

# Intellectual Property Magazine

February 2016

Trademarks

Patents

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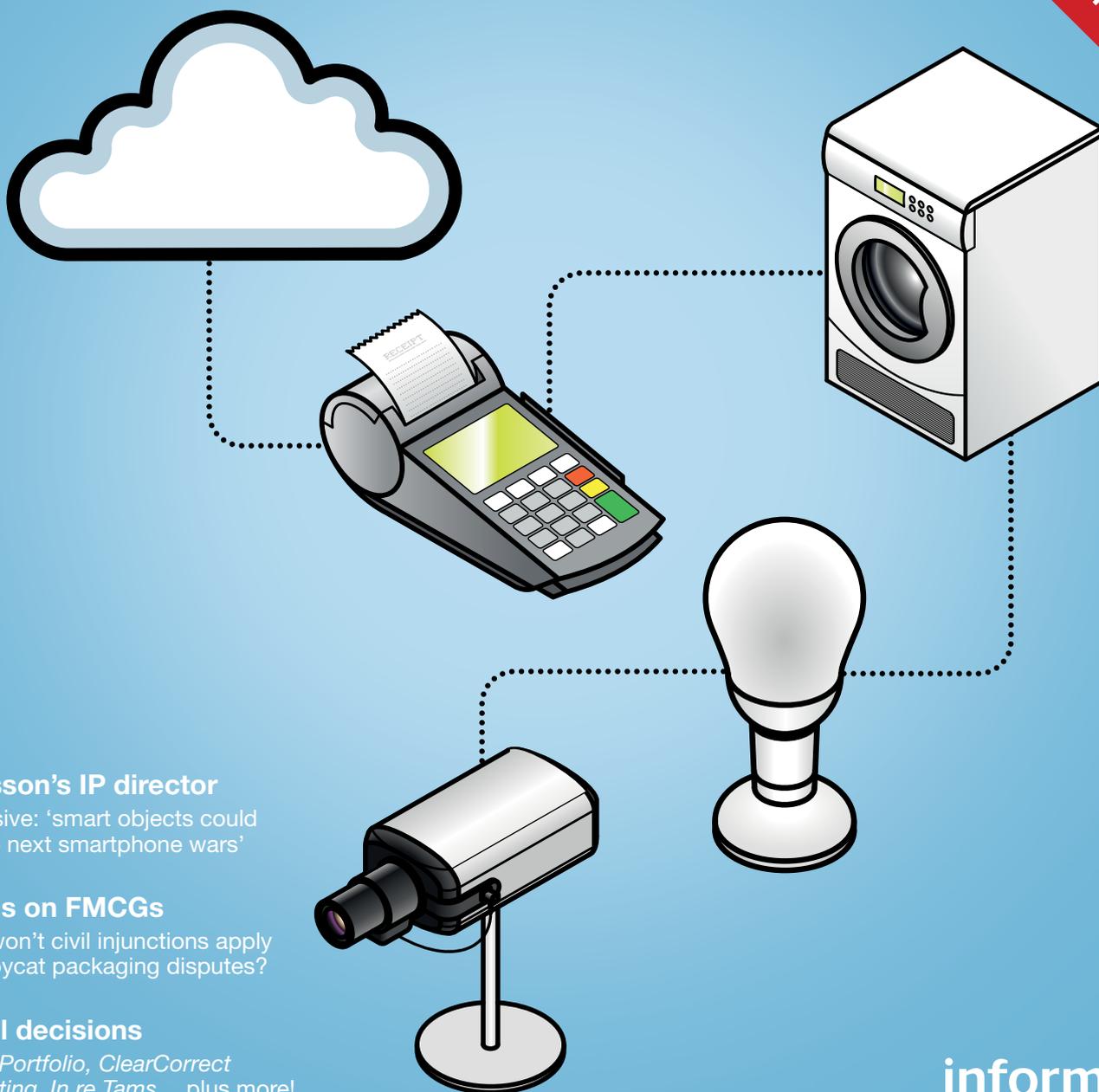
Strategy

Online

## Internet of things

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Exclusive: 'smart objects could be the next smartphone wars'

■ **Focus on FMCGs**

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**informa**



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## French lessons

Knowledge of France's long-established *saisie-contrefaçon* could prove useful when applying the UPC's planned method for preserving evidence, say **Sabine Agé** and **Amandine Métier**

**The *saisie-contrefaçon* is used to gather evidence of the infringement of IP rights.** Available in France since an act was passed in 19-24 July 1793, this measure has inspired the order to search evidence and inspect premises in Article 60 of the Unified Patent Court Agreement (UPCA) of 19 February 2013.

