

Preliminary injunctions in IP cases – Denmark

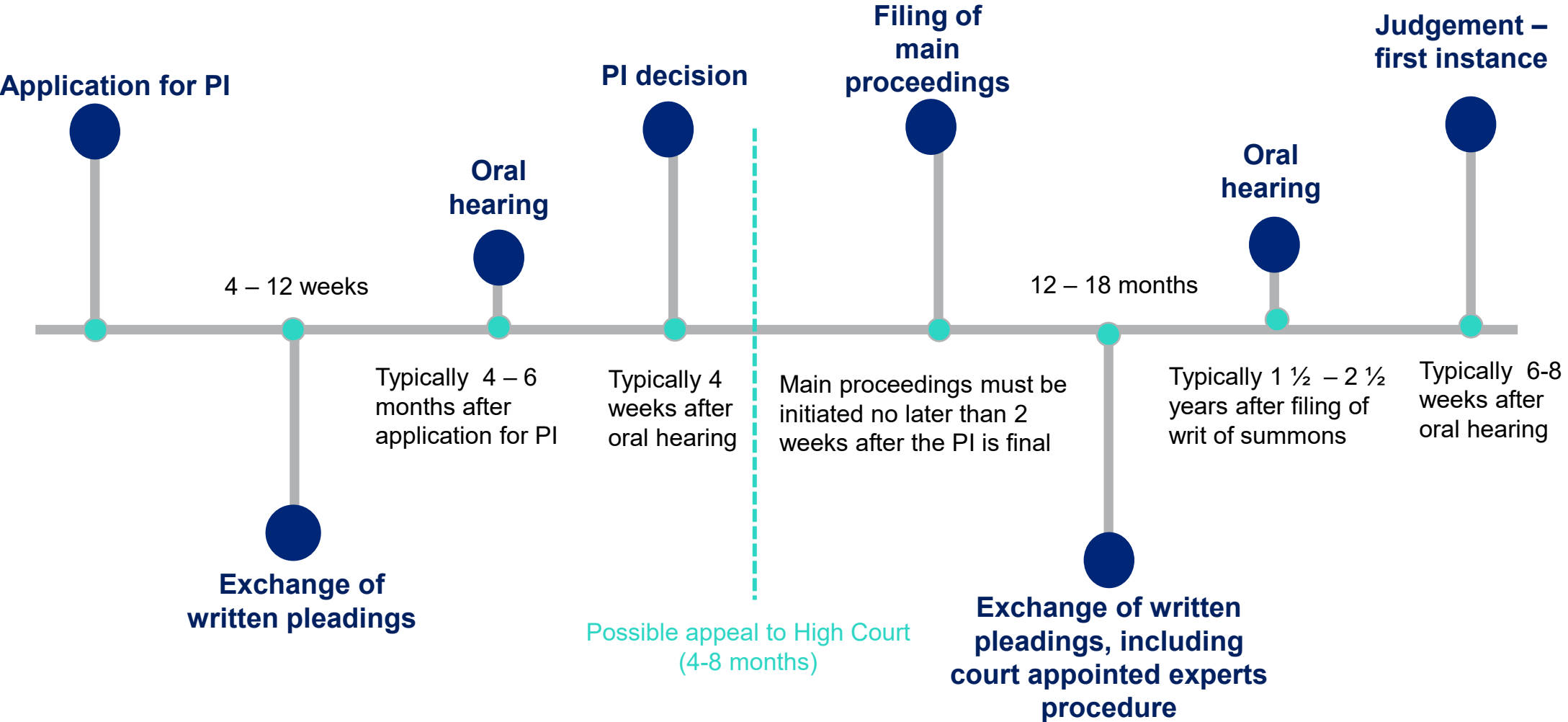
NIR Meeting 2022, Attorney, Klaus Ewald Madsen

Obtaining a PI in Denmark

PI proceedings in general

- Enforcement of IP rights usually starts with an application for a PI
- No availability of PI pre grant (uncertain whether PI case can be initiated pre grant)
 - Case no. BS-12527/2022-SHR – no “decision to grant” (under appeal)
- Ex parte PI very unlikely in patent disputes
- Preparatory phase followed by Inter partes oral hearing (usually 3-5 days in patent cases)
- PI decision may be appealed to the High Court within 4 weeks (no suspensive effect)

