

Recent Case Law in German Patent Law



2013



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FOREWORD

After a period of relative quiet surrounding “equivalence” in German case law, the **Federal Court of Justice** had a renewed opportunity last year (in its *Regenschirm* decision) to define in more detail the extent of protection provided by the doctrine of equivalence. Established legal practice on contributory infringement was also developed – particularly with regard to the combination of data storage media and playback devices (see the *MPEG-2 Videosignalcodierung* decision, which has considerable ramifications).

The patentability of computer-implemented inventions is a perennial issue where a consistent line now seems to be emerging in precedents set by Federal Court of Justice (*Audiowiedergabe von Straßennamen*). In the period under review, there were also several judgements relating to the actual disclosure of written documentation and patent applications – the “narrow” definition applied to patents will prove increasingly frequently to be a serious barrier to legal validity (see section II. 4-5).

In the field of procedural law, the first decisions on patent revocation proceedings following the reforms are

an important step forwards (see the overview in section IV.9).

Two **decisions handed down by courts of lower instance** have caused a stir. Once again, the *Qimonda / Infineon* case before the Upper District Court in Munich prompts critical analysis of the current legal situation regarding the continuation of licences under insolvency. The District Court in Düsseldorf felt compelled by statements made by the European Commission to suspend patent infringement proceedings on standard essential patents and to submit a series of questions to the Court of Justice of the European Union on the extent to which patent proprietors are entitled to injunctive relief.

This review of recent case law cannot claim to be exhaustive, of course. However, it does provide an overview of current debate in German patent law.

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EISENFÜHR SPEISER

I. PATENT INFRINGEMENT

1. Equivalence

Düsseldorf Upper District Court, judgement of 3.1.2013 – I-2 U 22/07 – Regenschirm

BACKGROUND

In its recent *Okklusionsvorrichtung* decision (BGH, 10.5.2011, X ZR 16/09) and *Diglycidverbindung* decision (BGH, 13.9.2011, X ZR 69/10), the Federal Court of Justice significantly limited the applicability of the doctrine of equivalence. One of the requirements for equivalent patent infringement is that, for a person skilled in the art, the substituted means was an obvious replacement having the same effect as the solution within the literal

meaning of the claim, even if his thoughts were focused on the technical principle of the claim. In the decisions referred to above, the Federal Court of Justice denied this in the case of substitutes that are mentioned in the description but which are not found in the wording of the claim. This means that using an embodiment which is not included in the claims cannot be deemed an equivalent infringement of the patent.

DECISION

This established legal practice of the Federal Court of Justice was applied by the Düsseldorf Upper District Court in its *Regenschirm* decision, in which it effectively limited the applicability of the doctrine of equivalence still further. In the case in question, the patent in suit related to a mechanism for automatically opening and closing an umbrella by pressing a button on the grip of the umbrella. The mechanism for which protection was claimed allowed the pushbutton to be “deactivated” so that pressing it by mistake did not result in the umbrella opening or closing.

To achieve such deactivation, the claims specified a mechanism of lowering the mechanism underneath the pushbutton.

The accused umbrella likewise included a mechanism for securing the pushbutton. In contrast to what was specified in the claim of the patent in suit, however, this was not done by lowering the mechanism underneath the pushbutton, but by folding away the mechanism. The Upper District Court had to rule on whether folding

away the mechanism constituted equivalent use of the claimed lowering.

The courts ruled that it did not, on grounds that are definitely worthy of note. Both lowering the mechanism and folding it away under the pushbutton are already known from the prior art. In its grounds for judgement, the court refers to a (prior art) document cited by the patent in suit, in which both lowering and folding away of the mechanism was described. Of these two options known from the prior art, the description in the patent in suit addressed and discussed only the lowering option. The Düsseldorf Upper District Court deemed that to be a selective decision made by the patent in suit among the alternative solutions disclosed alongside each other in the prior art. This meant that the patent proprietor effectively waived the folding mechanism solution, which was no longer described in the description or incorporated in the claim. The court held that the use of such a folding mechanism could not constitute equivalent patent infringement.

ASSESSMENT

This judgement by the Düsseldorf Upper District Court is relevant for both patent infringement cases and for the filing of patent applications.

The ramifications of this precedent for infringement proceedings are that the scope of equivalent patent infringement is limited even further. The doctrine of equivalence no longer applies not only to embodiments which are described in the patent specification (but not included in the claims), but also to embodiments that are mentioned in the cited prior art but which are no longer addressed by the patent.

This means that the cited prior art must be closely examined in the application procedure for any alternative and equivalent embodiments that may possibly be disclosed therein. If these cannot be included within the literal meaning of the patent claims, they no longer fall under the extent of protection conferred by the patent – not even the extent of protection provided by the doctrine of equivalence. (Müller)

2. Contributory infringement

Federal Court of Justice, judgement of 21.8.2012 – X ZR 33/10 – MPEG-2 Videosignalcodierung

BACKGROUND

In precedents established in recent years, there has been a renewed focus on the criteria for contributory infringement within the meaning of Section 10 (1) PatG:

One requirement for contributory infringement is that the infringer offers for sale or supply a means *“that relates to an essential element of the invention”*. The

principle that long prevailed in this regard was that any means mentioned in the claim is also an essential element of the invention and therefore satisfies the first criterion for contributory infringement.

The Federal Court of Justice broke with that principle in its *MPEG-2 Videosignalcodierung* decision.

DECISION

In the case ruled upon by the Federal Court of Justice, the defendant in Greece had replicated video data encoded according to the MPEG-2 standard onto DVDs before supplying those DVDs to customers in Germany.

One of the claims in the patent in suit related to a method for decoding such video data. The preamble of the claim in question referred to video data encoded according to the MPEG-2 standard, which were then decoded using the method of the patent. Supplying data storage media containing the video data referred to in the claim was considered by the plaintiff to constitute contributory infringement, because using the DVDs in the intended manner involved using the patented decoding method.

The Federal Court of Justice disagreed with that view and denied any contributory infringement. According to

the reasons for the judgement, a means relates to an essential element of the invention within the meaning of Section 10 PatG if it is suitable for cooperating functionally with such an element to realise the inventive concept on which protection is conferred. That can only be the case when the protected inventive concept is in fact realised by use of the means. Means that are used to exploit the invention but which contribute nothing towards realising the inventive concept are not enough, therefore, to substantiate contributory infringement.

When these criteria are applied, the encoded video data are not a means relating to an essential element of the invention. The inventive concept relates to the decoding of data, with the aim of obtaining a video signal from the encoded data. The encoded data themselves do not contribute to the success of the concept, but are merely the “object of the invention”.

ASSESSMENT

This judgement significantly reduces the practical applicability of contributory infringement and raises some serious delineation issues for legal practice.

