

Interim relief in IP infringement cases

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Interim relief in IP infringement cases

Summary

1. Preliminary injunctions in Europe
2. Other Interim relief in Europe

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1. Preliminary injunctions in Europe

1.1. Directive of 29 April 2004 regarding the enforcement of intellectual property rights

1.2. National practice

1.1. Enforcement Directive of 29 April 2004

- Article 9 of Directive 2004/48/EC of 29 April 2004 on the enforcement of intellectual property rights

* 1. Member States shall ensure that the **judicial authorities may**, at the request of the applicant:

(a) **issue against the alleged infringer an interlocutory injunction intended to prevent any imminent infringement** of an intellectual property right, **or to forbid**, on a provisional basis and subject, where appropriate, to a recurring penalty payment where provided for by national law, **the continuation of the alleged infringements** of that right, or to make such continuation subject to the lodging of guarantees intended to ensure the compensation of the right holder; an interlocutory injunction may also be issued, under the same conditions, against an intermediary whose services are being used by a third party to infringe an intellectual property right; injunctions against intermediaries whose services are used by a third party to infringe a copyright or a related right are covered by Directive 2001/29/EC;

(b) **order the seizure or delivery up of the goods suspected of infringing** an intellectual property right so as to prevent their entry into or movement within the channels of commerce.

Enforcement Directive of 29 April 2004

Article 9 (cont'd):

2. *In the case of an infringement committed on a commercial scale, the Member States shall ensure that, if the injured party demonstrates circumstances likely to endanger the recovery of damages, the judicial authorities may **order the precautionary seizure of the movable and immovable property of the alleged infringer**, including the blocking of his/her bank accounts and other assets. To that end, the competent authorities may order the communication of bank, financial or commercial documents, or appropriate access to the relevant information.*
3. *The judicial authorities shall, in respect of the measures referred to in paragraphs 1 and 2, have the authority to require the applicant to provide any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the applicant is the right holder and that the applicant's right is being infringed, or that such infringement is imminent. (...)*"

Enforcement Directive of 29 April 2004

■ Article 9 (cont'd):

" 4. *Member States shall ensure that the **provisional measures** referred to in paragraphs 1 and 2 **may**, in appropriate cases, **be taken without the defendant having been heard**, in particular where any delay would cause irreparable harm to the right holder. In that event, the parties shall be so informed without delay after the execution of the measures at the latest.*

A review, including a right to be heard, shall take place upon request of the defendant with a view to deciding, within a reasonable time after notification of the measures, whether those measures shall be modified, revoked or confirmed.

5. *Member States shall ensure that the **provisional measures** referred to in paragraphs 1 and 2 **are revoked or otherwise cease to have effect**, upon request of the defendant, **if the applicant does not institute, within a reasonable period, proceedings leading to a decision on the merits of the case before the competent judicial authority**, the period to be determined by the judicial authority ordering the measures where the law of a Member State so permits or, in the absence of such determination, within a period not exceeding 20 working days or 31 calendar days, whichever is the longer.*

6. *The **competent judicial authorities may make the provisional measures** referred to in paragraphs 1 and 2 **subject to the lodging** by the applicant of **adequate security** or an equivalent assurance intended to ensure compensation for any prejudice suffered by the defendant as provided for in paragraph 7.*

Enforcement Directive of 29 April 2004

- Article 9 (cont'd):

*7. Where the provisional measures are revoked or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities shall have the authority to order the applicant, upon request of the defendant, to **provide the defendant appropriate compensation** for any injury caused by those measures."*

Summary of the harmonized rules

- Purpose:
 - ▶ to prevent imminent infringement
 - ▶ to forbid the continuation of infringement
- Conditions:
 - ▶ provide any reasonably available evidence in order to prove with a sufficient degree of certainty that the applicant is the right holder and that the applicant's right is being infringed, or that such infringement is imminent
 - ▶ security can be ordered against the claimant (condition to the injunction) or against the defendant (condition to continue)
- Procedure
 - ▶ Interim order both parties being heard
 - ▶ *Ex parte* procedure in specific circumstances
 - ▶ action on the merits to be launched quickly following the interim injunction
- Possible compensation: If the interim injunction is revoked, or in absence of infringement, the defendant can be granted compensation

1.2. National practice

- The Enforcement Directive has been implemented in all EU Member States
- Despite harmonized rules, the national practice remain slightly different

