EVALUATION OF THE LAW OF PATENTABILITY IN NIGERIA: EXCEPTIONS AND LIMITATIONS UNDER THE NIGERIAN PATENTS AND DESIGNS ACT (PDA)

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Abstract

A patent is a legal right protecting an invention, which provides a new and inventive technical solution to a problem. The owner of a patent has the right to stop others from commercially exploiting the protected invention, for example by making, using, importing or selling it, in the country or region in which the patent has been granted. A patent is granted for the economical beneficial purpose of encouraging technological development. A patent is an authority or power that confers on an inventor the monopoly right for a set period of time, to exclude others from making, using, or selling a patented invention without consent. Patents are granted for the invention of products or processes. However, for it to be patentable, the invention must meet the following requirements provided in Section 1(1) of the PD Act. We have Trade-Related Aspects of Intellectual Property Rights (TRIPS) in 1994.[2] *Before the coming into force of the TRIPS Agreement, exceptions and limitations to patent rights were exclusively territorial preserve, as countries largely adopted them as they saw fit.*[3] *However, the TRIPS Agreement, which brought some international harmony to patent law, introduced some substantive provisions on exceptions.*[4] *The importance of having well-defined and strongly protected patent rights is now widely recognized among economists and policymakers*

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[2] Carolyn Deere, The Implementation Game: The TRIPS Agreement and the Global Politics of Intellectual Property Reform in Developing Countries (2009).

[3] TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15,1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299, 33 I.L.M. 1197 (1994)

[4] Christopher Garrison, 'Exceptions to Patent Rights in Developing Countries'(International Centre for Trade and Sustainable Development 2006) 2<http://ictsd.org/i/publications/11716/> accessed on 1/12/ 2023.

globally. However, good legislations should be enacted to protect and guide the exclusivity of such rights and restrictions and exceptions to such rights. Such legislation will benefit third parties, the state and the even the patentee himself and the general public.

Keywords: Evaluation, Patentability, Exceptions, Limitations, Nigerian

1.0 Introduction

A patent is a legal right protecting an invention, which provides a new and inventive technical solution to a problem. The owner of a patent has the right to stop others from commercially exploiting the protected invention, for example by making, using, importing or selling it, in the country or region in which the patent has been granted.

Furthermore, 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.[5] It is all about monopoly granted to inventors as an incentive to invent new products.[6] Nigerian Patents and Designs Act (PDA) did not define the term 'invention,' for the purposes of granting a patent rather section 1 of the Nigerian Patents and Design Act[7] (PDA) stipulates the circumstances under which an invention could be considered patentable. Under the section, an invention is patentable if:

i. it is new, results from inventive activity and is capable of industrial application, or,
ii. if it constitutes an improvement upon a patented invention, and also, is new, results from inventive activity and is capable of industrial application.

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[5] F.O. Babafemi, Intellectual Property: The Law and Practice of Copyrights, Trade Marks, Patents and Industrial Designs in Nigeria (2006) 342

[6] William Cornish and David Llewelyn, Intellectual Property: Patents, Copyright, Trade Mark, and Allied Marks (2003) 112

[7] Cap. P2 Laws of the Federation of Nigeria 2004

Under section 1(1)(C) of the PDA, an invention is said to be capable of industrial application if it can be manufactured or be used in any kind of industry, including being usable for agricultural purposes.

A patent is granted for the economical beneficial purpose of encouraging technological development and as earlier stated above, a patent is an authority or grant that confers on an inventor the monopoly right for a set period of time, to exclude others from making, using, or selling a patented invention without his consent.
Patents are granted for the invention of products or processes. However, for it to be patentable, the invention must meet the following requirements provided in Section 1(1) of the Act to wit;

i. It must be new a new invention;
ii. It must have an inventive step that is not obvious to someone with knowledge and experience in the subject;
iii. It must be capable of being made or used in some kind of industry and not be, a scientific or mathematical discovery, theory or method, a literary, dramatic, musical or artistic work, a way of performing a mental act, playing a game or doing business, the presentation of information, or some computer programs, an animal or plant variety, a method of medical treatment or diagnosis;
iv. The invention must not be against public policy or morality;
v. 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
vi. An invention is capable of industrial application if it can be manufactured or used in any kind of industry, including agriculture.
vii. An invention is not the same thing as a discovery. Indeed when Volts discovered the effect of an electric current from the battery on a frog's leg, he made a great discovery, but not a patentable invention. The question may be asked whether principles and discoveries of a scientific nature are inventions. The answer is in the negative. *Section 1(5) Patents and Designs Act (PDA)* specifically excludes such discoveries or

