

Enforcing patents in Spain

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1. What options are open to a European patent holder, whose rights cover your jurisdiction, when seeking to enforce its rights in your jurisdiction?

In the Kingdom of Spain, European patent holders may bring civil court action against any possible infringers of their rights. In exceptional circumstances, if a crime has actually been committed, criminal action may be brought. The administrative courts cannot be petitioned to revoke a patent, as the civil courts are competent for all proceedings related to patents. The Spanish courts also hold exclusive jurisdiction to hear cases related to patent rights granted for Spain. Action may either be brought in the court with jurisdiction in the territory where the defendant is resident or in the competent court in the territory where the infringement had been committed.

2. Does your jurisdiction have specialist patent courts? If not, what level of expertise can a patent owner expect from the courts?

Since September 2004, there have been specific courts that specialise in certain commercial matters, including intellectual property rights and unfair competition. The main courts where most of these kinds of cases are heard are in Barcelona and Madrid. They have increasingly specific knowledge of patents. There is no body of judicial technical experts; neither are judges specialists from a technical point of view or supported by court technical specialists. However, it is normal practice for them to agree to a request by the parties in litigation for an independent expert to be appointed to issue an opinion on the questions the case concerns.

3. Is it possible to cross-examine witnesses at trial? How far are proceedings based on written evidence? Are there restrictions on the use of evidence from experts?

Although it is not normal practice, Spanish procedural laws do allow witnesses, the parties or court-appointed experts to be cross-examined at the request of the parties or the judge, providing the latter deems it appropriate.

Evidence submitted in patent infringement proceedings is initially based on the technical opinions provided by the parties' expert advisers. These are classed as court-recognised experts and must swear on oath to perform their duties objectively and impartially, taking into account everything that might be beneficial or prejudicial to either party. The technical opinions usually include the documents required to prove that an infringement has been committed, such as laboratory analysis or voice, image or data recordings. Experts may attach any exhibits or evidence to their reports that they consider necessary to support their statements. Any relevant documents must be translated into Spanish.

During the hearing, the parties, witnesses and experts are examined and questioned. The judge may intervene when he/she considers it necessary. As the cross-examination is oral and takes place in front of the judge, good preparation is important.

4. Are infringement and invalidity dealt with simultaneously? What level of proof is necessary to demonstrate one or the other?

A common defence in infringement cases tends to involve alleging that the patent is invalid. This often also tends to be useful to show the judge where the invention stands in the state of the art, while also presenting the technical contribution made by it in order to present the defence against the infringement.

Invalidity may be alleged either as an objection, in order to call for the claim to be

dismissed due to the patent being invalid, or else by means of bringing a counter-claim. If this is accepted by the court, the Spanish part of the patent will be declared invalid, and the patent's registration entry in the Spanish Patent and Trademark Office will be cancelled, with the consequent effect for third parties.

5. To what extent is pre-trial discovery permitted? If it is permitted, how is discovery conducted?

There is a specific procedure in Spain to determine whether an infringement may have been committed called *diligencias de comprobación de hechos*, court inspection proceedings to verify a possible infringement *in situ*. This basically consists of the plaintiff being able to petition the court, when there are signs that an infringement has been committed for which it lacks proof, to appoint one or more experts (normally one technical specialist and one IT specialist) to assist the judge in the *diligencias*. The procedure is carried out at the facilities of the potentially infringing party to find out whether the latter has actually infringed a patent right. If so, the necessary documents are drawn up and a copy is provided to the party that requested the procedure so that it can bring the appropriate patent infringement claim.

Provided there is enough evidence of the infringement, the court may also be petitioned to allow the infringing party to be cross-examined prior to the initiation of an infringement case about its suppliers, customers and distribution channels, as well as the product quantities, sales and the product in the market. A petition may also be made for commercial, customs, accounting and financial documents to be provided in order to prepare the case. This measure is carried out before the party concerned is served notice.

6. To what extent does any doctrine of equivalents apply in an infringement action?

The doctrine of equivalents is starting to be routinely accepted by the courts. The courts (such as the Provincial Court of Barcelona) now even quote landmark judgments such as *Catnic*, *Improver* and *Formstein*. Some judgments have also taken into account the patent's registration background in determining the specific scope of a particular patent right.

It is worth pointing out that the appeal courts currently tend to lean more towards technical issues and to assess judicially the statements made by experts. This did not use to be the case, which gave rise to a

Supreme Court doctrine according to which questions of validity or infringement were technical questions that could not be taken into account in an appeal for annulment by a higher court (cassation).

In recent years, the doctrine of equivalents has been replacing the traditional approach taken by the Supreme Court, based on the essential nature of a patent's elements. This has given rise to the possibility of disregarding the elements of the claim considered secondary by the expert, generally the court-appointed expert.

7. Are there certain types of patent right that may be granted by the EPO – biotech or computer software-related, for example – that are more difficult to enforce than others?

There are no past cases from which statistics can be produced. The Spanish courts have not ruled on certain issues that are currently hot topics in some European countries and the United States.

8. To what extent are courts willing to consider, or bound by, the opinions and decisions of other courts that have dealt with similar cases?

The Spanish courts and parties in litigation are increasingly referring to judgments laid down by other European courts concerning the infringement or invalidity of the same patent. Background such as this tends to be accepted as a relevant exhibit by the courts. However, the parties must prove to the Spanish court that the facts put before it are the same as those on which the foreign court based its decision.

