



Preliminary Injunction Advice - France

1. **How common is it for preliminary injunctions to be awarded in patent infringement actions?**

The requests for preliminary injunctions are quite frequent and the chances for an injunction to be awarded amounts to about 30 %.

2. **What are the considerations that a court would weigh up in determining whether or not to award a preliminary injunction?**

The preliminary injunction proceedings is part of the action on the merits: the request for a preliminary injunction may be filed only after the action on the merits has been launched.

The injunction will be granted if (i) the action on the merits has been launched less than 6 months after the patentee has become aware of the infringement and (ii) if the action on the merits appears to be "serious", i.e. has reasonable chances to prevail.

For assessing the "seriousness" of the action on the merits, the judge will weigh up the parties arguments on validity and infringement.

2. **What is the balance between the substantive issues of infringement and validity, on the one hand, and other considerations, such as urgency/delay, the "risk of injustice" or "balance of convenience" – the impact that granting (or not granting) the injunction would have, on the other hand?**

Legally, the judge cannot take into account considerations other than the seriousness of the action on the merits. However, the judge will indeed not ignore the factual background of the case.

3. **Please summarise the procedure for obtaining a preliminary injunction?**

(a) *"Saisie-contrefaçon"* (about 2 weeks).

Usually, the first step of the proceedings is a *"saisie-contrefaçon"*, for collecting evidence relating to the infringement. This step is not mandatory, but generally useful.

(b) Launching the action on the merits (about 2 weeks after the *"saisie-contrefaçon"*).

- (c) Request for preliminary injunction (1 week after the service for (b)).
- (d) Exchange of written briefs and supporting documents.
- (e) Oral hearing (about 6 weeks after the service for (c)).
- (f) Decision on the injunction (3 weeks after (e)).

(A) What evidence would the patentee be required to submit?

- Evidence that the patent is in force in France, parallel patents granted in other countries, patent or parallel patents upheld in opposition proceedings, and generally, all usual arguments supporting the "*prima facie*" validity of the patent.
- Evidence of the patent infringement (infringement seizure report if any)

(B) How long does it typically take to obtain a preliminary injunction in a patent matter?

Between 2 and 4 months, depending on the complexity of the case.

(C) Would a "temporary injunction" be granted in the meantime i.e. pending the outcome of the decision re grant of a preliminary injunction?

No.

(D) What is the typical cost of preliminary injunction proceedings?

About €50,000. This includes the "*saisie-contrefaçon*" (if any), preparation and launch of the action on the merits and the preliminary injunction proceedings.

(E) Is the procedure separate from proceedings on the merits? If so, is it necessary to commence proceedings on the merits?

See above.

4. **What bond or undertakings are required in order to secure a preliminary injunction?**

The judge might grant a preliminary injunction subject to guarantee issued by the patentee, in order to secure the possible compensation for the damages suffered by the defendant, if the infringement action is dismissed later. The judge may also authorise the defendant to carry on its alleged infringing production, subject to guaranteeing the payment of possible damages by a bank deposit.

5. **What is the consequence in damages and costs if a preliminary injunction is awarded but the patentee is ultimately unsuccessful?**

If the patentee fails on the merits, the defendant is entitled to claim damages on the basis of article 1382 of the French Civil Code, i.e. compensation for all losses deriving from the enforcement of the injunction.

6. **If a preliminary injunction is not granted, how long would it take to achieve a decision on the merits of the case?**

For an average case with an invalidity counterclaim, 18 months before the district Court and 2 years before the Court of appeal. In most cases, the judgement of the district Court is decided to be immediately enforceable.

7. **Is there a procedure by which these proceedings could be expedited?**

No.

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Preliminary injunction - Germany

1. **How common is it for preliminary injunctions to be awarded in patent infringement actions?**

In the past it was rather unlikely that a preliminary injunction was awarded in German patent litigation matters. But nowadays, even though not easy it is possible to obtain such injunctions in suitable cases, for example in trade fair matters or rather straightforward cases. Since a few years, the number of successful injunction applications in patent infringement matters is generally increasing. In this regard, it is important to know that the likelihood of obtaining such an injunction varies according to which court hears the application. There are 12 courts in Germany who may have competence in first instance. Since different weight is given to different issues, injunctions are rarely obtained in Munich and Mannheim, but more often in Düsseldorf, Hamburg and Frankfurt.

