



## Question Q228

**National Group:** South Africa

**Title:** **Prior User Rights**

**Contributors:**

**Reporter within  
Working Committee:**

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## 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”)?

There is no specific provision in the South African Patents Act No. 57 of 1978 (“the Patents Act”) that creates an exclusion from liability for patent infringement on account of prior use. However, our courts have recognised the principle of the so-called “*Gillette*” defence. The *Gillette* defence is available to a defendant who is able to establish that, at the priority date of the patent, the act of alleged infringement was not novel, or was obvious (within the statutory definition of novelty and obviousness). This in substance amounts to an attack on the validity of the patent.

Section 25(5) and 25(6) provide as follows:

“25. *Patentable inventions.*—

(5) *An invention shall be deemed to be new if it does not form part of the state of the art immediately before the priority date of that invention.*

(6) *The state of the art shall comprise all matter (whether a product, a process, information about either, or anything else) which has been made available to the public (whether in the Republic or elsewhere) by written or oral description, by use or in any other way.”*

Section 25(8) of the Patents Act further provides as follows:

(8) *An invention used secretly and on a commercial scale within the Republic shall also be deemed to form part of the state of the art for the purposes of subsection (5).*

In other words, certain “prior user” safeguards are provided for, but only to the extent that a defendant is able to show that he used the invention in a way that resulted in the invention being “*part of the state of the art*” (i.e. by being “*made available to the public*”) at the relevant priority date, or he used an obvious variant thereof. A defendant would also be entitled to rely on secret commercial use in South Africa in light of the provisions of section 25(8).

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?

There is no empirical data available. The Gillette defense has been raised on a few occasions in South African court proceedings and does arise from time to time in negotiations.

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?

In light of what is set above, the nature of the prior use must be sufficient to meet the standards required to invalidate the asserted claims on the ground of lack of novelty or obviousness. Conceiving of an embodiment without meeting the requirements to prove that the embodiment formed part of the state of the art would be insufficient.

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, since the prior use defense amounts to a validity attack the priority date is relevant unless the invention cannot support its claim to priority in which case the filing date would be relevant.

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?

See answer to question 1. Not in so far as section 25 (5) and (6) are concerned (since absolute novelty applies) but, if reliance is placed on secret commercial use, the defense would be limited to activities within South Africa.

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?

Section 26 of our Patents Act allows a patentee to file an application after prior use has taken place by another party if the aggrieved party shows that the prior use took place without his consent and the use was derived from information provided by the aggrieved party to the third party and the aggrieved party filed a patent application with all reasonable diligence after becoming aware of the use.

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

Not relevant (other than in so far as section 26 is concerned).

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?

See answer to question 3.

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?

In light of what is set out above, interrupted use should not affect the position if the use constituted part of the state of the art at the relevant date.

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

In light of what is set above this is not relevant.

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?

In light of what is set above this is not relevant.

12. Are there any exceptions for any specific fields of technology or types of enti-

ty with regard to prior user rights in your country?

In light of what is set above this is not relevant.

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

## **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?

A prior user right should exist in any legal system. The rationale is that a failure to recognise this would be tantamount to providing rights with retrospective effect (once the patent application has been filed). It would create legal uncertainty at the time of the commencement of the prior use as the potential infringer could not reasonably be made aware of the right at the time. Therefore, it would be contrary to the interests of the public to not afford such rights.

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

Although some prior use rights exist, under the guise of a validity attack, a well defined prior user defense would create better certainty and may obviate extensive debate on grounds of invalidity thereby providing a streamlined defense. It may also advantageously extend the defense to circumstances that fall out of the boundaries of what constitutes part of the state of the art, for example, secret use outside of South Africa.

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?

See answer to question 15.

## **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?

Yes.

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

Yes.

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?)

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 use?

It should not lapse.

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.

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, it should be designed to protect *bona fide* independent prior use.

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?

No, it should be limited to preserving the prior user's position in so far as their activities are concerned.

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

Yes, but only by way of affording protection to multiple companies within an existing group of (sister) companies.

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”.