



Question Q228

National Group: ROMANIA
Title: Prior User Rights
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Reporter within Working Committee:

Date: May 6, 2014

Questions

I. Analysis of current law and case law

The 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 of the patent (“prior user rights”)?

Yes, the Romanian Patent Law no. 64/1991 (republished) contains provisions with regard the “prior user rights”.

The article 34 from the Patent Law No. 64/1991 provides that:

The following acts shall not constitute infringements of the rights provided in Article 32 and Article 33 (the exclusive right of the holder to exploit throughout entire duration of the patent):

b) performing any of the acts referred to in Art. 32, paragraph 2 by a person who has applied the subject-matter of the patent or that of the patent application, as published, or has taken real and effective steps towards producing or exploiting said subject-matter in good faith on the territory of Romania, independently of the owner of the patent and before the regular national filing concerning the invention has been effected or before the recognized priority date; in that case the invention may continue to be exploited by that person to the same extent as on the date of the regular national filing or recognized priority, but the right of use may not be transferred otherwise than with the assets of that person or the part of the said assets assigned to the exploitation of the invention.

Article 32 - The patent shall confer on its owner an exclusive right of exploitation throughout its entire duration.

It is prohibited to perform the following acts without the owner's consent:

- a) manufacturing, using, offering for sale, selling or importing for the purpose of using, offering for sale or selling, where the subject-matter of the patent is a product;
- b) using the process and using, offering for sale, selling or importing for those purposes the product directly obtained by the patented process where the subject matter of the patent is a process.

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

Although this principle is provided by law there are few cases in the jurisprudence in which this right is invoked. There are no empirical data on how often prior user rights are asserted as a defense in negotiations in court proceedings.

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 and commercialized?

The Romanian Patent Law provides that a person can claim the prior user right if he already applied the subject-matter of the patent or he just took all the real and effective steps towards producing or exploiting said subject-matter of the patent.

Accordingly, for claiming his prior right, it isn't sufficient just to conceive the embodiment, the prior user must apply the invention in a form provided by the patent: manufacture, use or sale, or must have already taken all the measures to produce it.

The above-mentioned measures must be serious and effective namely that the prior user has taken concrete action towards implementing the technical solution for example he ordered equipment in order to produce the invention.

The person claiming the prior user right has to prove what kind of measures he took before the filing/priority date of the patent, to show that those measures are in fact capable to be considered a prior right user.

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?*

According with the provision of art. 34 of the Romanian Patent Law prior user right will be recognized to the party who applied the subject matter of the patent before the filing date or priority date.

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 patented invention before the filing/priority date in a foreign country, can it then claim a prior user right in your country?*

There is a territorial limitation regarding the scope of prior user rights in Romania.

The national law provides that the person can invoke a prior user right if he applied the subject-matter of the patent or if he took real and effective steps towards producing or exploiting the subject-matter in good faith on the **territory of Romania**.

The Romanian Patent law does not confer the prior user right to the party who used the patented invention in other country in order to claim prior user right in Romania.

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?*

The Romanian Patent Law does not contain specific provision that exclude prior user rights for those who have derived their knowledge of the invention from patent holder or inventor but such condition are provided by the art. 34 of the law that stipulate the prior use must occur **“independently of the owner of the patent.”**

Furthermore, the following provisions with regard the disclosure of invention are provided by the art. 46 of the Implementing Regulation of the Patent Law no. 64/1991 (republished) *“the application of the provisions of Art. 11 paragraph (1) letter a) of the Law, there constitutes an obvious abuse against the persons provided for in Art. 11 paragraph (1) letter a) of the Law the disclosure of the invention to a third party:*

- a) that has purloined the invention from any of these persons; or*
- b) who the inventor communicated the invention to, on condition of not being rendered available to the public.*

(2) The abuse, within the meaning of paragraph (1), is supposed to be intentional and may be invoked by the applicant, even if the abuse has not been made relative thereto, but relative to the inventor who has assigned his rights in the invention, or relative to the first applicant who has assigned the rights.”

Romanian doctrine considers that the employee of the patent holder who was able to receive information about the invention before the registration cannot invoke a prior user right.

7. *It is necessary that the prior user has acted in good faith to be granted a prior user right?*

Yes, the Patent Law provide that the prior user must act in good-faith. This means that the person who wants to invoke prior right must act without having knowledge about the invention or patent application.

The party who have knowledge that is violating the legitimate rights and interests of another person regarding the same invention he cannot prevail by the prior user right.

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 of the patent, can he 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/alteration are permitted by your national law, to what degree?*

Yes, the Romanian Patent Law provides a material limitation regarding the prior user rights. The person who used an embodiment of the patent before the filing/priority of the patent may use the invention without violating the right of the owner of the patent **if he use it in the same form or same extent as used on the date of the regular national filing or recognized priority.**

The Romanian patent Law does not allowed to prior user rights to alter / change the embodiment of the patented invention and stipulate that they are strictly limited to the concrete use enacted or prepared before the patent's application or priority date.

