

## PATENTABILITY OF INVENTIONS UNDER THE NIGERIA'S PATENTS AND DESIGNS ACT: AN EXAMINATION\*

### Abstract

*The nature of invention, the reason(s) for protecting invention and the requirements for the patentability of invention under the Nigerian Patents and Designs Act are the main thrust of this paper. It is now trite that the global standard or criterion for granting a patent is that the invention must be patentable. The paper therefore examines the criteria for patenting inventions, that is, such invention must be novel; it must result from inventive activity and must not be obvious to a person knowledgeable in the art or field of study. In respect of plant or animal varieties, or essentially biological processes for the production of plants or animals (other than microbiological processes and their products) patent is denied. The paper analyses this position and concludes that there is the need to ensure that invention and innovation is not stultified by refusing to patent an invention just because it is biological. The Nigerian Patent Registry refuses patent applications for Software or Computer-implemented inventions this paper argues that this provision of law should be changed in line with the rapid development in the field of computer technology. The paper concludes by making recommendations to improve the current legal situation in Nigeria.*

**Key words:** *Intellectual property, patent, inventions, patentability.*

### 1. Introduction

The history of Patents and Designs law, like Trademark and Copyright laws and most other laws in Nigeria, finds its roots in the received English laws and practices in Nigeria. Patents and Designs Law was received into in Nigeria through two sources that were Common Law of England, the Doctrines of Equity and Statutes of General Application enacted as at 1<sup>st</sup> January 1900. The other statutes enacted after that date could be extended to apply in Nigeria by an enabling Order-in-Council.<sup>1</sup> Patent law was first enacted in 1900 for the Colony of Lagos<sup>2</sup> and Southern Nigeria<sup>3</sup> and then in Northern Nigeria in 1902.<sup>4</sup> By 1914, the Northern and Southern protectorates were amalgamated; these laws were repealed and replaced by the Patent Ordinance 1916.<sup>5</sup> However, in 1925 the title Patent Ordinance gave way to registration of United Kingdom Patent Ordinance. By the provision of this new law, a patentee is required to first register in the UK and thereafter may apply to file the registered patent in Nigeria and would take effect as a patent in Nigeria. This provision was retained until 1970 when new Patent and Designs Acts of 1970 was enacted. Nigeria, like several other developing nations, is facing new developments and challenges in the process of strengthening its intellectual property system, as a result of rapid globalization that has engulfed the world economy. Specifically, the areas of concern for Nigeria involves the establishment of appropriate legal and institutional frameworks, creating awareness on the importance of Intellectual Property Rights, protection of pharmaceuticals, biotechnological inventions, business methods and software, electronic filling of patent applications and the future of the Intellectual Property system in general. There is no provision presently for substantive examination of inventions under the Patent law due to lack of technical capability and infrastructures for such exercise. When it comes to examination of patent claims application there are shortage of manpower and lack of technical know-how. This research study examines these problems and recommends that there is urgent need to improve on the technical knowledge of the staff especially in dealing with the complex technological innovations. Protection of an inventor's invention can only be effective where there is a virile judicial system knowledgeable in complex technological invention

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<sup>1</sup> P. Ocheme, *Law and Practice of Copyright in Nigeria*, (ABU press, Zaria 2000) pp 8 - 9.

<sup>2</sup> The Patent Ordinance No. 17 of 1900; See also G. Ezejiolor, "The Law of Patent in Nigeria: A review, 1973 9 Afr. L. Studies" 39.

<sup>3</sup> Patents Proclamation No. 27 of 1900.

<sup>4</sup> Patents Proclamation No. 12 of 1902.

<sup>5</sup> Cap. 141 of 1923 edition of Laws of Nigeria No. 20 of 1916.

to determine when an inventor's right is infringed. There is the need to create a special court that will handle patent matters in Nigeria.

Another area of challenge under the Patent law is in respect of inventions developed by an employee in the course of employment. The Patent law provides that 'in the case of an invention made in the course of employment or in the execution of a contract for the performance of a specific work, the right to a patent in the invention is vested in the employer or the person who commissioned the work.' This aspect is further considered under the right of a patentee in the subsequent paragraph of this paper. Under the Paris Convention and most national Patent Laws like the Nigerian Patent and Designs Act, an Invention is patentable when it is new; involve an inventive step and is industrially applicable. Some inventions like pharmaceutical products are however excluded from such protection. The rationale for the exclusion is that such inventions will assist to promote access to drugs at competitive prices while another school of thought is against its exclusion, and feels it will discourage innovation and deprive inventors of the benefits to be accrued from its sales. Nigeria was with the first school of thought, hence pharmaceuticals was excluded from patentability. However, with the emergence of TRIPS Agreement, all WTO members are obliged to recognize patents in all fields of technology including pharmaceuticals. Presently, Nigeria is currently in strong support of the protection of pharmaceuticals. There is a strong need for review of the existing law to make it TRIPS compliant and also promote research and development in this field of technology. On non-patentable inventions, the Act provides that a patent will not be granted for:<sup>6</sup>

- (a) Plant or animal varieties or essentially biological processes for the production of plants or animals (other than micro-biology 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).