> findings from been qualified as an invention under the Act as they are not inventions.[8]

This distinction was also analysed by the English Court in the UK case of *Reynolds v. Herbert Smith & Co. Ltd* (*Buckley J*), thus:

> Discovery adds to the amount of human knowledge, but not merely by disclosing something. Invention necessarily involves also the suggestion of an act to be done, and it must be an act which results in a new process, or a new combination for producing an old product or an old result.[9]

Patentable inventions therefore are the creation of a new thing or an improvement on the old process which satisfies all the requirements of novelty and industrial application. [10] Patents are the exclusive time bound rights given to an inventor by the government where such inventor has successfully done something more than a discovery or thought that produces or make possible the production of either a new and useful thing or result.[11]

Section 1(1) of the Act provides the conditions that must be met before an invention can be patentable in Nigeria. It states that an invention is patentable;
If it is new, results from inventive activity and is capable of industrial application or;
If it constitutes an improvement upon a patented invention and also is new, results from an inventive activity, and is capable of industrial application.

Further to the above provision of the Act, an invention is said to be new if it results from an inventive activity and if it does not obviously follow from the state of the art, either as to the method; the

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[8] Cap. P2, Laws of the Federation of Nigeria (LFN) 2004.

[9] [1913] 20 RPC 123.

[10] *Agbonrofo v. Grain Haulage & Transport Limited (1998) FHCL 236.*

[11] M.C. Okany, *Nigeria Law of Property*, (2nd ed.,Enugu: Fourth Dimension Publishing Company, 2000.) 353.

application; the combination of methods; or the product which it concerns; or as to the industrial result it produces. Also, an invention considered capable of industrial application if it can be manufactured or used in any kind of industry, including agriculture in Nigeria as provided by Section 1(2) of the Act.

The art as defined by Section 1(3) of the Act means the art or field of knowledge to which an invention relates, and the state of the art means everything concerning that art or field of knowledge which has been made available to the public anywhere.

The Act under Section 1(4) provides for restrictions on areas where patents for inventions cannot be validly obtained. Such areas include:

a) Plant or animal varieties, or essentially biological processes for the production of plants or animals (other than microbiological processes and their products); or
b) Inventions the publication or exploitation of which would be contrary to public order or morality (it being understood for the purposes of this paragraph that the exploitation of an invention is not contrary to public order or morality merely because its exploitation is prohibited by law)**.**An invention may only be patentable where they satisfy the requirements for registration under the *PDA* which are that, such invention:
    i. must be new, it should results from an inventive activity and is capable of industrial application; and
    ii. it constitutes an improvement upon a patented invention.[12]

An illustration from the United States (US) District Court in *Data Engine Technologies LLC v Google LCC,* will drive home these points.[13] In February 2018, US District Judge Richard Andrews ruled in favour of the Defendant (Google Inc.), in a suit alleging infringement of patents originally assigned to the inventors of Apple Inc.'s voice assistant technology, *Siri*. The Court held *inter alia* that three of the issues raised by the Plaintiff were covered by a patent not

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[12] *Section 1(1) PDA.*

[13] *[2018] 9 Cr App LPS 1115.*

eligible for registration and did not add an inventive concept/activity. [14] In other words, the infringement of patent claim by the plaintiff would not have met the requirements of *the US Patent Act* which protects true inventor.

1.2. Patentability: The Race against Time.

In Nigeria, a patent is not necessarily vested in the true inventor; rather such right is vested in the *'statutory inventor',*[15] that is, the person who, whether or not he is the true inventor, is the first to file an application for the grant of the patent. Since the grant is to the first person to apply and not to true or actual inventor, difficulties may arise where separate persons come up with identical inventions at the same time. Thus the race to the patent office ensues, as the earliest in time will enjoy the entitlement.

An inventor who is beaten to the race would therefore have concerns about potential liability for claims of infringement by the statutory inventor**.** In *Uwemedimo & ComandClem Nigeria Ltd v Mobil Producing (Nig) Unlimited*,**[16]** the Court of Appeal (CA), held that the Appellant having applied for the patent resulting in the Patent Certificate No. being issued, he became the registered patentee in the invention, *Anti-Corrosive Special Paint*. Consequently, the right to the patent in the invention resided in the statutory inventors.