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 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?*

The Romanian Patent Law does not contain requirements related to continued use of invention by the prior user rights.

The Romanian patent legislation allow the party to use the invention, as a right gained by conceiving the embodiment or by taken all the measures of the use, made independently by the holder of the patent, but it does not obligate the person to continue to use it.

Therefore, to invoke the prior user right is sufficient if the invention claimed by the party has been used before the priority/filing date of the patent.

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

The prior user right is not licensable in Romania. As regard to the transfer of prior user right the Romanian patent law provides that the right of use **may not be transferred otherwise than with the assets of that person or the part of the said assets assigned to the exploitation of the invention.**

So, the law distinguish the transfer of the right with the asset of the person and the asset assigned to the exploitation of the invention.

Under the Romanian law the full assets of the individual can be transferred only after his death to his successors, because the patrimony is inalienable which means that it cannot be separated from person, as long as it exists as a matter of law.

The only possibility to transfer prior rights by a person is to assign the part of his asset to the exploitation of the invention.

The patrimony of affectation is part of the patrimony assigned for an economic activity, all rights and obligations in relation to the conduct of an activity.

So, the individual can assign his patrimony to the exploitation of the invention, only if this activity is an economical and professional activity.

Under the Romanian legislation, the person can be authorized as a freelancer to exploit the invention as a professional activity and assign a part of his patrimony to this kind of activity.

In this situation the law allowed him to transfer only this part of the patrimony to another person, due that the activity is a professional one and it is separated from his individual patrimony.

The same situation is for the case of transfer of prior right by a legal person. The right can be transferred with the entire company or with the part of the company which was affected for the exploitation of the invention.

We have to mention that in our doctrine doesn't exist unitary opinion regarding the possibility of transferring the prior right with the company's stock in trade.

Some authors believe that this transfer is possible, but some invoke the fact that the stock in trade is not a part of the patrimony, it is a universality which includes only the active elements that cannot be transferred in the same time with the prior user right.

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 can be transferred or licensed to another group company?*

No, the Romanian legislation does not contain specific provisions regarding to a prior user right owned by a company or the right of transferring or licensing it to another group company.

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, our legislation does not provide any exception for any specific fields of technology or type of entity regarding the prior user rights.

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

The Romanian Patent law provides the following requirement regarding the prior user rights – the personal use of the invention. Accordingly, art. 34 letter b of Patent Law provides that **“in that case the invention may continue to be exploited by that person”** which means that the permission of use refer to the person who applied the invention or took all the measures to apply it. Therefore, the invention cannot be produced to be sold, or applied by other persons or other companies.

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?*

We are the opinion that a prior user right should exist in any legal system because this right is the legislative recognition of consequences imposed by equity.

It is known that the idea of a new solution – invention, know-how, design - can occur at more than one person, in different places, without knowing one about the other.

In this case, it is natural that the person who hasn't registered his right to continue to use it in his personal interest, without prejudice of the patent holder.

The main legal justification is the 4th article of the The Paris Convention for the Protection of Industrial Property, signed in Paris, France, on 20 March 1883 which establish the principle of **priority right**.

It provides that an applicant from one contracting State shall be able to use its first filing date (in one of the contracting State) as the effective filing date in another contracting State, provided that the applicant files a subsequent application within 6 months (for industrial designs and trademarks) or 12 months (for patents and utility models) from the first filing.

This article can be corroborated with the principle of the right acquired in **good-faith**.

Good faith is an abstract and comprehensive term that encompasses a sincere belief or motive without any malice or the desire to defraud others. It derives from the translation of the Latin term *bona fide*, and courts use the two terms interchangeably.

In law, *bona fides* denotes the mental and moral states of honesty and conviction regarding either the truth or the falsity of a proposition, or of a body of opinion; likewise regarding either the rectitude or the depravity of a line of conduct. As a legal concept *bona fides* is especially important in matters of equity.

Since, in our legislation the prior user right can be recognized only if the person was acting in good-faith, we believe that this principle, available in several legislations around the world, is the legal justification for those states to implement the prior user right.

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

The prior user right is recognized by the law and doctrine.

There are authors who explained the applicability of the article 34 from the Patent Law no. 64/1991, the condition and the limits, claiming that this right represents a manifestation of equity and of ubiquity - in terms of appearance of industrial creations.

In another words this right is born from the possibility that the object of the industrial property to be created by many persons in the same time or in different times but in the same period.

In this situation it is fair for the person who acted in good-faith and independently from the owner of the patent to be able to continue to use his invention after the priority/filing date.

Regarding the jurisprudence, in Romanian there are few cases involving this matter even if this right is provided by the law.

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?

According with the Romanian jurisprudence the applicability of the article regarding the prior user right is reduced and practice didn't yet reveal any problems that might need to be corrected or changed in our legislation.

