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The practice of claiming a court injunction ordering an implementer to cease and desist from infringing a patent

by **Uwe Scharen**

Former Presiding Judge at the Federal Court of Justice of Germany.

November 2018



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Suggested citation

Scharen, Uwe. The practice of claiming a court injunction ordering an implementer to cease and desist from infringing a patent (November 2018). 4iP Council.

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Abstract

This paper looks at the practice of the German courts regarding the provision of injunctive relief to patent holders. After a brief analysis of the German substantive law governing patent holders' claims for injunctive relief, the author presents the legal remedies available to the patent holder under German law for protecting and enforcing such claims. Available remedies include suits for granting an injunction in ordinary court proceedings as well as requests for preliminary injunction in proceedings for interim relief. The author presents the respective procedures, including appeals and stays. The author further analyses the court practice in interpreting the substantive law and also points out potential defences available to the implementer. The analysis shows that there are a number of safeguards built into the German legal system to ensure that equitable remedies are available, reflecting the legal position and interests of both the patent holder and the implementer.

A. Substantive law

¹ This paper has been commissioned by 4iPCouncil (<https://www.4ipcouncil.com/>). Nevertheless, the opinions raised in this paper represent the author's opinions and do not necessarily reflect 4iPCouncil or 4IPCouncil's members' opinions.

In general, German statutory civil law is shaped by the assignment of subjective rights (claims) to legal entities. A right arises and exists if, in each individual case, it is established that the conditions stipulated by law are met (including the non-existence of any statutory limitations). There is no need for any furthergoing examination or finding, including the examination of the proportionality of the exercise of a right (provided that proportionality is not a precondition for its establishment and existence).

Under which conditions the patent holder (or any other person entitled to respective protection) has a subjective right to require third parties to cease and desist from infringing the patent (claim for injunctive relief) is laid down in Section 139 Subsec. 1 of the German Patent Act (Patentgesetz; PatG). This right arises and exists, if there are “serious grounds for concern” that the third party will in future use the patented invention contrary to Sections 9 to 13 PatG - and hence infringe the patent unlawfully. Sections 9 and 10 PatG list acts which third parties are prohibited from performing; Sections 11 - 13 PatG exclude certain acts from that prohibition.

According to established German case law “serious grounds for concern” over future infringement will usually be presumed to be given, if the third party has already performed a prohibited act at least once in the past. Concern over future infringement can also be established on other circumstances of each individual case.

Unlike what may be the case in other legal systems, in Germany, the establishment and existence of the subjective right to claim for injunctive relief prohibiting patent infringements is not subject to the court’s determination on whether the prohibition is justified in view of the other circumstances of the individual case. Nor does the question of whether such a prohibition would be proportionate or not constitute a criterion for the establishment of the right to claim for injunctive relief under Section 139 Subsec. 1 PatG. For this, it will usually be sufficient that the third party has already committed an act of infringement.

Article 3 para. 2 of Directive 2004/48/EC requires that the Federal Republic of Germany provides fair and just measures, procedures and legal remedies to enforce intellectual property rights. From this provision, one could derive a need to make the establishment and existence of the right to injunctive relief subject to the

condition that the prohibition is proportionate in view of the specific circumstances of the case. Accordingly, it could be argued that German courts might be obliged to turn this additional requirement into a precondition, in order to ensure that Section 139 Subsec. 1 PatG is interpreted in a way that conforms with the Enforcement Directive.

As far as it can be seen, however, the German Regional and Higher Regional Courts specialising in patent litigation have not perceived any need to amend their practices, yet. There are good reasons for this. While the German legislator expressly made the establishment and existence of other subjective rights that might ensue from using the patented invention subject to proportionality, he has not done so with respect to the right to injunctive relief.

In the course of the implementation of the Directive into German Law through the Act to Improve the Enforcement of Intellectual Property Rights of 07.07.2008, the German legislator provided for an exclusion on the grounds of disproportionality only with regard to claims other than the claim for injunctive relief, and this only in exceptional cases. Consequently, the Düsseldorf Regional Court² found that an exclusion of the patent holder's claim for injunctive relief based on disproportionality cannot be applied by means of analogy, since an unplanned loophole in the law – which according to established case law is a prerequisite for an analogy – is missing. This is the case, because in the aforementioned Act the German legislator laid down respective restrictions only regarding the other subjective rights of the patent holder. Indeed, this fact leads to the inverse conclusion.

Under German law the establishment and existence of the right to an injunction against patent infringements is not subject to any considerations of proportionality. To disregard this fact would mean adopting an interpretation contrary to German national law. Such an interpretation is either demanded nor permitted by the requirement of interpreting the law in conformity with the Directive. Moreover, this interpretation method cannot be used as a basis for interpreting national law "*contra legem*".³

Since an unplanned loophole in the PatG allowing analogies is missing,

² 9.03.2017, 4a O 137/15 item 178.

³ ECJ, 4.07.2006, C-212/04 item 110, coll. 2006, I 6057 = NJW 2006, 2465.

there is also no room for an application of Section 100 of the German Copyright Act (Urheberrechtsgesetz, UrhG) on the right to an injunction against patent infringement by way of analogy. Section 100 UrhG stipulates that a person who has infringed a copyright, without acting intentionally or negligently, may prevent an injunction by indemnifying the copyright owner in money. This is, however, only the case, if an injunction would cause a serious and disproportionate injury to the infringer's interests and if the copyright holder may reasonably be required to accept redress in money.

Finally, reference should also be made to the "Wärmetauscher"⁴ (Heat exchanger) judgment of the 10th Civil Division of the German Federal Supreme Court of Justice (Bundesgerichtshof, BGH). In this decision, the BGH held for the first time that a third party who has used the patented invention unlawfully may be granted a period to use up the products infringing the patent. The reason for this is providing the implementer with the time needed to bridge the change-over and to remove infringing items. This measure is, however, only conceivable, if due to the special circumstances of the individual case the immediate enforcement of the right to injunctive relief would cause disproportionate hardship for the implementer, even when weighed against the interests of the patent holder. In other words, the measure is only justified, when the usual consequences of enforcing the exclusivity right granted to the patent holder would lead to a hardship for the implementer to the extent that enforcing the right through an injunction would conflict with good faith.

Nevertheless, from the "Wärmetauscher"⁵ judgment of the BGH it cannot be derived that the court implies a limitation of the right to injunctive relief on a substantive law level (and not only with respect to the question of whether and to what extent that right may be prosecuted and enforced by court action). The current presiding judge of the 10th Civil Division of the BGH has expressed the opinion⁶ that, in the light of Directive 2004/48/EC, granting of a change-over period to the implementer could be seen as a certain limitation of the right to injunctive relief by the principle of proportionality, although this is, in principle, granted without restriction. Even if one would share this understanding, all that can be

⁴ 10.05.2016, X ZR 114/13 items 41 ff., GRUR 2016, 1031.

⁵ 10.05.2016, X ZR 114/13 items 41 ff., GRUR 2016, 1031.

⁶ Meier-Beck, GRUR 2017, 1065

inferred from the “Wärmetauscher” judgment in this respect is that the aspect of the disproportionality may impact the right to injunctive relief only in very rare exceptional cases. Even then, only a limited and temporary suspension of the right to injunctive relief is appropriate.

In conclusion, under German Law, as a rule, the right to injunctive relief against patent infringements arises and exists, if the third party has unlawfully used the patented invention at least once or if such a use can seriously be expected.

B: The trial for injunctive relief in the first instance

I. The procedure

Court action claiming the right to injunctive relief must be taken before the civil courts. The trial is conducted in accordance with the rules of the German Code of Civil Procedure. The action must be filed by an attorney at law and brought before the Regional Court competent to decide on patent matters, which has local jurisdiction. It is in any case mandatory for the implementer, either in its role as defendant (in ordinary proceedings) or respondent (in proceedings regarding preliminary injunctive relief) to be represented by an attorney at law.

The court decides over the suit for injunctive relief only after an oral hearing. Nevertheless, as stipulated by statutory law, the greater part of the proceedings is conducted in writing through briefs filed by the parties. The implementer is given an opportunity to respond to the written suit of the patent holder by filing a brief (statement of defence). The patent holder may react in writing to this brief (reply). After that, the implementer may comment again in writing (rejoinder). The deadlines for filing the statement of defence, reply and rejoinder are fixed by the court. Following a reasoned request, an extension of the respective deadlines is possible. Usually, the final part of the proceedings in the first instance is the oral hearing in court. Some Regional Courts assigned to decide on patent matters hold a kind of preliminary hearing either after the suit (Düsseldorf) or after the statement of defence (Munich) has been filed, in order to assess the best way to continue the proceedings, to fix the necessary deadlines in a meaningful way or to provide any

necessary guidance to the parties.

The ordinary oral hearing takes usually place within little over than a year after the suit is filed (in cases the court does not hold a preliminary hearing, the respective time period can be shorter). In the oral hearing, after the parties have stated their motions, the presiding judge will usually sum up the facts and legal issues in dispute, as they have emerged from the parties' briefs. The parties are then given an opportunity to explain orally their opinions on the issues that have been raised in the briefs exchanged and to answer any questions the court might have. In some cases, it is possible that additional comments may be requested from the parties. Provided the court does not consider it necessary to take evidence, which, in turn, makes a further oral hearing necessary, the judgment in the first instance is usually handed down within four to six weeks after the oral hearing was held.

