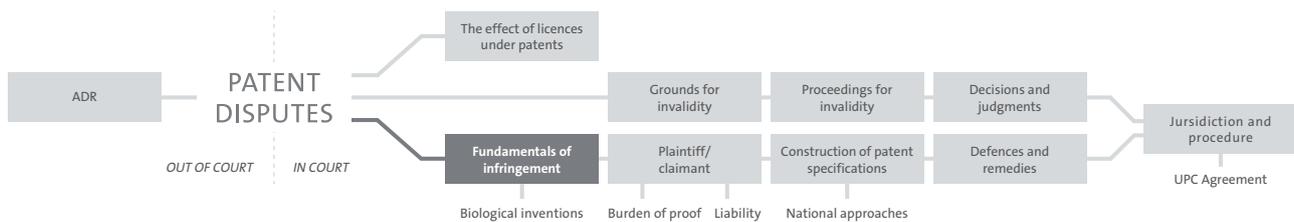


Fundamentals of infringement

Essentials



General introduction

This module covers two fundamental aspects of patent protection: the scope of protection and the kind of conduct falling within the scope of protection that is prohibited by European national patent laws. We will start with the conduct which is prohibited.

According to the Trade Related Aspects of Intellectual Property Rights ("TRIPS") Agreement, given that a patent is an exclusive right, the patent proprietor has the right to prevent third parties who do not have the owner's consent from doing the following acts:

- making, using offering for sale, selling, or importing for these purposes the patented product, or
- where the subject-matter of the patent is a process, using offering for sale, selling or importing for these purposes at least the product obtained by the patented process.

With regard to the question of conduct prohibited by national laws, it is conventional to distinguish between direct and indirect infringement. The question which acts constitute direct and indirect infringement is not harmonised by the European Patent Convention ("EPC") and thus even today remains a question of national law. Nevertheless, the EPC Contracting States generally have very similar wording in their patent acts with regard to direct and indirect infringement. This wording is based on Articles 25 and 26 Community Patent Convention ("CPC").

Although in many cases the wording of the claim gives a clear indication as to whether it concerns a product or a process claim, in certain cases

careful interpretation may still be required as to what the claim is intended to protect.

Mixed forms of claim have also been developed and accepted by the European Patent Office (“EPO”) and the national courts. Thus, one finds product-by-process claim. Such claims concern products which are not described by the characteristics of the product but in part or as a whole by a process of making the product. Product-by-process claims raise particular issues with regard to admissibility and scope of protection.

BGH, GRUR 2001, 1129 – “Zipfelfreies Stahlband”; *Rechtbank Den Haag*, 20.10.2010 – CEVA/BEA PHAR

Another category of claims are what are known as “use claims”. Such claims protect the specific use of a certain product, for example a chemical compound for a certain pharmaceutical treatment. Usually, such products are known, but not the use for which protection is claimed. It is also accepted that a patent can be granted for an additional new use of a known product even if another use is already protected (“second medical indication” patents). Such use claims also have a particular scope of protection.

G 1/83; BGH, GRUR 1983, 729 – “Hydropyridin”

A specific topic which regularly leads to legal issues is the territorial scope of patent protection. It is clear that any infringing conduct within the territory of a state will be considered an infringement under the national patent laws of that state. However, the question becomes more complicated if parts (or the whole) of the infringing activity is conducted outside the scope of a particular state.

The skilled addressee

Role

The ‘person skilled in the art’ (also known as the ‘skilled addressee’ or ‘skilled person’) is a concept of central importance in European patent law. As explained below, the person skilled in the art plays a crucial role in claim construction (**Article 69 EPC** and the Protocol on Interpretation) and thereby in determining the scope of protection conferred by a European patent.

The EPC also makes express reference to the person skilled in the art in the context of assessment of inventive step (**Article 56 EPC**) and insufficiency (**Article 83 EPC**).

This ‘person’ is a notional person who plays a key role in several aspects of patent law.