### The *saisie-contrefaçon* under French law

A *saisie-contrefaçon* is a procedural tool available to IP rightsholders or exclusive licensees (for all kinds of IP rights), whose only aim is to prove that infringement has occurred. The rightsholder or licensee must have the capacity to sue – if he is not the original applicant he should have made its acquisition or licence enforceable against third parties. Any transfer of ownership or licence should be registered in the relevant register (eg, the French National Patent Register or the European Patent Office Register if still opened for registration) or notified to the seized party.

The *saisie-contrefaçon* can be carried out at any place where the alleged infringing products are located or the alleged infringing process is implemented. It is not necessary that the legal entity against which the *saisie-contrefaçon* is carried out be the infringer. For example, the *saisie-contrefaçon* can be carried out on the premises of an administrative body holding relevant information.

In order to have a *saisie-contrefaçon* carried out, the rightsholder must file a petition to obtain an order from the presiding judge of the competent court. Only a few courts have jurisdiction over IP matters in France; for patent cases the court of Paris has exclusive jurisdiction for the whole of France. The petition for a *saisie-contrefaçon* is always submitted on an *ex-parte* basis.

The petition must clearly identify the petitioner as well as the person against which the order is sought. It must also identify the IP rights at issue and justify their ownership as well as their enforceability. It must also indicate its purpose, namely the operations for which authorisation is requested as well as the participants to the operations (namely the bailiff, independent experts appointed by the petitioner, the police force, but not the petitioner himself). In practice, although the petitioner does not legally need to demonstrate the infringement of the

IP rights at issue, some judges require available evidence that the legal entity against which the *saisie-contrefaçon* is carried out is likely to hold relevant proof of the infringement.

The measures that could be ordered by the judge relate to the description of the allegedly infringing goods or allegedly infringing process, as well as the physical seizure of samples and the physical seizure of the equipment and tools necessary to manufacture the infringing goods. In addition, any document establishing the infringement, such as technical documents, notices or manufacturing files, but also the origin, the destination or the volume of goods manufactured, imported and/or sold (eg, inventory of stock, commercial and accounting documents) can be seized or copied. A security can be requested of the claimant to guarantee compensation for the damage the seized party may suffer in the case of abuse, although this is rare in practice.

**“[The *saisie-contrefaçon*] served as a basis for the provisions for preserving evidence included in the UPCA and the Rules of Procedure of the Unified Patent Court.”**

Before starting the *saisie-contrefaçon*, the petition and the order must be served on the seized party. In the course of the operations, the bailiff and the appointed experts are bound by the order and cannot investigate beyond what has been authorised by the judge. The report drawn up by the bailiff must comply with the provisions applicable to any bailiff's act and must therefore contain some formal indications such as the date and the name of the bailiff.

If information and documents are said to be confidential by the seized party, they can be seized by the bailiff, but are placed by the latter in a sealed envelope and are not accessed by the petitioner until

the parties have either agreed on a confidentiality clause or referred the case to the court, which can appoint an expert to sort out the documents. Any confidential documents that are necessary to support the claim for infringement will be given to the IP rightsholder at the end of this process, possibly under a confidentiality regime.

After the *saisie-contrefaçon*, the bailiff must serve a copy of his report to the seized party. If the *saisie-contrefaçon* has been carried out before the launch of proceedings on the merits, the claimant has to start infringement proceedings within 20 working days or 31 calendar days, whichever is longest. Failing the institution of proceedings, the *saisie-contrefaçon* can be held void upon request of any interested party without prejudice of the compensation for the damage it may have caused.

