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## Patent Infringement and Forum Shopping in the European Union

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# Patent Infringement and Forum Shopping in the European Union

David Perkins and Garry Mills

## **Abstract**

This Article first considers the extent to which a patentee is entitled, under the various Conventions governing jurisdiction and enforcement, to which all EU Member States are signatories, to choose the forum in which to sue for infringement. This Article then considers the factors which a patentee is likely to look for when choosing the forum in which to bring proceedings for infringement. It concludes by considering the extent to which, bearing these factors in mind, various jurisdictions within the European Union offer advantages to potential plaintiffs in infringement actions over other jurisdictions. A comprehensive comparison of all jurisdictions in the European Union is beyond the scope of this Article. Instead, this Article will focus primarily upon the practice and procedure of the courts of the United Kingdom and Germany, referring briefly to certain other Member States of the European Union, namely, France and Italy.

# PATENT INFRINGEMENT AND FORUM SHOPPING IN THE EUROPEAN UNION\*

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& Garry Mills\*\*\*

## INTRODUCTION

Despite the move towards harmonization of intellectual property laws throughout the European Union, the national courts of the European Union continue to apply differing procedural rules and employ different approaches in patent infringement actions. This was illustrated in the *Improver* case.<sup>1</sup> In *Improver*, the European Patent Office ("EPO")<sup>2</sup> granted a patent and, therefore, issued it in identical form as a bundle of national European patents.<sup>3</sup> Article 69 of the European Patent Convention ("EPC")<sup>4</sup> and the Protocol to the European Patent Convention ("Protocol")<sup>5</sup> provide a test of infringement to guide judges

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1. *Improver Corp. v. Remington Consumer Prods. Ltd.*, [1990] F.S.R. 181 (Eng. Ch. 1989).

2. Convention on the Grant of European Patents, Oct. 5, 1973, 13 I.L.M. 270, art. 75(1)(a). The European Patent Office ("EPO") is located in Munich. *Id.* It is the EPO's task to examine every patent application for novelty and capability of industrial use. *Id.* art. 52(1). If the EPO grants an inventor a European patent, the inventor is deemed to possess a patent in each of the states that ratified the EPC, i.e., each contracting state. *Id.* art. 64(1).

3. *Id.* art. 64(1).

4. European Patent Convention, Oct. 5, 1973, 13 I.L.M. 270 [hereinafter EPC]. The European Patent Convention ("EPC") was enacted on March 1, 1979 and promotes the harmonization of European patent laws. John P. Hatter, Jr., *The Doctrine of Equivalents in Patent Litigation: An Analysis of the Epilady Controversy*, 5 IND. INT'L & COMP. L. REV. 461, 494 n.56 (1995). The nine EU Member States as well as five non-EU Member States signed the EPC. *Id.* Due to its ratification by most EU Member States as well as several non-EU Member States, the EPC is currently effective throughout most of Western Europe. *Id.*

5. Protocol on the Interpretation of Article 69 of the Convention, Oct. 5, 1973, 13 I.L.M. 348 [hereinafter Protocol]. The Protocol states:

Article 69 should not be interpreted in the sense that the extent of the protection conferred by a European Patent is to be understood as that defined by the strict, literal meaning of the wording used in the claims, the description and drawings being employed only for the purpose of resolving an ambiguity found in the claims. Neither should it be interpreted in the sense that the claims serve only as a guideline and that the actual protection conferred may

in the interpretation of a patent claim. This test has been incorporated into the laws of all the European contracting states.<sup>6</sup> In *Improver*, the Remington device<sup>7</sup> alleged to infringe was the same in all contracting states. Notwithstanding all these common factors, the English and German courts reached opposite conclusions in parallel litigation in the two countries.<sup>8</sup>

Thus, despite European patents and harmonized patent laws in the European Community, in the absence of a Community Patent Appeal Court, similar to the Court of Appeals for the Federal Circuit in Washington D.C., there is a considerable advantage to the plaintiff patentee to engage in forum shopping<sup>9</sup> in the European Union. Consequently, it is important for prospective plaintiffs to consider the possible advantages which may be gained by choosing to resolve their disputes in one jurisdiction instead of another.

This Article first considers the extent to which a patentee is entitled, under the various Conventions governing jurisdiction and enforcement,<sup>10</sup> to which all EU Member States are signatories, to choose the forum in which to sue for infringement. This

extend to what, from a consideration of the description and drawings by a person skilled in the art, the patentee has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patentee with a reasonable degree of certainty for third parties.

*Id.* The Protocol's goal is to "strike a balance between two fundamental extremes: strict literal interpretation and broad guidelines." Hatter, *supra* note 4, at 472.

6. Hatter, *supra* note 4, at 471-72.

7. The Remington device was known as the "Smooth & Silky." *Improver*, [1990] F.S.R. at 187. The Smooth & Silky contains a small electric motor which is inside a hand held device. *Id.* At the top of the Smooth & Silky are a number of parallel slits. *Id.* When the top of the Smooth & Silky is held close to the skin and rapidly rotated by the motor, hairs are gripped between the walls of the slits and are plucked out by the rotational movement. *Id.*

8. *Compare Improver Corp. v. Remington Prods. Inc.*, 21 IIC 572 (1990), 24 IIC 838 (1993), [1993] GRUR Int. 242 (F.R.G.) (holding that patent was infringed) *with Improver*, [1990] F.S.R. 181 (Eng. Ch. 1989) (holding that patent was not infringed).

9. Forum shopping occurs "when a party attempts to have his action tried in a particular court or jurisdiction where he feels he will receive the most favorable judgment or verdict." BLACK'S LAW DICTIONARY 655 (6th ed. 1990).

10. The two Conventions are the Lugano Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, O.J. L 319/9 (1988) [hereinafter Lugano Convention], and the Brussels Convention on Jurisdiction and Enforcement of Judgments in Civil and Commercial Matters, O.J. L 299/32 (1972), *amended by* O.J. L 304/77 (1978), *amended by* O.J. L 285/1 (1989) [hereinafter Brussels Convention] (subsequent citations will be to the full text, English version, at O.J. L 304/77 (1978), unless the cited article has been substantively revised).

Article then considers the factors which a patentee is likely to look for when choosing the forum in which to bring proceedings for infringement. It concludes by considering the extent to which, bearing these factors in mind, various jurisdictions within the European Union offer advantages to potential plaintiffs in infringement actions over other jurisdictions. A comprehensive comparison of all jurisdictions in the European Union is beyond the scope of this Article. Instead, this Article will focus primarily upon the practice and procedure of the courts of the United Kingdom and Germany, referring briefly to certain other Member States of the European Union, namely, France and Italy.

## I. JURISDICTION

### A. *The Governing Conventions*

The principal Conventions relevant to the allocation of jurisdiction are the Brussels Convention ("Convention")<sup>11</sup> and the Lugano Convention.<sup>12</sup> The Lugano Convention effectively extends the scope of the Convention to the European Free Trade Association States which ratified it. The provisions of the Convention allow patentees considerable flexibility in choosing a forum for litigating their disputes. As a result, patentees are often able to take advantage of the differences between national courts in resolving patent disputes.

#### 1. The Basic Rule: Defendant's Domicile

The basic rule of the Convention is contained in Article 2 which provides that if the Convention applies,<sup>13</sup> a plaintiff must sue the defendant in the courts of the jurisdiction of the defendant's domicile, and no other court, unless one of several enumerated exceptions applies.<sup>14</sup>

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11. Brussels Convention, *supra* note 10, art. 1, O.J. L 304/77, at 78 (1978).

12. Lugano Convention, *supra* note 10, art. 1, O.J. L 319/9, at 10 (1988).

13. The Brussels Convention applies when the proceedings brought in the courts of one of the contracting states relate to "civil and commercial matters" and do not relate to revenue, customs, or administrative matters or to matters relating to the status or capacity of natural persons, rights in property arising out of a matrimonial relationship, wills and succession, bankruptcy, proceedings relating to the winding up of insolvent companies or other legal persons, judicial arrangements, compositions and analogous proceedings, and social security or arbitration, all of which are specifically excluded. Brussels Convention, *supra* note 10, art. 1, O.J. L 304/77, at 78 (1978).

14. *Id.* arts. 2-6, O.J. L 304/77, at 78-80 (1978).

The internal law of the contracting state whose court is initially considering the matter determines the defendant's domicile for purposes of the Convention.<sup>15</sup> In the case of a company, its domicile is its "seat."<sup>16</sup> While not defined in the Convention, a company's seat is generally either the company's place of incorporation and the location where the company has its registered office or some other official address or the location where the company's central management and control is exercised. Under the Convention, therefore, a company may potentially have more than one seat. It is irrelevant that a plaintiff is domiciled outside a contracting state.

A court is not limited to assuming jurisdiction in cases where a patent alleged to be infringed is issued in that state. Article 2 of the Convention also allows contracting states to assume jurisdiction in cases involving the infringement of foreign patents on the basis of a defendant's domicile. A U.S. company holding a European patent granted in Germany, England, Italy, and the Netherlands, may sue an alleged infringer, who is domiciled in France, for infringement of a German patent in the Netherlands. In patent infringement cases thus far, the *Hoge Raad der Nederlanden* ("Hoge Raad"), the highest court in the Netherlands, has assumed jurisdiction over defendants domiciled in the Netherlands in proceedings for infringement of national patents derived from a single application filed at the EPO in Munich, even where the Netherlands was not a designated contracting state in the European patent application.<sup>17</sup>

Allowing a plaintiff to pursue a defendant in a number of jurisdictions pursuant to one judgment offers the potential to save considerable amounts on effort and expense. Difficulties, however, may arise where the scope of the asserted claims, as interpreted by the national courts, differs between the states in which enforcement is sought.

## 2. Exceptions to the Basic Rule

The Convention contains a number of exceptions to the ba-

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15. *Id.* art. 4, O.J. L 304/77, at 79 (1978).

16. *Id.* art. 16(2), O.J. L 304/77, at 82 (1978).

17. *See, e.g.*, *Organon v. ARS*, 463 NJ (HR 1996) (confirming decision of Court of Appeal of The Hague which granted cross-border injunction); *Organon Teknika v. Chiron*, 15 IER (Hof 1995) (affirming lower court's decision to grant cross-border injunction); *Murex v. Chiron*, 83 IER (Hof 1996).

sic rule for jurisdiction, some of which are particularly relevant in the context of patent infringement.

a. Interim Relief

In intellectual property disputes, a plaintiff is often primarily concerned about the availability of a preliminary or interim injunction which restrains a defendant's activities pending full consideration by a court. The outcome of a motion for a preliminary injunction is often determinative of the issue because the unsuccessful party usually will not wish to pursue the matter to a full trial. It is, therefore, clearly advantageous for a plaintiff to have the freedom to choose the jurisdiction in which to apply for interim relief.

Article 24 of the Convention provides, "[a]pplication may be made to the courts of a Contracting State for such provisional, including protective, measures as may be available under the law of that State, even if, under this Convention, the courts of another Contracting State have jurisdiction as to the substance of the matter."<sup>18</sup> This provision applies to applications made with or without notice to a defendant as well as to post-judgment applications. The importance of this provision is exemplified by the Dutch *Kort Geding* procedure,<sup>19</sup> which enables patentees to petition the President of the District Court in The Hague for either a prohibitory<sup>20</sup> or mandatory injunction.<sup>21</sup> At the hearing, counsel for the plaintiff explains the nature of the plaintiff's claim and the plaintiff's patent agent will, if necessary, explain the technical aspects of the patent to the court. The court will decide whether to grant an injunction based on the merits of the case, attempting to forecast whether the plaintiff would succeed in the event that the matter proceeded to a full trial. In *Kort Geding* proceedings, the District Court and the

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18. Brussels Convention, *supra* note 10, art. 24, O.J. L 304/77, at 83 (1978).

19. Translated literally, it means "short procedure."

20. A prohibitory injunction is a court order directing one party to cease from doing a certain act. BLACK'S LAW DICTIONARY 785 (6th ed. 1990).

21. A mandatory injunction:

(1) commands the defendant to do some positive act or particular thing; (2) prohibits him from refusing (or persisting in a refusal) to do or permit some act to which the plaintiff has a legal right; or (3) restrains the defendant from permitting his previous wrongful act to continue operative, thus virtually compelling him to undo it.

*Id.* at 784.

Hoge Raad have ruled on infringements occurring in foreign jurisdictions and granted injunctions with extra-territorial effect.<sup>22</sup> It appears that, thus far, the Dutch courts in *Kort Geding* proceedings have not based jurisdiction on Article 24 alone. Instead, jurisdiction has, in these cases, been founded under one of the bases for assuming jurisdiction under the Convention.

Other provisional measures<sup>23</sup> fall within the scope of Article 24 of the Convention. Such measures include the English Mareva injunction<sup>24</sup> and the Anton Piller order.<sup>25</sup> In a recent case,<sup>26</sup> a plaintiff owned patents in France, Germany, and the United Kingdom but not Belgium or the Netherlands. The defendants conducted the allegedly infringing business in the countries where the patents existed as well as in Belgium and the Netherlands. The plaintiff sought and obtained from the Belgian court of first instance, an order for a descriptive seizure. The defendants appealed the order, arguing that, notwithstanding Article 24 of the Convention, the Belgian court of first instance could not order a descriptive seizure because the plaintiff had no monopoly rights in Belgium, the territory where the order would be enforced. On appeal, the Belgian Court of Appeal confirmed the descriptive seizure, stating that courts of contracting states have jurisdiction to order all types of preliminary measures which leave the merits of the case intact even though the courts of other states have jurisdiction to hear and determine the merits of the case.<sup>27</sup>

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22. See, e.g., *Organon*, 463 NJ (HR 1996) (confirming decision of Court of Appeal of The Hague which granted cross-border injunction); *Organon Teknika*, 15 IER (Hof 1995) (affirming lower court's decision to grant cross-border injunction); *Murex*, 83 IER (Hof 1996).