The first point to emphasise is that the patented decoding method cannot be carried out without data that are correspondingly encoded. The data are thus a *conditio sine qua non* for the claimed method. That said, they have no relationship to any essential element of the invention, according to the established legal practice that now applies.

This view invites criticism, because unlike a piece of wood or some other raw material subjected to processing in a particular process, the data need to have a very specific structure. Thus, to keep to the metaphor, what is involved is a block of wood that has been pre-treated in a specific manner and which cannot be subjected to the process until after such pre-treatment (to which the claim does not relate).

For legal practice, the decision raises the question as to when a means is a mere object to which an invention is applied, with no contributory infringement being involved, and when a means cooperates functionally with essential elements of the invention. Bearing in mind that the video data in the case ruled upon cannot be used in any other way that would make sense, than by decoding them with the patented method, the criteria for functional cooperation, according to the Federal Court of Justice, cannot be set too low. One will have to require that a means is part of the method and not just its point of departure.

Until the lower courts have established more clarity in this regard, caution is advisable in cases of doubt when asserting contributory infringement. (Müller)

BACKGROUND

A second requirement for contributory infringement is that the product is offered or supplied to persons who have no right to use the invention (who may also be consumers). If the patent proprietor has placed on the market a physical item protected by the patent, then the customers have the right to possess, use and resell that item. The right to use it also includes servicing, caring for and repairing the item. Remanufacturing the item forming the subject-matter of the invention leads to patent infringement, however.

For contributory infringement, this means that supplying spare parts or consumables is permissible as long as their use does not signify remanufacturing of the item forming the subject-matter of the invention. However, when the use of spare parts or consumables entails the item being used in ways that go beyond its intended purpose, the provider of such spare parts is committing contributory infringement.

This distinction is addressed by the Düsseldorf Upper District Court decision discussed below:

DECISION

The *Nespressokapseln* decision by the Düsseldorf Upper District Court was handed down in temporary injunction proceedings.

The patent proprietor requested that the defendant be prohibited from placing coffee capsules on the market that could be used in conjunction with the Nespresso coffee machines marketed by the plaintiff. The plaintiff sued on a patent whose claims protected a coffee machine suitable for receiving coffee capsules by means of a "guide edge". The main focus of the invention was on the mechanism for receiving the capsules in the coffee machine, guiding them into an "extraction position" and ejecting the capsules after use. This mechanism engaged the guide edge – known from the prior art – of the coffee capsules and used it to bring the coffee capsules into different positions (receiving position, extraction position, ejection).

The Upper District Court has now ruled that supplying coffee capsules having such a guide edge for the coffee machine sold by the plaintiff does not constitute contributory infringement. The reasoning provided is that the consumers have the right to use the invention and that replacing used capsules does not involve remanufacturing the invention, but is covered by use of the invention in the intended manner.

According to the court, replacing parts that are normally expected to require replacement during the service life

of the device does not generally constitute any – impermissible – "remaking" of the device. Only when the technical effects of the invention are reflected in the replaced part, specifically, is the situation any different, with the technical or commercial advantage of the invention being realised again by replacing such parts. Although the coffee capsules sold by the defendant are part of the claim, and there is also a functional connection between the shape of the capsules and the technical core of the invention (the extraction device), that alone is not enough to constitute a remaking of the device and therefore contributory infringement. What is required, rather, is that the technical effects of the invention are manifested in the replaced part (the capsules), such that the technical or commercial advantage of the invention is realised again by replacing that part.

This is not the case with the accused coffee capsules. Although the extraction mechanism of the coffee machine utilises the shape of the coffee capsules, in particular their guide edge, such a shape was already known from the prior art. Moreover, the invention did not provide that shape with any new properties or functions. The invention does not exhibit any technical effects or advantages over the prior art that are specifically manifested in the guide edge of the capsules. The essential inventive concept of the patent relates, rather, to features of the coffee machine, not to the structure of the coffee capsules.

ASSESSMENT

With this decision, the Upper District Court has toughened the requirements for establishing contributory infringement by spare parts or consumables.

When assessing whether remaking (prohibited) or intended use (permitted) is involved, the first step in practice is to establish whether the products placed on the market with the consent of the patent proprietor are expected to need replacement of the part in question during their service life. The Federal Court of Justice clarified this only recently in its "*Palettenbehälter II*" decision (of 17.7.2012, X ZR 97/11). This issue of fact was unproblematic in the case of the coffee capsules, because their intended use involves them being continually replaced.

The crucial aspect was therefore the legal question of whether the replaced parts relate to an essential element of the invention. What is striking about the rationale for the judgement is that features of the replacement parts previously known from the prior art cannot (in the view of the court) be part of the "essential inventive concept" unless a new function or meaning is ascribed to them by the invention. This means that new IP strategies will need to be developed to protect what is often a very lucrative business with replacement parts and consumables. It will no longer be possible to keep competitors out of the replacement parts business with patents that protect a combination of the device as a whole and the replacement part for it. (Müller)

II. LEGAL VALIDITY

3. Patentability of computer-implemented inventions

Federal Court of Justice, judgement of 23.4.2013 – X ZR 27/12 – Audiowiedergabe von Straßennamen

BACKGROUND

A line can now be discerned in the established legal practice of the Federal Court of Justice on this issue that would appear to be influenced by the case law of the Technical Boards of Appeal of the European Patent Office and that – to put it crudely – shifts the question of “technical nature” into the domain of “inventive step”. A three-step examination scheme had already been established by the court in its *Wiedergabe topographischer Informationen* decision (of 26.10.2010, X ZR 47/07) and *Routenplanung* decision (of 18.12.2012, X ZR 3/12):

The first step is to examine for “technical nature” as such, and the question to be asked according to Section 1 (1) PatG is whether the subject-matter of the invention is in a field of technology, at least with one sub-aspect. This means that a program-based teaching is already deemed to be “technical” if it relates to the operability of an IT system as such.

In a second step, the question of exclusion under Section 1 (3) No. 3, in combination with Section 4 PatG is examined to determine whether the subject-matter of the claim is merely a program for computer systems as such. Such exclusion does not apply if it is found that the teaching contains some instructions that serve to solve a specific technical problem with technical means. The Federal Court of Justice takes an objective perspective in this regard and determines what the invention actually achieves – i.e. the “objective technical problem”: this step mainly serves as a preface to the final examination step that follows.

The third step is the examination for inventive step within the meaning of Section 4 PatG: to answer the question of whether an invention is obvious to a skilled person from the prior art, only those instructions are relevant that define or at least influence the solution of the technical problem by technical means. Most of the published decisions fail to take this hurdle.

DECISION

How this is implemented recently became clear again in the *Audiowiedergabe von Straßennamen* decision.