To sum up, the ordinary German Regional Courts competent for patent matters are called upon to decide on patent holders' suits for injunctive relief. Courts decide only after an oral hearing, which follows the exchange of written submissions by the parties. Some Regional Courts decide to also hold a kind of preliminary hearing, particularly in order to address organizational issues regarding the proceedings with the parties.

II. How Courts Assess the infringement question

The briefs preparing the oral hearing and – where disagreement incurred over any particular aspects – the hearing itself always have to deal with the following questions:

1. How is the patent claim, on which the suit for injunctive relief is based, to be understood?

This must be answered by interpreting the wording of the patent claim, taking account the description, any drawings and other claims⁷ of the patent, provided the description can be read as an explanation of the relevant claim and useful information can be gained from the drawings and other claims. The interpretation produces a certain

⁷ BGH, 10.05.2016, X ZR 114/13 item 15, GRUR 2016, 1031 - Wärmetauscher.

meaning (true meaning or inherent meaning) and reveals the features that need to be combined in order to implement the meaning of the patent claim.

2. What is the nature of the embodiment (product, apparatus, use, method etc.) which is asserted by the suit for injunctive relief?

3. Has the implementer already used those embodiments in a way that is reserved to the patent holder under Sections 9 – 13 PatG, or is there a serious threat of such a use by the implementer?

4. Does that embodiment implement all the features determined by the interpretation and hence the meaning of the patent claim?

According to the case law of the BGH, question number 1 is a legal question⁸ and, as such, must be answered by the court autonomously⁹, so that the parties can insofar only state their opinions on the subject. In many ways, however, the answer must also be based on facts.

The court needs to understand the technology concerned, and must establish the understanding of the patent claim from the point of view of the person skilled in the art. It is, therefore, necessary for the technology to be explained and for details to be provided as to what constitutes the common general knowledge in the field of technology concerned, and also what can be regarded as the average knowledge, experience and skills of the experts working in the field at the time the patent was granted. What, therefore, matters are factual circumstances. For example, what technical factors are important for the patented teaching, or who can be considered the person of average skill in the relevant art and what training could influence his view.¹⁰

The facts needed to answer the above questions, and, in particular, the facts allowing questions number 3 and 4 to be answered affirmatively, have to be presented by the patent holder in his briefs. If these facts are disputed by the implementer, the patent holder must provide full evidence of the disputed facts by the means of the evidence permitted by law.

If the court reaches the conclusion that an embodiment implementing all

⁸ BGH, 14.12.2010, X ZR 193/03 item 15, GRUR 2011, 313 - Crimpwerkzeug (Crimping tool) IV.

⁹ BGH, 2.06.2015, X ZR 103/13 item 20, GRUR 2015, 972 – Kreuzgestänge (Cross-linkage).

¹⁰ BGH, 22.12.2009, X ZR 56/08 item 27 f., GRUR 2010, 314 - Kettenradanordnung (Chain wheel assembly) II.

features of the patent claim according to the interpretation of the court has been used contrary to Sections 9 – 13 PatG, or if there is a risk of such use, patent infringement is established. This is known as a literal patent infringement, or an infringement by identical means.

In case that the embodiment in suit deviates from the meaning of the patent claim at least in one feature, a patent infringement can still be established. The patent holder then can (and, indeed, must, if the court is to find against the implementer)¹¹ establish that a case of use by equivalent means is given. If the implementer disputes the respective facts asserted, the patent holder has to provide evidence for these facts.

A use by equivalent means is given, when three requirements are met: First, the attacked embodiment allows to achieve the same effect with the patent claim despite its modification.¹² Second, the attacked embodiment can or could be identified to have this effect by a person skilled in the art when searching for an equivalent solution. Third, the considerations which - from the point of view of the skilled person - are or were necessary for identifying the attacked embodiment, are orientated towards the meaning of the patented teaching¹³ and – apart from the fact that their result is a variation that achieves the same effect – do not depart from the meaning of the patent claim.

If the court reaches the conclusion that an identical or equivalent use of the teaching of the patent claim is established, it will usually grant the requested injunction to the patent holder.

To sum up, in judging on the infringement question, the court will usually have to interpret the asserted patent claim, first, in order to establish its true or inherent meaning. On this basis, the court will examine whether the embodiment in suit implements all features of the patent claim and, if so, the implementer has used it in an unlawful manner (particularly contrary to Sections 9 - 13 PatG). If these questions are answered positively, an injunction will be granted. An injunction can also be granted, even if the embodiment in suit does not implement all features of the patent claim, provided that the patent holder will be able to

¹¹ BGH, 6.05.2014, X ZR 36/13 item 12, GRUR 2014, 852 – Begrenzungsanschlag (End stop).

¹² Cf. BGH, 13.01.2015, X ZR 81/13 item 19 – Kochgefäß (Cooking pot).

¹³ BGH, 14.06.2016, X ZR 29/15 items 48 f., GRUR 2016, 921 – Pemetrexed.

establish use of the patent by equivalent means. For this purpose, the court is required to positively establish three requirements, including that the embodiment in dispute allows to achieve the same effect with the patent claim, despite its modification.

III. Possible defences open to the implementer against an injunction

An injunction can, however, still be denied. For instance, the court has to deny granting an injunction, even if there has been a use by equivalent means, if a patent claim with a wording encompassing the attacked embodiment should not have been granted, considering the state of the art at the point the claim received its priority date.¹⁴ The facts needed for this defence must be presented by the implementer. If disputed by the patent holder, these facts have to be proven by the implementer. This so called “Formstein defence” has any prospects of success, however, only when a literal infringement of the patent claim can be ruled out *a priori*.¹⁵

An injunction can also be granted, in case the implementer limits his defence only to asserting that the patent claim in dispute should never have been patented. The best result that the implementer can hope to achieve with this defence is a stay in the infringement proceedings. The reason for this lies in the “separation principle” recognized by German law. According to this principle the infringement courts do not have the competence to decide on the validity of a granted patent.

Besides the “Formstein defence”, the implementer has also other promising defences for preventing the court from granting an injunction to the patent holder. A patent holder, as every claimant, is generally required to have an interest in gaining legal protection from the courts. Although such an interest is normally presumed to exist in connection with court actions requesting performance, including actions for injunctive relief, there are exceptional cases in which it can be absent. In addition, recourse to litigation must, in general, not constitute an abuse of law or be disproportionate, both restrictions derived from

¹⁴ BGH, 29.04.1986, X ZR 28/85, GRUR 1987, 279 - Formstein (Shaped kerbstone).

¹⁵ BGH, 17.02.1999, X ZR 22/97, GRUR 1999, 914 – Kontaktfederblock (Contact spring packet).

the principle of good faith.¹⁶ This opens up the possibility for the implementer to prevent the court from granting an injunction against him, by asserting respective facts backed up by adequate evidence in the infringement proceedings.

With respect to claims for injunctive relief, forfeiture of rights can occasionally be considered. A forfeiture of rights is given, when the patent holder has remained inactive over a lengthy period, even though he was aware of the infringement of his rights or ought to have known about it, if he had exercised due care in safeguarding his interests. Furthermore, the forfeiture of rights requires that the implementer was entitled to trust that his conduct was being tolerated by the patent holder and factually established a relevant *acquis* (for example a clientele for the infringing product). These cumulative requirements create vested rights in favour of the implementer.¹⁷

However, even if the aforementioned requirements are met, courts always have to weigh up all the circumstances of the particular case, in order to examine whether the implementer can reasonably be expected to comply with the patent holder's claims anyway.¹⁸ Due to the restrictive handling of this legal instrument by the courts,¹⁹ a defence based on forfeiture of rights plays virtually no practical role in patent infringement proceedings.

Another group of possible defences are the cases in which the implementer has a claim for being granted a licence by the patent holder, or in which the implementer can, at least, expect the grant of a licence. Since a licence, once granted, entitles the licensee to actions of use, the principle of "*dolo agit, qui petit, quod statim redditurus est*"²⁰ applies and offers grounds for respective defences against the patent holder.

First, defences belonging to this group may arise in connection with proceedings for the grant of a compulsory licence pursuant to Section 24 PatG initiated by the implementer against the patent holder before the Patent Court parallel to the infringement proceedings. If the implementer manages to demonstrate to the Regional Court, before which the infringement proceedings

¹⁶ OLG Karlsruhe, 23.04.2015, 6 U 44/15, GRUR-RR 2015, 326 with further references

¹⁷ BGH, 19.12.2000, X ZR 150/98 item 25, GRUR 2001, 323 – Temperaturwächter (Temperature monitor).

¹⁸ OLG Düsseldorf, 17.12.2015, I-2 U 30/10 item 187.

¹⁹ Cf. OLG Karlsruhe, 9.11.2016, 6 U 37/15 item 116.

²⁰ Cf. BGH, 6.05.2009, KZR 39/06 item 24, GRUR 2009, 694 – Orange-Book

are pending, that the statutory requirements for such a grant are met, the court will, first of all, stay the proceedings, until a final decision has been handed down by the Patent Court on the implementer's action.

