

STATUTES OF THE REPUBLIC OF SOUTH AFRICA — PATENTS, DESIGNS AND COPYRIGHT  
 ss. 56–57 *Patents Act, No. 57 of 1978* ss. 56–57

(6) In all other cases the commissioner may grant an exclusive licence if, having regard to all the circumstances of the case, he considers it justified, and for that purpose he may revoke any existing licence on such conditions as he may deem fit.

(7) In determining the conditions on which any licence is granted the commissioner shall have regard to any relevant facts, including the risks to be undertaken by the licensee, the research and development undertaken by the patentee and the terms and conditions usually stipulated in licence agreements in respect of the subject-matter of the invention, between persons who voluntarily enter into such agreements.

(7A) The commissioner may order that a licence granted in terms of this section shall be deemed to have been granted on the date on which the application has been received by the registrar.

[Sub-s. (7A) inserted by s. 2 (b) of Act No. 76 of 1988.]

(8) Any order of the commissioner under this section shall be made with a view to avoiding the abuse found by the commissioner to have been established.

(9) The commissioner may amend or revoke any licence granted under this section.

(10) Subject to the provisions of subsection (11) and to the conditions that may be attached to the licence, a licensee under this section shall have the same rights and obligations as any other licensee under a patent.

(11) An exclusive licensee under this section may, subject to the conditions attached to the licence, institute any proceedings which may be necessary to prevent infringement and to recover damages as a result of infringement, of the patent in question, as if he were the patentee: Provided that—

- (a) the patentee concerned shall be cited as a party to such proceedings;
- (b) the patentee may join in the proceedings either as co-plaintiff or as co-defendant; and
- (c) the patentee shall not be liable for any costs in connection with such proceedings unless he enters an appearance and takes part in those proceedings.

(12) Notwithstanding the provisions of subsection (11), a patentee whose patent is the subject of an exclusive licence in terms of this section may institute any proceedings which may be necessary to prevent infringement and to recover damages as a result of infringement, of the patent in question: Provided that—

- (a) the exclusive licensee shall be cited as a party to such proceedings;
- (b) the exclusive licensee may join in the proceedings either as co-plaintiff or as co-defendant; and
- (c) the exclusive licensee shall not be liable for any costs in connection with such proceedings unless he enters an appearance and takes part in those proceedings.

(13) (a) The commissioner may, when ordering the grant of a licence under subsection (4) (a), award costs against the applicant or patentee concerned or any person opposing the relevant application.

- (b) In so awarding costs, the commissioner shall *inter alia* have regard to—
  - (i) the nature and extent of the abuse found by him to have been established; and
  - (ii) whether the application for a licence under this section might have been avoided by the grant, by the patentee concerned to the applicant, of a voluntary licence on reasonable terms.

(14) For the purposes of this section the expression “patented article” includes any composition of matter or any product of a patented process or method or any product produced by a patented machine.

**57. Termination of contracts relating to licences.—**(1) Any contract, in so far as it relates to a licence under a patent to make, use, exercise or dispose of 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

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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.

(2) Nothing in this section shall affect any right to terminate a contract or a condition in a contract independently of this section.

58. **Effect of licence.**—In default of an agreement to the contrary—

- (a) a licence to make a patented article shall carry with it the right to use or 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 the product of the process.

CHAPTER IX

ASSIGNMENT, ATTACHMENT AND HYPOTHECATION OF  
PATENTS AND APPLICATIONS FOR PATENTS

59. **Assignment and devolution of patents by operation of law.**—(1) Subject to the provisions of section 39 (7), the rights vested in a patentee or an applicant for a patent shall be capable of assignment and of devolution by operation of law.

(2) Any condition in a contract of employment which—

- (a) requires an employee to assign to his employer an invention made by him otherwise than within the course and scope of his employment; or
- (b) restricts the right of an employee in an invention made by him more than one year after the termination of the contract of employment,

shall be null and void.

60. **Assignment, attachment and hypothecation of patent or application for patent.**—

(1) (a) An applicant for a patent or a patentee may in writing assign his rights in an application or patent to any other person.

(b) Upon application in the prescribed manner and on payment of the prescribed fee to the registrar, such assignment shall be recorded in the register.

(c) Unless such assignment is so recorded it shall not be valid, except as between the parties thereto.

(2) A patent or an application for a patent may be attached by recording the warrant of execution or attachment order concerned in the register in the prescribed manner.

(3) Upon the discharge of any attachment, the person who caused such warrant or order to be entered in the register shall cause that entry to be deleted: Provided that any other interested person may apply to the registrar to cause such entry to be deleted.

(4) An attachment shall lapse on the expiry of a period of three years from the date of recording it in terms of subsection (2), unless it is renewed within that period.

(5) The hypothecation of a patent or an application for a patent may on application in the prescribed manner be entered in the register.

(6) After the entry of an attachment or hypothecation in terms of this section, the patentee or applicant for a patent shall not alienate or encumber the attached or hypothecated patent or application for a patent or grant any licences under such patent.