Obtaining a PI in Denmark *timeline*



Obtaining a PI in Denmark

conditions

- The conditions for the grant of a PI are that it must be **proved or rendered probable** that:
 1. the right holder has a valid right and that the right is being infringed (or that there is an imminent threat of infringement in the near future);
 2. the infringer's behavior makes it necessary to obtain a PI;
 3. the possibility to enforce will be lost if the right holder must wait for the court's decision in ordinary court proceedings (urgency)



Obtaining a PI in Denmark

condition 1

- **Condition 1:** The proprietor has a valid right and that the right is being infringed (or that there is an imminent threat of infringement in the near future (full proof not required))
- It must be rendered probable that the right exists and is valid
- The court will hear infringement and validity claims in the same proceedings
- Presumption that issued patents are valid
- Level of proof required to avoid a PI on the grounds of invalidity is high (full proof)
- In Denmark, a PI has refused the grant of a PI due to invalidity arguments in patent cases
 - (novelty defeating prior art, added matter, inventive step)
- Case law
 - U 2021.2189 ØL (*Fresenius Kabi v. Samsung Bioepis*)
 - The Maritime and Commercial High Court, A-4-18 of 9 July 2018 (*AstraZeneca v. Sandoz*)

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condition 2

- **Condition 2:** The infringer's behavior makes it necessary to obtain a PI
- It is not sufficient that the alleged infringer refuses to declare not to infringe
- It is not sufficient that the alleged infringer has received a marketing authorisation
- Caselaw:
 - U 2011.2501 H (*Novartis v. Teva*)

“The other party has no general obligation to make a declaration, at the request of the applicant, not to infringe rights of the kind which the applicant fears. Therefore, the refusal of the opposing party to make such a declaration cannot normally in itself lead to the condition of actuality being met”

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condition 3

- **Condition 3:** Urgency requirement i.e., the possibility to enforce will be lost if the patentee must wait for the court's decision under ordinary main proceedings
- The right holder must react and file a request for PI relatively soon after there is a reason to do so
- Caselaw
 - U.2022.871 (*Illumina v. MI Tech Hong Kong*)



Obtaining a PI in Denmark *stay of proceedings*

- Generally, stays are not common in PI proceedings
- PI proceedings may be stayed for a short period of time, if a decision in relevant pending opposition proceedings is to be handed down in the near future

Obtaining a PI in Denmark

impact of foreign decisions

- Danish courts will always make their own legal analysis of the legal issues presented by the parties in the specific case
- Decisions from other jurisdictions regarding identical or similar patent law issues (especially from the courts of relevant jurisdictions such as the UK, Germany, and the Netherlands) may be taken into consideration and serve as inspiration for the Danish courts



Obtaining a PI in Denmark

use of experts

- The Maritime and Commercial High Court is a semi-specialist court
- The court is typically composed of three judges;
 - Two expert judges with technical or industrial background
 - One presiding judge with no scientific background
- Use of party-appointed experts are very common in PI proceedings



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security

- Security (in the form of a bank guarantee) is normally required as a condition for the grant of a PI
- The security is usually provided by means of a bank guarantee issued from a bank within the EU (preferably by a Danish bank) to the court
- The amount of the security will be set by the court based on the likely loss of the defendant for the period the PI is in place, i.e. until a decision in the case on the merits can be expected (normally 2-3 years)
- The defendant will have the burden of proof in relation to the size of the alleged possible loss
- The security will normally not exceed DKK 20 millions
- The PI will not come into effect until the security is provided – normally one week

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Costs

- The court awards costs to the successful party. As a general rule the unsuccessful party must reimburse the other party for all costs incurred in connection with the lawsuit
- In practice, only partial reimbursement of actual costs incurred
 - + expert declarations (C57-15 United Video Properties)
 - - costs to assisting patent attorneys not reimbursed
- Caselaw
 - U.2019.3930 (*Sandoz v. Gilead*)
 - U 2021.958 (*Ørsted v. people with the last name Ørsted*)

Obtaining a PI in Denmark

Liability for damages

- Strict liability to pay damages if PI is subsequently found to be unjustified
- Damages are calculated on the basis of the defendant's actual economic loss
- No “own fault” (*egen skyld*) if a generic does not bring an invalidity action before launch (“clear the way”)
- Caselaw
 - C-688/17 (*Bayer v. Gedeon Richter*)
 - The Eastern High Court, 10. afd. No. B-1533-17 2020 (*Novartis v. Orifarm*)



Contact information



Klaus Ewald Madsen

Partner

T +45 72 27 34 84
M +45 25 26 34 84
E kem@bechbruun.com