

# Comparative Study of Enforcement of Patents: France

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# Overview

- Types of infringing acts
- Proof of infringement
- Infringement proceedings
- IP Enforcement Directive



# TYPES OF INFRINGING ACTS



# Primary infringement acts

- *Manufacturing and importation of patented product, use of patented process*
- Infringer is liable without the need of being notified the patent rights



# Secondary infringing acts

- *Offering for sale distributing, using or holding a patented product by someone else than manufacturer*
- Infringer must then be notified about the patent rights to become liable



# Contributory infringement

- Definition: providing means related to an essential element of the invention, if provider knows that these means are intended to such destination
- Providing staple products is not covered, except if provider incites infringement



# Limitation period

- No laches in French law or practice: patent owner can bring suit at any time after he became aware of infringement
- However, damages will be limited to 3 years back from the start of action



# Notable exceptions

- Experimental use
- Prior personal 'possession' of the invention on the French territory: a mere intellectual knowledge of the same invention before patent was filed



# PROOF OF INFRINGEMENT



# Burden of proof (1)

- Basic principle: the plaintiff has to evidence infringement acts
- No 'discovery' or 'disclosure': each party brings the evidence that serves its own interests
- The court mainly relies on factual (written) evidence brought by the parties



# Burden of proof (2)

- Testimonies or affidavits are allowed, but considered as secondary
- Courts could theoretically order the production of certain useful documents, but hardly do so



# Saisie-Contrefaçon

- An authorisation given by court order to a bailiff to perform investigations at defendant's premises, in a trade show, etc. for use as evidence
- Very powerful legal tool for obtaining evidence
- Patent Attorney of plaintiff can assist bailiff to provide technical explanations



# INFRINGEMENT PROCEEDINGS



# Competent courts

- Civil Courts (Tribunal de Grande Instance & Cour d'Appel) in most cases
- Criminal chambers of such courts if criminal action is brought
- Out of the 181 'Tribunaux de Grande Instance', only 7 are competent for patent matters
- Government initiatives to still reduce this number to 3 or even 1 (Paris Court)
- No technical judges but IP-specialized chambers



# Jurisdiction

- Ratione materiae (the court of the place of infringement)
- Ratione loci (the court of the place of defendant – Paris court for foreign defendants)



# Rules of procedure

- Validity and infringement are heard in the same proceedings
- Written procedure (exchange of briefs)
- Oral hearing – from 2 hours to 1 full day
- Current efforts of courts to shorten proceedings (in Paris Court)
  - number of briefs is limited
  - evidence has to be submitted at an early stage
  - schedule is tightened



# Degrees of jurisdiction

- First instance
- Appeal: the case is heard 'de novo'; additional evidence and arguments can be brought
- Supreme court: limited to issues of application of law; no staying effect on appeal court decision



# Judicial expertise

- May be ordered at different stages:
  - - for deciding which seized documents should be kept in the case and which should not (secret know-how irrelevant to the case)
  - - for analyzing seized products (chemical compositions, electronic circuitry, etc.)
  - - for 'helping' the court to decide on validity/infringement
  - - for evaluating damages
- Practice of expert witnesses not developed



# Duration of proceedings

- Without expertise
  - first instance : 18-24 months
  - appeal: 18-24 months
- With expertise
  - an additional 12-24 months to be added



# Claim construction - Assessment of infringement (1)

- Article 69 EPC and protocol: claim must be interpreted from the description
- Literal infringement: all features of the claim are found in the infringing product/process
- Infringement under the 'secondary differences' doctrine: the differences between accused product/process and claimed invention are immaterial to the essence of the invention



# Claim construction - Assessment of infringement (2)

- Infringement under Doctrine of Equivalents (DoE):
  - element by element basis
  - a variation of a structural element will be covered provided that it has same function and provides similar result, and that the function as such would have been patentable at the time of filing



# File wrapper estoppel

- Although not obliged to do so, the courts will seriously consider arguments/amendments brought during patent prosecution to determine e.g.:
  - whether a difference is 'secondary' or not
  - the function and result actually covered under the DoE



# Claim limitations

- Old regime: 'partial invalidity': claim scope reduced by court decision, e.g. to disclaim undisclosed embodiments
- Law of August 5, 2008: post-grant limitation proceedings before French IP Office
- But implementing regulations not yet published...
- Change of law necessary for harmonization with EPC 2000 introducing post-grant limitation before EPO



# Stay of proceedings

- By law if the patent is not yet granted
- By law if a French patent and a European patent for the same invention are involved, as long as the EP patent is not finally granted (after opposition) or rejected/revoked
- At the discretion of the court for a European patent subjected to opposition
- Expected in case of pending limitation proceedings before EPO/French Office