Availability	DE	FR	GB	NL	ES	IT
All IP rights	Yes	Yes	Yes	Yes	Yes	Yes
Before or after launch of action on the merits	Both	Both	Before	Both	Both	Both
Both parties heard	Yes	Yes	Yes	Yes	Yes	Yes
<i>Ex parte</i> request	Yes	Yes (exceptional for patent)	Yes (but exceptional)	Yes	Yes	Yes
Protective letters	Yes <i>Schutzschrift</i> regular practice	No (?) (it now seems possible)	No	Yes (allowed by some Courts)	No	No

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Conditions	DE	FR	GB	NL	ES	IT
Court's discretion ¹¹	Yes ¹²¹	Yes	Yes ¹²¹	Yes	Yes	Yes
Urgency / Danger in delay	Yes	No	Yes see balance of convenience	Yes	Yes ¹⁴¹	Yes
Swift action	Yes	No		Yes	Yes ¹⁶¹	Yes
Appearance of a valid right	Yes ¹⁶¹	Yes ¹⁷¹	Yes "Serious question to be tried" ¹⁹¹	Yes	Yes ¹⁹¹	Yes
Appearance of infringement	Yes	Yes	Yes "Serious question to be tried" ¹¹⁰²	Yes	Yes	Yes
Balance of convenience	Yes	No	Yes ¹¹¹	Yes (bias towards patentee)	No ¹²¹	Yes
Need to post a bond or guaranty	Within the discretion of the court	Very rare (Judges wish more)	Very rare	No	Yes Must be included in the application ¹¹³	Possible but rare

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Practical considerations	DE	FR	GB	NL	ES	IT
How common is it?	Difficult for complex patent ¹⁴¹	Difficult for complex patents	Difficult for patent except pharma ¹⁵¹	Common	Not uncommon if properly grounded	Difficult for complex cases
Clear the way doctrine	No	No	Yes ¹⁶¹	No	No	No
Imminence of infringement in pharma matters	Liberal interpretation	Restrictive interpretation ¹⁷¹	Liberal interpretation	Liberal interpretation	Yes. Objective interpretation ¹⁸¹	Restrictive interpretation
NPE	No impact	No impact	No impact ¹⁹¹	No impact	Exploitation of patent is compulsory ²⁰¹	No impact

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Scope	DE	FR	GB	NL	ES	IT
Enforcement possible until the last day	Yes	Yes ^[21]		Yes		Possible but rare
Must the injuncted be party to proceedings	Yes (third party notice possible)	Yes	Yes but can be unnamed party ^[22]	Yes	Yes	Yes
Injunction against intermediary (even if not liable for infringement)	Yes	Possible but exceptional		Possible but exceptional	Yes	Yes
Need to initiate action on the merits	Upon defendant's request	Yes unclear if to prevent imminent infringement	Yes	Yes	Yes	No
Cross-border orders	Yes ^[23]			Cross-border order ^[24]		No

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	DE	FR	GB	NL	ES	IT
Compensation if revocation or finding of non infringement	Yes	Several pending proceedings	Yes ^[25]	Yes including legal fees	Yes	Possible but not automatic

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2. Other interim measures

- 2.1. Seizure or recall of products
- 2.2. Interim evidence gathering
 - Evidence search or seizure order
 - Right of information

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2.1. Seizure or recall of products

Other Interim orders	DE	FR	GB	NL	ES	IT
Seizure of stocks in preliminary proceedings	Yes	Yes ^[26]	Yes	Yes		Yes (no immediate delivery up) ^[27]
Recall of products in preliminary proceedings	No	No	Yes ^[28]	Yes		Yes
Payment of account on damages in preliminary proceedings	No	Yes ^[29]	Possible but exceptional ^[30]	No		No


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2.2. Interim evidence gathering


- Enforcement Directive of 29 April 2004
- National practice

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Interim relief in IP infringement cases

2.2.1. Enforcement Directive

- Enforcement Directive of 29 April 2004 contains three provisions regarding the gathering of evidence of infringement:
 - ▶ Article 6: Evidence
 - ▶ Article 7: Measures for preserving evidence
 - ▶ Article 8: Right of information

