

NOTICE 1734 OF 2002**THE PATENTS AMENDMENT BILL, 2002**

The Minister of Trade and Industry, do hereby publish the Patents Amendment Bill, 2002, for public comment.

In the main, the amending clauses deal with the Bolar provision, i.e. allowing research to be conducted on patents, which are still in force, in all fields of technology (not only limited to pharmaceutical or agrochemical products). Researchers would not be allowed to compete commercially with the patentee, before the expiration of the patent.

Other clauses are of a technical nature.

Interested persons are invited to make written comments regarding these proposed amendments within a period of fifteen days from the date of this notice to:

The Director: Commercial Law and Policy
Consumer and Corporate Regulation Division
Private Bag X84
Pretoria
0001
Tel: (012) 310 9889 Fax: (012) 320 0311

Alec Erwin, MP
MINISTER OF TRADE AND INDUSTRY

GENERAL EXPLANATORY NOTICE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

____ Words underlined with solid line indicate insertions in existing enactments.

PATENTS AMENDMENT BILL**Amendment of sections of Patents Act of 1978 are as follows:**

1. Section 2 of the Patents Act, 1978, is hereby amended by the addition of the following definition:

"(xii) A'national phase of international application' means an application for a patent in the Republic in terms of section 43B, in respect of which the applicant has complied with section 43E."

Amendment of section 32 of Act 57 of 1978, as amended by section 2 of Act 44 of 1986

2. Section 32 of the Patents Act, 1978, is hereby amended by the substitution for subsection (3) of the following subsection:

- "(3) A complete specification shall-
- (a) have an abstract as prescribed;
 - (b) **[fully]** sufficiently describe, ascertain and, where necessary, illustrate or exemplify the invention and the manner in which it is to be performed[;] so as to enable the invention to be carried out by a person skilled in the art; and
 - [(c) disclose the best method of performing the invention known to the applicant at the time when the specification is lodged at the patent office; and]**
 - [[d)](c)** end with a claim or claims defining the invention for which protection is claimed."

Amendment of section 33 of Act 57 of 1978, as amended by section 2 of Act 67 of 1983 and section 35 of Act 38 of 1997

3. Section 33 of the Patents Act, 1978, is hereby amended by the substitution for subsection (2) of the following subsection:

"(2) Where priority is claimed in an application in terms of section 31(1) from one or more prior applications, or one or more prior applications in a convention country or countries, or both, and the invention claimed in the application is fairly based on matter disclosed in one or more of **[the prior]** any such applications, the priority date of the invention shall be the date of lodging of the earliest of **[the prior]** such

applications in which that matter was disclosed in so far as it is fairly based on such earliest application."

Amendment of section 43D of Act 57 of 1978

4. Section 43D of the Patents Act, 1978, is hereby amended by the insertion of the words "the national phase of" before the words "an international application".

Amendment of section 43E of Act 57 of 1978

5. Section 43E of the Patents Act, 1978, is hereby amended
- (a) by the insertion into subsection 1(b) of the words "within the period prescribed therefor," before the words "a translation of".
- (b) by the substitution for subsection (2) of the following subsection:

"(2) If the applicant does not comply with subsection (1) within the period referred to in that subsection [**or the further period that the registrar allows**], the international application concerned, insofar as the Republic is designated or elected, shall be deemed to have been abandoned for the purposes of this Act, provided that the registrar may upon application made either before or after the expiry of the relevant extended period for compliance with subsection (1), extend the period for a further period not exceeding three months.

Amendment of section 43F of Act 57 of 1978

6. The following section is hereby substituted for section 43F of the Patents Act, 1978:

"Administration

- 43F.(1) When processing the national phase of an international application, the patent office shall, subject to subsections (2), [**and**] (3) and (4), apply the Patent Cooperation Treaty, the regulations made thereunder and the administrative instructions issued under those regulations, and the other provisions of this Act and the regulations made thereunder.
- (2) When processing the national phase of an international application, the Patent Cooperation Treaty, the regulations made thereunder and the administrative instructions issued under those regulations shall prevail in the event of any conflict with this Act or with the regulations made thereunder.
- (3) When processing the national phase of an international application designating the Republic-
- (a) (i) section 9(b) shall not apply; and
(ii) the applicant shall be represented by an agent who shall be appointed within the prescribed time;
- (b) section 10 shall apply only if the applicant complies with section 43E[(1)] and the applicant who so complies shall, for the purposes of section 10, be deemed to be the applicant in respect of the national phase of the international application;
- (c) section 16(2) shall apply in relation to time limits specified in terms of the Patent Cooperation Treaty, the regulations made thereunder and the

administrative instructions issued under those regulations unless otherwise provided therein;

