

Italy

By **Matteo Orsingher** and **Fabrizio Sanna**,
Orsingher-Avvocati Associati, Milan

1. What options are open to a European patent holder, whose rights cover your jurisdiction, when seeking to enforce its rights in your jurisdiction?

Interim relief is the most efficient way to enforce patent rights in Italy. If the patent holder can satisfy the evidentiary requirements sufficient to enforce its patent in Italy (ie, if the infringement is strongly supported by sound evidence), the best option is to apply directly for interim measures – notably, a preliminary injunction and/or seizure (see also question 10 below).

In infringement proceedings, if evidence of the infringement can be obtained only by accessing the infringer's premises, production facilities and/or accounts, the patent holder can apply for a preliminary search order, the main purpose of which is to allow the applicant to secure relevant evidence to substantiate the infringement (see also question 5 below). Evidence collected through the preliminary search order can then be used to apply for interim relief and/or proceedings on the merits, as the case may be.

If enforcement is not urgent, the patent holder may initiate full proceedings on the merits, which is the only way to seek compensation for damages suffered as a consequence of the infringement.

Interim relief can be sought either before starting proceedings on the merits or in the course of the proceedings on the merits.

2. Does your jurisdiction have specialist patent courts? If not, what level of expertise can a patent owner expect from the courts?

Patent and other IP litigation falls within the exclusive competence of 12 specialist divisions set up in major Italian courts (first

instance tribunals and appeal benches). Italian IP judges are pure jurists and, apart from extensive IP legal expertise, do not have any technical or scientific knowledge (ie, they do not hold a second degree in scientific matters such as chemistry, engineering, etc). Accordingly, in the course of the trial the technical issues will be dealt with through the appointment of an expert witness by the IP court. Each party will also appoint a technical expert or patent attorney (knowledgeable in the relevant technical field), who will liaise with the expert witness orally and through written (technical) briefs and opinions.

3. Is it possible to cross-examine witnesses at trial? How far are proceedings based on written evidence? Are there restrictions on the use of evidence from experts?

Patent cases in Italy are largely based on written evidence. Witnesses may be heard, if requested by any of the parties, only with the authorisation of the court, which is granted on the basis of some formal requirements and the assessment of the pertinence of the witness concerned. Witnesses answer a set of queries previously submitted by each party and approved by the court. Witnesses are not cross-examined, but in addition to answering the approved queries they may be required (by the court, also upon the opponent's request) to provide further clarification on the circumstances surrounding the facts on which the relevant query is based.

Expert opinions are frequently filed by the parties to support the technical arguments submitted. There are no restrictions on the use of evidence from experts.

4. Are infringement and invalidity dealt with simultaneously? What level of proof is necessary to demonstrate one or the other?

Patent infringement and invalidity issues can be (and usually are) dealt with within the

same proceedings and before the same IP court.

In infringement proceedings, the patent holder must prove the likelihood of validity of the patent it is seeking to enforce. This requirement is usually met if the patent concerned has gone through the European patent granting procedure.

In invalidity proceedings, the applicant must give full evidence of the technical issues and/or grounds for invalidity (lack of novelty and/or inventive step) on which the claim is based.

The level of proof required to apply for interim measures is less rigorous and centres on the likelihood of success on the merits (see also question 11 below).

In both infringement and invalidity proceedings, technical issues are dealt with by the expert witness appointed by the IP court.

5. To what extent is pre-trial discovery permitted? If it is permitted, how is discovery conducted?

In Italy, pre-trial discovery is not permitted; discovery itself, in the common law sense, does not exist in the Italian legal system.

In order to secure evidence of the infringement and of the magnitude of the same, patent holders commonly apply for a preliminary search order ("*Descrizione*"). The purpose of this measure is to allow the patent holder to access the infringer's premises, production facilities, warehouses and/or accounts. Only *prima facie* evidence of alleged infringement is required to apply for the search order, which is often granted *ex parte* to ensure that the defendant cannot make enforcement of the order more difficult. The order, which is granted within about four weeks, is enforced by a bailiff and a court-appointed technical expert who assists the bailiff in the collection, description and assessment of the evidence. The applicant is usually authorised by the court to take part in the enforcement activities and to appoint its own technical expert(s).

6. To what extent does any doctrine of equivalents apply in an infringement action?

Italian patent law does not explicitly set out the doctrine of equivalents, but pursuant to prevailing case law, a third-party item infringes a patent when the same essential inventive idea at the core of the patented invention is implemented in the allegedly infringing item.

The courts are generally cautious in their approach to the doctrine of equivalents (in some cases it has been held that an

allegedly infringing product cannot be considered equivalent to a patent claim if it has a significantly different technical structure). However, the Supreme Court has held that a product falls under the scope of protection of a patent whenever the allegedly infringing item makes it possible to solve the same problem solved by the patented invention in a way that does not belong to the state of the art or is not patentable itself.

It is fair, then, to say that according to case law of the courts on the merits, the scope of patent protection covers a narrow range of variation as compared to continental European jurisdictions; while as far as the approach of the Supreme Court is concerned, the scope of patent protection is in line with the approach followed in other European continental jurisdictions.