23. Brussels Convention, *supra* note 10, art. 24, O.J. L 304/77, at 83 (1978).

24. The Mareva Injunction is an injunction which prohibits a defendant from disposing of its assets.

25. An *Anton Piller* order is obtained *ex parte* and "requires the defendant to permit the plaintiff, with his solicitor, to enter named premises and search them for and remove evidence of infringement, and/or to disclose the names of his suppliers of and customers for infringing articles." PETER STONE, *COPYRIGHT LAW IN THE UNITED KINGDOM AND THE EUROPEAN COMMUNITY* 92 (1990).

26. *Variantsystement A/S v. Sanac Belgium and Sanac Fyto*, Court of Appeal, Ghent, Belgium, Nov. 17, 1995, *noted in* [1996] 3 EUR. INTELL. PROP. REV. D-66.

27. *Id.*



## b. Alternative Fora to Defendant's Domicile

i. The *Lex Locus Delecti* Rule<sup>28</sup>

Patent infringement is a tort. Article 5(3) of the Convention provides, "[a] person domiciled in a Contracting State may, in another Contracting State, be sued: . . . (3) in matters relating to tort, delict or quasi-delict, in the courts for the place where the harmful event occurred."<sup>29</sup> In *Handelskwekerij G.J. Bier B.V. v. Mines de Potasse d'Alsace S.A.*,<sup>30</sup> the European Court of Justice ("ECJ") interpreted this phrase in a manner which gives plaintiffs the option of commencing proceedings either where the event giving rise to the damage occurred or in the jurisdiction where the damage occurred.<sup>31</sup> In *Bier*, the defendant company discharged saline waste into the Rhine River in Alsace, France. The discharge flowed downstream, causing damage to the plaintiff company's seed beds in the Netherlands. The plaintiff commenced proceedings in the Netherlands. The Dutch court of first instance, the Dutch Court declined jurisdiction on the basis that the case was not covered by Article 5(3) of the Convention. The plaintiff appealed and the Appellate Court referred the matter to the ECJ. The ECJ held that under Article 5(3), either the Dutch or French courts had jurisdiction to hear the dispute.<sup>32</sup>

*Bier* appears to enable a prospective plaintiff to commence proceedings for the infringement of a patent in jurisdictions where the infringing product is produced or wherever it is circulated. For example, if a German company manufactured products in France which infringed a European patent issued in Germany, France, and Italy, French Courts apparently could assume jurisdiction under Article 4(3).<sup>33</sup> If these products were sold in Italy, the Italian Courts could also assume jurisdiction under Ar-

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28. *Lex locus delecti* is a choice of law rule according to which the law of the place of the wrong governs the action. BLACK'S LAW DICTIONARY 911 (6th ed. 1990).

29. Brussels Convention, *supra* note 10, art. 5(3), O.J. L 304/77, at 79 (1978).

30. Case 21/76, [1976] E.C.R. 1735, [1977] 1 C.M.L.R. 284.

31. *Id.* at 1747-48, [1977], 1 C.M.L.R. at 300-01.

32. *Id.* at 1748, [1977] 1 C.M.L.R. at 301. The Court explained, "[t]he result is that the defendant may be sued, at the option of the plaintiff, either in the courts for the place where the damage occurred or in the courts for the place of the event which gives rise to and is at the origin of that damage." *Id.*

33. Brussels Convention, *supra* note 10, art. 5(3), O.J. L 304/77, at 79 (1978). Article 5(3) grants jurisdiction according to the place of manufacture of the infringing products. *Id.*

ticle 5(3).<sup>34</sup>

There have been a number of cases, however, involving the application of Article 5(3) to intellectual property rights disputes which suggest that there may be limits to a plaintiff's right to forum shop in patent disputes in reliance on Article 5(3). In the case of *ABKCO v. MCI*,<sup>35</sup> a plaintiff claimed to be the owner of various sound recordings of the popular singer Sam Cooke. The second defendant, a Danish corporation, granted the first defendant a license to manufacture and sell copies of the sound recordings in the United Kingdom and Ireland. The plaintiff initiated proceedings against the second defendant in England, arguing that it had authorized the first defendant's infringements. The plaintiff brought the proceedings against the second defendant pursuant to Articles 5(3) and 6(1). On appeal, the English Court of Appeal held that the English court had jurisdiction to hear the dispute under Articles 5(3) and 6(1).<sup>36</sup>

In *KiTechnology v. Unicor*,<sup>37</sup> plaintiff companies sued in England for breach of contracts concerning the use of confidential information relating to the manufacture of multi-layer composite plastic and aluminium pipes. All the defendants were German companies and the misuse of trade secrets complained of occurred in Germany. The agreements containing the confidentiality clauses also included provisions stipulating that English courts and English law governed any disputes. The plaintiffs issued and served a writ on the defendants alleging breach of contract and misuse of confidential information. The defendants applied to have the writ set aside on the grounds that the English courts lacked jurisdiction.

At first instance, the court held that the English courts had jurisdiction under Article 5(3). The Court of Appeal, however, held that even if the misuse of confidential information was a matter relating to tort, delict, or quasi-delict,<sup>38</sup> the plaintiff still had to demonstrate that the United Kingdom was the place

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34. *Id.* Article 5(3) of the Convention likewise grants jurisdiction to the state in which the infringing goods were circulated. *Id.*

35. [1995] E.M.L.R. 449 (C.A. 1994).

36. *Id.* at 451-52.

37. *KiTechnology v. Unicor*, [1995] F.S.R. 765 (C.A. 1994).

38. The English Court of Appeal could not express any view on a quasi-delict tort because an indistinguishable case had been referred to the European Court of Justice ("ECJ"). *Id.* at 767.

where "the harmful event [had] occurred".<sup>39</sup> The court had to distinguish between damage the misuse of information directly caused, which would establish jurisdiction, and damage it indirectly caused, which would not serve as a basis for jurisdiction. In this case, the plaintiff failed to show that it had suffered any direct loss in England as a result of the misuse of confidential information. The court, therefore, held that Article 5(3) could not ground jurisdiction.<sup>40</sup>

In *Marinari v. Lloyds Bank Plc.*,<sup>41</sup> a case before the ECJ that did not involve intellectual property rights, a plaintiff placed promissory notes with an exchange value of over US\$750 million with a branch of Lloyds Bank in Manchester, England. The notes were issued by a province of the Philippines in favor of the Zubaidi Trading Company of Beirut. Upon opening the envelope that contained the promissory notes, the bank staff became suspicious of the origin of the notes and called the police. The police arrested the plaintiff and his promissory notes were sequestered.

The plaintiff brought proceedings in Italy against the bank, claiming repayment of the promissory notes and compensation for breach of several contracts and injury to his reputation. The bank challenged the jurisdiction of the Italian court, the Tribunale di Pisa, on the ground that the alleged damage occurred in England. The court requested a preliminary ruling from the ECJ on whether the place where the harmful event occurred in Article 5(3) meant only the place in which physical harm was caused to persons or things or whether it also included the place where damage to the plaintiff's assets occurred.<sup>42</sup>

The ECJ construed Article 5(3) so as not to negate the general principle laid down in Article 2.<sup>43</sup> The place where the harmful event occurred could not, therefore, be construed so extensively that it encompassed any place where the adverse consequences of an harmful event could be felt.<sup>44</sup> The ECJ understood the phrase as not referring to the place where the victim claimed to have suffered financial loss consequential to initial

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39. *Id.* at 777.

40. *Id.* at 780.

41. Case C-364/93, 2 T.L.R. 159 (Eur. Ct. J. 1996).

42. *Id.* at 163.

43. *Id.* at 168.

44. *Id.*

damage arising and suffered by him in another contracting state. The ECJ, therefore, suggested that in the context of patent disputes, a patentee will need to show a real and direct connection between the defendant's activities and the harm suffered in a particular state before the courts of that state will find jurisdiction under Article 5(3).

Where jurisdiction is founded on the fact that infringing products are made within that territory, it would appear that a court could rule on any harm which occurred as a result, even if the harm is extra-territorial.<sup>45</sup> Where jurisdiction is grounded merely on the basis of the circulation of the infringing goods within the jurisdiction, however, a court is constrained to rule only on the harm occurring within the jurisdiction.

Article 5(3) does not give a court in one contracting state jurisdiction to rule on patent infringement that occurred in another contracting state. Such jurisdiction is only possible where jurisdiction has been founded pursuant to Article 2. In that case, a court can rule on the infringement of a parallel patent granted in another jurisdiction and apply the laws of that jurisdiction. For example, if a defendant who is domiciled in the Netherlands is sued for the infringement of a European patent issued in France and Germany, Dutch courts have jurisdiction, by virtue of Article 2, to hear the dispute. Where a plaintiff commences proceedings in France pursuant to Article 5(3), however, the French courts may only assume jurisdiction in respect to infringement of the French patent.

## ii. Branch, Agency, or Other Establishment

Article 5(5) of the Convention provides:

A person domiciled in a Contracting State may, in another Contracting State, be sued: . . . (5) [A]s regards a dispute arising out of the operations of a branch, agency or other establishment, in the courts for the place in which the branch, agency or other establishment is situated.<sup>46</sup>

In *Somafer S.A. v. Saar-Ferngas A.G.*,<sup>47</sup> the ECJ decided a case in which the plaintiff was a French company and the defendant a

45. This has long been the rule under English law. See *Watson Laidlaw & Co. v. Pott, Cassels & Williamson*, [1914] 31 R.P.C. 104 (H.L. 1914).

46. Brussels Convention, *supra* note 10, art. 5(5), O.J. L 304/77, at 79 (1978).

47. Case 33/78, [1978] E.C.R. 2183, [1979], 1 C.M.L.R. 490.

German corporation. The plaintiff sought to sue the defendant in Germany and argued that the defendant had a branch office in the Saarland, Germany, partly on the basis that the defendant's notepaper provided a Saarland address for its German representative.<sup>48</sup> The ECJ held that for Article 5(5) to apply, two basic conditions need to be satisfied. The existence of a branch office must be established, and a sufficiently close connection must be demonstrated between it and the cause of action.<sup>49</sup> As far as the first requirement was concerned, the ECJ said that the party seeking to demonstrate a branch must show that there is a place of business in the territory of the forum, which has the appearance of permanency, that it has management, and, that it is materially equipped to negotiate business with third parties so that they would not have to deal direct with the head office.<sup>50</sup> As far as the second requirement was concerned, it is satisfied, *inter alia*, where the dispute concerned tortious acts arising from the activities of the branch. It is, therefore, possible that if the existence of a branch or agent within a jurisdiction can be established, selling or offering for sale products which infringe a patent registered in that jurisdiction may be used to found jurisdiction against the manufacturer of those articles even if domiciled in a different contracting state.

### iii. Where There Are Co-Defendants

Article 6(1) appears to provide a plaintiff the option of suing several defendants in the courts of the contracting state where any one of them is domiciled. Article 6(1) of the Convention reads, "[a] person domiciled in a Contracting State may also be sued: (1) [W]here he is one of a number of defendants, in the courts for the place where any one of them is domiciled."<sup>51</sup> The ECJ, however, in *Kalfelis v. Bankhaus Schröder, Münchmeyer, Hengst & Co.*,<sup>52</sup> held that courts must interpret Article 6(1) and Article 5(3) restrictively.<sup>53</sup> Some relationship between the claims against each defendant must be established,<sup>54</sup> including,

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48. *Id.* at 2185, [1979] 1 C.M.L.R. at 492.

49. *Id.* at 2194, [1979] 1 C.M.L.R. at 499-500.

50. *Id.* at 2192, [1979] 1 C.M.L.R. at 501-03.

51. Brussels Convention, *supra* note 10, art. 6(1), O.J. L 304/77, at 79 (1978).

52. Case 189/87, [1988] E.C.R. 5579, [1990] 2 C.E.C. (CCH) 22.

53. *Id.* at 5584-86.

54. *Id.* at 5584.

by showing that the multiple defendants were acting in collusion, such that it is expedient to adjudicate them together to avoid the risk of irreconcilable judgments that may result from otherwise separate proceedings. A court should not assume jurisdiction under Article 6(1) where it appears that a plaintiff is deliberately attempting to deprive a defendant of its normal forum.<sup>55</sup>

#### iv. The Place Where the Patent Is Registered Governs Validity Disputes

Typically, where patent infringement is alleged, the defendant will seek, by way of counterclaim or, in jurisdictions where issues of validity and infringement are addressed independently of each other in separate revocation or nullity proceedings, to revoke the patent for invalidity. Articles 16(4)<sup>56</sup> and 19<sup>57</sup> of the Convention provide that questions of the registration and validity of registered intellectual property rights must be addressed by the courts of the contracting state where the registration has occurred or has been applied for. A potential conflict, therefore, arises under the Convention in cases where infringement proceedings are commenced in the courts of a defendant's domicile with respect to a patent granted in another state and where the patent's validity is challenged by the defendant in the infringement action.

Such situations could result in a situation where the judgments are not recognized under Article 27(3) of the Convention<sup>58</sup> on the grounds of irreconcilability. It has been suggested that to avoid irreconcilable judgments, the court before which the infringement proceedings have been brought should stay those proceedings unless the attack on the validity of the patent is thought to have been brought in bad faith or there is some other good reason for not staying the proceedings.<sup>59</sup>

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55. See Brussels Convention, *supra* note 10, art. 6(1), O.J. L 204/77, at 79 (1978).

56. *Id.* art. 16(4), O.J. L 304/77, at 82 (1978).

57. *Id.* art. 19, O.J. L 304/77, at 83 (1978).

58. *Id.* art. 27(3), O.J. L 304/77, at 84 (1978).