- (d) [(i)] section 30(1), (5), and (6) [and (7)] shall not apply; [and]
 [(ii)] **the international application shall date from, and the date of application of the international application shall be, the international filing date accorded in terms of the Patent Cooperation Treaty;**
- (e) (i) the description, claims, drawings (if any) and abstract referred to in Article 3(2) of the Patent Cooperation Treaty shall be deemed to be a complete specification; and
 (ii) section 32(5) shall not apply;
- (f) if-
 (i) the international application is a convention application;
 (ii) the applicant has complied with Rule 17.1 of the regulations made under the Patent Cooperation Treaty; and
 (iii) the priority document referred to in the said Rule 17.1 is a prescribed document for the purposes of section 35(2), the applicant shall be deemed to have furnished a copy of the priority document within the prescribed period referred to in section 35(2);
- (f)A for the purposes of section 37, if the first-mentioned application is the national phase of an international application, the date on which the first-mentioned application was lodged at the Patent Office shall be the international filing date accorded in terms of the Patent Cooperation Treaty;
- (g) section 38 shall not apply;
- (h) for the purposes of section 40, the period of 18 months from the date of the application shall be a period of 12 months from the date on which the applicant complies with section 43E[(1)];
- (i) section 43(3) shall not apply but, when the applicant has complied with section 43E[(1)] and the international application has been published in terms of Article 21 of the Patent Cooperation Treaty, the national phase of the international application shall be open to public inspection as provided in section 43(1);
- (j) section 43(4) shall not apply;
- (j)A For the purposes of section 46, the date of application of the national phase of the international application, shall be the international filing date accorded in terms of the Patent Cooperation Treaty;
- (k) any correction or rectification of any document made in terms of the regulations made under the Patent Cooperation Treaty shall be deemed to be a correction or amendment made in terms of section 50;
- (l) (i) if an application for amendment of the national phase of the international application is made before publication in terms of section 42, [the acceptance of the international application,] the application for amendment shall not be advertised as contemplated in section 51(2);
 (ii) [if-
 (aa) the applicant has not elected the Republic for the purposes of an international preliminary examination under Chapter II of the Patent Cooperation Treaty before the expiration of 19 months from the priority date as defined in Article 2(xi) of that Treaty and the applicant has complied with section 43E(1), any

amendment made in terms of Article 19 of that Treaty;
and

- (bb) the applicant has elected the Republic for the purposes of an international preliminary examination under Chapter II of that Treaty before the expiration of 19 months from the priority date as defined in Article 2(xi) of the Patent Cooperation Treaty and the applicant has complied with section 43E(1), any amendment annexed to the international preliminary examination report,]

for the purposes of section 51, any amendment made in terms of Article 19 of the Patent Cooperation Treaty and which does not go beyond the disclosure in the international application as filed, or any amendment made in terms of Article 34 of the Patent Cooperation Treaty and which is annexed to the international preliminary examination report shall be deemed to have been [made] allowed in terms of that section [51 but] provided that any such amendment may be set aside in terms of subsection (10) thereof but only if it does not comply with subsection (6) or (7) thereof.

- (4) Save as provided in this Chapter and save as prescribed in Regulations 67A to 67I, the provisions of this Act and of the regulations made thereunder relating to an application for a patent accompanied by a complete specification shall, *mutatis mutandis*, apply to the national phase of an international application, and to any patent granted thereon.

Amendment of section 45 of Act 57 of 1978, as amended by section 40 of Act 38 of 1997

7. Section 45 of the Patents Act, 1978 is hereby amended by the substitution for subsection (2) of the following subsection:

"(2) The disposal [sale] of a patented article by or on behalf of a patentee or his licensee shall, subject to other patent rights, give the purchaser the right to use, offer to dispose of and dispose of that article.

Amendment of section 45A of Act 57 of 1978

8. Section 45A of the Patents Act, 1978 is hereby amended by the insertion of two subsections as follows:

- 1) It shall not be an act of infringement of a patent to make, use, exercise, dispose or offer to dispose of, or import the patented invention on a non-commercial scale and solely for the purposes reasonably related to the obtaining, development and submission of information required under any law of South Africa that regulates the manufacture, production, distribution, use or sale of any product; and

- 2) It shall not be permitted to possess the patented invention made, used, imported or acquired in terms of sub-section (1) of any purpose other than for the obtaining, development or submission of information as contemplated in sub-section (1).

