How is infringement of a patent determined? (1)

What constitutes “infringement” of a patent will be determined by the courts in each (or any) jurisdiction in which the patent is valid with reference to the applicable national law, but the general principle is that a person not having the patent proprietor’s consent is prohibited from certain acts – and breach of those prohibitions will constitute a patent infringement.

Although the rights conferred by a patent are not harmonised in different jurisdictions, international minimum standards that must be applied in each jurisdiction are set out in Article 28(1) of the TRIPS Agreement, which provides that:

“A patent shall confer on its owner the following exclusive rights:
(a) where the subject matter of a patent is a product, to prevent third parties not having the owner’s consent from the acts of: making, using, offering for sale, selling, or importing for these purposes that product;
(b) where the subject matter of a patent is a process, to prevent third parties not having the owner’s consent from the act of using the process, and from the acts of: using, offering for sale, selling, or importing for these purposes at least the product obtained directly by that process.”

Source:

In addition to the international minimum standards set out in TRIPS, many European countries have adopted definitions of “direct” and “contributory” infringement based on the Community Patent Convention (CPC), which, although signed in December 1975, never entered into force since it was not ratified by a sufficient number of member states, and which contains in its 1989 version the provisions on the prohibition of direct or indirect use of the patented invention (Article 25 CPC and Article 26 CPC).

Fourteen years later, the “Agreement relating to Community patents”, done at Luxembourg on 15 December 1989, was an attempt to revive the project. This agreement consisted of an amended version of the original Community Patent Convention, but this attempt failed. Twelve states signed the agreement: Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and the United Kingdom. However only seven states ratified the CPC: Denmark, France, Germany, Greece, Luxembourg, the Netherlands, and the United Kingdom. All contracting states would need to ratify the agreement for it to enter into force.

Nevertheless, many of the member states of the EEC at that time introduced some harmonisation into their national patent laws in anticipation of the entry in force of the CPC.

The full text of the CPC is available at:
This slide – and the next slide – outline what types of act constitute infringement of a patent.

Recall that the notes to slide 6 explained that patents are granted for any inventions (whether the invention is a product or a process, e.g. a process of manufacturing something) in "all fields of technology" (Article 52(1) EPC). So the general principle is that a product which is subject to a patent claim will infringe a patent with such a claim. Similarly, a process subject to a process claim will infringe a patent with such a claim.

What constitutes "infringement" of a patent will be determined by the courts in each jurisdiction, with reference to the applicable national law (see Article 64(3) EPC).

The general principle is that a person not having the patent proprietor's consent is prohibited from certain acts – and breach of those prohibitions will constitute a patent infringement.

Many European countries have adopted definitions of "direct" and "contributory" (or "indirect") infringement based on the Community Patent Convention (CPC), which, although signed in December 1975, never entered into force since it was not ratified by a sufficient number of member states.

The typical provisions on infringement adopted by European countries and shown on this slide are therefore derived from Article 25 CPC (Prohibition of direct use of the invention) and Article 26 CPC (Prohibition of indirect use of the invention) respectively.
In addition to determining whether an act constitutes something prohibited without the consent of the patent proprietor, whether or not infringement has occurred depends on an analysis of whether the features of the alleged infringing item are covered by the claims of the patent.

Although the EPC is not primarily concerned with matters of infringement, this being left to national courts, the EPC establishes the principle by which the scope of protection conferred by patents in the EPC states is to be determined by the claims, with the description and drawings used to interpret the claims.

**Article 69(1) EPC**

"The extent of the protection conferred by a European patent or a European patent application shall be determined by the claims. Nevertheless, the description and drawings shall be used to interpret the claims."


Furthermore, the Protocol on the Interpretation of Article 69 EPC provides further guidance and is an integral part of the Convention.

**Article 1 of the Protocol on Interpretation of Article 69 EPC**

"Article 69 should not be interpreted as meaning 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. Nor should it be taken to mean that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the patent proprietor has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patent proprietor with a reasonable degree of legal certainty for third parties."