7. Are there certain types of patent right that may be granted by the EPO – biotech or computer software-related, for example – that are more difficult to enforce than others?

In pharmaceutical and biotech cases the judge usually requests an expert witness to draft technical advice in order to grant interim measures, due to the complexity of the underlying technical scientific issues. As a consequence, pharmaceutical and biotech interim proceedings tend to be longer than other patent cases: notably, in such proceedings the first hearing is usually held within two to four weeks of filing and a decision is issued in the following three to six months.

8. To what extent are courts willing to consider, or bound by, the opinions and decisions of other courts that have dealt with similar cases?

The Italian courts are not bound by, but can certainly consider, the opinions and decisions of other IP courts that have dealt with similar cases. Notably, the precedents of the most prominent IP courts (Milan, Rome, Turin and Naples) have a not insignificant influence on the other IP courts. At the same time, the various IP courts tend to take divergent positions on complex technical issues, thus creating conflicting lines of reasoning which plaintiffs take into account when choosing a venue in which to litigate (notably in infringement cases).

9. To what extent are courts willing to consider the reasoning given by foreign courts that have handed down decisions in similar cases?

The decisions and reasoning of foreign courts generally have little influence in Italy, as Italian IP courts tend to like to be independent. However, in urgent proceedings, if a foreign court or the EPO's Opposition Division held the patent concerned (or a corresponding foreign patent) invalid, the Italian court will take the relevant decision into consideration in assessing the applicant's likelihood of success on the merits, which is a requirement for obtaining a preliminary injunction (see also question 11 below).

10. What options are open to a defendant seeking to delay a case? How can a plaintiff counter delaying tactics?

Traditionally, a defendant could seek to delay a patent infringement case by bringing invalidity proceedings against the same patent in a different IP court from that in which the infringement action was ongoing. The defendant could request that the patent infringement case be stayed until a decision on the patent's validity had been issued. This option was available only where the infringement and invalidity proceedings were heard (on the basis of procedural rules on jurisdiction) by two separate IP courts.

The plaintiff could prevent this delaying tactic by initiating infringement proceedings at a court before which invalidity proceedings could also be brought (ie, the special domicile shown in the patent application - usually the address of the patent attorney appointed for filing and prosecution), thus ensuring that an alternative venue could not be chosen for the infringement proceedings (eg, at the place where the infringement occurred). Alternatively, before initiating infringement proceedings, the plaintiff could transfer this special domicile to an address within the jurisdiction of the court before which the infringement proceedings would be brought; this forced the defendant to challenge the patent's validity before the same court, which would not unnecessarily delay the proceedings.

However, this option has recently been set aside by a Supreme Court ruling stating that the judge in the infringement case is not required to stay the proceedings until the question of validity has been decided, and moreover can consider those invalidity issues useful to decide on the infringement claims.

11. How available are preliminary injunctions and how do you get them?

Due to the length of proceedings on the

merits and the wide range of interim remedies available, interim proceedings are the usual first step in patent litigation, especially in infringement cases. The Italian courts will issue a first interim decision within about six to eight weeks of filing the application. The decision can be challenged in a sort of precautionary appeal, to be lodged within 10 days of the decision (the relevant proceedings take an additional four to six weeks).

The remedies available are:

- An injunction to stop the infringing activities;
- A penalty for non-compliance with the injunction;
- Seizure of the infringing products; and
- Publication of an abstract of the court's decision in one or more newspapers or trade magazines.

The applicant for interim measures must provide adequate evidence as to the likelihood of success on the merits and the likelihood of irreparable harm.

Interim measures are usually granted after the court has heard both parties; in exceptional circumstances, the court will rule *ex parte* (notably, where the applicant can prove that the defendant's knowledge of the application or any delay in ruling may seriously affect the enforceability and effectiveness of the measures sought).

12. How long does it take to get a decision at first instance? Is it possible to expedite this process?

In full proceedings on the merits, it may take between two and three years to obtain a first instance decision. Some IP courts tend to be swifter than others, but generally there is no way to expedite the process other than by applying for interim remedies which, if granted, require the applicant to commence proceedings on the merits within 31 days to obtain final confirmation of the measures granted, failing which they will become ineffective (see also question 11 above).

13. What avenues for appeal are open to the defeated party in a first instance case? What criteria are there for granting an appeal? How long does the appeal process take?

A first instance decision in patent proceedings may be appealed before the specialist IP division of the court of appeal - leave to appeal is not required. Appeal proceedings last from three to four years and are full proceedings on the merits,

although no new claims can be brought. The court of appeal can reconsider all underlying technical issues and appoint a new expert witness to scrutinise and/or supplement the opinions rendered by the expert witness appointed by the court of first instance.

14. To take a case through to a first instance decision, what level of cost should a party to litigation expect to incur?

The overall cost of patent litigation is significantly influenced by the complexity of the case. On average, the costs of interim proceedings range from Euros 40,000 to Euros 50,000, and of proceedings on the merits from Euros 90,000 to Euros 120,000 for a first instance decision.

