

Kluwer Patent Blog

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Rik Lambers (Brinkhof) · Tuesday, January 17th, 2023

Everything flows, and the Dutch cross-border injunction flows like no other. From its source in the The Hague all the way to the cradle of Europe: Greece. So decided the Dutch Courts in the *Novartis vs. Pharmathen* case.

The willingness of the Dutch Courts to assume jurisdiction to grant cross-border relief in international patent cases is nothing new. This is well-known, as has been previously reported on this blog (see e.g. [here](#) and [here](#)). Still, even old rivers can change course.

In this case, Novartis initiated patent infringement PI proceedings in Greece against the Greek entity Pharmathen SA. Novartis' patent related to a process for the production of a long action release product for treatment of tumors ('LAR product'). The Greek Court concluded that the patent was not infringed and denied Novartis the claimed relief. In parallel *merits* proceedings the Greek court denied, on procedural grounds, the claims of both Pharmathen SA (seeking a DNI) and Novartis (seeking revocation of the PI decision).

Novartis subsequently initiated PI proceedings in the Netherlands against the Dutch entity Pharmathen *Global*, the parent company of Pharmathen SA. Novartis claimed a cross-border injunction – i.e. for all designated states where the patent was in force, including Greece – based on patent infringement and general tort law. This cross-border injunction was granted by the PI Judge of the District Court of The Hague (decision d.d. 19 July 2022 in Dutch [here](#)), and largely confirmed on appeal (CoA The Hague decision d.d. 15 November 2022 in Dutch [here](#) and English machine translation (not reviewed!) [here](#)).

On appeal Pharmathen *Global* argued that, in view of Art. 36 Brussels I-recast (recognition of foreign decisions), the Dutch Court was bound by the Greek court's PI decision that Pharmathen SA does not infringe the patent. The Dutch CoA considered – based on expert evidence on Greek law – that the Greek decision did not result in *res judicata* as Pharmathen *Global* was not a party to the Greek proceedings. Moreover, under Greek law (as under Dutch law) a *PI* decision cannot result in *res judicata*. Therefore the Dutch CoA did not consider itself bound by the Greek PI decision.

However, Pharmathen *Global* also argued that – according to Greek law – the effect of a decision cannot be set aside by a second decision, other than an appeal. This would even be so if the second decision concerned another party, but would effectively result in the first decision being set aside. The CoA agreed that this rule was violated by the PI Judge of the District Court as far as the Judge had ordered Pharmathen *Global* to *instruct* Pharmathen SA to cease and desist the infringement in

Greece.

This proved to be a pyrrhic victory for Pharmathen. The CoA did not dam the flow of the cross-border relief. Like the PI Judge, the CoA decided to grant an injunction against Pharmathen Global for all designated states, including Greece. The CoA just changed the course of the flow, that is, it's legal basis.

Both the PI Judge and the CoA considered that Pharmathen's method technically infringed the patent (i.e. by equivalence according to the CoA, applying the [Pemetrexed](#) approach).

The CoA differed from the PI Judge on the legal qualification of the acts performed by Pharmathen Global. The PI Judge considered that Pharmathen Global acted *unlawfully* by facilitating this infringement abroad (i.e. no direct infringement, but a general tort). The CoA, however, concluded that Pharmathen Global's activities as the central, controlling parent company already concerned a *direct infringement*. Even if the infringing activities were *de facto* not performed by Pharmathen Global (but by Pharmathen SA), then Pharmathen Global should still be considered a direct infringer as the responsible party for these activities. This qualification of the controlling activities as direct infringement, rather than a tort, adds a new branch to the cross-border river.

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This entry was posted on Tuesday, January 17th, 2023 at 9:40 pm and is filed under (Cross-border) jurisdiction, (Indirect) infringement, Enforcement, literally fulfil all features of the claim. The purpose of the doctrine is to prevent an infringer from stealing the benefit of an invention by changing minor or insubstantial details while retaining the same functionality. Internationally, the criteria for determining equivalents vary. For example, German courts apply a three-step test known as Schneidmesser's questions. In the UK, the equivalence doctrine was most recently discussed in Eli Lilly v Actavis UK in July 2017. In the US, the function-way-result test is used.">Equivalents, Infringement, Injunction, Litigation, Netherlands, Pharma

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