59. John Adams, *Choice of Forum in Patent Disputes*, [1995] EUR. INTELL. PROP. REV. 497.

### v. The Patentee's Place of Residence Governs Ownership Disputes

The Convention does not contain any specific provisions governing disputes over the ownership of intellectual property rights. As far as European patents are concerned, however, in the case of disputes under the EPC concerning the ownership of a patent granted under the EPC, two courts can potentially have jurisdiction. The first are the courts of the contracting state where the applicant for the patent has his residence or principal place of business.<sup>60</sup> The second set of courts which might have exclusive jurisdiction are the courts of the state in which the party suing for infringement of the patent has its residence or principle place of business, provided the applicant does not reside or have a place of business in any contracting state.<sup>61</sup> This rule does not apply to disputes between an employer and employee.

### 3. Applicable Law

When the courts of one contracting state assume jurisdiction in a case involving the infringement of a patent issued in another state, the law of the state which granted the patent applies. For example, a German corporation may be sued in Germany regarding the infringement of a French patent. The German Court, however, must apply French law.

### 4. Recognition and Enforcement

Are the courts in states affected by an injunction which was granted in another state bound to enforce it? Articles 25<sup>62</sup> and 26<sup>63</sup> of the Convention provide that a judgment given in one contracting state must be recognized in another. Moreover, the Convention does not distinguish between preliminary and final judgments. A default judgment will not be recognized in certain circumstances. Article 27 provides, "[a] judgment shall not be recognised . . . (2) where it was given in default of appearance, if the defendant was not duly served with the document which in-

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60. Protocol on Jurisdiction and the Recognition of Decisions in Respect of the Right to the Grant of a European Patent, Oct. 5, 1973, § 1 arts. 1-8 (1973).

61. *Id.*

62. Brussels Convention, *supra* note 10, art. 25, O.J. L 304/77, at 83-84 (1978).

63. *Id.* art. 26, O.J. L 304/77, at 84 (1978).

stituted the proceedings or with an equivalent document in sufficient time to enable him to arrange for his defence."<sup>64</sup>

Article 24, however, governs the position with regard to enforcement of *ex parte* orders.<sup>65</sup> In *Bernard Denilauler v. S.n.c. Couchet Freres*,<sup>66</sup> the ECJ decided a case in which the plaintiff was French and the defendant German. The action was brought in a French court and the plaintiff applied *ex parte* for an order freezing the defendant's bank account in Germany. The French court granted the order without informing the defendant and the plaintiff then brought proceedings to enforce it in Germany. The defendant referred the matter to the ECJ arguing that the order was unenforceable because it violated Article 27(2). The ECJ held that Article 27(2) did not apply to *ex parte* proceedings.<sup>67</sup> Instead, it only applied to adversarial proceedings where the law of the country granting judgment requires the defendant to be notified in advance.<sup>68</sup>

This case does not mean, however, that parties cannot enforce *ex parte* orders under the Convention. The ECJ held that *ex parte* interim orders were not intended to come within the provisions of the Convention dealing with recognition.<sup>69</sup> Instead, plaintiffs should bring fresh proceedings under Article 24 of the Convention in the country where enforcement is required. An interim order, such as a Mareva injunction, will be enforceable only if a defendant is informed in advance of the hearing and given the opportunity to present his case. In most cases, however, putting a defendant on notice of such proceedings would enable him to dispose of his assets and, therefore, frustrate the purpose of the procedure. Alternatively, when a defendant has assets within the jurisdiction of the court making the order, penalties for failure to comply with the order in another state can be assessed against those assets.

With regard to the Dutch *Kort Geding* procedure, a question exists as to whether the procedure should be regarded as a provisional measure<sup>70</sup> under Article 24 of the Convention. While cer-

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64. *Id.* art. 27, O.J. L 304/77, at 84 (1978).

65. *Id.* art. 24, O.J. L 304/77, at 83 (1978).

66. Case 125/79, [1980] E.C.R. 1553, [1981] 1 C.M.L.R. 62.

67. *Id.* at 1568, [1981] 1 C.M.L.R. at 79.

68. *Id.*

69. *Id.*

70. Brussels Convention, *supra* note 10, art. 24, O.J. L 304/77, at 83 (1978).



tain features of the procedure resemble a preliminary injunction application, it is a unique procedure. The *Kort Geding* procedure does not provide provisional relief. Rather, the finding of the court is final and binding.

A judgment also may not be recognized by another contracting state if it is contrary to public policy<sup>71</sup> or is irreconcilable with a judgment given in a dispute between the same parties in the same state in which recognition is sought.<sup>72</sup> As explained above, these exceptions inadequately cover the range of possible conflicts which may result from courts in different jurisdictions ruling on infringement and validity.

### B. *Relevant Factors for Patentee*

Of primary importance to a patentee in deciding the forum in which to bring proceedings is whether litigating in one forum as opposed to another will enhance his potential for a successful outcome. A number of factors influence the likelihood of success, such as, the procedural rules of the court, including the availability of specialist judges, documentary discovery, and cross-examination at trial and the test for infringement applied in the courts of that forum.

Other factors relevant to a prospective plaintiff's decision concerning where to sue include the availability of speedy relief through a preliminary injunction or expedited trials, other potentially available interim relief,<sup>73</sup> and the availability of extra-territorial injunctions. Another factor which can become significant is the cost of litigating a case in one forum as opposed to another.

### C. *Particular Jurisdictions*

#### 1. England

##### a. Procedure

The United Kingdom is made up of three separate jurisdictions, England and Wales, Scotland, and Northern Ireland. The only court in England with the jurisdiction to try patent disputes

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71. *Id.* arts. 27(1), 28, O.J. L 304/77, at 84 (1978).

72. *Id.* art. 27(3), O.J. L 304/77, at 84 (1978).

73. These might include Anton Piller and Mareva injunctions.

is the Patents Court,<sup>74</sup> a specially constituted part of the High Court in London. Patent practitioners believe the Patents Court is unique in Europe. As an alternative to the Patents Court, the United Kingdom established the Patents County Court in 1990 to provide a forum for small to medium-sized enterprises to resolve disputes involving patents for lower-grade technology or older technology. These two courts have judges who have considerable experience in dealing with patent disputes and are experienced patent practitioners. On the other hand, the English courts are an inappropriate forum for a patentee to bring a weak case in the hope of misleading the court and achieving a legally incorrect result.

The English system, unlike those of its continental European counterparts, involves documentary discovery, which operates as a two-edged sword. On the one hand, such discovery may assist the patentee in proving infringement, but, on the other hand, may provide a defendant with useful information with which to attack the validity of the patent.<sup>75</sup> At trial, witnesses are cross-examined concerning their written evidentiary statements.

#### b. The Test for Infringement

The starting point for consideration of the test for infringement under English law is Section 125(1) of the Patents Act 1977 ("the 1977 Act").<sup>76</sup> The 1977 Act provides:

For the purposes of this Act an invention for a patent for which an application has been made or for which a patent has been granted shall, unless the context otherwise requires, be taken to be that specified in a claim of the specification of the application or patent, as the case may be, as interpreted by the description and any drawings contained in that specification, and the extent of the protection conferred by a patent

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74. The Patents Court was established under Section 96 of the 1977 Patents Act. *PATENTS ACT, 1977, PUBLIC GENERAL ACTS AND MEASURES OF 1977*, Ch. 37, § 96, at 644-45 (Eng.) [hereinafter 1977 Patents Act]. Patent disputes have been assigned to specialist patent judges since the 1950s.

75. The basic requirement on the patentee where obviousness, e.g., lack of an inventive step, is alleged, is to provide discovery of non-privileged documents for a period of two years before and after the priority date. Rules of the Supreme Court, *THE SUPREME COURT PRACTICE*, Vol. 1, Pt. 1, Order 104, Rule 11(2)(b) (1997) [hereinafter RSC].

76. 1977 Patents Act, *supra* note 74, at § 125(1).

or application for a patent shall be determined accordingly.<sup>77</sup>

Section 125(1) of the 1977 Act has the same effect as Article 69 of the EPC. Section 125(3) of the 1977 Act provides that the Protocol on the interpretation of Article 69 of the EPC applies to Section 125(1) in the same manner as it does to Article 69.<sup>78</sup> The Protocol, in turn, states:

Article 69 should not be interpreted in the sense that the extent of the protection conferred by a European Patent is to be understood as that defined by the strict, literal meaning of the wording used in the claims, the description and drawings being employed only for the purpose of resolving an ambiguity if found in the claims. Neither should it be interpreted in the sense that the claims serve only as a guideline and that the actual protection may extend to what, from a consideration of the description and drawings by a person skilled in the art, the patentee has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patentee with a reasonable degree of certainty for third parties.<sup>79</sup>

The current approach of the English courts regarding the issue of patent infringement was set forth by Lord Diplock in *Catnic Components v. Hill & Smith*.<sup>80</sup> In *Catnic*, Lord Diplock introduced the notion of "purposive construction."<sup>81</sup> In *Catnic*, the patented invention related to galvanized steel lintels for doors and windows for use in cavity walls. It was a technological breakthrough in the industry and a great commercial success, providing an alternative to much heavier lintels. Its resilience depended upon the particular formation of certain steel plates which appear in cross-section in Figure 1. Claim one of the patent read:

A lintel for use over apertures in cavity walls having an inner and outer skin comprising a first horizontal plate or part adapted to support a course or a plurality of superimposed units forming part of the inner skin and a second horizontal plate or part substantially parallel to the first and spaced therefrom in a downward vertical direction and adapted to

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77. *Id.*

78. *Id.* § 125(3).

79. Protocol, *supra* note 5, art. 69, 13 I.L.M. at 348.

80. [1982] R.P.C. 183 (H.L. 1980).

81. *Id.* at 243.

span the cavity in the cavity wall and be supported at least at each end thereof upon courses forming parts of the outer and inner skins respectively of the cavity wall adjacent an aperture and a first rigid inclined support member extending downwardly and forwardly from or near the front edge adjacent to the cavity of the first horizontal plate or part and forming with the second plate or part at an intermediate position which lies between the front and rear edge of the second plate or part and adapted to extend across the cavity, and a second rigid support member extending vertically from or from near the rear edge of the first horizontal plate or part to join with the second plate or part adjacent its rear edge.<sup>82</sup>

The primary dispute in *Catnic* revolved around construction of the rear supporting member because claim one required that it should extend vertically.<sup>83</sup> The variant in the defendant's lintel, shown in Figure 2, inclined 6° or 8° from the vertical.

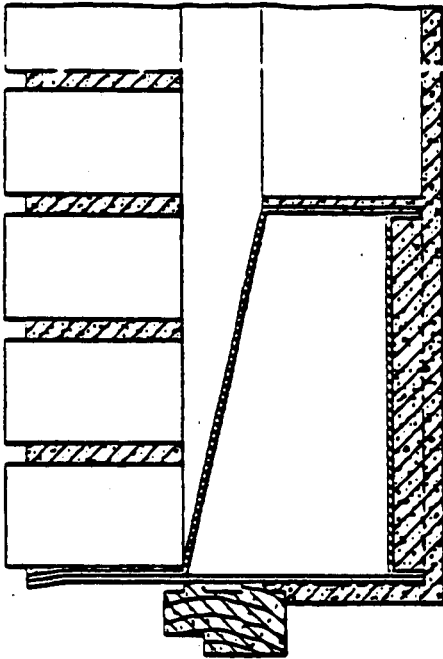


FIGURE 1

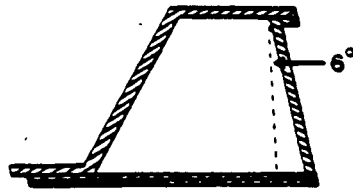


FIGURE 2

82. *Id.* at 188.83. *Id.*

The House of Lords held that the defendant's lintel infringed the patent.<sup>84</sup> To determine patent infringement, the House of Lords held that a court must ask itself:

[W]hether persons with practical knowledge and experience of the kind of work in which the invention was intended to be used, would understand that strict compliance with a particular descriptive word or phrase appearing in a claim was intended by the patentee to be an essential requirement of the invention so that any variant would fall outside the monopoly claimed, even though it could have no material effect upon the way the invention worked.<sup>85</sup>

The Court held that the term "extending vertically" was capable of meaning "near enough to vertical to enable the back plate to perform satisfactorily all the functions it could perform if it were precisely vertical."<sup>86</sup> The Court held, further, that it would be obvious to an ordinary builder that the patentee had not intended to make exact verticality of the back plate an essential feature of the invention.<sup>87</sup>

The patent in *Catnic* was granted under the Patents Act 1949 ("1949 Act")<sup>88</sup> and the case was, therefore, concerned with the law prior to the enactment of the 1977 Act, which embodied the provisions of the EPC. It has been held in a number of cases,<sup>89</sup> however, that the "purposive" approach in *Catnic* accorded with the Protocol and should, therefore, apply to cases decided under the 1977 Act.

In *Improver Corp. v. Remington Consumer Products Ltd.*, the plaintiffs invented and patented a depilatory device. Claim one of the patent at issue read:

An electrically powered depilatory device comprising: a hand held portable housing (2); motor means (4, 4') disposed in said housing; and a helical spring (24) comprising a plurality

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84. *Id.* at 244-45.

85. *Id.* at 243.

86. *Id.* at 244.