2. **What are the considerations that a court would weigh up in determining whether or not to award a preliminary injunction.**

What is the balance between the substantive issues of infringement and validity, on the one hand, and other considerations, such as urgency/delay, the 'risk of injustice' or 'balance of convenience' – the impact that granting (or not granting) the injunction would have, on the other hand?

The infringement courts are well aware that granting a preliminary injunction may have severe consequences on the defendant. Hence, the courts require both evidence of the infringement and (different from the proceedings on the merits) an examination of the validity of the patent. A court will consequently only grant a preliminary injunction if it is confident that the patent is unlikely to be revoked and that the infringement has apparently been shown.

Further, a preliminary injunction can only be successful if the claimant demonstrates that urgent relief is needed. This means that patent owners should not wait too long from the moment they gain knowledge of the infringement until the application for the preliminary injunction. As a general rule, less than one month is fine. A one to two-month period is often acceptable. But if the claimant waits more than two months before applying for a preliminary injunction, the situation becomes critical, since delay in seeking preliminary injunction indicates that the matter is in fact not that urgent.

The balance between these requirements varies between the courts. Some do emphasise the validity aspect while other courts focus more on the infringement and urgency issue.

3. The procedure for obtaining a preliminary injunction:

(A) What evidence would the patentee be required to submit?

In preliminary injunction proceedings the rules of burden of proof are the same as in the proceedings on the merits. The main difference is that in preliminary injunction proceedings the patentee can submit evidence by affidavits which is not possible in main proceedings. In general, the patentee has to demonstrate and to substantiate that his patent is infringed and that there is a strong likelihood of the validity of the patent. The patentee can convince the court of an existing infringement *inter alia* by providing samples of the infringing product, pictures, product brochures etc. Additionally an own experts opinion can be provided to demonstrate the infringement by a detailed analysis of the infringing conduct in comparison with the features of the patent in dispute. Regarding the validity, the patentee has to convince the court that there are no severe doubts about the validity of the patent. If any prior art is discovered which has not been considered in the patent granting procedure, the patentee has to discuss in his application why this does not affect the validity of the patent in dispute. To substantiate his position, it may be necessary that the patentee provides an own experts opinion which discusses the validity in detail. Further the patentee has to accredit that the patent in question is in force, the applicant is entitled to enforce the relevant patent rights and that urgent relief is needed.

(B) How long does it typically take to obtain a preliminary injunction in a patent matter?

The answer to this question mainly depends on whether the preliminary injunction is awarded *ex parte* or not. It is possible that a preliminary injunction can be awarded within one day without an oral hearing. In case the court wants to hear the defendant before making a decision, it usually takes several weeks to obtain a preliminary injunction, depending on the complexity of the relevant case and the obviousness of the infringing conduct.

(C) Would a 'temporary injunction' be granted in the meantime i.e. pending the outcome of the decision re grant of a preliminary injunction?

Under German law such a "temporary injunction" is not available.

(D) What is the typical cost of preliminary injunction proceedings?

It is difficult to make a general cost estimate. The court fees strictly depend on the value of the case. Regarding the attorney's fees (fees for the patent attorney and attorney at law) the costs depend on the complexity of the dispute and are slightly less than the costs for initiating patent infringement proceedings on the merits. In an average patent case the attorney's fees will be approximately between EUR 100.000 and 150.000.

(E) Is the procedure separate from proceedings on the merits? If so, is it necessary to commence proceedings on the merits?

The procedure for preliminary injunctions is separate from the proceedings on the merits. There is no statutory obligation to commence proceedings on the merits after a preliminary injunction has been granted. The defendant can request the claimant to commence such proceedings. Important to know is that rights to damages and the information for the calculation of the damages can become time-barred if the claimant does not start proceedings on the merits after the preliminary injunction has been granted.

4. What bond or undertakings are required in order to secure a preliminary injunction? What is the consequence in damages and costs if a preliminary injunction is awarded but the patentee is ultimately unsuccessful?

