

Chapter 9

United Kingdom

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9.1 Overview of the patent system

9.1.1 Evolution of the patent system

9.1.1.1 Characteristics of the system

Patent litigation in the United Kingdom includes the following features:

- Litigation is according to a common law system, with a public trial before a specialist judge, involving oral and written submissions, the cross-examination of witnesses and disclosure of relevant documents, leading to a fully reasoned judgment.
- Litigation follows procedural code that has an overriding objective to do justice at proportionate cost. Case management is conducted by judges from the same pool as would hear the trial. Docketing occurs in some cases. The court aims to bring cases to trial within 12 months of issue if possible.
- The parties are able to call expert witnesses and cross-examine the other party's expert witnesses.
- Validity and infringement are generally tried together before the same court at the same time. Bifurcation is possible if appropriate but is rare.
- The United Kingdom has a large and experienced body of specialist legal practitioners, mostly with scientific training.
- The trend is toward streamlining cases, having regard to their value and importance, to focus only on that which is necessary and proportionate for their fair disposal.
- There are specific courts and procedures for cases of lower value or those that can be dealt with more speedily – the Intellectual Property Enterprise Court (IPEC) and the Shorter Trials Scheme.
- The courts are able and willing to develop remedies (interim and final) to meet the circumstances of the case.
- The losing party is required to pay a substantial share of the costs (i.e., legal expenses) of the winning party.
- Appeals, with leave, are to the second instance (Court of Appeal) and third instance (Supreme Court). These higher courts also have judges who are experienced in patent cases on the panels. New facts or evidence are not generally admissible on appeal.

9.1.1.2 Sources of law

The principal statutory source of patent law in the United Kingdom, applicable both to U.K. patents granted by the U.K. Intellectual Property Office (UKIPO) and to European patents (UK) granted by the European Patent Office (EPO), is the Patents Act 1977 ("the Act"),¹ though some substantive law is found in other legislative instruments.² The substantive law of supplementary protection certificates is found in the relevant European Union regulations³ as amended by the United Kingdom on its withdrawal from the European Union⁴ and in Section 128B and Schedule 4A of the Act.

The United Kingdom is divided into three jurisdictions: England and Wales, Scotland, and Northern Ireland. Allocation of proceedings between these jurisdictions is governed by Schedule 4 of the Civil Jurisdiction and Judgments Act 1982. The basic rule is that persons domiciled in one part of the United Kingdom shall be sued in the courts of that part.⁵ However, they may instead be sued for patent infringement in the courts of the part of the United Kingdom where the infringement took place.⁶ They may also be sued in the courts of another part of the United Kingdom if they are one of a number of defendants, one of which is domiciled in that other part, and the claims "are so closely connected that it is expedient to hear and determine

1 The Act has been amended several times since it was first passed. The text of the Act can be found at www.legislation.gov.uk (note that recent amendments to the Act may not have been incorporated into that text). An unofficial consolidation of the Act, taking account of amendments, is produced periodically by the UKIPO and can be found at www.gov.uk/government/publications/the-patents-act-1977

2 E.g., The Intellectual Property (Enforcement, etc.) Regulations 2006, SI 2006/1028.

3 Regulation (EC) 469/2009 of the European Parliament and of the Council of 6 May 2009 concerning the Supplementary Protection Certificate for Medicinal Products, 2009 OJ (L 152) 1 (for medicinal products); Regulation (EC) 1610/96 of the European Parliament and of the Council of 23 July 1996 concerning the Creation of a Supplementary Protection Certificate for Plant Protection Products, 1996 OJ (L 198) 30 (for plant protection products).

4 Patents (Amendment) (EU Exit) Regulations 2019, SI 2019/801, pts 6, 8.

5 Civil Jurisdiction and Judgments Act 1982, sch. 4 para. 1.

6 Civil Jurisdiction and Judgments Act 1982, sch. 4 para. 3(c).

them together to avoid the risk of irreconcilable judgments resulting from separate proceedings.⁷ The vast majority of U.K. patents cases take place in England and Wales rather than in Scotland or Northern Ireland, and, accordingly, this chapter is focused on the procedure of the courts of England and Wales.

In England and Wales, the primary source of procedural law is the Civil Procedure Rules (CPR),⁸ which consists of a series of rules of court and associated practice directions governing procedure in the courts in which patent litigation is conducted. Within the CPR, there is a specific rule (Part 63) and associated practice direction (Practice Direction 63) concerned with patent litigation. These address some matters specific to patent litigation and explain how some of the general rules in the CPR are modified in the case of patent litigation. Practice Direction 63 also sets out procedural differences between proceedings in the Patents Court and in IPEC. In addition, the *Patents Court Guide*⁹ provides guidance as to the conduct of proceedings before the Patents Court, while similar guidance relating to IPEC is provided in the *Intellectual Property Enterprise Court Guide (IPEC Guide)*.¹⁰

Scotland and Northern Ireland have different procedural rules, summarized in Sections 9.3.1.4 and 9.3.1.5, respectively. Certain patents proceedings can be brought before the Comptroller-General of Patents, Designs and Trade Marks (“the Comptroller,” who is the head of the UKIPO) as explained in Section 9.2 below; these proceedings are governed by the Patents Rules 2007.¹¹

The legislative provisions referred to above (both substantive and procedural) have been interpreted in numerous judgments of the first-instance and appeal courts of the United Kingdom.¹² The courts of the United Kingdom operate under a system of *stare decisis*: first-instance courts are bound by the *ratio decidendi* (the reasoning necessary to the decision) of the appeal courts. The High Court (which, in England and Wales, includes the Patents Court and IPEC) will only depart from the *ratio decidendi* of a decision of another High Court judge if convinced that it is wrong. Further, the Court of Appeal¹³ is (save in certain circumstances) bound by the *ratio decidendi* of its previous decisions, as well as by previous decisions of the Supreme Court (or its predecessor, the House of Lords). The Supreme Court will depart from its previous decisions (or those of the House of Lords) only “if it appears right to do so.”¹⁴

9.1.1.3 The relationship with the European Patent Convention and the European Patent Office

The Act is intended to comply with the United Kingdom’s obligations under the European Patent Convention (EPC). Section 130(7) provides that certain provisions of the Act, including those concerned with patentability, the contents of an application for a patent, infringement, invalidity and the definition of an invention,¹⁵ “are so framed as to have, as nearly as practicable, the same effects in the United Kingdom as the corresponding provisions” of the EPC, the Community Patent Convention and the Patent Cooperation Treaty.

The Supreme Court has held that U.K. courts, “although not bound to do so, should normally follow the jurisprudence of the EPO (especially decisions of its Enlarged Board of Appeal) on the

7 Civil Jurisdiction and Judgments Act 1982, sch. 4 para. 5(a).

8 This can be found at www.gov.uk/guidance/the-civil-procedure-rules

9 See Courts and Tribunals Judiciary, *Patents Court Guide* (Feb. 2022), www.judiciary.uk/wp-content/uploads/2022/06/Patents-Court-Guide-Feb-2022.pdf. It should be read in conjunction with HM Courts and Tribunals Service, *Chancery Guide 2022*, <https://www.judiciary.uk/courts-and-tribunals/business-and-property-courts/chancery-division/litigating-in-the-chancery-division/the-chancery-guide/>

10 See HM Courts and Tribunals Service, *Intellectual Property Enterprise Court Guide* (Oct. 2022), www.judiciary.uk/wp-content/uploads/2022/11/IPEC_Guide_revised_2022-1.pdf

11 SI 2007/3291. In particular, Parts 7 and 8.

12 Most judgments delivered in recent decades are available through the British and Irish Legal Information Institute at www.bailii.org, as well as the National Archive’s *Find case law* at <https://caselaw.nationalarchives.gov.uk>. In England and Wales, since about 2000, judgments have been given a so-called neutral citation. In the High Court these take the form [] EWHC <starting page>; in the Court of Appeal, [] EWCA (Civ.) <starting page>; and in the House of Lords and Supreme Court, [] UKHL/UKSC <starting page>. In this chapter we mainly give only these neutral citations. Some judgments are also reported, with headnotes, in either the Reports of Patent, Design and Trade Mark Cases (RPC) or the Fleet Street Reports (FSR). For cases before about 2000, we cite the RPC or FSR. Some older cases are not available on Bailii and may only be found in the RPC or the FSR.

13 In England and Wales or in Northern Ireland; the Inner House of the Court of Session in Scotland.

14 See the House of Lords’ practice statement of 26 July 1966, which still applies in the Supreme Court. *Austin v. London Borough of Southwark* [2010] UKSC 28, [24]–[25]. The same applies if the Supreme Court is to depart from previous retained European Union case law. European Union (Withdrawal) Act 2018, §6(4)–(5).

15 Sections 1–6, 14(3), 14(5), 60, 72(1)–(2) and 125 of the Act, respectively.

interpretation of [the EPC] in the interests of uniformity, especially where the question is one of principle.”¹⁶ To promote such uniformity, the Court of Appeal has recognized an exception to the general rule that it is bound by the *ratio decidendi* of its own previous decisions in a case where “it is satisfied that the EPO Boards of Appeal have formed a settled view of European patent law which is inconsistent with that earlier decision.”¹⁷ However, U.K. courts are not bound to follow the settled jurisprudence of the EPO Boards of Appeal: “In the unlikely event that we are convinced that the commodore is steering the convoy towards the rocks we can steer our ship away.”¹⁸

Further, U.K. courts do not regard themselves as being bound by the reasoning in any particular decision of the Boards of Appeal; they may regard that decision as taking the law in an inappropriate direction or as misapplying previous EPO jurisprudence.¹⁹ Moreover, in any particular case, U.K. courts may reach different conclusions to those reached in EPO opposition proceedings on the same patent “because they have different evidence or arguments, or because they assess the same competing arguments and factual or expert evidence differently, or, particularly in a borderline case, because they form different judgments on the same view of the expert and factual evidence.”²⁰

U.K. proceedings concerning the validity or infringement of the U.K. designation of a European patent can proceed in parallel with (though will generally be out of step with) opposition proceedings in the EPO relating to that European patent. If a final decision in EPO opposition proceedings leads to the patent being revoked or amended, that decision will automatically affect the U.K. designation of the patent. Accordingly, the existence of parallel EPO opposition proceedings has the potential to affect the basis on which proceedings in the United Kingdom are being or have been conducted. If an injunction has been granted in the United Kingdom on the basis of claims that are later held to have been invalid, then the injunction will be discharged; if the claims are later narrowed, then the injunction will be correspondingly narrowed. If an assessment of financial relief has been ordered on the basis of infringement of claims that are later revoked or narrowed in EPO opposition proceedings, then the party held to have infringed can rely on the subsequent revocation or amendment as an answer to the claim for financial relief, though it remains doubtful whether a sum paid over can be recovered.²¹

The potential for the final decision in EPO opposition proceedings to affect the U.K. litigation is an argument for staying the U.K. proceedings until the EPO opposition proceedings have concluded. However, in many cases, EPO opposition proceedings take a long time to conclude, and staying U.K. proceedings commenced at a similar time to EPO opposition proceedings may lead to a patent proprietor being denied any remedy, and to the parties being denied any degree of commercial certainty, for many years. U.K. courts therefore approach applications to stay U.K. proceedings pending the final outcome of parallel EPO opposition proceedings by seeking to achieve the balance of justice between the parties having regard to all the relevant circumstances of the particular case, including factors such as:

- whether there is a risk that the patentee might be able to obtain financial compensation that would not be repayable if the patent were to be revoked in the EPO proceedings (a factor that can be mitigated by suitable undertakings to repay);
- whether some commercial certainty would be achieved at a considerably earlier date in the U.K. proceedings than those in the EPO;
- whether the resolution of the national proceedings may promote settlement;
- the length of time that it will take the U.K. proceedings and those in the EPO to reach a conclusion (which affects any prejudice to the parties from delay);
- the public interest in removing the uncertainty surrounding the validity of the patent; and
- the risk of wasted costs of the U.K. proceedings.²²

16 *Actavis Group PTC EHf v. Icos Corp.* [2019] UKSC 15, [56].

17 *Actavis U.K. Ltd v. Merck & Co., Inc.* [2008] EWCA Civ 444, [85]–[107].

18 *Actavis U.K. Ltd* [2008] EWCA Civ 444.

19 *Human Genome Sciences, Inc. v. Eli Lilly & Co.* [2011] UKSC 51, [87].

20 *Human Genome Sciences* [2011] UKSC 51, [85].

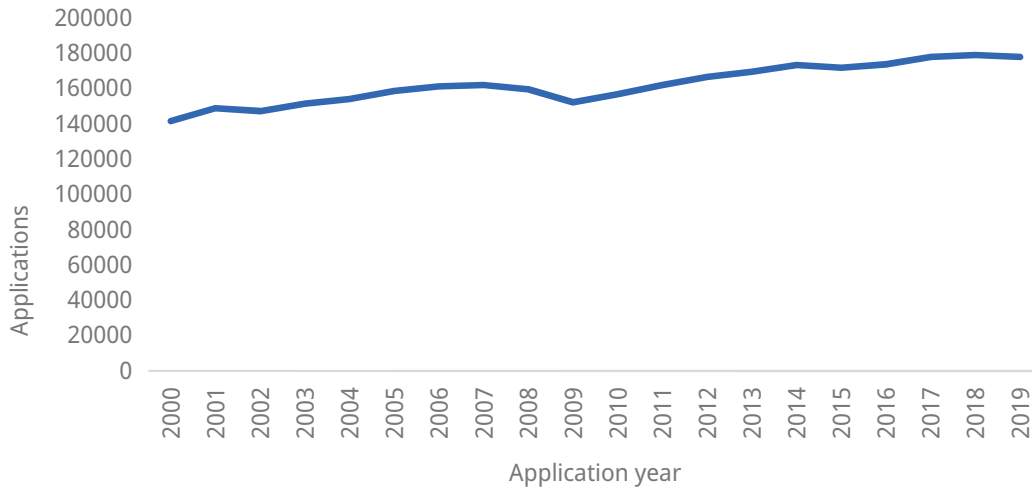
21 *Virgin Atlantic Airways Ltd v. Zodiac Seats U.K. Ltd* [2013] UKSC 46, [35]–[36].

22 *IPCom GmbH & Co. KG v. HTC Europe Co. Ltd* [2013] EWCA Civ 1496, [68].

9.1.2 Patent application trends

Figure 9.1 shows the total number of patent applications (direct, Patent Cooperation Treaty (PCT) national phase entry and European patent UK designation) filed in the United Kingdom from 2000 to 2019.

Figure 9.1 Patent applications filed in the United Kingdom, 2000–2019



Source: WIPO IP Statistics Data Center, available at www3.wipo.int/ipstats/index.htm?tab=patent and EPO PATSTAT, available at www.epo.org/searching-for-patents/business/patstat.html

9.2 The U.K. Intellectual Property Office and the Comptroller-General of Patents, Designs and Trade Marks

The United Kingdom's Intellectual Property Office (UKIPO) is the government body with responsibility for all intellectual property rights, including patents.

As noted above, the Comptroller is head of the UKIPO. In addition to their role in examining patent applications and granting patents, the Comptroller has jurisdiction to hear and determine:

- applications to revoke patents;²³
- applications for declarations of non-infringement;²⁴
- with the agreement of the parties, claims of infringement;²⁵
- references regarding entitlement to patents;²⁶
- applications for compensation by employees;²⁷ and
- applications in relation to licenses of right and compulsory licenses.²⁸

In such proceedings, the Comptroller is required to seek to give effect to the same overriding objective – of dealing with a case justly – that governs proceedings in the court.²⁹ The Patents Rules 2007 set out a procedural code for matters such as statements of the parties' cases, the filing of evidence, case management and hearings.³⁰ Appeals from decisions of the Comptroller in such matters can be made as of right to the Patents Court.³¹ According to the UKIPO website,

²³ Patents Act 1977, §72(1); also applications for declarations of invalidity of supplementary protection certificates.

²⁴ Patents Act 1977, §71.

²⁵ Patents Act 1977, §61(3).

²⁶ Patents Act 1977, §8 (entitlement to U.K. patents, before grant); Patents Act 1977, §12 (entitlement to foreign patents, before grant); Patents Act 1977, §37 (entitlement to U.K. patents, after grant).

²⁷ Patents Act 1977, §40.

²⁸ Patents Act 1977, §§46–48.

²⁹ Patents Rules 2007, r. 74.

³⁰ Patents Rules 2007, rr. 76–87.

³¹ Patents Act 1977, §97(1). A further appeal to the Court of Appeal requires permission and can only be made in specified circumstances. Patents Act 1977, §97(3).

the Comptroller issued only two decisions in contested disputes in the above areas in 2020 and in 2021.

