

## Key issues in patent litigation

### *Direct / Indirect patent infringement in France*

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## 1. Direct infringement

Contents:

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## 1.1. Definition of infringing acts: Article L. 613-3 of the French Intellectual Property Code

*"The following shall be prohibited, save consent by the owner of the patent:*

- *a) making, offering, putting on the market or using a product which is the subject-matter of the patent, or importing or holding a product for such purposes;*
- *b) using a process which is the subject-matter of the patent or, when the third party knows, or when it is obvious from the circumstances, that the use of the process is prohibited without the consent of the owner of the patent, offering the process for use on French territory;*
- *c) offering, putting on the market or using the product obtained directly by a process which is the subject-matter of the patent or importing or stocking for such purposes."*

*(In blue: acts constituting infringement only if their author is aware of the patent and of the infringement)*

## 1.2. Infringement exceptions: Article L. 613-5 of the French Intellectual Property Code (1/2)

*" The rights afforded by the patent shall not extend to:*

- a) acts done privately and for non-commercial purposes;*
- b) acts done for experimental purposes relating to the subject-matter of the patented invention;*
- c) the extemporaneous preparation for individual cases in a pharmacy of a medicine in accordance with a medical prescription or acts concerning the medicine thus prepared...*

## **1.2. Infringement exceptions: Article L. 613-5 of the French Intellectual Property Code (2/2)**

*d) the studies and trials requested to obtain the marketing authorization for a drug as well as the acts necessary to conduct them and to obtain the authorization;*

*e) to objects intended to be launched in the extra-atmospheric space introduced in the French territory"*

## **1.3. Making**

## Principle of right exhaustion

According to Article L. 613-6 of the French Intellectual Property Code, patent rights do not extend to acts

- relating to the product covered by the patent,
- committed in France,
- once the product was put on the market in France or on the territory of a state belonging to the European Economic Area by the patent owner or with his express consent

## Non infringing acts

- Regular maintenance
- Repair of common components of the product


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## Infringing acts

- Infringement only if the repair leads to a reconstruction of the patented device

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## Example

- Case relating to a patent covering wear parts for the closing system of containers of melt metal:
  - ▶ punctual operations are admitted
  - ▶ complete remelting is infringing

(First instance court of Paris, 3<sup>e</sup> chamber, 9 May 1990, PIBD 1990, No. 485-III-541)

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## 1.4. Offering / putting on the market

## Broad meaning

The words « *offering* » and « *putting on the market* » cover:

- The offering for:
  - ▶ sale
  - ▶ rent
  - ▶ leasing
  - ▶ any other way to give access to the infringing product
- Regardless of its form:
  - ▶ a document
  - ▶ a voice message
  - ▶ the Internet
  - ▶ a bid in a public purchase procedure
  - ▶ an exhibition

## Case law about exhibitions, example 1

- Aktiebolaget Hassle & SA Laboratoires Astra France v. Société Chong Kun Dang about Omeprazole
  - ▶ First instance court of Paris, 19 September 1997  
PIBD 1998, n° 645-III-4

## Facts

- The Corean defendant Chong Kun Dang had presented during an exhibition advertisements mentioning Omeprazole in its range of products
- The defendant contended that there was no infringement because:
  - ▶ an offer to sell a product implies a clear proposal to conclude a sale contract, which requires a price,
  - ▶ documents presenting the activities of the company do not constitute an offer,
  - ▶ the accused documents mentioned no price and no marketing authorization.