The case concerned a navigation system for motor vehicles, comprising the usual navigation means (inter alia), such as a user interface and a processing unit. In contrast to the prior art, however, the patent also provided for *audio playback* of driving instructions that included the associated *street names*.

The Federal Court of Justice ruled that this invention did not involve an inventive step.

Not a word is said in the grounds for the judgement about the first two requirements for patentability. There was no doubt that the invention was of a technical nature, nor did the exclusion rule apply. The grounds for the judgement begin in a sense with the question as to which specific technical problem the invention solves (the “objective technical problem”): compared to prior art navigation devices, what is achieved with the invention is that the user does not need to look at the display screen of the navigation device if he wants to know the name of the street that he is supposed to turn into next.

This “objective technical problem” was solved with “non-technical” instructions. The instructions that the

claim contains for playing back street names are confined to the stipulation that they be part of the audio playback, and under what conditions. They thus related solely to the “content” of the information provided to the user. This content is of no relevance for solving the objective technical problem, in any case as long as the audio playback does not involve any special technical problems, on account of its content, that are solved by the technical principle of the invention. Nothing of the kind was evident in the case in question.

The Federal Court of Justice’s way of thinking may be spelt out as follows: it may well be that implementation of the “concept” behind the invention is of a technical nature. However, such implementation merely requires (apart from computing capacity) the routine tools of a programmer and does not pose any technical problems to a person skilled in the art. What might still be viewed (according to the second examination step) as a “technical means”, namely the acoustic playback, could not take the hurdle of inventive step within the meaning of Section 4 PatG.

ASSESSMENT

Questions concerning the “technical nature” of inventions will continue to require case-by-case decisions that will need to be answered in contexts where a degree of latitude is involved.

The examination scheme devised by the Federal Court of Justice is very difficult to explain dogmatically because in the examination of inventive step it splits the

invention (acknowledged as being “technical”) into “technical” and “non-technical” components. Nevertheless, the examination scheme may stand the test in actual practice, in that conformity with the jurisdiction of the European Patent Office is established at any rate, and because legal practitioners are now given a clear hold on how to argue before court and before the patent offices. (Henke)

4. Disclosure / Impermissible broadening / Priority

Federal Court of Justice, judgement of 9.4.2013 – X ZR 130/11 – Verschlüsselungsverfahren

Federal Court of Justice, judgement of 17.7.2012 – X ZR 117/11 – Polymerschaum

Federal Court of Justice, judgement of 14.8.2012 – X ZR 3/10 – UV-unempfindliche Druckplatte

BACKGROUND

In recent years, we have observed again and again that impermissible broadening of claims has been the reason why patents have been destroyed. In innovative industries with short product cycles, another aspect that has often arisen is that the priority originally claimed did not hold up in revocation proceedings, and that the patents were then destroyed due to lack of novelty over other documents published in the interim.

The cause of this trend appears to be the famous *Olanzapin* decision, in which the Federal Court of Justice (judgement of 16.12.2008, X ZR 89/07) drew remarkably tight boundaries around what can be considered the actual disclosure of a document. Whether this was a mere continuation of old jurisdiction or in fact a reversal of conventional thinking can be set aside here. The headnotes of that decision can be found today, at any rate, in virtually every judgement handed down (including those of the Federal Patent Court and the courts of first and higher instance) – and also in most attorney submissions. The *Olanzapin* dictum is the tool, so to speak, for handling current cases relating to the actual disclosure of patents. According to its headnote,

A disclosure may also include what is not explicitly mentioned in the claim or the description, but which is quite evidently required from the perspective of a skilled person in order to carry out the protected teaching, and therefore does not need to be separately disclosed, but is “read in”. Inclusion of the self-evident does not entail, however, that the disclosure is supplemented by the specialist knowledge of those skilled in the art, but is only for the purpose of ascertaining the essential meaning in its entirety, that is to say the technical information that the expert reader, on the basis of his expert knowledge, will find in the source – just as when the literal meaning of a claim is ascertained.

The boundary being drawn between disclosure and non-disclosure runs, in other words, between “what a skilled person reads in as self-evident”, on the one hand, and “supplementation by specialist knowledge”!

Just how tightly this boundary is drawn in practice around the literal meaning of the parent application and the priority documents is shown by the following three decisions by the Federal Court of Justice, one of which (one must almost say: as an exception) ruled at least provisionally in favour of the patent proprietor.

The *Verschlüsselungsverfahren* decision related to the processing of digital signals and storing them on optical storage media (CDs, DVDs, etc.).

- What was claimed was a method and a device that each included the “reproduction” (i.e. the playback) of the data, in addition to the encoding step. Claim 1 of the patent as granted read as follows, for example:

A method of recording and reproducing information signals of binary digital signal train using...

- In the parent application, however, only one specific encoding method was described.

In the first instance of the revocation proceedings, the Federal Patent Court had found that the subject-matter of the contested patent claims extended beyond the content of the parent application. Nowhere in these applications, according to the grounds for judgement at first instance, was it directly and unambiguously disclosed that the subject-matter of the invention was also meant to be a method or an apparatus for reproduction and decryption of information signals. The parent application disclosed only the encryption of information signals and the recording of those signals on a storage medium.

This view has now been expressly confirmed in the appeal proceedings before the Federal Court of Justice. Impermissible broadening also exists when the subject-matter of the patent is only evident to a skilled person on the basis of his own thoughts, on the basis of his technical knowledge, after he obtained knowledge of the application as originally filed. An “*aliud*” (resulting in impermissible broadening) exists whenever the added feature relates to a technical aspect that, in its specific configuration (or at least in abstract form), is not included clearly enough in the application as originally filed for it to be recognised by a person skilled in the art as belonging to the invention.

In the case in question, the Federal Court of Justice deemed that to be so. A reproduction and decryption method was not mentioned either in a specific configura-

tion or in abstract form in the parent application, the court found.

Although a skilled person is well aware that the decryption of signals in order to reproduce information must generally be preceded by “encryption”, a skilled person is also aware that the purpose of the measures according to the invention (namely those relating to encoding) is error-free reproduction, and a skilled person was further aware (as far as the specific case was concerned) of how the encryption mechanisms were reversed by respective “decryption means”. However, none of that alters the fact that encryption and decryption are different processes and have different functions. The very fact that a particular (encoding) process must technically be followed by a further (decoding) process in order to achieve a result that makes technical and commercial sense does not imply that the second process is always disclosed directly – even without being mentioned – as belonging to the first process. The applicant is free to express the subject-matter for which he seeks protection.

