

Chapter 1

Introduction

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1.1 Patent litigation and the role of the justice system

The patent system encourages and protects inventions to develop and improve technologies in support of innovation. For this instrumental purpose of the patent system to be fully realized, patentees must be able to enforce their rights and alleged infringers must be allowed to effectively defend their rights, including by challenging a patent's validity. This requires not only a robust legal framework for patents, but also a fair and effective justice system that provides predictability for market structures and contributes to the broad balance of public considerations envisaged in the patent system.

Any justice system for patents will be molded by the technical specificities of patent disputes, which are frequently characterized by complex procedures that address dynamic technological facts. Patent disputes commonly raise questions relating to the boundaries of innovative activities such as patentable subject matter, as well as infringing activities enabled by technologies unforeseen at the time the patent was filed. In addition, they may involve high economic stakes – resulting in business-altering injunctions or multi-million dollar damages – and require significant legal costs, amid uncertain outcome. Furthermore, the resolution of patent disputes may have a wider impact beyond the parties involved, altering the direction of an industry and carrying broader economic and social consequences. Courts are called upon to calibrate the balance between the public interest in effectively enforcing patent monopolies to advance the innovation-promoting purposes of the patent system, and other public interests, such as ensuring fair competition in the marketplace by preventing anticompetitive practices, or ensuring fair access to life-saving technologies in the domain of public health.

The ramifications of patent litigation may even extend beyond the territorial boundaries of the patent rights and of the court's jurisdiction. In today's global market, where technology products are enforced by a web of territorial patent rights, it is not unusual for major patent disputes to be litigated in multiple jurisdictions. For example, a party who is a defendant to an infringement suit in one jurisdiction may initiate a patent revocation action or seek a declaration of non-infringement in a different jurisdiction, or a deep-pocketed patentee may initiate legal battles in multiple countries, leading to a series of lawsuits in various courts around the world. Courts are then asked to resolve complex disputes that involve non-domestic elements – such as foreign parties, foreign IP rights, or infringing acts committed in foreign territories – and at times manage interaction with parallel proceedings in foreign courts.

While the time and cost of patent proceedings will vary considerably among different countries, the complexities of patent proceedings frequently result in longer and more costly legal processes in comparison to other types of litigation. The high cost of patent litigation is a concern not only for parties – whose unequal access to financial resources may lead to suboptimal litigation outcomes – but also for judicial systems, with the absorption of their public resources raising concerns about fair delivery of justice.

Given these unique aspects of patent litigation, judicial authorities in many countries are working to streamline patent proceedings with the overarching goal of providing justice expeditiously, with reasonable costs, and ensuring that parties, in particular small and medium-sized enterprises, can present their case and participate in the proceedings efficiently and fairly.

1.1.1 *An International Guide to Patent Case Management for Judges* – its purpose

An International Guide to Patent Case Management for Judges highlights the significant progress achieved in patent case management in ten patent-heavy jurisdictions, through structural reform of courts, statutory revisions, and implementation of innovative court practices, supported by judicial education.

As globalization leads to the homogenization of legal problems, it is hoped that this publication will serve as a source of inspiration and comparison for procedural innovation and improved solutions in patent case management, and contribute to coherence and mutual respect between distinct legal systems and judicial structures across different countries. At the same time, the approaches described in the *Guide* reveal that the unique characteristics of patent case management by courts have intimate connections with the normative, structural and

socio-economic background of each jurisdiction, and any consideration for enhanced efficiencies in judicial case management must take into account the unique characteristics of that jurisdiction.

Each chapter of the *Guide* offers an overview of the patent system in the respective jurisdiction, including information on the role of patent offices in evaluating and deciding on patent validity, as well as the judicial structures responsible for resolving patent disputes. Thereafter, the chapters are structured based on the different stages of patent litigation in civil infringement cases. These stages include early case management, claim construction, provisional measures, discovery and gathering of information, summary judgment, evidence, trial and remedies. The chapters detail the procedures and practices of case management, while integrating pertinent patent law doctrines.

