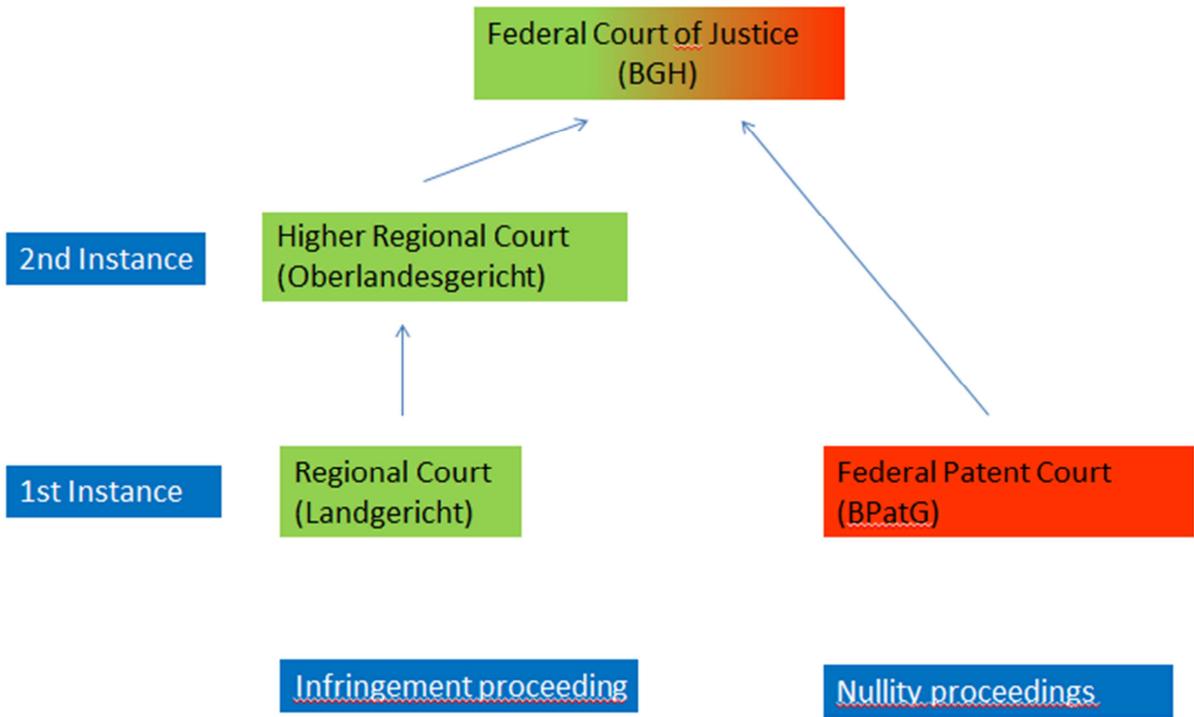


Patent Infringement and Nullity Actions in Germany

The German court system for patent disputes is characterised by the principle of separation (also known as principle of bifurcation), i.e. the separation between court proceedings concerning the validity of patents and all other patent-related disputes. Due to the principle of bifurcation, the patent is presumed to be valid and cannot be contested in the course of infringement proceedings. However, the defendant can file a separate nullity action at the Federal Patent Court (BPatG) in Munich which is a specialised court with judges having technical expertise. Furthermore, it is possible to file an opposition against genuinely German patents with the German Patent and Trademark Office (DPMA) or against European Patents with the European Patent Office (EPO) within nine months from publication of the grant of the patent. If so the infringement court may suspend its proceedings to allow the corresponding opposition or nullity action to be decided, if validity attack is pending and if there is a high likelihood of invalidity of the patent at issue.



In the following focus will be put on infringement and nullity proceedings in Germany:

1. Infringement Actions

The infringement action is the most common type of action in respect of patent disputes in Germany. Apart from these the patentee may request customs authorities to search for and seize infringing products imported from outside the European Union entering Germany.

a. Typical Claims for infringement

In case of the infringement of patent the patentee practically has the following typical claims:

- **claim for injunction***
- **claim for damages**
- **claim for recall of the products which are the subject-matter of the patent**
- **claim for definitive removal of the products from the channels of commerce**
- **claim for destruction of products held or owned by the infringer which are the subjected-matter of the patent**
- **in case the action is successful: claim for making the judgement public**

**If no patent infringement has been committed yet, there might still be a claim for injunction in the event of the risk of a first-time infringement.*

b. Competent Courts in infringement proceedings

Competence to hear patent infringement cases lies with 12 Regional Courts (Landgerichte) in Germany and their special chambers for patent litigation. An action must be filed either at the defendant's main place of business or residence or at the Regional Court in which district the infringing act was allegedly committed. German judges (except those from the Federal Patent Court) typically do not have any technical background. Due to the concentration in special chambers in the respective Regional Court, however, judges gain sufficiently technical experience and knowledge; in combination with the appointment of technical experts, if necessary, the courts of first instance are in general capable of assessing any relevant technical issues. Nonetheless submissions and evidences filed by the claimant may become decisive in each particular case. All the relevant facts and defences have to be presented to the court of first instance during the proceedings. It is subject to strict conditions to file submissions containing new facts at the appeal stage. The court file is not open to public inspection.