The phrase 'essentially biological processes for the production of plants or animals' in our law is not clear. What does 'essentially biological' mean? Many a times it is difficult to distinguish between an 'essentially biological and microbiology process.' There is the need to ensure that invention and innovation is not stultified by refusing to patent an invention just because is it biological. This study would recommend patenting even biological invention if it satisfies the requirements of patentability. Also section 1(4)(b) provides that Inventions, the publication or exploitation of which would be contrary to public order or morality is not patentable. It is important to note however that Patents and Designs Act does not define the benchmark for public order or morality and how such terms could be measured for the purposes of application in terms of patents. It has been observed that this is crucial in a country like Nigeria that is multi-ethnic, multi-cultural and multi-religious and where the yardstick and parameters for assessing morality differ among ethnic groupings, social standings, tribes and religions. It might be easier to determine the essential ingredients of public order in a polity by considering factors that may derail existing governmental structure and social equanimity within a state and consider those as capable of derailing public order. A point to note is that this leg of prohibition could be used to regulate several types of inventions from being presented for patent, for instance, products that could impinge on the susceptibilities of a particular ethnic or religious group and lead to protestations capable of distorting socio-political equilibrium within the society concerned.<sup>7</sup>

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<sup>6</sup> Section 1(4)(a-b) Patents and Designs Act Cap. P 2, Laws of Federation of Nigeria, 2004.

<sup>7</sup> Patentability under the Nigerian Patents and Designs Act (PDA): An Introductory Analysis <[www.templars-law.com/media/patentability](http://www.templars-law.com/media/patentability)> accessed 23 April 2015.

The Nigerian Patent Registry does not accept patent applications for Software or Computer-Implemented Inventions on the grounds that the Nigerian Legislature when enacting the Patents and Designs Act did not anticipate the registration of software Patents.<sup>8</sup> However, Computer programmes and Software inventions are been granted patent protection essentially in the United States of America. Although Computer programmes and Software inventions are not patentable under the European Patent Convention, patents are been granted to some Computer programmes and Software inventions that met the requirements of Patentability. Nigeria should not be left out of the recent changes in law that concerns Computer programmes and Software inventions.

## 2. Conceptual Clarification

### Intellectual Property

The World Intellectual Property Organization (WIPO) defines Intellectual Property as: Creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce.<sup>9</sup> Intellectual Property Rights are property rights in something intangible that protect innovations and reward innovative activity.<sup>10</sup> Intellectual Property Rights refers to property rights in creations of the mind, such as inventions, industrial designs, symbols, names, images among others. It allows people to own their creativity and innovations in the same way that they can own physical property and it is indeed the most valued asset owned by a company. This is aptly put in the following quote by Ben Franklin: 'If a man empties his purse into his head, no man can take it away from him. An investment in knowledge always pays the best interest.'<sup>11</sup> Intellectual property is divided into two categories: [a] Industrial property, which includes inventions (patents), trademarks, industrial designs, etc., and [b] Copyright, which includes literary and artistic work such as novels, poems and plays, films, musical works, artistic works i.e. drawings, paintings, photographs and sculptures, and architectural designs. It also includes performing and recording rights.<sup>12</sup>

### Patent

A patent is a right granted to anyone who invents any new and useful process or fundamentally impresses an existing process. It is granted an inventor by the State, which allows the inventor to exclude anyone else from commercially exploiting his invention for a limited period usually 20 years. A Patent is usually a grant made by the relevant government authorities within a country to protect new inventions or improvements thereon that are considered to have improved the way(s) the earlier inventions were made or used.<sup>13</sup> This legal monopoly is considered a reward for the time and effort expended in creating the invention. In return, the invention must be described in detail to the Patent Office, which publishes the information, thus increasing the amount of technological knowledge available to the public.<sup>14</sup>

### Invention

An invention is defined as '*the discovery or creation of a new material (either a new manufactured product or a new composition or matter), a new process, a new use for an existing material, or any improvements of any of these.*'<sup>15</sup> The Nigerian Patents and Designs Act<sup>16</sup> describes the term 'invention' as 'an improvement upon a patented invention and also is new, results from inventive activity and is

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<sup>8</sup> This statement is credited to Intellectual Property Institute on 3 March 2013. Accessed on 3 February 2015.