The features of judicial case management grow out of distinctive legal traditions (common law or civil law), court structures (unified or bifurcated for patent validity and infringement questions), levels of specialization and division of competence (general or specialized courts, at first or appellate instance), the use of discovery (general or limited) or experts (court or party-appointed), and the type and qualification of adjudicators (legally or technically qualified judges or juries). Some chapters address issues that are particularly relevant in their jurisdiction, such as case management for standard essential patents,¹ pharmaceutical patents,² compulsory licenses,³ or criminal liability for patent infringement.⁴

The features addressed by the *Guide* are summarized briefly below.

1.2 Patent systems and patent institutions

1.2.1 Overview of the patent system

Every chapter starts with a general description of the patent system in that jurisdiction, including the origins of the patent law and the types of patents protected under each respective regime. In addition to invention patents protected in all jurisdictions, some countries provide protection for so-called “minor inventions,” frequently in the form of utility models, which may play a significant role in the local innovation system.⁵ This *Guide* primarily addresses judicial proceedings for invention patents. The chapters also note, where available, mechanisms to extend the scope of protection for an improvement introduced in the object of the invention,⁶ or duration of (invention) patent rights to compensate for the long time required to obtain regulatory approval.⁷

While in most countries patent rights are obtained through national processes and these national rights are mutually independent, in some jurisdictions patent rights may also come into existence through regional patent instruments that facilitate protection across borders. This feature gives rise to unique considerations in judicial proceedings.⁸

1.2.2 Patent offices and administrative proceedings

Patent offices are responsible for administering the patent system, including the examination and grant of patents. Frequently, these offices administer opposition or third party observation mechanisms that make it possible for third parties to intervene in the patent examination process before the grant of a patent, as well as administrative revocation and invalidation mechanisms to challenge a patent after its grant.⁹ Some jurisdictions also make available procedures to oppose a patent for a limited time after grant, in addition to other ways of challenging validity. Post-grant mechanisms usually allow for the correction of the scope of the patent by way of limiting the claims. In some jurisdictions, patent offices determine applications for declarations of non-infringement; claims of infringement (with the agreement of the parties); entitlement to

1 See sections 4.5.4; and 10.13.1.

2 See sections 3.11.2; 4.5.5; and 10.13.2.

3 See sections 2.10.1; 3.11.1; 5.11.1; and 6.10.1.

4 See sections 3.10; 4.9; 8.9; and 10.11.

5 See sections 3.1.2; 4.3.1; 7.1.2; and 8.2.1. See also sections 2.2.1 and 4.8.

6 E.g., section 3.1.2.

7 E.g., section 9.1.1.2.

8 See sections 5.1.2; 9.1.1.3; and chapter 11.

9 See sections 2.2.2; 3.3.3; 5.2; 6.2.2; 7.2.3; 8.2.2; 9.2; 10.2.2; and 11.2.2.

patents; compensation for employees; and licenses, including compulsory licenses.¹⁰ Some patent offices also operate opinion schemes through which they issue nonbinding, advisory opinions on various patent issues including infringement, patentability or (in)sufficiency of disclosure.¹¹

While the design of such patent office administrative review mechanisms differs in each of the reviewed jurisdictions, the common objective is to provide an effective and cost-efficient means of increasing patent quality and resolving patent disputes, particularly those related to validity. These mechanisms serve as an alternative to potentially lengthy and costly judicial proceedings.

1.2.3 Judicial institutions and their specialization

The judicial structure responsible for handling patent disputes is discussed in the ten chapters, highlighting the specialized elements specific to patents.¹² The nature of judicial specialization varies among countries and takes different forms, including specialized divisions within existing civil or commercial courts,¹³ stand-alone courts specialized in patent cases,¹⁴ or a combination of both.¹⁵ Specialization can occur at the first instance or appeal level, and the final decision is often made by a non-specialized higher court.¹⁶ In some jurisdictions, there is no specific assignment of patent cases, but courts can attain specialization through the concentration of patent cases.¹⁷

The type and profile of the adjudicators who make up the court may also differ, including legally qualified or technically qualified¹⁸ judges, as well as juries.¹⁹ Some jurisdictions are based on a judicial career system, where judges normally embark on a judicial career early on and, at times, with mandatory rotation between courts on a regular basis.²⁰ In those jurisdictions, efforts will be made for patent cases to secure judges who have studied science or engineering and provide regular training on technical matters. In other jurisdictions, judges are recruited from the ranks of qualified lawyers who have practiced patent law for a substantial time.²¹

