Global Patent Enforcement Strategy: Germany

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Patent Litigation System in Germany – The Basics

- Split Infringement and Validity Proceedings
- No Jury Trial
- Relatively cost efficient
- Patentee (generally) has to provide evidence that patent is infringed
- Losing party has to bear the statutory attorney fees of the winning party and the court fees
Patent Litigation System in Germany – Split Validity and Infringement Proceedings

Infringement Proceedings:

District Court → Regional Court → Supreme Court

Validity Proceedings (European Level):

Opposition Division → Board of Appeal → Enlarged BoA

Validity Proceedings (German National Level):

Federal Patent Court → Supreme Court
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Not permitted as long as Opposition Proceedings are pending !!!!
Member States
Regular Course of an Infringement Litigation Case

**District Court:**
- Complaint brief with infringement analysis
- Defendant’s answer with non-infringement analysis
- Patentee’s reply brief
- Defendant’s surreply
- Trial (usually only 1 hour!)
- Decision (usually 4 weeks later):

**European Patent Office/Federal Patent Court:**
- Opposition or Nullity Action
- Patentee’s answer
- Reply brief of Nullity Plaintiff /Opponent
- 1 year
- Patentee files auxiliary requests (amended claim sets)
- Trial (usually 5 - 9 hours)
- Decision: usually on the same day
Law of Infringement in Germany

Literal Infringement (as direct or contributory infringement, Sections 9 and 10 of the German Patent Act)

Equivalent Infringement

- Does the embodiment solve the problem underlying the invention with means which, although modified, have objectively the same effect?

- Does the general technical knowledge enable the skilled person to identify the modified means as means functioning in the same way?

- Are the considerations which the skilled person must apply, so closely oriented to the essence of the teaching under protection that the skilled person will consider the variant with its modified means as equivalent to the solution provided by the invention as defined in the claims?
Claim Construction in Germany

Claim construction of the German District Courts (esp. the court in Duesseldorf) is usually very broad!

- Technical terms are construed according to the understanding of the skilled person at the priority date focused on the function of the technical term as described in the patent specification (which may result in a broader meaning than a dictionary definition).

- Prior art can only be used for claim construction purposes, if this prior art has been discussed in the patent specification (in particular the background section).
Claim Construction in Germany

 Statements made by the patentee during examination proceedings are irrelevant. Statements of the proprietor can only be used in German infringement proceedings, if those statements have been made in parallel nullity or opposition proceedings between the same parties.

 If the claim wording is unclear/vague, a Defendant may use the prior art cited in the patent specification to explain that the claim must be understood in a narrow manner (such that the claimed subject-matter is delimited from the prior art).
Claim Construction in Germany

A Defendant may try to use any possible hint in the claim language that the scope of protection is limited to a preferred embodiment described in the patent specification.

Even in case of a seemingly given literal infringement, a Defendant may argue that the advantages of the invention (as explained in the background or summary section) are not given with the accused embodiment, and thus no infringement is given.

In some cases, there may be a discrepancy between the claim wording and one of the embodiments of the patent specification. The Federal Supreme Court clarified that in such cases, the claims are dominant, i.e. such an embodiment may not be covered by the claim.
Legal Standards in Germany

Section 9 GPA - Direct Infringement:
A patent shall have the effect that the patentee alone shall be authorized to use the patented invention. A person not having the consent of the patentee shall be prohibited

1. from making, offering, putting on the market or using a product which is the subject-matter of the patent or importing or posessing the product for such purposes;

2. from using a process which is subject-matter of the patent or, when he knows or it is obvious from the circumstances that the use of the process is prohibited without the consent of the patentee, from offering the process for use within the territory to which this Act applies;

3. from offering, putting on the market, using or importing or posessing for such purposes the product directly obtained by a process which is the subject-matter of the patent.
Legal Standards in Germany

Section 10 GPA - Contributory Infringement

(1) A patent shall have further the effect that a person not having the consent of the patentee shall be prohibited from offering or delivering means relating to an essential element of the invention, for using the invention within the territory to which this Act applies, to others than persons which are entitled to use the invention, if such a person knows or it is obvious from the circumstances that such means are suitable and intended for using the invention.