With regard to the obvious “close technical relationship” between encoding and decoding, however, the Federal Court of Justice explicitly mentions that even a brief reference in the description may have sufficed as a clear indication to a skilled reader of the application that the decoding aspect (i.e. the actual exploitation of the advantages provided by the invention), although not described in detail, was to be viewed as belonging to the filed invention. That was not the case in the parent application, however, and in the view of the Federal Court of Justice there was no indication in the description therein that decryption was included by reference.

The outcome in the *Polymerschaum* case was different.

- The challenged patent claimed protection for a process for producing a polymer foam, in which (in one step of the process) a *molten polymer composition* and *expanded microsphere* are to be melt mixed, wherein a plurality of the expandable microspheres are to be expanded before the

expandable composition is extruded from the nozzle.

- Several embodiments involving hot-melt polymer compositions were disclosed in the parent application. According to the findings of the judgement at first instance, however, it remained unclear whether the melt mixing step cited above (of the polymer compositions and the expanded microspheres) was applied in those hot-melt polymer compositions.

Were that the case (as the patent proprietor argued), then that would suffice for disclosure of a teaching that also included the disputed feature, or so the Federal Court of Justice argued. It is sufficient if the expert reader can see from the embodiments in the parent application that the microspheres are added to a polymer melt in those embodiments – in other words, that the teaching of the contested patent as granted is applied. In that case, namely, a skilled person would see from the parent application that the invention can be carried out in the manner that was now protected by claim 1.

The Federal Court of Justice was thus referring back to its previous legal practice (see, in particular, its judgement of 11.9.2001, X ZB 18/00, *Drehmomentübertragungseinrichtung*), according to which a “broadly” worded claim is in any case unobjectionable in terms of impermissible broadening whenever an embodiment described in the application represents, for one skilled in the art, a variant of the more general technical principle circumscribed in the claim and when he can already find said teaching in the application, with the claimed level of generalisation (from his perspective as one skilled in the art!), as belonging to the filed invention. Be it in the form of a claim worded as in the application, or be it from the overall context of the application. Such generalisations are primarily to be allowed when, of several features of an embodiment that, either taken together or viewed separately, are conducive to achieving the success according to the invention, only one or some are included in the claim.

For reasons that do not need to be discussed here any further, the case was then referred back to the Federal Patent Court for reconsideration.

To some degree, the **UV-unempfindliche Druckplatte** decision forms a kind of antithesis to the former decision. The latter concerned a method for producing a lithographic printing plate and the issue of whether the specific UV-insensitive coating composition claimed in the contested patent was disclosed in the priority document.

The Federal Patent Court had established sufficient disclosure (thus acknowledging the claimed priority), on the basis that, although the feature in question was not explicitly mentioned in the priority document, it was familiar anyhow to a skilled person dealing with photo-thermally sensitive printing plates. The “implicit disclosure of the self-evident” that is normally required was then affirmed in this case.

The Federal Court of Justice took a stricter line in its judgement. It found that, in the priority documents in question, no distinction at all was made with regard to a particular property (UV-sensitivity) that was essential to the feature in question. Based, no doubt, on the opinion of the court-appointed expert, the Federal Court of Justice then concludes that a reference to either of the two possibilities (UV-sensitive or UV-insensitive) would have been expected if the invention was also meant to relate to the property of UV-sensitivity. For that reason, the interim conclusion was that there was no disclosure of the feature in question.

However, there is another instructive aspect to this case:

The Federal Court of Justice expressly endeavours in this decision to help the applicant extract in full the disclosure of his application, “to avoid any inequitable restriction of the applicant”. For that reason, the decision goes on to ask whether there is nothing more involved here (as in the previously discussed case) than an admissible generalisation of an embodiment. However, the conclusion was then drawn that that was not the case here, as the UV-sensitivity as such was neither mentioned nor implicitly disclosed in the priority documents.

This means that the boundary has been crossed. It lies where abstraction is meant to include a property or characteristic that is not explicitly mentioned or that a

skilled person cannot readily identify: if a particular feature ensues (purely factually) for a skilled person when imitating the disclosure of an embodiment – then this is

still not sufficient for the respective feature to qualify as disclosed in the written document.

ASSESSMENT

“Disclosed directly and unambiguously, in the application as originally filed, as belonging to the invention” is too high a hurdle for some priority applications to serve as a basis for disclosure of subsequent amendments to claims. Worse still, this hurdle means that some priorities can no longer be claimed.

This is yet another case in which supreme court precedents not only have impacts on the appeal proceedings that are directly involved, but also give very clear point-

ers to applicants about aspects where attention must be paid in the first steps of applying for a patent. Meticulous applicants will keep the field of application as broad as possible in the originally filed applications; and they will describe the implications and the fields of application that the invention may have (also abstractly, but in any case clearly and unambiguously for a person skilled in the art). Embodiments that show not only the core of the invention, but also various possible variants of it, are also beneficial at that early stage. (Henke)

5. Disclosure of written documentation

Federal Court of Justice, judgement of 15.1.2013 – X ZR 81/11 – Messelektronik

BACKGROUND

A judgement with potentially far-reaching implications has been handed down on the question concerning the

extent to which information “hidden” in voluminous documentation is deemed obvious.

DECISION

The *Messelektronik* decision addressed the following situation: before the date of priority, a large number of M-Point mass flow measuring devices that may have anticipated the contested patent had been supplied to third parties. However, the object of dispute was not whether and to what extent the mere “operability” of these devices was novelty-destroying. In the end, the dispute was only about a service manual that was provided, in which the method claimed in the contested patent could be found on closer analysis.

It was this manual that ultimately led to the contested patent being revoked due to lack of novelty, and the question of whether anyone ever took notice of the content of the service manual was left unanswered. The Federal Court of Justice argued that, by supplying a

device or by sending a written description of it, the structure and the relevant technical features of the device were fundamentally disclosed and therefore obvious. The criterion for this obviousness was solely that propagation to any third parties whatsoever by the recipient was obvious, according to one’s experience of life. Only the agreements in place at the time of delivery between the parties involved (in particular the confidentiality agreements) were relevant – but not the particular circumstances in the company receiving the information. For that reason, whether and under what conditions visitors to the various departments of the company obtained knowledge of the details in the documentation was considered by the Federal Court of Justice to be of no relevance.

ASSESSMENT

The decision is grounded in the basic notion that everything that the public is “able to” obtain knowledge of is deemed to be disclosed. Whether there was any cause to study the circuit diagrams in the customer’s company was of no consequence as far as the key aspect was concerned.