Characteristics

Under English law⁴, the person skilled in the art is someone ‘likely to have a practical interest in the subject matter of the invention’. The relevant art will usually be apparent from the specification itself. He or she is a construct.

Catnic v Hill & Smith [1982] RPC 183 at 242 (HL)

The person skilled in the art may, where necessary, be a notional team of people having different but complimentary skills. This is particularly likely where the art is one making use of a highly developed technology, which employs the combined skills of a number of individuals.

General Tire v Firestone [1972] RPC 457 at 485

The person skilled in the art is:

- a skilled technician who is well acquainted with workshop techniques in the relevant art and who has carefully read the relevant literature;
- a person who ‘if real, would be very boring – a nerd’, unimaginative with no inventive capacity;
- a person with excellent background knowledge – common general knowledge.

Technograph v Mills & Rockley [1972] RPC 346 at 355

Technip France SA's Patent [2004] RPC 46, §§ 7–10

The level of skill and academic or other training of the person skilled in the art may differ widely depending on what would be usual in that particular area of technology. Identification of the relevant characteristics of the skilled person may have an important bearing on the outcome of a case.

Under German law, the (average) person skilled in the art is not a real person but rather a fictitious or notional person with a professional background, qualification and practical experience as usually is possessed by the person who is entrusted with the development of technical improvements in an undertaking with a business in the area to which the teaching of the patent belongs. As under English law, the person skilled in the art may, where necessary, be a notional team of people having different skills. The capabilities, experiences and the methodology of this person skilled in the art is the general basis of the knowledge on which the patent, and in particular the claim wording, has to be understood and interpreted.

Under French law, the skilled person is a pure legal fiction, defined by the late Professor Jean-Marc Mousseron as “*a strange average technician having access to a vast amount of documents but with reasoning abilities limited to those of an average agent without any inventive capacity and with no ability to go beyond the obvious area surrounding his knowledge*”.

“*Technicien moyen étrange, il accède à une documentation considérable, mais ses facultés de raisonnement sont limitées à celles d'un agent moyen sans la moindre capacité inventive, sans la moindre aptitude à dépasser la zone d'évidence qui entoure les connaissances qu'il maîtrise.*” by Professor Jean-Marc Mousseron, *Traité des brevets*, Librairies techniques, 1984, pg 398.

⁴ The EPC and the UK Patents Act 1977 (as amended) apply equally to all parts of the United Kingdom. However, jurisdictionally, the United Kingdom is divided in to three parts, England and Wales, Scotland and Northern Ireland. The proceedings in Scottish courts, however, differ markedly from those in the other jurisdictions.

Since around 2009, French judges rarely omit to define the field and skills of the skilled person: he usually is the manufacturer, and not the user, of the claimed product; it is also now clearly admitted that the skilled person may be a team when the technical problem solved by the patent is at the crossroads of several technical fields.

For example, the decision of the *Tribunal de Grande Instance (TGI) de Paris*, 3rd chamber, 3rd section, of 25 March 2009 (*Novartis v Johnson & Johnson*), held that:

“the person skilled in the art is a team made up of a polymer chemist whose objective is to develop suitable materials, of a physicist in charge of determining the physical properties of the lenses and of a clinician ophthalmologist specialised in contact lenses”.

The skilled person is defined as a specialist of average qualification or capacity in the field concerned: this can lead one to consider an intermediate technician for a relatively simple technical field and a highly qualified specialist in a more complex case.

The knowledge of the skilled person includes all the knowledge of his technical field, the knowledge of neighbouring fields involving identical or similar problems, the general knowledge which is not specific to the relevant field (for example general mechanical knowledge) and common sense; but does not include research data which are not yet validated. This knowledge is proved by documents, sometimes (but not frequently) with the help of party's expert opinion to clarify the meaning of documents exhibited by the parties.

The skilled person has the ability to make logical deductions and to perform routine operations as well as implementation work.

Common general knowledge

Definition

The concept of “common general knowledge” (“CGK”) is not defined by the EPC, but is generally considered to comprise the information which, at the priority date of the patent in question, would have been commonly known to appropriately qualified persons engaged in the technical field to which the patent relates.