Should the Patent Court grant the compulsory licence to the implementer, the Regional Court will dismiss the patent holder's suit for injunctive relief, as soon as the decision of the Patent Court has become final. It has, however, to be noted that the grant of a compulsory licence is only possible, when it is required by public interest and the implementer has undertaken unsuccessful efforts within a reasonable period of time to obtain the patent holder's consent to using the patented invention on reasonable business terms.²¹ Compulsory licences are, therefore, extremely rare.

Within the same group fall also potential antitrust defences in connection with cases, in which the patent in suit is recorded by a standardisation organisation as being standard-essential and the patent holder has declared to that organisation his willingness to grant a licence on so called FRAND terms. In these cases, there is some doubt as to whether the implementer, as an interested company, has acquired a direct right to such a licence on basis of the patent holder's declaration. In any case, the patent holder's declaration justifies the expectation of being allowed to use the patented invention on FRAND terms. Therefore, the assertion of the right for injunctive relief by the patent holder will most likely be regarded as an abuse of law, unless the patent holder has fulfilled its obligations before. Which circumstances are required, in order to reach this result, has not been clarified in every detail in the case law of the German courts of first instance, yet. The German courts of first instance apply, however, the principles set forth by CJEU²². For instance, courts consider that the holder of a standard-essential patent is obliged to alert the implementer about the facts of infringement²³ and to present him with a specific, written offer for a licence on FRAND terms. Only after the patent holder has (fully) met his obligations is he entitled to assert the statutory right to injunctive relief.²⁴

Furthermore, a defence based on a potential right of the implementer to

²¹ On the subject of the compulsory licence, cf. BGH, 11.07.2017, X ZB 2/17, GRUR 2017, 1017 – Raltegravir.

²² GRUR 2015, 764 – Huawei/ ZTE.

²³ LG Düsseldorf, 13.07.2017, 4a O 16/16 items 316 ff.; LG Mannheim, 17.11.2016, 7 O 19/16 item 77.

²⁴ OLG Düsseldorf, 13.01.2016, I-15 U 65/15 item 23; LG Mannheim, 17.11.2016, 7 O 19/16 item 78.

be granted a licence, can also occur from a supposed *de facto* obligation of a patent holder to grant a licence on FRAND terms, in case that the patent has deliberately been concealed from the standardisation organisation during the standard development process for the purpose of demanding excessive royalties, once the standard has been defined (known as a patent ambush).²⁵

Even in the case of patents which are not standard-essential, the patent holder can enjoy a dominant or pre-eminent position on the market going beyond the exclusive rights conferred upon him by the intellectual property right, because the demand for the technology concerned on the downstream market is in effect limited to items that make use of the teaching of the patent.²⁶ When the patent holder has already, at least, granted a licence to someone who has requested it,²⁷ anti-trust law (e.g. Article 102 TFEU) prohibits the patent holder from refusing to grant the implementer, as another participant in the downstream market, a licence on reasonable terms.

In line with that, the BGH ruled that an implementer sued under a patent can defend himself against the patent holder's suit for injunctive relief by arguing that the patent holder is abusing a dominant position on the market, if the latter refuses to conclude a licence agreement with the implementer on non-discriminatory and non-obstructive terms.²⁸ In view of the decision of the CJEU dated 16.07.2015 in the matter C-170/13, it can be expected that the principles established by the CJEU therein will also be applied in this context.²⁹

Whether besides Article 102 TFEU, Article 101 TFEU can also be used to build up defences against patent holder's claim for injunctive relief, has not been the subject of a BGH ruling, yet.³⁰ Courts of first instance have considered in some cases that this is possible.³¹ In other cases this result is rejected, because this provision stipulates as a legal consequence that agreements contravening anti-trust law are

²⁵ LG Düsseldorf, 31.03.2016, 4a O 73/14 item 320; LG Düsseldorf, 24.04.2012, 4b O 274/10 item 252; LG Mannheim, 27.11.2015, 2 O 106/14 item 198; on the legal consequences, cf. also LG Düsseldorf, 07.06.2011, 4b O 31/10 item 85.

²⁶ Market domination must be argued and – if disputed – proven by the Defendant, OLG Düsseldorf, 30.03.2017, I-15 U 66/15 item 151.

²⁷ Cf. OLG Düsseldorf, 29.04.2016, I 15 U 47/15 item 123, also on the abusive nature of a *de novo* refusal of a transaction in item 124.

²⁸ BGH, 6.05.2009, KZR 39/06 item 22, 27, GRUR 2009, 694 – Orange-Book-Standard.

²⁹ Cf. OLG Düsseldorf, 13.01.2016, I-15 U 65/15.

³⁰ Cf. OLG Karlsruhe, 29.08.2016, 6 U 57/16 item 30.

³¹ LG Mannheim, 21.11.2014, 7 O 23/14 item 39, Mitt. 2015, 286.

null and void.³²

In cases, in which the patent holder asserts claims against a party to earlier opposition proceedings, he can under certain circumstances be faced with a defence arising from the principle “*venire contra factum proprium*”. This is the case, when the patent holder asserts claims in the infringement proceedings based on an embodiment, for which the patent applicant has sufficiently clear declared in the opposition proceedings that he is not requesting patent protection.

If this declaration provided the basis for the maintenance of the patent claim concerned and if the opposing party was entitled to trust in the honesty and reliability of the patent applicant, then asserting a claim based on the embodiment in question conflicts with the principle of good faith.³³

The same ought to apply, if the declaration establishing trust was made in nullity proceedings. In the case of implementers, who were not involved in the opposition or nullity proceedings, these defence fails, however, because there is no special relationship with the patent holder established by the earlier proceedings. Parties not involved in opposition or nullity proceedings are bound to the principle that any circumstances during the grant procedure are irrelevant, when determining the scope of protection conferred by a patent.³⁴

Case law has also held that a request for injunctive relief also constitutes an abuse of law, when the patent applicant concealed citations or prior uses from the Patent Office with the intention to deceive. This is particularly true, when the concealed citations or prior uses would have led to the rejection of the patent application or if such conduct by the patent holder led to the maintenance of a granted patent by the Patent Office or to the dismissal of a nullity action (known as patent usurpation).³⁵ A similar situation is at hand, when the patent holder obtains a “truce” for a patent by means of an agreement with a nullity claimant, in order to escape nullification of the patent.³⁶

³² LG Düsseldorf, 19.01.2016, 4b O 122/14 item 353.

³³ BGH, 07.06.2006, X ZR 105/04 item 25, GRUR 2006, 923 – Luftabscheider für Milchsammelanlage (Air separator for milk collecting apparatus); BGH, 05.06.1997, X ZR 73/95, Mitt. 1997, 364 – Weichvorrichtung (Steeping device) II; LG Düsseldorf, 18.07.2017, 4a O 27/17 item 129.

³⁴ BGH, 12.03.2002, X ZR 43/01, GRUR 2002, 511 – Kunststoffrohrteil (Plastic tube part).

³⁵ Cf. BGH, 29.09.1964, Ia ZR 285/63, GRUR 1965, 231, 234 – Zierfalten (Decorative tucks), with further references

³⁶ Cf. BGH, 29.09.1964, Ia ZR 285/63, GRUR 1965, 231, 234 – Zierfalten, with further references

There is also case law of the BGH suggesting that no judgment in favour of the plaintiff can be rendered, if there is sufficient circumstantial evidence to allow the certain conclusion to be drawn that the plaintiff is solely pursuing objectives which have nothing to do with the trial.³⁷ Whether and when the implementer can make use of this defence against a suit for injunctive relief in infringement proceedings has not been the subject of discussion – as far as the author can tell. It does, however, appear conceivable that it can, for example, be classified as an abuse of law, if the patent holder, with the intention to impose excessive royalty rates, files his suit for injunctive relief exactly at the time when the implementer has prepared for entering the market (referred to as: untimely suit³⁸).

In trade mark related cases, the BGH has found that it constitutes an abusive exploitation of a formal legal position if a right holder registers a large number of marks for different goods or services, although he does not have any serious intention of using them, but instead hoards the marks for the purpose of, *inter alia*, raining down suits for injunctive relief on third parties using the identical or similar designations.³⁹ The respective case law cannot, however, simply be transferred to proceedings in which injunctive relief based on a patent is sought. While a trademark has, in principle, to be used in order to preserve its rights, German patent law does not provide for any kind of compulsory use of a patent by the patent holder.⁴⁰

The economic consequences the implementer has to face, in case that an injunction will be granted, will usually by themselves not suffice to dismiss a patent holder's suit for injunctive relief. The "Wärmetauscher" judgment of the BGH, which has already been mentioned, suggests that economic consequences can only be a reason for granting the implementer with a period, in which to use up products infringing the patent.⁴¹ Even for this mere postponement of the effect of the injunction, all the interests involved and their worthiness of protection must, however, be weighed up and balanced, taking good and bad faith into account.⁴²

The fact that the suit for injunctive relief is not directed against the

³⁷ BGH, 21.10.2016, V ZR 230/15 item 23, NJW 2017, 674; BGH 7.02.2013, IX ZR 138/11, NJW 2013, 1591.