According to the basic notion and wording of the decision, this would also be transferable to that group of

cases in which prior publication does not ensue until the supplied device has been subjected to detailed investigation (i.e. without written documentation being provided), for example not until integrated circuits had been subject to complicated re-engineering. Whether and to what extent limits on disclosure are being drawn here, and whether there is indeed cause to conduct particularly complex investigations, remains unclear. (Henke)

III. OTHER SUBSTANTIVE LEGAL ISSUES

6. Licences in cases of insolvency

Munich Upper District Court, judgement of 25.7.2013 – 6 U 541/12 – Qimonda / Infineon

BACKGROUND

The fate of licences when one of the parties to the licence agreement is insolvent has long been debated. According to Section 103 (1) of the German Insolvency Code (InsO), the insolvency administrator may choose whether to honour or refuse to honour a contract that was not completely fulfilled on the date the insolvency proceedings were opened. This right to choose cannot be limited by contract (Section 119 InsO).

In licence agreements for intellectual property, the application of that rule produces problematic results, in that the insolvency administrator of a patent proprietor

could effectively terminate patent licensing agreements concluded by that company with third parties, if those agreements were not yet completely fulfilled on the date the insolvency proceedings were opened. A case of incomplete fulfilment may arise, in particular, when the licensee is obligated to pay ongoing royalties.

The case ruled upon by the Munich Upper District Court not only spotlights the problem of such termination, but also provides some valuable suggestions for the drafting of (patent) licence agreements so that they withstand insolvency proceedings.

DECISION

In the case under consideration, the plaintiff was Infineon, a high-tech company. In April 2006, Infineon had disincorporated its business unit for semiconductor memory technology by forming a new subsidiary, Qimonda. In the course of transferring the business unit's operations to Qimonda, Infineon also assigned several thousand patents to the subsidiary. However, Infineon retained an irrevocable right to use the assigned patents, without restrictions as to time or place. In the spin-off agreement, Qimonda also agreed to license future patents to Infineon free of charge.

In April 2009, insolvency proceedings in respect of the assets of Qimonda were opened, and the defendant in the case under consideration was appointed insolvency administrator. The defendant declared in his capacity as insolvency administrator that the granting of (free) licences by Qimonda to Infineon would not be honoured and proposed that negotiations be conducted for conclusion of a new licence agreement (involving the payment of royalties). The plaintiff petitioned for a declaratory judgement that the licences granted to it by

Qimonda could not be terminated by the insolvency administrator.

The Munich Upper District Court granted the request (as the Munich District Court had previously done) and ruled that Infineon's licences remained valid.

In its reasoning, the Upper District Court established a tendency in the established legal practice of the Federal Court of Justice towards reinforcing the rights of licensees under insolvency of the licensor. The court specifically referred to the *Reifen Progressiv* decision (of 26.3.2009, IZR 153/06), the *Take Five* decision (of 19.7.2012, IZR 24/11) and the *M2Trade* decision (of 19.7.2012, IZR 70/10) handed down by the Federal Court of Justice. The dogmatic classification of licences as rights *in rem* or contractual rights, which has been a matter of controversial debate for some time, was deliberately left unresolved by the Upper District Court. This was not the crucial issue, according to the court, but rather the question of whether the agreement, concluded under the law of obligations and the basis for the obligation to grant the licences, was completely fulfilled

on the date the insolvency proceedings were opened. The court answered that question in the affirmative for the licences in question.

In doing so, the court focused first of all on the reverse licences that the plaintiff had retained when assigning the patents to Qimonda. In that regard, according to the court of appeal, Qimonda obtained the patents with the mere “encumbrance” represented by the licence that Infineon retained for itself when assigning the patents. This meant that Qimonda had never acquired priority rights to the patents as assets, so the defendant had no right to terminate the licences.

The court added that the licence agreement had been completely fulfilled for that reason also, and that Section 103 (1) InsO was not applicable because the licences had been granted to Infineon irrevocably and independently of any consideration being rendered to Qimonda. All the material obligations under the agreement had thus been honoured by the licences being granted. There was therefore no room left for the insolvency administrator’s option under Section 103 InsO, which can only be exercised in the case of incompletely fulfilled contracts.

ASSESSMENT

The Munich Upper District Court decision has some important implications for designing insolvency-proof licence agreements in practice. Making licences insolvency-proof can be ensured by obligating the licensee to render counter-performance once only (e.g. to grant cross-licences or to pay lump-sum “royalties” once only). The wording of the agreement, according to which the licence is granted “irrevocably”, could also play a key role in future. The decision repeatedly cited that wording, then established for the case under consideration that the grant of licence was already effected when the agreement was concluded.

Some important questions remain unanswered, however. In constellations where the licensees must make substantial initial investments in order to use the li-

cence, for example, a once-only royalty to be paid in full before revenues can be generated with the licence will often be a non-option for financial reasons. Especially in such cases involving substantial initial investments, however, the licensee deserves special protection in the event of the licensor entering insolvency. Yet in such cases the insolvency administrator may still refuse to continue honouring the agreement, even according to the Munich Upper District Court decision.

However, these concerns are not an argument against the court’s decision. They illustrate once again in all clarity that a reasonable balancing of interests requires legislative action, given that no such balance is provided by the currently applicable insolvency rules. (Müller)

7. Criteria for co-inventorship

Federal Court of Justice, judgement of 18.6.2013 – X ZR 103/11 – *Flexibles Verpackungsbehältnis*

BACKGROUND

It is astonishing to observe, again and again, that conventional patent law thinking fails as soon as several persons are involved in making an invention and share in it. The concepts of the German Patent Act (at least) are no longer adequate for solving the conflicts that typically arise between the co-inventors and co-proprietors of an invention.

That is the case not only for the issues that are raised when exploiting an invention (in that regard, see, for example, the Federal Court of Justice decision of 22.3.2005, X ZR 152/03 – *Gummielastische Masse II*, my paper in GRUR 2007, 89, and also, more recently, the two Düsseldorf Upper District Court decisions of 8.3.2012, I-2 U 5/11 and 4.4.2013, I-2 U 72/11), but also during the “invention phase”: who qualifies as a co-in-

ventor and therefore shares an original right to the invention (on this point, see the more recent Federal Court of Justice decision of 17.5.2011, X ZR 53/08 – *Atemgasdruckersteuerung*), when several persons (possibly also from different companies) were involved in making the invention?

In the case discussed below, the Federal Court of Justice had an opportunity to rule on this issue once again, after a considerable interval, and the approach that has run like a common thread through various preceding decisions in recent decades was manifested once again in all clarity, namely that co-inventorship in a patent must be assessed with very different criteria from those applying to inventorship!

DECISION

The dictum of the *Flexibles Verpackungsbehältnis* decision is relatively straightforward: a co-inventor’s contribution does not need to be “independently inventive” in order, when viewed separately, to satisfy all the requirements for a patentable invention.