## Decision of 19 September 1997

The court of Paris held that:

- ▶ there was no offer for sale,
- ▶ but the accused acts put the drug on the market:

*“Putting on the market” is not limited to an offer to sell as defined by the defendant, but must be understood as encompassing any tangible operation tending to put the product in circulation.*

*Thus, the mere dissemination in France, during a show whose commercial orientation is not disputed, of advertising brochures presenting a product reproducing the teachings of a patent designating France, amounts to infringement, even if the product described is to be sold abroad.*

*It does not matter that there is no sample on the French territory, that no price is indicated or that the infringing product cannot be commercialised in France in the absence of a marketing authorization”.*

## Conclusion

- The terms « *putting into the market* » encompass any act putting a product into contact with the market
- Even if the product is not available on the French market because there is no price and no marketing authorization

## Case law about exhibitions, example 2

- Aktiebolaget Hassle v. Lek DD Ljubljana, about Omeprazole:
  - ▶ First instance court of Paris, 12 April 1996 (unpublished)
  - ▶ Court of appeal of Paris, 19 November 1997 PIBD 1998, n° 647-III-69
  - ▶ *Cour de cassation* (the highest French civil court), 30 January 2001, PIBD 2001, n° 723-III-329

## Facts

- Lek has presented, during a professional exhibition:
  - ▶ a commercial document relating to the product "*Ortanol*", mentioned as comprising Omeprazole
  - ▶ a product list including said drug
  - ▶ a brochure presenting Lek's activities and including a photograph of the packaging of said drug

## Lek's arguments to deny the offer for sale

- The purpose was not to take orders
- The exhibition involved only active ingredients manufacturers and distributors, instead of final products manufacturers
- The above mentioned documents only contain general information about Lek, without any price, nor any details about the sale conditions
- There was no sample nor any scientific information about the product
- The accused documents bore the mention "*Products protected by a patent in a country are not offered or supplied to that country*", which shows, according to Lek, that it cautiously avoids the sale of the product where it is covered by a patent in force

## Findings of the appeal court of Paris:

- Lek did not offer the product for sale at the exhibition
- But:
  - ▶ the drug was presented to potential clients which could make business with Lek in Ljubljana or with any of its subsidiaries
  - ▶ the mention "*Product protected by a patent in a country are not offered or supplied to that country*" does not appear on some of the documents at issue, it remains hardly legible and it does not refer precisely to Omeprazole nor France
- As a result, the Court of Appeal of Paris held that Lek was liable for infringement, without specifying clearly whether it was for having offered the product for sale or for having put it on the market

## **The *Cour de cassation* (the highest French civil court):**

- Rejected the recourse of Lek against the Court of Appeal decision
- Explained that Lek denied the existence of an offer for sale, in particular due to the mention excluding sales in the countries covered by a patent
- Held that the Court of Appeal had properly concluded that potential clients kept the possibility to do business with Lek in Ljubljana or with its subsidiaries, so that the acts committed in France could be considered as an offer for sale

## **Case law about exhibitions, example 3**

- *Evysio v. Abbott*, about stents:
  - ▶ First instance court of Paris,  
22 December 2006

## Facts

- Abbott had presented the infringing stent at a professional exhibition and on the Internet while it could not be distributed until the grant of the EC marking
- A brochure indicated that the product would not be available until the EC marking

## The court found infringement:

*" The introduction on the market prohibited by Article L. 613-3 of the French Intellectual Property Code is not limited to the offer for sale strictly defined and encompasses **any act intended to put a product in contact** with a relevant public and it covers any presentation of the product even if the commercialisation is not immediately effective."*

## Important to note:

- In this matter, the future commercialisation was clearly intended to start before the patent expiry
- The court could be sure that the plaintiff would be obliged to start new proceedings within a few months (right after the launch) should it hold that there was no infringement yet

## Further question

- What if the accused documents state that there will be no sale before the expiry date of the patent, for example:
  - ▶ *"No sale before September"*
  - ▶ *"On sale in September"*
  - ▶ *"At your drug store as of September"*
  - ▶ *"You must wait until September"*
- No reply from French case law
- But infringement found by Dutch judges (2 November 2010, Glaxo v. Pharmachemie)

## 1.5. Using

Use of:

- ▶ an infringing product
- ▶ an infringing process

## 1.6. Importing

[See cross-border infringement]

## 1.7. Holding

Detention of an infringing product is an infringement only if done for the purpose of using or selling the product

