

Enforcing patents in Italy

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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?

Civil and criminal litigation are both available to a patent owner wishing to enforce its rights in Italy. Civil actions are more frequent as judges in civil courts are generally more experienced in patent matters than criminal judges.

An ordinary civil court action may be preceded by a request for a preliminary injunction, which may consist of a request for seizure of the infringing products, an order to stop the infringing activity and an evidence-gathering procedure known as description. Such measures can be required even *ex parte*, ie, without hearing the defendant.

Another option is the seizure of goods suspected of infringing intellectual property rights at customs. This is provided for by a European regulation and the Italian Customs are very proactive in applying it. A seizure means that the importation of the infringing goods is suspended by the Customs Authority on the basis of evidence supplied by the patent holder, which must then bring either a criminal or a civil action, even if in most cases criminal actions are started automatically.

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

In 2003 Italy introduced specialised industrial property sections in the courts of Turin, Milan, Venice, Trieste, Genoa, Bologna, Florence, Rome, Naples, Bari, Catania and Palermo. The experience of these courts is increasing due to the fact that they have sole jurisdiction over first instance patent matters. However, quite

often patent litigation is decided on the basis of an assessment rendered by court-appointed counsel, who are more technically experienced than the court itself.

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?

In principle, it is possible to cross-examine witnesses, but according to the Italian Procedural Code the right to question witnesses lies with the judge only. Each party's attorney must therefore go through the judge to have any questions answered by the witnesses. However, in patent litigation witnesses are rare, while the use of technical briefs is very frequent. These briefs are, of course, drafted by patent counsel.

Usually the judge appoints a technical expert to assist the court. During proceedings a sort of internal technical trial takes place, in which the court-appointed expert exchanges briefs with the parties' patent counsel and renders a concluding assessment which is quite often the basis for the judge's final decision. Patent counsel are subject to no restrictions and may submit any kind of available evidence.

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

Infringement and invalidity actions can take place simultaneously. It is quite usual for a defendant in a patent infringement action to counterclaim the invalidity of the patent as part of the same proceedings. Likewise, where a declaratory judgment for non-infringement of a patent is sought, the patent holder may counterclaim infringement of the patent.

Each party bears the burden of proving the alleged invalidity or infringement, and may submit any kind of evidence.

5. To what extent is pre-trial discovery

permitted? If it is permitted, how is discovery conducted?

Italy provides for a sort of pre-trial inspection called a description. This is a type of preliminary injunction allowing the plaintiff, upon authorisation by the judge, to inspect the defendant's premises, means or products relating to the infringing activities. The inspection takes place in the presence of the bailiff of the court and *ex parte* experts.

The report of the description, drafted by the bailiff, can be used to obtain another preliminary injunction in the form of a seizure or an inhibitory order, or as evidence in an ordinary court action. Usually these orders are requested *inaudita altera parte* (ie, without hearing the defendant) in order to avoid the risk of the evidence being removed.

During the trial another form of inspection that may be requested is an order for the defendant to produce documents or information concerning the subject matter of the court action. The party requesting this order must show the court that the action is sufficiently grounded. This kind of inspection mostly concerns accounting evidence which may be useful in view of a quantification of damages.

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

Although the doctrine of equivalents applies in infringement actions in Italy, there is little case law and therefore a finding of equivalence largely depends on the specific circumstances. The criteria adopted by the European Patent Office or by courts in other European Union member states can be proposed where appropriate.

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?

In principle, the enforcement of patents does not differ depending on their subject matter. However, Italian judges, who normally have no technical background, often have difficulty understanding technical matters, particularly when a case involves sophisticated technical fields such as biotechnology or computer science. Therefore, courts usually appoint technical experts to assist them in the decision-making process.

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?

Although Italian courts are not bound by the

decisions of other courts, they may be influenced by case law, particularly where several decisions consistently espouse the same opinion. Decisions issued by the Italian Supreme Court (*Corte di Cassazione*) are taken into account, although first and second instance courts have been known to diverge from Supreme Court guidance. Different views among Supreme Court judges are also possible and have resulted in conflicting decisions.