The losing party must frequently pay the winning party's recoverable costs, which include court costs, lawyers' fees and expert witnesses' fees. Recoverable costs are calculated on the basis of tariffs issued by the Italian Bar Association (with regard to lawyers' fees) and usually amount to about 30% of the actual costs incurred.

15. Who can represent parties in court? Is

specialist representation required?

Representation before the court is reserved to lawyers admitted to practise and enrolled in the Italian Bar Association, who must be granted a written power of attorney by the party concerned to appear in the proceedings. In patent litigation, each party usually also appoints a patent attorney and/or an expert in the relevant technical field to liaise with the expert witness who is appointed by the court to deal with the technical and scientific issues of the case.

16. What remedies are available for infringement and how are these typically applied? Are punitive damages available and in what circumstances?

A patent holder that succeeds in infringement proceedings can in principle obtain the following remedies:

- An injunction to stop the sale of the infringing products;
- Seizure/sequestration of the infringing products;
- A penalty in case the infringer does not (promptly) comply with any measure ordered by the court;



Matteo Orsingher graduated in law from the University of Bologna in 1987 (JD, summa cum laude) and practised in Padua and Milan in a boutique law firm. He joined Pavia e Ansaldo in 1990, becoming a partner in 1996. He left Pavia e Ansaldo in 1999 and joined Freshfields Bruckhaus Deringer in Milan, where he headed the Italian intellectual property and information technology practice from 1999 to 2007. Mr Orsingher has extensive experience in advising international and Italian clients on a wide range of IP/IT issues, both contentious and non-contentious, as well as on patent and trademark licensing and litigation, unfair competition litigation, copyright law and litigation and misleading advertisement proceedings. He regularly advises clients – market leaders and prominent players in a variety of industries – on the IP aspects of complex corporate and financial transactions. He was admitted to the Italian Bar in 1990. He speaks English and some German.

Matteo Orsingher

Partner
matteo.orsingher@orsingher.com
Tel: +39 02 890 750 50

Orsingher-Avvocati Associati
Italy
www.orsingher.com



Fabrizio Sanna graduated in law from the University of Pavia in 2000 (JD, summa cum laude). He was awarded his MJur (LLM) and MPhil by the University of Oxford in 2002 and 2004 respectively, and a doctorate degree in intellectual property and competition law by the University of Pavia in 2004. He practised in an IP boutique before joining the intellectual property and information technology department of Freshfields Bruckhaus Deringer in Milan, where he worked from 2004 to 2007. His experience includes assisting international clients on a broad range of contentious and non-contentious issues pertaining to all kinds of IP right. Mr Sanna is the author of several commentaries on IP law and is a member of the editorial board of a prominent IP review, AIDA. He is a member of the executive committee of the AIPPI – Italy. He was admitted to the Italian Bar in 2003 and is fluent in English and French.

Fabrizio Sanna

Partner
fabrizio.sanna@orsingher.com
Tel: +39 02 890 750 50

Orsingher-Avvocati Associati
Italy
www.orsingher.com

- An order requiring the infringer to deliver all infringing products to the patent holder (this is unusual);
- Restoration of all damages suffered as a consequence of and/or in connection with the infringement; and
- Publication of an abstract of the judgment in one or more newspapers or trade magazines.

Punitive or exemplary damages are not awarded in Italy. The most relevant criteria for the calculation of damages are the patent holder's lost profits and net profits gained by the infringer through the infringing activity, even if these exceed the patent holder's lost profits (ie, if sound evidence is given of both the patentee's lost profits and the infringer's net profits, the patentee may be awarded the higher amount, even if this exceeds its actual losses).

17. Are there any realistic alternatives to litigation in cases relating to patent disputes?

There are no realistic alternatives. However, as full proceedings on the merits usually take between two and three years at first instance, it is not uncommon for the parties to settle the dispute on the basis of the outcome of the preliminary proceedings. The terms of the settlement (which often include damages) are significantly influenced by the interim measures granted or denied.

18. Has your jurisdiction signed up to the London Agreement on Translations? If not, how likely is it that it will do so?

Italy has not signed the London Agreement on Translations and it is unlikely to do so in the near future.

19. Are there any other features of the enforcement system in your jurisdiction that you would like to point out?

The important reform of July 2003 that set up the 12 specialist IP divisions has improved the quality and speed of decisions and the consistency of case law, and has reduced forum shopping, thus helping to overturn Italy's traditional reputation as the infringer's venue of choice.

Interim proceedings are key in the Italian patent enforcement system, as they allow the patent holder to collect valuable evidence (which is relevant both to prove the infringement and to substantiate any request for damages) and obtain effective interim relief within a very short period of time. However, these advantages are lost if the patent holder fail to respond quickly. If the patent holder delays too long in applying for interim relief, the court might regard this as proof that the patent holder is not in urgent need of interim measures (ie, its application will fail to satisfy the irreparable harm requirement). There are no statutory rules by which excessive delay can be precisely assessed, but according to case law, the patentee should not delay more than a few months after learning of the infringement.

Orsingher-Avvocati Associati

Via Marco De Marchi, 7

20121 Milan, Italy

Tel +39 02 89075050

Fax +39 02 62086008

Web www.orsingher.com