The Comptroller also operates an opinion scheme, under which any person may request the Comptroller to issue a nonbinding opinion on any of the following matters:

- whether a particular act constitutes or would constitute an infringement of a patent;
- whether or to what extent an invention for which a patent has been granted is patentable;
- whether a patent is insufficient;
- whether a patent discloses matter not disclosed in the application therefor, or whether protection has been extended by an amendment; and
- whether a supplementary protection certificate is invalid.³²

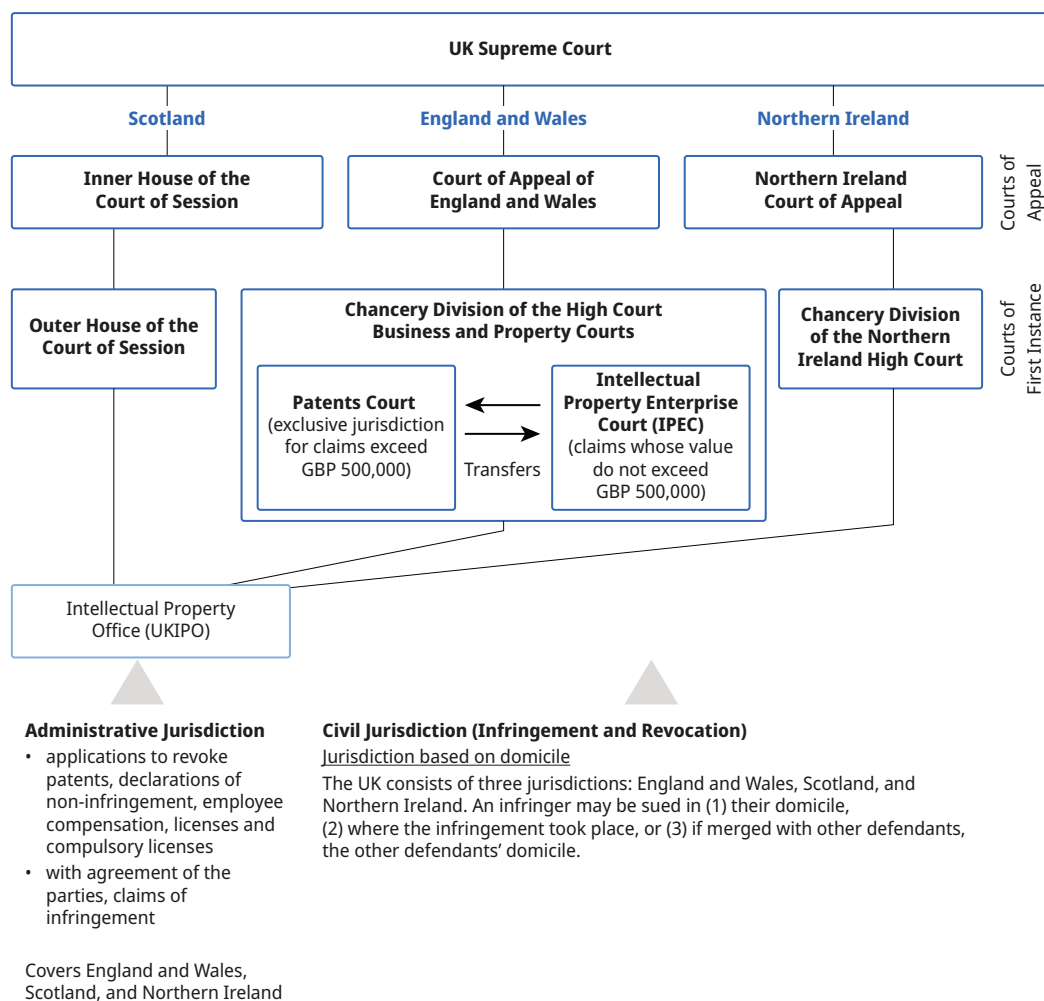
The Patents Rules 2007 prescribe the procedure to be followed if such an opinion is requested, including allowing for observations by any other person and for a review of the opinion by the Comptroller on request.³³ According to the UKIPO website, 26 requests were received for opinions in 2020, and 24 requests in 2021, all but one of which led to an opinion being issued.

9.3 Judicial institutions

9.3.1 Judicial administration structure

Figure 9.2 shows the judicial administration structure in the United Kingdom.

Figure 9.2 The judicial administration structure in the United Kingdom



32 Patents Act 1977, §74A; Patents Rules 2007, r. 93(6).

33 Patents Rules 2007, rr. 94–100.

9.3.1.1 The civil courts and judges of England and Wales

The jurisdiction of England and Wales has two first-instance civil courts: a set of local county courts, which are located in larger towns and cities throughout the jurisdiction, and a national High Court, with its principal seat in London and a series of district registries in major cities. Cases of high value and importance are heard in the High Court.

In all civil first-instance courts, trials are conducted by a single judge sitting alone. The judge is the tribunal of fact and law. Case management is also undertaken by a single judge. In some courts, trials are conducted by judges of a different grade from that of judges who hear trials; in other courts, the judges who hear trials also carry out case management. All patents cases are heard in courts of the latter sort.

Appeals go to the next court in the hierarchy. Appeals from the High Court are to the Court of Appeal, which sits as a panel of three judges. Appeals from the Court of Appeal are to the U.K. Supreme Court.

Judges are recruited from the ranks of qualified lawyers who have been in practice for a substantial time. When a lawyer is appointed as a full-time “salaried” judge, they leave their legal practice. It is also possible for a lawyer to act as a deputy judge as a part-time fee-paid appointment while continuing to work as a lawyer. Today deputy judge appointments are for a limited time so as to allow the lawyer to get a taste of work as a judge and decide if they wish to apply for a full-time post. Full-time judges are only appointed from the ranks of lawyers who have sat as deputies.

Judicial training is conducted at the Judicial College.

9.3.1.2 The Patents Court

The Patents Court is part of the Chancery Division of the High Court and is now organized as part of the Business and Property Courts of England and Wales. It handles most of the patents cases that are brought in the United Kingdom. In England and Wales, it has exclusive jurisdiction over patents cases³⁴ where the value is over GBP 500,000 and shares jurisdiction with IPEC in cases of a value between GBP 50,000 and GBP 500,000 (or more, if the parties agree).³⁵

The principal judges of the Patents Court always have extensive experience in patent litigation. The principal judges of the Patents Court, Mr Justice Meade and Mr Justice Mellor, were each in practice at the patent bar for about 30 years before their appointment, handling cases relating to a wide range of technologies. They are supported by five to eight other judges of the Chancery Division who are able to hear patents cases, by the judge in charge of IPEC (currently His Honour Judge Hacon) and by a number of deputy High Court judges (experienced practicing barristers or solicitors who have been appointed to sit as part-time judges).³⁶

The Patents Court operates a system in which the technical difficulty of the case is rated between one and five, with five representing the most technically complex cases. Only Mr Justice Meade, Mr Justice Mellor, His Honour Judge Hacon or suitably qualified deputy High Court judges are able to hear trials of cases with a technical complexity of four or five. Trials of cases of lower technical complexity and interim applications can be heard by any judge permitted to sit in the Patents Court.

Under Section 70(3) of the Senior Courts Act 1981, the Patents Court has the discretion to appoint scientific advisers. The role of a scientific adviser is to assist the court in understanding the technology and the technical evidence, not to assist the judge in deciding the case.³⁷ In most cases, the judges of the Patents Court sit without a scientific adviser; it is rarely necessary given

³⁴ It also has exclusive jurisdiction over registered design cases. See CPR 63.2. Claims relating to registered trademarks, copyright, unregistered design rights, passing off and various other intellectual property rights can be brought in the Chancery division or in IPEC. See CPR 63.13, PD63 para. 16.1.

³⁵ CPR 63.17A.

³⁶ The information in this paragraph is accurate as of October 2022. The official list of judges of the Patents Court can be found at www.judiciary.uk/you-and-the-judiciary/going-to-court/high-court/courts-of-the-chancery-division/patents-court/judges/ and of IPEC at www.judiciary.uk/you-and-the-judiciary/going-to-court/high-court/courts-of-the-chancery-division/intellectual-property-enterprise-court/judges/

³⁷ *Halliburton Energy Services Inc. v. Smith International (North Sea) Ltd* [2006] EWCA Civ 1599; see also *Halliburton v. Smith* [2006] EWCA Civ 1715, [5]–[7].

their background and the fact that they have the assistance of expert witnesses called by the parties. However, in some cases, scientific advisers have been appointed to assist the trial judge,³⁸ the Court of Appeal and the Supreme Court (or its predecessor, the House of Lords).³⁹

The English legal profession is divided into barristers and solicitors. Parties are generally represented before the Patents Court by specialist patent barristers instructed by specialist patent solicitors. There are about 119 members of the Intellectual Property Bar Association of England and Wales, many of whom practice extensively in the Patents Court. There are about 60 members of the Intellectual Property Lawyers' Association, which principally represents solicitors practicing in intellectual property law in England and Wales; of these, a substantial number are experienced in patent litigation, and some have rights of audience before the Patents Court as solicitor advocates. Parties can also be represented by patent attorneys, either instructing barristers or exercising their own rights of audience.

An individual may also represent themselves as a "litigant in person", and a company or other corporation may be represented by an employee, provided that the employee has been authorized by the company and the court gives permission.⁴⁰

The Patents Court, like the rest of the High Court, operates according to the "overriding objective" of the CPR – namely, that of "enabling the court to deal with cases justly and at proportionate cost."⁴¹ The CPR explains that

Dealing with a case justly and at proportionate cost includes, so far as practicable:

- (a) ensuring that the parties are on an equal footing and can participate fully in proceedings, and that parties and witnesses can give their best evidence;
- (b) saving expense;
- (c) dealing with the case in ways which are proportionate –
 - (i) to the amount of money involved;
 - (ii) to the importance of the case;
 - (iii) to the complexity of the issues; and
 - (iv) to the financial position of each party;
- (d) ensuring that it is dealt with expeditiously and fairly;
- (e) allotting to it an appropriate share of the court's resources, while taking into account the need to allot resources to other cases; and
- (f) enforcing compliance with rules, practice directions and orders.⁴²

This overriding objective has fueled many developments in case management in the Patents Court, and the High Court more generally, aimed at streamlining patent litigation while retaining the core features of the system that enable proper scrutiny of parties' cases. We address these in more detail in subsequent parts of this chapter, but examples include:

- providing the option for parties accused of infringement to provide a full and accurate product and process description of the alleged infringing product or process, rather than requiring the disclosure of documents;⁴³
- limiting the disclosure of internal documents that might be said to bear upon issues of obviousness or insufficiency to cases in which such disclosure is necessary to deal with the case justly and proportionately;⁴⁴
- introduction of a streamlined procedure (no disclosure or experiments, cross-examination on written evidence only on topics where it is necessary)⁴⁵ and the Shorter Trials Scheme (trials to be concluded within four days, disclosure subject to restrictions, evidence and cross-examination restricted to identified issues);⁴⁶ and

38 See, e.g., *Genentech Inc. v. The Wellcome Foundation Ltd* [1989] RPC 147; *Chiron Corp. v. Murex Diagnostics Ltd* [1996] RPC 535.

39 See, e.g., *Biogen Inc. v. Medeva plc* [1995] RPC 25 (CA); [1997] RPC 1 (HL); *Kirin-Amgen Inc. v. Hoechst Marion Roussel Ltd* [2004] UKHL 46; *Halliburton Energy Services Inc. v. Smith International (North Sea) Ltd.* [2006] EWCA Civ 1715.

40 CPR 39.6.

41 CPR 1.1(1).

42 CPR 1.1(2).

43 CPR PD63 para. 6.1(1).

44 *Positec Power Tools (Europe) Ltd v. Husqvarna AB* [2016] EWHC 1061 (Pat).

45 Courts and Tribunals Judiciary, *Patents Court Guide*, para. 7.6 (Feb. 2022).

46 CPR PD57AB §2.

- expedition of cases where merited,⁴⁷ as well as a general intention to bring cases on for trial within 12 months where possible.⁴⁸

Appeals from the Patents Court are not available as of right. A party wishing to appeal must seek and obtain permission to appeal, as discussed further in Section 9.8.1 below.

If permission is granted, appeals from decisions of the Patents Court will normally be heard by a panel of three judges of the Court of Appeal. The panel is likely to include at least one of the patent specialists in the Court of Appeal, currently Lords Justices Arnold and Birss, each of whom sat as a judge of the Patents Court for many years following lengthy periods of practice at the patent bar.

If permission to appeal to the Supreme Court is granted (discussed below in Section 9.8.3.2), then the case is likely to be heard by five Supreme Court justices, which is likely to include Lord Kitchin, who practiced at the patent bar before his appointment to the Patents Court, then the Court of Appeal and finally the Supreme Court.

In a case in which, while an appeal against the revocation of a patent is pending, the patent proprietor reaches a settlement with its opponent so that the appeal is unopposed, the appeal court will not simply allow the appeal. It will need to be persuaded that the decision to revoke the patent was wrong. In such cases, it is the practice to invite the Comptroller to make such submissions as they think fit to assist the court.⁴⁹

9.3.1.3 The Intellectual Property Enterprise Court

Like the Patents Court, IPEC is part of the Business and Property Courts of the High Court of England and Wales. It (and its predecessor, the Patents County Court) was established to improve access to justice in patents cases for small and medium-sized enterprises by providing a forum with streamlined litigation in which a party's potential liability for the costs of the other party is limited to GBP 60,000.⁵⁰ The presiding judge of IPEC is His Honour Judge Hacon, who is a specialist circuit judge.⁵¹ His Honour Judge Hacon is assisted by a number of deputy judges (comprising nominated barristers and solicitors who specialize in intellectual property law). All judges who sit in the Patents Court can also sit in IPEC. IPEC is covered in greater detail in Section 9.9 of this chapter.

9.3.1.4 Scotland

In Scotland, the Court of Session has exclusive jurisdiction in proceedings relating primarily to patents.⁵² Chapter 55 of the Act of Sederunt (Rules of the Court of Session 1994) 1994⁵³ contains specific rules governing the procedure for and case management of all intellectual property cases, including those involving patents.⁵⁴ Patents cases are heard by designated intellectual property judges,⁵⁵ who are frequently also judges in the Commercial Court. The court aims to ensure, as far as possible, that the same judge is responsible for the management of a case from commencement to conclusion.

Cases are put out at an early stage for a preliminary hearing.⁵⁶ At this hearing, the intellectual property judge can make orders that are "fit for the speedy determination of the cause," such as ordering the disclosure of witnesses or documents or the lodging of expert reports or affidavits.⁵⁷ The intellectual property judges also have available to them extended powers that are peculiar to intellectual property cases, such as the power to order the disclosure of information relating to infringement of an intellectual property right.⁵⁸

47 See, e.g., *WL Gore & Associates GmbH v. Geox SpA* [2008] EWCA (Civ.) 622.

48 Patents Court, *Patents Court Guide, Annex D: Practice Statement: Listing of cases for trial in the Patents Court*.

49 *Halliburton Energy Services Inc. v. Smith International (North Sea) Ltd* [2006] EWCA Civ 185; see also *Halliburton v. Smith* [2006] EWCA Civ 1715, [3]–[4]; *Conor Medsystems Inc. v. Angiotech Pharmaceuticals Inc.* [2008] UKHL 49, [2].

50 This information is accurate as of October 2022. See footnote 36 above.

51 This was increased on 1 October, 2022 from GBP 50,000.

52 With the exception of proceedings before the Comptroller of Patents. See Civil Jurisdiction and Judgments Act 1982, sch. 8 para. 2(n); Patents Act 1977, §98(1). In addition, the Sheriff Court has a very limited jurisdiction in respect of certain incidental patent matters.

53 SI 1994/1443.

54 SI 1994/1443, r. 55.1.

55 SI 1994/1443, r. 55.2; though other judges can deal with the cases where required.

56 SI 1994/1443, r. 55.2E(1).

57 SI 1994/1443, r. 55.2E(2).

58 Intellectual Property (Enforcement, etc.) Regulations 2006, SI 2006/1028, reg. 4.

Thereafter, a case is usually set down for a procedural hearing.⁵⁹ At this hearing, the judge will decide which issues are to be determined at the substantive hearing of the case, how they will be addressed and may order, for example, the lodging of witness statements, the lodging of documentary and other evidence, and the carrying out of experiments.⁶⁰ The breadth of the orders and discretion available to the judges at each stage enables them to achieve both the specific procedure and the type of hearing that are best suited to the resolution of each individual case.

9.3.1.5 Northern Ireland

In Northern Ireland, patents cases are brought before the Chancery Division of the High Court of Northern Ireland. They are case-managed in the same way as other chancery cases. Once pleadings are complete, the case is set down, and it then comes before the chancery judge for case management. Case management involves the legal representatives completing a questionnaire: this deals with interlocutory matters, experts' reports and meetings, statements of law and fact, details of any alternative dispute resolution, and trial details (e.g., the number of witnesses, estimated length of trial, timetable for skeletons etc.). The judge then reviews the case with legal representatives present, and it is usually listed for hearing after two to three review hearings, depending on how matters progress. Patents cases in Northern Ireland are rare.