Also, it should be noted that a statutory inventor is defined under the PDA as '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.' This trend will make the person that has been granted a patent to be known as the 'statutory inventor'.[17] This notwithstanding, the law requires that the true inventor be named as such in the patent and this requirement is

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[14] Patrick James, *'WiLAN Alleges Google Infringement on Apple Siri Patents', IP Strategy News, 01.06.2018*: <http://ipstrategynews.com/2018/02/28/wilan-sues-google-over-siri-patent-infringement- claims/>accessed on 11/12/2023.

[15] *Section 2(1) PDA.*

[16] *[2011] 4 NWLR (Pt. 1236), 80 CA.*

[17] Section 2(1) of the PDA.

mandatory and cannot be negotiated away or waived by the true inventor.[18]

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.[19] 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. 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 invention.[20] Under the PDA, 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.[21]

The PDA did not indicate the nature of the invention that would be considered 'exceptionally important' for the purpose of entitling an employee to remuneration, and that is a lacuna that could, in practice, lead to difficulties. This is because while it may be easy to determine situations where an employee has utilized the data or facilities of his employer for an inventive activity, it is not clear when an invention would be considered to be of 'exceptional importance' and who should make that determination for purposes of remunerating the inventor. There is no doubt that, given the option, any inventor would consider his work to be 'exceptionally important', while most employers might think otherwise and there could be a stalemate in determining the issue, and by extension, the issue of whether or not the inventor is entitled to any remuneration for the invention.

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[18] Section 2(2) of the PDA.

[19] Section 2(4) of the PDA.

[20] Section 2(4) (a) of the PDA.

[21] Section 2(4) (b) of the PDA.

A suggested approach in determining this issue of the relative importance of an invention for purposes of compensating the inventor is to give the employer the choice of election. In other words, the employer or the person that commissioned the work would have the option to elect to relinquish the title to the invention if the work is not considered exceptionally important enough to warrant compensating the inventor. Otherwise, the inventor should be entitled to remuneration once the employer or any other person entitled to claim title over the invention has elected to claim such a title. This obviates a situation where someone elects to claim title to an invention and still refuses to remunerate the inventor on the ground of the invention not being exceptionally important.

One of the goals of the patent registration system is to encourage innovation and invention. This is by securing for the inventor, the exclusive right for a fixed period usually twenty years, to commercially exploit his invention and restrict all other third parties from imitating, making, improvising or otherwise exploiting the invention without the inventor's approval/consent. Patents create monopoly rights for the holder and incentivize research, thereby playing a developmental role in the society as far as innovation, technology and industrialization is concerned.

1.3. Rights conferred by Patent:

A patentee is the person to whom a patent has been granted by the Registrar after the patent application has been examined and found to have satisfied all the requisite conditions. When granted, a patent confers exclusive rights on the patentee that precludes any other person from engaging in the following acts in respect of the invention covered thereof:

i. 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

ii. 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 other acts mentioned above.[22]

It is to note that these rights of a patentee can be transferred by succession, assigned, or held in joint ownership with other persons once such an arrangement is in writing, signed by the parties, and registered in the Register of Patents (The Register).[23] The rights conferred by a patent continue to be active and enjoyable by the patentee during the duration of the patent so granted. In Nigeria, the duration of a patent is usually for a period of twenty (20) years, counting from the date of filing. The detailed conditions are stated in section 3 of the PDA. patent application,[24] except where the patent lapses, is surrendered,[25] or is declared a nullity by a Court of competent jurisdiction.[26]

Section 6 (1) of the Patents and Designs Act 1970, provides that the grant of a patent confers on the patentee the right to preclude all other persons from doing any of the following acts:
(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.

Patents are granted for the invention of products or processes. However, for it to be patentable, the invention must meet the following requirements provided in Section 1(1) of the Act to wit;
i. It must be new a new invention

[22] Section 6 of the PDA.
[23] Section 24 of the PDA.
[24] Section 7(1) of the PDA.
[25] Section 8 of the PDA for conditions for the surrender of a Patent.
[26] Sections 7(2), and 9 of the PDA respectively for the circumstances under which a patent will lapse.

ii. It must have an inventive step that is not obvious to someone with knowledge and experience in the subject.

iii. It must be capable of being made or used in some kind of industry and not be, a scientific or mathematical discovery, theory or method, a literary, dramatic, musical or artistic work, a way of performing a mental act, playing a game or doing business, the presentation of information, or some computer programs, an animal or plant variety, a method of medical treatment or diagnosis,

iv. The invention must not be against public policy or morality.

v. 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

vi. An invention is capable of industrial application if it can be manufactured or used in any kind of industry, including agriculture.