³⁸ Cf. BGH, 02.03.2017, V ZR 172/16 item 4.

³⁹ BGH, 23.11.2000, I ZR 93/98 items 35, 39, GRUR 2001, 242 - Classe E.

⁴⁰ Cf. also LG Düsseldorf, 09.03.2017, 4a O 28/16 item 174 on further differences.

⁴¹ Cf. LG Düsseldorf, 9.03.2017, 4a O 137/15 item 177.

⁴² LG Düsseldorf, 9.03.2017, 4a O 28/16 item 175 with further references

manufacturer, but against a company on the next level of the distribution chain, instead, does not *per se* constitute an abuse of the right to injunctive relief. A principle stating that in the case of patent-infringing components embedded in an apparatus, the patent holder should take action exclusively against the manufacturer of those components, is not given.⁴³

In the literature, there have been some deliberations over whether and, if so, under which conditions (e.g. no own research or development activities) a patent holder shall be prevented by the principle of good faith from requesting injunctive relief, if he is not active himself in the market concerned. Also the question is discussed whether the request for injunctive relief can be countered on the grounds that the protected item is merely a subordinate part of a complex item and the complex item solely attracts customers' interest. As far as the author can tell, no German court has so far denied a request for injunctive relief on the above grounds.⁴⁴

To sum up, against a claim for injunctive relief the implementer can raise defences referring to the validity of the patent, including the so-called "Formstein defence". By asserting that the patent claim in suit should not have been granted, considering the state of the art at the point the claim received its priority date the implementer can reach stay in the proceedings. Particularly with respect to patents declared essential to a standard, defences derived from antitrust law (mainly Article 102 TFEU) may also be available to the implementer. Furthermore, the implementer can under certain circumstances defend himself by claiming that patent holder's suit constitutes an abuse of law (for instance, when the patent holder brings an action shortly before the implementer enters the market). Defences based on a forfeiture of patent holder's rights or implementer's potential claim to be granted a compulsory licence (Section 24 PatG), play, on the other hand, almost no role in infringement proceedings.

IV. Staying the infringement proceedings

In general, the Regional Court is given the legal possibility of staying its

⁴³ Quoting literally from LG Mannheim, 8.01.2016, 7 O 96/14 item 146.

⁴⁴ Cf. OLG Düsseldorf, 13.01.2016, I-15 U 66/15 item 11, NZKart 2016, 139; LG Düsseldorf, 24.04.2012, 4b 273/10 item 238.

proceedings upon defendant's request⁴⁵, if other proceedings anticipate certain issues. In the case of a suit for injunctive relief based on patent infringement, this possibility is opened and lies at the court's discretion, as soon as an opposition against the claim in suit has been filed with the European Patent Office or the German Patent Office, or a nullity suit is brought before the Patent Court.⁴⁶

The above legal remedies, however, do not *per se* constitute a reason to stay the proceedings on the suit for injunctive relief, until there has been a decision in the parallel proceedings (validity proceedings). This would *de facto* mean attributing to the attack on the patent the effect of inhibiting patent protection, an effect that German patent law does not establish. The stay of proceedings is therefore, in principle, only possible and necessary, if the infringement court, taking into account the status of the opposition or patent nullity proceedings⁴⁷ at the time the oral hearing, can and does expect with a sufficient degree of probability⁴⁸ that the patent claim asserted will be revoked or nullified.⁴⁹

In this context, the implementer must present and argue the facts⁵⁰ supporting this notion as well as submit the documents⁵¹, on which he is relying, to the infringement court. On this basis, the infringement court, after taking the patent holder's counter-arguments into consideration, has to predict the decision in the validity proceedings. In other words, the infringement court does not have to establish an own opinion on whether the patent claim was rightly granted, but rather only assess the likely outcome of the other proceedings.⁵² It is from this angle that the infringement court has to consider the grounds for revocation or nullity and the arguments presented on the merits, especially the citations filed in support.

In particular, the infringement court must examine⁵³ – in a summary

⁴⁵ LG Düsseldorf, 1.06.2017, 4b O 4/16 item 68.

⁴⁶ LG Düsseldorf, 1.06.2017, 4b O 4/16 item 68.

⁴⁷ BGH, 16.09.2014, X ZR 61/13 item 10, GRUR 2014, 1237 – Kurznachrichten (Short messages).

⁴⁸ According to LG Mannheim, 27.11.2015, 2 O 106/14 item 252, and LG Munich I, 21.04.2016, 7 O 5930/15 item 227, an overwhelming probability of success is necessary.

⁴⁹ E.g. BGH, 16.09.2014, X ZR 61/13 item 4, GRUR 2014, 1237 – Kurznachrichten; LG Düsseldorf, 13.07.2017, 4a O 16/16 item 464 with further references; LG Düsseldorf, 03.05.2016, 4b O 111/14 item 113; LG Düsseldorf, 31.08.2017, 4c O 36/16 item 107; LG Mannheim, 17.03.2017, 7 O 97/16 item 76.

⁵⁰ Cf. LG Düsseldorf, 19.01.2016, 4b O 122/14 item 423.

⁵¹ LG Düsseldorf, 29.09.2015, 4a O 132/14 item 137.

⁵² LG Düsseldorf, 9.03.2017, 4a O 137/15 item 212.

⁵³ LG Düsseldorf, 22.09.2015, 4c O 64/14 item 101.

manner⁵⁴ – whether it can be anticipated with a high degree of certainty that all prerequisites for validity are at place, i.e. that no major doubts about novelty remain⁵⁵ and that, no sufficiently reasonable arguments for the absence of the elements inventive step and patentability can be found.⁵⁶

Some courts are particularly hesitant to anticipate the absence of the element of the inventive step. The respective assessment requires a value judgement, which lies not in the competence of the infringement court, but must be made by the granting authorities.⁵⁷ As a rule, no evidence will, therefore, be taken on facts decisive for a ground for revocation, cancellation or nullity in the infringement proceedings.⁵⁸ Again, according to the “separation principle” recognized by German law, it is not the task of the infringement court to issue a final judgment on the validity of an intellectual property right.

Infringement courts will usually refuse to stay their proceedings, if the closest prior art cited consists only of items that were already taken into consideration in the grant procedure.⁵⁹ In general, a stay in the proceedings will also be denied, if the patent claim asserted has been maintained in the first instance⁶⁰ in opposition proceedings before the European Patent Office or the German Patent Office or if a nullity suit has been dismissed in the first instance,⁶¹ or if the European Patent Office or the Federal Patent Court has issued a negative preliminary opinion on the grounds for revocation or nullity which are also asserted in the infringement trial.⁶² As an exception, a stay of proceedings is, nevertheless, conceivable, if such preliminary opinion expresses mere reflections. The same is the case, if it is obvious to the infringement court that the assumptions made in the preliminary opinion are incorrect, so that it can be expected that (despite the preliminary opinion to the contrary) the patent claim asserted will be revoked or nullified in later oral hearings or in subsequent appeal

⁵⁴ LG Düsseldorf, 10.08.2017, 4b O 62/16 item 94; LG Düsseldorf, 21.04.2016, 4b O 6/15 item 98; LG Mannheim, 8.01.2016, 7 O 96/14 item 151.

⁵⁵ LG Düsseldorf, 03.11.2015, 4a O 93/14 item 167.

⁵⁶ LG Düsseldorf, 31.03.2016, 4a O 126/14 item 329

⁵⁷ As stated by LG Mannheim, 27.11.2015, 2 O 106/14 item 280.

⁵⁸ Cf. LG Düsseldorf, 21.04.2015, 4b O 7/14 item 129.

⁵⁹ LG Düsseldorf, 8.12.2015, 4a O 92/14 item 78; LG Düsseldorf, 21.04.2016, 4b O 6/15 item 98; LG Düsseldorf, 22.09.2015, 4c O 64/14 item 101; LG Munich I, 21.04.2016, 7 O 5930/15 item 228.

⁶⁰ LG Düsseldorf, 9.03.2017, 4a O 137/15 items 211 f.

⁶¹ LG Munich I, 12.02.2015, 7 O 9443/12 item 125.

⁶² LG Düsseldorf, 9.03.2017, 4a O 137/15 items 211 f.

proceedings.⁶³

When the patent holder defends the patent in suit in opposition or nullity proceedings only in a restricted manner, the infringement court will decide on a stay in the proceedings as follows: if the restriction in the defence of the patent results in the original grant act becoming obsolete, the infringement court will rule on the stay of proceedings in the same way, as if it had to decide with respect to an unexamined intellectual property right.⁶⁴ In that case, reasonable doubts on the validity of the intellectual property right will, as a rule, suffice for ordering a stay in the infringement proceedings.⁶⁵ That is the case, for example, when all or virtually all features of the characterising portion have been included in the prior art portion of the claim, meaning that they have subsequently proven not to be novel or inventive. If, on the other hand, the characterising portion is only expanded by newly included features, so that the act of grant tends to retain its meaning, a stay of the infringement proceedings shall be considered on basis of the facts of the case concerned.⁶⁶

In order to enable the infringement court to assess the possible outcome of validity proceedings pending against the patent claim in suit on the basis of an examination, which is only summary in nature, it may be required to submit German translations of any citations in foreign languages, at least when they are lengthy.⁶⁷

For answering the question whether the proceedings regarding a suit for injunctive relief should be stayed in view of a pending opposition or nullity suit, not solely the objective to avoid contradictory court decisions must be considered, but also the patent holder's interest in a prompt conclusion of the infringement proceedings.