9.3.2 Relationship between invalidity and infringement proceedings

U.K. courts do not generally bifurcate the determination of the issues of patent infringement and validity; the issues are heard together. Consequently, a patentee cannot attempt to apply a different, narrower interpretation of the patent and its scope when the court is considering the issue of validity and an expansive interpretation when considering the issue of infringement. As it was once said by Lord Justice Jacob in the Court of Appeal:

Professor Mario Franzosi likens a patentee to an Angora cat. When validity is challenged, the patentee says his patent is very small: the cat with its fur smoothed down, cuddly and sleepy. But when the patentee goes on the attack, the fur bristles, the cat is twice the size with teeth bared and eyes ablaze.⁶¹

This also gives rise to so-called squeezes on the patentee, such as where the claimant contends that, if the claim is construed widely enough to cover the defendant's product, then it is also wide enough to cover the prior art and so must, accordingly, be invalid. Alternatively, if it is construed narrowly enough to avoid the prior art, then it does not cover the defendant's product, and so there can be no infringement.

9.4 Patent invalidity

Section 72(1) of the Act provides that any person⁶² may bring a claim before the court (again, that is to say, the High Court in England and Wales)⁶³ or the Comptroller for revocation of a patent⁶⁴ on the following grounds:

- (a) the invention is not a patentable invention;
[...]
- (c) the specification of the patent does not disclose the invention clearly enough and completely enough for it to be performed by a person skilled in the art;
- (d) the matter disclosed in the specification of the patent extends beyond that disclosed in the application for the patent, as filed [...];
- (e) the protection conferred by the patent has been extended by an amendment which should not have been allowed.⁶⁵

⁵⁹ Act of Sederunt (Rules of the Court of Session 1994) 1994, SI 1994/1443, r. 55.2E(4).

⁶⁰ SI 1994/1443, r. 55.3(2).

⁶¹ *European Central Bank v. Document Security Systems* [2008] EWCA Civ 192, [5].

⁶² This does mean *any* person; no interest or standing need be shown to bring invalidity proceedings. See, e.g., *Oystertec plc v. Edwards Evans Barker* [2002] EWHC 2324 (Pat).

⁶³ Or the Court of Session in Scotland, or the High Court in Northern Ireland.

⁶⁴ In the case of a supplementary protection certificates, the remedy if invalidity is established is a declaration of invalidity rather than revocation.

⁶⁵ The additional ground in Patents Act 1977, §72(1)(b) (nonentitlement) is only available in very specific circumstances. Patents Act 1977, §72(2).

Grounds (a), (c) and (d) correspond to those available in EPO opposition proceedings under Article 100(a)–(c) of the EPC.

The same grounds of invalidity may also be raised in response to a claim for infringement (either only by way of a defense or also in a counterclaim for revocation), in a claim for a declaration of non-infringement under Section 71 of the Act (see Section 9.5.4 below) and in threats proceedings (see Section 9.5.5 below).⁶⁶ However, threats proceedings can only be brought before the court, and claims for infringement may only be brought before the Comptroller with the consent of the parties.

In response to a claim for revocation (whether before the court or the Comptroller), a patent proprietor may apply for permission to amend the patent under Section 75 of the Act. The amendment will not be allowed if it results in the patent disclosing additional matter or extends the protection conferred by the patent⁶⁷ or if it introduces a lack of clarity to the claims.⁶⁸ The procedure for applying for permission to amend a patent is addressed in Section 9.6.6 below.

If the grounds of invalidity are established, the order for revocation may be unconditional or, where the court or the Comptroller determines that the patent is invalid only in part, an order that the patent should be revoked unless amended to its satisfaction.⁶⁹

Conversely, if the patent is held to be wholly or partially valid, the court or the Comptroller may grant a certificate of contested validity. The effect of such a certificate is that, in any subsequent proceedings for infringement or revocation of the patent in which a final order is made in favor of the party relying on the validity of the patent, that party is entitled to their costs at first instance (but not on any appeal) on an indemnity basis.⁷⁰

9.5 Patent infringement

9.5.1 Acts of infringement

Section 60(1) of the Act provides that a person infringes⁷¹ a patent if they do any of the following acts in the United Kingdom without the consent of the patent proprietor while the patent is in force:

- (a) where the invention is a product, he makes, disposes of, offers to dispose of, uses or imports the product or keeps it whether for disposal or otherwise;
- (b) where the invention is a process, he uses the process or he offers it for use in the United Kingdom when he knows, or it is obvious to a reasonable person in the circumstances, that its use there without the consent of the proprietor would be an infringement of the patent;
- (c) where the invention is a process, he disposes of, offers to dispose of, uses or imports any product obtained directly by means of that process or keeps any such product whether for disposal or otherwise.

Section 60(2) provides that a person also infringes⁷² a patent if, while the patent is in force and without the consent of the patent proprietor:

he supplies or offers to supply in the United Kingdom a person other than a licensee or other person entitled to work the invention with any of the means, relating to an essential element of the invention, for putting the invention into effect when he knows, or it is obvious to a reasonable person in the circumstances, that those means are suitable for putting, and are intended to put, the invention into effect in the United Kingdom.

⁶⁶ Patents Act 1977, §74(1)–(3).

⁶⁷ Patents Act 1977, §76(3).

⁶⁸ Patents Act 1977, §14(5)(b), 75(5); European Patent Convention, Article 84.

⁶⁹ Patents Act 1977, §74(4).

⁷⁰ Patents Act 1977, §65; *SmithKline Beecham plc v. Apotex Europe Ltd* [2004] EWCA Civ 1703, [8]–[18]. As to the meaning of costs on an indemnity basis, see Section 9.7.4 below.

⁷¹ Subject to various defenses set out in the Patents Act 1977, §60(5), as elaborated in §60(6A), (6G) and (7).

⁷² Again, subject to the same defenses – with the qualifications explained in Patents Act 1977, §60(6) and to that in §60(3).

These provisions are intended to reflect the corresponding provisions (Articles 25 and 26) of the Community Patent Convention (even though that convention never came into force).⁷³ Accordingly, U.K. courts have had reference to the decisions of courts of other states that were parties to that convention in interpreting these provisions.⁷⁴

English law also recognizes accessory liability of persons who either procure others to commit acts or have formed a common design with others to do acts, which amounts to infringement.⁷⁵

Section 61 of the Act provides the right of a patent proprietor to bring proceedings in the court (e.g., the High Court in England and Wales)⁷⁶ in respect of any act alleged to infringe the patent. An exclusive licensee⁷⁷ of the patent also has the right to bring proceedings in respect of any infringement committed after the date of the license.⁷⁸ The patent proprietor or an exclusive licensee also has the right to bring proceedings, after grant of the patent, in respect of acts committed after the publication of the application for the patent if they would have infringed the patent had it been granted.⁷⁹

Claims may also be brought in respect of threats to commit acts of infringement when no act of infringement has yet been committed – so-called *quia timet* actions. Such claims will only succeed if, at the date proceedings are issued, there was a sufficiently strong probability – a concrete, strong and tangible risk – that an injunction would be required to prevent the defendant from infringing.⁸⁰

9.5.2 Claim construction

The provisions of Section 60 of the Act refer to “the invention.” Section 125 defines an invention as follows:

(1) For the purposes of this Act an invention for a patent for which an application has been made or for which a patent has been granted shall, unless the context otherwise requires, be taken to be that specified in a claim of the specification of the application or patent, as the case may be, as interpreted by the description and any drawings contained in that specification, and the extent of the protection conferred by a patent or application for a patent shall be determined accordingly.

[...]

(3) The Protocol on the Interpretation of Article 69 of the European Patent Convention (which Article contains a provision corresponding to subsection (1) above) shall, as for the time being in force, apply for the purposes of subsection (1) above as it applies for the purposes of that Article.

The “Protocol on the Interpretation of Article 69 EPC” in the EPC provides as follows:

Article 69 should not be interpreted as meaning that the extent of the protection conferred by a European patent is to be understood as that defined by the strict, literal meaning of the wording used in the claims, the description and drawings being employed only for the purpose of resolving an ambiguity found in the claims. Nor should it be taken to mean that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the patent proprietor has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patent proprietor with a reasonable degree of legal certainty for third parties.

73 Patents Act 1977, §130(7).

74 See, e.g., *Grimme Maschinenfabrik GmbH v. Scott* [2010] EWCA Civ 1110, [79]–[132] (regarding the knowledge requirement in Patents Act 1977, §60(2)); *Pioneer Electronics Capital Inc. v. Warner Music Manufacturing Europe GmbH* [1997] RPC 757 (regarding “obtained directly by means of that process” in Patents Act 1977, §60(1)(c)); *Warner-Lambert Company LLC v. Generics (U.K.) Ltd* [2018] UKSC 56 (regarding second medical use or “Swiss-style” claims).

75 See, e.g., *Sea Shepherd U.K. v. Fish & Fish Ltd* [2015] UKSC 10.

76 Or the Court of Session in Scotland, or the High Court in Northern Ireland.

77 That is to say, a license from the proprietor conferring any right in the invention to the exclusion of all other persons. Patents Act 1977, §130(1).

78 Patents Act 1977, §67.

79 Patents Act 1977, §69 (subject to the caveats provided for in that section).

80 *Merck Sharp Dohme Corp. v. Teva Pharma BV* [2013] EWHC 1958 (Pat), [39]–[59].

For the purpose of determining the extent of protection conferred by a European patent, due account shall be taken of any element which is equivalent to an element specified in the claims.⁸¹

Until 2017, U.K. courts did not recognize a doctrine of equivalents. Instead, U.K. courts have determined the extent of protection of a patent by applying “purposive construction.” This involved determining what the skilled person would have understood the patentee to be using the language of the claims to mean, and, in that process, account could be taken of equivalents. A person could only infringe a patent if the product or process fell within the claims on a purposive construction.⁸² In 2017, the Supreme Court held that the interpretation of the language of the claims was only the first stage in determining whether there was infringement. The court also held that a product or process that did not fall within the claims on a normal interpretation could nevertheless infringe if it differed in a way that was immaterial, and proposed questions to assist in determining whether the variation was immaterial.⁸³

9.5.3 Remedies for infringement

Certain remedies for infringement that may be claimed are specified by Section 61 of the Act:

- (a) an injunction restraining the defendant from any apprehended act of infringement;
- (b) an order for him to deliver up or destroy any patented product in relation to which the patent is infringed or any article in which that product is inextricably comprised;
- (c) damages in respect of the infringement;
- (d) an account of the profits derived by him from the infringement;
- (e) a declaration that the patent is valid and has been infringed by him.⁸⁴

However, these remedies are said in Section 61 to be “without prejudice to any other jurisdiction of the court.” Remedies are dealt with in more detail in Section 9.7 below.

9.5.4 Claims for declaratory relief

As mentioned above, Section 61 of the Act makes it clear that, on a claim by the patent proprietor or an exclusive licensee, the court has the power to grant a declaration that a patent is valid and has been infringed. Conversely, Section 71 provides a route by which a person can obtain a declaration that a patent is not, or would not be, infringed:

Without prejudice to the court’s jurisdiction to make a declaration apart from this section, a declaration that an act does not, or a proposed act would not, constitute an infringement of a patent may be made by the court or the comptroller in proceedings between the person doing or proposing to do the act and the proprietor of the patent, notwithstanding that no assertion to the contrary has been made by the proprietor, if it is shown –

- (a) that that person has applied in writing to the proprietor for a written acknowledgment to the effect of the declaration claimed, and has furnished him with full particulars in writing of the act in question; and
- (b) that the proprietor has refused or failed to give any such acknowledgment.⁸⁵

A party seeking a declaration of noninfringement, prior to serving proceedings on the patentee, must first send a notice to the patentee containing a description of their product or process to give the patentee the opportunity before proceedings are issued to agree that that product or process is not an infringement.⁸⁶

However, as both Sections 61 and 71 make clear, that is not the limit of the court’s declaratory jurisdiction. CPR 40.20 provides that “[t]he court may make binding declarations whether or not

81 The Protocol can be found at www.epo.org/law-practice/legal-texts/html/epc/2020/e/ma2a.html

82 *Kirin-Amgen Inc. v. Hoechst Marion Roussel Ltd* [2004] UKHL 46, [27]–[52].

83 *Actavis U.K. Ltd v. Eli Lilly & Co.* [2017] UKSC 48, [53]–[66].

84 Using the language appropriate to England and Wales.

85 Using the language appropriate to proceedings in England and Wales.

86 Patents Act 1977, §71(1).

any other remedy is claimed.” This provides the court with a discretionary power to grant declaratory relief, which it will normally exercise only if there is a sufficiently well defined issue between the parties and if granting the declaration would serve a useful purpose. The court should also take into account justice to the parties and any other special reasons.⁸⁷

This jurisdiction has been used to grant declarations that a specified product was old or obvious at a particular date.⁸⁸ The practical effect of such a declaration is that the patent proprietor cannot then assert, against that product, any patents it obtained with that (or a later) priority date. This form of declaration (sometimes called an *Arrow* declaration, after the first case in which it was recognized)⁸⁹ is of particular use where a patent proprietor has divisional applications in prosecution that a party justifiably fears may be asserted against it if and when they are granted. It allows such a party to gain commercial certainty without having to wait until the patents are granted and then apply to revoke them. However, it is always necessary to demonstrate that the declaration would serve a useful purpose.⁹⁰

9.5.5 Threats actions

Threats to bring proceedings for infringement of a patent can have a chilling effect on trade, particularly when made to a trader’s customers or potential customers. The Act therefore makes provision to allow persons aggrieved by such threats to bring proceedings and seek relief. Such actions:

- can only be brought in respect of communications from which a reasonable person in the position of a recipient would understand that a patent exists and that a person intends to bring proceedings against another for infringement of the patent by an act done, or to be done, in the United Kingdom;⁹¹
- cannot be brought if the alleged infringement consists of making or importing a product for disposal or using a process, or consists of any other act in respect of that product or process by a person who has made or imported the product or used the process (or intends to do so);⁹²
- cannot be brought if the threat is not express and is made in a “permitted communication” (in essence, one that contains only information necessary to give notice of a patent proprietor’s rights or to seek information about the manufacture or importation of a product or the use of a process);⁹³ and
- cannot be brought against professional advisers acting on the instructions of another identified person.⁹⁴

The relief that can be sought in threats actions is:

- a declaration that the threats are unjustified;
- an injunction against the continuance of the threats; or
- damages in respect of any loss sustained by the person aggrieved by reason of the threats.⁹⁵

It is a defense for the person who made the threat to show that the act in respect of which proceedings were threatened constitutes (or, if done, would constitute) an infringement of the patent.⁹⁶ Most threats actions will therefore lead to such a defense being raised, together with a counterclaim for infringement, to which the claimant will respond with a defense of invalidity and a counterclaim for revocation.

87 See, e.g., *Fujifilm Kyowa Kirin Biologics Co. Ltd. v. AbbVie Biotechnology Ltd* [2017] EWCA Civ 1, [58]–[63].

88 This jurisdiction has also been used, e.g., to grant declarations that specified patents are not essential to specified telecommunications standards (see, e.g., *Nokia Corp. v. Interdigital Technology Corp.* [2006] EWCA Civ 1618. In this context “essential” has the meaning given to it by the Intellectual Property Rights Policy of the European Telecommunication Standards Institute) and that certain licensing terms are FRAND (see, e.g., *Unwired Planet International Ltd v. Huawei Technologies Co. Ltd* [2018] EWCA Civ 2344).

89 *Arrow Generics Ltd v. Merck & Co. Inc.* [2007] EWHC 1900 (Pat).

90 Compare *Fujifilm Kyowa Kirin Biologics Co. Ltd. v. AbbVie Biotechnology Ltd* [2017] EWHC 395 (Pat) (where there was a useful purpose) and *Pfizer Ltd v. F. Hoffmann-La Roche AG* [2019] EWHC 1520 (Pat) (where there was not).

91 Patents Act 1977, §70.

92 Patents Act 1977, §70A(2)–(4).

93 Patents Act 1977, §§70A(5), 70B.

94 Patents Act 1977, §70D.

95 Patents Act 1977, §70C(1).

96 Patents Act 1977, §70C(3). It is also a defense to show that, despite having taken reasonable steps, which were notified to the recipient, the person had not identified anyone who had made or imported the product or used the process. Patents Act 1977, §70C(4).

9.6 Judicial patents proceedings and case management

9.6.1 Pre-action

Parties' conduct before a patent action has begun is governed by the CPR. There is no specific pre-action protocol for litigation in the Patents Court, although the "Pre-Action Conduct and Protocols" practice direction applies.⁹⁷ Paragraph 6 of this practice direction requires a claimant to write a "letter before action" to the defendant with concise details of the claim, including the nature of the acts complained of and the relief they seek. The defendant should be given a reasonable period of time to respond, typically 14 days but sometimes longer, before the claimant commences proceedings. This is so that the defendant has an opportunity to decide whether or not to contest the claim and also to enable both parties to explore whether or not settlement of the dispute is possible before proceedings are commenced.

If the claimant fails to send a letter before action in this way, it is open to the court to regard their conduct as unreasonable and to make an adverse costs award against them, especially if the defendant, when served with proceedings, indicates that they will in fact not contest them.