9. To what extent are courts willing to consider the reasoning given by foreign courts that have handed down decisions in similar cases?

The courts indirectly take into account the arguments put forward in foreign decisions in their own judgments, albeit by taking them for their own. This is quite normal practice, as the judgment handed down by the Spanish court is the one that will be submitted to the appeal court. Therefore, just as in any other kind of proceedings, the parties must be aware of the need to allege and prove whether facts may be required to convince the court, without relying on a foreign judgment as being sufficient to win the case in Spain.

10. What options are open to a defendant seeking to delay a case? How can a plaintiff counter delaying tactics?

The terms stipulated by Spanish law for the

parties' actions are very strict. Along with their respective initial documents, the parties must provide all the evidence they have available. The courts do not allow documents or experts' opinions to be provided later on if they could have been submitted or announced previously. However, in the past, it was common practice to employ delaying tactics based on procedural rules. Now it is not quite so easy for the defendant to interrupt court proceedings through procedural strategies. Adjournment of a hearing may be petitioned if, for example, witnesses or experts will be unable to attend. However, this always runs the risk that it could harm the party who requests it, if the judge decides to go ahead without cross-examining someone.

11. How available are preliminary injunctions and how do you get them?

Preliminary injunctions may be requested, either before bringing the infringement claim or together with the claim. They must be requested for urgent reasons and there must be *prima facie* justification that an infringement has been committed and that there will be costly consequences for the plaintiff if the injunction is not ordered. The rightholder must also prove that it is making use of the patent or that serious and effective preparations are being made for that purpose. The parties are usually summoned to a hearing. After hearing the arguments the parties put forward, the judge will decide whether or not the injunction should be granted. If it is granted, the defendant may request suspension of it by offering a counter-guarantee.

12. How long does it take to get a decision at first instance? Is it possible to expedite this process?

Depending on the courts involved and their workload, first instance proceedings normally last between 12 and 18 months. The main circumstances that may hold up a case are bringing a claim against a party resident abroad, needing to provide technical expert evidence, the complexity of certain evidence (such as carrying out trials, analyses and reproductions, or inspections in plants in Spain or abroad) or the number of experts or witnesses and their nationality.

13. What avenues for appeal are open to the defeated party in a first instance case? What criteria are there for granting an appeal? How long does the appeal process take?

An appeal is quite normal in patent cases

and there are no special requirements. The party against which the first instance judgment is made merely needs to serve notice that it does not agree with the decision within a term of five days after the ruling and must then submit the reason for its appeal within a 20-day term granted by the court. The appeal court will review the judgment and decide the case having assessed the facts available to the court of first instance and whether its judgment was in accordance with the law. The appeal ruling usually takes one to two years, depending on the court hearing the appeal and its workload, and whether the court decides, exceptionally, to allow evidence that had been denied by the court of first instance.

In exceptional circumstances, an appeal for annulment by a higher court (cassation) may be brought against the appeal court's decision. If the hearing of the appeal is accepted, the Supreme Court will rule on whether to accept the appeal within a term of about two or three years and will lay down its judgment on the annulment within five years. The Supreme Court is currently endeavouring to shorten the time taken to lay down its judgments, so it is refusing to hear many appeals for annulment.

14. To take a case through to a first instance decision, what level of cost should a party to a litigation expect to incur?

Although the cost of court proceedings depends on the complexity of the case, it can be estimated at between Euros 30,000 and Euros 100,000 on average.

15. Who can represent parties in court? Is specialist representation required?

The parties are represented in legal proceedings in Spain by their lawyers and formally by a court liaison officer (*procurador* in Spanish). The latter is a legal professional who acts as an intermediary between the court and the party's lawyer. The lawyer does not need to have any specific technical qualifications. However he/she is often a specialist in patent law who is familiar with the subject matter.

16. What remedies are available for infringement and how are these typically applied? Are punitive damages available and in what circumstances?

Legal actions may be brought to cease and desist from the infringement, seize or destroy the infringing products or machinery and moulds exclusively used for that purpose, prohibit the recommencing of the infringing

actions and pay compensation for damages and losses. Damages and losses are determined by calculating the profits earned by the defendant as a result of the infringement, the profits that the plaintiff has not obtained or the cost of a possible licence. Compensation can also be included for the harm caused to the prestige of the invention if this actually took place and can be proven (eg, inadequate or defective presentation of the product in the market). Spanish law has recently also included the possibility of claiming compensation for moral damages. There is no reference in Spanish law to the possibility of claiming punitive damages in the same sense as US law.

In addition, in Spain, as in other European countries, a claim may be brought against actions that have contributed to the infringement, provided those who contributed to the infringement were aware that the means delivered to the infringing party were to be used to manufacture the infringing products.

17. Are there any realistic alternatives to litigation in cases relating to patent disputes?

This may happen only if the parties agree to go to arbitration or conciliation, which does not usually take place unless there is a special reason (eg, both parties' needs for discretion and confidentiality regarding the proceedings) or in the case of agreements in which there is an arbitration clause accepted by both parties.

18. Are there any other features of the enforcement system in your jurisdiction that you would like to point out?

One should particularly take into account that until 7th October 1992, chemical and pharmaceutical products could not be patented in Spain. For patents filed before this date, which have new products as their subject matter, the holder may ask the courts to consider the benefit of inverting the burden of the proof, placing it on the defendant and presuming, unless otherwise proven, that the patented process is being used.