

Czech Republic

Additional inputs for the preparation of a draft reference document on the exception regarding prior use

According to Section 17 (1) and (2) of Act No. 527/1990 Coll. on Inventions and Rationalisation Proposals, as amended, a patent shall not have effect vis-à-vis a person (hereinafter referred to as "the prior user") who has already exploited the invention independently of the inventor or proprietor of the patent or who has made preparation therefore, that he can prove, before the priority right began (Section 27). In case of failure to reach agreement, the prior user shall be entitled to request a court that his right to be recognised by the proprietor of the patent.

The patent holder cannot enjoy his exclusive patent rights and exclude third parties from exploiting his invention. Such an entity that meets both requirements of the prior user's right is entitled to use the invention without the consent of the patent holder. The patent holder cannot enforce a ban on use, nor claim damages or reasonable compensation.

The precondition for successful exercise of the prior user's right is, first, the use of the subject matter of the invention before acquiring the priority right to the patent application and second, its use without relation to its inventor or patent holder. It means that the prior user acquired or created such a solution without drawing on the intangible sources of the inventor or patent holder. Independence is understood absolutely. Previous consultations, the use of patent holder employees, participation in joint projects, joint research and cooperation usually do not justify granting such a right.

Proven preparations for exploiting the solution fallen within the scope of the patent in question must be of such a nature that they are indeed aimed at such a solution. It is not enough to have the same problem, nor evidence to solve such a problem. Neither the technical development plan nor the contract for work, which was designed to solve the same problem, are likely to be sufficient to prove such a right.

The use of the subject matter of the patent does not mean that research or testing has been initiated on the technical problem solved by the subject matter of the patent, but that, in fact, measures have already been initiated which should already lead to the practical economic exploitation of the subject matter of the invention. This can be demonstrated, for example, by complete technical documentation related to production on the basis of own research.

The prior user's right can only be exercised against the patent holder. This right is linked to the business entity and cannot be contractually transferred. It may transfer to another entity in the case of a fusion, merger and sale of a company. If this right is recognized, it is appropriate to confirm this relation in writing, although this form is not regulated.

The issue of the exercise of the prior user's right is rather dealt with by courts in infringement proceedings. It is reviewed more frequently in the use of technical solutions protected by utility models than by patents. The Industrial Property Office of the Czech Republic (IPO-CZ) deals with this issue very rarely. A dispute concerning this issue before IPO-CZ has been settled by conciliation.