<sup>9</sup> Aluko and Oyebo (Legal practitioners). *NIALS Journal of Intellectual Property [NJIP]* (2012) 102.

<sup>10</sup> F.O. Babafemi, *Intellectual Property: The Law and Practice of Copyrights, Trade Marks, Patents and Industrial Designs in Nigeria* (1<sup>st</sup> edn, Justinian Books Limited, Ibadan, Nigeria, 2007) 342.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> E. S. Freibrun, 'Intellectual Property Rights in Software: What They Are and How the Law Protects Them' <[www.freibrun.com/articles/articl2.htm](http://www.freibrun.com/articles/articl2.htm)> accessed 22 April 2015.

<sup>15</sup> Ipsos. [www.usu.edu/html/inventors/whatisinvent](http://www.usu.edu/html/inventors/whatisinvent). Accessed 10 March 2015.

<sup>16</sup> Patent and Designs Act, Cap. P2, Laws of Federation of Nigeria, 2004.

capable of industrial application.<sup>17</sup> The Iraqi Patent Act<sup>18</sup> defines the term ‘invention’ as ‘any innovative idea, in any field of technology, which relates to a product or a manufacturing process, or both, and practically solves a specific problem in any of those fields’.<sup>19</sup> Thus, an invention can be a product or a process or both. Internationally, the TRIPS Agreement<sup>20</sup> stipulated that ‘patents shall be available for any invention, whether products or process.’ There is a distinction between the scope of protection conferred by a patent for inventions which are ‘products’ and ‘processes’. A product is a tangible thing. On the other hand, a process (or ‘industrial process’ as in the Iraqi Patent Act) can also be regarded as tangible if it causes changes in physical state, e.g. of industrial machinery or a computer.<sup>21</sup> Article 64 of the European Patent Convention, 1973 and section 60 of the UK Patent Act, 1977 have not defined the meaning of ‘an invention’. However, the UK Patent Act, 1977 stipulated that for the purpose of this Act, a patent may be granted for an invention if it is ‘specified in a claim of the specification of application or patent, as the case may be, as interpreted by the description and any drawings contained in that specification, and the extent of the protection conferred by a patent or application for a patent shall be determined accordingly’.<sup>22</sup>

### 3. Patentability of Inventions under Patents and Designs Act<sup>23</sup>

According to Section 1(1) of the Act<sup>24</sup> an invention is patentable if only it is new, result from inventive activity and is capable of industrial application. It is now trite that the global standard or criterion for granting a patent is that the invention must be patentable. Article 83 European Patent Convention was referred to in the case of *Novartis v Johnson and Johnson*.<sup>25</sup> Article 83 requires an invention to be disclosed in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art. As against attempting to define what constitutes an ‘invention’ for the purposes of granting a patent, section 1 of the Nigerian *Patents and Design Act*<sup>26</sup> stipulates the circumstances under which an invention could be considered patentable. Under the section, an invention is patentable if: (a) if it is new, results from inventive activity and is capable of industrial application; or (b) if it constitutes an improvement upon a patented invention and also is new, results from inventive activity and is capable of industrial application. For the purposes of subsection (1) of this section- (a) an invention is new if it does not form part of the state of the art, (b) an invention results from inventive activity if it does not obviously follow from the state of the art, either as to the method, the application, the combination of methods, or the product which it concerns, or as to the industrial result it produces; and (c) an invention is capable of industrial application if it can be manufactured or used in any kind of industry, including agriculture.

The phrase ‘the art’ means the art or field of knowledge to which an invention relates. By the provision of the Act ‘the state of the art’ means:

everything concerning that art or field of knowledge which has been made available to the public anywhere and at any time whatever (by means of a written or oral description, by use or in any other way) before the date of the filing of the patent application relating to the invention or the foreign priority date validly claimed in respect thereof, so however that an invention shall not be deemed to have been made available to the public merely by reason of the fact that, within the period of six months preceding the filing of a patent application in respect of

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<sup>17</sup> Ibid (n 16), S1 (1) (b).

<sup>18</sup> No 65 of 1970, as amended in 2004.

<sup>19</sup> Ibid (n 18) S.1 (4).

<sup>20</sup> Article 27/1.

<sup>21</sup> Art 64 of the EPC 1973 and section 60 of the UK Patent Act 1977.

<sup>22</sup> S 125(1) UK Patent Act 1977

<sup>23</sup> Patents and Designs Act Cap. 344 Laws of Federation of Nigeria, 1990; Cap. P 2 Laws of Federation of Nigeria, 2004.

