

**FRENCH REPUBLIC
IN THE NAME OF THE PEOPLE OF FRANCE**

**COUR D'APPEL OF PARIS
Division 5 – Chamber 1**

DECISION OF 3 MARCH 2010

(No. , 11 pages)

Docket number: **07/14488**

Decision referred to the *Cour d'Appel*: judgment of 13 July 2007 - *Tribunal de Grande Instance* of Paris – Docket number 05/10787

APPELLANTS

DEPRAT JEAN, S.A.

represented by its legal representative
whose registered office is located at 13 bis, rue Roger Salengro, BP 1
59 115 Leers

Mr Paul SCHLAGMULLER

Domiciled at 15 allée des Camélias
59510 Bondues

represented by the *SCP* Fisselier – Chiloux - Boulay, *avoués* before the *Cour d'Appel*,
assisted of Mr Yves Bizollon, attorneys-at-law, member of the Paris Bar, court box:
R255 pleading for the law firm BIRD & BIRD

RESPONDENT

ZURFLUH FELLER, S.A.S.

represented by its legal representatives
whose registered office is located at 45 Grande Rue
25150 Autechaux Roide

represented by the *SCP* Monin – d'Auriac de Brons, *avoués* before the *Cour d'Appel*,
assisted of Mr Jacques Armengaud, attorney-at-law, member of the Paris Bar, court
box: W 07 pleading for the *SEP* Armengaud-Guerlain

COMPOSITION OF THE COURT:

Pursuant to the provisions of Article 786 of the French Civil Procedure Code,
the case was discussed on 23 November 2009, in public hearing, the attorneys-at-law
not being opposed to it, before Ms Brigitte Chokron and Ms Anne-Marie Gaber,
Judges, in charge of conducting the case.

These judges gave an account of the oral pleadings during the deliberation of
the Court, composed of:

Mr Didier Pimouille, Presiding Judge
Ms Brigitte Chokron, Judge
Ms Anne-Marie Gaber, Judge
who deliberated

COURT CLERK, during the discussion: Ms Jacqueline Vignal

DECISION: - After hearing both parties

- the decision was made available at the court clerk's office, the parties having been previously notified in accordance with the conditions laid down in the second subparagraph of Article 450 of the French Civil Procedure Code.

- signed by Mr Didier Pimouille, Presiding Judge and by Ms Aurélie Geslin, court clerk to whom the minutes of this decision were handed by the signatory Judge.

Having regard to the contradictory judgments of 6 July 2006 and 13 July 2007 by the *Tribunal de Grande Instance* of Paris,

Having regard to the appeals lodged on 8 August 2007 by the company Deprat Jean SA and Paul Schlagmuller,

Having regard to the 5 May 2008 order consolidating the two proceedings,

Having regard to the appellants' latest pleading of 2 November 2009,

Having regard to the respondent and incidentally appellant company SAS Zurfluh Feller's latest pleading of 9 November 2009,

Having regard to the closing order pronounced on 10 November 2009,

WHEREUPON, THE COURT,

Reference is expressly made, for a full explanation of the facts of the case and of the proceedings, to the two contested decisions and to the parties' latest pleadings.

It will be simply recalled that Paul Schlagmuller is the owner of French patent No. 85 10109 filed on 28 June 1985, granted on 15 July 1988 (published under No. 2 584 130) entitled "*Volet roulant de protection pour ouvertures dans les murs*", that is, in English "*Protective roller blind for openings in walls*", and that on 16 October 1986 he granted to Jean Deprat an "*exclusive manufacturing and marketing licence of a blocking device of a roller blind (closed position)*" of the process filed for a one-year period, the licence being then renewed tacitly until expiration of the patent.

This licence was entered in the French patent register (*RNB*) on 1 July 2004 under No. 140149 and the 24 September 2004 amendment to the licence agreement, reiterating and confirming the agreement in favour of Deprat Jean SA (hereinafter referred to as "Deprat"), was registered on 19 October 2004 under No. 142038.

