

# Luxembourg

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## **1. What are the most effective ways for a European patent holder whose rights cover your jurisdiction to enforce its rights in your jurisdiction?**

Litigation before a civil court is the most effective way for a patent holder to enforce its rights, since a court decision is permanent and enforceable against a previous authoritative order.

## **2. What level of expertise can a patent owner expect from the courts in your jurisdiction?**

In Luxembourg, a patent owner can expect a relatively low standard of expertise from the local courts. Only a few cases each year deal with the enforcement of IP rights.

Although Luxembourg has a modern legal and regulatory IP framework that is continuously updated through regular consultation between the government, the legislature and the private sector, its development as a business centre and the resulting decrease of industry have limited the growth of the patent sector.

The implementation of the EU IP Rights Enforcement Directive (2004/48/EC) centralised competence for patent enforcement in the Luxembourg District Court. In addition, pursuant to the implementation of a competitive tax regime for income derived from intellectual property, the use of Luxembourg as an IP hub may help to increase global expertise in that field.

## **3. How do your country's courts deal with validity and infringement? Are they handled together or separately?**

Validity and infringement are usually

handled together. The Luxembourg District Court is competent for both validity and infringement procedures. According to Luxembourg jurisprudence, if the patent is no longer valid the patent holder cannot claim for infringement before the civil court (Luxembourg District Court, Sixth Chamber, 13th December 2005).

## **4. To what extent is cross-examination of witnesses permitted during proceedings?**

In theory, cross-examination of witness is not allowed in Luxembourg during court hearings. However, it may take place depending on the judge's conduct of the proceedings.

The cross-examination of witnesses called by the opposing party can be permitted under Article 408 of the Civil Procedure Code, which provides that the judge can hear witnesses separately in the presence of the parties to the litigation.

Pursuant to Article 414 of the code, the judge conducts the hearing of witnesses. For this reason, Article 415 provides that the judge may hear a witness more than once and may ask the witness questions submitted by the parties. However, the parties cannot address queries to the witnesses directly.

## **5. What role can and do expert witnesses play in proceedings?**

In Luxembourg, the role of witnesses and experts is to help the judge to appreciate the facts of the case.

The role of witnesses is defined by the Civil Procedure Code. Pursuant to the code and as stated above, the judge can hear witnesses to the litigation. Article 462 of the code allows the judge to hear an expert witness. Usually the judge will only read testimonials written by witnesses and an

evaluation written by an expert. The expert evaluation, which basically provides technical expertise, is defined by the judge and accomplished under his or her authority.

In theory and in law, expert witness testimony is not binding. However, in practice, it carries great weight and the courts pay close attention to the expert report.

#### **6. Is pre-trial discovery permitted? If so, to what extent?**

In Luxembourg, pre-trial discovery is permitted in three ways.

First, pursuant to Article 932 of the Civil Procedure Code, the *référé* is a pre-trial discovery proceeding granted by the district court judge in urgent cases. The judge can order all forms of pre-trial discovery that are not seriously disputed by the parties, but on which the hearing will depend. The court checks that these two conditions have been fulfilled. In addition, in order to be granted such proceeding, the plaintiff must prove that the matter is urgent.

The second way for a patent owner to be granted pre-trial discovery is the *référé* set out in Article 933 of the code. Pursuant to this article, the plaintiff must prove that:

- Damage is imminent.
- There is a risk of destruction of evidence.
- Illegal activity had occurred.
- The alleged infringer has reneged on previous undertakings.

Third, a patent holder can request descriptive and seizure measures against an alleged infringer. The framework for these measures was modified by the implementation of the IP Rights Enforcement Directive. At the request of the patent holder, the president of the district court can designate an expert to go to the premises of the alleged infringer to describe the alleged infringing products and means of producing the products. Depending on the case, the district court president can also request that a bailiff seize the infringing products or means for producing the products. The president can also issue a preliminary injunction requesting the alleged infringer to stop the allegedly infringing activity.

#### **7. Do the courts in your jurisdiction apply a doctrine of equivalents?**

The Luxembourg courts often apply the doctrine of equivalents, although they tend to limit its application in consideration of the fact that the prior art limits the scope of permissible equivalents of a claim.

#### **8. Are certain patent rights (eg, those relating to business methods, software and biotechnology) more difficult to enforce than others?**

Most of the patent rights that are enforced in Luxembourg are European patents designating the country. Since there is no substantive examination procedure for national patents in Luxembourg, contrary to the European patent-granting procedure, such patents are more difficult to enforce due to their potentially weak validity.

Technically complex patents will be more difficult to enforce as the courts are likely to appoint experts and to rely on them when making their decisions.

#### **9. How far are courts bound by previous decisions made in cases that have covered similar issues?**

The Luxembourg courts are bound (within prescribed limits) by prior decisions of superior courts, although no formal rule of precedent applies.

#### **10. Are there any restrictions on who parties can select to represent them in a dispute?**

Pursuant to Article 192 of the Civil Procedure Code, the parties must be represented by a barrister who holds the *Avoué* diploma (the second Bar exam).

#### **11. Are courts willing to consider the reasoning of courts in other jurisdictions that have dealt with similar cases?**

For historical, geographical and cultural reasons, the Luxembourg legal system is a combination of parts of Belgian, French and German law, as well as innovations made in regard to the Luxembourg environment and the needs of its society. In patent matters, Belgian jurisprudence is commonly quoted by Luxembourg lawyers and considered by the courts.