<sup>24</sup> Ibid.

<sup>25</sup> Cour d'Appel of Paris, France, 27 October 2010, Case no. 09/08135.

<sup>26</sup> Ibid.

the invention, the inventor or his successor in title has exhibited it in an official or officially recognised international exhibition.<sup>27</sup>

Newness therefore is not restricted to the availability of that particular invention to the public but extends to include the availability of descriptive information about the invention to the public.<sup>28</sup> In order for the 'invention' to be regarded as new, it must not be something that has been published already and therefore anticipatory. In the case of *Otto v. Steel*<sup>29</sup> the court held that 'the anticipatory document in the case of a written publication could be a book, journal or an earlier patent application, so long as the document was ordinarily accessible to the public.<sup>30</sup> On novelty and inventive step, the court held in the case of *Windsurfing v. Tabur*<sup>31</sup> that the patent was anticipated by the prior published article and by young Peter Chilver's home-made sailboard.<sup>32</sup> It was further argued that patents are for practical inventions, not for theories or ideas, so to be patentable, requirement is quite wide, it means that the invention can be made or used in any kind of industry, including agriculture. On this reference is made to Gillette Defence in the case of *Gillette safety Razor company v. Anglo American Sweet & Maxwell, London*<sup>33</sup> where the court held in favour of the defendants that the single edged blade set in a flat holder closely resembles a prior art of an American patent one Butler, published in the UK. The court further held that the claim of the plaintiffs did not cover that of the defendants and if so then it had been anticipated by Butler.<sup>34</sup> Newness or novelty as encapsulated by Section 1 of the Act is *sine qua non* of patentability and the field of knowledge against which the novelty of a patent monopoly is judged and it is referred to as the 'state of the art' that is:

everything concerning that art or field of knowledge which has been made available to the public anywhere and at any time whatever (by means of a written or oral description, by use or in any other way) before the date of the filing of the patent application relating to the invention or the foreign priority date validly claimed in respect thereof, so however that an invention shall not be deemed to have been made available to the public merely by reason of the fact that, within the period of six months preceding the filing of a patent application in respect of the invention, the inventor or his successor in title has exhibited it in an official or officially recognised international exhibition.<sup>35</sup>

The only exception is where the invention is being exhibited in an official or officially recognized internationally exhibition within the period of six months preceding the filing of the patent application, therefore, publication by oral disclosure or by document and prior use will invalidate novelty and render the product not patentable. It has however been criticized that non inclusion of situations where such invention has been read in learned conference and argued that if publication at an internationally recognized exhibition is allowed, there is no reason while publication at a learned conference should not be allowed. It is accordingly recommended that publication at learned conference be included as an exception in any amendment to the Act.<sup>36</sup> On publication by document a mere exhibition in a bookshop or display on a library shelf constitutes publication. In the case of *Van der Lady v Bamford*<sup>37</sup> the patentee claimed a hayraking machine in which the rake-wheels were not turned by an engine but by contact with the ground, the patent was said to have been anticipated by a photograph in a journal which showed a hayrake with this feature. It was also held that the photograph in the journal was clear enough to reveal

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<sup>27</sup> Patents and Designs Act Cap. P 2 Laws of Federation of Nigeria 2004, s 1(3)

<sup>28</sup> George Etomi, *An Introduction to Commercial Law in Nigeria (Text, Cases and Materials)*, (MIJ Professional Publishers Limited, Lagos, 2014).

<sup>29</sup> (1850) 31 Ch D. 241

<sup>30</sup> Ibid.

<sup>31</sup> (1985) R.P.C. 59, C. A.

<sup>32</sup> Paul Marett, *Intellectual Property Law*, (Sweet and Maxwell London, 1996), 94.

<sup>33</sup> (1913) 30 R.P.C. 465, H.L.

<sup>34</sup> Ibid (n 32) 98.

<sup>35</sup> Patents and Designs Act *ibid*, s 1(3).

<sup>36</sup> Patents and Designs Act Cap. P 2 Laws of Federation of Nigeria 2004.

<sup>37</sup> (1963) R.P.C. 611.

the invention to an informed person. On prior use, he said that apart from the fact that an invention can be made available to the public by written or spoken word, if used in public this may constitute an opportunity for the public to learn of the invention. For instance in the English case of *Femento Industrial S.A. v. Mentmore Manufacturing Co. Ltd.*,<sup>38</sup> the Court of Appeal considered the question whether the prior use of a certain ball-pens by the three individuals to whom gifts of them were made in circumstances which left the recipients of the gift free to use the pens as they wished amounted in law to an anticipation of the invention. The court held the view that such uses by the three individuals constitute prior use of the invention.<sup>39</sup> It has been argued however that some public use can take place before the filing of the patent application if it can be shown that experimentation in respect of the invention had to take place before the patent specification can properly be drawn up, and that having regard to the nature of the invention it was not feasible to carry out the experimentation other than in the public.