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Article 6: Evidence

*" 1. Member States shall ensure that, on **application by a party which has presented reasonably available evidence** sufficient to support its claims, and has, in substantiating those claims, **specified evidence which lies in the control of the opposing party, the competent judicial authorities may order that such evidence be presented by the opposing party**, subject to the protection of confidential information. For the purposes of this paragraph, Member States may provide that a reasonable sample of a substantial number of copies of a work or any other protected object be considered by the competent judicial authorities to constitute reasonable evidence.*

*2. Under the same conditions, in the case of an infringement committed on a commercial scale Member States shall take such measures as are necessary to enable the competent judicial authorities to order, where appropriate, on application by a party, **the communication of banking, financial or commercial documents under the control of the opposing party**, subject to the protection of confidential information."*

Article 7: Measures for preserving evidence

*"1. Member States shall ensure that, **even before the commencement of proceedings on the merits** of the case, the competent judicial authorities may, **on application by a party who has presented reasonably available evidence** to support his/her claims that his/her intellectual property right has been infringed or is about to be infringed, **order prompt and effective provisional measures to preserve relevant evidence in respect of the alleged infringement**, subject to the protection of confidential information. Such measures may include the **detailed description, with or without the taking of samples, or the physical seizure of the infringing goods**, and, in appropriate cases, the materials and implements used in the production and/or distribution of these goods and the documents relating thereto."*

*Those measures shall be taken, **if necessary without the other party having been heard**, in particular where any delay is likely to cause irreparable harm to the rightholder or where there is a demonstrable risk of evidence being destroyed.*

Where measures to preserve evidence are adopted without the other party having been heard, the parties affected shall be given notice, without delay after the execution of the measures at the latest. A review, including a right to be heard, shall take place upon request of the parties affected with a view to deciding, within a reasonable period after the notification of the measures, whether the measures shall be modified, revoked or confirmed."

Article 7 (cont'd)

2. Member States shall ensure that the measures to preserve evidence may be subject to the lodging by the applicant of adequate security or an equivalent assurance intended to ensure compensation for any prejudice suffered by the defendant as provided for in paragraph 4.

3. Member States shall ensure that the measures to preserve evidence are revoked or otherwise cease to have effect, upon request of the defendant, without prejudice to the damages which may be claimed, if the applicant does not institute, within a reasonable period, proceedings leading to a decision on the merits of the case before the competent judicial authority, the period to be determined by the judicial authority ordering the measures where the law of a Member State so permits or, in the absence of such determination, within a period not exceeding 20 working days or 31 calendar days, whichever is the longer.

4. Where the measures to preserve evidence are revoked, or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities shall have the authority to order the applicant, upon request of the defendant, to provide the defendant appropriate compensation for any injury caused by those measures.

5. Member States may take measures to protect witnesses' identity."

Article 7: Summary

- Courts have to be able to grant ex parte interim measures to preserve evidence of infringement:
 - ▶ before launching the action on the merits
 - ▶ with reasonably available evidence to support the claim
- These measures can include:
 - ▶ a detailed description
 - ▶ the taking of sample
 - ▶ the physical seizure of infringing goods
- An action on the merits has to be launched quickly, failing that, the interim measures might be revoked
- Member States can take measures to preserve confidential information

Article 8: Right of information

** 1. Member States shall ensure that, in the context of proceedings concerning an infringement of an intellectual property right and in response to a justified and proportionate request of the claimant, the competent judicial authorities may order that information on the origin and distribution networks of the goods or services which infringe an intellectual property right be provided by the infringer and/or any other person who:*

- (a) was found in possession of the infringing goods on a commercial scale;*
- (b) was found to be using the infringing services on a commercial scale;*
- (c) was found to be providing on a commercial scale services used in infringing activities; or*
- (d) was indicated by the person referred to in point (a), (b) or (c) as being involved in the production, manufacture or distribution of the goods or the provision of the services.*

2. The information referred to in paragraph 1 shall, as appropriate, comprise:

- (a) the names and addresses of the producers, manufacturers, distributors, suppliers and other previous holders of the goods or services, as well as the intended wholesalers and retailers;*
- (b) information on the quantities produced, manufactured, delivered, received or ordered, as well as the price obtained for the goods or services in question.*

Article 8 (cont'd)

3. Paragraphs 1 and 2 shall apply without prejudice to other statutory provisions which:

- (a) grant the right holder rights to receive fuller information;*
- (b) govern the use in civil or criminal proceedings of the information communicated pursuant to this Article;*
- (c) govern responsibility for misuse of the right of information; or*
- (d) afford an opportunity for refusing to provide information which would force the person referred to in paragraph 1 to admit to his/her own participation or that of his/her close relatives in an infringement of an intellectual property right; or*
- (e) govern the protection of confidentiality of information sources or the processing of personal data."*