CGK is also that which would generally be regarded as a good basis for further action by the bulk of those working in that particular field.

The scope and content of the CGK is important as it influences the skilled person's reading and understanding of the patent and of its claims. It also informs their reaction to the prior art and what approaches would have been considered (or rejected) when attempting to solve a particular technical problem.

CGK is not limited to material that the skilled person has at the front of their mind but will include material that would have been readily available and referred to in, for example, a standard textbook. It is not to be confused however with what is publicly available.

Proof

Procedures for proving common general knowledge vary across Europe. In the UK, for example, where there is no agreement, common general knowledge is established by expert evidence. This evidence will usually be supported by references to textbooks or other reference texts. Under German law, CGK mainly refers to knowledge which is not documented in writing. If there is a written document or publication, such document is usually the basis for the prior art. If no such written document exists, for example, if it concerns general practical experience which is not documented; the general practical knowledge of the person skilled in the art becomes relevant. In this context, CGK is often argued referring to both written documents and general practical experience.

At the EPO, CGK is normally proved 'by the content of encyclopaedias, handbooks and dictionaries on the subject in question'. However, 'special considerations prevail when a field of research is so new that technical knowledge is not yet available from textbooks.'

Direct infringement

Product claims

Making the product covers a range of manufacturing activities.

German law

Under German law, it is irrelevant whether the product is subsequently used in a patent-infringing way. The fact that a protected product is obtained as an intermediate product also constitutes a making of the product. A making of the product is established if a company uses third parties for manufacturing, but supervises the production and tests the final products itself. In principle, all the steps of the manufacturing process need to take place in the territory of Germany. The *Bundesgerichtshof* ("BGH"), German Federal Supreme Court, held that even if products are manufactured outside the protected territory this may constitute an infringing act if they are distributed within the territory, as there may be a sufficient likelihood of future manufacture in Germany.

BGH, GRUR 2012, 512 – "Kinderwagen"

“Offering the product” means any act by which the product is made available to third parties. The product offered does not have to have been manufactured or brought within the territory of Germany. Where the product is manufactured or where it is delivered from is also irrelevant. The BGH has even held that offering the product during the term of the patent, but delivering it after the term of the patent, constitutes a prohibited offering.

BGH, GRUR 2007, 221 – “*Simvastatin*”

The offer does not need to be an offer in a formal sense, leading to a contract after acceptance. General advertisements can suffice. A typical example is offering and showing a product at a trade fair. Also, for the alternative of offering a product, the principle of territoriality determines limits. Only an offering in Germany constitutes a relevant infringing act. This can be particularly problematic in the case of trade fairs. If the trade fair takes place within Germany, an offer or exposition of the product at such a fair is an infringing act. Offering and exposition of the product at a trade fair outside Germany will not automatically constitute an offer within Germany. Further factors, for example offering to a German customer, can suffice. A similar problem arises with offering via the internet. The fact that an internet offer can always be made from Germany is not sufficient to establish an offering in Germany. A closer economic connection is required. Such a closer link can be deemed to exist if the internet offer is directed to Germany (for example by means of the language used and the place of offering of the products).

BGH, GRUR 2005, 431 – “*Hotel Maritim*”

English law

Where the patent claim relates to a product, the patent will be infringed by any person who makes, disposes of, offers to dispose of, uses, imports or keeps the product.

Section 60(1)(a) Patents Act 1977

“Make” is an ordinary English word and the question of whether a person is making a product (as opposed to, for example, repairing an existing product) is a question of fact that will involve consideration of a number of factors, including whether the means supplied embody the inventive concept of the patent and whether the means have an economic existence separate from the article into which they are incorporated.