87. *Id.*

88. Patents Act, 1949, 2 GR. BRIT. STATUTES, Ch. 87, 1725 (Eng.).

89. *See, e.g.*, *Anchor Building Prods. Ltd. v. Redland Roof Tiles Ltd.*, [1990] R.P.C. 283 (C.A. 1988); *Strix Ltd. v. Otter Controls Ltd.*, [1991] F.S.R. 354 (C.A. 1991); *A.C. Edwards Ltd. v. Acme Signs & Displays Ltd.*, [1992] R.P.C. 131 (C.A. 1991); *Southco Inc. v. Dzus Fastener (Europe) Ltd.*, [1992] R.P.C. 299 (C.A. 1991); *Optical Coating Laboratory Inc. v. Pilkington PE Ltd.*, [1993] F.S.R. 310 (Eng. Ch. 1992); *Conoco Specialty Prods. Inc. v. Merpro Montassa Ltd.*, [1994] F.S.R. 99 (Eng. Ch. 1990).

of adjacent windings arranged to be driven by said motor means in rotational sliding motion relative to skin bearing hair to be removed, said helical spring (24) including an arcuate hair engaging portion arranged to define a convex side whereat the windings are spread apart and a concave side corresponding thereto whereat the windings are pressed together, the rotational motion of the helical spring (24) producing continuous motion of the windings from a spread apart orientation at the convex side to a pressed together orientation on the concave side and for the engagement and plucking of hair from the skin of the subject, whereby the surface velocities of the windings relative to the skin greatly exceed the surface velocity of the housing relative thereto.<sup>90</sup>

The plaintiffs marketed an embodiment of the device under the name "Epilady" as shown in Figure 3. The defendants produced

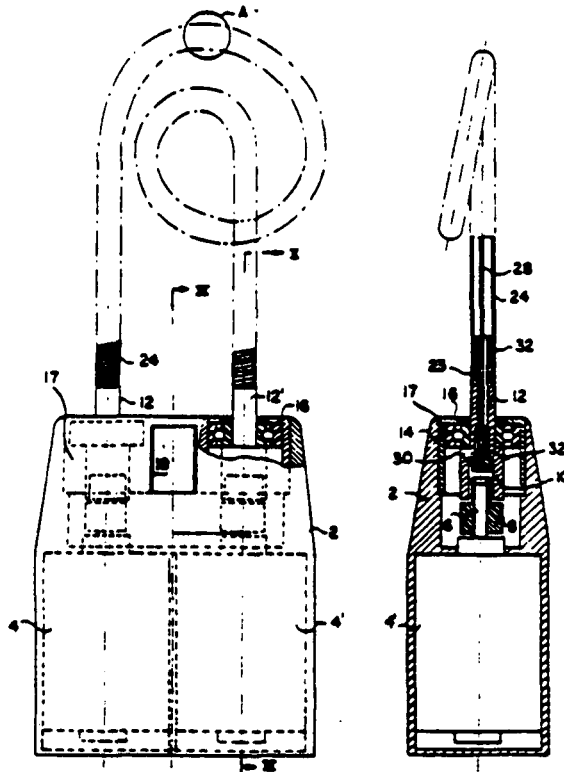


FIGURE 3

90. *Improver*, [1990] F.S.R. at 187.

a rival device known as "Smooth and Silky."<sup>91</sup> Instead of a helical metal spring, the feature attached to the motor and a rod of synthetic rubber, which partially extended through slits, was used to extract hair. The arcuate form of the rod caused the slits to open on the convex side of the product and be pressed together on the concave side. When the rod was rotated at high speed and held close to the skin, hair entered the gaps on its convex side and were gripped between the walls of the slits as the rotational movement brought them round to the concave side. For this variant, a U.S. patent had been granted.<sup>92</sup>

The issue of patent infringement, therefore, hinged upon whether the rubber rod was equivalent to a "helical spring" as that expression was used in the claims. Justice Hoffman stated that the correct approach was the one Lord Diplock set out in *Catnic*.<sup>93</sup> He proceeded to state that if the issue was whether a feature present in a product allegedly infringing a patent, which fell outside the primary, literal, or contextual meaning of a descriptive word or phrase in the claim, *i.e.*, a variant, but was nevertheless within the claim's language if properly interpreted, a court should ask itself the following three questions:

(1) Does the variant have a material effect upon the way the invention works? If yes, the variant is outside the claim.

If no –

(2) Would this [fact] (*i.e.*, that the variant had no material effect) have been obvious at the date of publication of the patent to a reader skilled in the art. If no, the variant is outside the claim. If yes –

(3) Would the reader skilled in the art nevertheless have understood from the language of the claim that the patentee intended that strict compliance with the primary meaning was an essential requirement of the invention. If yes, the variant is outside the claim.<sup>94</sup>

On the other hand, a negative answer to the last question would lead to the conclusion that the patentee intended the word or phrase to have a figurative, and not a literal meaning. Consequently, the word or phrase would denote a class of things which

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91. *Id.*

92. *Id.* at 188.

93. See *supra* notes 80-87 and accompanying text (describing methodology Lord Diplock employed in arriving at result in *Catnic*).

94. *Id.* at 189.

included the variant and the literal meaning, the latter being perhaps the most perfect, best-known, or striking example of the class.

Thus, although the English courts and the courts of other European contracting states have enacted the same test of infringement derived from Article 69 of the EPC and the Protocol, the English court, in *Improver*, arrived at a different conclusion concerning patent infringement than did all other European jurisdictions in which parallel proceedings were brought. The English court held that the patent was not infringed, while elsewhere, the patent was held to have been infringed.<sup>95</sup>

*Improver* is often cited as evidence for the argument that the English test for patent infringement is less favorable to patentees than is the test of other jurisdictions. In *PLG Research Limited v. Ardon International Limited*,<sup>96</sup> the English Court of Appeal reviewed the English approach and the German approach and concluded that the latter was more in conformity with the Protocol than the *Catnic* test, which the court stated in dicta, should no longer be followed.<sup>97</sup> Both Justice Aldous, in the English Patents Court in *Assidoman Multipack Limited v. The Mead Corporation*,<sup>98</sup> and Lord Justice Aldous, in the English Court of Appeal in *Kastner v. Rizla Limited*<sup>99</sup> realized, however, that the English Court of Appeal's comments in *PLG* were irrelevant to the court's final decision and, therefore, *obiter dictum*.<sup>100</sup> Thus, the test in *Catnic* remained the most appropriate test.

When a dispute concerns the alleged infringement of a patent by a product which has features that are modifications or equivalents of the features in the patent, litigation of the same case in different countries can lead to different results. The approach taken by the courts regarding the proper test for patent infringement in such cases is, therefore, clearly a relevant factor for patentees. While English judges have traditionally construed

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95. See, e.g., *Beska Nederland B.V. & Remington Prods. Inc. v. Improver Corp.*, 21 IIC 572, 586, 589 (1993); *Improver Corp. v. Raymond Indus. Ltd.*, [1990] F.S.R. 422 (Sup. Ct. Hong Kong 1989); *Improver Corp. v. Raymond Indus. Ltd.*, [1991] F.S.R. 233 (C.A. Hong Kong 1990); *Improver Corp. v. Remington Prods. Inc.*, 21 IIC 572 (1990), 24 IIC 838 (1993), [1993] GRUR Int. 242 (F.R.G.).

96. [1995] F.S.R. 116 (C.A. 1994).

97. *Id.* at 129-34.

98. [1995] F.S.R. 225 (Eng. Ch. 1994).

99. [1995] R.P.C. 585 (C.A. 1995).

100. *Assidoman*, [1995] F.S.R. at 236; *Kastner*, [1995] R.P.C. at 594.



the monopoly by reference to the claims, their continental European counterparts, who follow civil law traditions, have tended to grant patentees much wider protection, protecting technical expressions of the idea underlying a patent and finding infringement in a wide range of equivalent products.

In the English *Improver* case, Justice Hoffman observed that the Dusseldorf Landgericht, the Dusseldorf trial court trying the parallel German *Improver* case, treated the claims as a mere guideline rather than adopting the median course as required by the Protocol.<sup>101</sup> In addition, Justice Hoffman's approach differed from the views expressed in the German Court of Appeals which, during an application for a preliminary injunction, placed more emphasis on the language of the claims and found no patent infringement.

In *Kastner*,<sup>102</sup> it is arguable that the protection granted to the patentee was more generous than the protection granted to patentees in previous English cases. In *Kastner*, it was not merely a word or phrase in the patent claims which was construed purposively, as opposed to *Catnic's* interpretation of "vertical" and *Improver's* interpretation of "helical spring", but rather five of the nine features of claim one of the patent were construed purposively.<sup>103</sup>

The July 4, 1996 volume of Reports of Patent Cases contains reports of two actions,<sup>104</sup> one in the English Patents Court and one in the Munich Landgericht, the Munich trial court, involving corresponding patents of Mabuchi Motor relating to brush arms for the commutators of electric motors and deriving priority from a Japanese utility model. The counter-party in both actions was Johnson Electric, a Hong Kong company, and, like Mabuchi, one of the world's leading designers of small electric motors.

One issue common to both actions concerned interpretation of the patent claim's wording, which read in the U.K. patent, "4. Brush gear . . . wherein said first and second strips are connected together by means of a plurality of projections ex-

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101. *Improver*, [1990] F.S.R. at 198.

102. *Kastner*, [1995] R.P.C. 181.

103. *Id.* at 597.

104. Mabuchi Motor K.K.'s Patent, [1996] R.P.C. 387 (Eng. Ch. 1995); Johnson Elec. Indus. Manufactory Ltd. v. Mabuchi Motor Co., [1996] R.P.C. 411 (BayObLGZ 1995).

tending sideways of said strip."<sup>105</sup> The Johnson Motor's invention comprised of a single projection. Did it thereby avoid infringement by the requirement of a plurality or was it in substance two projections and, therefore, within claim four?

Both the English and the German courts, applying Article 69 and the Protocol, arrived at opposite conclusions. The English case was decided on July 25, 1995<sup>106</sup> and the Munich case on September 7, 1995.<sup>107</sup> In the English High Court, Justice Jacob said:

Nonetheless, I think that the skilled man would have to conclude that by the very word *plurality* the patentee had, for some reason or other excluded just a single projection. The language of the claim would indicate to him that the patentee had intended that strict compliance with the primary meaning of *plurality* (i.e., more than one) was an essential requirement.

But I am not concerned with a complete single flap, I have got a flap with a relief hole drilled in it. Moreover that flap is, in due course, bent over so as to provide a sandwich on either side of the bend of the L, just as in the patent. I have come to the conclusion that the skilled man would regard that either as in substance two flaps or as an immaterial variant from two flaps. He would not regard the language of that claim as excluding this variant. Such an exclusion would serve no purpose. He would see that there is projection from the terminal portion on either side of the hole, serving the purpose of the *plurality* of the claim. Accordingly, on this point I think that the Johnson Mark 2 falls within the claim.<sup>108</sup>

By contrast, the headnote of the Munich judgment reads:

(3) If the Plaintiff in the counter-action wished to obtain protection for a design using only one projection, it would have used the wording "one or more projections." A "plurality of projections" meant two or more projections and, although it was not defined where the plurality of projections was to be located, the figures in the patent suggested a bilateral arrangement. Accordingly, the patent was not literally infringed because the first characterising feature of claim one,

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105. *Mabuchi Motor K.K.'s Patent*, [1996] R.P.C. at 396.

106. *Id.* at 387.

107. *Mabuchi Motor Co.*, [1996] R.P.C. at 411.

108. *Mabuchi Motor K.K.'s Patent*, [1996] R.P.C. at 407-08 (emphasis in original).

a gripping bar or commutator wiper bar possessing a plurality of projections, was not readable onto the Johnson device. The hole in the Johnson device did not divide the flap into two parts since the radius of the hole was small compared with the width of the flap.

(4) The obstacle created by the clear exclusion of one projection could not be overcome by the doctrine of equivalence. On the question of equivalence sight should not be lost of the scope of the claim and something expressly excluded could not be recouped using that doctrine. Accordingly there was no equivalent infringement.<sup>109</sup>

Because the issue of infringement under Article 69 of the Protocol has not been considered by the House of Lords, the comments of the Court of Appeal in *Kastner* are unlikely to be the last word on the subject. There has already been an indication from the House of Lords that it would be highly undesirable for the provisions of the EPC to be construed differently in the EPO than they have been interpreted in the national courts of a contracting state. This was stated in the context of interpretation of Article 54 of the EPC which broadly defines the concept of novelty.<sup>110</sup> Corresponding to Article 54 of the EPC is Section 2 of the 1977 Act as evidenced by the decision in *Merrell Dow Pharmaceuticals v. Norton*.<sup>111</sup> The following passage is taken from the judgment of Lord Hoffmann, who, in the *Merrell Dow* case, deliberately took a different view on infringement than the Dusseldorf Landgericht.

It is therefore the duty of the United Kingdom courts to construe section 2 so that, so far as possible, it has the same effect as Article 54. For this purpose, it must have regard to the decisions of the European Patent Office on the construction of the EPC. These decisions are not strictly binding upon courts in the United Kingdom but they are of great persuasive authority; first, because they are the decisions of expert courts (the Boards of Appeal and Enlarged Board of Appeal of the EPO) involved daily in the administration of the EPC and secondly, because it would be highly undesirable for the provisions of the EPC to be construed differently in the EPO from the way they are interpreted in the national courts of a

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109. *Mabuchi Motor Co.*, [1996] R.P.C. at 412.

110. EPC, *supra* note 4, art. 54, 13 I.L.M. at 286. Basically, an invention is novel, "if it does not form part of the state of the art." *Id.*

111. [1996] R.P.C. 76 (H.L. 1995).

Contracting State.<sup>112</sup>

It is one thing, however, to seek to reconcile the approach of the EPO with that of the national courts of the contracting states in the context of the granting procedure, but another to expect a total convergence of approaches on issues of construction or infringement. This is particularly true where the procedural systems differ as they do between the common law approach in the United Kingdom and the civil law approach in continental Europe. The Hong Kong Appeal Court in the *Improver* case observed that, although the claims in substantive law were the same in England and Germany, the evidence before the respective courts was not the same.<sup>113</sup> Thus, total uniformity will probably only be achieved if and when there is a European court which will decide such matters for all EPC signatory countries. It is, of course, precisely the aim of the Community Patent Convention<sup>114</sup> that the Community Patent Appeal Court will achieve the uniformity thus far shown to be absent in the *Improver* and *Mabuchi* cases.