c. Procedural Steps of First Instance

- 1. Filing infringement action with court**
- 2. Delivery of infringement action to defendant**
- 3. statement of defence by defendant**
- 4. claimant's response to statement of defence**
- 5. defendant's rejoinder to claimant's response**
- 6. oral hearing**
- 7. decision of the court**

d. Types of Infringement

The German Patent Act (PatG) differentiates between two types of infringement, i.e. direct infringement (§ 9 PatG) and contributory infringement (§ 10 PatG). It is generally accepted that the extent of protection is not limited to the identical use of the features given in the claim but also extends to equivalent embodiments if the person skilled in the art is able to recognize the latter as being equally effective. Therefore, the scope of protection of a patent also includes embodiments which are covered by the subject content of the claims to be determined by interpretation. Regarding the extent of protection by the patent the patent claims are determinative. Nevertheless, the description and the drawings shall be used to interpret the patent claims. However, the prosecution history is basically without relevance to the interpretation of the patent claims. As a result the prosecution file estoppel is not applied in German patent law (see Federal Court of Justice, decision of 12.03.2002, X ZR 43/01 – *Plastic Pipe Piece*). The wording of the claims must not be interpreted from the view of a linguist. Determinative is rather the understanding of a person skilled in the art. If there are any contradictions between claims and the description, the claims shall prevail. Those parts of the description which are not reflected in the patent claims generally fall outside the scope of protection. The description can only be taken into account as far as it can be read as an explanation of the subject-matter of the patent claim (see Federal Court of Justice, decision of 10.05.2011, X ZR 16/09 – *Occlusion device*, para. 23). If the description of a patent discloses several possibilities to achieve a specific technical effect, but only one of these possibilities is included in the patent claim, an infringement under the doctrine of equivalents can only be assumed if the contested solution in its specific effects corresponds to the claimed solution and differs in a similar manner as the claimed solution from the non-claimed solution which was disclosed only in the description (see Federal Court of Justice, decision of 13.09.2011, X ZR 69/10 – *Diglycidyl Compounds*, para. 44). Therefore, there is a rather strict interpretation of equivalent patent infringement in German case-law.

e. Defence of Invalidity

Due to the principle of bifurcation in Germany, the defendant cannot invoke the defence of invalidity in the course of ordinary infringement proceedings. However, the defendant can file a separate nullity action with the Federal Patent Court (BPatG) in Munich which is a specialised court with judges having technical expertise. That results in two pending proceedings at two different courts, i.e. the Regional Court and the Federal Patent Court. The Regional Court (infringement court) might stay proceedings if it is likely that the patent will be declared invalid by the Federal Patent Court.

f. Decision of the Court of First Instance and remedies

The infringement court will declare a first instance decision in proceedings on the merits "as provisionally enforceable" for the successful party against payment of a security bond. The payment of the security bond is generally necessary in order to secure the losing party from unjustified enforcement.

Main proceedings in patent infringement cases in the first instance take between 8 and 18 months. Final decisions of the first instance can be appealed before the Higher Regional Courts (Oberlandesgericht) of the respective first instance court. The specialised patent Senates consist of

three judges who are qualified as lawyers. The Appeal Courts merely decides on the facts already submitted in the course of the first instance. New facts presented by a party may only be taken into consideration if they could not have been presented earlier.

2. Nullity Actions

A German patent or the German part of a European patent can be contested by patent nullity actions. Nullity actions can be initiated at any time after the respective opposition period.

a. Procedural Steps in nullity proceedings

- **Filing complaint**
- **Service of the complaint on the Defendant**
- **Formal objection and statement of objection by Defendant**
- **Further submissions (if necessary)**
- **Preliminary opinion of Court**
- **Amendment to patent claims by Defendant**
- **Reply of Claimant**
- **Court hearing and judgement**

b. Competent Courts

The Federal Patent Court (BPatG) having its seat in Munich has exclusive jurisdiction over patent nullity actions. In most of the proceedings the Senate of the BPatG is composed of five members, namely two legal qualified members and three technical qualified members. The presiding judge is one of the legal qualified judges. The BPatG is generally slower than the infringement courts.

c. Grounds for Revocation

Nullity actions can be based, in particular, on the following:

- nonpatentable subject matter
- lack of novelty
- lack of inventive step
- insufficiency of disclosure
- inadmissible broadening of the claim,
- lack of enablement to carry out the invention
- fraudulent abstraction of the invention

d. Proceedings before and Decisions of Federal Patent Court

In patent nullity proceedings the court of first instance investigates and evaluates the facts ex officio. Principally the Claimant has no obligation to present evidences. In practice, however, it is highly recommended to present arguments and evidences. The patentee may amend the patent claims in the

course of the nullity proceedings taking into account the scope of the original disclosure and the scope of protection of the patent as granted. Final decisions which declare a patent in part or entirely invalid produces effect *erga omnes* and *ex tunc*. If patent is upheld the judgment has *inter partes* effect.

All first instance nullity proceedings before the BPatG can be appealed. The second instance court in respect of nullity proceedings is the Federal Court of Justice (BGH). The Senates of the BGH consists of five experienced judges. According to recent changes in patent procedural law the Federal Court of Justice has to base its decision on the facts presented in the first instance. New facts can only be submitted to a very limited extent. With regard to legal questions the evaluation is not limited.

3. Conclusion

German patent law enables the patentee to enforce its patent right with rapid and effective means. Due to the principle of bifurcation it is possible to obtain an enforceable decision in infringement proceedings. The patentee can also obtain an injunction within a relatively short time frame, since the issue of invalidity is not directly linked to the question of. In general, court relief can be obtained at relatively low costs in Germany compared to other countries.

