

Key issues in patent litigation

Cross-border infringement in France

18-19 November 2010
Vienna, Austria

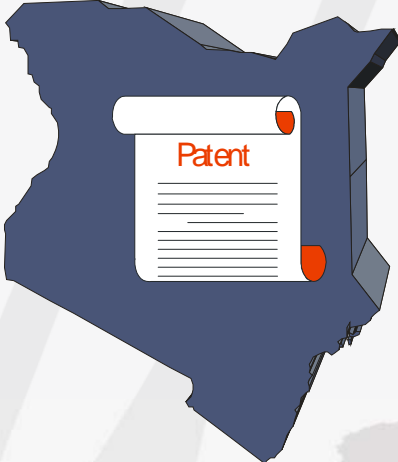
Isabelle Romet
French attorney-at-law (*avocat*)



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Key issues in patent litigation

Patent rights have borders



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1. Direct infringement

Contents:

- 1.1. Infringement by offers presented by foreign companies *via* Internet
- 1.2. Infringement by importing infringing products in France
- 1.3. Infringement by importing a product directly obtained abroad by a process infringing a French patent
- 1.4. Infringement by offering to use an infringing process in France
- 1.5. Infringement by products in transit
- 1.6. Infringement of a computer or of a telecommunication system

1.1. Infringement by offers presented by foreign companies *via* Internet

French judges use various criteria to assess whether the information available on the website constitute an offer for sale

NB: this issue is considered only if the judges previously concluded that they have jurisdiction over the matter by applying the relevant rules of international private law

Clues used by French judges

- The use of the French language
- The possibility of on-line purchases
- The indication of prices
- The currency referred to
- Information about the countries in which the product can be delivered

Example 1: Protocop v. China Xinxing in 2006 ⁽¹⁾

- No infringing offer in a case in which the website:
 - ▶ uses English language
 - ▶ does not make it possible to place an order

⁽¹⁾ Paris first instance court, 3rd chamber, 2nd section,
6 October 2006

Example 2: Ferrari v. Brice ⁽¹⁾

- Infringing offer in a case in which the website:
 - ▶ uses French language
 - ▶ provides prices in French currency
 - ▶ does not make it possible to place an order
 - ▶ does not exclude the availability of the product in France

Example 3: Valeo v. TYC, in 2005 ⁽¹⁾

- No infringing offer in a case in which the website:
 - ▶ uses English language
 - ▶ does not mention any price
 - ▶ does not give any other contact than the Taiwanese company

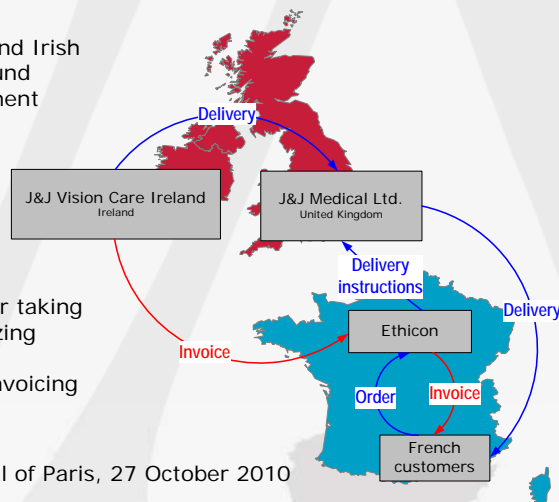
1.2. Infringement by importing infringing products in France

- To obtain an order against a company based abroad:
 - ▶ the plaintiff has to demonstrate its active implication in the introduction of the infringing products in France

Example: Novartis v. Johnson & Johnson⁽¹⁾

Both the English and Irish defendants are found liable for infringement

The English one for taking orders and organizing deliveries, the Irish one for invoicing

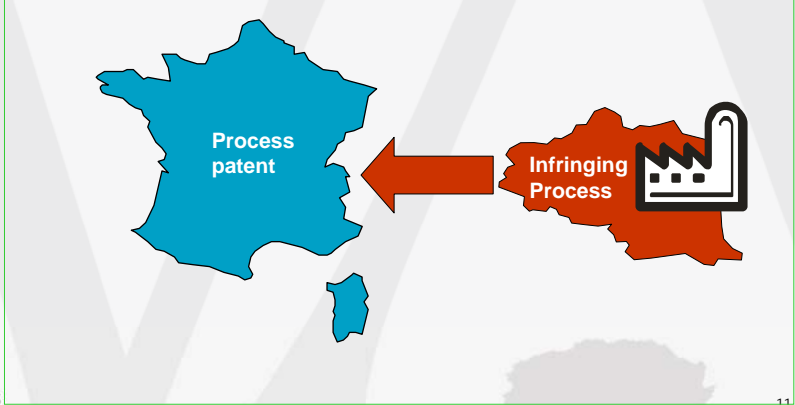


⁽¹⁾ Court of appeal of Paris, 27 October 2010

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1.3. Infringement by importing a product directly obtained abroad by a process infringing a French patent