### c. The Availability of Preliminary Injunctions

The English Courts have long had the authority to grant a preliminary injunction to restrain an alleged infringement until the tribunal's decision. From an early date, the apparent strength of a plaintiff's rights was a major factor which a court considered in determining whether the court should grant an injunction.

Over time, however, it appeared that some courts took the view that a plaintiff must demonstrate a strong *prima facie* case. In fact, some courts approached the decision of whether to grant a preliminary injunction with the conception that there were strict parameters or rules which governed when they should and

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112. *Id.*, [1996] R.P.C. at 82.

113. *Improver Corp. v. Raymond Indus. Ltd.*, [1991] F.S.R. 233 (C.A. Hong Kong 1990).

114. Convention for the European Patent for the Common Market of 15 December 1975, O.J. L 17/1 (1976), amended by the Implementing Regulations to the Convention for the European Patent for the Common Market, O.J. L. 401/28 (1989). The as yet unenacted Community Patent Convention would provide for a single patent effective throughout Europe. John R. Thomas, *Litigation Beyond the Technological Frontier: Comparative Approaches to Multinational Patent Enforcement*, 27 LAW & POL'Y INT'L BUS. 277, 298 (1996).

should not be granted, thus, providing the court with little room to maneuver.

Since 1974, it has been assumed that the correct principles for courts to apply in determining whether to grant an interlocutory injunction were those enunciated in *American Cyanamid Co. v. Ethicon Ltd.*<sup>115</sup> This case involved the alleged infringement of the main claim in the plaintiff's patent for surgical sutures. Ethicon argued that its sutures did not fall within the scope of the claim of the patent, and, thus, it did not infringe the patent. In the alternative, Ethicon argued that if the claim was construed broadly enough to include its product, the plaintiff's patent was invalid. The plaintiff sought a preliminary injunction. At first instance, Justice Graham found that the plaintiff had made out a strong *prima facie* case and held that the balance of convenience favored the grant of a preliminary injunction.<sup>116</sup>

In the Court of Appeal, Russell, L.J., with whom the other members of the Court agreed, declared, "if there be no *prima facie* case on the point essential to entitle the plaintiff to complain of the defendant's proposed activities, that is the end of the claim to [preliminary] relief."<sup>117</sup> After a review of the conflicting expert testimony, Russell L.J., commented:

I am not satisfied on the present evidence that on the proper construction of this specification, addressed as it is to persons skilled in the relevant art or science, the claim extends to sterile surgical sutures produced not only from a homopolymer of glycolide but also from a copolymer of glycolide and up to 15 per cent of lactide. That is to say that I do not consider that a *prima facie* case of infringement is established.<sup>118</sup>

Lord Diplock, in the House of Lords decision in *American Cyanamid*, characterized the Court of Appeal's legal analysis as trying the issue of infringement on the conflicting affidavit evidence before the court without the benefit of oral testimony or cross-examination. He argued that no rule of law required that the plaintiff must demonstrate a strong *prima facie* case.<sup>119</sup> Instead, Lord Diplock outlined the principles which a court should consider in deciding whether to grant preliminary relief:

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115. *American Cyanamid Co. v. Ethicon Ltd.*, [1975] R.P.C. 513 (H.L. 1973).

116. *Id.* at 520.

117. *Id.* at 531.

118. *Id.* at 529.

119. *Id.* at 541.

[The Court should] consider whether if the plaintiff were to succeed at the trial in establishing his right to a permanent injunction he would be adequately compensated by an award of damages for the loss he would have sustained as a result of the defendant's continuing to do what was sought to be enjoined between the time of the application and the time of the trial. If damages in the measure recoverable at common law would be adequate remedy and the defendant would be in a financial position to pay them, no interlocutory injunction should normally be granted, however strong the plaintiff's claim appeared to be at that stage.<sup>120</sup>

Lord Diplock further argued that:

It is where there is doubt as to the adequacy of the respective remedies in damages available to either party or to both, that the question of balance of convenience arises. It would be unwise to attempt even to list all the various matters which may need to be taken into consideration in deciding where the balance lies, let alone to suggest the relative weight to be attached to them. These will vary from case to case.<sup>121</sup>

Moreover, as far as the strength of the parties' respective cases was concerned, he said:

[I]f the extent of the uncompensatable disadvantage to each party would not differ widely, it may not be improper to take into account in tipping the balance the relative strength of each party's case as revealed by the affidavit evidence adduced on the hearing of the application. . . . The court is not justified in embarking upon anything resembling a trial of the action upon conflicting affidavits in order to evaluate the strength of either party's case.<sup>122</sup>

In *Series 5 Software Ltd. v. Clarke*,<sup>123</sup> the court reviewed the law relating to the grant of preliminary injunctions. There, the plaintiff sought a preliminary injunction to restrain the defendants, former employees of the plaintiff, from contacting any of the plaintiff's customers and using or disclosing to any third party several of the plaintiff's alleged trade secrets.<sup>124</sup> It was not, therefore, a case relating to patent infringement.

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120. *Id.*

121. *Id.* at 541-42.

122. *Id.* at 542.

123. [1996] 1 All E.R. 853 (Eng. Ch. 1995).

124. *Id.* at 853-54.

In the *Series 5 Software* decision, Justice Laddie recognized that it was well-known that there had been a major shift in the attitude of the English courts' approach to the grant of interlocutory injunctions following the speeches of the House of Lords in 1974 in the *American Cyanamid* case.<sup>125</sup> Since *American Cyanamid*, it has been suggested on a number of occasions, that it was now no longer appropriate to consider the apparent strength or weakness of the plaintiff's case as a significant factor in deciding whether to grant a preliminary injunction.<sup>126</sup> Justice Laddie also admitted, however, that courts still assessed the relative strengths of the parties' cases, disregarding the guidance given in *American Cyanamid*.<sup>127</sup> Consequently, he reviewed the relevant authorities and determined that the "likelihood of success" at trial is a relevant factor for considering whether to grant a preliminary injunction.<sup>128</sup>

As Justice Laddie pointed out in the *Series 5 Software* case, the consequence of requiring a plaintiff to show a strong *prima facie* case was, as occurred in *American Cyanamid*, that the hearing of the application for a preliminary injunction lasted "two working weeks [with] the parties argu[ing] questions of polymer chemistry, infringement, and validity", while the court failed to evaluate the pros and cons of granting the injunction.<sup>129</sup> This approach, if correct, would invariably force the parties to consider all the issues which were for determination at trial. In all but the most straightforward cases, a court will be unable to decide that a plaintiff has made out a strong *prima facie* case. As a result, preliminary injunctions would become virtually impossible to obtain, no matter how severe the damage suffered by the plaintiff.

Justice Laddie referred to the passages from Lord Diplock's speech, cited above, and concluded that it was legitimate for the court to consider the relative strength of the parties' cases as disclosed by the affidavits.<sup>130</sup> This approach follows the approaches that have been applied in Scotland for many years.<sup>131</sup>

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125. *Id.* at 857-60.

126. *Id.* at 858-60.

127. *Id.* at 858.

128. *Id.* at 860.

129. *Id.* at 862.

130. *Id.*

131. *See* N.W.L. Ltd. v. Woods, [1979] 1 W.L.R. 1294 (H.L. 1979).

A court should not, however, conduct a mini-trial of the kind the Court of Appeal undertook in *American Cyanamid*.

Finally, Justice Laddie summed up the issues a court should bear in mind when deciding whether to grant a preliminary injunction:

- (1) The grant of a preliminary injunction is a matter of discretion and depends on all the facts of the case.
- (2) There are no fixed rules as to when an injunction should or should not be granted. The relief must be kept flexible.
- (3) Because of the practice adopted on the hearing of applications for interlocutory relief, the court should rarely attempt to resolve complex issues of disputed fact or law.
- (4) Major factors the court can bear in mind are (a) the extent to which damages are likely to be an adequate remedy for each party and the ability of the other party to pay, (b) the balance of convenience, (c) the maintenance of the status quo, and (d) any clear view the court may reach as to the relative strength of the parties' cases.<sup>132</sup>

After weighing each factor, Justice Laddie declined to grant the plaintiff a preliminary injunction.<sup>133</sup>

#### d. The Speed of Decision

It is also worth noting that the two Patent Judges, Justice Laddie and Justice Jacob, have committed themselves to expediting the court process and have indicated that parties to an action for patent infringement who seek a trial within twelve months will receive one. Indeed, complex patent actions are currently being tried within twelve months of the commencement of proceedings and trial dates for trademark infringement are tried even sooner. In view of the difficulties which patentees have traditionally faced in securing preliminary injunctions in patent actions, particularly because of the requirement of showing uncompensable damage, plaintiffs may, in the future, rely more upon a speedy trial than an application for a preliminary injunction in all but the most urgent cases.

#### e. Availability of Summary Judgment for Patent Infringement

Where there is no arguable defense, the Rules of the

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132. *Series 5 Software*, [1996] 1 All E.R. at 865.

133. *Id.* at 869.



Supreme Court provide that summary judgment may be obtained under what is known as an Order XIV.<sup>134</sup> It was held by the Court of Appeal in 1991, however, that where issues of fact were in dispute, it was not appropriate to make a finding of infringement without testing the evidence by cross-examination at trial.<sup>135</sup> It is, therefore, difficult to envision a case where summary judgment for infringement is likely to be appropriate.

#### f. Document Discovery After the Close of Pleadings

The obligation to comply with an order for documentary discovery has already been referred to. The usual procedure is that, after the close of pleadings, there is an automatic *inter partes* documentary discovery.<sup>136</sup> The general rule is that documents relating to the issues in the case are discoverable, subject to the privilege for attorney/client communications. The obligation to disclose extends to documents that may enable either party to advance his case or damage his opponent's case and extends to the documents of one party which may damage his own case.<sup>137</sup>

Over the last twenty years or so, the volume of documents in a discovery request in patent suits has steadily increased to the point where, by the late 1980s, parties to patent actions could, in many cases, be swamped by the quantities of paperwork exchanged on discovery. Significant changes to the Rules of the Supreme Court have been implemented<sup>138</sup> and came into force on December 1, 1995. Broadly speaking, these rules limit automatic discovery of material relating to three issues, namely validity, infringement, and commercial success, and specify the information which the parties must disclose.<sup>139</sup>

In relation to validity, without a specific order from a court, only documents dated within two years of the date of the discovery order are discoverable. No documents relating to infringement will be ordered if a defendant produces full particulars of the product or process alleged to infringe. Similarly, no documentary discovery will be given to support commercial success

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134. RSC, *supra* note 75, at Order 14.

135. *Strix Ltd. v. Otter Controls Ltd.*, [1991] F.S.R. 354, 366 (C.A. 1991).

136. RSC, *supra* note 75, at Order 104, rule 11.

137. *Compagnie Financiere Et Commerciale Du Pacifique v. Peruvian Guano Co.*, [1882] 11 QBD 55, 62-63 (C.A. 1882).

138. *See, e.g.*, RSC, *supra* note 75, at Order 104, rule 48.

139. *Id.*

because a patentee is now required to produce particulars.<sup>140</sup>

g. Discovery of Confidential Documents<sup>141</sup>

It is not necessarily sufficient for a document to receive protection from discovery solely because it contains sensitive commercial information. Instead, there must be some real indication as to why public disclosure would be harmful.<sup>142</sup> Absent agreement between the parties, a court will issue protective orders when appropriate and will, if necessary, have the court hearing held *in camera* when a party will refer to sensitive material.

h. Discovery Concerning a Secret Process<sup>143</sup>

When a defendant claims the allegedly infringing process is a trade secret, he may seek to restrict a plaintiff's extent of discovery.<sup>144</sup> *Warner Lambert Co. v. Glaxo Laboratories Ltd.*,<sup>145</sup> involved the manufacturing of two patents relating to steroid compounds. The allegedly infringing Glaxo product was sold in the United Kingdom under the trade name Betnovate.<sup>146</sup>

Glaxo claimed that its process contained valuable commercial secrets, but allowed discovery of the manufacturing process to Warner Lambert's counsel, solicitors, patent agent, and one expert. Such discovery was conditioned on the agreement that they would not divulge the information to any others, including Warner Lambert, and, further, that they would use the information solely for the purposes of the legal action.<sup>147</sup> Warner Lambert then sought disclosure without any restrictions upon Warner's chief executive officer, Warner's U.S. general counsel, Warner's U.S. patent counsel, and an Italian scientist, who was an Italian resident and employed by Warner Lambert in Italy.<sup>148</sup>

The court allowed disclosure only to the chief executive officer. The principles enunciated were:

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140. *Id.* at Order 104, rule 11.

141. *Id.* at Order 104, rule 11(7).

142. *See* Diamond Shamrock Technologies S.A.'s Patent, [1987] R.P.C. 91, 93 (Eng. Ch. 1986).

143. RSC, *supra* note 75, at Order 104, rule 11(6).

144. *See* Warner-Lambert Co. v. Glaxo Laboratories Ltd., [1975] R.P.C. 354 (C.A. 1975).

145. *Id.*

146. *Id.* at 355.

147. *Id.* at 359.

148. *Id.* at 362.

(i) that the Court should seek to order as much inspection as possible whilst seeking to avoid disclosure that would damage the trade secrets of the disclosing party. Orders restricting discovery could be made and varied as the case progressed;

(ii) although the general rule is that a party should know what is disclosed to his legal advisers, this can be modified where appropriate and, if necessary, exclusion of disclosure may be justified;

(iii) in this case it was impossible to determine the nature of the process used from the end product. Further, policing of any terms imposed would be impossible. Therefore, further disclosure should be limited to the Chief Executive only.<sup>149</sup>

More recently, the Court of Appeal again addressed this subject in *Roussel Uclaf v. Imperial Chemical Industries Plc.*<sup>150</sup> The patent in that case related to a process for producing the active ingredient of an insecticide. Imperial Chemical Industries was marketing the insecticide in France under the trade name "Karate."<sup>151</sup> Roussel analyzed that product and concluded that "Karate" infringed their patent. Roussel based this conclusion upon the results of their analysis and certain statements made in Imperial Chemical's own literature. Roussel brought infringement proceedings in both France and in the United Kingdom. Imperial Chemical prepared a confidential resume of its allegedly infringing process and submitted it to independent advisers of the plaintiff on a written promise of confidentiality.

