



PATENT INFRINGEMENT IN NIGERIA: WHEN CAN IT BE EXCUSED?



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INTRODUCTION

Patents are exclusive time-bound rights given to an inventor by a government where such inventor successfully demonstrates that his disclosed invention is novel (new) and capable of industrial application.¹ One of the goals of the patent registration system is to encourage innovation and invention by securing for the inventor, the exclusive right for a fixed period, to commercially exploit his invention and restrict all other persons from imitating or otherwise exploiting the invention without the inventor's permission.

Patents, therefore, create private monopoly rights for the holder and incentivises research thereby playing a developmental role by encouraging invention in the society. In Nigeria, the significant increase in the pace of industrial and technological development has increased the relevance of patent protection for inventions. There is now an increasing need for investors to be concerned about the patentability of their inventions and the possible liabilities they may incur from infringing on another inventor's patent.

Infringement of patent arises from deliberately or inadvertently performing any of the acts which are exclusively reserved by law for the patent holder. The risk of inadvertent infringement is increased by the possibility that separate persons can produce identical inventions at the same time without each other's knowledge. This may occur due to the fact that inventions and innovations are often responses to deficiencies in a particular industry or sector of the economy, and these responses may be created from the same idea.

In Nigeria, a patent is granted to the first person to file an application for the grant, also called the "statutory inventor." Since the grant is to the first person to apply and not to the first person to conceive the invention, difficulties may arise where separate persons come up with identical inventions at the same time, and it often ends in what is termed as "a race to the patent office." An inventor who is beaten to the race would therefore have concerns about potential liability for claims of infringement by the statutory inventor. This article examines the concept of patents and patent infringement and discusses the possible defences to an allegation of patent infringement in Nigeria.

WHAT IS A PATENT

A patent is the grant by a government authority to an inventor, of the right to exclude others from making, using, marketing, selling, offering for sale, or importing infringing products for a specified period (up to 20 years from the date of filing in Nigeria) provided the product or process is **novel, useful, and non-obvious**.²

¹Sec. 101 of the United States Patents Act, Title No. 35 USC, PT II Ch. 10

²B.A. Garner, Black's Law Dictionary, 10th ed., (West Publishing Co: USA, 1999), p. 1300.

‘Novelty’ is described as everything that does not form part of the state of the Art³, i.e. anything that has not been previously existing. This requirement of novelty may be satisfied by ‘new’ inventions as well as existing inventions that have been improved through additional inventive processes. For instance, if a Nigerian finally realises the age-long dream of producing a flying car, irrespective of the fact that cars already exist, he can be granted a patent to his new invention – the flying car named “flar.” The element of ‘inventive step’ introduces the requirement of uniqueness which means the product or process must also go beyond what will be evident to a skilled technician in that Art. The invention must also be capable of being made or used in an identifiable industry.

A patent can be granted in respect of either a product or process or both. In Nigeria, a patent is usually granted to expire at the end of the 20th year from the date of filing of the relevant application.⁴ However, the grant would lapse if the patent holder fails to pay the prescribed annual fees to renew the term in any year. The patentee has a grace period of 6 months to pay the prescribed fee and prevent the lapse of his patent.⁵

The Government agency responsible for the management of the grant of patents is the Trademarks, Patents and Designs Registry of the Federal Ministry of Industry, Trade and Investment. An application for a patent is made to the Registrar of Patents and the application is accompanied by a description of the relevant invention with any appropriate plans and claim or claims.

The inventor must be named in the patent even if the application for patent is not made by such inventor and this requirement cannot be varied by contract. The effect of this is that failure to include the correct inventor or list of inventors may render the patent invalid. Once a patent has been granted to an inventor for a product or process, the patentee acquires monopoly rights to exploit the invention and hold off any competition until the patent expires. The owner of a patent has the exclusive right to restrict other persons from making, importing, selling and using the invention. Until the expiration or invalidity of a patent, third parties may only perform any of the restricted acts where the patent holder grants them a licence to do so.

³ ‘State of the Art’ is defined in Section 1(3) of the Patents and Designs Act Chapter P2 Laws of the Federation of Nigeria, 2004, as; “everything concerning the art or field of knowledge which has been made available to the public anywhere and at any time whatever before the date of the filing of the patent application...”

⁴ Section 7 (1) of the Patents and Designs Act.

⁵ Section 7(2) of the Patents and Designs Act.