Many jurisdictions have court personnel who are well-versed in technology and in analyzing technical evidence to support the judges during the pendency of the patent case.²² Their role may range from recording evidence when manufacturing processes need to be ascertained to inquiring about and reporting upon any question of fact or opinion. They do not address questions of interpretation of the law and do not assist the judge in deciding the case. In some jurisdictions, courts have the authority to appoint advisers who can assist the court in understanding the technology and the technical evidence presented in the case.²³

1.3 Patent infringement proceedings and case management

The fundamental characteristics of patent proceedings are predominantly shaped by the jurisdiction's legal system, specifically whether it operates under a common law or civil law system.

In civil law systems, proceedings tend to be front-loaded, prioritizing written pleadings submitted by parties before the trial, and allowing the court to have a good understanding of the facts and arguments when they start examining the case.²⁴ Experts may be appointed by the court or by the parties. The appointment of experts by the parties is less frequent in these systems, and cross-examination of party-appointed experts found in trial-based systems tends to be an exception.²⁵ Conversely, in a common law system, evidence is generally presented during trial

10 E.g., section 9.2.

11 See sections 7.2.4.6; and 9.2.

12 See sections 2.3; 3.3; 4.16; 5.3; 6.3; 7.3; 8.3; 9.3; 10.3; and 11.3.

13 See sections 2.3.1; 6.3.1; and 6.11.1.3.

14 See chapter 11.

15 See sections 3.3.1; 4.1.6; 5.3.1; 7.3.1; 8.3.2; 9.3.1; 9.9; and 10.3.2.

16 But see sections 4.1.5; and 5.9.2.

17 See section 3.2.2.

18 See sections 5.3.1; and 11.3.2.2.

19 See section 10.3.2.

20 E.g., sections 5.6.3.2; 7.3.2.2; and 8.3.2.3.

21 E.g., sections 2.3.1.2; 6.3.1.3; and 9.3.1.2.

22 See sections 2.3.1.1; 4.6.3.1; 6.6.4.2.1. 7.3.2.2.3; and 8.3.1.4.

23 See sections 9.3.1.2 and 10.3.2.

24 See chapters 3, 4, 5, 7, 8 and 11.

25 See sections 5.6.1; and 11.6.6.

through party-appointed experts witnesses, with less importance placed on written pleadings.²⁶ In these systems, the initial statements from parties may be brief and the details of the allegations are usually developed as the discovery process progresses. Trial can take several days or longer, depending on the amount and complexity of evidence, and pre-trial discovery and motions (e.g., motions to dismiss or summary judgment motions) are significant components of the process.

In the jurisdictions reviewed in this *Guide*, the conduct of civil patent proceedings is governed by civil procedure law. However, the analysis of patent claims and allegedly infringing products or processes involved in patent litigation requires specific approaches and considerations. These are typically addressed through specialized sets of procedural rules, or court practice directions or notes that supplement civil procedure rules.²⁷ These specialized rules and practices govern the conduct of patent cases by setting out judicial assignment procedures and bench composition. They also address the key principles of case management applied by the court, which include early case management, specified deadlines for parties' contentions, claim construction, the use of court- or party-appointed experts, the extent of discovery or any dispositive, and pre-trial motion practice. These specialized rules and practices will have a direct impact on the accessibility of justice, as well as the potential for forum shopping by parties.

In addition to patent-specific rules, there are general rules that have particular influence in patent disputes. The modernization of court systems, supported by the active utilization of technology, has improved the efficiency of patent trials. The enhanced case management tools include electronic case filing systems that allow exchange and storage of court documents, briefs and digital evidence, as well as speedy check of the case statuses; videoconferencing facilities for remote participation in hearings; and remote recording of evidence.²⁸ Some jurisdictions have also introduced the option of making oral arguments or submitting documents in a foreign language, such as English, to enhance access to justice for foreign parties in response to the growing number of patent cases involving foreign parties.²⁹

The diversity of approaches in the different phases of patent proceedings is described below.