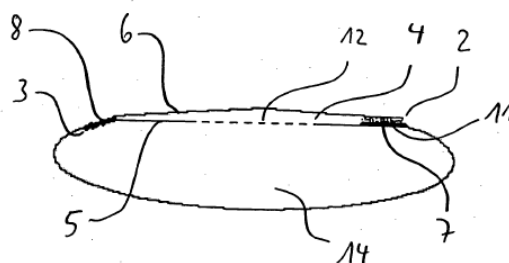
At first glance, that would appear to be almost a triviality, given that “co-inventorship” is distinguished precisely by the fact that several persons are jointly involved in achieving a (single, inventive) result. In that case, each of the separate parts does not need to exhibit per se the quality of the whole, of course.

However, the decision is interesting in the passages that then follow, above all.

The dispute related to a flexible packaging container made of plastic and having adhesive seams that were suitable for allowing controlled escape of a gas to reduce an over-pressure arising during or after filling of the container. Overlapping two films resulted in an interior region by which the over-pressure inside the container was to be reduced in a controlled manner. This interior

region was defined by longitudinal and transverse seams, and the characterising portion of the main claim required that the transverse seams be so designed, in one portion at least, that controlled escape of gas to reduce an over-pressure is ensured:

Figur 2



According to the findings in the appeal instance, the plaintiff had “only” been involved in creating an over-pressure relief mechanism in which a seam weakened by a separation medium only opened in the case of the

respective pressure building up. In other words, the plaintiff had only worked on the “quality” of the seam, but not on its positioning. However, precisely such positioning (in one portion of the transverse seams, at least), was included in the characterising portion of the main claim.

The plaintiff’s idea was not expressed in claim 1 at all for that reason, which is why the action was dismissed by the Frankfurt Upper District Court on the grounds that the plaintiff failed to realise “the salient point” of the invention in question.

The Federal Court of Justice has now rejected that line of reasoning. Not every co-inventor needs to have grasped the key concept that ultimately led to patentability of the invention. On the contrary – the only contributions that can be excluded from co-inventorship from the outset are those that had no influence (at all) on the overall success of the invention and which are therefore irrelevant for the solution, or were made according to instructions from an inventor or a third party.

This is not the case here, though. The plaintiff identified a particular problem jointly with another co-inventor and jointly developed an invention on which the invention in question was based, in which openings were provided in the inner wall of the interior region. The fact that it was still unresolved where exactly the secondary opening (subsequently the characterising portion of main claim 1) was to be arranged was irrelevant for the decision by the Federal Court of Justice:

To assess who is a co-inventor, it is necessary to consider the entire invention (as specified in the patent specification) as well as how it came about. It is necessary to examine the specific contribution that each of the individuals made to the invention in its entirety. The wording of the claims is only important to the extent that they define the “invention” as such, but they in themselves do not indicate who is to be included among the co-inventors involved. In the case under consideration, the plaintiff’s contribution (providing a particular kind of separation medium) was sufficient to qualify him as a co-inventor.

Thus, the Federal Court of Justice has now established that subjective and historical perspective that has frequently been debated in the jurisprudential literature and which may be viewed as a continuation of the legal practice it had previously established. In the case at hand, this perspective requires that the actual train of thought, that the inventors pursued from identification of the problem to finding its solution, must be traced in order to establish co-inventorship. It also means that creating features which must ultimately (in an objective analysis) be viewed as belonging to the prior art, and which therefore stand in the preamble of the claim, may still establish co-inventorship.

The decision provides clarity insofar as it now defines explicitly the role of the claims in determining co-inventorship. It is also to be welcomed that the Federal Court of Justice made a negative distinction, by excluding from the group of co-inventors those persons who were

not intellectually and creatively involved in the invention. The patent is a manifestation of the “intellectual property”.

The criteria applied by the Federal Court of Justice also seem to allow contributions that were themselves “without success” to qualify for co-inventorship under certain conditions. What principles are to apply, for example, if a particular result was not achieved until after a long series of experiments, with many dissatisfactory results along the way? Can all those who achieved what are essentially negative results be considered co-inventors? Must the historical perspective be applied to such an extent that not only the “path” to the invention is relevant, but also all the “detours” along the way? According to the arguments laid down by the Federal Court of Justice in the decision under review here, the answer will be affirmative, because the decision takes the genesis of the invention into consideration. (Henke)

IV. PROCEDURAL LAW

8. Standard essential patents: Suspension of infringement proceedings

Düsseldorf District Court, decision of 21.3.2013 – 4b O 104/12

BACKGROUND

It is well known that the Federal Court of Justice stipulated, in its landmark *Orange-Book-Standard* decision, how standard essential patents (SEPs) and offers of licences to use standard essential patents are to be dealt with in infringement proceedings. The decision rules that standard essential patents are basically as enforceable as any other patents. More specifically, it is also possible to enforce a claim to injunctive relief derived from such standard essential patents.

According to this “German standard”, the following specific principles apply:

If a patent infringer (also referred to here as a “licence-seeker”) invokes the licence defence in the course of the infringement case, this can only succeed procedurally if two conditions are met: (i) the licence-seeker must have made a binding and irrevocable licence offer that the patent proprietor cannot refuse without acting in breach of his obligation under anti-trust law to grant a licence to the patents in suit. (ii) The licence-seeker must also conduct himself as if the patent proprietor had accepted his offer to take out a licence – meaning, in particular, that he must pay the ensuing royalties (by depositing them, if need be).

What this means for practitioners has been made more specific by the courts of first and higher instance over the past three years. The atmosphere has also settled down to some degree: the term “Orange-Book-Standard” has also become an international synonym for

German case law, in which a large share of the litigational risk is now imposed on the licence-seeker: if this licence offer failed to comply exactly with conditions satisfying the FRAND criterion, he lost the infringement case.

This established case law is now being shaken up again from a very different direction – namely the European Commission. In pending anti-trust proceedings against Samsung and Motorola, the European Commission made the following public statement: While recourse to injunctions is a legitimate remedy for enforcing the rights of patent proprietors, the enforcement of injunctive relief by the patent proprietor (i) even though he has undertaken to license the patent under FRAND conditions and (ii) when the opponent is willing to take out such a “FRAND licence” may constitute abuse of a dominant market position.

In the view of the European Commission, the core issue now concerns when a patent infringer is “willing” to take a reasonable “FRAND licence”. In the Motorola case, two opposing scenarios were construed in this regard. If a potential licensee casts doubt on the legal validity and/or the essentiality of the patent, this can not yet be taken as an indication that the party is unwilling to take out a licence. On the other hand, a party cannot be considered “willing” if it merely remains passive and does not respond to demands by the licensee to enter into licensing negotiations.