# Interim measures

- Basic principles (old regime):
  - short term action (6 months from knowledge of alleged infringement)
  - prima facie seriousness of validity and infringement cases
  - main action must exist in parallel
  - sanction : interim injunction under civil penalty
- But new law of 2007, implementing EU directive, has brought significant changes



# Sanctions in main proceedings

- Permanent injunction under civil penalty
- Seizure/destruction of infringing items
- Damages (lost profit, losses incurred); no treble damages
- Publication of decision
- Reimbursement of legal fees upon justification: however, judges do not grant full refund if found excessive
- Grant of compulsory license if patent not worked



# Legal fees

- Depending on complexity, duration and legal team size: wide range from 50,000 euros to 200,000 euros per degree of jurisdiction



# Amount of damages

- Historically low amounts
- Judges have changed attitude in the last decades
- Expert appointed for damages assessment. Lost profit/incurred losses can be very high



# Possible influence of foreign decisions

- European judges specializing in patent matters have meetings for harmonizing case law at European level
- However, each country has strong traditions and cannot easily transpose reasoning made by foreign court, esp. in the assessment of infringement



# Arbitration/mediation

- Law of civil procedure provides mediation, and judges have powers to encourage it
- Agreement of all parties required
- Short timeframe
- Hardly used in patent matters



# Entitlement to act

- Patent owner or joint-owner
- Exclusive licensee after requesting patent owner to act and the latter does not do so
- Except if license agreement prohibits licensee's action



# Entitlement to join existing action (intervention)

- Licensee (exclusive, non exclusive, holder of a compulsory license or license of rights)



# Right of representation

- Attorney-at-law ('avocat') has exclusive representation rights
- Litigation conducted by team of Attorney-at-law and Patent Attorney
- In certain cases, Patent Attorney authorized to speak at hearing, for technical explanations (expert witness type)



# IP ENFORCEMENT DIRECTIVE

- European Directive 2004/48/EC on Intellectual Property enforcement
- To be implemented in National Laws by April 2006
- Was implemented in France in October 2007



# Implementation of IP enforcement directive

- Reinforcement of evidentiary and interim measures with easier grant of:
  - orders for seizure of infringing goods
  - interim injunctions
- Extended powers conferred on the judge:
  - right of information
  - new provisions for assessment of damages



# Implementation of IP enforcement directive

- Order for seizure of infringing goods:
  - detailed description
  - actual seizure of goods, equipment and documents relating to infringing articles
- Orders of escrow deposit:
  - \* by plaintiff in order to protect defendant if plaintiff later loses case on the merits
  - \* by defendant in order to continue exploitation



# Implementation of IP enforcement directive

- Right of information: right of the judge to request documents and information, under penalty:
  - \* From the defendant
  - \* From any person holding the infringing goods or processes
  - \* From Internet service providers
  - \* From any entity or person involved in the manufacture
  - \* From retailers of goods or from any entity or person implementing the processes



# Implementation of IP enforcement directive

- Right of information (continued)  
...in order to determine:
  - \* the origin and distribution networks
  - \* the names of manufacturers, suppliers, retailers, holders
  - \* the quantities of manufactured, marketed, delivered, received or ordered goods, and their price



# Implementation of IP enforcement directive

- Interim injunctions:
  - may be requested based on a patent application (before grant)
  - injunction extended to intermediate agents (web service hosts, Internet service providers)
  - interim measures:
    - Inter partes
    - Ex parte



# Implementation of IP enforcement directive

- Interim injunctions (continued):
  - to prevent an imminent damage or
  - to stop the acts of infringement
- Possible actions are :
  - seizure of the infringing goods
  - protective seizure of personal property and real estate of the alleged infringer
  - freezing of bank accounts



# Implementation of IP enforcement directive

- Interim injunctions (continued):
  - old requirements of seriousness of the case and short-term action on the merits (from knowledge of infringement) have disappeared
  - new requirements are:
    - \* to provide reasonably available evidence likely to show infringement of patent rights
    - \* to bring action on the merits within a given time-limit (one month)



# Implementation of IP enforcement directive

- Damages
  - either based on lost profit of patent owner, or on infringer's profit
  - or based on a royalty, at the plaintiff's request
- Adverse economic consequences and moral prejudice will also be considered



# Conclusion

- French system has a number of specificities
- However, European harmonization is in progress (evidentiary measures, interim injunctions/seizures, right of information)
- But a lot of room exists for further improvement (e.g. Doctrine of Equivalents)

Thank you !