(2) Paragraph (1) shall not apply, if the means are commonly available commercial products, except such person induces the person supplied to commit acts prohibited by the second sentence of Section 9.
Legal Consequences

- Injunction

- Rendering account (for calculating damages in a subsequent second law-suit)

- Destruction and callback

- Publication of the court decision
Advantages of Litigating Patents in Germany

- German courts are very experienced.
- Claim construction is relatively predictable.
- Patentee may have the possibility to enforce an injunction before the EPO or the Federal Patent Court has decided on validity.
- You can get an injunction roughly within one year.
- You may be able to start a litigation before the accused product has even been launched (because advertising alone is already an infringing act).
- Broad understanding of contributory infringement
- You may want to avoid a US style discovery.
- Relatively cost efficient.
- You can get jurisdiction of the District Court Duesseldorf relatively easily.
Disadvantages of Litigating Patents in Germany

- Damages are usually lower than in the US (Germany has no concept of willful infringement/triple damages), whereas the case law has become more favorable for the Patentee in the last five years.

- Some type of inventions are excluded from patentability (esp. business methods and medical methods)

- Federal Patent Court and some Boards of Appeal of the EPO are relatively strict with regard to inventive step.

- In opposition proceedings, the EPO are very strict with regard to original disclosure.

- No US style discovery.
As Defendant:
Should an EPO opposition be filed?

As Plaintiff:
Should an action be filed before expiry of the opposition deadline?

Deadline for filing an opposition: 9 months after the “B1 publication”.

European case law is – in some important aspects – very different compared national (e.g. German) case law. In particular, the EPO standards on original disclosure and sufficiency of disclosure are much stricter.
Should an EPO opposition be filed?

In any case, if a violation of Art. 123 (2) EPC is given – the patent might be revoked completely because of the Art. 123 (2)/(3) trap.

Statements of the Patentee made in opposition proceedings can be used by the Opponent in case of parallel infringement litigation proceedings.

Pending EPO opposition proceedings give the Patentee the right to file a German utility model application in parallel to the patent protection.
Opposition Grounds:

- Lacking patentability within the terms of Art. 52 – 57 EPC (in particular lacking novelty, lacking inventive step, exclusions from patentability - e.g. animal and plant varieties, essentially biological processes -, lacking industrial applicability)
- Lacking sufficiency of disclosure (Art. 83 EPC; i.e. the skilled person cannot carry out the invention based on the original disclosure)
- Lacking original disclosure

No Opposition Grounds:

- Lacking clarity
- Lacking unity of the invention
Patent Prosecution in view of a possible litigation

Drafting a patent application:

- Independent claims should be as broad as possible
- Independent method claims should – if possible – not contain any product features
- Dependent claims should contain good fallback positions
- Define technical terms in the specification
- In case of parameters: Mention all circumstances (temperature, pH value, ...) which are necessary to define a specific parameter.
- Mentioning technical advantages?
Patent Prosecution in view of a possible litigation

Prosecuting a European patent application:

- It is possible (and sometimes advisable) to amend the patent specification during prosecution
- Disadvantages of the prior art should not be mentioned
- All description passages which might be used for a narrow claim construction should be deleted.
- Irrelevant technical advantages should be deleted.
Efficient Strategies – German Utility Models

- A German Utility Model is a “small patent” which is registered within 2-4 months without examination of novelty and inventive step.
- Different relevant prior art:
  - Six month grace period
  - Only domestic public prior uses are relevant
- No prohibition of double patenting – even several different utility models can be filed
- The utility models can be tailored to the infringing embodiment
- Lacking original disclosure problems may be corrected („escaping the Art 123 (2)/(3) trap“)
- Expiry: 10 years after EP filing date
Questions?