However, the court will take into account that, in some circumstances, it is undesirable for the claimant to give the defendant notice of proceedings. This is particularly the case where there is a race to the court between the two parties in the United Kingdom and another in another country in order for the relevant court to be first seized of jurisdiction.

Owing to the actionable threats provisions in the Act, as set out in Section 9.5.5 above, care must be taken in writing a letter before action to anyone other than the manufacturer or importer of a product or user of a process.

Before an action is started, the court can order that a party to a dispute gives disclosure of a specific class of documents in their power or possession. This will typically happen where the disclosure is either likely to promote settlement of the dispute, where it is likely to resolve the dispute or where it will result in the saving of costs.⁹⁸ For example, where a patentee has granted a number of licenses under their patent, and the prospective defendant has indicated a willingness to take a license under the patent on similar terms to those already granted by the patentee, the patentee could be ordered to give disclosure of those licenses so that the defendant can see what might be similar terms of a license that they can agree to.

9.6.2 Venue, jurisdiction and case assignment rules

9.6.2.1 Jurisdiction, standing and service

All of the courts in England and Wales that handle patent litigation have jurisdiction over anyone carrying out one or more infringing acts occurring in their countries and can grant remedies covering the whole of the United Kingdom. They also have jurisdiction over anyone who is assisting the infringer to carry out infringing acts in that country, such as a parent company that runs a website directed to the United Kingdom. However, the courts no longer have jurisdiction over infringements of the equivalent European patent occurring in other European countries since the United Kingdom is no longer a party to the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (Lugano Convention) or other similar treaty for the mutual recognition and enforcement of judgments in Europe.

The patentee and the exclusive licensee have standing to bring proceedings for infringement of a patent in the United Kingdom.⁹⁹ If the defendant is domiciled outside the jurisdiction, the claimant will have to seek permission from the court to serve the proceedings out of the jurisdiction (on the basis of infringing acts in the jurisdiction) and serve in accordance with the rules of the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (HCCH Service Convention).¹⁰⁰

⁹⁷ CPR, Practice Direction – Pre-Action Conduct and Protocols, www.justice.gov.uk/courts/procedure-rules/civil/rules/pd_pre-action_conduct

⁹⁸ CPR 31.16(3)(d).

⁹⁹ Patents Act 1977, §§61, 67.

¹⁰⁰ CPR 6.36, PD6B.

Anyone has standing to bring proceedings for revocation of a patent and can serve such proceedings in the United Kingdom on the address for service registered against the patent at the UKIPO. Where the patentee is domiciled outside the United Kingdom, this makes service swift and straightforward and requires no translations or other Hague Convention requirements.

A claimant must bring all related claims in one set of proceedings in the United Kingdom. So, for example, if the patentee considers that a product infringes several of its patents, and if it starts proceedings for patent infringement, it must assert all of the patents it believes are infringed. The court will not permit the patentee to bring separate new proceedings later based on another of the patents in its portfolio that it alleges is infringed by the same product unless, for example, the facts giving rise to that infringement only came to light later. Bringing patents proceedings piecemeal in this fashion can be regarded by the court as an abuse of process.

A claimant must choose whether to issue their claim in the Patents Court or IPEC; see Section 9.9.1.1 below.

9.6.2.2 Court fees

To start proceedings, the claimant must pay the court an issue fee. The fee for cases with a value over GBP 200,000 is GBP 10,000. For lower-value cases, the fee is lower: five percent of the value of the claim for cases between GBP 10,000 and GBP 200,000 in value. For the very lowest value cases (under GBP 300), the issue fee is GBP 35. Individuals without the means to pay the issue fee can obtain a fee exemption known as “help with fees.”

There are only two other fees that usually need to be paid in a patents case at first instance. There is a GBP 255 fee for applications to the court, and a trial fee of GBP 1,090 is due when the date for trial is fixed. The court fees paid by a party are recoverable as part of that party's costs (see Section 9.7.4 below).

9.6.3 Statements of case

9.6.3.1 Formal pleadings

Proceedings are commenced by the issue of a claim form with the court.¹⁰¹ The claim form is a short document, no more than around three pages in length, in a format specified by the rules of procedure of the court. It sets out the identities of the claimant and defendant and the relief sought by the claimant. The claim form is issued by electronically filing it with the court.

The claimant must serve the claim form on the defendant within four months of it being issued if the defendant is within the jurisdiction, or within six months if the defendant is outside the jurisdiction.¹⁰² Either at the same time as serving the claim form or within 14 days of its service, the claimant must also serve on the defendant the particulars of claim.¹⁰³ It is best practice for a claimant to serve their particulars of claim with the claim form. The particulars of claim are typically relatively short and give brief details of the parties in the proceedings, the patent in issue, the relief sought and why that relief is justified.

If the claimant is the patentee alleging infringement of its patent(s), the particulars of claim will be accompanied by a particulars of infringement, which sets out the specific acts of infringement complained of and at least one specific example of an infringing act, including when and where it occurred.¹⁰⁴ If the claimant is a party seeking to revoke a patent, the particulars of claim will be accompanied by a grounds of invalidity, which specifies and particularizes the grounds on which the validity of the patent(s) is challenged.¹⁰⁵

For a lack of novelty or lack of inventive step plea (or both), the grounds of invalidity must identify the item(s) of prior art relied upon, and a copy of each prior art document, with an English translation if necessary, must accompany it.¹⁰⁶ No further details need to be provided as to the basis upon which a patent is said to be anticipated or obvious over that item of prior art. Normally,

101 CPR 7.2(1).

102 CPR 7.5(1)-(2).

103 CPR 7.4(1)(b).

104 CPR PD63 para. 4.1.

105 CPR PD63 para. 4.2(2).

106 CPR PD63 paras 4.2(3), 4.3(1), 4.4(1).

it is advisable to limit the number of items of prior art relied upon to no more than three or four per patent. If a prior use is alleged, details must be given, including the name of the persons making such use, where and when it took place, and how it was made available to the public.¹⁰⁷

More detail is generally required for pleas of added matter and insufficiency. An added matter plea should set out the details of the attack being made, with reference to what is said to be disclosed in the patent but not in the application as filed. An insufficiency plea should set out details as to the basis upon which it is said that the patent specification is insufficient, particularly which examples of the invention cannot be made to work and in which respects they do not work or do not work as described in the specification.¹⁰⁸

Following service of the particulars of claim, the defendant has 14 days within which to file a defense to the claim or to file an acknowledgment of service indicating if it challenges the jurisdiction of the court and if it intends to contest the claim.¹⁰⁹ If an acknowledgment of service is filed, the defendant is given additional time to serve a defense to the claim and must so do within 42 days of service of the particulars of claim.¹¹⁰

In its defense, the defendant will indicate which aspects of the particulars of claim (and, in the particular case, the particulars of infringement or the grounds of invalidity) the defendant admits, denies or requires the claimant to prove. The defendant may also include a counterclaim in its defense. This should follow on from the defense in the same document and should be headed "counterclaim."¹¹¹ The defense (and counterclaim) must be served on every other party.¹¹² In the case of an allegation of infringement, the counterclaim will almost always comprise a challenge to the patent's validity (and therefore be accompanied by the grounds of invalidity, as discussed above).

Where the defendant has included a counterclaim in their defense, the claimant must serve a reply and defense to counterclaim within 14 days of service of the defense and counterclaim. The defense to counterclaim should follow on from the reply in the same document and should be headed "defense to counterclaim."¹¹³ The defense to counterclaim component will indicate which aspects of the counterclaim the claimant admits, denies or requires the defendant to prove. The reply component will additionally provide the claimant an opportunity to respond to any points made in the defendant's defense to the claimant's claim.

The defendant will then, should they wish, have the opportunity to file a reply to defense to counterclaim, which will provide the defendant an opportunity to respond to any points made in the claimant's defense to counterclaim.

9.6.3.2 Requests for further information

Where either party considers that they need additional information or details about one or more aspects of the other party's case, or require clarification of any matter in dispute in the case, they can serve on the opposing party a request for further information (sometimes called a "Part 18 Request").¹¹⁴ Such requests should be strictly confined to matters that are reasonably necessary and proportionate to enable a party to prepare their own case or to understand the case they have to meet.¹¹⁵ A request for further information should set out – concisely and in the manner specified in Practice Direction 18 of the CPR – the further information, detail or clarification requested, often by reference to paragraphs of a party's statement of case.¹¹⁶

The receiving party will typically then respond to that request in the manner specified in the practice direction. However, the receiving party may refuse to respond, for example, on the basis that the information is not necessary or proportionate. If no response is received, the requesting party may seek an order from the court requiring a response by a certain date.

¹⁰⁷ CPR PD63 para. 4.4(2).

¹⁰⁸ CPR PD63 para. 4.3(2).

¹⁰⁹ CPR 10.3(1), 15.4(1)(a).

¹¹⁰ CPR 15.4(1)(b), 63.7(a).

¹¹¹ CPR PD20 para. 6.1.

¹¹² CPR 15.6.

¹¹³ CPR PD20 para. 6.2.

¹¹⁴ CPR 18.1.

¹¹⁵ CPR PD18 para. 1.2.

¹¹⁶ CPR PD18 paras 1.1–1.7.

9.6.3.3 Further statements of case

Besides the statements of case (including requests for further information and their responses) referred to above, there can be certain other formal pleadings ordered by the court at the discretion of the court, often at the request of the parties. Examples include statements of case on discrete aspects of a party's pleaded case, such as a statement of case on infringement by equivalents, a statement of case on priority, a statement of case on plausibility or a statement of case on essentiality or nonessentiality.

9.6.4 Early case management

9.6.4.1 Case management conference

Following service of the defense (with or without a counterclaim), the claimant can make an application to the court for a case management conference (CMC). This is a hearing wherein the timetable (i.e., directions) to trial is ordered by the court if the parties cannot agree to a timetable in advance. This timetable will deal with matters such as the following:

- time for service of any further statements of case, or an order that a party respond to a request for further information;
- time for service of any notices to admit facts, which are documents requiring a party to admit facts or admit a part of the opposing party's case. For example, the patentee might seek admissions as to whether the allegedly infringing product contains each element of the claim of the patent asserted. Suitable admissions will allow both parties to understand which elements of the claim are uncontested and which will be subject to argument at trial;
- time for the patentee to identify which of the claims of the patent it will rely upon at trial as being independently valid. This allows the court to focus only on a handful of claims at trial;
- a timetable for disclosure or time for service (or both), by the allegedly infringing party, of a product and process description (discussed in more detail below in Section 9.6.7.1);
- where a party wishes to establish any fact by experiment(s), the time for service of any notice of experiments setting out particulars of the experiments proposed to establish which facts;
- whether the parties have permission to call expert evidence and, if so, how many experts and in which field(s);
- whether a scientific adviser is to be appointed;
- timetable for the production of a technical primer or statement of agreed common general knowledge by the parties (discussed in more detail below in Section 9.6.9);
- time for the exchange of written fact evidence and expert evidence (both the first round of evidence (evidence in chief) and evidence in reply);
- the estimated length of the trial and the window within which it is to be listed; and
- the category of Patents Court judge required to hear the trial.

A typical order for directions made at a patents CMC can be found appended to the *Patents Court Guide*.¹¹⁷

It is often possible for the parties to agree the order for directions and ask the court to approve it on paper without a hearing. Even if this is not possible, in most cases, a large amount of the order can be agreed between the parties, and any outstanding issues are dealt with at the CMC hearing.

9.6.4.2 Time to trial and expedition

The stated ambition of the Patents Court in England and Wales is that the trial of a patent infringement claim should occur within 12 months of commencement of proceedings. In practice, the court issues a judgment at first instance within 12 to 15 months.

However, where necessary, the court can bring the issue to trial more quickly. For this to happen, one of the parties must seek an order that the proceedings be expedited. The most common situation in which this occurs is where the patentee seeks an interim injunction or, alternatively, an order for expedition on the basis that they will suffer irreparable harm if the infringement continues for 12 or more months before judgment at first instance. A straightforward way to resolve or at least mitigate the harm suffered by either party as a result of granting or not granting an interim injunction is to make the time to judgment as short as practicable. With an order for expedition, it can be the case that a trial will occur in as little as three months after the

¹¹⁷ Courts and Tribunals Judiciary, *Patents Court Guide*, annex B (Feb. 2022).

proceedings are started. This, of course, is incredibly quick and involves significantly shortening the normal timetable to trial and either partially or wholly removing certain steps in the proceedings with the permission of the court.

9.6.5 Interim orders and directions

9.6.5.1 Interim applications

In the run-up to trial, there can be various interim applications made by the parties. Some such applications are case management hearings, or akin to case management hearings, and involve sorting out aspects of the management of proceedings and the directions to trial that the parties cannot agree on between themselves. Other such applications, of which there are many, arise where a party seeks, for example:

- to strike out a particular part of the opposing party's case on the basis that it cannot succeed on its face in any event (the wording of the CPR being that it discloses no reasonable grounds for bringing or defending the claim);¹¹⁸
- summary judgment on the basis that the opposing party has no real prospect of succeeding on the claim (claimant) or successfully defending the claim (defendant);¹¹⁹
- interim injunctive relief;
- security for costs (discussed further below in Section 9.6.5.3.2);
- for a preliminary point to be decided that will either dispose of the claim or make the proceedings significantly shorter and more efficient;
- an order requiring the defendant to disclose a specific category of documents;
- an order requiring the defendant to provide samples of an allegedly infringing product;
- an order freezing the defendant's assets (in a case where there is evidence that persuades the court that it is likely that they will be dissipated);
- an order requiring the defendant to allow the claimant's representatives access to property for the purpose of searching for and seizing specified items or documents – an *Anton Piller* order – (in a case where there is evidence that persuades the court that otherwise the defendant will be likely to hide or destroy those materials).

The most common and often commercially significant interim relief sought in patent proceedings is an interim injunction (sometimes called a preliminary injunction).

The principles governing applications for interim injunctions derive from the case of *American Cyanamid Co. v. Ethicon Ltd* [1975] AC 396 and are, in summary, whether there is a serious question to be tried, whether damages are an adequate remedy (first to the claimant if relief is refused, and then to the defendant if relief is granted), whether either party would suffer irreparable and/or unquantifiable harm should the injunction be or not be granted and whether there are any special factors specific to the particular case in favour one way or the other.

In patents cases, it is often the case that the patentee can be compensated in damages for any infringement that occurs up until trial and therefore, an interim injunction is not normally granted (nor indeed applied for). The most common exception to this is where generic pharmaceutical products are or are at risk of coming onto the market, which will result in rapid price depression such that the patentee will never be able to recover its original price levels for the patented reference product if it is successful at trial. Even then, the court must be satisfied that the facts of the case, as borne out in the evidence, establish that damages are not an adequate remedy for the patentee.¹²⁰

The party in whose favor an interim injunction is granted pending trial will typically be required to provide a cross undertaking in damages to the court to the effect that, if it turns out the injunction is wrongly granted (in the sense that that party is unsuccessful at trial), then they will compensate the allegedly infringing party in damages for loss suffered by reason of the injunction.

¹¹⁸ CPR 3.4.

¹¹⁹ CPR 24.2.

¹²⁰ See *Neurim Pharmaceuticals (1991) Ltd v. Generics U.K. Ltd* [2020] EWHC 1362 (Pat) (where the court found that that was not the case on the facts), aff'd [2020] EWCA Civ 793.

9.6.5.2 Dividing a large case into multiple trials

If a dispute involves a number of patents, the court may divide the case into a series of distinct trials so that the liability issues relating to one patent (or a related family of patents) are addressed at one trial, and then one or more further separate trials are scheduled to deal with further patents. In telecommunications and FRAND (fair, reasonable and nondiscriminatory) license cases, the court may also schedule a distinct FRAND trial to take place, commonly after one or more of the earlier trials. In this case, those earlier trials are called “technical trials” because they deal with the technology issues relating to the patent, as opposed to the FRAND trial, which deals with licensing and potentially with competition issues.

9.6.5.3 Issues relating to costs

As discussed further below in Section 9.7.4, costs are generally awarded in patents cases against the losing party. Costs cover legal expenses incurred by the party, which include the fees charged by the legal representatives, those by experts and any court fees. As such, costs are an integral part of court procedure and are a weapon in the court’s armory that it can use both to encourage parties to behave reasonably and effectively, to encourage settlement out of court, and not to waste the court’s time and resources.

9.6.5.3.1 Costs budgeting

If, on the claim form, the claimant does not declare that their claim is worth more than GBP 10 million, then the parties both have to perform a costs budgeting exercise, governed by Part 3 of the CPR.¹²¹ Claims declared to be worth more than GBP 10 million, as many patents cases are, are exempt.¹²²

Costs budgeting requires the parties to fill out a form known as “Precedent H,” in which they set out how much they consider each stage of the proceedings will cost by reference to the hourly rates and time to be spent by the various members of the legal (solicitor or patent attorney) team, the costs of barristers instructed, the costs of experts to be instructed and other allowable disbursements. These Precedent H budgets then must either be agreed upon between the parties or approved at a hearing before the court. For each individual stage of the proceedings, the sum specified in the Precedent H for that party is the maximum level of costs recoverable from the other side by the winning party. Once agreed upon or approved, the Precedent H form can only be amended by application to the court on the basis of a significant change in circumstances.