Schutz (UK) Ltd v Werit UK Ltd [2013] UKSC 16, [2013] 2 All ER 177

“Disposal” is understood as the giving up of physical possession of the product in the course of trade, or, more simply, putting the product on the market. Offers to dispose will include offers to sell, but “offer” should not be equated with the concept of an offer under English contract law: advertising a product for sale, for example, will amount to an offer to dispose for the purposes of patent infringement (whereas under contract law it might be regarded not as an offer but as an “invitation to treat”).

Gerba v Lectra [1995] RPC 383

“Uses” has its ordinary English meaning.

“Importation”, if interpreted consistently with the CPC, will not cover any kind of importation but only importation for making, offering, putting on the market or using a product which is the subject-matter of the patent. In essence the importation needs to be for commercial purposes. As to whom the importer is, this – if there is any dispute – has to be determined by reference to the contract of carriage for the goods in question.

Article 25 CPC

Sabaf SpA v MFI Furniture Centres Ltd
[2005] RPC 10

Finally, “keeping”, if interpreted in line with the CPC, is concerned with stocking products for the purposes of the other commercial acts that can amount to direct infringement (making, disposing, etc.).

Process claims

German law

“Using the process” means that all steps protected by the patent have been applied by the potential infringer. An exception can be made if the final act is conducted by a third party, provided that this act is foreseeable and will take place with certainty. Acts which concern a preparatory step do not constitute “use” of the process. The delivery of a device or machinery by which the patented process can be implemented, for example, does not constitute a direct infringement of a process claim (but could constitute an indirect patent infringement). Furthermore, all steps protected by the process need to be undertaken in Germany. Under certain circumstances, steps conducted outside Germany can be attributed to Germany, so that a direct infringement arises even if some of the process steps are conducted outside Germany.

Oberlandsgericht („OLG“), Higher Regional Court Düsseldorf, 15 May 2014 – I 2 U 74/13 – “Zielführungssystem”

OLG Düsseldorf, InstGE 11, 203 – “Prepaid-Telefonkarte”

Under German law, the requirement that the product must be **directly** obtained by the process can be deemed to be met if the product is a direct (chronological) result of the patented process and no further steps of processing or treatment are required. The fact that a product directly obtained becomes part of a larger unit or is subsumed into a product does not absolve the infringement. However, “directness” is not only established in a direct chronological context. The patented process does not need to be the last step which leads to the infringing product. What is important is that the product obtained by the patented process maintains its characteristics. If such characteristics are lost, or the product has no independent importance in the challenged combination, the combination will not be a “directly obtained” product.

OLG Karlsruhe, InstGE 11, 15 – “SMD-Widerstand”; OLG Düsseldorf, 14 January 2010 – I-2 U 124/08

These principles can also be applied if a product directly obtained by the process is mixed with another product, as, for example, in a chemical composition. The question will be whether the product directly obtained by the patented process maintains its characteristics in this composition and has an independent importance.

OLG Düsseldorf, 4 October 2002 – VI-U (Kart) 44/01

Under German law, it is ultimately a question of fact and degree whether an alleged infringement which partially or at an earlier stage has been obtained by the patented process is still a product directly obtained by the patented process.

English law

Where the invention is a process, use of the patented process in the UK will infringe the patent, regardless of the state of knowledge of the infringer.

Section 60(1)(b) Patents Act 1977

Offering a process for use in the UK will only constitute infringement if a knowledge requirement is satisfied: the person making the offer must know, or it must be obvious in the circumstances, that the use of the process in the UK would be an infringement of the patent. This implies knowledge of the patent itself, not just of the invention. (Compare indirect infringement, for which the knowledge requirement concerns the invention, not the patent itself.)

Dealings in the UK in products “obtained directly by means of the patented process” may also infringe. The relevant infringing acts are disposing, offering to dispose, using, importing or keeping. It does not matter where the process is carried out. “Obtained directly” requires the product alleged to infringe to be the direct and immediate result at the end of applying the patented process – directly being given the same meaning as the German word “*unmittelbar*” (without intermediary). However, further processing of the product is permitted, provided the product retains its essential characteristics and does not lose its identity.