2.0. What Kind of Invention is Patentable in Nigeria?[27]

An invention is patentable if it is new, or results from an inventive activity and capable of industrial application; or, it constitutes an improvement upon a patented invention and also is new, results from inventive activity and is capable of industrial application.

An invention is capable of industrial application if that invention can be manufactured or used in any kind of industry, including agriculture.

The Patents and Designs Act of 1971 is the primary legislation governing the registration and enforcement of patents in Nigeria. The Patents Rules regulates the procedures adopted at the Patent Registry.

[27] *Section 1(1) PDA* provides the following tests for an invention to qualify as patentable: (a) if it is new, results from inventive activity and is capable of industrial application; (b) if it constitutes an improvement upon a patented invention; (c) must be capable of being made or used in some kind of industry and not be a scientific or mathematical discovery, theory or method, a literary, dramatic, musical or artistic work.

2.1. Patent Infringement.

There is now an increasing need for investors, specifically those in the technological or manufacturing sector, to be more cautious about the patentability of their investment. Infringement of patents 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. 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 may be vitiated where any person infringes on this monopoly right either deliberately (direct infringement) or unknowingly (indirect infringement).[28]

It is deliberate when the infringer without the consent of the patent holder makes, imports or sell products or applies the subject matter of the patent in other to create products for commercial purposes.[29] Ignorance is imputed when the infringer 'negligently' imitates the patentee's product either because such patent is not prominent commercially or made known to the public.

It must be stated that such separation does not operate as a defence to an infringer. In the US decision of *SEB S.A. v Montgomery Ward & Co., Inc.*[30] the Federal Circuit Court in the District of Delaware held that ignorance of a patent is not a shield for patent infringement as the

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[28] Audrey A. Millemann, *'No Inducing Patent Infringement Unless There is Direct Infringement', The IP Law Blog, 15.08.2014*<:https://www. theiplawblog. com/ 2014/08/articles/patent-law/no- inducing-patent-infringement-unless-there-is-direct-infringement> accessed 1/12/2023.

[29] *Section 25(1) PDA.*

[30] [*2010, 09 .LA] 1099 United States Central Federal Circuit Court.*

court will still hold that an infringement has been made over such products.

2.2. Why Process and Products?.

The bulk of patents are only concerned with products manufactured or processes of manufacturing. *Section 6(2) PDA* provides: *' In particular under the Nigeria jurisprudence of intellectual proprietary right a patent can only be said to have been infringed by a person only if his acts relate to commercial or industrial activities.'*

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

In *Arewa Textiles Plc & Ors v Finetex Limited,*[31] the CA, per *Salami JCA* held that *'there is a basic distinction between a product claim and a process claim.'* Registering or protecting just the finished product alone will not suffice. Where a person or entity has a mechanised process of achieving a product, there is need to protect both the process and the product.

In *Mode Nigeria Applications Limited v Visocom Limited & Ors,*[32] the major issue was whether the said invention was patentable in Nigeria, considering that the subject technology already formed part of the state of the art - already known to the public as a technology or invention. The FHC dismissed the application of the Plaintiff and held in favour of the Defendant on the ground that the said invention is unpatentable, owing to its failure to meet the requirements of the *PDA.*

A party who can demonstrate that the acts done are for experimental or non-commercial purposes may escape liability in an action for infringement. Also, that the description of the invention allegedly

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[31] *[2003] 7 NWLR (Pt.819), 322 at 351.*

[32] *Unreported Suit No: FHC/L/CP/273/2016, decided on 21.06.2017.*

infringed does not meet the requirement of clarity and completeness set out under *section 3(2) PDA* is, another defence for patent infringement.

The statutory authority for challenging the validity of any grant of patent by a patent holder has been clearly stated in *section 9(1) PDA.* Thus, the FHC could declare any patent as null and void if: (a) the subject of the patent is not patentable; (b) the description of the invention or claim does not conform with the provisions of the *PDA*; or (c) the same invention has been patented in Nigeria as the result of a prior application or an application benefiting from an earlier foreign priority.[33]

Where any of the above assertions have been successfully established against any patent holder, such patent is *automatically invalid and therefore cannot be said to have been infringed upon*. Thus, the Nigeria patent system is called the deposit system of patenting - the fact that one has been issued with a patent certificate does not mean that the patent is valid. This is different from the *'examination system'* adopted in the industrialized countries, such as the United States, countries of the EU, and Japan. In such jurisdictions, rigorous examination as to compliance with the requirements for patentability is undertaken, when there is an allegation of infringement.[34]

3.0 Exceptions and Limitations of Patent Rights

The congregation of nation states for the GATT Rounds, beginning from 1947 to 1995, marked the birth of the GATT Negotiations[35] and The Agreement on Trade-Related Aspects of Intellectual Property

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[33] That is, 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.