**Article 2 of the Protocol on Interpretation of Article 69 EPC**

"For the purpose of determining the extent of protection conferred by a European patent, due account shall be taken of any element which is equivalent to an element specified in the claims."

The patent proprietor can take legal action and claim damages from persons considered to be infringing their patent.

This slide deals with the often complex question of whether acts done by a defendant fall within the scope of any claims a patent.

It will be recalled from slide 23 that infringement proceedings must be brought before the national courts in each country where a European patent has effect. Different case law approaches have been adopted in the UK, Germany and other European countries.

Although the EPC is not primarily concerned with matters of infringement, the EPC – Article 69 and the Protocol on Interpretation of Article 69 – sets out the principle that the extent of protection conferred by European patents in the EPC states may go beyond that which is literally covered by the claims, as interpreted or construed by the court, and may encompass also the equivalents to the invention covered by the claims.
Slide 26 (optional)
Which jurisdiction will apply in patent litigation?

Under EU law, Article 2 of the Brussels Regulation on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters provides that a person’s domicile in a Member State, whatever their nationality, will determine that they will be sued in the courts of that Member State.

However, by way of derogation from this rule, Article 22 of the Brussels Regulation provides that:
"The following courts shall have exclusive jurisdiction, regardless of domicile: ...(4): in proceedings concerned with the registration or validity of patents, trade marks, designs, or other similar rights required to be deposited or registered, the courts of the Member State in which the deposit or registration has been applied for, has taken place or is under the terms of a Community instrument or an international convention deemed to have taken place."

Regardless of nationality, therefore, a person will be sued in the courts where the registration or validity of a patent is in suit.

The full text of Article 22(4) of the Brussels Regulation summarised on this slide is set out in the background information.
Slide 27
What defences are available?

Although there are no harmonised provisions on defences, many European countries have adopted definitions of exceptions to acts constituting patent infringement based on Article 27 CPC (Limitation of the effects of the Community patent):

"The rights conferred by a Community patent shall not extend to:
(a) acts done privately and for non-commercial purposes;
(b) acts done for experimental purposes relating to the subject-matter of the patented invention;
(c) the extemporaneous preparation for individual cases in a pharmacy of a medicine in accordance with a medical prescription nor acts concerning the medicine so prepared;
(d) the use on board vessels of the countries of the Union of Paris for the Protection of Industrial Property, other than the contracting states, of the patented invention, in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the waters of contracting states, provided that the invention is used there exclusively for the needs of the vessel;
(e) the use of the patented invention in the construction or operation of aircraft or land vehicles of countries of the Union of Paris for the Protection of Industrial Property, other than the contracting states, or of accessories to such aircraft or land vehicles, when these temporarily or accidentally enter the territory of contracting states;
(f) the acts specified in Article 27 of the Convention on International Civil Aviation of 7 December 1944, where these acts concern the aircraft of a State, other than the contracting states, benefiting from the provisions of that Article."

Similarly, Article 28 CPC deals with exhaustion of the rights conferred by a Community patent:

"The rights conferred by a Community patent shall not extend to acts concerning a product covered by that patent which are done within the territories of the contracting states after that product has been put on the market in one of these States by the proprietor of the patent or with his express consent, unless there are grounds which, under Community law, would justify the extension to such acts of the rights conferred by the patent."

The full text of the CPC is available at: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:41975A3490:EN:HTML.
Certain acts, even if they fall within the scope of the claims of a valid patent, are not considered as an infringement.

Although the precise defences available when a person is accused of infringement will depend on the different applicable national laws of the country concerned, the defences described on this slide are indicative of acts not normally found to be infringing. The acts described under bullet point 2 on this slide are derived from Articles 27 and 28 of the CPC. The full text of these provisions is set out in the background information.
Slide 28 (optional)
What are unjustified threats?