A preliminary injunction itself is generally awarded by the courts without the premises of a security payment. But the courts sometimes require a security payment for the enforcement of the awarded preliminary injunction. The amount of such security payment depends on the possible impact of the injunction on the defendant and is usually not under EURO 1 million. The security can be provided by a bank guaranty.

In case that a preliminary injunction is awarded but the patentee is ultimately unsuccessful, the defendant has a full damage claim against the patentee and can further claim refund of his attorney's fees (including fees for his patent attorney) according to certain statutory fee tables.

6. Any additional thoughts on the likelihood of obtaining a preliminary injunction or the tactical considerations that could be relevant.

From a tactical point of view, it is worth to mention that in German proceedings it is possible to apply for a preliminary injunction and discuss the likelihood of success with the relevant judge confidentially without any notification to the defendant. If the court indicates in such an informal discussion that the requirements to award a preliminary injunction are not fulfilled, the applicant has the possibility to withdraw his application "silently". The effect is that the defendant will never get to know that the patentee once applied for a preliminary injunction against him.

Further, to obtain a preliminary injunction *without* an oral hearing it is usually necessary to send a prior warning letter to the defendant. Contrariwise a warning letter bears the risk that the defendant might send a protective letter to the court, which usually leads to an oral hearing. The alternative would be to apply directly for a preliminary injunction *with* an oral hearing. The question which option should be preferred is subject to the individual case. Important aspects for the balance of pros and cons are the arguments for the validity of the patent and the obviousness of the infringement.

7. If a preliminary injunction is not granted, how long would it take to achieve a decision on the merits of the case? Is there a procedure by which these proceedings could be expedited?

The time for a decision on the merits of the case varies from court to court. The Mannheim court is particularly fast (less than a year) but they are reluctant to proceed with infringement cases if the patent has been amended in a pending EPO procedure. Procedures in Düsseldorf (the most popular patent trial forum for patentees in Europe) takes a little bit more time (12 to 15 months) but the Düsseldorf patent chambers are prepared to rule on validity challenges based on their own expertise. The Munich patent chamber tends to ask for an external expert opinion which further delays the procedure. The time which procedures take in other first instance courts is rather unpredictable and can vary from very fast (6 to 8 months) to several years.

Under German law there are no possibilities to expedite the proceedings.

Source: Simmons & Simmons Düsseldorf (www.simmons-simmons.com)

For more information: info@ipeg.com



Preliminary Injunction - The Netherlands

1. **How common is it for preliminary injunctions to be awarded in patent infringement actions?**

Preliminary injunction proceedings can be initiated in the Netherlands, subject to certain restrictions. If the court is of the opinion that the patent is infringed and that there is not a significant chance that the patent will be revoked in opposition proceedings and/or nullity proceedings, the Dutch court is likely to grant a preliminary injunction. However, it is not uncommon that the subject matter will be considered too complex to be dealt with in preliminary injunction proceedings. Therefore, preliminary injunctions are not granted very often in complex patent infringement cases.

2. **What are the considerations that a court would weigh up in determining whether or not to award a preliminary injunction?**

Urgent interest

In most preliminary injunction proceedings in patent infringement cases, it is assumed that the patentee has an urgent interest to act against infringement of its patent, provided that the patentee has not waited too long before initiating preliminary injunction proceedings.

Validity of the patent

In preliminary injunction proceedings the Dutch court will not render a decision in respect of invalidity arguments. The court will however anticipate on the outcome of the proceedings on the merits and/or the opposition proceedings. If the court is of the opinion that there is a significant chance that the patent will be revoked in opposition proceedings and/or nullity proceedings, the Dutch court is likely to decline the preliminary injunction.

If the patent has been revoked in opposition proceedings, it is not likely that the court will grant a preliminary injunction, unless the patentee proves that the Opposition Division has made an obvious mistake and/or there is new information that has not been taken into account in the opposition proceedings.