1.3.1 Early case management

In some jurisdictions, litigation is primarily conducted through the exchange of written briefs, with directions on matters of procedure given through written communication, and case management hearings with the participation of parties held only in exceptional cases.³⁰ In some jurisdictions, the court may issue a communication prior to oral proceedings, drawing attention to matters of particular significance, which may include a preliminary opinion on the decisive points in their communications.³¹

In other jurisdictions, there is a strong emphasis on early case management with active participation of parties, including through the holding of case management hearings.³² These hearings are intended for the court to identify and narrow down disputed issues of fact and law, to establish a timetable for the entire case (including party submissions and their maximum length, the discovery and production of evidence, or the production of a technical primer), and to consider alternative dispute resolution options. Through these hearings, the judge can gain an early understanding of the patents and claims, the technology involved, and potential defenses and counterclaims. The judge may also address issues such as the use of technical advisors, protective orders, and parallel proceedings.

1.3.2 Claim construction

The methods of interpreting patent claims, a crucial aspect of patent litigation, vary across jurisdictions. Claim construction, typically considered a question of law rather than fact, involves

26 See chapters 2, 6, 9 and 10.

27 See sections 2.6.1; 4.1.3; 6.11.1.3; 7.3; 9.1.1.2; and 10.6.6.1.

28 See sections 4.1.5; 6.6.7; 8.6.1.2; 9.6.13.1.2; and 11.6.2.1.

29 See section 8.3.2.2.

30 See chapters 3, 4, 5, 7, 8 and 11, in particular sections 3.6.3; 8.6.5; and 11.6.5.3.

31 See section 11.6.8.2.

32 See sections 2.6.3; 6.6.3; 9.6.4; and 10.6.6.

examining a claim's wording, as well as the descriptions and drawings, from the point of view of a person having ordinary skill in the art. In some jurisdictions, patent prosecution files may be part of claim construction,³³ while they are inadmissible in other jurisdictions.³⁴ Separate hearings specifically for claim construction (known as *Markman* hearings) are common practice in some jurisdictions,³⁵ whereas in others they are not used.³⁶

1.3.3 Preliminary injunction

Different jurisdictions offer various forms of provisional measures in patent disputes, including freezing assets, search and seizure orders, and temporary restraining orders. A frequently requested type of provisional measure is a preliminary injunction, whose availability and utilization will vary based on the jurisdiction and the individual case circumstances.

The factors considered by courts in weighing the grant of a preliminary injunction differ among jurisdictions.³⁷ These factors can consist of variations of the following components: the establishment of a *prima facie* case or likelihood of success on the merits; the balance of convenience; whether damages are an adequate remedy or specific legal interest for preliminary relief; the potential for irreparable or imminent harm to either party if the injunction is granted or denied; and urgency. Some jurisdictions will also assess the impact of the injunction on the public interest. Most jurisdictions require the applicant to post a security deposit (also known as an undertaking for damages) to compensate the enjoined party if the injunction is later reversed or lifted.³⁸ While *ex parte* preliminary relief may be granted in patent cases, it is typically rare due to the often significant potential consequences for the defendant to be considered in balancing the right of the defendant to be heard, as well as the technical and legal complexity of these disputes, which often require input from the defendant.³⁹

In some jurisdictions, the courts having jurisdiction over the merits exercise jurisdiction over preliminary injunction trials.⁴⁰ In others, actions for preliminary relief take the form of a separate and independent action from the action for permanent relief. As such, the action for preliminary relief can be filed with a court other than the court with jurisdiction over the permanent relief, and a ruling on permanent relief does not automatically affect a prior ruling on preliminary relief. Any preliminary injunction will therefore need to be set aside by a court within the framework of the proceedings for preliminary relief.⁴¹

Adjudicating an application for a preliminary injunction in patent cases can be challenging. Preliminary injunction proceedings frequently involve urgency and must take into account parties' need to carry on with their business in the meantime; whereas establishing a strong likelihood of success on the merits often requires a thorough examination of the evidence, including all substantive and technical issues that will ultimately be presented at trial.

1.3.4 Gathering of information

Another area of significant difference in the judicial case management of patent disputes is the gathering of information, and in particular the extent of discovery (or disclosure), a court-mandated process that requires one party to litigation to disclose documents (or the existence of documents) to another.