Amendment of section 48 of Act 57 of 1978

9. Section 48 of the Patents Act, 1978, is hereby amended-

(a) by the substitution for paragraph (b) of subsection (1) of the following paragraph:

"(b) used, **[or]** disposed of or offered to dispose of any article made or imported in the period referred to in paragraph (a); or"

(b) by the substitution for subparagraph (ii) of paragraph (c) of subsection (1) of the following subparagraph:

"(c) (ii) uses, **[or]** disposes of or offers to dispose of any articles or products produced by the continued use or exercise referred to in subparagraph (i):" and

(c) by the substitution for subsection (2) of the following subsection:

"(2) Where a patent has been restored under section 47, any person, during the period referred to in subsection (1) (a) has expended any money, time or labour with a view to making, using, exercising, **[or]** disposing of, offering to dispose of, or importing the invention, may apply in the prescribed manner to the commissioner for compensation in respect of the money, time and labour so expended."

Amendment of section 49 of Act 57 of 1978, as amended by section 42 of Act 38 of 1997

10. Section 49 of the Patents Act, 1978, is hereby amended by the substitution for paragraph (a) of subsection (2) of the following paragraph:

"(a) to make, use, exercise, **[or]** dispose of, offer to dispose of, or import the patented invention;"

Amendment of section 57 of Act 57 of 1978

11. Section 57 of the Patents Act, 1978, is hereby amended by the substitution for subsection (1) of the following subsection:

"(1) Any contract, in so far as it relates to a licence under a patent to make, use, exercise, **[or]** dispose of, offer to dispose of, or import a patented invention, shall terminate on the date on which the patent, under which the licence was granted, expires, is revoked or otherwise ceases to protect such invention: Provided that where the contract relates to licences under more than one patent, such part of the contract as relates to any particular licence shall terminate when the patent under

which it was granted expires, is revoked or otherwise ceases to protect the invention concerned, and that the contract as a whole shall terminate when all the patents under which all such licences were granted and which were in force at the time when the contract became operative, expire, are revoked or otherwise cease to protect the relevant inventions."

Amendment of section 58 of Act 57 of 1978

12. Section 58 of the Patents Act, 1978 is hereby amended by the substitution for paragraphs (a) and (b) of section 58 of the following paragraphs:

- "(a) a licence to make a patented article shall carry with it the right to use, **[or]** dispose of, or offer to dispose of the patented article; and
- (b) a licence to use or exercise a patented process shall carry with it the right to make, use, **[or]** dispose of, or offer to dispose of the product of the process."

Amendment of section 61 of Act 57 of 1978

13. Section 61 of the Patents Act, 1978, is hereby amended by the substitution for paragraph (e) of subsection (1) of the following paragraph:

- "(e) that the complete specification concerned does not sufficiently describe, ascertain and, where necessary, illustrate or exemplify the invention and the manner in which it is to be performed so as to enable the invention to be carried out by a person skilled in the art;"

Amendment of section 65 of Act 57 of 1978, as amended by section 3 of Act 76 of 1988 and section 46 of Act 38 of 1997

14. Section 65 of the Patents Act, 1978, is hereby amended by the deletion in subsection (1) of the words "or an exclusive licensee mentioned in section 56(11)".

Amendment of section 66 of Act 57 of 1978

15. Section 66 of the Patents Act, 1978, is hereby amended by the substitution for subsection (3) of the following subsection:

- "(3) Any person who, having made a request referred to in subsection (2), expended during the period referred to in that subsection, any money, time or labour with a view to making, using, exercising, **[or]** disposing of, offering to dispose of, or importing the invention, may apply in the manner prescribed to the commissioner for compensation in respect of the money, time or labour reasonably so expended, and the commissioner may issue such order as he may deem fit."

Amendment of section 69 of Act 57 of 1978

16. Section 69 of the Patents Act, 1978, is hereby amended by the substitution for subsection (1) of the following subsection:

"(1) A declaration that the use by any person of any process, or the making or use or **[sale]** disposal of or offer to dispose of or importation by any person of any article, does not or would not constitute an infringement of a patent, may be made by the commissioner in proceedings between that person and the patentee **[or an exclusive licensee mentioned in section 56 (11)]**, notwithstanding that no assertion to the contrary has been made by the patentee **[or licensee]**, if it is proved-

- (a) that such person has applied in writing to the patentee **[or licensee]** for a written acknowledgement to the effect of the declaration claimed, and has furnished him with full particulars of the process or article in question; and
- (b) that the patentee **[or licensee]** has failed to give such an acknowledgement."

ANNEXURE B**Section 45(A)**

- 1) It shall not be an act of infringement of a patent to make, use, exercise, dispose or offer to dispose of, or import the patented invention on a non-commercial scale and solely for the purposes reasonably related to the obtaining, development and submission of information required under any law of South Africa that regulates the manufacture, production, distribution, use or sale of any product; and

 - 2) It shall not be permitted to possess the patented invention made, used, imported or acquired in terms of sub-section (1) of any purpose other than for the obtaining, development or submission of information as contemplated in sub-section (1).
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