The weight attached to that interest is all the greater, the later legal remedies regarding the validity of the patent are lodged.⁶⁸ The same is true, when the remedies regarding the validity of the patent are delayed due to the failure of the

⁶³ LG Düsseldorf, 9.03.2017, 4a O 137/15 items 211 f.; LG Munich I, 12.02.2015, 7 O 9443/12 item 125.

⁶⁴ LG Düsseldorf, 9.03.2017, 4a O 28/16 item 210.

⁶⁵ LG Mannheim, 2.08.2016, 2 O 257/15 item 97 with further references.

⁶⁶ LG Düsseldorf, 9.03.2017, 4a O 28/16 item 210.

⁶⁷ Cf. LG Düsseldorf, 4.07.2013, 4b O 13/12 item 58.

⁶⁸ BGH, 28.09.2011, X ZR 68/10 item 5, GRUR 2012, 93 – Klimaschrank (Climatic cabinet).

patent holder's opponent to conduct the respective proceedings in a due and proper manner. In these cases, the infringement court has to examine the likelihood of nullification of the patent particularly strictly.⁶⁹

As a general rule, a stay of the infringement proceedings will not be considered, if the implementer has only filed the opposition or nullity suit shortly before the hearing in the infringement proceedings or refers to an opposition or nullity suit brought against the patent holder by a third party only shortly before such hearing, so that the patent holder can no longer respond before the end of the oral hearing.⁷⁰

To sum up, courts, before which infringement proceedings are pending, should be overall very reserved about ordering a stay of proceedings. It has to be avoided, that such a decision ultimately leads to a suspension of the patent holder's right to prohibition for a considerable period of time.⁷¹ The practice of the German Regional Courts follows this principle. In the decisions of the last few years contained in the Juris-database, in the vast majority of cases, the motion for a stay of the infringement proceedings was rejected.

IV. Enforceability

A judgment in his favour entitles a patent holder to enforce the injunction in the event the implementer does not comply with the prohibition ordered. As a rule, the patent holder may enforce the injunction only after payment of the security fixed by the court. The security is fixed on basis of an estimate of the losses which the implementer is likely to suffer until the appeal court eventually modifies the judgment of the court of first instance.

The law allows the implementer to ward off enforcement by paying a security himself (irrespective of any security paid by the patent holder), provided that the enforcement would cause him a disadvantage which could not be remedied and no overwhelming interest of the patent holder in delaying

⁶⁹ LG Düsseldorf, 8.12.2015, 4a O 92/14 item 78; cf. also LG Mannheim, 8.01.2016, 7 O 96/14 item 151.

⁷⁰ LG Munich I, 21.04.2016, 7 O 5930/15 item 229.

⁷¹ LG Mannheim, 27.11.2015, 2 O 106/14 item 251.

enforcement exists. When weighing up the respective interests, as is then required, neither the circumstances arising from the enforcement, nor the disadvantages that usually result from an enforcement may be taken into account.⁷²

The implementer's request for protection against enforcement by the patent holder can, therefore, only be justified under special circumstances. In the weighing up and balancing of the respective interests, it is generally presumed that the patent holder has an overwhelming interest in the enforcement of his right to injunctive relief, since this right is limited to the remaining period of patent protection.⁷³

The legal remedy open to the implementer against the judgment awarding injunctive relief to the patent holder is an appeal to the Higher Regional Court (Oberlandesgericht, OLG). The Higher Regional Court may, upon request of the implementer, suspend the enforcement of the judgement against payment of a security by the implementer.⁷⁴ According to consistent case law, however, this is possible only in exceptional cases. In principle, suspension of enforcement can only be granted in two cases: First, if it can be established (by means of a summary examination at the time the court decides on the request for suspension) that the judgment under appeal is unlikely to be upheld. Second, if the implementer can show, supported by credible evidence, that there is a risk of concrete damage going beyond the normal effects of enforcement.⁷⁵

Equity considerations can also influence the Higher Regional Court's decision on the implementer's request for a suspension of enforcement. Particularly when the patent right is due to expire in the near future, any postponement of enforcement may be considered unacceptable, because it can render the right to injunctive relief completely devoid of meaning.⁷⁶

On the other hand, Karlsruhe Higher Regional Court held that suspending enforcement is to be considered, in case the implementer needs to remain able

⁷² LG Düsseldorf, 3.11.2015, 4a O 93/14 item 186.

⁷³ LG Düsseldorf, 24.04.2012, 4b O 273/10 item 288.

⁷⁴ Suspension without the provision of security can likewise be requested if the Defendant is not capable of providing security and enforcement would cause him irreparable damage.

⁷⁵ OLG Düsseldorf, 13.01.2016, I-15 U 65/15 item 4, Mitteilungen 2016, 85; OLG Karlsruhe, 23.04.2015, 6 U 44/15 item 17, GRUR-RR 2015, 326.

⁷⁶ OLG Düsseldorf, 13.01.2016, I-15 U 65/15 item 4, Mitt. 2016, 85; OLG Karlsruhe, 23.04.2015, 6 U 44/15 item 17, GRUR-RR 2015, 326 with further references.

to offer the product potentially infringing the patent in question on the same level of the distribution chain as licenced competitors, and the patent holder is a non-practising entity not using the claim for injunctive relief in order to protect a market position of his own.⁷⁷ Nonetheless, this does not mean that a non-practising entity or a patent pool should *per se* be treated differently from a competitor company.⁷⁸

If the judgment awarding injunctive relief in the first instance is set aside following the implementer's appeal, the patent holder must compensate the implementer for the loss incurred as a result of the enforcement of the first instance judgment or the measures adopted to ward off such enforcement. Because of the risk to be liable for compensation, patent holders often refrain from enforcing the first instance judgment against the implementer. Enforcement is usually delayed, until the implementer's appeal has been dismissed by the appeal court. The latter judgment is then usually enforceable without the need for the patent holder to provide security.

To sum up, the enforcement of an injunction granted to the patent holder is, as a rule, subject to the prior payment of a security fixed by the court. The implementer can, under exceptional circumstances, suspend the enforcement of the injunction by paying a security himself (irrespective of any security paid by the patent holder). If an enforced injunction is set aside in subsequent appeal proceedings, the patent holder must compensate the implementer for any loss incurred in connection with the enforcement of the injunction.

C. The request for a preliminary injunction against an implementer

A subjective right can also be asserted in court by means of a request for a preliminary injunction. Although preliminary injunctions are, in principle, not directed towards the full satisfaction of the claim asserted, it is standard case law in Germany that the patent holder can request the court in proceedings for interim

⁷⁷ OLG Karlsruhe, 23.04.2015, 6 U 44/15 item 25, GRUR-RR 2015, 326.

⁷⁸ OLG Düsseldorf, 13.01.2016, I-15 U 66/15 item 11, NZKart 2016, 139; OLG Karlsruhe, 29.08.2016, 6 U 57/16 item 43, Mitt. 2016, 506.

relief to order implementers to cease and desist from infringing its patent.

Moreover, preliminary injunctions with such content are generally admissible, not only in particularly rare and exceptional cases.⁷⁹ For example, about one third of the patent cases brought before the patent litigation divisions of the Munich Regional Court are requests for a preliminary injunction; before the patent litigation divisions of the Düsseldorf Regional Court it is about 15 % of the overall cases. The success rate of such remedies is considerably greater in Munich (up to 50 %) than in Düsseldorf (up to 30 %).

I. The procedure

The request for a preliminary injunction ordering an implementer to cease and desist from infringing a patent must be filed with the Regional Court which also has or would have jurisdiction for a corresponding suit. The request introduces an accelerated procedure in which the facts are not examined in great depth. The court only examines whether there is an overwhelming degree of probability that the request can be considered justified.

The facts asserted do not have to be proven by the party concerned to the total satisfaction of the court, but only supported by credible evidence. This can be done in any suitable manner without being in any way limited to the exclusive list of means of evidence admissible in ordinary proceedings, provided that documents, witnesses etc. are presented to the court immediately.

As a rule, an oral hearing shall be held, once the court has given the implementer an opportunity to comment in writing on the patent holder's request within a short period. That hearing is, however, within a short period of time, usually within a few weeks after the request has been filed. The court decision takes the form of a judgment, which concludes the first instance.

If the circumstances are so urgent that it is unreasonable for the patent holder to wait until the oral hearing, the court can also decide in form of an order immediately after the request is filed. Such an order can even be issued on the same day; it hardly ever takes more than a week.

⁷⁹ LG Düsseldorf, 21.06.2016, 4c O 20/16 item 96.

A preliminary injunction order of this kind is conceivable, for example, when preventing or terminating an exhibition at a trade fair is required, or when the period of patent protection is about to expire in the immediate future. A preliminary injunction order can also be granted, even though the implementer, as a precaution, filed a protective writ requesting to be heard prior to the court's decision, if the court does not consider that the arguments presented by the implementer are overwhelmingly credible.

