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„Da mihi factum, dabo tibi ius“:

Give me the facts, I'll give you the law! But how?

Gathering of Evidence for Patent Infringement in Germany

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Gathering of Evidence: The Instruments

Principle: Plaintiff Has Burden of Substantiation And Proof

But if Plaintiff has made a reasonable case, Defendant has burden of substantiation of facts that are difficult to access for Plaintiff. BGH GRUR 2004, 268 = IIC 2004, 557 - Bubble-Free Rubber Sheeting I („Blasenfreie Gummibahn“); GRUR 2006, 927, 929 - Plastic Coat Hangers („Kunststoffbügel“)

Gathering of Evidence: The Instruments

Problems arise if presumed infringement

- takes place “behind closed doors” (e.g., in closed production site)
- is “hidden” inside product (e.g., complex chemistry, electronics, source code)
- is present only for a short time (e.g., on a trade fair).

Gathering of Evidence: The Instruments

- Court Order for Production of Evidence, Sec. 142 ZPO (Code of Civil Procedure) or Things (Sec. 144 ZPO)
- Claim for Inspection or for Production of Documents, Sec. 140c PatG (Patents Act)

Court Order for Production of documents and things, Sec. 142 ZPO

- **Court order against Defendant** is issued by the Court in the course of ongoing proceedings
- is issued ex officio or on Plaintiff's request
- requires some probability of infringement, BGH GRUR 2006, 962 = IIC 2007, 97 - Pollutant Residue Removal („Restschadstoffentfernung“)
- in case of non-compliance: Evaluation by the Court, § § 286, 427 S. 2 ZPO; the possibility remains that Plaintiff is unable to prove infringement

Court Order for Production of documents and things, Sec. 142 ZPO

- **Court Order against Third Persons**, additional issues :
 - must be reasonable
 - third party may have privilege to refuse to give evidence (in particular for protection of trade secrets, Secs. 383 Par. 6, 384 Par. 3 ZPO)
- In Case of Non-Compliance: penalty or jail, Sec. 390 ZPO; possibility still remains that enforcement is unsuccessful and Plaintiff lacks evidence.

Claim for Inspection or Production of Documents, Sec. 140c PatG

- Court practice under earlier law was not viable, see BGH GRUR 1985, 512 - Pressure Beam („Druckbalken“)
- easier requirements and enhanced claim since BGH GRUR 2002, 1045 - Fax Board („Faxkarte“), in particular due to TRIPS Artt. 41 to 61
- Procedure developed in particular by Duesseldorf District and Higher District Courts
- Procedure complies with Enforcement Guideline which was implemented Sept. 2008 By Sec. 140c PatG

Sec. 140c PatG: Prerequisites

- **Reasonable Probability of Infringement:** Palpable indications for infringement necessary, but no undue requirements: Claim still valid if legal questions occur besides the factual ones, cf. OLG Duesseldorf, InstGE 11, 298 - Whitener („Weißmacher“)
- **Inspection/Seizure Must Be Necessary for Plaintiff:** No claim if Plaintiff has reasonably equivalent or easier means to find evidence (e.g., Internet search, test purchase, inspection on cooperative customers' premises)

Sec. 140c PatG: Prerequisites (Continued)

- **Commensurability:** Consideration of
 - Intensity of Infringement
 - Asserted Validity of Patent
 - Intensity of Intrusion Caused by Inspection
 - Volume of Evidence to Be Produced
 - Exposure to Trade Secrets of Defendant or Third Party
 - Intensity of Default on Defendant's Side

Sec. 140c PatG: Prerequisites (Continued)

- **Interdependency** Between Probability, Necessity, Commensurability
- Object to be searched must be under **power of disposal** of Defendant/Third Party: landlord of factory rented by Defendant has **no** power of disposal for machines, District Court Duesseldorf InstGE 8, 103, 111 - Labelling Machine („Etikettiermaschine“)

Sec. 140c PatG: Extent of Claim

- **Inspection of Objects:** includes **all** adequate means, such as
 - Starting Up, Including Entering Password
 - Installation and Removal of Parts
 - Taking of Specimens
 - Measuring, Weighing, Microscopy
 - Taking Screenshots, Copies of Manual or Engineering Drawings/Files

Sec. 140c PatG: Extent of Claim (Continued)

- Claim only covers objects or documents as **specified** by Plaintiff. No claim to explore whether an assumed object exists on the premises, cf. BGH GRUR 2004, 420, 421 - Control Call („Kontrollbesuch“)