All jurisdictions under review in this *Guide* apply the fundamental principle that requires the parties to present all relevant facts and evidence pertaining to their substantive claims. In patent infringement disputes, the party alleging infringement of their patent must make all necessary factual allegations and, when contested, must take recourse to evidence. Patentees will frequently seek to "test buy" the allegedly infringing device to procure necessary information for the infringement action.⁴²

33 See sections 4.3.1; and 8.5.1.

34 See section 5.5.1.

35 E.g., section 10.6.6.2.

36 E.g., section 5.6.1.

37 See sections 2.6.4; 3.7.1; 4.6.2; 5.6.5; 6.6.4; 7.6.4; 8.6.6; 9.6.5; and 10.6.7.

38 See sections 2.6.4.3; 3.7.1; 7.6.4.4; 8.6.6; 9.6.5.1; and 10.6.7.1.3; see also 4.6.2.2.4; 5.6.5.3; and 6.6.4.

39 See sections 5.6.5.2; 10.6.7.2; see also 6.6.4.

40 See sections 7.6.4; and 8.6.2.1.3.

41 See section 5.6.5.1.

42 E.g., section 5.6.6.2.

In some jurisdictions, there is no general discovery system. Rather, there are limited and specific instruments for the plaintiff to discover facts that are not publicly available. These include inspection systems, where alleged infringers will be ordered to submit for inspection documents or items that lie within their control, including by acquiescing to inspection by a neutral technical expert.⁴³

On the other hand, other jurisdictions provide broad and extensive pre-trial discovery to enable the parties to obtain full knowledge of critical facts and issues bearing on the litigation.⁴⁴ In these jurisdictions, discovery in patent cases is rendered especially complex by the wide range of claims and defenses, the high stakes, the sensitivity of trade secrets and the extensive use of electronic record-keeping by companies. This requires courts to carefully supervise and balance the discovery process, moderating the extent and costs of discovery based on the nature and scope of the case, the amount of any damages sought, and how the case compares to other patent cases. In some jurisdictions, procedures alternative to discovery are introduced to promote a more targeted process, with parties accused of infringement having the option to provide a full and accurate product and process description of the alleged infringing product or process, rather than requiring the disclosure of documents.⁴⁵ An approach favoring general discovery will necessitate the establishment of a comprehensive system of attorney–client privileges and protective orders in those jurisdictions.

The variation in approaches among countries has led some parties to seek the provisions of jurisdictions with broader discovery mechanisms, which permit a court in that jurisdiction to order individuals within its district to provide testimony or produce documents for use in a foreign proceeding that has limited discovery mechanisms.⁴⁶

1.3.5 Summary proceedings

In some jurisdictions, the court may grant summary judgment in favor of an applicant if there is no reasonable prospect of the respondent defending the proceeding. The court may dismiss a proceeding if there is no reasonable prospect of the patentee successfully prosecuting the case; or if there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.⁴⁷ In other jurisdictions, summary proceedings do not apply to patent actions, which are governed only by the ordinary procedure.⁴⁸

1.3.6 Evidence

The role and utilization of experts in patent cases differ among jurisdictions, with reliance on expert opinion varying in light of the sitting judge's specialized expertise. Some jurisdictions rarely use technical experts and only consider court-appointed experts as formal sources of evidence.⁴⁹ Party-appointed experts and their reports are not considered as evidence, but as submissions by the respective parties – albeit with some additional weight. In other jurisdictions, expert testimony plays a critical role, with courts frequently relying on expert opinions, and both party-appointed and court-appointed experts are treated as expert evidence.⁵⁰ Some countries actively use the procedure of “hot-tubbing,” where multiple party-appointed experts participate in a conclave of experts to prepare a joint report prior to the trial, and give their evidence concurrently at trial rather than through serial cross-examination.⁵¹

1.3.7 Technology tutorials and technology briefing sessions

Courts in different jurisdictions have diverse mechanisms to assist the court to better understand the disputed technology. These mechanisms include technical explanatory sessions, with or without parties depending on the complexity of the technology; technology tutorials; or agreed technical primers produced by the parties that contain the basic undisputed technology relevant

