

# The Postman does not always ring twice... service of revocation actions on patentees

## **Kluwer Patent Blog**

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Although there is a well-known crime novel by James M. Cain saying the contrary, the postman does not always ring twice, particularly not in patent nullity proceedings when it comes to the service of the complaint under the Hague Convention.

Recently, two patents were declared null and void in Switzerland. In both proceedings the revocation action was served on the foreign patent holders through the official mutual legal assistance channels of the Hague Convention. In both proceedings, the patent proprietors did not participate in the nullity proceedings, because – although they received the complaints – the court documents were not forwarded to the responsible persons internally.

One of these procedures concerned the Swiss part of the European patent EP 1 200 092.

On May 12, 2015, Actelion Pharmaceuticals Ltd filed a cancellation action against the Swiss part of EP 1 200 092 of Lilly ICOS LLC and requested that the patent in question be deleted.

After the plaintiff had paid the advance on court costs, the Swiss Federal Patent Court set defendant a date of 3 June 2015 to respond to the complaint and to specify either an address or the address of a representative in Switzerland. The patent holder was informed in this order that if it did not respond by the date set by the court, further correspondence will not be served but only be published in the Swiss Commercial Gazette (SHAB).

On 24 June 2015, the defendant received the court's order through the official mutual legal assistance channels of the Hague Convention.

The defendant, however, did not submit a response to the nullity action because the complaint apparently did not reach the responsible person within the Lilly group and was lost internally.

On 17 September 2015, the Federal Patent Court therefore published an order in the Swiss Commercial Gazette, with which the defendant was set a final deadline to submit a response by 2 October 2015.

As the proprietor of the patent did not answer again, the Federal Patent Court examined plaintiff's invalidity arguments.

The plaintiff claimed that EP 1 200 092 does not have a valid priority and, therefore, lacks novelty in light of the international application WO 01/08686.

Pursuant to Article 20 of the Swiss Patent Act, the patent holder has to prove in main proceedings that he can validly claim the priority date.

Since the defendant did not participate in the proceedings, the patentee could not show that it was validly claiming the priority.

The Federal Patent Court therefore continued with the examination of plaintiff's arguments and concluded, on the basis of the plaintiff's allegations, that the claims of EP 1 200 092 lack novelty in the light of WO 01/08686.

On 28 October 2015, the Federal Patent Court published a notice in the Swiss Commercial Gazette that the patent owner could comment on the fee note submitted by the plaintiff's representatives.

On 25 February 2016, the Federal Patent Court published its decision in the Swiss Commercial Gazette that the Swiss part of EP 1 200 092 had been declared null and void and informed the patent holder that an appeal can be lodged with the Federal Supreme Court within 30 days.

On 29 March 2016, the patent proprietor learned about the judgment of the Federal Patent Court.

It then submitted a request for restoring the deadline for submitting the initial response to the nullity action to the Swiss Federal Patent Court and also filed an appeal with the Federal Supreme Court against the judgment of the Federal Patent Court.

Due to the court recess over the Easter holidays those submissions were submitted in good time.

However, the Federal Patent Court dismissed the patentee's petition to restore its deadline for filing the response to the nullity action in the initial revocation proceedings. In accordance with the provisions of the Swiss Code of Civil Procedure, the restoration of a deadline requires that the party concerned is not, or is only slightly to be blamed for missing the deadline.

The Federal Patent Court came to the conclusion that the patent holder could not say who had received the initial order to file a response and why the order could not be found anymore. According to the Federal Patent Court, this suggests a gross organizational fault. The Federal Patent Court therefore dismissed the application for restoring the deadline for responding to the action. The patent holder did not appeal this decision.

As mentioned, the patent holder also filed an appeal against the first instance judgment of the Federal Patent Court.

In its appeal, the patentee asserted that the Federal Patent Court should not have sent its initial order and the complaint to the postal address of the patent owner, but to the representative of the Swiss part of EP 1 200 092 registered in the Swiss Patent Register.

The patentee put forward that there was a Swiss patent attorney firm appointed and registered as the representative of the Swiss part of the patent in dispute in Switzerland. According to the patentee, the nullity action should have been served on this patent attorney firm. However, the Federal Supreme Court did not follow this line of argument, since the patent prosecutor, registered as a representative in the patent register, was a stock corporation. As a legal entity, the latter is not authorized to represent a party before the Federal Patent Court. In that regard, the patent attorney firm registered on the Swiss Patent Register cannot be a representative within the meaning of the Civil Procedure Code.

Patentee's other arguments were also rejected by the Federal Supreme Court and the court therefore

dismissed the appeal by judgment of 15 December 2016, so that the Swiss part of EP 1 200 092 was finally annulled.

This is painful for the Eli Lilly group, as the patent was one of several elements to protect the successful Cialis® product.

The revocation of the Swiss part of EP 1 200 092 is not the only recent judgment which has erased a patent without the patent holder having participated in the proceedings.

On 17 August 2016, the Swiss Federal Patent Court issued another judgment in the Swiss Commercial Gazette annulling the Swiss part of EP 2 236 296 B1.

In this second case as well, the action was served on the patent owner, Illinois Tool Works, Inc., by the means of the Hague Convention in the United States. Nevertheless, the patentee did not participate in the nullity proceedings. The patent was cancelled based on the plaintiff's allegations. The patentee has not filed an appeal against this judgment.

Patent owners are well advised to optimize their internal processes and ensure that revocation actions are directed to the right place internally. As mentioned at the beginning, the postman does not ring twice...



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