9.6.5.3.2 Security for costs

If the claimant is impecunious or does not have any significant assets in the United Kingdom, the defendant can seek security for costs – namely, an order requiring that the claimant pay a sum upfront as security for the defendant’s litigation costs.¹²³ Such security can be given either by payment of the full sum of security into court, or by banker’s bond or banker’s guarantee. If the parties cannot agree that security for costs should be given by the claimant or agree upon the amount of security that should be provided, the defendant can make an application to the court for a determination. When making such an application, the defendant will often rely on its Precedent H as setting out its anticipated costs of the proceedings.

9.6.5.3.3 Costs for interim hearings

For interim hearings, especially for those of half a day or less, the court will make a summary assessment of the costs to be paid for that hearing by the party who lost the application. This summary assessment is made based on a schedule of costs for that hearing produced by the relevant party that summarizes the costs expended on the application and on the hearing itself. The court will make the summary assessment immediately after the court has told the parties of its decision.

Except in exceptional circumstances, each party bears its own costs of a case management hearing.

¹²¹ CPR 3.12 et seq., PD3E.

¹²² CPR 3.12(1)(a).

¹²³ CPR 25.12 et seq.

9.6.6 Amendment of the patent

During the course of patent infringement proceedings, it is possible for the patentee to make an application to amend the patent and, in particular, the claims of the patent, pursuant to Section 75 of the Act. To do so, the patentee must serve on the opposing party and the UKIPO an application to amend the patent, identifying the amendments it is seeking to make and the reasons for making the amendment (e.g., so as to avoid a specific passage in an item of prior art). The UKIPO will advertise the application to amend the patent so that third parties have the opportunity to intervene if they object to the amendment being made.

Amendment applications are almost always heard at the trial. However, where such an application is made close to the time of the trial, there may be ancillary consequences, not least because the court's power under Section 75 of the Act is discretionary:

(1) In any proceedings before the court or the comptroller in which the validity of a patent may be put in issue the court or, as the case may be, the comptroller *may*, subject to section 76 below, allow the proprietor of the patent to amend the specification of the patent in such manner, and subject to such terms as to advertising the proposed amendment and as to costs, expenses or otherwise, as the court or comptroller thinks fit. (emphasis added)

Any delay in making an application to amend the patent claims may affect the chances of the court allowing the application. In particular, the court will consider whether the application is procedurally fair to the other party. If the application is likely to necessitate another trial, this may result in it being refused. For example, in *Nokia GmbH v. ICom GmbH*,¹²⁴ the Court of Appeal confirmed the principles of patent claim amendment and duly rejected ICom's amendment application brought three days before trial on the grounds of procedural unfairness:

The main purpose of Art. 138 [of EPC 2000] as compared with the unamended Art. 138 was to provide that national authorities should have an amendment procedure at all. For prior to the amendment of the Treaty the laws of some countries did not allow patent amendment post-grant at all. Now they must. Art.138 was not intended to govern national rules of procedure concerning patent amendment, still less to require national courts to conduct them in a manner which national law regarded as an abuse of process.¹²⁵

Indeed, late-filed amendment applications may be considered to be an abuse of the court's process. This is particularly the case when the application is made after the trial has taken place.¹²⁶

In practical terms, this means that a patentee that wishes to make an amendment application should make that application as soon as practicable. To wait until the judgment is available will almost certainly be too late. Occasionally, a provision will be made in the order for directions at the CMC for the patentee to make any application to amend the patent-in-suit by a certain date.

9.6.7 Disclosure

In most patents proceedings, the discovery available – referred to as “disclosure” in the United Kingdom – is fairly limited.

9.6.7.1 Product and process descriptions

In place of disclosure on the issue of infringement, a defendant can and – particularly to avoid the costs and burden associated with documentary disclosure – often will opt to provide a product and process description. A product and process description is a detailed document describing the product or process alleged to be an infringement by reference to the disclosure of the patent and, in particular, the claims of the patent that the product or process is said to infringe.

¹²⁴ [2011] EWCA Civ 6.

¹²⁵ [2011] EWCA Civ 6 [127].

¹²⁶ See *Warner-Lambert Co. LLC v. Generics (U.K.) Ltd* [2018] UKSC 56.

9.6.7.2 Disclosure on validity

In many patents cases, provision is not made for disclosure on any question of patent validity. However, an alleged infringer may seek disclosure from the patentee in relation to, for example, insufficiency or obviousness, such as where the patentee seeks to run a case of commercial success to defeat a case of lack of inventive step.

When disclosure is sought on a question of validity, only documents relevant to a pleaded ground of invalidity that a party has in its power or possession and that came into existence no more than two years before or after the earliest claimed priority date of the patent are to be disclosed, unless the court orders otherwise. If, for some reason, one of the parties has a good reason to advance that there are relevant documents that they should see outside this narrow time window, then they will need to make an application for specific disclosure to the court and satisfy the court that there are very likely such relevant and important documents in the possession of the opposing party that will help to progress the case.

Disclosure in the Business and Property Courts is governed by the procedure under Practice Direction 57AD of the CPR.¹²⁷ This scheme requires parties to discuss and jointly complete a document known as a “disclosure review document,” which identifies the issues in dispute on which disclosure should be given, which level of disclosure is sought (by reference to the five models discussed below), what documents are likely to exist, and the individuals in the relevant organizations who are likely to be custodians of those documents. Keywords should also be provided in most instances to enable electronic disclosure (i.e., keyword searches).

The five models of disclosure are as follows:

- Model A – disclosure confined to known adverse documents;
- Model B – limited disclosure;
- Model C – request-led search-based disclosure;
- Model D – narrow search-based disclosure; and
- Model E – wide search-based disclosure (said to be exceptional).

If a party seeks Model C disclosure, it must set out in the disclosure review document its detailed requests for particular documents or narrow classes of documents sought in relation to the issue for disclosure. There is no presumption that any party is entitled to disclosure. The party seeking disclosure must justify to the court that the model sought is appropriate, reasonable and proportionate.

In practice, the disclosure review document is rarely agreed upon between the parties and can be the subject of significant argument at a hearing, often the CMC. The court will then make an order reflecting its determination of the issues. Even where the parties agree upon the contents of the disclosure review document, the court will still be required to approve it and make the order it sees fit.

9.6.8 Evidence

9.6.8.1 Evidence of fact

The typical issues of fact in a patents case are:

- whether an item of prior art was made available to the public before the priority date, particularly if the prior art involves a prior use of something rather than a publication; and
- the precise details of how the alleged infringing article or process operates.

In many cases, these questions will have been resolved before trial by the processes of disclosure and by admissions. If the matters are in issue, then evidence will be needed.

Evidence of fact can be admitted in patents proceedings by way of witness statements accompanied by any relevant documents as exhibits. The provision of trial witness statements is governed by Practice Direction 57AC of the CPR. Where a witness statement is being relied upon

¹²⁷ Between 1 January 2019 and 1 October 2022, this procedure was the subject of a mandatory pilot scheme governed by Practice Direction 51U.

at trial, the evidence should be within the direct knowledge of the witness, who must be willing to be cross-examined on the contents of that witness statement or anything else about the case about which they have knowledge. The witness will be required to sign their witness statement with a clear statement that its contents are true. They will then be asked to reaffirm this under oath if they are called to give evidence at trial. Their written witness statement will generally stand as their evidence in chief at trial, so they will not be required to repeat it orally. As such, a witness' oral evidence will be limited to cross-examination by the opposing party's legal representative(s) followed by, if necessary, reexamination.

9.6.8.2 Expert evidence

The provision of expert evidence in civil proceedings is governed by Part 35 of the CPR, supplemented by the *Guidance for the Instruction of Experts in Civil Claims*.¹²⁸ As noted above, the court's permission is always required to adduce expert evidence. Expert evidence is restricted to that which is reasonably required to resolve the proceedings.¹²⁹

Patents cases are cases in which technical expert evidence is nearly always a critical part. In most cases, the parties will each call an expert or experts in the relevant discipline or disciplines. An expert's duty is to help the court on matters within their expertise, and their role is to assist the court by providing objective, unbiased opinions on such matters.¹³⁰ This typically involves the expert putting themselves into the shoes of the skilled person in the relevant art at the relevant date of the patent. An expert must be independent, and their duty to the court overrides any obligation to the party instructing them, despite the fact that that party may be responsible for their remuneration.¹³¹

To protect the expert witnesses – particularly from criticisms of lack of objectivity in approaching a piece of prior art with hindsight (i.e., with the invention in mind) – lawyers instructing experts typically provide instructions to the experts in a fairly regimented manner, following guidance from the courts.¹³² Expert reports are thus prepared carefully and in a sequential way so that the expert comments first on the common general knowledge and the prior art before they have sight of the patent in issue.

Expert evidence is provided in detailed written expert reports. An expert report must comply with the requirements set out in the Practice Direction 35 of the CPR at paragraphs 3.1–3.3. This includes the expert confirming in writing that they understand their duty to the court and have complied with it and that the expert is aware of CPR Part 35, its corresponding practice direction and the *Guidance for the Instruction of Experts in Civil Claims*.¹³³

As with evidence of fact, an expert's written report stands as their evidence in chief at trial, and they do not need to repeat it orally. At trial, the experts will nearly always be cross-examined at length by the opposing party's legal representative(s) on the contents of their report and, if necessary, reexamined.

Besides technical evidence on the subject matter of the invention in the patent, expert evidence can also be provided, if needed, on other aspects of a case, such as the laws of other countries (by expert lawyers in the relevant jurisdiction).

9.6.9 Technical primers and statements of agreed common general knowledge

9.6.9.1 Technical primers

For anything other than the simplest technology or subject matter, the court will normally make provision at the CMC for the parties to provide an agreed technical primer. This is designed to be an introduction to the technology for the benefit of the trial judge and contain the basic undisputed technology relevant to the case. The parties typically identify which parts of the primer they agree form part of the common general knowledge of the skilled person in the art at the relevant date.

¹²⁸ Civil Justice Council, *Guidance for the Instruction of Experts in Civil Claims* (Aug. 2014), www.judiciary.uk/wp-content/uploads/2014/08/experts-guidance-cjc-aug-2014-amended-dec-8.pdf

¹²⁹ CPR 35.1.

¹³⁰ CPR 35.3(1), PD35 paras 2.1–2.2.

¹³¹ CPR 35.3(2).

¹³² See, e.g., *Medimmune Ltd v. Novartis Pharmaceuticals U.K. Ltd* [2011] EWHC 1669 (Pat), [98]–[114] (Arnold, J).

¹³³ CPR PD35 para. 3.2(9)(a)–(b).

The technical primer is produced sufficiently in advance of the parties preparing their expert evidence so as to avoid the experts unnecessarily repeating the same material in their reports as is covered in the primer. Generally, the claimant will produce a first draft of the primer, on which the defendant will provide comments, including any additions or deletions, before the parties agree on the contents of the final document. Parties will often ask their instructed experts to assist in preparing the technical primer.

9.6.9.2 Statements of agreed common general knowledge

More recently, practice in the Patents Court has been moving away from the provision of technical primers and toward what have become known as statements of agreed common general knowledge. These are intended to set out where the parties (or, typically, their respective experts) agree on aspects of the common general knowledge. Consequently, statements of agreed common general knowledge tend to be produced after the parties have exchanged expert evidence.

Once the contents of the statement have been agreed upon between the parties, it will typically be provided to the judge at the same time as the parties provide to the court their skeleton arguments for trial (see Section 9.6.13.2.1 below). The parties will also, at that stage, be required to provide an agreed list of disputed common general knowledge, which is intended to indicate the areas of dispute that remain between the parties on the common general knowledge that the judge may wish to decide. The judge may ask the parties to revise this list after trial to reflect any issues that have fallen away.

9.6.10 Confidentiality

It is very common in patents actions for parties to rely upon or to seek disclosure of documents that a party (or a third party) considers to be confidential (in whole or in part). For example, product and process descriptions often contain confidential information. However, when evidence or a document has been read to or by the court or referred to at a hearing that has been held in public, the restrictions on that document only being used for the purpose of the proceedings are lifted.¹³⁴ Further, interested parties may request access to the evidence or document, and any confidentiality in it may be lost. How these documents are addressed at trial is therefore important, as they must be appropriately managed.

The usual practice in the English courts is for the parties to agree to a “confidentiality club” (whether inter-parties or under the terms of a court order). These regimes usually provide that the parties’ lawyers, experts and certain individuals giving instructions may see the confidential material. The parties will therefore provide both confidential and non-confidential versions of any documents prepared or disclosed. In some cases, this is done by including any confidential information in an annex to the main document, but, more frequently, it is achieved through the use of redactions. The *Patents Court Guide* contains “confidentiality club” precedent documents.

At trial, if a confidential document is to be discussed, there are usually minor practical ways to address this. For example, the parties’ lawyers may refrain from orally mentioning any confidential information, instead asking the judge to read the relevant information to themselves from a document. Alternatively, where a more significant discussion is required, the court may sit in private (known as sitting *in camera*), but only when a good case can be made that it is necessary in the interests of justice to do so. In patents cases, this is only likely to be when evidence about technical trade secrets is to be given.

Where this happens, any recording or transcript of the proceedings will also be kept separate such that only people allowed access to the confidential information may view it. Given the principle of open justice, the court is generally reluctant to sit in private, particularly if the relevant confidential details do not have to be read out. When the court sits in private, members of the public and those outside any confidentiality club will be asked to leave the courtroom. Once the confidential evidence has been given, the court will again sit in public.

Once the trial is concluded, the parties must then seek an order from the court to restrict or prohibit the further use of any document, thus preventing the information from becoming public

¹³⁴ CPR 31.22, 32.12.

for the reasons outlined above.¹³⁵ Such orders are known as “31.22 Orders,” after the provision in the CPR that governs the subsequent use of disclosed documents. The judge will need to be persuaded as to why the relevant material is truly confidential. Where such an order is made, the general rule regarding documents read to or by the court or referred to at a hearing that has been held in public is overridden, and the confidentiality of the documents is maintained. Where judgment is to be reserved to be delivered at a later date (as is common in patents cases), a 31.22 Order will be sought orally on a *pro tem* basis pending the further hearing on the consequential issues to be addressed after judgment.

9.6.11 Pre-trial review

A few weeks, typically three to five weeks, before the trial, the court will hold a hearing called a pre-trial review to carry out any case management required to ensure the trial runs smoothly. This provides the opportunity for any procedural matters outstanding to be sorted out and arrangements made for trial, such as arranging for witness evidence to be given remotely or for the court to sit late to accommodate a witness’s availability.

9.6.12 Alternative procedures

It is worth noting for completeness that, in addition to that described above, there are a variety of alternative procedures that the court can be asked to adopt in patents proceedings, including:

- the Shorter Trials Scheme;
- the Flexible Trials Scheme; and
- a streamlined procedure.

All of these variously remove certain aspects of the standard procedure, such as disclosure or cross-examination of all witnesses and experts, reducing the time to trial and the overall cost of proceedings.

9.6.13 Trial

9.6.13.1 Types of trial

Historically, all patent trials took place in person, though dispensation could be obtained for one or more witnesses to appear via video link where it was not possible – or it was desirable – for them to appear in person. Interim hearings could be conducted remotely, for example, by telephone, but such an approach was rare in patents cases. However, the COVID-19 pandemic led to the rapid adoption of remote-trial techniques, and one of its legacies insofar as the court system is concerned is likely to be the increased use of remote technology in hearings and trials.

Trials generally do not take place during the court vacations (e.g., in August).

9.6.13.1.1 In-person trials

A trial in person – that is, a trial where everyone appears in the courtroom – is the most common form of trial in England and Wales.

The attendees from the court will be the judge and the court clerks. The parties will be represented by their barrister(s) and solicitor(s) and may also send one or more representatives. (While most trials involve two parties – a claimant and a defendant – it is reasonably common to have multiple parties in a single trial on the same claim if convenient: for example, where there are multiple defendants.)

Witnesses will also attend on the days on which they are due to give oral evidence and may choose to attend the entire trial. Indeed, witnesses (including experts) are generally entitled to listen to the cross-examination of their opposite numbers. There usually will be a transcript writer present. Finally, English court proceedings take place in public unless the court decides it needs to sit for a (short) time in private, so there are often members of the public and press present in the public galleries. Indeed, the Patents Court judges have traditionally had a strong preference for trials to take place in open court.

¹³⁵ CPR 31.22(2).

9.6.13.1.2 Hybrid trials

Hybrid trials are trials that take place partly in person and partly remotely. The most common aspect conducted remotely is the giving of witness oral evidence. Historically, a witness needed some special and justifiable reason to give evidence remotely. However, following the COVID-19 pandemic, the use of hybrid trials has increased significantly, not least because witnesses resident in foreign jurisdictions are often unable to travel to the United Kingdom.