DECISION

The Düsseldorf District Court had to rule on a patent infringement case in the field of the LTE mobile telecommunications standard. (The fact that the opposing parties in this case of such enormous importance for German procedural law were two Chinese companies (HTE and ZTE) is just an amusing marginal note, though yet another indication of Germany's attractiveness as a venue for litigation.) In the context described above, the Düsseldorf District Court saw itself in a tight corner between two heavyweights: its national supreme court (the Federal Court of Justice) and the European Commission.

In that situation, the District Court suspended the infringement proceedings under Article 267 (2) TFEU and referred a number of legal questions to the Court of Justice of the European Union (CJEU).

These questions are basically aimed at obtaining a decision between the two legal positions outlined above: is the patent proprietor already abusing its dominant market position by taking court action against a patent infringer to obtain injunctive relief, even though the patent infringer has expressed its willingness to negotiate such

a licence? Or can abuse of such a dominant market position only be presumed when the patent infringer for its part has behaved in conformity with the rules laid down in the *Orange-Book-Standard* (i.e. has specifically submitted a binding offer to take out a licence)? Although the District Court states at length in its reasons for the court order why it tends to the view that a mere "willingness to negotiate" on the part of the patent infringer is not sufficient to honour its obligations, the District Court explicitly refers to the dogmatic principles of patent law and also to the fact that the negotiating position of the patent proprietor may not be weakened. The interested user can read all that in the decision – but for practitioners the direct implications of this court decision are far more important:

It appears to be standard practice of the three patent litigation divisions at Düsseldorf District Court that – almost all! – infringement cases relating to standard essential patents must be suspended. As far as one can tell, the District Court has also referred a number of other cases to the CJEU following the *HTE vs. ZTE* case, thus forcing a decision from Europe's highest court.

ASSESSMENT

The District Court's decision may be correct in itself. Although there is no duty of presentation in first-instance proceedings, due to Article 267 (3) TFEU, the lower courts are granted a certain amount of discretion to decide whether they submit questions on interpretation of EU law to the CJEU or not. The Düsseldorf District Court has now exercised that discretion "progressively", so to speak: it did not refer the pending case to further instances (appeal on questions of fact and law, and appeal on points of law only), which might have resulted in the legal issues raised not being clarified until many years later. Instead, it took matters into its own hands and ensured that clarity is achieved within the foreseeable future (possibly as early as the year 2015).

For the parties to the present proceedings (particularly for the proprietors of standard essential patents), the court's decision may have catastrophic impacts. One of the strengths of the German system is that it takes the

entitlement in patent law to injunctive relief seriously and ensures that the patent proprietor is also able to actually wield this sharp sword within the patent's period of validity. However, that sharp sword is currently being taken away from him (albeit for a limited time only, namely until the CJEU has reached a decision), in any case before the Düsseldorf courts.

In our view, the fact that the Mannheim courts do not appear to follow this practice is much to be welcomed. Although the opinion of the European Commission is taken seriously there as well, the Mannheim patent litigation divisions obviously tend (correctly) to place limits on what constitutes "willingness". For example, cases are not suspended in which the parties are basically agreed that a licence agreement must be concluded, and where the respective offers are not too far apart. The behaviour of the parties is also taken into account in Mannheim, particularly that of the patent

infringer and “licence-seeker”. In any case, there is no automatism of the Düsseldorf variety before the two patent litigation divisions in Mannheim, and the principle that applies is once again that the solution is derived from the circumstances of the individual case. Patent

infringers who only feign a willingness to negotiate must still expect the courts in Mannheim to rule against them – without the proceedings being suspended until the Court of Justice of the European Union has reached a decision. (Henke)

9. New procedural law for patent revocation proceedings

Federal Court of Justice, judgement of 26.6.2012 – X ZR 84/11 – Schaltungsanordnung

Federal Court of Justice, judgement of 28.8.2012 – X ZR 99/11 – Fahrzeugwechselstromgenerator

Federal Court of Justice, judgement of 8.8.2013 – X ZR 36/12 – Mischerbefestigung

Federal Court of Justice, judgement of 28.5.2013 – X ZR 21/12 – Walzstraße

Federal Court of Justice, judgement of 27.8.2013 – X ZR 19/12 – Tretkurbeleinheit

BACKGROUND

In the Patent Law Modernisation Act passed in 2009, fundamental changes were made not only in respect of first-instance revocation proceedings, but also and above all in respect of appeal proceedings before the Federal Court of Justice. The Act is based on the basic idea that the facts of a case are to be clarified primarily in first-instance proceedings before the Federal Patent Court, so that the court of second instance (the Federal Court of Justice) can concentrate on checking for errors: patent revocation appeal proceedings are to be based, as a general principle, on the findings of the first-

instance proceedings (in particular the findings regarding the facts of the case).

The new procedural law applies to actions for revocation filed with the Federal Patent Court after 1 October 2009. This meant that the first appeals under the new law were not filed with the Federal Court of Justice until early 2012. In 2013, the first decisions of the Federal Court of Justice on various procedural issues were handed down in close succession, and attorneys now have a clearer view of how the new law is proving in practice.

DECISIONS

The most important findings of these decisions are summarised below, with comments on the respective cases confined to those needed to understand the respective headnote.

- The reasons for appeal must indicate how (in the view of the appellant) legal principles were breached in the judgement at first instance. Subsequent submissions concerning the reasons for appeal are only admissible by way of exception, and the Federal Court of Justice will routinely examine only those complaints that are admissibly presented in the appeal proceedings (*Schaltungsanordnung*).

Possible reasons for appeal include not only procedural errors, but also breaches of substantive law. To aid understanding, it may be helpful to remem-

ber that in German law, errors in substantive law may also include erroneous interpretation of the claims, including the expressions used therein, incorrect assessment of novelty and inventive step, and errors in assessing the claimed priorities and the actual disclosure therein. To that extent, the new procedural law does not impose limits on the lodging of appeals (at least not in connection with facts presented in the first-instance proceedings).

- In certain circumstances, a “new”, privately commissioned expertise may also be presented in the second-instance proceedings. The presentation of arguments based on such an expertise is not “new” (and thus admissible in second-instance proceedings), if the expert’s observations merely render arguments presented in the first instance

“more specific” or detailed, or clarify or explain them (*Fahrzeugwechselstromgenerator*).

However, the plaintiff needs to present to the court in the first instance all the circumstances and all the specific technical information that is necessary to understand a document being presented. Appeal submissions in patent revocation proceedings are deemed to be new (and therefore inadmissible) when a particular document had been presented in the first instance, but the specific information required for the court at first instance to understand that document was not presented to that court. As a basic principle, it is not sufficient for the applicant for revocation to merely present all manner of documents in the first instance that might possibly be relevant for assessing patentability. The applicant must explain very specifically which passages in the citations are supposed to show the lack of patentability.