It is important to note that the Nigerian law did not provide for this and it is hereby recommended this should be included in any subsequent amendment to the Act.<sup>40</sup> Another related area of concern is whether to destroy novelty a prior publication must disclose the entire invention and not only a part of it. It has been opined that publication of only a part ought not to invalidate a claim to novelty for the part not published.<sup>41</sup> On the fact that invention must constitute an improvement upon a patented invention and must also be new, must result from inventive activity and must be capable of industrial application, an invention will be so deemed if it can be manufactured or used in any kind of industry, including agriculture. The Nigerian case of *James Oitomen Agbonrofo v Grain Haulage and Transport Ltd.*,<sup>42</sup> is instructive. It is also important to note that principles and discoveries of a scientific nature are not inventions for the purposes of the Act.<sup>43</sup> It has been argued that the phrase ‘essentially biological processes for the production of plants or animals’ in our law is not clear. What is meant by ‘essentially biological’ has been questioned. It was contended that many a times it is difficult to distinguish between an ‘essentially biological and microbiology process.’<sup>44</sup> It is therefore my considered opinion that there is the need to ensure that invention and innovation is not stultified by refusing to patent an invention just because it is biological. It is therefore recommended that once an invention satisfies the requirements of patentability it should be patented. The Nigerian Patent Registry does not accept patent applications for Software or Computer-implemented inventions. The protection of computer software is provided for under the Copyrights Act<sup>45</sup> as a literary work. Modern society relies heavily on computer technology and without software, a computer cannot operate. Software and hardware work in tandem in today’s information society. So it is no wonder that intellectual property protection of software is crucial not only for the software industry, but for other businesses as well.<sup>46</sup> The growth of the software industry has engendered increased intellectual property recognition for software inventions copyright has the norm for the protection of software but with broad access to development tools, new programming languages, and internet-based development methods, there is an increasing reliance of the patent system to provide even greater protection.<sup>47</sup> Patent protection is particularly important for emerging industries whose research and development investment might represent a disproportionately large share of their available resources.<sup>48</sup> Software patents can be extremely powerful economic tools. They can protect features of a programme that cannot be protected under copyright or trade secret law.

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<sup>38</sup> (1956) R.P.C. 87.

<sup>39</sup> F.O. Babafemi, *Intellectual Property: The Law and Practice of Copyrights, Trade Marks, Patents and Industrial Designs in Nigeria* (1<sup>st</sup> edn, Justinian Books Limited, Ibadan, Nigeria, 2007) 352.

<sup>40</sup> *Ibid* (n 39), 353.

<sup>41</sup> *Ibid*.

<sup>42</sup> (1998) F.H.C.I. 236.

<sup>43</sup> *ibid* s 1(5)

<sup>44</sup> F.O. Babafemi, *Intellectual Property: The Law and Practice of Copyrights, Trade Marks, Patents and Industrial Designs in Nigeria* (1<sup>st</sup> edn, Justinian Books Limited, Ibadan, Nigeria, 2007) 355.

<sup>45</sup> Section 1(1) Copyrights Act, Cap C 28 Laws of federation of Nigeria, 2004.

<sup>46</sup> WIPO, Patenting Software <[www.wipo.int/sme/en/documents/software\\_patent\\_fulltext.html](http://www.wipo.int/sme/en/documents/software_patent_fulltext.html)> accessed 22 April 2015.

<sup>47</sup> W. A. Hoyng, Frank W.E. Eijsvogels, *Global Patent Litigation Strategic and Practice*, (Kluwer Law International, The Netherlands, 2 June 2007).

<sup>48</sup> *ibid* (n 51).