Roussel wanted two members of its patent department to have access to the details of the process.<sup>152</sup> Both individuals whom Roussel sought to become appraised of Imperial Chemical's process were French citizens and residents and were also involved in the parallel infringement proceedings in France.<sup>153</sup> No discovery obligation existed in France which was equivalent to that which existed in the United Kingdom. Imperial Chemical was concerned, *inter alia*, that restrictions on the use of the information would be impossible and that disclosure would give Roussel an advantage in the French proceedings.

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149. *Id.* at 360-61.

150. [1990] R.P.C. 45 (C.A. 1989).

151. *Id.* at 47.

152. *Id.* at 47-48.

153. *Id.* at 48.

The Court of Appeal understood Imperial Chemical's concerns, but noted that the description of the process and Imperial Chemical's confidential documents were important to Roussel's case. The court argued that some individual at Roussel should have access to the documents and, because notices of experiments were currently being finalized, it was the proper time to make the documents available. Consequently, the court allowed disclosure to one person working under the supervision of the head of Roussel's patent department so long as that person will not assist or be involved in the French proceedings and that he will promise to keep the information confidential.<sup>154</sup> A cross-undertaking offered by Roussel to compensate Imperial Chemical in damages for any misuse of the information was embodied in the court order.

#### i. Interrogatories<sup>155</sup>

In order to assist a plaintiff in establishing patent infringement, the plaintiff may submit interrogatories that ask what process the defendant uses and, if the defendant is not the manufacturer, from whom he purchases the allegedly infringing articles.<sup>156</sup> A plaintiff may only send interrogatories to a defendant, however, after documentary discovery has proceeded in the normal manner, i.e., after the close of pleadings. Interrogatories, therefore, are a means of supplementing inadequate documentary discovery from the defendant.

#### j. Inspection of Machine<sup>157</sup>

English courts have the jurisdiction to order the inspection of a machine which is alleged to infringe a patent.<sup>158</sup> Before a court will order such an inspection, however, a plaintiff must first establish by evidence, a substantial and genuine issue to be tried and prove that inspection of the machine is essential for the proper determination of the matter.<sup>159</sup> Such an order will

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154. *Id.* at 51-53.

155. RSC, *supra* note 75, at Order 104, rule 11(2), Order 24, rule 1(4).

156. *Osram Lamp Works, Ltd. v. Gabriel Lamp Co.*, [1914] 2 Ch.D 129, 131 (C.A. 1914).

157. RSC, *supra* note 75, at Order 104, rule 11(8).

158. *Id.*

159. *See Smith Myers Communications Ltd. v. Motorola Ltd.*, [1991] F.S.R. 262, 269 (Eng. Ch. 1991).

usually be sought at a hearing of the Summons for Directions, namely, after the close of pleadings. Only in exceptional cases will inspection be ordered before issues have been clarified by pleadings.<sup>160</sup>

#### k. Inspection of Process

English courts also have jurisdiction to order the inspection of a defendant's manufacturing process and the reconstruction of a discontinued process for the purpose of such inspection. Again, a court will only issue such an order where it is essential and an alternative method of establishing a fact is not possible.<sup>161</sup> A mere belief or suspicion that a process infringes a patent is normally insufficient evidence for a court to order inspection.<sup>162</sup> Note the antipathy of the English courts as to what is often characterized as "fishing expeditions."<sup>163</sup> Similar to inspections of machines, an order seeking the inspection of a process is normally sought after the Summons for Directions.

### 1. Discovery/Inspection before Pleadings

#### i. General Principles

The general rule is that documentary discovery before pleadings is not allowed unless it is desirable to minimize costs or to achieve a speedy and proper conclusion of a dispute.<sup>164</sup> In *Intel Corp. v. General Instrument Corp.*,<sup>165</sup> Intel contended that the defendants constituted a group of centrally controlled companies, rendering it impossible to determine which companies had completed specific acts.<sup>166</sup> The court, however, refused to order discovery of some of the particulars of patent infringe-

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160. *Id.*

161. Often, a defendant will produce a process description, as Imperial Chemical did in *Roussel Uclaf*, thus, obviating the need for a process inspection. *Roussel Uclaf*, [1990] R.P.C. 45 (C.A. 1989).

162. *Wahl and Simon-Solitec Ltd. v. Buhler-Miag (England) Ltd.*, [1979] F.S.R. 183 (Eng. Ch. 1979).

163. A fishing expedition is when a party uses "the courts to find out information beyond the fair scope of the lawsuit." BLACK'S LAW DICTIONARY 637 (6th ed. 1990). Typical examples of this might include, "loose, vague, unfocused questioning of a witness or the overly broad use of the discovery process." *Id.*

164. *See Intel Corp. v. General Instrument Corp.*, [1989] F.S.R. 640, 641 (Eng. Ch. 1989).

165. [1989] F.S.R. 640 (Eng. Ch. 1989).

166. *Id.* at 647.

ment before the pleadings.<sup>167</sup>

## ii. Discovery of Names of Infringers

An action seeking to compel a defendant to disclose the names and addresses of persons who infringed a plaintiff's patent is a legal action against a defendant against whom the plaintiff has another cause of action.<sup>168</sup> For example, a plaintiff might have an action for infringement or for breach of an equitable duty not to part with goods knowingly infringed. Such an action also lies against an innocent defendant who, through no fault of his own, may have facilitated the infringement.<sup>169</sup>

*Norwich Pharmacal Co. v. Commissioners of Customs & Excise*<sup>170</sup> concerned a plaintiff's patent for a compound known as furazolidone.<sup>171</sup> The patent was being infringed by the illicit importation of pirated furazolidone that was manufactured abroad.<sup>172</sup> In order to obtain the names and addresses of the importers, the patentee brought an action against the Commissioner of Customs & Excise.<sup>173</sup> The plaintiff alleged the infringement of the patent and sought disclosure of the relevant information. The Commissioner claimed that the information was confidential.<sup>174</sup> Nevertheless, the court ordered discovery of the names and addresses of the importers.<sup>175</sup> During the appeal, the patentee abandoned its claim that the Commissioner had infringed the patent and the appeal proceeded as an action solely for discovery.

The court held that where a person, albeit innocently and without incurring any personal liability, becomes involved in the tortious acts of others, he comes under a duty to assist the party injured by those acts.<sup>176</sup> This entails providing the injured party with complete information in discovery and disclosing the identity of wrongdoers.<sup>177</sup> For discovery purposes, it mattered not

167. *Id.* at 640.

168. RSC, *supra* note 75, at Order 104, rule 2(20).

169. [1974] A.C. 133, 175 (H.L. 1973).

170. *Id.*

171. *Id.* at 137.

172. *Norwich*, [1974] A.C. at 137.

173. *Id.* at 137-38.

174. *Id.* at 138.

175. *Id.* at 151-52.

176. *Id.* at 175.

177. *Id.*

that such involvement was the result of voluntary action or the consequence of the performance of a duty, statutory or otherwise.<sup>178</sup> The Commissioner, therefore, was *prima facie* under a duty to disclose the information sought. The names of infringers is not confidential information. The Commissioner's position would have been different, however, if the information sought was confidential.<sup>179</sup>

A court may order disclosure of the name of an unknown foreigner who is responsible for a breach of a law other than a law of the United Kingdom. Such an order, however, should not be made at the interlocutory stage, unless the court is reasonably satisfied that a plaintiff would probably suffer irreparable damage if there were a delay in ordering discovery.<sup>180</sup>

### iii. Inspection of Machinery/Process

Where the defendant conducts his business in secret and the plaintiff, although able to establish a strong *prima facie* presumption of infringement, cannot offer the particulars of the allegedly infringing acts, a court may order inspection of the defendant's process.<sup>181</sup> Inspection of a process<sup>182</sup> is generally not ordered until the Summons for Directions stage. In *Unilever Plc. v. Pearce*,<sup>183</sup> the English Patents Court encountered a case involving the suspected infringement of a patented process for treating lignocellulose materials, such as straw, to improve its digestibility as a feedstuff for cattle. There, the court was satisfied that this was not a mere "fishing expedition" by Unilever and that there was a genuine and substantial triable issue.<sup>184</sup> The court did not require the plaintiff to establish a *prima facie* case of patent infringement.<sup>185</sup> Prior to the delivery of the statement of claim and particulars of infringement, Unilever sought inspec-

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178. *Id.*

179. *Id.*

180. See *Smith Kline & French Lab. Ltd. v. Global Pharmaceuticals Ltd.*, [1986] R.P.C. 394, 398 (C.A. 1983).

181. *Edler v. Victoria Press Mfg. Co.*, [1910] 27 R.P.C. 114 (Eng. Ch. 1910). In this case, the plaintiff, his solicitor and no more than three experts were permitted to inspect a defendant's process. *Id.* at 114.

182. RSC, *supra* note 75, at Order 104, rule 11(9).

183. [1985] F.S.R. 475 (Eng. Ch. 1984).

184. *Id.* at 484.

185. *Id.* at 485.

tion of Mr. Pearce's machinery and of the process of its use.<sup>186</sup>

The defendant resisted such inspection by asserting that the process was confidential.<sup>187</sup> The court authorized the inspection of the machinery that produced the straw pellets, which were treated according to the patented process, because the machinery was "property" within the meaning of Order 29, rule 2 of the Rules of the Supreme Court.<sup>188</sup> The court, however, did not allow inspection of the defendant's process because that was a matter to be addressed on the summons for directions.<sup>189</sup> Those allowed to inspect the machinery included a solicitor, a Unilever patent agent, and an independent consultant.<sup>190</sup>

### c. Preservation of Evidence

#### i. The Anton Piller Order

The Anton Piller order<sup>191</sup> is a form of discovery preservation granted on *ex parte* application. It can comprise of an injunction to restrain infringement, permission to enter a defendant's premises to inspect documents and remove the originals or copies of the originals, permission to remove allegedly infringing goods, and an injunction to restrain a defendant from disclosing the content of the injunction to third parties for a specified period.<sup>192</sup> It is available pursuant to either the inherent jurisdiction of the court or Order 29 of the Supreme Court Rules.<sup>193</sup>

186. *Id.* at 476.

187. *Id.* at 477.

188. *Id.* at 478-79. Order 29, rule 2 of the Rules of the Supreme Court provides, in relevant part:

(1) on the application of any party to a cause or matter the Court may make an order for the detention, custody or preservation of any property which is the subject-matter of the cause or matter, or as to which any question may arise therein, or for the inspection of any such property in the possession of a party to the cause or matter. (2) For the purpose of enabling any order under paragraph (1) to be carried out the Court may by the order authorise any person to enter upon any land or building in the possession of any party to the cause or matter.

RSC, *supra* note 75, at Order 29, rule 2.

189. *Unilever*, [1985] F.S.R. at 479.

190. *Id.* at 485-86.

191. *Anton Piller KG v. Manufacturing Processes Ltd.*, [1976] F.S.R. 129 (C.A. 1975).

192. *Id.* at 131-32.

193. RSC, *supra* note 75, at Order 29.



There are, however, four prerequisites a plaintiff must establish before a court will grant such an order:

- (1) a strong *prima facie* case against the defendant;
- (2) that the potential or actual damage done to the plaintiff by the defendant is serious;
- (3) clear evidence that the defendant has relevant and incriminating documents or items in his possession, and that there is a real possibility that the defendant would destroy such material before any *inter partes* application can be made; and
- (4) should an order be made, it would do no real harm to the defendant or his case.<sup>194</sup>

The procedure courts must follow when implementing an Anton Piller Order is set forth in *Universal Thermosensors Ltd. v. Hibben*.<sup>195</sup>

#### ii. The Sarwar Order

A court order which is less draconian than an Anton Piller order is the Sarwar order.<sup>196</sup> It is less draconian because it does not allow the party seeking the order to enter the opposing party's premises.<sup>197</sup> It does, however, require defendants to disclose the names and addresses of the suppliers of the infringing products and surrender all order books and other relevant documents.<sup>198</sup>

#### iii. Use of Information Obtained Pursuant to Sarwar and Norwich Pharmacal Orders

Where information is obtained pursuant to a Sarwar order or a Norwich Pharmacal order for the purpose of pursuing third parties, there is no implied undertaking that the information will be used solely for the purpose of the existing action. Accordingly, unless the order specifically contains a restriction upon the use of the information, it is unnecessary to apply to the court for leave to utilize it. If the order includes a restriction on its use, however, a court will normally permit, upon subsequent application, use of the information for pursuing other parties and

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194. *Anton Piller*, [1976] F.S.R. at 130-32.

195. [1992] 3 All E.R. 257 (Eng. Ch. 1991).

196. *E.M.I. Ltd. v. Sarwar & Haidar*, [1977] F.S.R. 146 (C.A. 1976).

197. *Id.* at 147.

198. *Id.*

even to pursue criminal remedies.<sup>199</sup> Upon a party's subsequent application, a court will rarely authorize disclosure of information to third parties.

#### iv. Applicability of Anton Piller and Sarwar Orders to Patent Infringement

Although available for use in cases of patent infringement, the Anton Piller and Sarwar orders are more commonly employed in counterfeiting cases involving trademark and copyright infringement. This is due to the character of the defendants in those cases, who, often by the nature of their business, are likely to dispose of incriminating evidence if apprised of a pending discovery order by *inter partes* service. For example, such defendants would include street traders selling counterfeit Rolex watches, fake Gucci clothing, or mail order operations that sell pirated video cassettes of movies. The procedures are potentially available, however, for use in patent infringement cases and, thus, may constitute a part of a plaintiff's arsenal.