PATENTABLE AND NON PATENTABLE INVENTIONS IN NIGERIA

Patentability in Nigeria is determined based on the nature of the process or product over which a patent is claimed under the provisions of The Patents and Design Act, Chapter P2 Laws of the Federation of Nigeria 2004 (“the Act”). The Act provides specific exclusions of products and processes, which by their very nature are deemed to be non-patentable subject-matter. These exceptions are explicitly listed in Section 1 (4) (a)-(b) of the Act as follows:

- a. plant or animal varieties or essentially biological processes for the production of plants or animals (other than micro-biological processes and their products)*
- b. inventions, the publication or exploitation of which would be contrary to public order or morality, (it being understood for the purposes of the paragraph that the exploitation of an invention is not contrary to public order or morality merely because its exploitation is prohibited by law).*

In addition to the foregoing, only inventions are patentable under the Act. As such, principles and discoveries of a scientific nature are not patentable because they are not inventions.⁶

Aside from the exceptions in Section 1(4) (a)-(b) listed above, other inventions may be patentable where they satisfy the requirements for registration under the Act. An invention will therefore be deemed patentable if;

- a. it is new, results from inventive activity and is capable of industrial application*
- b. it constitutes an improvement upon a patented invention and also is new, results from inventive activity and is capable of industrial application.*⁷

PATENT INFRINGEMENT

The patent system secures economic benefits for inventors by providing monopoly rights by which time, money and effort expended in research and development may be rewarded. This goal may be vitiated where any person infringes on this monopoly right either deliberately or borne out of ignorance. It is deliberate when the infringer is aware that a product is patented and goes ahead to make, sell or import an imitation, and it is borne out of ignorance when the infringer through negligence imitates the patentee’s product due to the fact that such patent is not prominent. In Nigeria, a person only infringes if he performs any of the restricted acts under the Act, particularly for industrial or commercial purposes.⁸

In particular, patent infringement occurs when any person imports infringing copies, makes, uses, sells or offers to sell a patented invention without the licence

⁶ Section 1(5) of the Patents and Designs Act.

⁷ Section 1(1) of the Patents and Designs Act.

⁸ Section 6(1) of the Patents and Designs Act.

of the patent holder and therefore violates the patent holder's monopoly right to restrict other persons from carrying out any of these acts.⁹ As previously discussed in this article, a patent can be granted in respect of a product or process. With respect to a product, a patent holder can prevent another from importing, making, using, selling or stocking the product for the purpose of sale or use. If the right to a patent is granted in respect of a process, the patent holder can also prevent another from applying or using the process in respect of a product obtained directly by means of such process. It should be noted that it is possible to obtain a patent over a particular product and the process of obtaining the product.

For example, consider a hypothetical situation where a fictitious pharmaceutical company, 'FirstAid', owns the patent covering a new process developed by them and also in the resultant product, 'Sicklevidine' which is formulated for the conversion of the sickle cell gene to a normal gene. If 'FirstAid' discovers that another company, 'SecondAid', is making and selling 'Wellvidine' (a product which performs the same function as Sicklevidine and is made from the same process), 'FirstAid' can sue 'SecondAid' for infringement for both the product and the process because the right of patent was granted for both the process of manufacture and the resultant product.

However, for an action in patent infringement to be successful, the right of patent in question must cover the right that was granted to the patent holder i.e. either in respect of a product/products or process/processes or both. The result of this is that if the right in a patent is just for a product, the patentee only has a monopoly over that product and cannot claim infringement of his patent if another person applies his process to get a different product.

DEFENCES TO PATENT INFRINGEMENT

A successful claim for infringement of a patent in Nigeria could lead to the award of substantial damages against the infringer in addition to injunctions to prevent further infringement. A prospective investor ought therefore to be cautious so he does not lose the investment in a product or process that turns out to be invalid due to the effect of a prior registered patent, and also suffer the punitive damages imposed by a court for infringement.

However, in the event that a claim for infringement of a patent is brought against such an investor by the patent holder, there are several recognised defences the investor can rely on in establishing his innocence. The alleged infringer or any person can make a case at the Federal High Court seeking a declaration that the invention does not infringe the patent either because the acts complained of do not amount to infringement of patent in law or that the patent allegedly infringed is

⁹ Section 25(1) of the Patents and Designs Act.

invalid and ought not to have been granted in the first place (this could be because the invention is not patentable in Nigeria or the patent has already been granted in Nigeria for the same invention to an earlier fresh applicant or earlier foreign-priority applicant). Also, an inventor who can demonstrate that the acts done are for experimental or non-commercial purposes may escape liability in an action for infringement. Statutory authority for challenging the validity of the grant of a patent is provided under Section 9 of the Act. The Act provides jurisdiction for the Federal High Court to declare any patent as null and void;

- a. if the subject of the patent is not patentable;
- b. if the description of the invention or claim does not conform with the provisions of the Act;
- c. or if for the same invention, a patent has been granted in Nigeria as the result of a prior application or an application benefiting from an earlier foreign priority (where a patent has been granted in respect of the same invention in another jurisdiction outside the country and this application was done prior to the application in Nigeria)”

Where any of the foregoing provisions are successfully established against any patent, such patent is automatically invalid and therefore cannot be said to have been infringed.

CONCLUSION

It is important to note that patents secure economic rights and should constitute a significant consideration for prospective investors in inventions. Adequate due diligence is therefore advisable before embarking on the inventive process to ensure that the invention is not only patentable but adequately protected by the grant of a patent over the product, process, application. This would also ensure that the patent holder is appropriately protected from potential infringers as he secures the right to restrict the acts other persons can perform in relation to the invention. Before applying for the grant of a patent, an applicant/inventor should ensure that a search is conducted at the Patents and Designs registry to avoid investing in an invention which may not be patentable.

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