[34] The fact that one has been issued with a patent certificate in Nigeria does not mean that the patent is valid. The validity is open to challenge in court; and if challenged, the primary onus of proving validity rests on the patentee: *section 9 PDA*.

[35] Gwom, Solomon Gwom 'Exceptions and Limitations to Patent Rights Under The Nigerian Patents and Designs Act: Analysing The provisions and The Gaps' *International Journal of Law and Policy Review* (2019) 8 (2) 368; Gordon C Rausser, GATT Negotiations and the Political Economy of Policy Reform (1st edn. Springer-Verlag Berlin Heidelberg 1995).

Rights (TRIPS) in 1994.[36] Before the coming into force of the TRIPS Agreement, exceptions and limitations to patent rights were exclusively territorial preserve, as countries largely adopted them as they saw fit.[37] However, the TRIPS Agreement, which brought some international harmony to patent law, introduced some substantive provisions on exceptions.[38]The justification for the exception and limiting patent rights lies in the fact that certain patent rights should not be perpetual and can be revoked in exceptional circumstances to balance the interests of the patent holders with those of the general public and national interests. Article 27 (1)-(3) of the TRIPS Agreement makes provision for minimum standards of protection for the patentable subject matter and also subject matter to be excluded from patentability. Article 28.1 provides for exclusion rights that patent holders are to be accorded after being granted a patent. In terms of the exceptions that may be made to these rights, Article 30 leaves the determination of exceptions and limitations of patent rights to the territorial jurisdiction of member states. It provides that: 'Members may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with the normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.' This is so since the grant of patents is territorial and subject to local patent legislation. In popular practice, most countries, Developed countries, Developing Countries (DCs), and in some cases, Least Developed Countries (LDCs) 13 have almost similar exceptions and limitations of patents rights in their local patent legislation. The exceptions and limitations usually narrow or broad in construction depending on the national legislation where they are found. They include private and non-commercial use exception, experimental and scientific use exception, prior use exception, and

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[36] Carolyn Deere, The Implementation Game: The TRIPS Agreement and the Global Politics of Intellectual Property Reform in Developing Countries (2009).

[37] TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15,1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299, 33 I.L.M. 1197 (1994)

[38] Christopher Garrison, 'Exceptions to Patent Rights in Developing Countries'(International Centre for Trade and Sustainable Development 2006) 2<http://ictsd.org/i/publications/11716/> accessed on 1/12/ 2023.

extemporaneous preparation of a medicine in a pharmacy exception, foreign vessels, aircraft or land vehicles exception, International Civil Aviation (Chicago) exception, regulatory review (Bolar) exception, exhaustion of patent rights and other exceptions.

We should note further that in Nigeria the PDA contains exceptions and limitations to patent rights that apply to patentees who are granted patents in Nigeria such as compulsory Licences.[39]

What can be considered an exception to the discussions already had above is the use of compulsory licences in appropriate cases. As the name implies, a compulsory licence is 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.**[40]** 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.**[41]** For instance, when there were cases of the outbreak of Meningitis and Polio 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.**[42]** The grant of compulsory licences is supported by the international regulatory instrument for trade and services relating to intellectual property, which is the

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[39] Gwom, Solomon Gwom 'Exceptions and Limitations to Patent Rights Under The Nigerian Patents and Designs Act: Analysing The provisions and The Gaps' *International Journal of Law and Policy Review* (2019) 8 (2) 368

[40] The First Schedule to the PDA has detailed provisions on this.

[41] It is on record that South Africa granted compulsory licences to some pharmaceutical companies to manufacture antiretroval drugs to combat the AIDS epidemic that was ravaging the country.

[42]Someshwar Singh 'Compulsory Licensing Good for US Public, Not others' at<http://www.twnside.org.sg/title/public-cn.htm> accessed on 20th/11/ 2023.

Agreement on Trade-Related Aspects of Intellectual Property Rights 1994 (TRIPs Agreement).[43] Under articles 30 and 31 of the TRIPs Agreement, Contacting parties are allowed to grant the use of patents to third parties without the authorization of the right holder, provided that such a grant does not unreasonably prejudice the legitimate interests of the patent owner, while taking cognizance of be declared a nullity.