If a preliminary injunction order is granted under the aforementioned "urgent" proceedings, the implementer can file an objection to ensure that he can comment on the patent holder's request in writing, at least subsequently. The case then has to be heard in an oral hearing before the Regional Court which issued the order. Only then – that is about two months⁸⁰ after the order was issued –, the court hands down the judgment which concludes that instance. It either confirms the previous preliminary injunction order or dismisses the request for preliminary injunction, setting the order aside.

One reason for setting the preliminary injunction order aside can result from the fact that, in the meantime, a decision has been handed down in any opposition or nullity proceedings regarding the claim asserted, which were eventually pending.⁸¹

To sum up, competent for issuing a preliminary injunction is the Regional court, which also has or would have jurisdiction for a corresponding suit of the patent holder. Compared to ordinary civil proceedings, an accelerated procedure is followed, which allows evidence under simplified conditions. The decision is rendered in form of a judgement, after an oral hearing is held, usually shortly after the request has been filed. In very urgent cases, a preliminary injunction in form of an order can be granted, without a prior oral hearing. Against such an order the implementer can file an objection forcing an oral hearing before the court which issued the order.

⁸⁰ Cf. LG Düsseldorf, 16.10.2014, 4b O 85/14; LG Düsseldorf, 19.11.2015, 4c O 62/15.

⁸¹ LG Düsseldorf, 31.01.2017, 4c O 61/15 item 36.

II. How courts assess the necessity for preliminary injunctive relief

For the grant of a preliminary injunction, the law requires particular urgency to be given. The law stipulates that particular urgency is given, for example, when the realisation of the right claimed might be frustrated or made considerably more difficult, if the court prohibition is not issued immediately (so called “ground for the preliminary injunction”). If the patent holder alleges that the implementer has already used the patented invention or such a use is imminent, urgency can, as a rule, be presumed to exist, since any future use by the implementer impairs the patent holder’s exclusive rights. If, however, it is established that the implementer has terminated the infringing activities and there are no indications that he will resume them, the patent holder can reasonably be expected, due to lack of urgency, to have his claim for injunctive relief decided upon in ordinary court proceedings.⁸²

It is the regular practice of the German courts to deny urgency, if the patent holder refrained from filing a request for a preliminary injunction immediately after having been informed of the implementer’s action considered to infringe its patent.⁸³ The patent holder is, in principle, allowed to wait, until the implementer has actually committed the prohibited action.⁸⁴ As soon as he obtains knowledge of the respective action, however, the patent holder must take measures against the implementer in due course.

Some courts demand, for instance, that the patent holder requests for a preliminary injunction within a short period of time of about a month.⁸⁵ In case that the patent holder considers it necessary to establish the relevant facts prior to filing a request, for example, by analysing a drug in order to establish its properties infringing its intellectual property right, or by obtaining the advice of an external expert in this respect, the deadline for filing a request for preliminary injunction can be extended by the time needed to do so. The patent holder has to bring the case before court, only when he has reliable knowledge of all the facts

⁸² OLG Munich, 25.07.2008, 6 W 1850/08 items 5 f.

⁸³ According to OLG Düsseldorf, 5.05.2017, I-2 W 6/17 items 62 ff., GRUR 2017, 1107, urgency is lost if the application is not based on all the applicant’s patents which can be regarded as infringed by the attacked embodiment.

⁸⁴ LG Munich I, 24.06.2016, 21 O 5583/16 item 123.

⁸⁵ At the Munich infringement courts, this deadline generally appears to be mandatory, cf. LG Munich I, 24.06.2016, 21 O 5583/16 item 122; OLG Munich 09.08.1990, 6 U 3296/90, GRUR 1992, 328.

needed for ensuring the success of his request for preliminary injunction.⁸⁶

As soon as the patent holder gains knowledge of the unlawful use of its patent, his obligations go beyond the duty to prosecute his claims promptly; he is also required to determine the substantive facts which establish his claim and to adopt appropriate measures to secure them as evidence, so that he can then have recourse to the courts without delay. Additionally, in the case of a standard-essential patent, the patent holder also has to undertake the actions needed in view of his FRAND undertaking, before requesting for a preliminary injunction. This follows from the fact, that the patent holder's claims for injunctive relief against infringement of his rights are overall subject to the prior fulfilment of the obligations arising from its FRAND undertaking.⁸⁷

Urgency is not *per se* excluded, in case that the patent holder first waits for the decision in the first instance of opposition or nullity proceedings to be rendered, before filing his request for preliminary injunction.⁸⁸ It may even be justified to await the decision on an appeal brought against such a first instance decision, especially if there are reasonable doubts as to the correctness of the opposition or nullity decision rendered in favour of the patent holder⁸⁹. Reasons justifying such doubts may, for example, be that additional prior-art documents, which are closer to the patented invention, have been filed in the appeal proceedings.

Even when the facts and legal issues in dispute remain unchanged, doubts may arise from the fact that the court of first instance assessed the objections raised against the validity of the patent in an objectively not clear manner, or that the validity decision in the first instance simply failed to draw the right conclusion.⁹⁰

In patent disputes, it must also be borne in mind that a court prohibition to be observed immediately or in the near future constitutes a particular burden on the implementer. Even if the court holds an oral hearing prior to rendering its decision, the implementer is, in general, subject to considerable pressure, after the request for a preliminary injunction is served. Indeed, the implementer has to organise his defence in a relatively short period time before the hearing.

⁸⁶ OLG Düsseldorf, 17.01.2013, I-2 U 87/12 item 54, GRUR-RR 2013, 236; LG Düsseldorf, 1.10.2015, 4c O 33/15 item 108; cf. also OLG Munich, 28.06.2012, 29 U 539/12 item 5.

⁸⁷ OLG Düsseldorf, 18.07.2017, I-2 U 23/17 item 4.

⁸⁸ LG Düsseldorf, 18.07.2017, 4a O 27/17 item 142

⁸⁹ LG Düsseldorf, 18.07.2017, 4a O 27/17 item 160

⁹⁰ LG Düsseldorf, 18.07.2017, 4a O 27/17 item 160

Furthermore, a preliminary injunction granted against the implementer usually interferes very drastically in his commercial activities (since for the time it is in force, it leads to the full satisfaction of the patent holder's claim).⁹¹ This is, for instance, not the case with court prohibitions of unfair advertising, which usually do not effect business operations. In patent disputes, the implementer often does not have time even to adjust his production in an orderly manner. That is why, particularly in patent cases, it is necessary to weigh up and balance the respective interests based not only on the urgency involved, but also taking into account justified conflicting interests of the implementer.

It is, therefore, established by German case law that a preliminary injunction against patent-infringing activities can only be rendered in the following cases: (1) when the validity of the patent claim is so certain that there are no serious grounds for expecting revocation or nullification;⁹² (2) when there are no significant doubts about the patentability of the patent in suit;⁹³ (3) when it can be predicted with a high degree of probability, i.e. with sufficient certainty, that the intellectual property right is valid;⁹⁴ or (4) if it is at least highly likely that the patent claim asserted is valid.⁹⁵ Any remaining,⁹⁶ serious⁹⁷ or predominant doubts⁹⁸ of the Regional Court seized of the case regarding the validity of the patent claim, count, as a rule, against the patent holder.

Certainty as to the validity of the patent claim cannot *per se* be assumed, just because no opposition or nullity suit has been filed against the claim asserted by the time the request for a preliminary injunction was filed or an oral hearing was held.⁹⁹ This is particularly the case, when only a short period of time lies between the moment that the implementer was informed about the patent holder's request for a preliminary injunction and the oral hearing on this request.

It does not appear reasonable to expect that the implementer can

⁹¹ LG Düsseldorf, 20.12.2016, 4c O 56/16 item 113.

⁹² OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 46, Mitt. 2011, 193; LG Düsseldorf, 18.07.2017, 4a O 27/17 item 160.

⁹³ OLG Karlsruhe, 8.07.2009, 6 U 61/09 item 21, GRUR-RR 2009, 442.

⁹⁴ OLG Munich 18.05.2017, 6 U 3039/16 item 113, PharmR 2017, 402.

⁹⁵ OLG Hamburg, 19.04.2001, 3 U 231/00 item 30, GRUR-RR 2002, 244.

⁹⁶ As is the consequence of the case law of the Regional Courts in Düsseldorf and Mannheim.

⁹⁷ LG Hamburg, 2.04.2015, 327 O 67/15 item 126.

⁹⁸ As is the consequence of the case law of the Munich patent litigation divisions; cf. LG Munich, 24.06.2016, 21 O 5583/16 item 125, PharmR 2016, 432.