Detailed guidance on hybrid trials is set out in Annex 3 to the Practice Direction 32 of the CPR. Importantly, despite the use of this trial format increasing, the court's permission is required for it. The party requesting the use of videoconferencing facilities at trial must also take care in its organization for two reasons. First, there are certain practicalities that must be considered. For example, relative time zones may mean a witness is giving evidence in the middle of the night where they are based. Second, there are often local rules governing the procedure by which a person must give evidence in one jurisdiction for use in another (as is happening where the witness is based outside of the United Kingdom). Any such local rules and requirements will need to be brought to the court's attention by the time of the pretrial review hearing and be complied with.

The increased use of remote videoconferencing in trials has also encouraged the adoption of other technologies designed to facilitate this form of trial: for example, court-specific online video platforms and software to enable the electronic sharing of bundles of documents.

9.6.13.1.3 Fully remote trials

Fully remote trials are trials where no part of the trial takes place in person (though the judge may base themselves at the court and sit in a courtroom or in their chambers). It is likely that such trials will be rarer in the future – absent a further pandemic – and may take place only where the specific circumstances of a case mean that this approach should be preferred.

9.6.13.2 Order of events and trial timetable

Directions to trial were discussed in Section 9.6.4 above, and pre-trial reviews were discussed in Section 9.6.11 above. At the pre-trial review, the scope of the trial will have been discussed (by reference to the directions). This may have included a discussion with the court about the timetable for the trial. Trials are then managed to follow that agreed timetable, subject to the need to deviate for any reasonable reasons.

In general, each side presents its case in turn, with the claimant going first unless the court orders – or there is agreement – otherwise. For example, it is common in revocation actions where there is a counterclaim for infringement by the patentee for the patentee to go first unless infringement is admitted subject to the validity of the patent.

9.6.13.2.1 Opening written and oral submissions

Prior to the commencement of the trial, the parties will invariably prepare written skeleton arguments for their case. The purpose of these arguments is to set out the background to the parties and the case, to introduce the witnesses, to set out the issues of both fact and law that the court will be required to grapple with at trial, and to advance a party's arguments on those issues (e.g., so-called squeezes between noninfringement and invalidity). These are then exchanged between the parties and provided to the judge, who will hear the case several days before the trial begins.¹³⁶ Their importance cannot be underestimated:

As anyone who has drafted skeleton arguments knows, the task is not rocket science. It just requires a few minutes clear thought and planning before you start. A good skeleton argument (of which we receive many) is a real help to judges when they are pre-reading the (usually voluminous) bundles. A bad skeleton argument simply adds to the paper jungle through which judges must hack their way in an effort to identify the issues and the competing arguments. A good skeleton argument is a real aid to the court during and after the hearing.¹³⁷

¹³⁶ In the Patents Court, this must be done at least two working days before trial. Courts and Tribunals Judiciary, *Patents Court Guide*, para. 14.7(b) (Feb. 2022).

¹³⁷ *InPlayer Ltd v. Thorogood* [2014] EWCA Civ 1511, [55] (Jackson, LJ).

The trial then begins with short oral opening submissions from the party going first. The purpose of these submissions is to succinctly introduce the case and the live issues (which may have changed since the skeleton arguments were prepared). Opening submissions also provide the judge with the opportunity to ask questions, to clarify certain points based on the parties' written skeleton arguments and to give directions to the parties (if needed). Sometimes the other party (or parties) will respond to the opening submissions, but only if it is necessary to do so at this stage. Long opening submissions are actively discouraged (indeed, a purpose of written skeleton arguments is to minimize the amount that needs to be said in a party's opening submissions). Generally, opening submissions take no more than half a day, and they are often dispensed with entirely, the trial beginning with the first witness being called into the witness box.

9.6.13.2.2 Witness evidence

Opening submissions are followed by the giving of witness evidence for the party in question. The general rule is that a party's fact witnesses will go first, followed by their expert witnesses. However, this general rule is often disrupted by practicalities such as witness availability and is therefore frequently varied. Individuals who have signed a product and process description must also make themselves available at trial to be asked questions.

The provision of evidence at trial takes place in three steps: examination in chief, cross-examination and reexamination. However, not all witnesses are called to give evidence at trial. A witness will have given a witness statement (or prepared an expert report) that acts as that witness' evidence in chief. Any witness who has provided a written statement upon which a party wishes to rely must be called to give oral evidence at court, but the court may order otherwise (particularly where the other party has confirmed that they do not wish to cross-examine the witness). Prior to any witness giving evidence, they will be asked to swear or affirm (at the witness' option, and on a relevant holy text if desired) that their evidence will be true.

Fact evidence often relates to whether a particular prior use happened and was made available to the public. Such evidence should not stray into providing an opinion. Expert evidence is the primary evidence on many aspects of patent law, such as obviousness and insufficiency. If a witness is being cross-examined during a break in their evidence (e.g., over lunch), that witness is said to be in "purdah" and must not discuss the case with anyone during the break.

9.6.13.2.3 Examination in chief

Examination in chief is conducted by the legal team of the party calling the witness. It is almost always very brief, given that the witness has already provided a written statement. Its purpose is to confirm the identity of the witness and that they still agree with their written statement. If needed, a witness also may be asked to correct small errors in their written statement.

9.6.13.2.4 Cross-examination

Cross-examination is a key part of English proceedings and is where a witness (whether fact or expert) is questioned by the other party's legal team. Not all witnesses will be cross-examined; it will depend upon the evidence provided and its connection to the facts in issue in a particular case.

The barrister (or solicitor-advocate) will put questions to the witness that are designed to test the witness's written evidence. They will almost certainly be "leading questions," meaning questions that are designed to elicit a yes or no response. The witness will also be referred to documents related to their statement or to the statements of other witnesses giving evidence in the trial. It is also possible for a witness to be presented with documents not previously in the case. Where this is to occur, the other party should provide the documents to the witness in good time before they give evidence at the trial (usually at least 48 hours) to prevent witness ambushing.

For expert witnesses, who often provide the core evidence in patents cases, there is also an option under the CPR for the provision of concurrent expert evidence,¹³⁸ though it is not commonly used in the Patents Court. The process has been referred to as "hot-tubbing": both experts are sworn in at the same time, and the judge initiates discussions between the experts on the issues in dispute and asks questions. Each issue is taken in turn. Once one issue has been

¹³⁸ CPR PD35 para. 11.1.

addressed by both witnesses, the parties' representatives can ask questions of the experts to clarify or test their opinions. At the end of the exercise, the judge can summarize the evidence given by both experts and ask if the summary is correct.

9.6.13.2.5 Reexamination

After cross-examination, it is possible for the witness to be asked a few questions by the barrister (or solicitor-advocate) acting for the party who called the witness. If this occurs, the questions tend to be short and may only relate to matters arising from the cross-examination of the witness. As with the evidence in chief, the questions on reexamination must be open and cannot be "leading."

9.6.13.2.6 Closing written and oral submissions

After the witness evidence is complete, the parties must make their closing arguments. In patents cases, the parties will usually have the opportunity to prepare written closing submissions. These act as a summary of the evidence (both written and oral) presented during the trial as against the issues in the case that the judge has to decide. In this regard, they frequently draw attention to particular points raised by the other party where the evidence was inconsistent with that party's case, and they also allow a party the opportunity to clarify that, in light of the evidence given at trial, a particular point is no longer to be pursued. As well as addressing the evidence, written closing submissions will also address the issues of law in the case.

Written closing submissions can be very lengthy, even though, traditionally, they are written in a short period of time. In a similar way to opening skeleton arguments, written closing submissions are exchanged with the other party and lodged with the judge so that they may be read and considered. The trial timetable usually contains an adjournment of the hearing between the end of the witness evidence and the start of the oral closing to give time for the preparation of written submissions.

The parties will generally then make oral closing arguments. Usually, the party who opened the case will go last, meaning the other party presents their closing arguments first. The purpose of oral closing arguments is to supplement the written closing arguments and to present the final case that each party puts forward for the court to decide, based on the totality of the evidence presented. It is also an opportunity for the judge to ask any final questions and to clarify any issues they are considering.

The time required for the oral closing submissions is generally about one or two days but can be more in bigger cases.

9.6.14 Trial from the judge's point of view

The listing of cases and allocation of judges to a case are judicial functions. The day-to-day task of listing cases for hearing and managing the court's diary is undertaken by a listing officer operating under delegated authority from the judge overseeing the court. In the event of a dispute, listing decisions will be made by a judge. Day-to-day allocation decisions are made by the listing office under the supervision of the relevant leadership judge: in the Patents Court, this is the Judge in Charge of the Patents Court, in consultation with the Chancellor of the High Court.

The court's lists are managed well over a year in advance, and, for cases that require very substantial amounts of court time, the calendar can be managed two or even three years in advance. Unless a case is docketed to an individual judge, the allocation of a judge to hear a trial will not generally take place until one or two days before the scheduled start of the hearing, when the judge needs to start their preparation. This is to maintain flexibility in listing and efficient use of judicial resources. The technical difficulty rating system (described above in Section 9.3.1.2) is used to assist in judicial allocation.

In cases with a pre-trial review, the court tries to ensure that the judge conducting the review will be the trial judge, in which case allocation happens a few weeks before trial. For trials in the Patents Court, which typically take four to eight working days to be heard, the time available to the judge for preparatory reading will be the one or two working days before the start of the hearing.

In patents cases, the pre-trial review and the preparatory reading are opportunities for the judge to start to become familiar with the relevant technology. The experts' written reports will contain explanations of the technology, which are aimed at educating the court. During the trial process itself, the parties and the experts will explain the technology to the judge, and the judge is able to ask questions and clarify their understanding.

The hearing itself is conducted in public. Transparency and open justice are of paramount importance. The court can and will sit for periods in private where necessary, as discussed above in Section 9.6.10. Normally, the court sits for about five hours per day, with the rest of the working day spent on preparation and on judgment writing. The sitting times are flexible to accommodate international witnesses, but, subject to that, the normal sitting times are from 10 a.m. or 10.30 a.m. until 1 p.m., and 2 p.m. until 4.15 p.m. or 4.30 p.m.

The hearings are recorded by the court. The court's recording can be transcribed after the event, but, generally, the parties will pay a private firm of transcribers to make a contemporaneous transcript of the hearing.

At the end of a hearing, if the matter is short, such as for a case management hearing, the judge may give an oral judgment immediately. These *ex tempore* judgments are recorded, and a transcript can be produced later if needed. These oral judgments will only be transcribed if someone (a party or member of the public) asks for them. For more substantial cases, such as patent trials, judgment will be reserved. The judge will produce a written judgment.

First-instance judges will generally prepare the written judgment alone. There is no full-scale system of US-style law clerks to assist judges at first instance, although there is a Judicial Assistants Scheme for the High Court, which some judges use.

Judgments are quite lengthy. They address the applicable law, reasoning out any conclusions on disputed aspects. They will make any relevant findings of primary fact, summarizing the evidence called upon on those issues and giving reasons for the findings. In general, the judgment will address major alternative aspects of a case. Obviousness will generally always be considered even if, for example, the patent is found to lack novelty. This is because, unlike any appellate court, the trial judge will have had the benefit of hearing the expert witnesses. Both validity and infringement will usually be addressed.

9.6.15 Judgment

In the Patents Court, there is no set period of time by which the judgment must be due, but it is usual practice for judges to provide judgments within three months of the end of the trial, often much sooner.

The judgment is initially provided to the parties on a confidential basis in draft. The parties are invited to identify typographical errors as well as any omissions; however, it is not an opportunity to reargue the case or to put in further submissions. While the judgment remains in draft, it is subject to strict restrictions on its use and dissemination. In particular, it is confidential to the parties and their legal representatives, and neither the draft itself nor its substance may be disclosed to any other person or be used in the public domain. The parties are required to take all reasonable steps to ensure that the confidentiality of the draft judgment is preserved, so it is common for it to only be circulated among a limited group of individuals. Further, no action is permitted to be taken by a party (other than internally) in response to the draft before judgment has been formally handed down. A breach of any of these obligations may be treated as a contempt of court.

The formal hand down of the judgment usually takes place approximately one week after the draft is received by the parties, after the court has considered any proposed amendments. This is usually an administrative matter where no parties attend the court; a separate date will be set after the judgment is handed down to hear arguments on the form of order the court should make consequential upon the judgment.¹³⁹ This allows the parties some time to consider the

¹³⁹ Although, in IPEC, the date and time of the hand down of judgment is often used for the consequential hearing.

issues arising from the judgment and to prepare any necessary evidence, for example, on costs. If the consequential hearing is delayed to a later date, any party that is considering appealing the decision will need to ask the court to extend the time to file any appeal on a *pro tem* basis, since the time to file an appeal runs from the time the judgment is handed down.¹⁴⁰ At the same time, a party will request a 31.22 Order if relevant (see Section 9.6.10 above).

9.6.16 The consequential hearing

The consequential hearing (unless matters are agreed between the parties) takes place before the trial judge within 28 days following hand down of judgment to address the form of order that should follow the judgment.¹⁴¹

Until the final order following judgment is made, the judge is not *functus officio*, and so, strictly, any new matter that has a significant bearing on the case should be raised with the judge and not saved for appeal. Cases where something occurs in the interregnum between judgment and the final order that affects the outcome of the case are extremely rare. However, it is an important consideration, as the appellate courts prefer matters to have been raised with the judge at first instance where possible.

9.6.17 Alternative dispute resolution

Throughout any proceedings, including patents proceedings, the court expects the parties to investigate alternative dispute resolution (i.e., explore whether their dispute can be settled out of court). If a party in proceedings invites the opposing party to participate in alternative dispute resolution, and the opposing party either refuses to participate or greets the invitation with silence, the court may well consider this to be unreasonable and penalize the opposing party in costs in some way.

The most common method of alternative dispute resolution that occurs during proceedings is mediation. All settlement discussions between the parties, including proposing, setting up and conducting a mediation, should be “without prejudice save as to costs.” This means that they are confidential and cannot be disclosed to the court during the proceedings until the point is reached where the court is considering what award of costs to make.

Mediation in these circumstances is typically arranged for a day with the parties exchanging short written mediation statements beforehand, which, as well as setting out their position in relation to the proceedings, provides an offer of settlement that they would be prepared to accept – effectively, their opening offer. The mediator is selected and agreed to between the parties, and the mediator’s costs and any mediation venue costs are typically shared equally between the parties.

9.7 Civil remedies

9.7.1 Injunctive relief

Often, the principal reason why a patentee will have commenced infringement proceedings will have been to seek an injunction against the defendant to prevent it from infringing the patent. The courts of England and Wales have the power to grant injunctions “in all cases in which it appears to the court to be just and convenient to do so.”¹⁴²

The exact wording and scope of an injunction is usually considered by the trial judge at the consequential hearing. The normal form of the injunction is one in “general form,” restraining the defendant(s) from infringing the patent, as opposed to one limited to restraining the defendant(s) from performing the specific acts found by the court at trial to infringe the patent.

¹⁴⁰ CPR PD52A para. 4.1(a).

¹⁴¹ Courts and Tribunals Judiciary, *Patents Court Guide*, para. 19.1 (Feb. 2022).

¹⁴² Senior Courts Act 1981, §37(1).

The granting of a general form injunction is a matter of discretion. The important issue of whether and in what terms to grant an injunction was considered by Mr Justice Birss (as he then was) in *Evalve Inc. v. Edwards Lifesciences Ltd*,¹⁴³ who identified the following general principles:

- i) A general injunction to restrain future infringements is the normal remedy for the patentee.
- ii) The burden is on the defendant to give reasons why such an injunction should not be granted.
- iii) All the circumstances should be considered. The public interest, such as the impact on third parties, is a relevant consideration. [...]
- iv) In a proper case, the public interest may justify refusal of or carve out from injunction, and an award of damages in lieu. [...]
- v) The starting point of any consideration of the public interest in relation to a remedy after a patent trial is that the patent system as a whole is already criss-crossed with provisions which strike balances between different public interests.
- vi) The availability of an exclusionary injunction is an important manifestation of the monopolistic nature of a patent right. While monopolies in general are against the public interest, once a patent has been found valid and infringed, the patent monopoly is something which it is in the public interest to protect by an injunction in order to further the purposes of the system as a whole, such as to promote investment in innovation.
- vii) Therefore when [...] various public interests are engaged and pull in different directions, one should have in mind that the legislator is better equipped than the courts to examine these issues and draw the appropriate broad balance. The jurisdiction to refuse or qualify a patent injunction on public interest grounds is not there to redraw the broad balance of public interests set by Parliament in the patent system. The power should be used sparingly and in limited circumstances.¹⁴⁴

The courts have, in an appropriate case, been prepared to grant an injunction that extends beyond the lifetime of the patent in order to deprive the defendant of the “springboard” from which it had benefited by infringement during the patent’s lifetime.¹⁴⁵

The courts also have the ability to tailor injunctive relief to the nature of the case. For example, in cases where the patentee is under an obligation to grant licenses on FRAND terms, the injunction may be expressed to lapse if the defendant enters into a license on the terms that the court has held to be FRAND.¹⁴⁶ Conversely, because the grant of an injunction is an exercise of the court’s discretion, the courts have, in appropriate cases, been prepared to refuse or limit a final injunction following a finding of infringement and substitute an award of damages in lieu of the injunction.