## CHAPTER X

## REVOCATION OF PATENTS

61. **Grounds for application for revocation of patent.**—(1) Any person may at any time apply in the prescribed manner for the revocation of a patent on any of the following grounds only, namely—

- (a) that the patentee is not a person entitled under section 27 to apply for the patent;
- (b) that the grant of the patent is in fraud of the rights of the applicant or of any person under or through whom he claims;
- (c) that the invention concerned is not patentable under section 25;
- (d) that the invention as illustrated or exemplified in the complete specification concerned cannot be performed or does not lead to results and advantages set out in the complete specification;
- (e) that the complete specification concerned does not—
  - (i) fully describe, ascertain and, where necessary, illustrate or exemplify the invention and the manner in which it is to be performed; or
  - (ii) disclose, in the specification as accepted, the best method of performing the invention known to the applicant for the patent at the time when the specification was lodged at the patent office;
- (f) that the claims of the complete specification concerned are not—
  - (i) clear; or
  - (ii) fairly based on the matter disclosed in the specification;
- (g) that the prescribed declaration lodged in respect of the application for the patent contains a false statement or representation which is material and which the patentee knew to be false at the time when the declaration was made;
- (h) that the application for the patent should have been refused in terms of section 36;
- (i) that the complete specification claims as an invention a microbiological process or a product thereof and that the provisions of section 32 (6) have not been complied with.

(2) An application for revocation shall be served on the patentee and lodged with the registrar in the prescribed manner and shall thereafter be dealt with in the manner prescribed.

(3) The commissioner shall decide whether the patent shall be revoked or whether and, if so, subject to what amendments, if any, of the specification or claims thereof, the patent shall be upheld: Provided that the commissioner shall not allow any amendment which is in conflict with the provisions of section 51 (6) or (7): Provided further that the commissioner may in the exercise of his discretion as to costs take into consideration the conduct of the patentee in framing his specification and claims and permitting them to remain as so framed.

62. **Patents comprising more than one invention.**—A patent shall be granted for one invention only, but no person may in any proceedings object to a patent on the ground that it comprises more than one invention.

63. **After revocation on ground of fraud inventor may obtain patent in certain circumstances.**—Where a patent is revoked on the ground of fraud, or a patent fraudulently obtained has been surrendered and revoked, the commissioner may, on the application of

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the inventor of the relevant invention or his assignee or legal representative, made in accordance with the provisions of this Act, direct the grant to him of a patent for the whole or any part of the invention, bearing the same date as the patent so revoked.

64. **Voluntary surrender of patent.**—(1) A patentee may at any time, by giving notice in the prescribed manner to the registrar, offer to surrender his patent, and the registrar shall give notice of the offer to any person shown in the register to have an interest in the patent.

(2) Any interested person may within the time prescribed lodge in writing with the registrar an objection to the surrender of the patent.

(3) If no objection is so lodged or if any such objection is overruled by the commissioner after having given the patentee and the objector an opportunity to be heard, the patent shall be deemed to have been revoked as from the date of receipt by the registrar of the offer of surrender, and the registrar shall advertise the revocation of the patent in the journal and make the necessary entries in the register.

(4) An offer to surrender a patent shall not be considered as long as any proceedings for infringement or revocation of that patent are pending before the commissioner or in any court, except by consent of the parties to such proceedings.

## CHAPTER XI

### INFRINGEMENT

65. **Proceedings for infringement.**—(1) Subject to the provisions of section 53 (3), proceedings for infringement of a patent may be instituted by the patentee or an exclusive licensee mentioned in section 56 (11).

(2) Proceedings for infringement shall be instituted and prosecuted in the manner prescribed.

(3) A plaintiff in proceedings for infringement shall be entitled to relief by way of—

- (a) an interdict;
- (b) delivery up of any infringing product or any article or product of which the infringing product forms an inseparable part; and
- (c) damages.

[Sub-s. (3) substituted by s. 3 (a) of Act No. 76 of 1988.]

(4) In any proceedings for infringement the defendant may counterclaim for the revocation of the patent and, by way of defence, rely upon any ground on which a patent may be revoked.

(5) The plaintiff in any such proceedings shall, before he institutes the proceedings, give notice thereof to every licensee under the patent in question whose name is recorded in the register, and any such licensee shall be entitled to intervene as a co-plaintiff.

[Sub-s. (5) substituted by s. 3 (b) of Act No. 76 of 1988.]

(6) Damages contemplated in subsection (3) (c) may be calculated on the basis of the amount of a reasonable royalty which would have been payable by a licensee or sublicensee in respect of the patent concerned.

[Sub-s. (6) added by s. 3 (c) of Act No. 76 of 1988.]

66. **Restriction on recovery of damages for infringement.**—(1) A patentee shall not be entitled to recover damages in respect of infringement of a patent from a defendant who proves that at the date of the infringement he was not aware, and had no reasonable means of making himself aware, of the existence of the patent, and the marking of an article with the word “patent” or “patented” or any word or words expressing or implying that a patent has been obtained for the article, stamped, engraved, impressed on or otherwise applied to the article, shall not be deemed to constitute notice of the existence of the patent unless such word or words are accompanied by the number of the patent: Provided that nothing in this section shall affect any proceedings for an interdict.