⁹⁹ LG Düsseldorf, 27.05.2014, 4a O 17/14 item 126; LG Düsseldorf, 19.11.2015, 4c O 61/15 item 61; LG Hamburg, 2.04.2015, 327 O 67/15 item 126.

complete a search to determine the validity of the patent in suit within such a short period of time. The infringement court is, therefore, required to weigh up and balance the respective interests and, consequently, form its own impression of the patentability of the invention in dispute.¹⁰⁰ This is particularly the case, when it can be reliably foreseen that an opposition or nullity suit will be filed.¹⁰¹

If the time between the publication of the mention of grant of the patent and the date of the oral hearing in the proceedings for interim relief is particularly short, it is even possible for the request for preliminary injunction to be dismissed without the implementer identifying specific citations. In this specific case, the intellectual property right situation is unclear, so that the expectation that relevant prior art might be found when a proper search is conducted, cannot be ruled out.¹⁰²

Apart from that, it has been held by some infringement courts that the validity of the patent claim in suit, can, in principle, only be assumed, if the claim asserted has already successfully survived contradictory validity proceedings in the first instance.¹⁰³ A positive interim decision of the European Patent Office or the German Patent Office can also be sufficient.¹⁰⁴

On the other hand, in the opinion of other infringement courts, which consider this case law to be going too far, it is not a fundamental requirement for granting a preliminary injunction that the claim asserted has already survived opposition or nullity proceedings in the first instance.¹⁰⁵ The same courts hold, however, that indications apparent at the time of the decision, which call the worthiness of protection of the patent claim asserted into question, can be an obstacle to granting a preliminary injunction to the patent holder.¹⁰⁶

Infringement courts demanding that the validity of the patent claim need to

¹⁰⁰ Cf. OLG Düsseldorf, 18.12.2014, I-2 U 60/14 item 44; LG Düsseldorf, 19.11.2015, 4c O 61/15 item 61.

¹⁰¹ LG Düsseldorf, 27.05.2014, 4a O 17/14 item 126.

¹⁰² OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 46, Mitt. 2011, 193; LG Mannheim, 27.02.2009, 7 O 29/09 item 46.

¹⁰³ OLG Karlsruhe, 23.09.2015, 6 U 52/15 item 58, GRUR-RR 2015, 509; OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 46, Mitt. 2011, 193; LG Düsseldorf, 27.05.2014, 4a O 17/14 item 125; LG Düsseldorf, 6.10.2016, 4b O 40/16 item 69; LG Düsseldorf, 20.12.2016, 4c O 56/16 item 112, 114; even a decision in opposition proceedings in favour of the patent proprietor which was issued after the withdrawal of the opposition is felt to be sufficient, OLG Düsseldorf, 19.02.2016, I-2 U 54/15 item 35.

¹⁰⁴ LG Düsseldorf, 6.10.2016, 4b O 40/16 item 70.

¹⁰⁵ OLG Munich 18.05.2017, 6 U 3039/16 item 113, PharmR 2017, 402; OLG Brunswick, 21.12.2011, 2 U 61/11 item 34, GRUR-RR 2012, 97; LG Munich I, 13.01.2016, 21 O 22538/15 item 125.

¹⁰⁶ OLG Brunswick, 21.12.2011, 2 U 61/11 item 34, GRUR-RR 2012, 97.

be confirmed by a decision in favour of the patent holder in contradictory validity proceedings, deviate from this requirement in exceptional cases. Exceptional cases are held to exist when, for example, the implementer was himself involved in the grant procedure with own observations, when the patent claim asserted is generally acknowledged in the market to be patentable or when the implementer's objections against validity were already considered to be without merit following the summary examination only possible in proceedings for interim relief.¹⁰⁷

Furthermore, a reason for upholding a preliminary injunction order granted is the fact that the implementer does not file an objection until months after the order was rendered, because the proceedings for interim relief are then, in fact, conducted by the implementer like a main action.¹⁰⁸

On the other hand, German courts usually consider that the validity of the patent claim in suit is given, when the patent claim asserted has been maintained by the instances with authority to do so (e.g. the European Patent Office Board of Appeal).¹⁰⁹ The reason for this is, basically, that the respective decision has been made following an examination by a body with technical expertise. Such a decision has to be noted and evaluated by the infringement court, since it constitutes an important statement - and according to the case law of the Munich courts, this is always the case - by the body qualified to make one.

Any deviation from the *prima facie* expert statement will, as a rule, require that the infringement court has expertise of its own in the field of technology concerned.¹¹⁰ Particular attention must be paid to this requirement, when the subject matter is technically complex (e.g. in the field of chemistry or electronics). That is why, in such cases it is often impossible for the infringement court to deviate from the assessments made in the opposition or nullity proceedings, particularly if the decision is comprehensibly reasoned and has not overlooked something.¹¹¹

If the infringement court believes that the argumentation of the opposition or nullity instance is not reasonable, however, there is nothing to prevent it from

¹⁰⁷ OLG Düsseldorf, 18.07.2017, I-2 U 23/17 items 8 ff.; LG Düsseldorf, 12.06.2015, 4c O 18/15 items 40 ff.

¹⁰⁸ LG Düsseldorf, 27.05.2014, 4a O 17/14 item 125.

¹⁰⁹ OLG Karlsruhe, 23.09.2015, 6 U 52/15 item 58, GRUR-RR 2015, 509; OLG Düsseldorf, 19.02.2016, I-2 U 54/15 item 31; LG Düsseldorf, 20.12.2016, 4c O 56/16 item 115.

¹¹⁰ LG Munich I, 20.05.2016, 21 O 22243/15 item 70, PharmR 2016, 292

¹¹¹ OLG Düsseldorf, 19.02.2016, I-2 U 54/15 item 31.

questioning the respective first-instance decision and refrain from granting a preliminary injunction order on that basis.¹¹²

The decision rendered in the first instance of opposition proceedings cannot serve as evidence of the validity of the patent right, if an appeal has been lodged against it with new, promising aspects, which the body dealing with the case has not yet considered.¹¹³ If, for example, the implementer has reacted to the patent holder's request for preliminary injunction by filing a nullity suit as and has cited additional prior art in those proceedings which was not available in the earlier proceedings (and was, therefore, not been taken into consideration so far), then this fact can too call the validity of the patent claim asserted into question. As a result, it is no longer possible to grant a preliminary injunction or to uphold a preliminary injunction granted upon implementer's objection.¹¹⁴

If a decision by the Technical Board of Appeal of the European Patent Office has been handed down in the second instance of opposition proceedings, maintaining the claim in the form asserted, it must be assumed that its validity is sufficiently assured.¹¹⁵ This is also the case if the Board of Appeal has remitted the case to the first instance with specific instructions as to the steps to be taken for maintaining the patent in the scope asserted.

The implementer is then bound to either present facts and credible evidence, which would make the decision on validity already handed down appear indefensible, or to attack the patent claim asserted with, for example, new, promising aspects which the bodies dealing with the case have not yet considered and decided on.¹¹⁶

In cases, in which the patent claim asserted has already been revoked or nullified in opposition or nullity proceedings in the first instance, a preliminary injunction is only possible, if the decision on revocation or nullification is clearly incorrect.¹¹⁷ The same ought to apply in the event of an interim opinion by the

¹¹² OLG Karlsruhe, 23.09.2015, 6 U 52/15 item 58, GRUR-RR 2015, 509; LG Düsseldorf, 20.12.2016, 4c O 56/16 item 115

¹¹³ LG Düsseldorf, 6.10.2016, 4b O 40/16 item 69; cf. also OLG Karlsruhe, 23.09.2015, 6 U 52/15 item 58, GRUR-RR 2015, 509.

¹¹⁴ LG Düsseldorf, 6.10.2016, 4b O 40/16 item 69.

¹¹⁵ OLG Karlsruhe, 23.09.2015, 6 U 52/15 item 58, GRUR-RR 2015, 509; LG Düsseldorf, 18.07.2017, 4a O 27/17 item 144.

¹¹⁶ LG Düsseldorf, 18.07.2017, 4a O 27/17 item 146; OLG Düsseldorf, 21.01.2016, I-2 U 48/15 item 133.

¹¹⁷ OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 50, Mitt. 2011, 193; LG Munich I, 18.08.2017, 7 O 11152/17.

European Patent Office or the Patent Court with a negative assessment of the validity of the claim asserted.

The decisions mentioned above can, nevertheless, be considered as irrelevant by the infringement court, if the reasons given for the nullification are clearly incorrect and the infringement court can, in addition, arrive to the reliable conclusion that there are no other valid reasons for the nullification of the patent in suit.¹¹⁸ Such an approach will, however, only be justifiable, if the patented invention relates to a technical subject matter, which the infringement court can evaluate with certainty based on its own expertise.¹¹⁹ This is the case, if the infringement court is familiar with the technical questions involved from the parties' submissions on the facts and can finally answer these questions on basis of its own experience in assessing technical and legal matters.¹²⁰

In addition to the clear incorrectness of the decision in the validity proceedings, it is also necessary that the patent holder is faced with extraordinary disadvantages, in case it is prevented from enforcing its right to exclude the implementer, until a decision has been handed down on the appeal in the validity proceedings.¹²¹ As a general rule, this requires substantiated submissions by the patent holder on the respective facts, supported by credible evidence.¹²²

In the course of weighing up and balancing the parties' opposing interests, the infringement court has also to consider the remaining term of the patent in suit. One aspect that speaks in favour of issuing a preliminary injunction is the fact that the patent expires in only a few months.¹²³

On the other hand, a relatively long remaining period of protection conferred by the patent, does not *per se* justify the assumption that the patent holder must tolerate infringing activities, until a decision is rendered in ordinary proceedings.¹²⁴ Furthermore, the fact that the attacked embodiment is undercutting the price of the patent holder's competing patented product, can also

¹¹⁸ OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 50, Mitt. 2011, 193

¹¹⁹ OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 50, Mitt. 2011, 193

¹²⁰ OLG Düsseldorf, 29.05.2008, I-2 W 47/07 item 45, Mitt. 2008, 327.