9.7.2 Financial relief – damages and account of profits

The quantum phase of patent litigation is the proceeding in which the amount (i.e., the quantum) of financial relief is determined. This may be damages or, at the claimant’s election, an account of profits. This phase is usually bifurcated from and occurs after the liability phase.

Thus, if a patent is held valid and infringed, separate proceedings will need to be commenced to determine the amount of compensation payable to the patentee. Having contested liability for several years and often in many other jurisdictions besides England and Wales, the parties frequently become financially and emotionally exhausted by the litigation and the patentee may, having secured injunctive relief as appropriate, be reasonably content with its position. It is for these reasons that parties often settle their differences before the quantum proceedings are commenced or at least in the early stages of such proceedings. Consequently, this is why judicial decisions and judgments on the quantum of damages payable following patent infringement are comparatively rare.

143 [2020] EWHC 513 (Pat).

144 [2020] EWHC 513 (Pat) [73].

145 *Dyson Appliances Ltd. v. Hoover Ltd* [2001] EWHC 30 (Pat), [16]–[29].

146 See, e.g., *Unwired Planet International Ltd v. Huawei Technologies Co. Ltd* [2017] EWHC 1304 (Pat), [2]–[32].

While damages are usually compensatory in nature, pursuant to Article 13 of the Intellectual Property Enforcement Directive¹⁴⁷ as implemented into U.K. law by Article 3 of the Intellectual Property (Enforcement, etc.) Regulations 2006,¹⁴⁸ it is possible that some form of enhanced level of damages could be ordered.

The patentee is entitled to elect whether it seeks financial compensation by way of damages or an account of profits but not both. Before election, a patentee is entitled to a limited amount of disclosure from the infringing party pursuant to the principles laid down in *Island Records Ltd v. Tring International plc*.¹⁴⁹ It is more common for the patentee to opt for an assessment of damages, although commercial considerations may push the patentee toward an account of profits.

When calculating damages, the court will consider whether the patentee manufactures goods in accordance with the patent, grants licenses to exploit the invention or both. If the patentee grants licenses, then it will be entitled to receive damages as if the infringer had a license on the usual terms and conditions required by the patentee. If the patentee manufactures in accordance with the patent, then, although the principle remains the same – to put the patentee in the position it would have been in but for the infringement – the analysis is often more complicated. The court must assess numerous factors, such as the extent to which the patentee's and the infringer's goods compete with one another, the extent to which the presence of the infringer caused price depression in the market and the extent to which sales of the patented product would have resulted in sales of other goods by the patentee as well. If a patentee neither manufactures goods in accordance with its patent nor grants licenses, the court will usually assess the compensation payable to a patentee on the basis of a reasonable royalty.

The approach that the court will take to the assessment of compensation if the patentee opts for an account of profits is different. An account of profits is restitutionary in nature, designed to deprive the infringer of the unlawful profits it made by virtue of the infringement of the patent and to hand those profits over to the patentee. If the patented product or process forms only part of the product – as will almost inevitably be the case with a composite article such as a mobile phone or a car – then the court will be required to make an apportionment of the value attributable to the patented component.

9.7.3 Other remedies

9.7.3.1 Revocation and declarations of invalidity

If the court makes a finding that a patent is invalid, it will make an order for the revocation of the patent, which the UKIPO will execute. It will also make a declaration that the patent is invalid.

9.7.3.2 Certificates of contested validity

If the validity of the patent has been unsuccessfully challenged, the patentee may request a certificate of contested validity. This certificate will be entered on the register for the patent at the UKIPO, and, if a further unsuccessful challenge to the validity of the patent is subsequently made, the patentee is entitled to have its costs of defending the challenge made on an indemnity basis unless the court directs otherwise.

9.7.3.3 Publication and dissemination of the judgment

The court may order the dissemination and publication of its judgment at the losing party's expense.¹⁵⁰ This is a discretionary matter for the court, and whether it is appropriate to do so (and if so, where and for how long the judgment should be publicized) will depend on the circumstances. In the case of a successful rights owner, such an order should normally only be made to act as a deterrent to future infringers or to raise awareness among the public. In the case of a successful defendant, such an order should normally only be made where there is a real

147 Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the Enforcement of Intellectual Property Rights, 2004 OJ (L 157) 45, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32004L0048>.

148 SI 2006/1028.

149 [1995] FSR 560.

150 CPR PD63 para. 26.2 (implementing Article 15 of Directive 2004/48/EC on the Enforcement of Intellectual Property Rights, 2004 OJ (L 157) 45).

need to dispel commercial uncertainty.¹⁵¹ As such, such an order may be refused when the effect may be to cause embarrassment to the published party.¹⁵²

9.7.3.4 Delivery up and destruction

As Section 61 of the Act (see Section 9.5.3 above) makes clear, the court has the power to order delivery up or destruction of infringing articles in the infringer's control or, in some exceptional circumstances, that the defendant should recall infringing products from any parties to whom those products have been supplied. In general, such an order is regarded as ancillary to an injunction and made to render the injunction more effective. However, such an order may also be made in other circumstances, such as an order for delivery up made so as to prevent a defendant from selling after-expiry stock that had been obtained by acts of infringement.¹⁵³

9.7.4 Costs award and assessment

At the consequential hearing, the trial judge will usually be asked to determine how the costs of the proceedings are to be apportioned. The starting point for the judge will be to assess which party was the overall winner from a commercial perspective and to award that party its costs. However, an issue-by-issue approach is often applied, with the result that the overall winner may not be awarded its costs in relation to certain issues on which it fought but did not succeed and may even be required to pay the costs of the losing party in certain circumstances.¹⁵⁴ Thus, for example, a party may challenge the validity of a patent on grounds of anticipation (novelty), obviousness and insufficiency but may prevail only on the issue of obviousness. In these circumstances, the challenging party will have succeeded in its goal of invalidating the patent but may well not be awarded its costs of the anticipation and insufficiency issues. Further, if the judge considers that the challenger was unreasonable to have run such challenges, it may be that the challenger will be ordered to pay the patentee's costs of these challenges.

The trial judge will usually not determine the amount of costs payable from one side to the other. This will be held over to a detailed assessment (discussed further below in Section 9.7.5) if not agreed upon by the parties. However, the trial judge may order that the paying party should pay a set percentage of the receiving party's costs, taking a broad approach based on the principles described above and setting off the costs of one issue against another. This guidance from the judge is often helpful in encouraging the settlement of costs issues. The exception to this rule is where the parties have been required to prepare costs budgets (see Section 9.6.5.3.1 above). Assuming that the winning party has adhered to its costs budget, the trial judge may direct for all or substantially all of the costs of the winning party to be paid by the losing party.

In general, the court may award costs on what is known as a standard basis or on an indemnity basis. The standard basis excludes the costs of the lawyers advising their client and helping the client to understand the proceedings. Therefore, costs on a standard basis normally amount to about 65 percent to 75 percent of the actual costs incurred. Costs on an indemnity basis amount to around 90 percent of the actual costs but are awarded very rarely and only in circumstances where the court is satisfied that some sort of penalty ought to be imposed for some reason on the paying party (e.g., if they have behaved in a particularly egregious manner in relation to an issue or issues in the case).

Having determined which should be the receiving party and which should be the paying party, the trial judge will usually order an interim payment on account of costs to be paid by the paying party to the receiving party. This sum will be more than an irreducible minimum amount that the paying party is likely to recover, and the trial judge, again using a broad approach, may typically award approximately 60 percent of the expenses that the party has incurred.¹⁵⁵ Thus, if a party has, using an issue-by-issue approach, been awarded 70 percent of its costs, the trial judge may order that it should receive 60 percent of those costs by way of an interim payment. For example, if the receiving party had incurred costs of GBP 1 million, then the interim payment – 60 percent of 70 percent of 1 million – is GBP 420,000.

¹⁵¹ *Samsung Electronics (U.K.) Ltd v. Apple Inc.* [2012] EWCA Civ 1339, [64]–[77]

¹⁵² See *Regeneron Pharmaceuticals Inc. v. Kymab Ltd* [2018] EWCA Civ 1186.

¹⁵³ *Merck Canada Inc. v. Sigma Pharmaceuticals plc* [2013] EWCA Civ 326, [88]–[95].

¹⁵⁴ See a recent summary of the relevant principles in *Coloplast A/S v. Salts Healthcare Ltd* [2021] EWHC 107 (Pat), [4]–[5].

¹⁵⁵ See *Excalibur Ventures LLC v. Texas Keystone Inc.* [2015] EWHC (Comm) 566; *Wobben Properties GmbH v. Siemens plc* [2015] EWHC 2863 (Pat).

9.7.5 Detailed assessment of costs

As discussed above, at the consequential hearing, the trial judge will typically give two directions as to costs: (i) a decision on which party should receive its costs and the percentage of its costs that it should receive, and (ii) an order for an interim payment.

In many cases, the parties will reflect on the comments from the trial judge and negotiate a sum to be paid from one to the other in respect of costs. Invariably, if there is to be an appeal, the money will be paid subject to an undertaking to repay in the event of a successful appeal or will be held in escrow.

In the event that costs cannot be negotiated, the rules provide a framework for the detailed assessment of costs by a specialist costs judge in a procedure governed by CPR 47.

9.8 Appellate review

9.8.1 Permission to appeal

As noted above in Section 9.3.1.2, permission is required to appeal any decision of the English Patents Court. A party seeking to appeal the judgment of the trial judge will usually apply to that judge for permission to appeal as one of the issues to be considered at the consequential hearing. The trial judge will normally consider the submissions both in writing and orally and must give reasons for granting or refusing permission to appeal.

If the first-instance judge refuses to grant permission to appeal, then that party can make an application on paper to the Court of Appeal.¹⁵⁶ Applications to the Court of Appeal for permission to appeal are normally decided by a single appellate judge on paper without a hearing. If the appellate judge considering the application considers that it cannot be fairly determined without an oral hearing, then they will direct an oral hearing.

The test for granting permission to appeal, whether obtaining permission from the trial judge or the Court of Appeal, is whether the appeal has “a real prospect of success” (which means that there should be more than a fanciful chance that the appeal will succeed) or that there should be another compelling reason for the appeal to be heard.¹⁵⁷

Following the changes to the CPR, the Court of Appeal in *Teva U.K. Ltd v. Boehringer Ingelheim Pharma GmbH*¹⁵⁸ held that technical complexity is no longer a factor to be considered by the trial judge when deciding whether to grant permission to appeal. As a result, trial judges may be stricter when it comes to granting permission to appeal, especially in obviousness cases.¹⁵⁹

9.8.2 Stays pending appeal

If one or both parties are given permission to appeal parts of a decision, the question may arise as to whether the enforcement of a decision or a part thereof should be stayed pending the outcome of the appeal. Generally speaking, the existence of an appeal may lead to the stay of an injunction but is unlikely to stay an inquiry as to damages or account of profits or as to the assessment of costs unless this is agreed to by the parties. If the parties wish to stay a detailed assessment of costs pending appeal, they will need to make an application to the court whose order is being appealed or the appeal court.¹⁶⁰

In deciding whether to grant a stay of an injunction, the court must consider the balance of convenience.¹⁶¹ The object is to arrange matters so that, when the appeal is heard, the appellate

¹⁵⁶ CPR 52.3.

¹⁵⁷ CPR 52.6.

¹⁵⁸ [2016] EWCA Civ 1296.

¹⁵⁹ See, e.g., *Hospira U.K. Ltd v. Cubist Pharmaceuticals* [2016] EWHC 2661 (Pat), [27] (Carr, J) (“I bear in mind that there are a number of well-known cases where the Court of Appeal has referred to the difficulties of challenging a decision on obviousness, which is a multifactorial value judgment. It is important to consider the draft grounds of appeal, and to check whether the unsuccessful party is seeking to re-argue the trial in the Court of Appeal rather than to identify real errors of law or principle which are material to the judgment”).

¹⁶⁰ CPR 47.2.

¹⁶¹ See *Evalve Inc. v. Edwards Lifesciences Ltd* [2020] EWHC 1524 (Pat).

court can do justice between the parties. Where the potentially adverse consequences of granting the stay are relatively evenly balanced, the court will probably maintain the status quo pending the outcome of appeal.¹⁶² The party seeking the stay is likely to be required to give a cross undertaking in damages.

The commencement of an appeal by an unsuccessful patentee on validity will lead to a stay of any order for revocation pending the outcome of the appeal.

9.8.3 Appeals to the Court of Appeal and the Supreme Court

9.8.3.1 Appeals to the Court of Appeal

If permission to appeal is granted either by the trial judge or by the Court of Appeal, an appeal to the Court of Appeal is likely to be heard within 9 to 15 months of the permission being given.

On appeal to the Court of Appeal, it is not possible to adduce fresh evidence other than in exceptional circumstances. An appeal is a review – the Court of Appeal will be reluctant to interfere with the first-instance decision unless the appellant can show that the trial judge erred as a matter of principle or misinterpreted the law.

Normally, on appeal, the only new documents in the case are the formal documents and the skeleton arguments. All the other documents are copies of the documents from the first instance. The formal documents are an appellant's notice, including the brief grounds of appeal and, in some cases, a respondent's notice, which is required when a respondent to the appeal wishes to support the conclusion reached by the court below but for reasons other than those given by the first-instance judge. In practice, the parties' skeleton arguments are full written submissions. In advance of the oral hearing, the appeal court judges will each have read at least the skeleton arguments and the judgment of the court below. They will also read other documents in the case as directed by the skeleton arguments. The oral hearing typically takes one or two days. Rarely will a patent appeal require more than two days. Judgment is usually reserved.

As noted above in Section 9.3.1.2, at least one of the three judges on the panel will be a specialist in patent law. Each of the three judges is independent, and it is open to each of them to write their own substantive decision. If the three judges do not agree, then the decision is that of the majority. However, it is usual for one judge, often the patent specialist, to write a decision with which the others agree. It is not uncommon for one or more of the other judges to make a few written observations to say why they agreed with one or more aspects of the main judgments.

9.8.3.2 Appeals to the Supreme Court

A party can only appeal to the Supreme Court against a decision of the Court of Appeal if it can demonstrate that the appeal raises an arguable point of law of general public importance that ought to be considered by the Supreme Court at that time.¹⁶³ Permission must be obtained from either the Court of Appeal or the Supreme Court. Unlike with appeals at first instance, the Supreme Court will only consider an application for permission to appeal if the Court of Appeal has declined to give permission to appeal. In practice, permission to appeal to the Supreme Court in patents cases is only granted by the Supreme Court itself. The Supreme Court hears about one patents case every one to two years.

9.9 The Intellectual Property Enterprise Court

Reference was made in Section 9.3.1.3 above to the specialist list in the Chancery division of the High Court known as IPEC. This section is focused on the differences in procedure between IPEC and the Patents Court.

IPEC was created on October 1, 2013, reforming the preexisting Patents County Court system. IPEC was established to handle smaller, shorter, less-complex or lower-value intellectual property actions, including patents cases.¹⁶⁴ It aims to provide cheaper, speedier and more informal

¹⁶² *HTC Corp. v. Nokia Corp. (No. 2)* [2013] EWCA Civ 1759.

¹⁶³ U.K. Supreme Court, *Practice Direction 3*, para. 3.3.3.

¹⁶⁴ *IPEC Guide*, §1.1.

procedures than the Patents Court and to safeguard parties from the risk of paying large sums in costs to the opposing party at the conclusion of the proceedings.

A key feature of litigation in IPEC is active judicial case management, which is carried out using a cost-benefit approach. Parties are required to identify the issues to be determined and the steps necessary to resolve them at an early stage in the proceedings.

IPEC has a “multi-track” and a “small claims track” to differentiate claims based on their value and complexity. Only the multi-track is suitable for patents cases, and, therefore, unless expressly stated otherwise, references to IPEC in this section are to the IPEC multi-track.

The active case management of litigation in IPEC (including disclosure, evidence and trials) is managed so as to ensure that the shorter trial lengths are achieved and that the litigation can be conducted at a more proportionate cost.

9.9.1 General

9.9.1.1 Jurisdiction

IPEC only hears cases relating to intellectual property. This includes disputes, such as contractual claims, that involve matters other than intellectual property, but only if associated with an intellectual property claim. Trials in IPEC should last no more than two days (or, at the most, three days).

In IPEC, any claim for damages (or an account of profits) cannot exceed GBP 500,000,¹⁶⁵ although this limit can be waived by agreement between the parties.¹⁶⁶ As explained in more detail below in Section 9.9.12, proceedings in IPEC are subject to a costs cap of GBP 60,000 (with very limited exceptions).

All the remedies (including interim remedies) available in the Patents Court are available in IPEC. As in the Patents Court, procedure in IPEC is governed by the CPR. Part 63(V) and Practice Direction 63 relate to all proceedings started in (or transferred into) IPEC. The costs provisions are set out in Part 45(IV) and Practice Direction 45.