Section 60(1)(c) Patents Act 1977

Pioneer v Warner [1997] RPC 757

Use claims

German law

The German courts recognised very early on that not only actual use constitutes a prohibited act, but that also preparatory steps for such use are covered by use claims. The courts have developed the teachings that even a goal-oriented preparation of a substance for use amounts to prohibited conduct (“*sinnfälliges Herrichten*”). An important limitation to such preparatory acts is that the product needs to be prepared for the specific protected use. This can, for example, be the case if the product is manufactured and specific instructions for use are included with the product package. Nevertheless, the boundaries between preparatory acts falling within the scope of use claims and those outside their scope are not always clear. If the conclusion is that the preparatory act is not clearly meant for the protected use, the question will also arise as to whether such preparatory act does not constitute an indirect infringement of such use claims.

BGH, GRUR 1992, 305 – “*Heliumeinspeisung*”;
BGH, GRUR 2001, 730 – “*Trigonellin*”;
BGH, GRUR 2014, 464 – “*Kollagenese II*”;
OLG Karlsruhe, GRUR 2014, 764 – “*Verwendungspatent*”.

See for example, LG Düsseldorf,
14 March 2013, 4a O 145/12 – “*Ribavarin*”

English law

Use claims, when in the form of “Use of X as ...” are treated as a type of process claim.

In the medical field, methods of treatment by therapy or surgery are excluded from patentability, but claims of the form “(substance X) for use in the treatment of (medical condition Y)” are permissible. Claims of this form (purpose-limited product claims) are treated as second medical use claims for the purpose of novelty and are only anticipated by a prior disclosure of the use of X for the treatment of Y.

Prior to the implementation of the EPC 2000, “Swiss-form” claims (“use of X in the manufacture of a medicament for the treatment of Y”) were permitted. The Patents Court has considered the requirements for infringement of such a claim and held that the word “for” in Swiss-form claims imports a requirement of subjective intention on the part of the manufacturer that the medicament or pharmaceutical composition will be used for treating the specified condition. (NB This is a very recent decision which may be appealed.)

Warner-Lambert v Actavis [2015] EWHC 72 (Pat)

Warner-Lambert Company LLC v Generics (UK) Ltd (t/a Mylan) & Ors [2016] EWCA Civ 1006

Indirect infringement

Germany

Under German law a number of requirements must be fulfilled for a finding of indirect infringement:

- A third party supplies or offers, within the territory of Germany, means relating to an essential element of the invention, and these means are suitable and intended to exploit the invention.
- The means are offered or supplied to a person who is not entitled to exploit the patented invention.
- Further, the third party must act without the consent of the patentee.
- The customer intends to use the supplied means in an infringing manner.
- The person offering or supplying knows **or** it is obvious from the circumstances that such means are suitable **and** intended for exploiting the invention.
- The means are not staple commercial products, unless the person offering or delivering these means induces the recipient to act in a directly infringing manner.

First, the offered or supplied means must relate to an essential element of the invention. The BGH has construed the term “means relating to an essential element of the invention” rather widely. A means relates to an element of the invention if it is capable of functionally interacting with one or more features of the patent claim as to implement the protected invention. A means is, in general, essential when it is part of the patent claim, irrespective of whether or not it is part of the characterising part of the patent claim.

BGH, GRUR 2004, 758 – “Flügelradzähler;
BGH, GRUR 2005, 848 – “Antriebs-scheiben-
aufzug”;
BGH, GRUR 2006, 570 – “Extracoronales
Geschiebe”

BGH, GRUR, 2007, 773 – “Rohrschweiß-
verfahren”

Furthermore, the means must be suitable and intended to exploit the patented invention. The “suitability” is assessed based on the objective character of the item which is offered or supplied. The suitability requires that a direct infringement is possible when the means offered or supplied are used together with other means or used in a process. Therefore, an assessment of a potential direct infringement must be made. It is not necessary that the patented teaching is actually used.