If the patent has been upheld in Opposition, it is likely that the court will assume the validity of the patent, especially if the arguments in the Opposition Proceedings are identical to the arguments put forward by the defendant in the nullity action and if the Opposition Division has dealt with the invalidity arguments extensively. If however the court is of the opinion that there is a reasonable chance that the patent will be revoked in appeal proceedings, (i.e. because of the fact that the Opposition Division has made an obvious mistake, or has not taken into

account certain (new) documents) it is likely that the court will decline the preliminary injunction.

Infringement

In the preliminary injunction proceedings the Dutch court will deal with the infringement arguments on a *prima facie* basis. If the court is satisfied that the patent is being infringed, it is likely that the court will grant a preliminary injunction (provided that the patent is considered to be valid). If there is a complex debate between the parties about whether or not the patent is being infringed, the court will be more reluctant to grant a preliminary injunction.

Complexity of the case

If the patent infringement case is considered to be too complex to be dealt with in preliminary injunction proceedings and if it is not possible for the court to assess on a *prima facie* basis if the patent is being infringed, the court will decline the preliminary injunction.

Balance of interest

Ultimately, a balance of the parties' interest will be decisive. The court will weigh the interests of the patentee in granting the injunction against the interests of the defendant in declining the injunction.

3. **What is the balance between the substantive issues of infringement and validity, on the one hand, and other considerations, such as urgency/delay, the 'risk of injustice' or 'balance of convenience' – the impact that granting (or not granting) the injunction would have, on the other hand?**

The patentee's legitimate interest to enforce its patent against infringing parties will in most cases prevail, unless there are exceptional circumstances that justify that the defendant's interests should prevail. The mere fact that the other party will suffer considerable damages will not be enough, especially not if the patentee offers security. If there is no doubt about the infringement and if the patent is considered to be valid on a *prima facie* basis, it will be likely that the court will grant a preliminary injunction, unless there are exceptional circumstances as a result of which the interests of the defendant should prevail.

4. **We summarise the procedure for obtaining a preliminary injunction:**

- (A) **What evidence would the patentee be required to submit?**

The patentee will have to prove that he is proprietor of the patent, or that he is entitled to enforce the patent as a licensee (and/or on the basis of a power of attorney) and that the patent in suit is in force.

Furthermore, the patentee has to prove sufficient likelihood of infringement. He has to substantiate that the product and/or method used by the defendant falls within the claims of the patent. To this end the patentee may submit "claim charts" in which the claims of the patent are being compared to the product on a feature by feature basis and/or he may

submit a report of a patent attorney or an expert in which the infringement is further substantiated. Furthermore, the patentee has to provide evidence of a (threatening) infringement.

The parties are free to offer evidence. They may submit witness statements, expert reports and/or written documents. Given the nature of the proceedings, it is not common that the court will allow witness hearings in preliminary injunction proceedings.

(B) How long does it typically take to obtain a preliminary injunction in a patent matter?

Depending on the schedule of the court, a preliminary injunction in a patent matter can be heard within two weeks as from notification of the writ of summons. If the matter is very urgent, a hearing can be requested on shorter notice. In general the decision will be rendered within about three weeks after the hearing. This period can be shortened as well. The appeal proceedings take somewhat longer, as the parties have to submit written statements prior to the hearing. In urgent proceedings the court of appeal can expedite the appeal proceedings.

(C) Would a 'temporary injunction' be granted in the meantime i.e. pending the outcome of the decision re grant of a preliminary injunction?

There are no temporary injunctions that can be requested pending preliminary injunction proceedings as such. It is however possible to request permission to seize infringing products.

(D) What is the typical cost of preliminary injunction proceedings?

The costs of preliminary injunction proceedings in first instance amount to EUR 120.000 – 175.000, depending on the complexity and the scope of the matter.

(E) Is the procedure separate from proceedings on the merits? If so, is it necessary to commence proceedings on the merits?

The preliminary injunction proceedings are separate from proceedings on the merits. In its preliminary decision, the court will determine a reasonable period within which the parties will have to start proceedings on the merits. If the parties do not initiate the proceedings on the merits within this period, the preliminary decision will lose its effect upon lapse of this period. It is possible to request a preliminary injunction pending the proceedings on the merits.