Also, the notion of disclosing the details of an invention by an inventor in exchange for state protection and the exclusive enjoyment of rights from such protection and also the corresponding economic incentives derived from the enjoyment such exclusive rights are the foundations of the patent system.[44] However, just like any other property right, the rights exercised by a patentee are not absolute as,

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[43] The TRIPs Agreement is Annex 1C to the Marrakesh Agreement Establishing the World Trade Organization (WTO) signed in Marrakesh, Morocco, 15 April 1994. See the Agreement on Trade-Related Aspects of Intellectual Property Rights 1994 at What can be considered an exception to the appraisal above is the use of compulsory licences in appropriate cases. As the name implies, a compulsory licence is 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. 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. For instance, when there were cases of the outbreak of Meningitis and Polio 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. The grant of compulsory licences is supported by the international regulatory instrument for trade and services relating to intellectual property, which is the Agreement on Trade-Related Aspects of Intellectual Property Rights 1994 (TRIPs Agreement). Under articles 30 and 31 of the TRIPs Agreement, Contacting parties are allowed to grant the use of patents to third parties without the authorization of the right holder, provided that such a grant does not unreasonably prejudice the legitimate interests of the patent owner, while taking cognizance of be declared a nullity.<http://www .wto.org/english/ tratop_e/trip s_e/t _agm0_ e.htm> accessed on 20 /11/ 2023.

[44] Shahid Alikhan, *Socio-Economic Benefits of Intellectual Property Protection in Developing Countries* (WIPO 2000) 12, 13.

most times, exceptions and limitations of patent rights of the patentee are weighed against the corresponding rights of others, overriding public interest, the values and needs of the society, national security and other more significant considerations. In this respect, state discretion on restrictions, as long as such restrictions do not offend against obligatory international legislation, has a strong influence on exceptions and limitations to patent rights under the patent and Designs Act of Nigeria. It is also strongly observed that there exceptions and limitations of patent rights under the PDA are not without certain noticeable gaps compared to legislation in other state jurisdictions. The Indian Patent Act is a good example.[45] Section 47(3) of the Indian Patent Act contains exceptions on experimental and scientific uses of product and process patents which may be made or used by any person for the purpose merely of experiment or research including the imparting of instructions to pupils.[46]

This exception is one of the most widely known and used exceptions to patent rights. It is usually used to protect and encourage bona fide experiments and scientific processes. Thus, third parties can carry out experimental or scientific activities relating to the subject matter of the patent without infringing the patent holder's rights.[47] It is necessary to incorporate this exception into the PDA because it usually serves as a defense against the public use bar of patentable inventions. However, this will depend on Nigeria's technological growth, especially in generic drugs and food patents.

Another close look at one of the limitations in the PDA is the exhaustion doctrine. It is noteworthy to observe that the patent system

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[45] D. Choudhary, *Evolution of Patent Laws: Developing Countries' Perspective* (Capital House 2006);India Patents Act, 1970 (as amended up to Patents (Amendment) Act, 2005). India is an apt comparison here because it is widely acknowledged as a success story of an emerging country (like Nigeria) that transitioned into a major producer of generic drugs and agrochemical products through changes in its patent system.

[46]WIPO,'Patent Office of India' (WIPO: World Intellectual Property Organisation, 2018),https://www.wipo.int/export/sites/www/scp/en/exceptions/replies/india_2.pdfaccessed on 1/12/2023.

[47] Kris J Kostolansky and Daniel Salgado, 'Does the Experimental Use Exception in Patent Law Have a Future?' [2018] Colorado Lawyer 10, 32.

in Nigeria favors the national doctrine of exhaustion or first sale doctrine under section 6(3)(b) of the PDA as opposed to the regional or international doctrine of exhaustion. The concept of national exhaustion t recognizes the patent holder exhausting their rights locally once they have sold the patented. The patent owner or his authorized licensee then could oppose the importation of original goods marketed abroad based on the right of importation.

Therefore, when a patent holder sells the patented goods outside the nation's borders, his patent rights are not exhausted within such borders.[48] Some countries prefer the regional, while some recognize the international exhaustion or a mix of the two. However, it is not yet certain which type of exhaustion doctrine meets the domestic economic objectives of Nigeria.