(2) Any person who represents that any invention is patented, without such representation disclosing the number of the patent concerned, and from whom the number of such patent has been requested in writing by registered post by any other person unaware of such number, may not recover from such other person damages, or obtain an interdict

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against him, in respect of any infringement of such patent by such other person, committed during the period commencing with the representation and terminating two months after the date on which such other person was notified in writing by the first-mentioned person of the number of the patent concerned.

(3) Any person who, having made a request referred to in subsection (2), expends during the period referred to in that subsection, any money, time or labour with a view to making, using, exercising or disposing of 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.

(4) If proceedings are instituted in respect of infringement of a patent, committed after the failure to pay any prescribed renewal fee within the prescribed period, and before any extension of the period for such payment, the commissioner may, if he thinks fit, refuse to award any damages in respect of the infringement.

(5) Where an amendment of a specification has been allowed under section 51, the commissioner may in his discretion refuse to award damages in respect of any acts of infringement committed before that amendment was so allowed and, in exercising his discretion, the commissioner may take into consideration the conduct of the patentee in framing the specification and permitting it to remain in its unamended form.

67. **Presumptions in relation to new substances.**—(1) A claim in respect of a patent for a process or an apparatus for producing any product shall be construed as extending to such product when produced by the process or apparatus claimed.

(2) If the invention for which a patent is granted is a process for obtaining a new product, the same product produced by a person other than the proprietor of the patent or a licensee under that patent shall, unless the contrary is proved, be deemed, in any proceedings, to have been obtained by that process.

(3) In considering whether any person has discharged the onus imposed upon him by subsection (2), the commissioner shall not require him to disclose any secret process used by him in producing the product concerned, if it appears to the commissioner that it would be unreasonable to do so.

68. **Relief for infringement of partially valid specification.**—Where in any proceedings for infringement of a patent, the commissioner finds that any claim in the complete specification in respect of which infringement is alleged, is valid, but that any other claim therein is invalid, the following provisions shall, notwithstanding anything contained in section 66 (5), apply, namely—

- (a) If a counterclaim for the revocation of the patent has been made in the proceedings on the ground of the invalidity of any claim in the specification, the commissioner may postpone the operation of any order issued thereon for such time as may be required to enable the patentee to effect any amendment of the specification pursuant to the conditions imposed by the commissioner, who may attach such other condition to any order to be issued on the counterclaim as he may deem fit; and
- (b) when the specification has been amended in terms of paragraph (a), the commissioner may, subject to such order as to costs as he may issue and as to the date from which damages shall be calculated, grant relief in respect of any claim which had, before the amendment, been found to be valid and infringed, and in exercising his discretion he may take into consideration the conduct of the patentee in inserting in the specification those claims which had been found, before amendment, to be invalid or permitting such claims to remain there.

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**69. Declaration as to non-infringement.**—(1) A declaration that the use by any person of any process, or the making or use or sale 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.

(2) The costs of all parties to proceedings for a declaration instituted by virtue of this section shall be awarded in such manner as the commissioner may deem fit.

**70. Remedy for groundless threats of infringement proceedings.**—(1) Where any person, by circular, advertisement or otherwise, threatens any other person with proceedings for infringement of a patent, a person aggrieved thereby may, whether the person making the threats is or is not entitled to or interested in a patent, or an application for a patent, institute proceedings against him and obtain a declaration to the effect that such threats are unjustifiable and an interdict against the continuance of such threats, and may recover such damages, if any, as he has sustained thereby, unless the person making the threats proves that the acts in respect of which the proceedings are threatened, constitute or, if done, would constitute an infringement of a patent in respect of a claim in the specification which is not shown by the plaintiff to be invalid: Provided that a circular, advertisement or communication addressed to any person, which comprises only a notification of the existence of a particular patent upon which the proprietor relies for protecting his interests shall not, by itself, be deemed to be a threat of proceedings for infringement.

(2) The defendant in any such proceedings may apply by way of a counterclaim in the proceedings for any relief to which he would be entitled in separate proceedings in respect of any infringement by the plaintiff of the patent to which the threat relates.

**71. Special provisions as to vessels, aircraft and land vehicles of convention countries.**—

(1) Subject to the provisions of this section, the rights of a patentee shall not be deemed to be infringed—

- (a) by the use on board a convention vessel of the patented invention in the body of the vessel or in the machinery, tackle, apparatus or other accessories thereof, if the vessel comes into the territorial waters of the Republic, temporarily or accidentally only, and the invention is used exclusively for the actual needs of the vessel; or
- (b) by the use of the patented invention in the construction or working of a convention aircraft or land vehicle or accessories thereof if the aircraft or vehicle comes into the Republic temporarily or accidentally only.

(2) For the purposes of this section, vessels and aircraft shall be deemed to be vessels and aircraft of the country in which they are registered, and land vehicles shall be deemed to be vehicles of the country within which the owners are ordinarily resident.

## CHAPTER XII

### EVIDENCE

**72. Register to be evidence.**—(1) The person appearing from the register to be the proprietor of or applicant for a patent shall, subject to any right appearing from the register to be vested in any other person, have power to deal with the patent or the application for a patent as the owner thereof.