5. What bond or undertakings are required in order to secure a preliminary injunction?

There is no bond or undertaking required in order to secure a preliminary injunction.

6. What is the consequence in damages and costs if a preliminary injunction is awarded but the patentee is ultimately unsuccessful?

If the patentee is ultimately unsuccessful (in appeal against the preliminary injunction order or on the proceedings on the merits), he will be liable for all damages the defendant suffered as a result of the enforcement of the preliminary injunction. Furthermore, based in the new EC Enforcement Directive, the patentee may be ordered to pay the reasonable costs the defendant made to defend its position (this includes all lawyer fees).

7. If you have any further thoughts on the likelihood of obtaining a preliminary injunction or the tactical considerations that would be relevant then please identify these.

There are a number of patent infringement cases, dated after the *GAT/LuK* decision of the European Court of Justice, in which the Dutch court granted a preliminary cross border injunction. According to the Dutch court, it can grant a cross border injunction in preliminary injunction proceedings because it does not give a final decision on validity and or infringement but a preliminary decision. If the patent infringement case can be presented to court as a simple and straightforward case, there is a reasonable chance that the court will grant a cross border preliminary injunction.

8. If a preliminary injunction is not granted, how long would it take to achieve a decision on the merits of the case?

Regular proceedings on the merits normally have a duration of two and a half years. The duration can be shortened if the parties allow only limited extensions for submitting their written statements. The appeal proceedings on the merits approximately have a similar duration.

9. Is there a procedure by which these proceedings can be expedited?

In the Netherlands, the patentee can request the court to apply an accelerated regime for patent proceedings. If the request is granted, the court will predefine a schedule to which the parties have to adhere. Accelerated patent proceedings have a duration of approximately one year from the writ of summons to the final judgement.

For more information: info@ipeg.com

Source: Severin de Wit/Fleur Westerhuis



Preliminary Injunction - United Kingdom

1. **How common is it for preliminary injunctions to be awarded in patent infringement actions?**

The award of a preliminary injunction will always be a matter for the Court's discretion, taken into account the criteria mentioned under (2).

2. **What are the considerations that a court would weigh up in determining whether or not to award a preliminary injunction?**

The criteria for deciding whether or not to grant a preliminary injunction are in summary:

- Is there a serious issue to be tried – i.e. an arguable case?

The Court will not hear detailed argument as to whether the patent is valid and infringed at this stage. Case law suggest that even where the patent may be weak, only a clear case of invalidity (such as lack of novelty on the basis that the inventors have prior published) will result in the application being refused on the basis that there is not a serious issue to be tried.

A consequence of the requirement that the patentee shows an "arguable case" is that the defence to an application for a preliminary injunction is likely to include a counterclaim for summary judgment (i.e. to revoke the patent). If the case on the merits is weak this is something that should be taken into account when weighing up the pros and cons of applying for a preliminary injunction.

- Are damages an adequate remedy?

In most patent cases this will be a difficult hurdle to overcome since the patentee will be able to recover its market share from the Defendant and payment of damages will compensate it for the lost sales which it has suffered. The assumption will be that damages will be an adequate remedy for the loss suffered by the patentee pending final resolution of the merits of the case.

- Where does the 'balance of convenience' lie?

The merits of the case will not be taken into account in deciding where the 'balance of convenience' lies. Other factors that may have a bearing on the decision to award a preliminary injunction include the following:

- A preliminary injunction will not be granted where the patentee has delayed. If the patentee is seriously concerned about the damage to its

business, the Court expects that it will act quickly when it first learns that the Defendant has launched its product or is about to do so. If, on the other hand, the patentee knows of the Defendant's activities but does nothing, the Court is very much less likely to believe that the patentee genuinely fears that it will suffer irreparable harm. As a general rule, if the patentee delays more than one or two months before seeking a preliminary injunction, its chances of obtaining this relief are very significantly reduced.

- If the patentee has a track record of licensing the patent in question, a Court will normally take the view that a royalty payment in respect of past sales would adequately compensate the patentee.
- If the Court decides that damages are an adequate remedy but doubt exists as to the ability of the Defendant to compensate the patentee for its loss pending trial, the Court may seek to protect the patentee by requiring the Defendant to pay a suitable amount into court or to a bank account in the names of the parties' solicitors. If the Defendant will not undertake to make such a payment an injunction may be awarded.