**“The application for an order to preserve evidence may be lodged with the UPC as long as it is competent to hear the case...Both the exclusive and non-exclusive licensees must give prior notice to the patent proprietor before applying for an order to preserve evidence.”**

The judge who issued the order authorising the *saisie-contrefaçon* can be asked by the seized party to amend or revoke his order. The bailiff's report can also be challenged in the proceedings on the grounds that the investigations were conducted beyond the acts authorised by the judge.

The *saisie-contrefaçon*, which is an efficient evidentiary tool, was implemented into various European countries pursuant to Directive 2004/48/EC on the enforcement of IP rights. This directive also served as a basis for the provisions for preserving evidence included in the UPCA and the Rules of Procedure of the Unified Patent Court (RoPs).

### **The *saisie-contrefaçon* in the UPCA and the Rules of Procedure**

Article 60 of the UPCA relates to the order to preserve evidence and to inspect premises. Rules 192 to 198 of the 18th draft of the RoPs relate to the order to preserve evidence providing for a sort of *saisie-contrefaçon* before the Unified Patent Court (UPC), but they differ to some extent from the French provisions.

The application for an order to preserve evidence may be lodged with the UPC as long as it is competent to hear the case. The applicant can either be the holder of the patent, the exclusive licensee (unless the licensing agreement provides otherwise) or a non-exclusive licensee if it has been granted the right to bring proceedings by the licence agreement. Both the exclusive and non-exclusive licensees must give prior notice to the patent proprietor before applying for an order to preserve evidence.

The application for an order to preserve evidence can be filed either before or after having started infringement proceedings on the merits. If before, “it shall be lodged at the division where the applicant intends to start proceedings on the merits” according to Rule 192.1. This could be difficult in practice if the infringer is not yet known to the claimant,

who only knows that the allegedly infringing goods are merely held by a certain person. If the application is lodged before any action on the merits, Rule 14 applies. It provides that, subject to limited exceptions, the applicant can choose the language of the proceedings between those designated by the local division before which the proceedings are started. If the proceedings are pending, the language of the proceedings applies.

The requested measures must be precisely indicated in the application, which can include a detailed description, with or without taking samples, the physical seizure of the infringing products and/or of the materials and implements used in the production and/or distribution of the products, and the related documents. Available evidence shall be provided to support the application, as well the “the reasons why the proposed measures are needed to preserve relevant evidence” demanded under Rule 192.2(c).

The registry will check whether the formal requirements of the application are complied with before it is reviewed by a judge from the panel. This hearing will take place *ex parte* if the applicant demonstrates that an *inter partes* hearing would cause delay likely to do him irreparable harm. If this condition is not met, the judge will summon both parties to an oral hearing to determine whether the requested measure is necessary. The rules applying before the UPC differ in this respect from the French ones, according to which a *saisie-contrefaçon* can always be requested *ex parte* under no specific conditions.

If authorised, the order must be enforced by “a professional person or expert, who guarantees expertise, independence and impartiality,” according to Rule 196.5. The applicant cannot participate in the measure. The appointed professional or expert will draft a report on the information gathered pursuant to the order and this will be sent to the court. Confidentiality can be protected by the court, which can set appropriate terms of non-disclosure. The court may make the measure subject to the applicant lodging an adequate security.

Before executing the measure or immediately after execution, notice must be given to the affected parties, which can concern parties other than the one holding the infringing goods. If an order for preserving evidence is obtained before proceedings on the merits are started, the claimant shall initiate proceedings before the court within 20 working days or 31 calendar days, whichever is the longest (Rule 198.1).

An appeal and review of the order to preserve evidence when the defendant has not been heard (Rule 197.3) are available.

If a person considers it is likely that an application for preserving evidence may be lodged against him before the court in the near future, he may file a protective letter challenging the facts expected to be relied on by the presumed applicant and/or, where applicable, any assertion that the patent is invalid and the grounds for such an assertion (Rule 207).

Although the conditions under which orders to preserve evidence will be issued by the UPC are slightly different from those under which the French *saisie-contrefaçon* is currently authorised, the practice of French courts in the past will certainly help establish the future case law before the UPC.

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