43 See sections 5.6.6.3; 7.6.5.2; and 8.6.7.

44 E.g., section 10.6.8.

45 See sections 2.6.5.4; and 9.6.7; see also section 6.6.5.

46 See section 5.6.6.4.

47 See sections 2.6.6; 6.6.6; and 10.6.9.

48 E.g., section 3.6.4.

49 See sections 3.6.5.1; 4.6.3.3; and 5.6.7.1; see also sections 8.6.7.5; and 11.6.6.

50 E.g., section 10.6.10.1.

51 See sections 2.4.2; and 6.6.5.

to the case; or statements of agreed (and disputed) common general knowledge, intended to set out where the parties agree (and disagree) on aspects of the common general knowledge.⁵²

1.3.8 Confidentiality

All jurisdictions under review operate under the principle of open justice. This must be balanced with other considerations, including confidentiality issues which can arise in patent litigation through the disclosure of confidential information to the opposing party during the proceedings. Appropriately preserving confidentiality is an important element of judicial case management, and protective measures may include: requiring a party that receives confidential documents to use those documents only for the purposes of the litigation; requiring an undertaking restricting the use and disclosure of the confidential documents; allowing only the patentee's lawyers, but not the patentee, to attend the inspection; issuing protective orders such as prohibiting the expert and the lawyers from discussing the findings from an inspection with others, including the patentee; and the court sitting in private (known as sitting *in camera*).⁵³

1.3.9 Trial

The following ten chapters in this *Guide* highlight the differences in the structure and importance of trial in patent litigation across different jurisdictions. In some jurisdictions, trials in patent infringement cases are limited to document analysis and the court usually does not hear from parties or witnesses.⁵⁴ In these countries, the court may hold a technical briefing session in the form of an oral hearing. In other jurisdictions, trials can last for several days or weeks, with multiple trial sessions held at intervals over several months, where the parties submit briefs and evidence, and the court holds technology review sessions and evidence or witness examination.⁵⁵ In some jurisdictions, there is only one dense hearing,⁵⁶ while in others, the court may order separate trials for separate issues or claims.⁵⁷

1.3.10 Mediation

In many jurisdictions, the courts will explore possibilities for settlement and encourage parties to attend mediation as a standard part of patent proceedings. Mediators may be appointed by the court or chosen by the parties.⁵⁸ In some jurisdictions, the court may render a ruling of settlement recommendation *ex officio* during the pendency of the action, in order to fairly settle the case by taking account of the parties' interests and all other circumstances.⁵⁹ In others, mediation agreements may be approved by a judge and have the effect of an instrument enforceable in court.⁶⁰

1.3.11 Remedies

Turning to the final stage of patent proceedings, the typical remedies for patent infringement include: a final injunction restraining the defendant from infringing the patent; damages in respect of the infringement; an account of the profits derived from the infringement; an order for the infringer to deliver up or destroy any patent infringing products; publication of the decision; and revocation of the patent or a declaration that the patent is valid. Each jurisdiction may give priority to different forms of remedies: some may prioritize injunctive relief, while others may place more significance on monetary damages.

In all jurisdictions in this *Guide*, patentees may seek a permanent injunction as a final remedy. There are varying approaches as to the discretion of the court in ordering injunctions. Some jurisdictions will grant a permanent injunction automatically following a finding of infringement and validity in favor of the patentee, without weighing the interests of the parties or affected

52 See sections 2.6.8; 8.6.8.1; 9.6.9; and 10.6.11.

53 See sections 2.6.9; 3.6.6; 5.6.8; 8.6.9; 9.6.10; 10.6.12; and 11.6.7.

54 E.g., section 7.6.6.

55 See sections 8.6.10; 9.6.13; 10.6.13; and 11.6.8.

56 E.g., section 5.6.9.

57 E.g., sections 8.6.10; 9.6.5.2; 10.6.13.1.1.

58 See sections 2.6.10; 3.6.7; 6.6.9; 7.6.8; 8.6.11; 9.6.17; and 10.6.4.

59 E.g., section 8.6.11.2.3.

60 E.g., section 3.6.7.

third parties. In these jurisdictions, only in very exceptional circumstances will a claim for injunctive relief be denied for disproportionality.⁶¹ In other jurisdictions, courts retain broad discretion to deny injunctions, and the threshold for obtaining injunctive relief is higher.⁶² Generally speaking, an injunction is only available as long as the patent is in force.⁶³ However, in some cases, the courts may grant an injunction that extends beyond the lifetime of a patent in order to prevent the defendant from continuing to benefit from the infringement established during the patent's lifetime.⁶⁴