## 2. Contributory infringement

Contents:

- 2.1. Article L. 613-4 of the French Intellectual Property Code
- 2.2. Definition of the means relating to an essential element of the invention
- 2.3. Double territory requirement
- 2.4. Knowledge requirement
- 2.5. Supply of staple products
- 2.6. Remedies

## 2.1. Article L. 613-4 of the French Intellectual Property Code

*“ 1° It shall also be prohibited, without the consent of the owner of the patent, to supply or offer to supply, on the French territory, to a person other than a person entitled to work the patented invention, the means for implementing, on that territory, the invention with respect to an essential element thereof when the third party knows, or it is obvious from the circumstances, that such means are suitable and intended for putting the invention into effect.*

*2° Paragraph 1 shall not apply when the means of implementation are staple commercial products, except when the third party induces the person supplied to commit acts prohibited by Article L. 613-3.*

*3° Persons carrying out the acts referred to in items (a), (b) and (c) of Article L. 613-5 shall not be deemed persons entitled to work the invention within the meaning of paragraph 1.”*

## Requirements for contributory infringement under French law:

- The supplied means shall relate to an essential element of the invention
- The supply or the offer to supply must occur on the French territory, for an implementation of the invention in France
- Said means shall be supplied or offered to a person which is not entitled to work the invention
- The supplier shall know, or the circumstances shall make it obvious, that said means are suitable and intended for implementing the invention
- If the means are staple products, contributory infringement can be found only if the supplier induces its clients to commit infringement acts within the meaning of Article L. 613-3 of the French Intellectual Property Code

## 2.2. Definition of the means relating to an essential element of the invention:

- Contributory infringement does not imply the supply of all, nor several, means for implementing the invention
- The supply of only one of the means for implementing the invention, is sufficient provided said single means relates to an essential element of the invention
- Essential elements of the invention are the means which constitute the invention at issue, that is to say the technical means which are taught by the patent in order to solve the technical problem at the basis of the invention and which perform the function of the invention
- Means can be found to relate to an essential element of an invention although they are known from prior art

## Example 1

- Regarding a patent covering a filter intended to purify the air in an internal combustion engine and comprising various parts among which principal and secondary filtering elements:
  - ▶ said principal and secondary filtering elements were found to be essential constitutive means of the invention

## Example 2

- Regarding a patent covering a fungicide composition comprising Benomyl and other components:
  - ▶ the product Benomyl was found to be an essential element of the invention, although it was known from prior art

(Court of appeal of Paris, 4<sup>th</sup> chamber, 3 January 1985, *Annales de la Propriété Industrielle* 1986 p. 286)

## Example 3

- Regarding a patent covering foodstuffs for stimulating the growth of animals and comprising a specific proportion of a product named Nitrovine used in the prior art as an antibiotic:
  - ▶ said Nitrovine was found to be an essential element of the invention

(Court of appeal of Paris, 4<sup>th</sup> chamber, 20 January 1977, PIBD 1977, No. 200-III-358)

## Examples 4 and 5

- [Iron\\_with\\_cartridge\\_case.pdf](#)
- [Bag\\_separator\\_case.pdf](#)

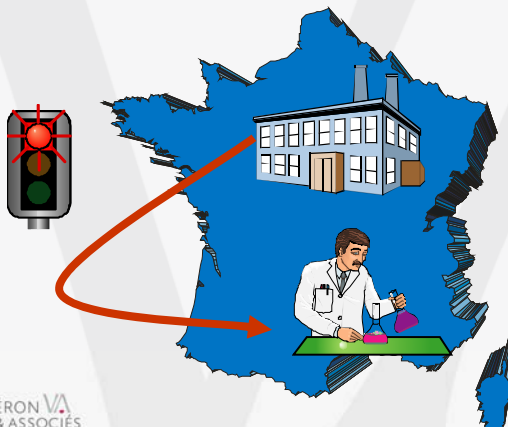
## 2.3. Double territory requirement

According to Article L. 613-4 of the French Intellectual Property Code:

- The means at issue have to be supplied or offered in France
- The invention has to be implemented in France

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## Double territory requirement



**Supplying in France  
for use in France  
is an infringement**

Court of Appeal of Paris  
4th Chamber, Section A  
Judgment of May 5, 2004  
*bioMérieux v. DBV*

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## Example 1

- Regarding a patent covering chemical products such as omeprazole and lanzoprazole:
  - ▶ it was decided that an advertisement in France for the chemical intermediary compounds allowing the synthesis of the patented products was not infringement in France
  - ▶ because said advertisement indicated that the offered intermediary compounds were not available in countries covered by a product patent (such as France)

(Court of appeal of Paris on 19 January 2000, PIBD 2000, No. 700-III-303, affirming the decision of the First instance court of Paris of 27 June 1997, PIBD 1997, No. 642-III-581)

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## 2.4. Knowledge requirement

According to Article L. 613-4 of the French Intellectual Property Code, there is infringement only if:

- The means supplier:
  - ▶ knows
  - ▶ or cannot ignore
- That the means are:
  - ▶ suitable
  - ▶ **and** intended for implementing the invention

## Not required

- The means supplier does not need to be aware of the existence of the patent
- He does not need to be aware of the infringing nature of the implementation of the provided means

## Difference between means « *suitable* » and means « *intended* » to implement the invention

- Means are "*suitable*" to implement the invention as soon as they **can** be used to implement the invention
- Means should be considered as "*intended*" to implement the invention when there is no doubt that they **will** be used according to the invention
- Actual implementation of the invention is not required, although it helps to prove that the supplied means are really intended to implement the invention

## Proving knowledge (1/2)

- The knowledge requirement is clearly met when the means supplier provides explicitly his clients with all the instructions necessary for implementing the invention:
  - ▶ drawings enabling the reproduction of the invention  
(Court of appeal of Paris, 4<sup>th</sup> chamber, 23 April 1983, PIBD 1983, No. 331-III-217; First instance court of Paris, 3<sup>rd</sup> chamber, 18 October 1989, PIBD 1990, No. 471-III-70)
  - ▶ one of the ingredients necessary for manufacturing a patented composition and directions for said manufacture  
(Court of appeal of Paris, 4<sup>th</sup> chamber, 14 February 1989, PIBD 1989, No. 456-III-282)
  - ▶ a document showing the main features of the patent  
(Court of appeal of Paris, 4<sup>th</sup> chamber, 13 December 1979, PIBD 1980, No. 256-III-83)
  - ▶ the recommendation to mix non individually patented products in order to obtain the patented composition  
(Court of appeal of Paris, 4<sup>th</sup> chamber, 28 February 1977, PIBD 1977, No. 200-III-363)

## Proving knowledge (2/2)

The fact that the means supplier held a in-house document referring to the implementation of the subject matter of the patent was found to be sufficient to prove that he knew that the provided means were suitable and intended for implementing the invention

## 2.5. Supply of staple products

- Where the supplied means are staple products that are commonly offered on the market
- There is infringement only if the means supplier induces the person whom he supplies to commit infringement acts

## Inducement can be direct

In a case relating to a patent covering weed-killer compositions comprising two known chemical compounds, the infringer:

- ▶ sold a product comprising the first chemical compound and
- ▶ recommended to use it in combination with the second chemical compound

## Inducement can also be indirect

In a case relating to a patent covering foodstuffs for stimulating the growth of animals and comprising a specific proportion of an antibiotic of the prior art (Nitrovine):

- ▶ the infringer sold said antibiotic for its use in foodstuffs for animals without indicating the proportion taught by the patent
- ▶ however it was found that public health regulations imposed to the user a proportion which was included in the range taught by the patent, so that there was an indirect inducement

## 2.6. Remedies

The injunction is limited to the acts constituting contributory infringement

## Thank you

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