For example, patents can be obtained for ideas, systems, methods, algorithms, and functions embodied in a software product: editing functions, user-interface features, compiling techniques, operating system techniques, program algorithms, menu arrangements, display presentations or arrangements, and program language translation methods.<sup>49</sup>

Since patent rights are exclusive, anyone making, using or selling the patented invention without the patent owner's authorization is guilty of infringement. Penalties are stiff and include triple damages. Once a patent for an invention is granted, subsequent 'independent' (i.e., without access to the patented technology) development of the invention by another inventor is still considered infringement.<sup>50</sup> Bainbridge<sup>51</sup> contributed to the current debate on the appropriate method of protecting software inventions. He observed that as it is in Europe under the European Patent Convention ('EPC'), of which UK and other 30 countries are party to, computer programmes of software invention are excluded from the meaning of 'invention.' Though this is the position of the law, software are being patented in Europe, because of this he described the current position on patent of software invention as confused. In contradiction however the US and some other countries have no such exclusion in their laws, patents in the field of computer programme and business methods are freely granted. He identified two types of patentable inventions that is a product invention and a process invention. For instance a patentable invention could relate to a new piece of computer hardware and other electronics materials or a new process for making integrated circuits. This is particularly relevant to Nigerian Patent law in that there is an express provision excluding patentability of software or computer programme inventions. This state of our law needs to be reviewed to give room for the patenting software inventions because of the advantages afforded by it.

#### **4. Application for the grant of Patent**

After the requirements for the grant a patent has been met the grant of letter patent is to be made with respect to the invention in issue. Every patent application is to be made to be Registrar of Patents and Designs and shall contain: (i) the applicant's full name and address and, if that address is outside Nigeria, an address for service in Nigeria, (ii) a description of the relevant invention with any appropriate plans and drawings, (iii) a claim or claims, and (iv) such other matter as may be prescribed; and (b) shall be accompanied by- (i) the prescribed fee, (ii) where appropriate, a declaration signed by the true inventor requesting that he be mentioned as such in the patent and giving his name and address, and (iii) if the application is made by an agent, a signed power of attorney (so however that, notwithstanding any rule of law, legalisation or certification of the signature of the power of attorney shall be unnecessary).

#### **5. The Rights of the Patentee**

The right to the grant of a patent is vested in the statutory inventor. This is the person who, whether or not he is the true inventor, is the first to file, or validly to claim a foreign priority for, a patent application in respect of the invention.<sup>52</sup> However the law requires that the true Inventor is named as such in the patent and this requirement is mandatory and cannot be negotiated or waived by the true inventor. Where an invention has been made by a person employed by another person or in the execution of a contract for the performance of a specified type of work, the right to a patent over such an invention will be vested in the employer or the person that commissioned the inventor to produce the work. However, a point to note is that the right of the employer or the person that commissioned the production of a specified work to be granted a patent is not absolute.<sup>53</sup> Where the employee, by the nature of his employment, is not required to undertake inventive activities but has utilized the facilities or data provided by his employer, or where the invention is considered to be of exceptional importance, the inventor is entitled to fair remuneration, taking into cognizance his salary and the importance of the

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<sup>49</sup> E. S. Freibrun, 'Intellectual Property Rights in Software: What They Are and How the Law Protects Them' <[www.freibrun.com/articles/articl2.htm](http://www.freibrun.com/articles/articl2.htm)> accessed 22 April 2015.

<sup>50</sup> Ibid (n 62).

<sup>51</sup> D. I. Bainbridge, *Introduction to Information technology Law* (6<sup>th</sup> edn, Pearson Education Limited, England, 2008).

<sup>52</sup> Section 2(1) Patents and Designs Act.

<sup>53</sup> Patentability under the Nigerian Patents and Designs Act: An Introductory Analysis <[www.templars-law.com/media/patentability](http://www.templars-law.com/media/patentability)> accessed 23 April 2015.

invention.<sup>54</sup> Under the Patents and Designs Act, this right to remuneration cannot be modified by contract between the inventor and his employer and the inventor is entitled to approach the Court to enforce his right, where necessary.<sup>55</sup> On the persons who employ or commission others to make an invention, the Patent law provides that ‘...in the case of an invention made in the course of employment or in the execution of a contract for the performance of a specific work, the right to a patent in the invention is vested in the employer or the person who commissioned the work’.

The challenge here is that employees who use their talents to come up with inventions, though in the course of their employment, expresses the desire to have a share of the proceeds that might accrue there from as an incentive. On apportionment of benefits accruing from the exploitation of the invention the Act provides that if the invention is of exceptional importance, then the employee is entitled to a fair remuneration, taken into account his salary and the importance of the invention. This arrangement has been objected to and it has been rightly submitted that as long as an invention can be patented, the inventor-employee should be rewarded. The provision for fair remuneration based on employee’s salary may work injustice to an employee for two reasons. First the salary may be very low. Secondly, the income yield of the invention may not be immediately known when determining the importance of the invention. The income accruing from the invention may well be running into millions of naira but once the inventor-employee has been remunerated there the matter will end. It submitted that the reward should be an agreed percentage between the inventor-employee and the employer of the annual profit from the invention and if an agreement cannot be reached then the issue should be resolved by arbitration.<sup>56</sup> In line with this submission it suggested that this matter must reflect in any amendment to the Patent law in Nigeria. Once an invention is patented the right owner has exclusive right to the use of the invention that precludes any other person from engaging in the following acts in respect of the invention covered thereof: (a) where the patent has been granted in respect of a product, the act of making, importing, selling or using the product, or stocking it for the purpose of sale or use; and (b) where the patent has been granted in respect of a process, the act of applying the process or doing, in respect of a product obtained directly by means of the process, any of the acts mentioned in paragraph (a) of this subsection.<sup>57</sup>