How to Do It: Procedure

- **Preliminary Injunction** Against Defendant to Comply With Inspection
- **Combined With Independent Proceedings for the Taking of Evidence**
- No Urgency Requirement (Sec. 140c Par. 3 S.1; cf. OLG Duesseldorf, Order of Mar. 30, 2010, I-2 W 44/10)
- Court May Order Measures to Protect Defendant's Trade Secrets acc. to Sec. 140c Par. 1, Par. 3 PatG

How to Do It: Preparation

- Gathering of information to substantiate motion
- Searching and retaining a suitable expert witness and the Bailiff having jurisdiction over Defendant; scheduling for possible date and time of inspection
- Clearing of funds for advance payment of Court fees and expenses
- Clearing of District Court **and** Local Court having jurisdiction over Defendant; making sure competent judge at Local Court is accessible during scheduled time of inspection
- Filing of Motion

How to Do It: Structure of the Court Order

(cf. OLG Düsseldorf InstGE 8,186 - Klinkerriemchen)

- A. Order for Independent Proceedings for the Taking of Evidence, Sec. 485 ff. ZPO**
 - I. Specification of Subject of Evidence
 - II. Expert Witness is named
 - III. The measures to be taken by the Expert are described

How to Do It: Structure of the Court Order (Continued)

- IV. The Expert is committed to keep any secrets and to avoid any contact to the Plaintiff, communicating either via the Court or via the Plaintiff's attorneys
- V. The inspection is ordered ex parte without notice to the Defendant. The Expert is committed to inform the Defendant prior to the Inspection that the Defendant has the right to retain an attorney-at-law or patent attorney, and to wait for a given time, e.g. two hours, if the Defendant wants to make use of this right.

How to Do It: Structure of the Court Order (Continued)

B. Preliminary Injunction:

- I. Defendant must allow entry to their premises for the Expert as well as those of the Plaintiffs' attorneys that are **expressly named** in the Court Order.

The named attorneys are committed to keep all information secret against everyone, including their client. (This is **new** to German law; has recently been confirmed to be legal by Federal Supreme Court, Sept. 16, 2009, X ZB 37/08 - „Lichtbogenschnürung“)

- II. Defendant is committed to allow the measures taken by the Expert, in particular those listed under A. III. above.
- III. Defendant is forbidden under penalty to make any changes to the inspected objects.

How to Do It: Structure of the Court Order (Continued)

C. Announcement that the Court will send the expert opinion to the Defendant in order to comment about possible trade secrets disclosed in it. The Court will then decide whether the opinion will be disclosed to the Plaintiff.

D., E. (Formal Points)

How to Do It: Conducting the Inspection

- Service by Bailiff
- If applicable, the inspecting persons wait for the time set by the Court (A. V. above) for Defendant's attorneys to appear
- If Defendant still refuses to comply: Search Order has to be applied for at the **Local Court (not the District Court that issued the Inspection Order, Secs. 758, 802 ZPO)**, and enforced by Bailiff, if necessary with Police assistance (Search Order can **not** be issued in advance)
- Defendant is **not** obliged to help finding the object to be inspected

How to Do It: What the Defendant Can Do

- Thorough check of Inspection Order and Formalities (Jurisdiction of Court, proper service, identities of listed expert(s) and attorney(s))
- In case of severe faults, Defendant's attorney may achieve stay of enforcement via fax/telephone, inspection then must be terminated, cf. District Court of Duesseldorf, 31.01.2008, 4a O 230/07 - Floor Panel („Bodenpaneel“)
- Decision to Allow or Deny Entry
- Observation of Inspection; must assist only as necessary for the measures expressly mentioned in the Inspection Order
- e.g., surrendering a password may be necessary if the Order requires starting up a specific computer (BGH WuM 2007, 209)

Court Decision: May Expert Report Be Forwarded to Plaintiff?

- Court first sends Expert report to Defendant who may comment and object if trade secrets are disclosed in the report
- Decision is in Court's discretion. Report may have to be redacted or completely withheld
- If report shows clear infringement, less protection of trade secrets
- If report shows lacking infringement, it is more likely to be withheld
- Decision can be appealed. Report may not be forwarded before decision is final (Higher District Court of Duesseldorf InstGE 8, 186 - Klinkerriemchen II; InstGE 9, 41 - Schaumstoffherstellung)

Thank you!



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