BGH, GRUR 2005, 848 (850) – “Antriebs-
scheibenaufzug”

It is necessary that the means are offered and supplied for the use in the patented invention. Hence the circumstances and perceptible intentions of the parties concerned must lead to the conclusion that the recipient will use the means in an infringing manner. The offering and supplying of the means as well as the intended use of the patented invention must take place in Germany (double territorial reference). The intention to use in Germany also is given in the event of an intended re-import.

BGH, GRUR 2007, 313 – “Funkuhr II”

The offering or supply must take place vis-à-vis a person who is not entitled to exploit the patent. Entitlement can result from the permission of the patentee, right of prior use, compulsory licence, order for exploitation or the use of exhausted products with fuel, repair materials or spare parts, unless the latter leads to a re-manufacture of the device.

The offeror or supplier needs to have sufficient knowledge of the suitability and intention to exploit the patented invention or the suitability and intention are obvious in the circumstances. This requirement regularly creates difficulties if the means can also be used in a non-infringing way. In this case, the injunctive relief can be limited to the infringing use as, for example, specific warning references or an obligation to agree on a cease and desist for the infringing use.

BGH, GRUR 2007, 679 – “Haubenstretch-
automat”; LG Düsseldorf, 4b O 108/03 –
“Kaffeekapseln”

Finally, German law provides for an exception to indirect infringement for goods which are freely available on the market, so-called “staple goods” (e.g. nails, screws, wires, resistors, chemicals, etc.). However, the exception does not apply if the supplier (deliberately) induces the recipient to use the staple goods in an infringing way.

United Kingdom

The elements of indirect infringement in the United Kingdom are essentially the same as in Germany, which is not surprising, given that the statutory provisions have their basis in the CPC. A person will infringe a patent if:

- while the patent is in force and without the consent of the proprietor,
- he supplies or offers to supply in the United Kingdom
- a person other than a licensee or other person entitled to work the invention
- with any of the means, relating to an essential element of the invention, for putting the invention into effect
- when he knows, or it is obvious to a reasonable person in the circumstances,
- that those means are suitable for putting, and are intended to put, the invention into effect in the United Kingdom.

The statutory provisions further stipulate that there will be no infringement if the supply or offer to supply is related to a “staple commercial product”, unless the supply or offer to supply is made for the purpose of inducing the person supplied, or to whom the offer is made, to do an act which would infringe the patent.

Accordingly, the supply or offer to supply must be in the United Kingdom, and the means supplied must be suitable for, and intended to put the invention into effect in, the United Kingdom.

The person to whom the supply is made or offered must be a person other than a licensee or other person entitled to work the invention. A purchaser of a machine protected by a patent may be impliedly licensed to obtain and use components needed in order to operate the machine. For example, it was held that purchasers of a coffee machine were impliedly licensed to obtain coffee capsules compatible with the machine from third parties, in the absence of any restriction having been placed on the purchaser to prohibit this by the patentee.

Nestec v Dualit [2013] RPC 32

Whether or not the means supplied relates to an essential element of the invention will be a question of fact, to be decided in each case. The English Patent Court has indicated that not every feature in a patent claim is necessarily an essential element of the invention. However, there has not been a great deal of case law on the point. In *Nestec v Dualit*, the UK court decided to follow the German approach, and a coffee capsule was held to be a “means relating to an essential element”, as the flange of the capsule plays a significant role in the way in which the claimed invention works.

Schutz v Werit [2010] FSR 22

The means must be suitable for putting the invention into effect. This may involve an assessment, for example, of whether the person supplied, or ultimate consumers, make the patented article, which will involve the consideration of a number of factors (see the section above regarding direct infringement).

Finally, there is the knowledge requirement, for which there are both subjective and objective considerations: the person supplying the means, or offering to supply them, must know, or it must be obvious to him in the circumstances, that the means are suitable for putting the invention into effect and intended to do so. This condition will be satisfied if the person knows, or it is obvious in the circumstances, that at least some end users will use the means to put the invention into effect.

*Grimme Maschinenfabrik GmbH & Co KG v
Scott* [2010] EWCA Civ 1110