As noted earlier, IPEC has its own dedicated court guide, the *IPEC Guide*, which, as with the *Patents Court Guide*, is to be read in conjunction with the *Chancery Guide*.¹⁶⁷

9.9.1.2 Judges

The majority of cases in IPEC are managed and heard by the presiding judge of IPEC. This de facto docketing of cases facilitates the active case management of the proceedings by the court.

9.9.1.3 Location and type of hearing

IPEC is located in the Rolls Building, London. IPEC trials can be heard outside London, particularly where this would save costs and is agreed between the parties. Prior to the COVID-19 pandemic, all other hearings (including CMCs) would not be heard outside London, as this would typically have been impractical for a short hearing. However, following feedback from IPEC users in respect of the use of videoconferences for all hearings (including trials) during the pandemic, it is anticipated that the default position will be for all hearings (other than trials) to take place by videoconference and for trials to take place as in-person hearings.

9.9.1.4 Representation

Solicitors and patent attorneys are entitled to represent clients in IPEC. They can do this themselves or additionally instruct barristers to help prepare and argue the case in court. Parties may also appear as litigants in person.

¹⁶⁵ CPR 63.17(1).

¹⁶⁶ CPR 63.17(3).

¹⁶⁷ See HM Courts and Tribunals Service, *Chancery Guide 2022*, <https://www.judiciary.uk/courts-and-tribunals/business-and-property-courts/chancery-division/litigating-in-the-chancery-division/the-chancery-guide/>

9.9.2 Pre-action

As in the Patents Court, there is no specific pre-action protocol for litigation in IPEC, and the “Pre-action Conduct and Protocols” practice direction¹⁶⁸ applies. Defendants in an IPEC case are expected to respond within 14 days, except in exceptional circumstances.

The claimant will choose whether it issues its claim in the Patents Court or IPEC, and this will be specified in the claim form.

9.9.3 Transfer

A defendant sued in the Patents Court is entitled to apply to have the case transferred to IPEC and vice versa.¹⁶⁹ If the parties agree that the case should be transferred, it still requires the approval of a judge in the court in which the case is currently listed, but it is likely to be granted. If there is no agreement, an application to transfer must be made. This should be done, at the latest, at the CMC.

The following factors are relevant in determining whether a claim should be transferred into or out of IPEC:

- the financial resources of the parties;
- the overall complexity of the claim;
- the nature of the evidence; and
- the value of the claim.¹⁷⁰

9.9.4 Statements of case

9.9.4.1 The pleadings

Statements of case in IPEC are more detailed than those in the Patents Court. IPEC statements of case must set out concisely all the facts and arguments upon which the party serving the statement relies.¹⁷¹ This requires all relevant facts and arguments to be included in the statement of the case but concisely and at an appropriate level of detail. The CMC in IPEC (see Section 9.9.5.3) is conducted on an issue-by-issue basis, and the parties and court need to know all of the issues for the conference. This is explained in the *IPEC Guide* in the following terms:

Part 63 rule 20(1) requires that a statement of case in IPEC must set out concisely all the facts and arguments upon which the party serving the statement relies. This is sometimes misunderstood. All relevant facts and arguments must be stated. But they should not be set out in a manner which includes every detail. There will be an opportunity by the time of the trial to explain to the court everything that matters. A good approach is to make the statement of case as concise as is possible, while considering whether any argument proposed to be run at trial and the basis for it will come as a surprise to an opponent who has read the statement of case. If not, the statement of case has probably been drafted in sufficient detail.

[...]

- A statement of case alleging infringement of a patent must (a) state which of the claims are alleged to be infringed and (b) give at least one example of the defendant’s infringing product or process.
- A statement of case alleging that a patent is invalid must specify the grounds on which the validity of the patent is challenged, including any challenge to a priority date. All prior art relied on must be specified and a copy of each item of prior art must be attached to the pleading. If it is alleged that a patent does not disclose the invention clearly and completely enough for it to be performed, the pleading must state which aspects of the invention cannot be made to work and in which respects the invention cannot be made to work.

¹⁶⁸ CPR, Practice Direction – Pre-action Conduct and Protocols, www.justice.gov.uk/courts/procedure-rules/civil/rules/pd_pre-action_conduct

¹⁶⁹ CPR pt 30. In particular, PD30 paragraphs 9.1 and 9.2. These apply to the transfer of proceedings to and from IPEC. CPR 30.5, when applied to IPEC transfers, is modified by CPR 63.18.

¹⁷⁰ CPR 63.18, PD30 paras 9.1–9.2. For a summary of the approach, see *77M Ltd v. Ordnance Survey Ltd* [2017] EWHC (IPEC) 1501.

¹⁷¹ CPR 63.20(1).

- A statement of case served in response to an allegation that the patent is invalid must state which claims are said to be independently valid.¹⁷²

The active case management of litigation in IPEC requires the parties to identify, before the CMC (insofar as these have not already been articulated in the parties' statements of case), (i) which claims are in issue, (ii) what they understand to be the inventive concept of those claims, (iii) the facts that are said to be relevant common general knowledge and (iv) the nature and characteristics of the skilled person should be identified.

The parties should bear in mind that, at the CMC, the court may require the number of claims in issue to be reduced, so consideration should be given to which claim is or which claims are most important to the party's case. In most cases, the court will not allow a patentee to rely on more than three claims that are alleged to be independently valid and infringed. The patentee should create a suitable chart, diagram or other document stating which integers of the claim are embodied in the allegedly infringing product or are incorporated in the allegedly infringing process. Similarly, a party alleging that a patent is invalid because it lacks novelty or inventive step over prior art should create an appropriate document identifying which integers of the claim are present in the pleaded prior art. A party alleging invalidity is unlikely to be permitted to rely on more than three prior art citations. Insofar as these documents have not been produced as part of the statements of case, they must be produced before the CMC at the latest.

Statements of case in IPEC must be verified with a statement of truth signed by a person with knowledge of the facts alleged or, if no one person has knowledge of all the facts, by persons who between them have knowledge of all the facts alleged.¹⁷³

9.9.4.2 Timing

Given the additional content to be included in statements of case, the timelines for filing a defense and subsequent statements of case are slightly different in IPEC. There is an additional requirement in IPEC that the particulars of claim must confirm whether or not paragraph 6 of the "Pre-action Conduct and Protocols" practice direction has been complied with.¹⁷⁴

If no acknowledgment of service has been filed, the period for filing the defense is 14 days after service of the particulars of claim.¹⁷⁵ If an acknowledgment of service has been filed, then the time limit for filing the defense is 42 days (if the particulars of claim confirm that paragraph 6 of the "Pre-action Conduct and Protocols" practice direction has been complied with)¹⁷⁶ or 72 days (if it does not).¹⁷⁷

A party's defense (and counterclaim) must be served on every other party. The CPR does not specify a time limit for serving the counterclaim, but the *IPEC Guide* states that this should be done at the same time as filing the defense, and undue delay may carry adverse consequences in costs.¹⁷⁸

A party's reply (and reply and defense to counterclaim) must be filed and served on all other parties within 28 days of the service of the defense.¹⁷⁹ If a party chooses to serve a reply to the defense to counterclaim, this must be both filed and served 14 days from the service of the defense to counterclaim.¹⁸⁰

The time limits for service of statements of case in IPEC cannot be extended without the prior consent of the court.¹⁸¹ An application for an extension of time must be made before the expiry of the relevant period and should set out good reasons why the extension is required. Such applications are typically dealt with without a hearing.

¹⁷² *IPEC Guide*, §4.5(a), (c).

¹⁷³ CPR 63.21.

¹⁷⁴ CPR 63.20(2).

¹⁷⁵ CPR 15.4(1)(a).

¹⁷⁶ CPR 63.22(2).

¹⁷⁷ CPR 63.22(3).

¹⁷⁸ *IPEC Guide*, §4.5(b).

¹⁷⁹ CPR 63.22(4).

¹⁸⁰ CPR 63.22(5).

¹⁸¹ CPR 63.22(6).

9.9.5 Early case management and preliminary measures

9.9.5.1 Interim applications

All interim remedies available in the Patents Court (interim injunctions, search and seizure and asset-freezing orders, security for costs etc.) are available in IPEC.

An application to the court, including an application for judgment in default, is made according to the procedure set out in CPR 63.25.¹⁸² Once served with an application, the respondent must file and serve its response on all relevant parties within five working days.¹⁸³ If the parties cannot resolve the application by agreement, having seen the respondent's response, the applicant will contact the court and arrange a hearing.

If five working days elapse and the respondent has done nothing, the applicant is entitled to ask the court to make the order sought without further delay.

Applications for urgent relief (including interim injunctions) should be made by filing an application notice in the usual way. Once served, the applicant should contact the judge's clerk, who will find a date for the hearing that is appropriate to the urgency of the matter and, if possible, is convenient to all parties. In cases of extreme urgency, an application may be made without an application notice. This is done by contacting the clerk to IPEC. No such application will be entertained unless the judge is given very good reason why the matter is extremely urgent.

The court will always fix a date and time for hearings appropriate to the urgency of the application, which may mean that the application will be heard by a judge other than the presiding judge. The convenience of the parties and their advisers will be taken into account but will not be of paramount importance. As explained above in Section 9.9.1.3, post-COVID-19, the default position will be that all applications will be heard by videoconference unless there are good reasons why an in-person hearing is necessary.

Costs of applications are subject to a stage cap and assessed at the end of the trial unless a party has behaved unreasonably, in which case the costs can be assessed at the conclusion of the hearing¹⁸⁴ and will not count to the overall cap.¹⁸⁵

9.9.5.2 Expression of a preliminary, nonbinding opinion on the merits

In appropriate circumstances, and where all parties agree, IPEC can express a preliminary and nonbinding opinion on the merits of the case (an "early neutral evaluation"). A request for such an opinion should be made in advance of the CMC so that the court may consider whether it is appropriate.

9.9.5.3 Case management

The CMC is an important hearing at which the court will determine how to progress the matter to trial in an efficient and proportionate manner. The court will identify the issues of law and fact to be resolved at the trial¹⁸⁶ and the extent to which disclosure (including the provision of a product and process description), experiments, evidence (factual and expert), cross-examination and written submissions are necessary for the fair determination of the dispute.¹⁸⁷ Any order permitting one or more of these steps will only be made in relation to specific and identified issues¹⁸⁸ and only where the court is satisfied that the benefit of the step (in terms of its value in resolving the relevant issue) appears likely to justify the cost of producing and dealing with it.¹⁸⁹

9.9.6 Disclosure

Only specific disclosure (i.e., disclosure of particular documents or classes of documents) is available in IPEC and will typically be limited to one or more of the issues identified at the CMC.

¹⁸² CPR 63.25 applies CPR Part 23 with modifications.

¹⁸³ CPR 63.25 (2).

¹⁸⁴ CPR 63.26(2).

¹⁸⁵ CPR 46.22.

¹⁸⁶ CPR 63.23(1).

¹⁸⁷ CPR PD63 para. 29.1. Note that material other than that identified in this paragraph will only be permitted in exceptional circumstances. CPR 63.23(2).

¹⁸⁸ CPR PD63 para. 29.2(1).

¹⁸⁹ CPR PD63 para. 29.2(2).

The procedure for disclosure under Practice Direction 57AD of the CPR does not apply in IPEC, although litigants will be expected to disclose all known adverse documents, whether or not an order for disclosure is made at the CMC.¹⁹⁰

9.9.7 Evidence

A party's statement of case can stand as evidence at trial. If it is necessary, additional evidence in the form of witness statements can be directed at the CMC. The court will typically seek to control fact evidence by limiting the issues to which it can be directed, the number of witnesses and the length of their statements.

Similar case management applies to expert evidence. If expert evidence is permitted at all, only where it is clearly shown that different and distinct areas of expertise are relevant to the issues at trial will more than one expert per party be allowed. Experts in IPEC are subject to the same obligations as those in the Patents Court. Although "in-house" experts are more common to satisfy the cost-benefit test, those experts are still required to act independently and in compliance with their obligations and duties as an expert.

9.9.8 Pretrial review

Pretrial reviews do not usually take place in IPEC.

9.9.9 Trial

9.9.9.1 Trial length, format and timetable

IPEC trials should last no more than two days (or at the most three days). As explained above in Section 9.9.1.3, it is anticipated that, post-COVID-19, trials will take place in person.

The court controls the conduct of the trials to ensure that the trial estimate is achieved. The parties are required to file a timetable for the conduct of the trial in advance, and, once approved by the court, this timetable is likely to be enforced strictly. Unless there is good reason not to, the court will allocate equal time to the parties.

Opening speeches, if necessary at all, are likely to be short, and, if the parties have prepared written skeleton arguments in advance of trial, it is not uncommon to proceed straight to the evidence. Unlike in the Patents Court, parties are usually not permitted to put documents to the witnesses (including expert witnesses) that are not already in the case.¹⁹¹ Also unlike in the Patents Court, trials in IPEC do not usually allow for time to prepare written submissions after the evidence, and closing arguments will usually follow immediately after the conclusion of the evidence.

In an appropriate case, and if the parties consent, the trial may be conducted on paper (i.e., there is no hearing). The judgment is delivered in the usual way once the judge has read the papers.

9.9.10 Judgment

As in the Patents Court, many trial judgments will be reserved and handed down at a later date. The parties' legal representatives (or litigants in person) will be provided with a copy of the draft judgment in advance of the date of handing down so that they may notify the court of typographical and obvious errors (if any). The judgment following a trial on the papers is delivered in the usual way once the judge has read the papers.

The text may be shown, in confidence, to the parties, but only for the purpose of obtaining instructions and on the strict understanding that the judgment, and its effect, are not to be disclosed to any other person or used in the public domain and that no action is to be taken (other than internally) in response to the judgment. If the parties prefer not to be shown the draft judgment on this basis, they should inform the court at the time the judgment is reserved.

¹⁹⁰ *IPEC Guide*, §4.6(c).

¹⁹¹ A party needs to permission to submit material in addition to that ordered at the CMC, permission for which will only be granted in exceptional circumstances. CPR 63.23(2).

9.9.11 The consequential hearing

There will often be a hearing after the judgment has been handed down to finalize the order to be made in consequence of the judgment. This may be immediately after the judgment is handed down or may be at a later date.

Where the parties are agreed as to the consequential order and have supplied to the judge a copy signed by all parties or their representatives, no hearing will be necessary.

9.9.12 Costs

Subject to some very limited exceptions¹⁹² costs orders in IPEC are subject to a costs cap. The court will not order a party to pay total costs of more than GBP 60,000 on the final determination of a claim in relation to liability¹⁹³ and no more than GBP 25,000 on an inquiry as to damages or an account of profits.¹⁹⁴ In addition to these overall caps, various stage caps are also applied, capping the costs recoverable for each stage of the litigation.¹⁹⁵

In IPEC, all costs (other than the costs of an interim hearing in which a party is held to have behaved unreasonably)¹⁹⁶ are summarily assessed after trial. The party seeking its costs will submit a detailed summary of its costs broken down into the relevant stages. The court assesses the parties' actual costs for each stage and applies any appropriate deduction at this stage. The resulting figure is compared with the cap for that stage, and the party receives the lower of the two. The various subtotals for each stage are summed, and the party will receive that sum subject to the overall cap.¹⁹⁷ As costs are assessed summarily, there is no need to award an interim payment on account. There is no requirement for costs budgets in IPEC.

9.9.13 Remedies

All the remedies available in the Patents Court following trial are available in IPEC (final injunctions, declarations of noninfringement, certificates of contested validity, orders for the payment of damages or an account of profits, orders requiring the dissemination of a judgment, *Arrow* declarations etc.).

9.9.14 Appeals

An order of IPEC (whether made following an application or trial) may be appealed. All appeals go to the Court of Appeal.¹⁹⁸ No party has an absolute right to appeal; permission must be obtained. Permission to appeal may (and generally should) be sought from the judge who made the order. If the judge refuses to give permission, the party may instead seek permission from the Court of Appeal.

There is no automatic capping of costs in the Court of Appeal. An appellant who wishes to have the appeal costs capped should apply to the Court of Appeal as soon as is practicable. The Court of Appeal has the discretion to make an order limiting the costs that a successful party may recover from the unsuccessful party on appeal.¹⁹⁹ The discretion will be exercised with regard to the means of both parties, all the circumstances of the case and the need to facilitate access to justice.

192 Court fees, costs relating to enforcement of an order and wasted costs are excluded. CPR 46.21(5). Costs of any interim hearing where a party has behaved unreasonably can be awarded in addition to the overall cap. CPR 46.22. Any recoverable value-added tax is not included in the capped costs. CPR 46.21(6). Also, the caps do not apply where a party has behaved in a manner which amounts to an abuse of the court's process. CPR 46.20(2)(a).

193 CPR 46.21(a).

194 CPR 46.21(1)(b).

195 These caps are set out in Tables A and B of Practice Direction 46 of the CPR.

196 CPR 63.26(2).

197 *BOS GmbH v. Cobra U.K. Automotive Products Division Ltd* [2012] EWPC 44.

198 CPR PD52A tbl. 1. Note that all appeals from the IPEC small claims track go to an enterprise judge (i.e., a judge of the IPEC multi-track). See CPR 63.19(3).

199 CPR 59.19.