It is important however to note that the scope of the protection conferred by a patent shall be determined by the terms of the claims; and the description (and the plans and drawings, if any) included in the patent shall be used to interpret the claims.<sup>58</sup> Statutorily, the rights under a patent shall extend only to acts done for industrial or commercial purposes and shall not extend to acts done in respect of a product covered by the patent after the product has been lawfully sold in Nigeria, except in so far as the patent makes provision for a special application of the product, in which case the special application shall continue to be reserved to the patentee.<sup>59</sup>

## **6. Infringement of Patent**

Infringement of patent is provided for in section 25 of the Patents and Designs Act 1970.<sup>60</sup> Under the section, it is provided that it will be an infringement of patent if any person does or causes the doing of any act which is precluded under the provisions of section, referred to above. The section further raises a presumption in respect of process patent to the effect that if a process by which a new product is to be made is patented, it shall be presumed that a defendant who makes the product and is sued for the infringement of the process has manufactured the product by means of the patented process.<sup>61</sup> The onus of disproving the presumption lies on the defendant. The patentee, whose patent has been infringed, shall be entitled to the remedies of damages, injunction and accounts. The Federal High Court has the exclusive jurisdiction for entertaining action brought under the Patents and Designs Act. This provision

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<sup>54</sup> Section 2(4) Patents and Designs Act.

<sup>55</sup> Ibid.

<sup>56</sup> Ibid (n 46), 360-361

<sup>57</sup> Section 6(1) Patents and Designs Act.

<sup>58</sup> Section 6(2) Patents and Designs Act.

<sup>59</sup> Patents and Designs Act, P 2 Laws of Federation of Nigeria 2004, s 3(3)

<sup>60</sup> P 2 Laws of Federation of Nigeria 2004, s 3(3).

<sup>61</sup> An overview of Patents and Designs Act, <[www.nigerianlawguru.com](http://www.nigerianlawguru.com)> accessed 24 April 2015

of law is further buttressed by the provision of Section 251(1)(f) of the Constitution of the Federal Republic of Nigeria (CFRN), 1999.<sup>62</sup> Therefore, patents infringement actions have to be filed in the Federal High Court.

Concerning the right of a patentee, a Federal High Court Judge delivered a remarkable judgment in *Beddings Holdings Limited against INEC & 6 Others*.<sup>63</sup> The Hon. Justice A. Bello affirmed that the Patent and Industrial Design rights (**RP 12994** and **RD 5946** respectively), held by Beddings Holdings Limited (the Plaintiff) for the invention '**Transparent Ballot Box**' had been infringed by the Independent National Electoral Commission when it licensed the importation of transparent ballot boxes by 2 private Nigerian Companies also joined as parties to the suit, without seeking the requisite license from Beddings Holdings Limited.

## 7. Compulsory Licensing

The right of the patentee to his invention conferred by the Act is however subject to the issuance of compulsory licence for the use of the patented invention. A compulsory licence is an authorization which is granted by the government without the permission of the patent holder. A compulsory licence is also defined as one that can be granted to third parties for the use of a patented product or a product whose patent application is pending, and this, without the approval or consent of the patentee or potential patentee.<sup>64</sup> It is usually granted in a variety of situations including but not limited to reasons of preventing the abuse of a patent by the patentee or to respond to national health emergency within the country concerned or abroad.<sup>65</sup> For instance, if there are cases of the outbreak of Avian Influenza (bird flu) and Cholera in some parts of Nigeria, such situations could be declared a national health emergency that could empower the Federal Government or the States concerned to grant compulsory licences for the manufacture of the drugs used in treating such ailments without the consent of the right holders. For instance, in 1997 South Africa effected an amendment to its health regulations to allow for compulsory licences to be granted for AIDS drugs and for local pharmaceutical companies to make cheap and affordable generic versions of those drugs.<sup>66</sup> Under the TRIPs Agreement, countries have the right to issue such licenses. While the Agreement does not limit the grounds or reasons for granting compulsory licenses, countries can only use those grounds which are allowed by their national legislation.<sup>67</sup> The development of appropriate national legislation is therefore crucial. TRIPs further states that the conditions under which a compulsory license is granted should be regulated in accordance with the TRIPs Agreement (Article 31). Under section 31 of the TRIPs Agreement, among other conditions, a compulsory licence must be non-exclusive, non-assignable, be considered on their individual merits, compensation to be paid to the right holder, and the legal validity of the decision to grant such a licence and the decision on remuneration to be subject to judicial review. In addition, it has to be established that the proposed user would have sought the licence on reasonable commercial terms from the right holder and has failed to get a positive response from the holder within a reasonable time. This provided for in Section 5 of Patents and Designs. In Nigeria, Section 11 and the First Schedule to the Patents and Designs Act provides for the grant of a compulsory licence respecting a patent in deserving cases. Section 11 provides as follows: 'The provisions of the First Schedule to this Act shall have effect in relation to compulsory licences and the use of patents for the service of government agencies.' The provisions of Section 17 Part II of the First Schedule of Patents and Designs Act have effects of exempting the government from liability for using protected invention. In granting the licence, however, one or more of the following conditions must have been established before the Court: (a). that the patented invention is capable of being worked in Nigeria has not be so worked; (b). that the existing degree of working of the patented invention in Nigeria does not meet on reasonable terms the demand