- According to new procedural law, as we know, the Federal Patent Court is obligated to provide information, before the oral proceedings, on its current assessment of facts (Section 83 (1) PatG). If the action for revocation is then extended, the Patent Court basically does not have to provide any further information of this kind before the oral proceedings, pursuant to Section 83 PatG. If the applicant for revocation does not discover until the

oral proceedings how the Patent Court assesses its new attack, the applicant cannot readily expect that this (extended) attack will be deemed admissible in the second instance (*Mischerbefestigung*).

- If the patent proprietor defends the patent in the second instance with an amended version (with limited claims) for the first time, this is admissible if in doing so he takes into consideration a legal opinion expressed by the Federal Court of Justice that deviates from the first-instance assessment and limits the subject-matter of the patent to what, in the view of the Federal Patent Court, was clear from the version as granted (*Walzstraße*).

The Federal Court of Justice thus avoids the patent proprietor falling into an inescapable trap between the different instances. In proceedings before the Federal Court of Justice, he does not have to adhere to what he did in the first-instance proceedings in order to satisfy the requirements of the Federal Patent Court.

- “New” citations (not presented until the second instance) do not have to be admitted to proceedings automatically even when their publication date and technical content are undisputed (*Tretkurbeinheit*). The applicant for revocation will generally have to explain that the citation submitted late to proceedings could not have been found with a properly defined search profile.

ASSESSMENT

From the perspective of attorneys as well, it is much to be welcomed that the Federal Court of Justice has meanwhile had an opportunity to comment for the first time on the new procedural law. Decisions handed down so far confirm what a careful reading of the Act had already shown, namely that, as a basic principle, both parties must ensure that the first-instance proceedings are conducted with great care.

That definitely applies in any case to the applicant for revocation, who now has to place all his cards on the table in the first-instance proceedings – even down to the single lines of technical argument. A degree of understanding is evidently shown by the Federal Court of Justice for the difficult situation of the patent proprietor. One must wait and see whether that will be confirmed in future. (Henke)

10. Reimbursement of costs in patent revocation proceedings

Federal Court of Justice, decision of 18.12.2012 – X ZB 11/12 – Double representation in revocation proceedings

Federal Court of Justice, decision of 18.12.2012 – X ZB 6/12 – Attorney in revocation proceedings

BACKGROUND

A basic well-known principle in German civil procedure law is that the defeated party must bear not only the court costs, but must also reimburse the winning party its costs. Such reimbursement of costs is not based (as in other legal regimes) on the actual costs incurred during the action, but rather on lump sums, and to a significant extent on the basis of the respective litigational value. In some cases, the amount may be substantially less than what the party actually expended.

The statutory basis for the reimbursement of costs is Section 91 (1) Sentence 1 of the Code of Civil Procedure (ZPO), according to which the costs incurred by the victorious party need only be reimbursed *if they were necessary for bringing a court action appropriately, or for appropriate defence in court.*

There was uncertainty here for a long time concerning the extent to which the fees of an attorney brought into patent revocation proceedings (in addition to the patent attorney) are also reimbursable. Although the various revocation divisions at the Federal Patent Court have tried to converge on this issue, it has repeatedly been observed that Section 91 ZPO is applied differently on that question. A distinction has been made, specifically, between patents (with attorney fees basically being reimbursable) and utility models (attorney fees basically not reimbursable), and a further distinction has also been made hitherto according to whether infringement proceedings were pending at the same time as the revocation proceedings.

DECISION

The two supreme court decisions have now established clarity as far as patents, at least, are concerned. The Federal Court of Justice has accepted the prevailing view within the Federal Patent Court and has basically ruled on two matters:

1. A “typological perspective” is permitted and necessary when assessing the reimbursability of the fees of an attorney in patent revocation proceedings (who is called in to assist the patent attorney). In this issue of fees law that is not normally posed until after a case has ended, the parties are relieved, in other words, of any obligation to detail why the services of an assisting attorney were necessary in the respective case, so that Section 91 (1) Sentence 1 ZPO can be applied.

The Federal Court of Justice argues very clearly here and in accordance with the needs of practitioners: the gain in justice that can be achieved with an excessively differentiated analysis is disproportionate to the disadvantages that arise when the parties could dispute in virtually every single case whether the costs for a particular measure are to be reimbursed.

2. In one scenario in which an infringement dispute in respect of the contested patent is pending simultaneously with the revocation proceedings, bringing in an attorney to assist a patent attorney is typically reimbursable within the meaning of Section 91 (1) Sentence 1 of the Code of Civil Procedure.

Although there is no impediment in law, the Federal Court of Justice argues, to a party (in German

“dual” patent procedural law) adopting different viewpoints in the two proceedings with regard to interpretation of the contested patent or patent in suit, it is nevertheless in the interest of the party itself, as a rule, to coordinate its arguments in the two different proceedings. In other words, it should avoid postulating a very narrow interpretation of the patent in the one case and a broad interpretation in the other, solely because that is expedient in the respective case (when viewed in isolation). Such an approach requires coordination between all the attorneys with a brief to represent the party.

The Federal Court of Justice lists several specific tasks that may arise during the dispute, namely tactical questions regarding the choice of particular attack or defence strategy, and the task of responding at short notice to instructions and information from a court, while assessing the potential consequences of a response for the respective other pro-

ceedings. Only through joint action, namely by combining the skills and knowledge of both the professional representatives is it possible (again, from a “typological” perspective) to conduct the legal dispute successfully to successfully assess the alternatives courses of action that are available.

Other aspects that may also be incorporated in analysis are explicitly mentioned by the Federal Court of Justice, but deemed irrelevant for the question of cost reimbursement: it is all the same, for example, whether a high level of cost reimbursement occurs when the litigational value is high anyhow, and it is also irrelevant whether exactly the same party is fighting in the revocation dispute and the infringement dispute. In case no. X ZB 11/12, for example, it was the patent proprietor (in the revocation proceedings) and the exclusive licensee (in the infringement dispute) who had to coordinate their conduct of proceedings.

ASSESSMENT

The decisions remove at long last a legal uncertainty that has often led to totally unnecessary work in the aftermath of a case that in fact has already ended, and which also caused problems with assessing the lawsuit risks prior to actual litigation. Parties to revocation proceedings who are also and simultaneously opponents in an infringement dispute now know that the attorney fees will be reimbursed in the revocation proceedings as well.

Even though the Federal Court of Justice still admits the possibility of the parties claiming “atypical” circumstances, there appears to be little room for the this in such a scenario in any case (with simultaneously pending infringement proceedings). However, there is still some uncertainty regarding the treatment of warnings issued prior to judicial proceedings, if such warnings did not result in infringement proceedings (but in revocation proceedings). This will remain a bone of contention. (Henke)

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