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

While Italian courts must take into consideration European Court of Justice decisions, they are not bound by foreign judgments. However, in view of the harmonisation of all basic patent principles throughout Europe, decisions rendered by other European courts in comparable cases can be referred to as case law, and may provide useful arguments, if suitably presented.

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

In order to delay proceedings, the defendant may file a separate action seeking a declaration of invalidity of the plaintiff's patent as opposed to counterclaiming in the same proceeding. This action would be filed with the court where the plaintiff has its domicile, which may be a different court.

In such cases, depending on the circumstances, the judge may suspend the infringement proceedings and wait for the decision concerning invalidity. As a countermove, the plaintiff may, depending on the circumstances, request a preliminary injunction in order to anticipate the effects of the final decision or try to concentrate proceedings.

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

Preliminary injunctions are provided for in Italy. As already explained under point 1, they consist of seizure, an inhibitory order and a description. A preliminary injunction can be obtained in a shorter time than an ordinary court decision and approximately takes two to eight months. This usually depends on whether the judge is able to reach a decision autonomously or needs to appoint a technical expert. In the past, most case law indicated that technical expertise in a preliminary

injunction was inconsistent with the urgency of this kind of provision, but this trend seems to have reversed and technical experts are now quite often involved, particularly in technically sophisticated cases.

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

It usually takes two to three years to reach a decision at first instance, depending on the evidence required and on whether a technical expert is appointed.

New rules of procedure were introduced a year ago for proceedings concerning intellectual and industrial property matters, with the aim of reducing their length. Although it is too early to tell whether that aim has been achieved, it is foreseeable that under the new rules courts will be able to issue decisions in one to three years, depending on circumstances.

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?

Any of the parties involved may file an appeal against the first instance decision before the competent court of appeal, depending on the first instance court's location. The appeal must be filed within 30 days of the serving of the decision by one party on the other or one year from publication of the decision if no serving takes place.

After the decision of the court of appeal, appeals on points of law may be filed with the Supreme Court. First instance decisions are immediately enforceable, even if they have been appealed. However, the court of appeal may suspend the enforcement if a sufficiently persuasive request is submitted.

It normally takes two to three years to reach a decision in appeal proceedings.

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

Cost depends on the fees charged by lawyers as well as by patent counsel to the parties and to the court. Any patent litigation is unlikely to cost a party less than Euros 15,000 to 20,000 in preliminary proceedings, and no less than Euros 25,000 to Euros 30,000 through to a decision in ordinary proceedings at the first instance court.

Higher costs are possible, depending on specific circumstances. In complex cases, costs can climb to between Euros 60,000 and Euros 70,000 in preliminary proceedings and

could reach up to Euros 200,000 for the first instance. Higher figures than this are unusual.

The winning party may obtain a sum as recovery of costs incurred, but this will never cover the complete expense. In practice, it is usually possible to recover approximately 35% of the actual costs incurred, while under certain circumstances recoveries in the region of 50% to 60% of costs are possible.

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

Only Italian lawyers or foreign lawyers registered with Italian bars are admitted to represent before Italian courts.

Patent attorneys in Italy are not allowed to represent clients before the courts but they can appear as *ex parte* experts. It is advisable to rely on lawyers who specialise in intellectual and industrial property law.

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

Remedies available in cases of infringement are seizure of the infringing products and of the means related to the infringement activity, inhibitory orders, such as an order to the infringer to immediately stop the infringing activity, publication of the decision, destruction or assignment of infringing goods and damages (the latter only at the end of an ordinary court action).

The burden of proving damages is on the plaintiff, which must also quantify the relevant amount – usually not a simple task. In principle, there are three different criteria for determining damages: loss of profit for the patent holder; income of the infringer; and reasonable royalty. In recent years, it has become quite customary to request the appointment of an expert to help the court assess damages and to rely on an order for the defendant to produce accounting evidence. Italian law does not provide for punitive damages.

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

The only alternative to court action is to send a cease and desist letter, which may be effective depending on the circumstances. It should be borne in mind, however, that a cease and desist letter might trigger the recipient to commence an action for invalidity of the patent or file a request for a declaratory judgment.