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Judicial harmonisation of European patent law: English Court of Appeal looks to NL & DE judgments when interpreting UK indirect/contributory infringement provisions

Brian Cordery (Bristows) · Tuesday, November 2nd, 2010

In *Grimme Landmaschinenfabrik GmbH v Scott* [2010] EWCA Civ 1110 the English Court of Appeal stated clearly its support for judicial collaboration facilitating *de facto* harmonisation of patent law in Europe. The Court then interpreted the UK provisions on indirect/contributory infringement consistently with approaches taken in The Netherlands and Germany.

The case in question concerned a patent claiming potato harvesting machines. Having found claim 1 inventive, the Court of Appeal considered the interpretation of the statutory provisions governing contributory/indirect infringement (sections 60(2) and 60(3) of the UK Patents Act 1977 (the "Act")). The Court stated:

"Following oral argument we undertook some legal research of our own and the opportunity of asking judicial colleagues in Germany and Holland as to whether they had any case law on the equivalent provisions to s.60(2). Indeed they had…The Dutch Judge told us his court had even considered the case of a man selling Mr Scott's very machine. We were astonished that the parties, particularly Grimme who were the Dutch plaintiffs, did not tell us about that case….

Advocates should recognise that where a point of patent law of general importance, such as the construction of a provision which by Treaty (either the EPC or the Community Patent Convention) is to be implemented by states parties to those conventions, has been decided by a court, particularly a higher court, or another member state, the decision matters here. For despite the fact that there is no common ultimate patent court for Europe, it is of obvious importance to all the countries…that as far as possible the same legal rules apply across all the countries where the provisions of the Conventions have been implemented. An important decision in one member state may well be of strong persuasive value in all the others, particularly where the judgment contains clear reasoning on the point.

Broadly, we think the principle in our courts – and indeed that in the courts of other member states – should be to try to follow the reasoning of an important decision in another country. Only if the court of one state is convinced that the reasoning of a court in another member state is erroneous should it depart from a point that has been authoritatively decided there. Increasingly that has become the practice in a number of countries, particularly in the important patent countries of France, Germany, Holland and England and Wales. Nowadays we refer to each other's decision with a frequency which would have been hardly imaginable twenty years ago. And we do try to be

consistent where possible.

The judges of the patent courts of the various countries of Europe have thereby been able to create some degree of uniformity even though the European Commission and the politicians continue to struggle on the long, long road which one day will give Europe a common patent court."

Turning to the UK provisions in question, s.60(2) and 60(3) of the Act, the Court noted that the corresponding provision of the CPC is Article 26. This "bears the fingerprints of German, French and US laws, but differs from them all in significant respects, and has established a unique doctrine which cannot be regarded as an adoption of any particular system of law".

On the facts of the case, it was found that while Mr Scott had been selling machines fitted with a steel clod roller (which were outside the scope of the claims), he had been marketing the machines as suitable for running with rubber rollers (which he also sold) – and once the rollers were switched the machine fell within the scope of claim 1.

Applying the provisions to the facts in question, the Court held:

(i) S.60(2) is clearly intended to apply to, amongst other things, products which are capable of being used in a manner which will not constitute a direct infringement: that the machine as sold was capable of being used with steel rollers (i.e. non-infringing) did not prevent it being "means, relating to an essential element of the invention, for putting the invention into effect"; and

(ii) The requirement that the "means essential" are "intended to put" the invention into effect in the United Kingdom is met if the supplier knew (or it was obvious in the circumstances) at the time of his offer to supply or supply that some (disregarding freak use) ultimate users would intend to use, or adapt or alter the "means essential" so as to infringe.

On (i), the Court noted that the requirements as to suitability and knowledge of intended use limit the scope of the statutory tort, not whether the product itself is capable of lawful use without alteration.

On (ii), the Court noted that this is the only way to make sense of the provision in the context of an offer to supply – at that time the offeree cannot yet have formed a settled intention to put the invention into effect. This is consistent with earlier reasoning in the Patents Court, with the language of the French and German versions of the CPC, with the Dutch case *Grimme v Steenwoorden Constructie* (20 April 2010) and with a number of German cases, in particular *Deckenheizung* [BGH X ZR 153/03], *Haubenstretchautomat* [BGH X ZR 173/02] and *Luftheizgerät* [BGH X ZR 176/98].

Finally, the Court indicated that since only a proportion of the defendant's sales may ever be modified so as to infringe and only a proportion of ultimate users may have bought with any intention to modify, this should be reflected in the financial remedies.

With the negotiations leading towards a unitary patent system for the European Community progressing at a slow pace, the authors welcome the Court of Appeal's open commitment to seek harmony with other courts wherever possible. Plainly the judges were not intending to exclude other countries from this list of "important" patent countries. Collaborative discussions such as the Judges' Forum in Venice which took place on 29-30 October this year are an important part of this process.

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