¹²¹ OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 50, Mitt. 2011, 193.

¹²² OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 50, Mitt. 2011, 193.

¹²³ LG Düsseldorf, 18.07.2017, 4a O 27/17 item 165; cf. also OLG Munich 6.11.1997, 6 U 4477/97 item 7, Mitt. 1999, 223.

¹²⁴ LG Düsseldorf, 22.12.2016, 4a O 103/16 item 208.

speak in favour of granting a preliminary injunction.¹²⁵

Especially in patent disputes concerning generic drugs, it might be necessary to consider the fact that the entry of a generic drug manufacturer into the market can cause a price collapse for the products of the patent holder, whereas any possible loss on the part of the generic drug manufacturer can preferably be made good by the payment of compensation.¹²⁶ The same shall apply, when a possible patent infringement can only be assumed under the broader conditions of the doctrine of equivalence.¹²⁷ In this context, even the opinion has been expressed that infringement activities by generic drug manufacturers usually present a situation that justifies waiving the requirement of a prior confirmation of the patent in suit in validity proceedings.¹²⁸

To sum up, in assessing the necessity of preliminary injunctive relief, German courts examine whether urgency for a respective measure is given, first. As a rule, courts require that the patent holder prosecutes his claim, as soon as he gains knowledge of the unlawful use of its patent (in the view of some courts within a period of almost a month). In case patents essential to a standard are asserted, the patent holder has, in addition, to fulfil the requirements set forth by the CJEU in its decision dated 16.07.2015 in the matter C-170/13 within the same time period. Besides the question of urgency, the court also assesses the validity of the patent claim in suit. In general, the court only grants a preliminary injunction, if the validity of the patent claim is given with such a high degree of certainty, that there are no serious grounds for expecting a revocation or nullification of the patent in pending or future proceedings before the competent authorities (patent Offices or patent courts).

III. The justification of the request for preliminary injunction

With respect to the justification of a request for preliminary injunction on the merits, we can, basically, refer back to the above analysis regarding the

¹²⁵ LG Düsseldorf, 18.07.2017, 4a O 66/17 item 172.

¹²⁶ LG Munich I, 24.06.2016, 21 O 5583/16 item 125, PharmR 2016, 432.

¹²⁷ LG Munich I, 24.06.2016, 21 O 5583/16 item 125, PharmR 2016, 432; different opinion: OLG Hamburg, 19.04.2001, 3 U 231/00 item 30, GRUR-RR 2002, 244, which believes that finding infringement by equivalent means cannot as a general rule be established with the requisite high degree of reliability in proceedings for the grant of a preliminary injunction.

¹²⁸ OLG Düsseldorf, 17.01.2013, 17.01.2013 item 67, GRUR-RR 2013, 236; LG Hamburg, 2.04.2015, 327 O 67/15 item 126.

justification of a suit for injunctive relief and the potential defences against such a suit (cf. para. 15 - 37).

According to the regular practice of the German courts in proceedings for the grant of preliminary injunctions, the question of whether the patent holder is entitled to injunctive relief must ultimately be answered so clear in favour of the patent holder, so that it cannot seriously be expected that the prohibition imposed to the implementer by the preliminary injunction will be lifted in any subsequent main action.¹²⁹

In particular, it is necessary for the court to have a sufficiently reliable basis, on which to decide that there has been a patent infringement. To this end, credible facts must be presented by the patent holder, in order to allow the court to make an assessment of the scope of protection and the infringing embodiment.¹³⁰

This means that a preliminary injunction is appropriate mainly in cases, in which there are no difficulties for the court in ruling on the infringement question. This is true, if the protected item is comparatively simple and comprehensible in design, and the configuration of the attacked embodiment as well as the implementation of the features of the claim asserted can be established by the court without any serious difficulty, even if they do not remain uncontested.¹³¹

Besides of difficulties in establishing the facts of the case, also difficulties in answering questions of law can lead the court to deny a preliminary injunction. This is particularly the case, if the court faces difficulties in interpreting the patent claim asserted. For instance, if the court based on the view of a person skilled in the art and the parties' submissions cannot reach the conclusion that any other interpretation of the patent claim in suit can be considered unlikely, it will rule against the grant of a preliminary injunction.

Cases, in which the patent holder attacks the embodiment in dispute on the grounds of an equivalent implementation of the teaching of the patent, are particularly problematic.¹³² In some cases, German courts have insofar taken the

¹²⁹ OLG Düsseldorf, 29.04.2010, I-2 U 126/09 item 46, Mitt. 2011, 193; OLG Karlsruhe, 8.07.2009, 6 U 61/09 item 21, GRUR-RR 2009, 442; OLG Brunswick, 21.12.2011, 2 U 61/11 item 34, GRUR-RR 2012, 97; LG Düsseldorf, 6.10.2016, 4b O 40/16 item 67; LG Düsseldorf, 21.06.2016, 4c O 20/16 item 96; LG Mannheim, 29.10.2010, 7 O 214/10 item 21.

¹³⁰ LG Düsseldorf, 21.06.2016, 4c O 20/16 item 96.

¹³¹ LG Mannheim, 23.12.2005, 7 O 282/05 item 35

¹³² Cf. LG Düsseldorf, 21.04.2015, 4b O 10/15 item 81.

view that infringement by equivalent means cannot be established at all with the required high degree of certainty by means of the summary examination solely available in proceedings for interim relief.¹³³

To sum up, it can be said that granting a preliminary injunction in form of either an order or a judgment (as well as upholding a preliminary injunction issued in form of an order) is, in general, only possible, if the infringement and the validity of the patent right are particularly clear.

IV. Enforceability

For the enforcement of a preliminary injunction granted, the law does not require the patent holder to provide security. It is, however, at the discretion of the infringement court to make the enforcement of the preliminary injunction subject to the prior provision of security by the patent holder.

In the view of certain courts (Munich), an order to this effect should only be necessary, if there are indications - or if it has been specifically argued - that otherwise it might not be possible to satisfy a potential claim for compensation, to which the implementer would be by law entitled, if the prohibition imposed by the preliminary injunction proves to have been unjustified in a subsequent main action.¹³⁴

Other courts (Düsseldorf), on the other hand, order the provision of security, as a rule. In their view, due to the fact that the possibility of obtaining a full understanding of the case is limited in preliminary injunction proceedings, it cannot be ruled out that a preliminary injunction granted might turn out to be unjustified in a subsequent main action and that the patent holder is then liable for compensation. It is therefore, that the enforcement of a preliminary injunction cannot be subject to less strict requirements than the enforcement of a judgment in the first instance in ordinary infringement proceedings providing injunctive relief following a regular suit.¹³⁵

According to a third view (Mannheim), ordering the provision of security depends on an evaluation of all the circumstances of the individual case, especially

¹³³ OLG Hamburg, 19.04.2001, 3 U 231/00 item 30, GRUR-RR 2002, 244; different opinion: LG Munich I, 24.06.2016, 21 O 5583/16 item 125, PharmR 2016, 432.

¹³⁴ LG Munich, 24.06.2016, 21 O 5583/16 item 126.

¹³⁵ OLG Düsseldorf, 19.02.2016, I-2 U 54/15 item 85.

the degree to which the infringement and validity questions have been clarified by the court, and the foreseeable consequences of enforcement.¹³⁶

The preliminary injunction granted must be served on the implementer by the patent holder within a period of one month. In the case of a preliminary injunction in form of an order, the period begins as soon as the court has served the order to the patent holder. Otherwise, the deadline begins upon the date that the judgment was given. If the enforcement of the preliminary injunction has been made subject to the provision of security by the patent holder, the security must also be paid within the one-month period. Payment of the security must be proven towards the implementer. If the deadline is missed, the preliminary injunction loses its effect *ipso jure*.

The implementer can require from the patent holder to have the legitimacy of the preliminary injunction reviewed by filing suit. If the patent holder does not file that suit, the preliminary injunction is lifted upon application by the implementer. In case that in the main proceedings on the legitimacy of the preliminary injunction it is established that the grant of the preliminary injunction was unjustified, the patent holder is liable for compensation towards the implementer.

To sum up, although it is not required by law, some German courts make the enforcement of a preliminary injunction subject to the payment of a security by the patent holder. Other courts, however, order such a payment only if there are indications that security is requested to safeguard potential claims for compensation of losses suffered by the implementer due to the enforcement of the preliminary injunction. A preliminary injunction is no longer enforceable, if it is not served to the implementer within a deadline of one month. The same applies, if the patent holder has not provided security within the same deadline, in case he was ordered to do so by the court.



¹³⁶ OLG Karlsruhe, 23.09.2015 , 6 U 52/15 items 77 f., GRUR-RR 2015, 509.