Deprat, having learned that another company allegedly had automatic locking devices reproducing the claims of the patent of which it has an exclusive licence, duly authorised on 23 May 2005, carried out a first *saisie-contrefaçon* on 24 June 2005. This seizure having revealed the existence of a catalogue which allegedly offers for sale locking devices which it says to be infringing, it requested on 29 June 2005 the authorisation to carry out a new *saisie-contrefaçon* on this company's premises, adding that the patent "*expires on 28 June 2005*" and, duly authorised, carried out a second seizure on 1 July 2005.

Arguing in particular that this seizure would demonstrate that the products listed in the catalogue are marketed by Zurfluh Feller, Deprat, after having informed the patentee on 1 February 2005 (who gave his consent on 12 February 2005) brought proceedings against Zurfluh Feller on 8 July 2005 before the *Tribunal de*

Grande Instance of Paris for the infringement of claims 1 to 7 of the patent; on 17 October 2005, Paul Schlagmuller voluntarily intervened to the proceedings.

The first-instance Judges, in their decisions of:

- 6 July 2006, held that Deprat had the capacity to take action for infringement, since the patentee intended to allow the licensee to institute an action, declared the *saisie-contrefaçon* procedure of 1 July 2005 to be void (the patent having expired at the date of the request for authorising this seizure) and directed Zurfluh Feller to file pleading on the merits of the case,

-13 July 2007, held that claim 1 of the patent was invalid for lack of novelty, dismissed the claim for invalidity of claims 2 to 7 of the patent, ordered Deprat and Paul Schlagmuller to pay the legal costs as well as a compensation in respect of the irrecoverable costs, and dismissed the parties' other claims considering that proof of infringement had not been produced, nor had been proof of abuse of process.

Deprat and Paul Schlagmuller criticise these decisions because the first one declared the 1 July 2005 *saisie-contrefaçon* to be void and the second one held claim 1 of the patent invalid and dismissed their action for infringement.

Zurfluh Feller reiterates in its grounds its arguments at first instance for the inadmissibility of the action, the nullity of the two *saisies-contrefaçon* and requests that the Judge reverse the second judgment because it did not held claims 2 to 7 of the patent invalid for "lack of novelty or at least for lack of inventive step", and because it did not accept its claim for abuse of process.

On Deprat's capacity to act

Zurfluh Feller considers that Deprat, the capacity as exclusive licensee of which it does not dispute, has violated the terms of Article 10 of the licence agreement by instituting only the action for patent infringement.

However, the appellants rightly argue that the provisions of Article L. 615-2 of the French Intellectual Property Code as well as the terms of the licence agreement have been complied with.

The legal provisions then applicable provided already that the beneficiary of an exclusive right of exploitation could, unless otherwise stipulated in the licence agreement, take action for infringement if, after formal notice, the patent owner did not himself take action for infringement, and that the patentee's intervention to the action thus initiated was acceptable.

In the present case, Paul Schlagmuller, the patent owner, expressly requested on 12 February 2005, before the seizures and the commencement of the proceedings, that the licensee Deprat "*initiate a legal action*", it being pointed out that the mere fact that he then undertook to contribute to the exhaustively listed financial expenses does not demonstrate that he intended to take action as the main claimant, and that the licence agreement does not exclude at all that the licensee may act alone even if the patentee agrees, Article 10 simply specifying in that respect that "*the proceedings will be initiated with common expenses and profits*" which does not require, as noted by the appellants, that joint proceedings be instituted.

The contested decision of 6 July 2006 will therefore be affirmed because it rejected this argument of inadmissibility.

On the validity of the *saisies-contrefaçon*

The argument that the summons could not have validated within the time limit required the *saisies-contrefaçon* in the light of the inadmissibility of the action proves to be without object, like the argument based on

the absence of the exclusive licensee's capacity to carry out the said seizures upon order of the Presiding Judge of the *Tribunal de Grande Instance*, this right being conferred to it by the provisions of subparagraph 3 of Article L. 615-5 of the French Civil Procedure Code then applicable, which refer to the requirements laid down in Article L. 615-2 which have been fulfilled.

Consequently, these arguments were rightly dismissed at first instance (on 6 July 2006).

The appellants, however, reproach the *Tribunal* for declaring the second *saisie-contrefaçon* to be void, without having ruled on the lateness of this plea, while the order authorising the seizure was not contested and this cancellation would be contrary to the law as well as to case law.