It is common practice to award compensatory damages. In many jurisdictions,⁶⁵ courts adopt a two-stage process separating the questions of liability from the amount of relief, so that the court first determines liability and thereafter considers the calculation of monetary damages in follow-up proceedings.

The methods for damage calculation include: the patentee's lost sales or profits resulting from the infringement; profit made by the infringer as a result of the infringement; or a reasonable royalty rate, estimated as the amount a licensee would pay for the rights to the invention.⁶⁶ In some jurisdictions, where there is insufficient evidence to prove the facts necessary to establish the amount of damages under the three aforementioned methods, courts can exercise discretion to calculate the amount based on the overall arguments and the evidence provided⁶⁷ or rely on statutory compensation rates.⁶⁸

Some, but not all, jurisdictions provide for enhanced damages in civil patent actions, also referred to as "punitive" or "exemplary" damages or "additional damages."⁶⁹ The amounts typically range between three times the amount of compensatory damage up to five times the damage caused. Enhanced damages may be awarded in cases of flagrant, intentional and serious infringement, to deter similar future infringements. Among jurisdictions that provide for enhanced damages, there is varying practice. Courts in some jurisdictions frequently order enhanced damages, while in others, although they are provided for by law, they are rarely used, if at all.

Some jurisdictions also provide for an account of profits, requiring an infringer to account for and disgorge the profits it made through the infringing conduct. In these jurisdictions, the patentee has the choice of seeking financial compensation by way of either damages or an account of profits, but not both.⁷⁰

In addition to injunctive relief and damages, there are other remedies available to patent litigants, such as recall, removal, destruction or delivery up of patent infringing products.⁷¹ These may be ordered in addition to an injunction in cases of direct infringement, but typically not for indirect infringement. The infringing goods need to be in the territory of the court's jurisdiction. In some jurisdictions, the claim for destruction is available even when the patent has expired during the course of litigation, since the infringer must not benefit from infringing acts committed in the past. The duty to destroy may also be fulfilled by design-arounds to avoid the use of the patent.

Another remedy available in some jurisdictions is the publication of the court decision by placing advertisements in newspapers or any other periodical publication, intended to reinstate the plaintiff's goodwill or reputation.⁷²

Finally, disputes challenging a patent's validity may result in an order for the revocation of the patent, or a certificate of contested validity when the challenge is unsuccessful.⁷³

61 E.g., section 5.7.1.

62 E.g., sections 6.7.1, 9.7.1 and 10.7.1.

63 See section 5.7.1.

64 See section 9.7.1.

65 See sections 2.7.2; 3.7.2; 5.7.4; and 7.7.2.

66 See sections 2.7.2; 3.7.2.; 4.4.2; 5.7.4; 6.7.2; 7.7.2; 8.7.4; 9.7.2; and 10.7.2.

67 See section 8.7.4.2.

68 See section 4.4.2.1.

69 See sections 2.7.2; 3.7.2.1; 4.4.3, 6.7.2; 8.7.4; and 10.7.2.

70 See sections 2.7.2.2; 5.7.3; 6.7.2; and 9.7.2.

71 See sections 2.7.3; and 5.7.2.

72 See sections 7.1; and 9.7.3.

73 See sections 9.7.3.1 and 9.7.3.2.

1.3.12 Costs

Patent litigation costs include court fees, lawyers' fees, and expenses for witnesses or experts. In general, each party is responsible for its own costs. However, in some jurisdictions, costs may be awarded to the prevailing party in order to discourage unnecessary and vexatious litigation.⁷⁴

1.4 Interplay of multiple patent proceedings in different fora

Patents may be reviewed and enforced in different fora, at times comprising a complex and overlapping mandate of institutions.