The issue relates to the construction of the words « *directly obtained* »



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Key issues in patent litigation

1.4. Infringement by offering to use an infringing process in France

Territoriality requirement regarding the use

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1.5. Infringement by products in transit

No infringement

1.6. Infringement of a computer or a telecommunication system

- No French case law
- But two interesting decisions from the UK and the US

Key issues in patent litigation

Infringement partly on the territory: Menashe (UK)

Curaçao

Server

Internet

Software turning
a computer into
a terminal

England & Wales Court of Appeal
Judgment of November 28, 2002
Menashe v. Hill

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Key issues in patent litigation

Infringement partly on the territory: Menashe

- The claimed invention requires there to be a host computer. In the age that we live in, it does not matter where the host computer is situated. It could be in the United Kingdom, on a satellite, or even on the border between two countries. Its location is not important to the user of the invention nor to the claimed gaming system. In that respect, there is a real difference between the claimed gaming system and an ordinary machine. For my part I believe that it would be wrong to apply the old ideas of location to inventions of the type under consideration in this case. A person who is situated in the United Kingdom who obtains in the United Kingdom a CD and then uses his terminal to address a host computer is not bothered where the host computer is located. It is of no relevance to him, the user, nor the patentee as to whether or not it is situated in the United Kingdom.
- If the host computer is situated in Antigua and the terminal computer is in the United Kingdom, it is pertinent to ask who uses the claimed gaming system. The answer must be the punter. Where does he use it? There can be no doubt that he uses his terminal in the United Kingdom and it is not a misuse of language to say that he uses the host computer in the United Kingdom. It is the input to and output of the host computer that is important to the punter and in a real sense the punter uses the host computer in the United Kingdom even though it is situated in Antigua and operates in Antigua. In those circumstances it is not straining the word "use" to conclude that the United Kingdom punter will use the claimed gaming system in the United Kingdom, even if the host computer is situated in, say, Antigua. Thus the supply of the CD in the United Kingdom to the United Kingdom punter will be intended to put the invention into effect in the United Kingdom.

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Infringement partly on the territory: Blackberry (US)

The use of a claimed system under section 271 (a) is the place at which the system as a whole is put into service, *i.e.*, the place where control of the system is exercised and beneficial use of the system obtained.

Fed. Cir., Aug. 2, 2005
418 F.3d 1282
NTP, Inc. v. Research In Motion Ltd.

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Key issues in patent litigation

2. Contributory infringement

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Key issues in patent litigation

Double territoriality requirement:

The essential means have to be:

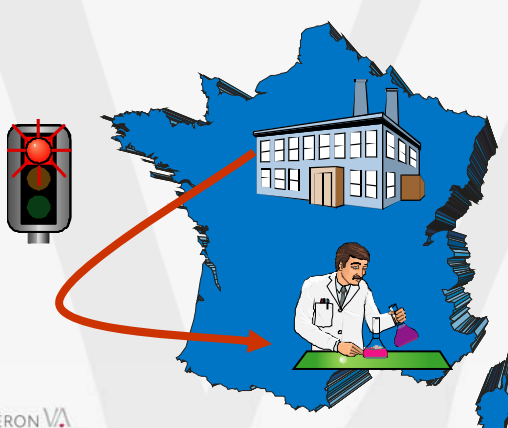
- supplied in France
- for an implementation in France

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Key issues in patent litigation


International contributory infringement: the diagnosis kit case



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

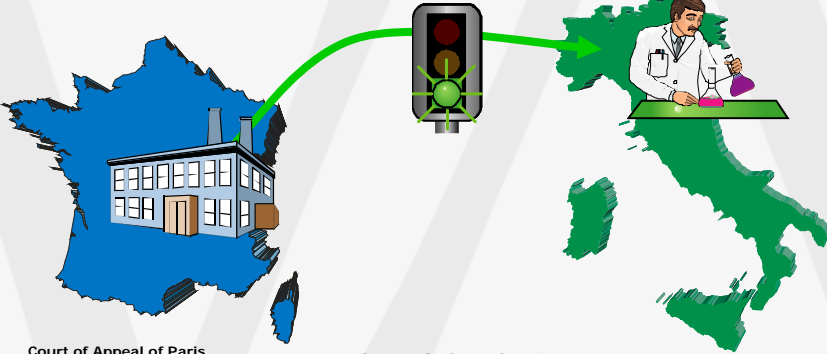
Court of Appeal of Paris
 4th Chamber, Section A
 Judgment of May 5, 2004
bioMérieux v. DBV

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Key issues in patent litigation

International contributory infringement: the diagnosis kit case



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

**Supplying in France
for use outside of France
is not an infringement**

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Thank you

1, rue Volney
75002 Paris
Tel. +33 (0)1 47 03 62 62
Fax +33 (0)1 47 03 62 69

53, avenue Maréchal Foch
69006 Lyon
Tel. +33 (0)4 72 69 39 39
Fax +33 (0)4 72 69 39 49

isabelle.romet@veron.com
www.veron.com

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