#### d. Mareva Injunctions

A Mareva Injunction is also available in the English Courts. A Mareva Injunction is an interim injunction which prevents a defendant from disposing of its assets. A court must be satisfied that there are grounds for believing that the assets are in the defendant's control in that jurisdiction and that they are likely to be removed, so as to frustrate the enforcement of an award of damages.

### 7. Extra-Territorial Injunctions

Can English courts grant extra-territorial injunctions? Article 5(3) of the Convention does not give the courts of a Member State the jurisdiction to rule on a case of foreign infringement.<sup>200</sup> If the jurisdiction is founded on the basis of the defendant's domicile, however, under Article 2, a court must try matters relating to the infringement of a parallel patent, determining whether infringement occurred by applying the law of the state in which the patent is registered.<sup>201</sup>

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199. *Sony Corp. v. Anand*, [1981] F.S.R. 398, 402-03 (Eng. Ch. 1981).

200. Brussels Convention, *supra* note 10, art. 5(3), O.J. L 304/77, at 79 (1978).

201. *Id.* art. 2, O.J. L 304/77, at 78 (1978).

In the past, English courts have generally refused to accept jurisdiction where it involved the enforcement of foreign intellectual property rights. It has not been entirely clear whether this was based on the idea that infringements occurring in other jurisdictions are a local, as opposed to a transitory act, and, therefore, justiciable only in the jurisdiction where it arises. Another possible explanation of why English courts are reluctant to enforce foreign intellectual property rights is because of the English double actionability rule,<sup>202</sup> the Mocambique rule.<sup>203</sup> Broadly speaking, these rules maintain that English courts would decline to hear an action unless the act complained of was actionable under both English law and the law<sup>204</sup> of the state where the tortious act occurred. The problem for patentees was, that because the sale of an infringing product in Germany would not amount to the infringement of a U.K. patent, the test was not satisfied and an English court could not preside over the case. The Mocambique rule does not apply to Convention countries. The double actionability rule has recently been replaced, however, by the Private International Law Act of 1995,<sup>205</sup> which contains the Choice of Applicable Law Rule.<sup>206</sup>

The Choice of Applicable Law Rule provides that English courts must apply the law of the country in which the alleged tortious act took place<sup>207</sup> except where the connection to the tortious act with another country renders the law of the other state more appropriate.<sup>208</sup> In the context of patent infringement, the impact of this rule may be illustrated by an example. Suppose an English company is alleged to infringe both a German and an English patent. This rule enables the patentee to apply to English courts for a grant of an extra-territorial injunction to restrain the infringement in Germany and England, Ger-

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202. See A.V. DICEY & J.H.C. MORRIS, *THE CONFLICT OF LAWS* 1487-88 (12th ed. 1993). The rule is derived from the case of *Phillips v. Eyre*, 6 L.R.-Q.B. 1 (1870), and the House of Lords, *Opinions in Boys v. Chaplin*, [1971] A.C. 356 (H.L. 1971).

203. See *Tyburn Prods. Ltd. v. Conan Doyle*, [1990] 1 All E.R. 909 (Eng. Ch. 1990). The rule is derived from the case of *British South Africa Co. v. Companhia de Mocambique*, [1893] A.C. 602 (H.L. 1893).

204. See *Tyburn*, [1990] 1 All E.R. at 916.

205. Private International Law (Miscellaneous Provisions) Act 1995 (Eng.).

206. *Id.* Part III, §§ 11-12.

207. *Id.* Part III, § 11(1).

208. *Id.* Part III, § 12(1)-12(2).

man and English law being applicable for the determination of the infringement in Germany and England respectively.

There would, therefore, now appear to be no bar to English courts assuming jurisdiction in disputes involving foreign patents. In *Chiron Corp. v. Murex Diagnostics Ltd. & Chiron Corp. v. Organon Teknika Ltd.*,<sup>209</sup> Justice Aldous held an English court cannot grant an injunction which would have an impact outside the United Kingdom.<sup>210</sup> He also expressed the view that a Dutch court could not be sure that an injunction would be appropriate in the United Kingdom because "there are considerations which have to be taken into account by a United Kingdom judge before deciding that injunctive relief is appropriate, which do not appear relevant in a Dutch Court."<sup>211</sup>

This statement was, however, *obiter dictum*, and it is doubtful whether this approach will be followed by the current patent judges, Justice Laddie and Justice Jacob, who have not yet ruled on whether an English court can grant an extra-territorial injunction. In the context of copyright infringement, Justice Laddie has said, "so it may follow that, despite the traditional rule, British domiciled individuals or companies who infringe (say) a French or German copyright not only may, but must, be sued here."<sup>212</sup> Justice Jacob has said, "it seems unavoidable that we should assume jurisdiction over foreign (or at least other European State) infringements given what is happening in Europe. If we do not the Continental Europeans will simply take over."<sup>213</sup> Indeed, the Patents County Court has already granted an order which restrained the first defendants from infringing two European patents granted in Belgium, Germany, France, Italy, and the Netherlands.<sup>214</sup>

## 8. Costs

The cost of patent litigation in England has traditionally been higher than the cost of patent litigation conducted elsewhere in Europe. This has arisen for two reasons. First, in Eng-

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209. [1995] F.S.R. 325, 338 (C.A. 1995).

210. *Id.*

211. *Id.* at 577.

212. HUGH LADDIE ET AL., *THE MODERN LAW OF COPYRIGHT* 917 (2nd ed. 1995).

213. Minutes of Evidence Taken Before the Special Public Bill Committee on the Private International Law (Miscellaneous Provisions) Bill, dated Jan. 23, 1995.

214. *AMP v. Goodway Indus. Co.*, No. 91 PAT 0020 (Eng. Ch. 1991)(unreported).

land, validity of a patent is tried simultaneously with the issue of patent infringement. Second, the common law procedure involving documentary discovery with cross-examination of witnesses at trial increases litigation costs. Nevertheless, with the new approach towards expediting the time to trial, the new rules on discovery, and a strong awareness of the need to contain costs so as to be competitive with continental jurisdictions, it is likely that the former cost differentials will decrease.

## B. *Germany*

### 1. Procedure

Germany has eleven district courts, each of which can hear patent disputes. These courts must accept patents at face value and cannot determine a patent's validity. Of these district courts, four courts tend to hear the majority of such cases.<sup>215</sup> A party may challenge the validity of a patent in proceedings before the German Patent Office or in a nullification action in the Federal Patent Court.

Documentary discovery is granted only on specific application to the court. Thus, in the context of process patents, where reverse engineering of the process or product alleged to infringe is either impossible or produces equivocal results, the lack of available documentary discovery of a defendant's process can, on occasions, prove insuperable.

### 2. The Test for Infringement

Courts in Germany have traditionally construed claims broadly and have tended to find infringement in cases where the variant is an obvious solution to the problem addressed by the patent. In the *Improver Corp. v. Remington Products Inc.*,<sup>216</sup> the Dusseldorf Oberlandesgericht, the Dusseldorf Court of Appeals, reached the opposite conclusion to that reached by Justice Hoffman in the English Chancery court. There, the Dusseldorf Oberlandesgericht, declared that when evaluating the scope of the protection of a patent within the context of Article 69, the question of infringement could only be decided by the notional skilled man "on the basis of reflections progressing from the

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215. These four courts include Hamburg, Munich, Dusseldorf, and Mannheim, with Dusseldorf as the favorite jurisdiction for plaintiffs.

216. 21 IIC 572 (1990), 24 IIC 838 (1993), [1993] GRUR Int. 242.

meaning of the patent claims, i.e., of the invention described therein."<sup>217</sup> In an earlier case,<sup>218</sup> the Dusseldorf Oberlandesgericht stated that in relation to the question of patent infringement:

[I]t must first of all be established, on the basis of the understanding of a person skilled in the art, what is the content of the claims, i.e., the meaning which a person skilled in the art would give to the wording of the claim . . . what is decisive in whether the person skilled in the art, by studying the invention described in the patent claims, was able to discover the altered means used in the device attacked.<sup>219</sup>

In the *Moulded Kerbstone* case,<sup>220</sup> the patent at issue related to a moulded kerbstone with specifically arranged channels. The principal claim read:

Integral or-cross-sectionally multi-part moulded stone with a longitudinal trough for dewatering lines at the side of the road, characterised by the fact that it comprises at least one cross-channel branching off from the longitudinal trough and opening into the side of the stone facing away from the street center.<sup>221</sup>

The patented kerbstone is shown in Figure 4.

The defendant city built roads, as shown in Figure 5, with commercially available kerbstones leaving dewatering gaps between the kerbstones. The German Landesgericht found for the plaintiff, holding that the patent was infringed by the City.<sup>222</sup> The German Court of Appeals reversed the decision of the Landesgericht and dismissed the complaint. The plaintiff appealed to the Bundesgerichtshof, the German Federal Supreme Court.

The Bundesgerichtshof remanded the matter back to the Court of Appeals, and in so doing, made a number of observations concerning the reasoning used by the Court of Appeals. In

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217. *Improver*, [1990] F.S.R. at 198 (citing *Improver*, 21 IIC 572 (1990), 24 IIC 838 (1993), [1993] GRUR Int. 242).

218. *Ion Analysis*, [1989] GRUR 205 (OLG 1988).

219. *Id.* at 211.

220. [1991] R.P.C. 597 (BGH 1986).

221. *Id.* at 600.

222. *Id.* at 602.

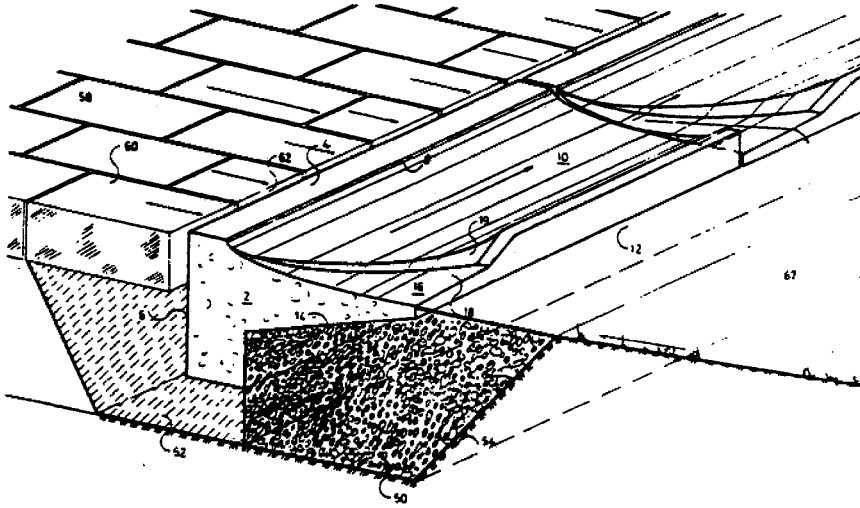


FIGURE 4

particular, while admitting that the dismissal of the complaint may have been correct, the Bundesgerichtshof disapproved of the terms adopted by the Court of Appeals such as the “principle of the invention.”<sup>223</sup> The case was decided by the issue of whether the average person skilled in the art was able to determine the equally effective means of the alleged infringement from the claims using the description and drawings and based on his professional knowledge.

In the *Segmentation Device*<sup>224</sup> case, the patent in the suit related to a device for segmenting tree trunks into wood products finished on all sides. The allegedly infringing product incorporated all of the features of the patent, except that the patented invention included some “sawing”<sup>225</sup> steps while the allegedly infringing product incorporated related moulding steps for smoothing the surface of logs.<sup>226</sup> The court regarded the variation to represent an inventive step over the patent and, thus, found no infringement.<sup>227</sup>

On appeal, the Dusseldorf Court of Appeals held that the

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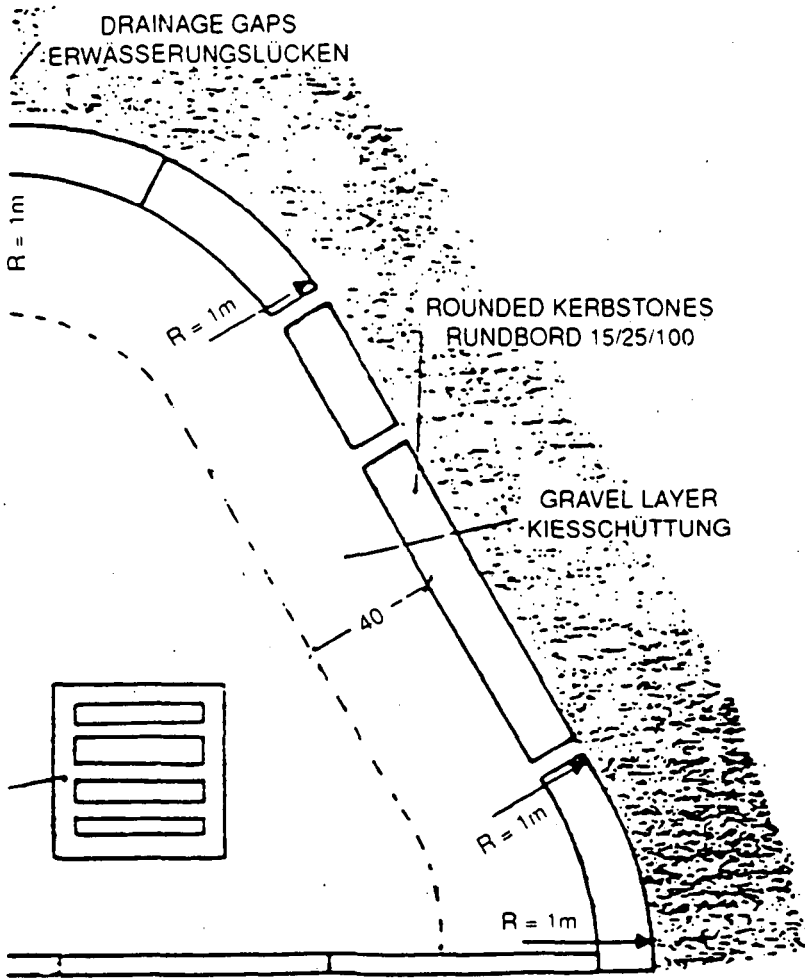
223. *Id.* at 605.