Most countries provide for mechanisms to appeal a decision of the patent office to a judicial court. However, this is not an appeal in the strict sense and the court adjudicates the case *de novo*, unconfined by the arguments or evidence that were presented before the patent office.

In some jurisdictions, administrative proceedings challenging patent validity may run in parallel with civil judicial proceedings.⁷⁵ For example, a defendant in a patent infringement lawsuit can assert the defense of invalidity in court, and in parallel request an administrative proceeding for invalidation before the patent office. The patentee may also attempt to correct the patent claims during patent infringement proceedings. Different scenarios then become possible. The infringement court may rule to: stay court proceedings pending review by the patent office;⁷⁶ continue with the infringement proceedings, with the possibility of a finding of infringement for a patent that is subsequently invalidated by the patent office; or dismiss the lawsuit without waiting for the final result of the administrative case.⁷⁷ In these circumstances, the *erga omnes* effect of the patent office's decision invalidates the patent for all parties including those involved in parallel judicial proceedings.⁷⁸ Accordingly, a decision by the patent office finding the patent to be invalid will result in the court deciding the patent infringement dispute to decide against the patentee. On the other hand, if the patent office finds the patent to be valid, a defense of invalidity may not be asserted in court on the same grounds.

In these situations, some jurisdictions have mechanisms to promote efficiency and coherence, to ensure that the claims made during the patent granting or invalidation procedure and the claims made during the infringement proceedings do not differ.⁷⁹

In some jurisdictions, proceedings may occur in parallel in different courts, with parties opting for the more convenient forum and seeking to take advantage of the distinctive characteristics of various court venues. For instance, a patentee may file a patent infringement lawsuit in one court and the accused infringer may initiate a declaratory judgment action in another court. Then, the first case filed (usually the infringement action) will have priority and the second case may be transferred, postponed, or dismissed.⁸⁰

Importantly, parallel judicial proceedings may be inherent to and envisaged through the design of the patent litigation system. One of the most important differences in patent litigation systems is whether they follow a unified or a bifurcated approach to handling patent validity and infringement cases. In a unified system, both validity and infringement are heard by the same court at the same time, with the defense of invalidity usually raised by the defendant to an infringement claim by the patentee. In a bifurcated system, the validity and infringement cases are dealt with in separate venues, and the defense of invalidity may not be accepted in infringement proceedings.⁸¹ The alleged infringer will concentrate on non-infringement defenses in one court while potentially seeking to invalidate the patent in another court. In these bifurcated systems, the infringement court has the discretion to stay infringement proceedings in view of a nullity action pending before another court.⁸² In some bifurcated systems, the

74 See sections 2.7.4; 5.7.7; 6.7.4; 9.7.4; 9.7.5; 10.7.3; and 11.6.10.

75 E.g., 7.5.3.2; and 10.3.3.

76 See section 10.3.3.3.

77 See section 4.3.2.7.

78 See section 7.5.3.2.

79 See sections 4.3.2.4; 7.5.2; and 10.2.2.4.5.

80 See sections 2.4; and 10.3.3.1.

81 See section 5.3.2.

82 See sections 3.4; and 5.3.2.

infringement court may, however, rule on nullity of a patent when it is raised as an incidental question, in which case the nullity ruling would only have *inter partes* effect.⁸³

In some jurisdictions, other quasi-judicial institutions may also play an adjudicatory role, for example, investigating complaints alleging patent infringement with respect to imported goods.⁸⁴ Additionally, in jurisdictions with regional patents, national courts and regional courts may hold parallel proceedings, which can sometimes lead to differing outcomes and require specific management.⁸⁵

Finally, parallel proceedings can take place between actions initiated in different countries. If a party receives an unfavorable decision in a court of one country, they may attempt to change the outcome of the dispute through an action in another country. A party may also request an order from a court perceived as more favorable, prohibiting the other party from commencing or continuing a parallel proceeding in another jurisdiction, known as an anti-suit injunction. This type of injunction is becoming more frequently utilized in certain patent disputes.

These scenarios, in which patent disputes occur concurrently in two or more venues, either within the same or with a foreign jurisdiction, necessitate the existence of rules and practices that govern their interactions.

83 See section 3.4.

84 See sections 5.10; 7.9; and 10.12.

85 See section 9.1.1.3.