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<sup>62</sup> Constitution of the Federal Republic of Nigeria (CFRN), 1999 Cap C23 Laws of Federation of Nigeria, 2004.

<sup>63</sup> Suit No FHC/ABJ/CS/82/11.

<sup>64</sup> The First Schedule to the Patents and Designs Act has detailed provisions on this.

<sup>65</sup> It is on record that South Africa granted compulsory licences to some pharmaceutical companies to manufacture antiretroviral drugs to combat the AIDS epidemic that was ravaging the country.

<sup>66</sup> See generally, Someshwar Singh 'Compulsory Licensing Good for US Public, Not others' at <<http://www.twinside.org.sg/title/public-cn.htm>> accessed 20 January 2015.

<sup>67</sup> The TRIPs Agreement and Pharmaceuticals. Report of an ASEAN Workshop on TRIPs Agreement. <<https://www.google.com>> accessed 23 January 2015.

for the product; (c). that the working of the patented invention in Nigeria is being hindered or prevented by the importation of the patented article; (d). that, by reason of the refusal of the patentee to grant licences on reasonable terms, the establishment or development of industrial or commercial activities in Nigeria is unfairly and substantially prejudiced.

### **8. Conclusion and Recommendations**

The letter patent is a legal monopoly (for limited period of time) granted to the patentee as a reward for the time and effort expended in creating the invention. This in turn, engenders increased productivity and innovativeness, and acts as a catalyst for sustained industrialization of the country involved. It is however worrisome that due to the weak technological and industrial base in Nigeria, which is largely due to the absence of constant supply of electric power, the use of patents in this country, has been abysmally low. The Patents and Designs Act, which is the principal legislation that regulates the regime of patents, is about 45 years since it was adopted and requires upgrade and modifications to be in tune with the emerging technological changes in the world. This is especially so in the present world of biotechnology, genetic-engineering, and nanotechnology. In the technologically driven world of today, where ‘knowledge moves at the speed of thought’, it is necessary that regulations and laws that were made with the mindset of the 20<sup>th</sup> century must be upgraded and reformed to meet the fresh challenges of the 21<sup>st</sup> century. One of those key challenges relates to the issue of patentability or otherwise of software and computer related inventions. On the issue of novelty, the position of the law is that any publication to the public will invalidate novelty and render the product not patentable. The situations where inventions were read in learned conferences should be made as an exception to treating such disclosure as publication to the members of the public in order to encourage University researchers to make public their inventions<sup>68</sup> because such publications also contribute to the researchers’ career development. The provision of compulsory licensing is meant to assist developing countries to develop substantial local manufacturing capacities. For Nigeria to take full advantage of compulsory licensing, it must address the challenges involved in building manufacturing capacities.<sup>69</sup> Nigeria must take the initiative to protect its interests. It needs to create an environment favourable for restricting the scope of patent rights in the larger interest of public health and technology and for issuing compulsory licences and adopt measures to replace the paradigm of strict regimes.

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<sup>68</sup> Patents and Designs Act Cap. P 2 Laws of Federation of Nigeria 2004.

<sup>69</sup> Olasupo Ayodeji Owoeye, ‘Compulsory patent licensing and local drug manufacturing capacity in Africa’ 1, <[www.who.int/bulletinvolume/92/3/13-128413.pdf](http://www.who.int/bulletinvolume/92/3/13-128413.pdf)> accessed on 8 February 2015.