3. **What is the balance between the substantive issues of infringement and validity, on the one hand, and other considerations, such as urgency/delay, the 'risk of injustice' or 'balance of convenience' – the impact that granting (or not granting) the injunction would have, on the other hand?**

As indicated above establishing that there is a serious issue to be tried (i.e. that the patent is not plainly invalid and there is an arguable case on infringement) will be enough to deal with the substantive issues of infringement and validity. Once this hurdle has been taken, the focus will shift to the 'balance of convenience' arguments and it is here that the decision of whether or not to award the injunction will rest.

4. **The procedure for obtaining a preliminary injunction:**

(A) **What evidence would the patentee be required to submit?**

Formalities: Eviden must be submitted by the patentee to establish that it is the proprietor (or exclusive licensee) of the relevant patent, that the patent is in force and that it has never been successfully challenged. The patentee would also need to indicate that it is prepared (and able) to give a cross-undertaking in damages should the injunction ultimately prove to have been wrongly granted.

Evidence that there is a serious issue to be tried: The patentee would need to submit evidence to demonstrate that the product would fall within the claims of the patent. The patentee should also give evidence of the threatened infringing act. This may take the form of a witness statement exhibiting the pre-action correspondence or a witness statement from a representative of the patentee.

Balance of convenience evidence: This would include the evidence to establish that damages would not be adequate compensation and the patentee will suffer potentially irreparable harm if an injunction is not granted.

We would expect the Defendant to counter with its invalidity and non-infringement arguments, together with evidence to refute the patentee's "balance of convenience" arguments and to establish that it will suffer an unquantifiable loss of the injunction is granted.

(B) How long does it typically take to obtain a preliminary injunction in a patent matter?

Usually, the hearing which will decide whether an injunction should be granted will take place within about two months of the application being made.

(C) Would a 'temporary injunction' be granted in the meantime i.e. pending the outcome of the decision re grant of a preliminary injunction?

Expectedly the infringing party would undertake to stay off the market until after the hearing of the application for a preliminary injunction or a temporary injunction could be granted as a holding measure.

(D) What is the typical cost of preliminary injunction proceedings?

We would expect that proceedings for a preliminary injunction would cost in the range of about £75,000 to £200,000 depending largely on how strongly the Defendant resists the application.

(E) Is the procedure separate from proceedings on the merits? If so, is it necessary to commence proceedings on the merits?

An application for a preliminary injunction will be sought as part of the main case on the merits. Often the Claim Form will be issued at the same time as the application notice for a preliminary injunction. As noted above the patentee can apply for a temporary injunction until the full hearing of the preliminary injunction application, sometimes even without giving notice to the Defendant.

5. What bond or undertakings are required in order to secure a preliminary injunction? What is the consequence in damages and costs if a preliminary injunction is awarded but the patentee is ultimately unsuccessful?

If a preliminary injunction is granted, the patentee will be required to give a "cross-undertaking as to damages". The undertaking ensures that, in the event that the preliminary injunction is granted but the patentee does not succeed at trial, the patentee will pay such damages as, in the opinion of the Court, compensate the Defendant for the loss suffered as a result of the grant of the injunction.

Usually the Court will reserve a decision on the appropriate order as to costs until the conclusion of the trial.

6. If a preliminary injunction is not granted, how long would it take to achieve a decision on the merits of the case? Is there a procedure by which these proceedings could be expedited?

The time for a case to proceed to trial in the Patents Court is about 1 year, and in appropriate cases the Court can set a time for the trial date within 6 months or even less. Even in complex patent litigation such as telecom or electronic matters, the proceedings could be 'fast tracked' to reach trial within about 6 months if a preliminary injunction is sought but not granted. Similarly if an injunction is granted a date for trial could be set within about 6 months (to minimise the harm done to the Defendant).

For more information: info@ipeg.com

Source: Simmons & Simmons London (www.simmons-simmons.com)