

Cross-border Patent Litigation in Europe

Present and Future

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BAYLOS



Setting the Stage

The Actions

- Patent Law offers right holders different alternatives **to enforce their rights** (partially harmonised at EU level by D. 2004/48):
 - Action for **infringement**
 - Corrective measures (Art.10) - recall, removal, destruction
 - Injunctions (Art.11) - Prohibition of the continuation of the infringement
 - Legal costs (Art.14)
 - Publication of judicial decisions (Art.15)
 - Actions for **damages** (Art.13) or pecuniary compensation (Art.12)
 - Actions for **provisional measures** (Art.9): interlocutory injunction and seizure of goods
- And **competitors** the possibility to defend their position in the market:
 - Actions for **revocation**
 - Actions for **declaration of non infringement**
 - Counterclaims for **revocation and defense of invalidity**

Setting the Stage

The International Dimension

- In a globalized world, IP disputes become *international* (connected with more than one State).
- To decide your litigation strategy you need to know:
 - where you can file the complain (*jurisdiction*);
 - in accordance with which law (*applicable law*);
 - And whether you would be able to recognise and enforce the decision in other countries (*recognition and enforcement*).

Private international law

Setting the Stage

Legal Instruments

- **At present:**

- Regulation 1215/2012 on *jurisdiction* and the *recognition and enforcement* of judgments in civil and commercial matters (**Brussels I**), modified by [Regulation 542/2014](#)
- Regulation 864/2007 on the *law applicable* to non contractual obligations (**Rome II**)

- **In the future:**

- Agreement on a Unified Patent Court (**UPCA**)

Setting the State

The Scenarios

1. Action for revocation of European patents
 - a. Validated in one State
 - b. Validated in multiple States
2. Action for infringement of European patents
 - a. In a single country
 - b. In multiple countries
 - c. In multiple countries by multiple defendants
3. Provisional Measures
4. Invalidity as a defense/counterclaim against an infringement action
5. Actions for non infringement of European patents
6. Lis pendens - Torpedo Actions

1st Scenario: Revocation of a European patent validated in one State

An enterprise domiciled in *Germany* owns a European patent in the chemical sector validated in France. A competitor also domiciled in *Germany* believes that the patent is invalid for lack of inventive step.

- Present:
 - where can the second company file an action for revocation?
 - According to what law will the dispute be decided?
- Future:
 - can the second company file an action for revocation before the UPC? In which Division?
 - According to what law will the dispute be decided?

2nd Scenario: Revocation of a European patent validated in several States

An enterprise domiciled in Germany owns a European patent in the chemical sector validated in Germany, France, Spain, Italy and the UK. A competitor domiciled in Canada believes that the patent is invalid for lack of inventive step.

- Present:
 - where can the second company file an action for revocation?
 - According to what law will the dispute be decided?
- Future:
 - can the second company file an action for revocation before the UPC? In which Division?
 - According to what law will the dispute be decided?
 - *Now imagine that instead of a European Patent, the German company has a Unitary Patent...*

3th Scenario: Infringement of a European patent in a Member State

An enterprise domiciled in Germany owns a European patent validated in France, Spain, Italy and the UK.

A competitor domiciled in France distributes products in the UK that allegedly infringe that patent.

- Present:
 - Where can the first company file an action for infringement?
 - What is the applicable law?
 - How to recognize and enforce the judgment?
- Future:
 - Can the second company file an action for infringement before the UPC? In which Division?
 - According to what law will the dispute be decided?
 - Can the judgment be enforce in Finland? And in Spain?

4th Scenario: Infringement of a European patent in a Member State by a defendant domiciled in a third country

An enterprise domiciled in Germany owns a European patent validated in France, Spain, Italy and the UK.

A competitor domiciled in USA distributes products in the UK that allegedly infringe that patent.

- Present:
 - Where can the first company file an action for infringement?
 - What is the applicable law?
 - How to recognize and enforce the judgment in Finland? And in the US?
- Future:
 - Can the second company file an action for infringement before the UPC? In which Division?
 - According to what law will the dispute be decided?
 - Can the judgment be enforce in Finland? And in Spain?

5th Scenario: Infringement of a European patent in several Member States

An enterprise domiciled in Germany owns a European patent validated in France, Spain, Italy and the UK.

A competitor domiciled in Spain distributes products in France and Spain that allegedly infringe that patent. Furthermore, customers from the UK and Italy can access a web site where the Spanish company offers those products for sale.

- Present:
 - Where can the first company file an action for infringement?
 - What is the applicable law?
- Future:
 - Can the second company file an action for infringement before the UPC? In which Division?
 - According to what law will the dispute be decided?
 - *Now imagine that instead of a European Patent, the German company has a Unitary Patent...*

6th Scenario: Infringement of a European patent in several Member states by multiple defendants

PharmaForAll is a *US company* that has a European patent validated in France, Germany and Spain. “MultiBusiness” is a *UK company* with *subsidiaries in France, Germany and Spain*. Each of the subsidiaries distributes products in France, Germany, Spain and Greece that allegedly infringe PharmaForAll’s patent.

- Present: Is it possible to sue all the subsidiaries together before the same Courts?
- Future: Is it possible to sue all the subsidiaries together before the UPC? In which Division? What is the applicable law?
- *Now imagine that instead of a European Patent, the US company has a Unitary Patent...*

7th Scenario: Provisional measures

A *UK company* has a European patent validated in Germany. A *competitor from the UK* distributes products in Germany that allegedly infringe that patent. The first company files a complaint before the courts of England. In addition to this, they want to ask for a preliminary injunction and the seizure of the money that the second company has in a bank account in Italy and Spain (to make sure that a hypothetical compensation claim can be fulfilled).

- Where can the preliminary injunction and the seizure order be asked for?
- Now imagine that the Unified Patent Court is in force ...
- And, finally, let us assume that the European patent has unitary effect ...

8th Scenario: Invalidity as a defense against an action for infringement

A French company has a European patent validated in Germany. A competitor from the UK distributes products in Germany that allegedly infringe that patent. The first company files a complaint for infringement before the courts of England. Once they have received the complaint, the competitor answers that the patent is invalid.

- Can the English court declare jurisdiction?
- Now imagine that the European patent is validated Germany and France and that the UK company distributes the products in both countries...
- Now imagine that the UPC is in force...
- Now imagine that instead of a European Patent, the French company has a Unitary Patent...

9th Scenario: Action for declaration of non infringement

A *UK company* has a European patent validated in France. A *competitor from Germany* distributes products in France that, in the opinion of the UK company, infringe that patent. They send warning letters to the competitor urging them to stop the distribution of the product. The German company wants to file an action for declaration of non-infringement.

- Before which courts can the complaint be filed?
- Now imagine that the UPC is in force...
- Now imagine that the patent of the UK company is a Unitary patent...

10th Scenario: *Lis pendens* - “Torpedo actions”

A UK company has a patent validated in France. A competitor from Germany distributes products in France that allegedly infringe that patent. The first company sends a warning letter to the competitor urging them to stop the distribution of the product. The letter states that if they do not stop the distribution within 20 days, they will file a complaint for infringement. Once the 20 days have expired, the UK company files a complaint before the courts of Germany. The competitors challenge the jurisdiction of the court because of *lis pendens*: two weeks ago they have filed an action for declaration of non-infringement before the courts of France.

- Can the German courts hear about the action for infringement or should they stay the proceedings?
- Imagine that the UPC is in force...
- Imagine that the patent of the UK company is a Unitary patent...

Thanks!!!

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