#### **12. How easy is it for defendants to delay proceedings and how can plaintiffs prevent them from doing so?**

It is relatively easy for the defendant to delay proceedings by providing the judge with new evidence or witnesses. Alternatively, the defendant may use a request to appoint an expert to consider certain matters to delay the proceeding. Usually the defendant also contests the results of the expert's report in order to delay the proceeding. Unless the defendant abuses its procedural rights, the plaintiff cannot prevent it from using them.

#### **13. Is it possible to obtain preliminary injunctions? If so, under what**

“ The key issues in court decisions are usually the impact on the market, the rank of the parties on the market and the losses suffered by the parties ”

#### **circumstances can this be done?**

Preliminary injunctions do exist in Luxembourg law. As mentioned above, the district court judge has the prerogative to grant the plaintiff a *référé* or a *requête*. Most of the time, preliminary injunctions concern admissibility issues for a writ of summons or the competence of the court.

The district court president may request an expert accompanied by a bailiff to proceed to descriptive and seizure measures at the premises of the alleged infringer. Depending on the gravity of the case, the president can also request the alleged infringer to stop the activities as a preliminary measure. Under certain circumstances (ie, a clear indication that the recovery of damages from the alleged infringer will be difficult), the president can also order the seizure of real and personal property of the alleged infringer.

#### **14. How much should a litigant plan to pay to take a case through to a decision at first instance?**

The cost of taking a case through a first instance decision depends on several factors related to the procedures to be implemented and the complexity of the matter.

#### **15. Is it possible for the successful party in a case to obtain costs from the losing party?**

According to Article 240 of the Civil Procedure Code, the plaintiff may avail of an indemnification procedure, which reimburses its litigation costs and damages. It should include attorneys' fees and the various expenses incurred during the litigation (eg, copies, stamps, taxes). In addition, the successful party can obtain payment of the costs of hearings excluded from the litigation costs, such as the cost of bailiff notifications and experts fees.

#### **16. What are the typical remedies granted to a successful plaintiff by the courts?**

A plaintiff may ask the court to issue an injunction to stop the infringer from carrying on the unlawful act. The plaintiff may also request the court to seize, confiscate and destroy the counterfeit goods resulting from violation of the patent holder's rights or the tools used to produce such goods.

#### **18. How are damages awards calculated? Is it possible to obtain punitive damages?**

Under Luxembourg law, damages are calculated based on the losses suffered by the patent owner and the profits made by the infringer. In theory, punitive damages can be awarded by the judge, but in practice these are never granted. The implementation of the EU IP Rights Enforcement Directive provided a framework for the calculation of damages, based on different economic and moral aspects. As part of the damages award, the court can order the delivery up to the patent owner of the counterfeit products and the instruments used for the production of such products. In case of bad faith, the court can also order the transfer of the benefits gained by the infringer from the infringing action.

#### **18. How common is it for courts to grant permanent injunctions to successful plaintiffs and under what circumstances will they do this?**

Permanent injunctions are commonly granted by the courts to successful plaintiffs. The only conditions are that the plaintiff be the patent holder or the licensee, and that the infringement have taken place after registration and publication of the patent at the relevant office.

#### **19. How long does it take to obtain a decision at first instance and is it**

**possible to expedite this process?**

Practice shows that it usually takes between four months and two years to obtain a decision at first instance. It is not possible to expedite this process.

**20. Under what circumstances will the losing party in a first instance case be granted the right to appeal? How long does an appeal typically take?**

Pursuant to Article 578 of the Civil Procedure Code, as a matter of principle the right to appeal is granted to a plaintiff which loses at first instance. Restrictions on this right of appeal are exceptional and must be stated in the code. In patent cases a party can institute an appeal proceeding provided that it was unsuccessful at first instance.

Pursuant to Article 571 of the code, a party must institute an appeal within 40 days of notification by a bailiff of the first instance judgment. In general, an appeal proceeding takes between one year and 18 months.

**21. Are parties obliged to undertake any type of mediation/arbitration prior to bringing a case before the courts? Is ADR a realistic alternative to litigation?**

Under Luxembourg law, parties are not

obliged to undertake mediation or arbitration prior to litigation unless it is clearly stated in a contract. However, with the exception of certain types of right (related to family and divorce law) and pursuant to Article 1224 of the Civil Procedure Code, parties are free to undertake arbitration, provided that they agree with the principle of it.

**22. In broad terms, how pro-patentee are the courts in your jurisdiction?**

In Luxembourg, there are no pro-patentee courts. Depending on the case, the district court will settle the dispute in favour of either party. The key issues in court decisions are usually the impact on the market, the rank of the parties on the market and the losses suffered by the parties.

**23. Has your jurisdiction signed up to the London Agreement on Trademarks? If not, how likely is it to do so?**

Luxembourg ratified the London Agreement on 20th March 2001 and it came into force in Luxembourg on 1st May 2008.

*Carmine Reho, an associate specialising in IP law, helped with the preparation of this article. iam*



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Mr Lecomte's technical background is in mechanical and electrical engineering (University of Liege, Belgium and University of Aachen, Germany). He worked for three years in the engineering division of Guardian Industries, Luxembourg, and for seven years as a patent examiner at the European Patent Office, Munich, carrying out prior art searches and examining patent applications. He has also examined oppositions and chaired oral proceedings. He passed the European qualification examination in 2004 and joined a private practice in 2005, founding his own firm in 2007. He regularly lectures on different topics related to intellectual property in Europe.

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