224. 26 IIC 261 (BGH 1995).

225. *Id.* at 263.

226. *Id.*

227. *Id.* at 264.



The alleged infringement

- R = 1m
- R = 1m
- 40
- R = 1m
- R = 1m

FIGURE 5

variation infringed the patent.<sup>228</sup> It found that the word “sawing” used in the claim encompassed “moulding,” which was used

228. *Id.*



by the defendant for the same purpose and with the same result, namely, to smooth the surface of the logs.<sup>229</sup>

The German Supreme Court rejected the Court of Appeals holding.<sup>230</sup> It disagreed with the court's formulation of the term "smoothing device" to include the original feature of the claim as well as the feature used in the defendant's product.<sup>231</sup> In examining patent infringement, the German Supreme Court followed the approach set forth in the *Moulded Kerbstone* and *Ion Analysis* cases.

Finally, it is worth mentioning the English Court of Appeal decision in *Daily v. Etablissements Fernand Berchet*.<sup>232</sup> In that case, the plaintiff was the proprietor of a patent for a walking aid device. Claim one required the patent to have, *inter alia*, "a braking arrangement associated with the rear wheels."<sup>233</sup> The defendant's product, the Locopousse baby walker, featured downward extensions at the rear of the product, which were known as "rear anti-topple Stop[s]."<sup>234</sup> As a result of the flexibility of the rear wheels and suspension, these stops could extend to the ground upon the exertion of downward pressure. On some surfaces, this had the effect of retarding the motion of the toy. The plaintiff sued for patent infringement. The patent drawing is shown in Figure 6.

The English Patents County Court found the patent valid and infringed.<sup>235</sup> On appeal, however, the Court of Appeal held that there was no infringement of the patent. It held that even if the downward stops could be said to be a "braking arrangement", it was not "associated with the rear wheels."<sup>236</sup>

It is instructive to speculate what the result of this case might have been had it been tried in German rather than English courts. Following the reasoning adopted in German cases, one is tempted to believe that the German courts might well have found infringement in this case, whereas, the English Court of Appeal did not.

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229. *Id.*

230. *Id.* at 266.

231. *Id.* at 265-66.

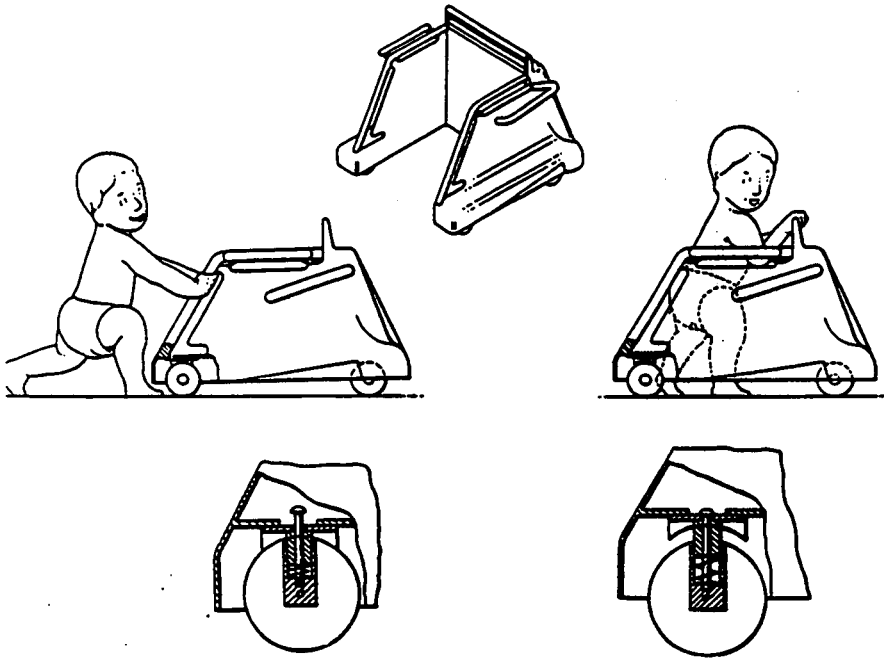
232. [1992] F.S.R. 533 (C.A. 1992).

233. *Id.* at 536-37.

234. *Id.* at 535.

235. *Id.* at 534.

236. *Id.* at 538.



INSERT FIGURE 6

### 3. Availability of Preliminary Injunctions

Preliminary injunctions are available in Germany. It appears, however, that they are rarely sought and German courts are reluctant to grant them. To obtain a preliminary injunction, German courts require a plaintiff to establish a strong *prima facie* case of infringement. The courts have indicated that a preliminary injunction should only be granted if infringement may be determined without difficulty. A party cannot determine infringement without difficulty when a patented product or process is complex or when claims of a patent are alleged to have been carried out by equivalents.<sup>237</sup> If a court is unable to determine infringement in the absence of an expert's assistance, the court must refuse to grant the injunction.<sup>238</sup>

Further, while the validity of the patent is presumed, the court may only grant a preliminary injunction if it holds no

237. Gert Wurtenberger, *Interlocutory Injunctions against Patent and Utility Model Infringements in Germany*, [1993] 2 EUR. INTELL. PROP. REV. 55.

238. *Id.*

doubts concerning the patent's validity.<sup>239</sup> This may set a high hurdle for the patentee, particularly where proceedings are pending for opposition to, or nullity of, the patent.

Finally, a preliminary injunction will only be granted where the patentee can demonstrate a need for immediate relief.<sup>240</sup> In deciding whether to grant the injunction, German courts also consider the relative hardship which the patentee and the alleged infringer will incur as a consequence of either granting or not granting the injunction.<sup>241</sup>

#### 4. Speed of Decision

On average, the time it takes to obtain a first instance decision, approximately twelve months from initiation of the proceedings, is comparable to the trial dates now being fixed in the United Kingdom.

#### 5. The Availability of other Remedies

In Germany, an equivalent to the Mareva Injunction is available, although there is no procedure similar to the Anton Piller order, whereby a party can obtain an *ex parte* order for the preservation of evidence.

#### 6. Extra-Territorial Injunctions

On the basis of the principle of territoriality, German courts have traditionally refused to protect foreign intellectual property rights. More recently, however, it has been established that German courts have jurisdiction over the infringement of foreign intellectual property rights because the principle of territoriality only governs issues of validity of a particular right.<sup>242</sup>

In *Kaiser v. Chemax Limited*,<sup>243</sup> for example, the Dusseldorf Landergericht assumed jurisdiction over six defendants, five of whom were British and only one of whom was domiciled in Germany. The German court will apply *lex locus delicti* and, in this case, will apply U.K. patent law.

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239. *Id.*

240. *Id.*

241. *Id.*

242. See *Kaiser v. Chemax Ltd.*, Jan. 16, 1996 (unreported).

243. *Id.*

## 7. Costs

In German courts, there are scaled legal fees depending on the value put on the case by the plaintiff. This has the attraction of enabling parties to quantify, to some extent, their liability for expenses at the outset. Major German law firms charge their clients at an hourly rate rather than the scaled fees. Consequently, costs at the lower end of the scale will tend to be higher than the scaled fees but will be less than the scaled fees when the value of the claim is greater.

### C. *France*

#### 1. Procedure

Ten courts of first instance and ten appellate courts in France have jurisdiction to hear patent disputes. The most popular of the ten district courts is in Paris. A sale or an offer for sale of an allegedly infringing product in Paris allows the court to assume jurisdiction.

#### 2. The Test for Infringement

In France, patents did not contain claims until 1968. The construction of patent claims tends to be broad, though not as broad as German courts sometimes construe claims. A product will infringe where the variant consists of the substitution of an equivalent for an element of the claimed invention. Additionally, in cases where the function of the whole element or of the whole invention at the filing or priority date was new and performs substantially the same function and produces a technical result of the same nature, that product will infringe.

#### 3. Speedy Relief

While preliminary injunctions are available, they are seldom granted by French courts. In deciding whether to grant an injunction, a court will consider the strength of a plaintiff's case and whether a plaintiff has delayed in seeking preliminary relief. The time to trial is approximately twelve-to-eighteen months.

#### 4. Other Procedural Aspects of Patent Actions

Under the *saisie contrefaçon* procedure, a patentee can, subject to payment of a surety, obtain a court order enabling him to

appoint a bailiff, assisted by an expert of his choice, to carry out a detailed description of any product or process alleged to constitute an infringement, *saisie description*, and to seize all infringing articles, drawings, records and books, *saisie real*. To obtain such an order, it is not necessary for a patentee to demonstrate infringement or even the validity of the patent. Under French law, a court may not refuse to authorize a *saisie description*, although it has the discretion to refuse to authorize a *saisie real*, which is generally authorized. Such an order can be obtained against a manufacturer, distributor, or a retailer of allegedly infringing goods. A seizure remedy similar to the *saisie contrefaçon* is available in Italy<sup>244</sup> and Belgium,<sup>245</sup> and is clearly a potentially useful remedy for a patentee in obtaining evidence of proof of infringement.

### 5. Extra-Territorial Injunctions

A cross-border injunction granted by the Dutch courts against patent infringement has been enforced in France pursuant to the Convention.<sup>246</sup> The Tribunal de Grande Instance in Paris has authorized enforcement of such a cross-border injunction which was granted to restrain a French co-defendant.<sup>247</sup> On appeal, the appellant argued that French law did not provide for interlocutory relief for patent infringement. The Court of Appeals dismissed the appeal.

### 6. Costs

Costs largely depend on the time spent on the matter by a party's patent agent and trial lawyer. The cost of obtaining a first instance decision are likely to be somewhat lower in France than in the United Kingdom. While a contribution towards the costs of a successful party may be ordered, however, these are unlikely to exceed ten percent of his actual costs.

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244. The Italian counterpart to the *saisie description* is the *descrizione*, while the counterpart to the *saisie real* is the *sequestro*.

245. See CODE CIVIL art. 1481 (Belg.) (listing counterparts to *saisie contrefaçon*).

246. Eurosensory v. Tieman, *noted in*, [1995] 3 EUR. INTELL. PROP. REV. D-73 (1995).

247. *Id.* at 391.

## D. Italy

### 1. Procedure<sup>248</sup>

In Italy there are no special courts dealing with patent cases. Where products are sold or offered for sale in Italy, it is possible to forum shop for the jurisdiction in which a plaintiff has the highest chance of obtaining preliminary measures. Jurisdiction is only refused where distribution of the allegedly infringing product is *de minimis*.

### 2. Availability of a Preliminary Injunction

In Italy, to obtain a preliminary injunction, a plaintiff must provide strong evidence of both a patent's validity and infringement before a court will grant a preliminary injunction.

### 3. Speed of Decision

Patent actions have, until recently, taken up to four to five years to reach trial. On July 29, 1995, a new code of civil procedure was enacted in Italy with the intent of expediting the trial process. It is currently not possible, however, to assess how successful these reforms are likely to be.

### 4. Other Procedural Aspects of Patent Actions

The Italian counterparts to the French *saisie description* and *saisie real*, *descrizione* and *sequestro* respectively, are available. These are generally applied for in tandem with an application for a preliminary injunction.

### 5. Costs

Italian courts do not take into account the costs actually incurred by the parties. A court will usually order the unsuccessful party to pay approximately a quarter to one third of the successful party's costs.

## CONCLUSION

As can be seen, there are a number of options available to the prospective plaintiff in choosing a jurisdiction in which to try an infringement action. A prospective plaintiff should consider

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248. See MARIO FRANZOZI: A GUIDE TO ITALIAN PATENT LITIGATION 9-13, 25-36, 38-42 (1995).

the advantages and disadvantages of litigating a dispute in a particular forum. Some of the primary factors a plaintiff must take into account are summarized below:

- *Test for Infringement:* German courts have, traditionally, construed patent claims more broadly than courts in other jurisdictions. Notwithstanding the emphasis on the scope of the claims that has recently been mentioned by German courts, they still appear to approach the question of infringement by equivalence, with one eye on the philosophy of the invention. English courts, on the other hand, appear to have more sympathy for those trying to design around the patent and, therefore, focus more on the scope of claims. Total convergence between the approaches of the various countries appears to be far in the future.
- *Availability of Preliminary Injunctions:* The availability of preliminary injunctions in patent infringement actions varies widely across Europe. In France, Germany, and the United Kingdom, they have traditionally been difficult to obtain. Injunctions granted by the Dutch courts under the *Kort Geding* procedure, however, appear to be much easier to obtain.
- *Proving Infringement:* There are significant differences across Europe in the procedures available for securing evidence of infringement. The process of discovery in U.K. courts is generally viewed as an effective way of securing evidence of infringement. This is particularly so in cases such as the alleged infringement of process patents. On the other hand, a patentee's validity argument could be prejudiced by his own documents which would be discoverable in the proceedings. The French and Italian courts also have a very effective procedure for securing evidence of infringement, namely, the *saisie description* and *descrizione*, respectively. These procedures allow patentees to inspect the premises of alleged infringers without warning and obtain any evidence of infringement. In Germany, on the other hand, there is no discovery process and no seizure proceedings.

It is submitted that given the options available to a prospective plaintiff and the advantages which, depending on the factual matrix of the particular case, may be gained in so doing, forum shopping in Europe in patent infringement disputes is likely to become more common.