This uncertainty has led to different criticisms and suggestions alike.[49]There is, therefore, the need to re examine the efficacy or otherwise of section 6(3)(b) of the PDA in the interest of long term economic growth and the development patent system in Nigeria.[50]
Additionally, it is observed that exception not mentioned in the PDA is the regulatory-use and prior-use exemption, otherwise known as the 'Bolar Exemption'[51] in many countries. The exception deals more with pharmaceutical products and the likelihood of a monopoly and overpricing of such products. Consequently, Section 107A of the Indian Patents (Amendment) Act, 2005 incorporated the regulatory-use or prior-use exemption offer a trade-off between incentives to the

[48] Kassim Musa Waziri and A. Awomolo, 'Exhausting Patents: Understanding the Conflicting Notions' *Jounrnal of Intellectual Property Studies* (2017)80(1).
[49] Temitope O Oloko, 'Legal Implication of the Effect of the TRIPS Agreement on the Trade Marks Law in Nigeria' *European Scientific Journal*(2016)12.
[50] For instance, the international and regional exhaustion doctrines are advantageous in making it easy to import products across international and regional borders and also make available patented products at minimum global market price.
[51] Frederick M Abbott, Thomas Cottier and Francis Gurry, 'International Intellectual Property in an Integrated World Economy' *Wolters Kluwer Law & Business* (2019) 334

innovators, and limited access and costs to consumers.[52] It allows the manufacturers of generic drugs to undertake steps reasonably related to the development and submission of information required for obtaining marketing approval anywhere in the world in respect of a patented product without the consent of the patentee. However, the PDA does not protect pharmaceutical patents.[53] However, the prospects of doing so in future are certain. One of the significant benefits of the Bolar exception is that it allows, in many cases, for the permission the generic drug manufacturers to use the technology of a patented drug to generate data and to demonstrate bioequivalence that would assist in the regulatory or marketing approval of the generic product while the patent is still in force.[54] The Bolar Provision does conform to the TRIPS agreement and is used in many countries to advance science and technology in diverse areas.

It is observed also that even where section 6 (3)(a) of the PDA only states that 'the rights under a patent shall extend only to acts done for industrial or commercial purposes,' the limitation is not as broad as in other jurisdictions that have provisions for the exception of private use and non-commercial use. The question arises as to what the meanings of the phrase 'industrial or commercial purposes.' It is observed that many jurisdictions use the phrase 'private and/or non-commercial use' as for exclusions to rights conferred on patents. Some countries like Israel and Hungary go further to include definitions of expressions such as 'private use' or 'non-commercial activities' in their patent legislation.[55] It is opined here that the PDA should follow suit, as by so doing the intended national policy objectives of the patent system

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[52] Mrinalini Gupta, 'India: Exceptions and Limitations to Patent Rights in India' [2014] Singh and Associates, <http://www.mondaq.com/india/x/325620/P atent / > accessed on 8/12/2023

[53] Unlike the Patent legislation of countries like India and Brazil that were caught up by obligatory pharmaceutical patent protection under TRIPS in 1995.

[54] Anthpny Tridico, Jeffrey Jacobstein and Leythem Wall, 'Facilitating Generic Drug Manufacturing: Bolar Exemptions Worldwide' [2014] WIPO Magazine,<https://www.wipo.int/wipo_magazine/en/2014/03/article_0004.html> accessed on 8/12/2023.

[55] WIPO Standing Committee on the Law of Patents, 'Exceptions and Limitations to Patent Rights: Private and/or Commercial Use' 3, < https://www.wipo.int/edocs /mdocs/patent_policy/en/scp_20/scp_20_3.pdf >accessed on 8/12/2023..

would be fulfilled. These objectives include rewarding the patentee for his contribution to the state of the art, with an exclusive right to exploit the invention to the exclusion of private and non-commercial activities and for the patent system to serve as a vehicle of developing technology and industries where such restrictions are placed on it.

Furthermore, there is the non inclusion of patent rights exception of foreign vessels, aircraft or land vehicles exception in the PDA. There seems to be silence in this aspect of patent exception, even where Nigeria is a signatory to the Paris Convention which obliges member states not to confer rights to the use of the patented invention on board of vessels when such vessels temporarily or accidentally enter the waters, provided that the invention is used exclusively for the needs of the vessel. This is contained in article 5 of the Convention. The purport of the provision entails that patent rights are not infringed when the patented invention is used exclusively for the needs of foreign vessels, aircraft, or land vehicles and other accessories thereof, when such foreign vessels, aircraft or land vehicles temporarily or accidentally come into Nigeria. This should apply not only in temporarily and unintentional incidents of entry but also the intentional and regular going into a port, provided that the vessels, aircraft or land vehicles do not remain permanently in the territorial waters or the territory of the country.