Our opinion is that the Romanian Patent law may need to be improved regarding the condition meaning that these have to be more precise, to be accessible to the person who might invoke the prior user right.

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 the “prior user right” desirable?

We consider that the harmonization of “prior user right” is desirable because in this stage a person who applied the invention in Romania cannot oppose the previous user right to a patent owner from another country.

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

We are of the opinion that the use must be a personal one, in the interest of the person or company who invented the technical solution.

The commercial use will violate the owner’s exclusive right of exploitation of the invention. This right is an exclusive one due to the fact that the inventor decided to make public his invention and filed the application for the patent.

So, he has to be able to benefit from all the prerogatives of his patent, including a commercial using of his invention.

If the previous user will use the invention in a commercial way, he will benefit from the invention in the same way as the patent holder but without filing an application in this matter.

In our opinion the “use” must be a personal one and it can be defined like the use of the invention in the personal interest of the inventor, strictly for himself or for the activity of the company.

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

The definition of the date may be one that includes the filing date and the priority 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 the use?

We are of the opinion that the invention can be used by the prior user in the same way it was used on the date of the patent application or the priority date.

Any other modification of the invention after the date of application can be considered an infringement of the owner rights.

Consequently, if the invention or the preparation were abandoned, after the priority/filing date of the patent, the prior user cannot continue the preparation in order to finish his invention or to make any changes to the original invention.

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?

Yes, we are of the opinion that for the scope of harmonization of the legislations, the territorial scope must be larger than the territory of country where the invention was patented. Even if the applicability of this provision can be minimal, the law as an instrument for the individuals has to be able to provide rules for all situations arising in practice.

22. Should be a provision that excludes prior user right 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?

We maintain our opinion from the answer given to the question no. 6, namely, the person must create his invention independently from the other inventor who decided to patent the same invention.

We consider that it is necessary for the user to act in good faith meaning that he will create his invention without having knowledge about the idea of the other inventor. Only for this case the limitation of the owner rights is justified.

23. Should there be material limitation with regard to prior use rights? In particular, if someone has used an embodiment of the 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.

We are of the opinion that the legal solution for this particular case is to establish a material limitation of the prior user rights which means that the previous user may use his invention in the same stage/form/volume it was before the filing/priority date. The response to the question regarding the claiming of prior use right to anything covered by the patent is given by the limitation on the date of filing the patent application.

We have to take into consideration that the patent confers the owner exclusive rights of exploitation of the invention and this right may be limited only in special conditions.

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

Starting from the idea that these rights are personal, we believe they should be able to be transferred only with the entire patrimony of the inventor.

If the right is transferred or licensed to another person the use of the invention remains a private utilization and the exclusive rights of the inventor are still protected.

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

We are of the opinion that a limitation of any kind of fields of technology or types of entity will be unjustified because a creation must be protected in any field.

In the same manner, we consider that any inventor needs to be protected by the law, without any discrimination.

However by exclusion of a field of activity or a type of entity shall create an unjustified disadvantage for the types excluded from protection and shall discourage the people to materialize their ideas and this fact will mean a loss for the technology progress.

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

As regard to the possible international harmonization of the principle of "prior user right" we are of the opinion that should include clear and specific requirements in order not to become an instrument used by the parties who want to benefit by the patented invention.

This rule has to remain a legal recognition of the right of the previous user who created an invention in good faith without having knowledge about same invention materialized by another person in the same or other country.

SUMMARY

Romanian Patent legislation provides an exception to the exclusive right of a patent holder for parties who have used the invention before the filing/priority of the patent called the "prior user right".

In order not to become an unjustified limitation of the patent holder rights the previous user must prove that he applied the subject-matter of the patent or that of the patent application, as published, or has taken real and effective steps towards producing or exploiting said subject-matter in good faith on the territory of Romania, independently of the owner of the patent and before the regular national filing concerning the invention has been effected or before the recognized priority date.

Romanian group is of opinion that the harmonization of legislation concerning the "prior user right" is appropriate so that this right can be recognized to the citizens in foreign countries.

RÉSUMÉ:

La législation roumaine prévoit une exception au droit exclusif du titulaire d'un brevet pour les partis qui ont utilisé l'invention avant le dépôt / priorité du brevet appelé «le droit de l'utilisateur antérieur».

Afin de ne pas devenir une limitation injustifiée des droits de titulaire du brevet l'utilisateur précédent doit prouver qu'il a appliqué l'objet du brevet ou de la demande de brevet telle que publiée, ou a pris des mesures réelles et efficaces vers la production ou à l'exploitation de la dite objet de bonne foi sur le territoire de la Roumanie, indépendamment du titulaire du brevet et avant le dépôt national régulier de l'invention a été effectuée ou avant la date de priorité reconnue.

Groupe roumain est d'avis que l'harmonisation de la législation concernant le "droit d'utilisation antérieure" est approprié afin que ce droit peut être reconnu aux citoyens dans les pays étrangers.