there is a difference. The law does not recognize the privilege of the prior user in case the use of the invention or the serious and real preparatory actions for use, have taken place before the filing date but after the priority date. In order for prior use or serious and real preparations for use, to oppose the rights conferred by the patent, these must have occurred prior to the date of priority. If these occur after that date but prior to the filing date, the prior user right cannot oppose its rights to those conferred by the patent.

5. Is there a territorial limitation with regard to the scope of prior user rights in your country? In other words, if a party has used the patented invention before the filing/priority date in a foreign country, can it then claim a prior user right in your country?

Yes. Use of the invention or preparatory actions for use of the invention must have taken place in Portugal. Otherwise, the prior user cannot claim a privilege against the patentee.

6. Is there a provision that excludes prior user rights for those who have derived their knowledge of the invention from the patent holder and/or the inventor?

No. However, under the terms of the referred article 104, the privilege of prior user cannot apply when knowledge of the invention was obtained in bad faith or results from illegal acts committed against the right holder or from actions against public order.

7. Is it necessary that the prior user has acted in good faith to be granted a prior user right?

Yes.

8. Is there a material limitation with regard to prior user rights in your country? More specifically, if someone has used an embodiment of a patented invention before the filing/priority date of the patent, can he then claim a prior user right to anything covered by the patent? In particular, is the owner of a prior user right entitled to alter/change the embodiment of the patented invention used before the filing/priority date of the patent to other embodiments that would also fall within the patent's scope of protection or is he strictly limited to the concrete use enacted or prepared before the patent's application or priority date? In the event that changes/alterations are permitted by your national law, to what degree?

The beneficiary of the prior user right is only entitled to proceed, initiate or use the invention to the extent of the knowledge he has obtained prior to the filing date or priority date when claimed.

9. Does a prior user right in your country require the continued use (or the necessary preparations of the use) of the invention claimed by the patent at the moment in which the objection of the prior user right is asserted or is it sufficient if the invention claimed by the patent has been used before the priority/filing date of the patent but has been abandoned at a later stage?

It is required the continued use of the invention (or the necessary preparations of the use) claimed by the patent at the moment in which the objection of the prior user right is asserted.

10. Is a prior user right transferable and/or licensable in your country? If yes, under what circumstances?

The transfer can only occur together with the transfer of the commercial establishment in which the referred to use occurs.

11. Does your national law provide any exceptions or special provisions with regard to a prior user right owned by a company within a corporate group? In particular, can a prior user right be transferred or licensed to another group company?

The Portuguese Law does not make any distinction and the assignment can only occur together with the transfer of the commercial establishment in which the referred to use, occurs.

12. Are there any exceptions for any specific fields of technology or types of entity with regard to prior user rights in your country?

No.

13. The Groups are invited to explain any further requirements placed on prior user rights by their national law.

In accordance with the Law, the prior use or preparations for the same, based on information obtained from official or unofficial Exhibitions acknowledged under the terms of the Convention relative to International Exhibitions are not detrimental to the principle of good faith.

## **II. Policy considerations and proposals for improvements to your current system**

14. Should a prior user right exist in any legal system? If yes, what is the main

legal justification for a prior user right?

Yes because it is not mandatory to file patent applications whenever one has an invention and someone who has reached to an invention by its own means should not be deprived from using same in the course of trade. The freedom of exercise of economic activity without unreasonable limits although respecting third party rights acting in good faith recommends this affirmative answer.

15. What is the perceived value of prior user rights in your country?

Nothing relevant.

16. Are there certain aspects that should be altered or changed with regard to the existing implementation of the prior user right in your country? In particular, are there certain measures or ways that could lead to an improvement and/or strengthening of your current system?

The Portuguese IP Law establishes the prior rights exception in accordance with the general legal principles established in EU countries and in a restrictive sense. However it would be important to clarify whether the prior use right is limited to the Portuguese territory as stated in the current IP law or it should be enlarged to the territory of the EU in light of the common market perspective and freedom of circulation within the EU market.

### III. Proposals for harmonization

Groups are invited to put forward proposals for the adoption of harmonized rules in relation to prior user rights. More specifically, the Groups are invited to answer the following questions:

17. Is harmonization of “prior user rights” desirable?

There is no need for harmonization.

18. What should be the standard definition of “use” in relation to prior user rights? Must the use be commercial?

No. At least if not yet commercial the prior right user should be in a position deep enough to demonstrate that he has already developed serious research and done serious investments to put the prior invention in the market.

19. What should be the definition of “date” (or “critical date”) for prior user rights? (*i.e.* when must the invention have been used to establish a prior user right?)

Before priority right if claimed by the patentee. If not, before patent application date.

20. Should a prior user right persist in the event that the use and/or preparation for use of the invention has already been abandoned at the time of the patent application/priority date or should the prior user right lapse upon the termination of the use and/or preparation of use?

We are of the opinion that the prior user right should not persist in the case it was abandoned at the time of the patent application/priority date to avoid speculation and to grant security to the application. Prior user rights should be protected only to the extent they are serious.

21. What should be the territorial scope of a prior user right? In particular, if a party has used the patented invention before the decisive date in a foreign country, should it then be entitled to claim a prior user right?

The territorial scope of a prior user right should be limited to the country where such prior use takes place.

22. Should there be a provision that excludes prior user rights for those who have derived their knowledge of the invention from the patent holder and/or the inventor? If yes, should it be necessary that the prior user has acted in good faith to be granted a prior user right?

Yes in the case they have not acted in good faith. It is already foreseen in the Portuguese IP law article 104.

23. Should there be material limitation with regard to prior use rights? In particular, if someone has used an embodiment of a patented invention before the filing/priority date of the patent, should he then be entitled to claim a prior user right to anything covered by the patent?

In our opinion the prior user right extent should be limited to the actual use of the invention he does and not to the whole patent. It is for such specific embodiment that prior research, the prior investments and prior use has been directed and normally not for the whole scope of the patent.

24. Should a prior user right be transferable and/ or licensable?

The transfer of the prior use can be accepted if done with the business itself. As for licensing it is our opinion that it cannot be accepted since this exception should be regarded in line with the characteristics of the prior user, either a person or a business, and also to prevent speculation over rights.

25. Should there be any exceptions for any specific fields of technology or types of entity with regard to prior user rights?

No

26. The Groups are also invited to present all other suggestions which may appear in the context of the possible international harmonization of "prior user rights".

None.