There are no harmonised provisions on what constitutes unjustified threats of an intention to bring a patent infringement action against another person. The content of slide 28 is for illustrative purposes only. Users of this document are therefore asked to consult national law for clarification.
Parties alleging infringement of their patent rights need to be careful to avoid making unjustified threats that they intend to bring an infringement action because, if those threats are unjustified, the aggrieved person may be entitled to a number of different forms of relief, including:

1. a declaration that the threats are unjustified;
2. an injunction against the continuance of the threats; or
3. damages for losses suffered as a result of those threats.

What constitutes an unjustified threat will depend on the different applicable national laws but, typically, a person will not be considered to have threatened another person with patent infringement proceedings merely by providing information in the way set out on the last three bullet points of this slide.
What remedies are available?

Although there are no harmonised provisions on remedies for patent infringement, Articles 44-46 of the TRIPS Agreement mandate the availability as remedies of injunctions, damages and disposal outside channels of commerce. The full text of Articles 44-46 of the TRIPS agreement is set out below.

**Article 44 (Injunctions)**

1. The judicial authorities shall have the authority to order a party to desist from an infringement, inter alia to prevent the entry into the channels of commerce in their jurisdiction of imported goods that involve the infringement of an intellectual property right, immediately after customs clearance of such goods. Members are not obliged to accord such authority in respect of protected subject-matter acquired or ordered by a person prior to knowing or having reasonable grounds to know that dealing in such subject-matter would entail the infringement of an intellectual property right.

2. Notwithstanding the other provisions of this Part and provided that the provisions of Part II specifically addressing use by governments, or by third parties authorized by a government, without the authorization of the right holder are complied with, Members may limit the remedies available against such use to payment of remuneration in accordance with subparagraph (h) of Article 31. In other cases, the remedies under this Part shall apply or, where these remedies are inconsistent with a Member’s law, declaratory judgments and adequate compensation shall be available.

**Article 45 (Damages)**

1. The judicial authorities shall have the authority to order the infringer to pay the right holder damages adequate to compensate for the injury the right holder has suffered because of an infringement of that person’s intellectual property right by an infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity.

2. The judicial authorities shall also have the authority to order the infringer to pay the right holder expenses, which may include appropriate attorney’s fees. In appropriate cases, Members may authorize the judicial authorities to order recovery of profits and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity.

**Article 46 (Other Remedies)**

"In order to create an effective deterrent to infringement, the judicial authorities shall have the authority to order that goods that have found to be infringing be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to avoid any harm caused to the right holder, or, unless this would be contrary to existing constitutional requirements, destroyed. The judicial authorities shall also have the authority to order that materials and implements the predominant use of which has been in the creation of the infringing goods be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to minimize the risks of further infringements. In considering such requests, the need for proportionality between the seriousness of the infringement and the remedies ordered as well as the interests of third parties shall be taken into account. In regard to counterfeit trademark goods, the simple removal of the trademark unlawfully affixed shall not be sufficient, other than in exceptional cases, to permit release of the goods into the channels of commerce."

The full text of the TRIPS Agreement is available at: [http://www.wto.org/english/docs_e/legal_e/legal_e.htm#TRIPs](http://www.wto.org/english/docs_e/legal_e/legal_e.htm#TRIPs).
Patent rights are only as good as the procedures and remedies by which they are enforced.

However, as with other post-grant issues, the remedies available will depend on the different applicable national laws and may well vary depending on the country concerned.

Articles 44-46 of the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (the TRIPS agreement) mandate the availability of remedies for injunctions, damages and disposal outside channels of commerce and the full text is set out in the background information.

In addition to interim or preliminary injunctions the most common form of final or permanent injunctions is an injunction not to infringe the patent which is the subject of the infringement action.

An order for delivery up or destruction aims to ensure that a person infringing a patent is not tempted to put the infringing copies into circulation in breach of an injunction. Delivery up may be to the right holder or some other person so that they can destroy the infringing copies.

A successful patentee in an infringement action can usually seek damages or account of the defendant's profits, although the availability of these mechanisms will depend on the applicable national law in the country concerned. The purpose of damages is to determine what loss the patentee has suffered – the defendant then has to compensate the patent owner for damage suffered.