Article 8: Summary

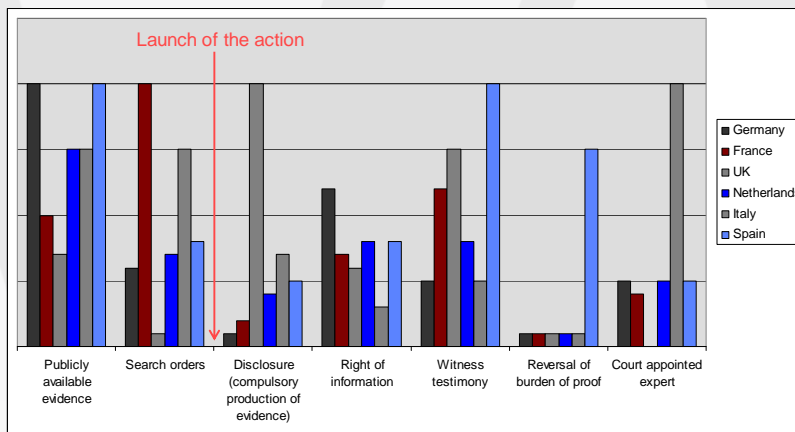
- Member States have to provide that the plaintiff may ask the court to enjoin the compulsory production of information on the origin and distribution networks of goods or services infringing an intellectual property right
- Information concerns notably:
 - ▶ the names and addresses of the producers, manufacturers, distributors, suppliers and other previous holders of the goods or services, as well as the intended wholesalers and retailers
 - ▶ the quantities produced, manufactured, delivered, received or ordered, as well as the price charged for the goods or services in question
- Can be ordered before a decision on the merits or after a decision to assess the damages

Gathering of evidence

- Most measures were already known in the various countries
- The Enforcement Directive did add some tools for the gathering of evidence in some countries, and thus changed some national practice
 - ▶ eg. Availability or increase in use of right of information in FR, SP, IT
- But no revolution
 - ▶ UK did not implement art. 7 since Mareva injunction or Anton Pillar order existed
 - ▶ FR did not implement art. 6
- Although all the EU countries have the same tools, the practice of evidence gathering remains extremely different, possibly for cultural reasons

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2.2.2. National practice for the gathering of evidence in Europe



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Search orders	DE	FR	GB	NL	ES	IT
May be obtained <i>ex parte</i>	Yes	Always	Yes if "good reasons"	Yes	Exceptional	Yes
Before or after launch of proceedings	Both	Both	Both	Both	Both	Both
Need of prima facie evidence	Yes	No	Extremely strong	Yes	Yes	Yes
Limited to situation where evidence may be destroyed or evidence not available by other means	No further easier means	No	Most prove risk of destruction	No	Yes	No
Written description	Yes	Yes	Yes	Yes	Yes	Yes
Seizure of sample	Yes	Yes	Yes	Yes	Yes	Yes
Participants	Court expert	Bailiff and claimant's patent attorney	Independent court appointed solicitor	Bailiff, IT expert and (sometimes) an independent patent expert		Bailiff Claimant's attorneys Optionally court expert
Protection of confidential information	Court expert and attorney with confidentiality obligation	Sealed envelopes opened by court expert	Yes (claimant solicitors only)	Yes (information held by custodian until decision of a judge in <i>inter partes</i> proceedings)	Special request from the court	Yes
Possible use of information for foreign litigation	Yes	Yes	No	Yes	Yes	Yes

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Right of information	DE	FR	GB	NL	ES	IT
Available before action	Yes	No (draft law to make it available)	Possible ^[21]	Yes		Yes
Available pending proceedings	Yes	Yes ^[22]	Yes	Yes	Yes	Yes
Against third parties mentioned in Art 8 (even non liable parties, including ISP)	Yes	Yes	Yes	Yes (No personal data from ISP)	Yes	Yes
Nature of information (identity of others / quantities)	All	All	All	All	All	All
Is information from third parties limited to infringement of commercial scale	Yes	No	No	No	Yes	Yes
May requested party invoke legitimate obstacle	Yes	Legitimate obstacle		Yes		No statutory provision



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