The argument that the nullity of the *saisie-contrefaçon* (for lack of enforceability of the claimant's rights due to the expiry of the monopoly over the industrial property right) based on the non-observance of a substantive rule can be proposed after a bar to the proceedings. The inadmissibility of this argument cannot consequently be admitted, it being recalled that Article 74 of the French Civil Procedure Code cited does not prevent the application of Article 118 of the same code.

The first-instance judges considered that the possibility of proving the adduced facts by way of a *saisie-contrefaçon* presupposes that the industrial property right be in force at the time the authorisation is requested, holding in fact that the claimant was not able to duly receive the authorisation to carry out the *saisie-contrefaçon* and granting a plea on the merits drawn from a criticism of the *saisie-contrefaçon* order or from the conditions for obtaining it.

Yet, an appeal for revocation (which the respondent did not think it should file) is the appropriate remedy of an *ex-parte* order obtained in irregular conditions or which authorised excessive measures, and this procedure falls within the exclusive jurisdiction of the judge who issued the order, and not of the court ruling on the merits of the case, it being noted that it is not contested that the seizure was carried out according to the provisions of the *ex-parte* order which granted the request.

A report drafted in accordance with a decision which has not been held irregular must be considered as regular and if its nullity can be proceeded against for abuse of the *saisie-contrefaçon* procedure, the respondent cannot validly claim that such a nullity is justified on the ground that the seizure only provides evidence on events which occurred even as it was being carried out and that the products likely to be infringing when the right was valid are no longer so after expiry of that right.

The bailiff can perfectly determine the date at which the items which he describes were manufactured, stocked or sold, and find sales documents, or information such as bar codes on the products which enable him to backdate an act of infringement.

Furthermore, it cannot be accepted, as held by the Court, that "*the circumstance that the infringement action can still be instituted after the expiry of the right for prior acts not covered by the limitation period is without effect upon the loss of the possibility of proving these acts by way of a saisie-contrefaçon*" when there is nothing to justify that a person who retains the right to proceed against acts committed prior to a patent expiry be deprived of a means of obtaining evidence to establish them, and that it would be indispensable that the monopoly over the patent adduced not have expired on the day of the request for *the saisie-contrefaçon* to be valid insofar the claimant intends to obtain evidence of the infringement acts committed when the patent could be asserted against third parties.

In this case, Deprat Jean had expressly specified in its request that the patent set out had expired on 28 June 2005 and that the seizure was requested for the purposes of "*confirming the reality [...] of the sale of allegedly infringing products [...] sale recorded during the first saisie-contrefaçon carried out on 24 June 2005*" (that is, at a date when the patent had not yet expired) and the *ex-parte* order indicates that the description and the seizure are authorised so as to prove the alleged infringement "*prior to 29 June 2005*" (hand-written note).

It results from all these assessment factors that there is nothing to prevent pieces of evidence seized on 1 July 2005 from being taken into account, where necessary, which would demonstrate the implementation of characteristics of the patent before it expired (two days earlier), even if by nature the provisions relating to the *saisie-contrefaçon* are to be interpreted strictly.

Consequently, the 6 July 2006 judgment will be reversed because it held “*the saisie-contrefaçon procedure carried out on 29 July 2005 on the basis of a request lodged on 29 June 2005*” to be void.

[...]

[...]

ON THESE GROUNDS,

Affirms the 6 July 2006 judgment in all its provisions, except in so far as it held the saisie-contrefaçon procedure carried out on 1 July 2005 invalid;

Ruling again upon this point,

Dismisses the plea of nullity of the 1 July 2005 saisie-contrefaçon;

Affirms the 13 July 2007 judgment in all its provisions;

Dismisses Zurfluh Feller SAS's claims for abuse of process;

Orders Deprat Jean SA and Paul Schlagmuller to pay the appeal costs which will be awarded to the *SCP Monin - d'Auriac de Brons, avoué*, pursuant to the provisions of Article 699 of the French Civil Procedure Code, and holds that there is no need to apply Article 700 of the French Civil Procedure Code concerning the irrecoverable appeal costs.

COURT CLERK

THE PRESIDING JUDGE