This exception is beneficial in facilitating uninterrupted international travel and reducing tensions between countries over the treatment of vessels flying their flag.[56]

4.0 Conclusion

This article has x-rayed and evaluated the Law of Patentability in Nigeria: Exceptions and Limitations under the Nigerian Patents and Designs Act (PDA). It is true that exceptions and limitations are beneficial to technological and economic development. They could also contribute in no small measure to the quality patents. These include exceptions like experimental use and medical practitioner exceptions, limitations of exhaustion of patent rights and other

[56] Michael Blakeney and Jill McKeough, *Intellectual Property: Commentary and Materials* (Law Book Company 1987) 650.

exceptions. Therefore, the success or failure of these limitations and exception will largely depend on public policy objectives, the applicable Law, long term objectives, the scope of the exceptions and limitations and confronting implementation challenges.

It is advisable that major provisions in the PDA, including provisions dealing with exceptions and limitations, be periodically reviewed to ensure that they are both current and in tandem with public interests and the technological and economic objectives of the country. In doing so, a balance should be struck between protecting private rights and public rights, because denying individuals and the public their rights within the patent system would have adverse consequences. Experiences of other countries show that it is needful to balance such rights. It is laudable though those steps are being taken to address some inadequacies of the patent system in Nigeria. For example, the enactment of a proposed Industrial Property Commission Bill (IPCOM)[57] and the conference on reforms on the Patents and Designs Act by the Nigeria Law Reform Commission held in Abuja in 2017. Sadly, none of these steps have been concluded as the proposed Industrial property Bill still lacks the necessary presidential assent and the recommendations for reform of the PDA are yet to be implemented. It is commendable, so to admit, that the long-awaited Federal Competition, Consumer Protection Act has been passed into law. This will go a long way in complementing patent rights by creating healthy competition in Nigeria. Discrete policy review processes should be undertaken to address problem areas in the Patents and Designs Act.

Finally, there no dispute to the fact that prosperity and property rights are inextricably linked. The importance of having well-defined and

[57] The IPCOM was presented before the Nigerian National Assembly in 2008. In 2016, efforts were still made to pass it into law. This also includes the repeal of the Trade Marks Act, cap 344, LFN 2004 and to make comprehensive provisions for the regulation. *International Journal of Law and Policy Review (IJLPR)* (2019) 8(2)382. .< https://ssrn.com/abstract=3421703>accessed on 8/12/2023

strongly protected patent rights is now widely recognized among economists and policymakers globally. However, good legislation should be enacted to protect and guide the exclusivity of such rights and restrictions and exceptions to such rights. Such legislation will benefit third parties, the state and the even the patentee himself and the general public. Thus, the overriding economic and technological needs of the society are met where the patent system is well utilized and well regulated. Therefore, A private property system gives individuals the exclusive right to use their resources should not concede the right to use such resources as they see fit. In essence, state exceptions and limitations on patent rights portray the benefits and costs of involved in the patent system, trademarks, patents and designs, plant varieties, animal breeders and Farmers rights and other related matters. The Bill has now passed the second reading at the House of Representatives and is currently awaiting further legislative action and presidential assent.

The importance of having well-defined and strongly protected patent rights is now widely recognized among economists and policymakers globally. However, good legislation should be enacted to protect and guide the exclusivity of such rights and restrictions and exceptions to such rights. Such legislation will benefit third parties, the state and the even the patentee himself and the general public. Thus, the overriding economic and technological needs of the society are met where the patent system is well utilized and well regulated. Therefore, A private property system gives individuals the exclusive right to use their resources should not concede the right to use such resources as they see fit. In essence, state exceptions and limitations on patent rights portray the benefits and costs of involved in the patent system.

It is important to note that patents secures economic rights and should constitute a significant consideration for prospective investors in inventions. A prospective investor ought therefore to be cautious so he does not lose the investment in a product or process due to the effect of a prior registered patent, and/or suffer punitive damages imposed by the court for infringement.

In *Puma Inc. v Forever21 Inc.*,[58] the Plaintiff alleged infringement of the Fenty X Rihanna design, a brand created by Puma in collaboration with the pop star, Rihanna. The Federal Court Los Angeles, California (LA) held that Puma has not proved its case to show the damage done by Forever 21's products. The Court further held that there is no evidence disclosing that consumers' perception of its brand has been weakened or that Puma has experienced a decline in its reputation on account of Forever 21's infringing product. In order to show harm to its brand, Puma must do more than simply submit a declaration insisting that its brand image and prestige have, or will be, harmed.

Nigerian Patents gives temporal protection to the inventor of a product to the exclusion of others. It has few exceptions. This temporary protection affords added impetus for recouping of the fruit of the inventive ingenuity of the inventor and encourages further creativity.

[58] *[2017] 17 L.A 02523 United State Central District Court California.*