

Criminal sanctions in Polish Industrial Property Law

The importance of including all the inventors in the patent application cannot be overemphasized. This is the lesson that scientists from Broad University have learnt the hard way when the institution's European patent EP2771468 for a groundbreaking CRISPR/Cas9 technology was invalidated by the EPO in 2018. The decision was handed on the grounds of the omission of Professor Luciano Maraffini who had been indicated in the previous application that the European application was based on (we wrote about this high-profile case a few years ago in the article [The CRISPR/Cas9 case before the European Patent Office \(WTS Legal Report No. 3/2020\)](#)).

Observing the practice of Polish entrepreneurs, we can notice certain measure of carelessness when it comes to omitting or adding coinventors to patent applications. Meanwhile, the indication of an inventor and the basis of the right to patent is not only a formal requirement of a correct patent application (Article 32 of the Act of 30 June 2000 - Industrial Property Law (IPL)); the omission of one of the inventors can also result in criminal liability.

This is the subject that we would like to deal with in this issue of WTS Legal Report — a matter often disregarded and neglected: criminal sanctions in the IPL.

Relevant regulation in the IPL

Criminal provisions have been included in Title X of the IPL, in Articles 303-310. In the center of our interest are the first two of them which concern violations of rights of an inventor: Articles 303 and 304 of the IPL.

Pursuant to Article 303 Section 1, **whoever claims the authorship or misleads another person with respect to the authorship of another's person inventive design or infringes rights of an inventor of an inventive design in another manner, shall be liable to a fine, a penalty of restriction of liberty or deprivation of liberty of up to one year.** The criminal liability is stricter if the perpetrator has a specific intent — if he or she commits an act mentioned in Article 303 Section 1 with the purpose of obtaining a financial or personal gain, they shall be liable to a fine, a penalty of restriction of liberty or deprivation of liberty of up to two years.

Different kinds of criminal offenses are addressed in Article 304, which provides for **a fine, a penalty of restriction of liberty or deprivation of liberty of up to two years in case of an unauthorized filing of another person's invention with the aim to obtain a patent or preventing from obtaining of a patent in another manner.** The liability is relaxed if a perpetrator was acting unintentionally, while being obliged to keep in secret information they had come into possession of — in such a case, they shall be liable to a fine (Section 3). Article 304 is characterized in the commentary to the IPL edited by Professor Sieńczyło-Chlabicz as “a concretization of the general norm in Art. 303 Section 1 *in fine* of the IPL”. If an offense under Article 304 of the IPL is committed, in most cases we will be simultaneously dealing with an act that is prohibited under Article 303 as well.

The prosecution of the perpetrator of the offenses defined in Article 303 as well as 304 **takes place upon the request of the victim** (Article 310 Section 1).

The object of protection

• Article 303 of the IPL

The object of protection of Article 303 has been defined broadly. It is worth pointing out that while it mentions two acts that give rise to liability, i.e., claiming the authorship and misleading another person with regard to the authorship of an inventive design, **it applies in general to violations of inventor's rights.** These rights, both moral and property ri-

ghts, are enumeratively listed in Article 8 of the IPL: namely, under conditions defined in the Act, an inventor is entitled to:

- 1) Obtain the patent;
- 2) Receive the remuneration;
- 3) Be indicated as an inventor in descriptions, registries, and other documents and publications (Section 1).

The IPL clarifies at the same time that this provision shall apply to a coinventor as well (Section 3).

It should be remarked that **Article 8 demarcates the limits of protection, thus, other rights that have not been listed will not be eligible for criminal enforcement.** In particular, it will not be possible to bring a claim under Article 303 of the IPL with respect to personal rights the catalogue of which is included in Article 23 of the Act of 23 April 1964 - the Civil Code.

Furthermore, we must remember that Article 303 does not protect rights of other persons to whom the inventor's property rights might have been transferred, for instance, through a licensing agreement.

• **Article 304 of the IPL**

In case of Article 304, **the object of protection is the right to obtain a patent, which is a property right.** In most cases, it would belong to an inventor (or a coinventor) of a given design. It should be, however, noted that under Article 11 Sections 3-5, **that right can be vested in persons other than an inventor:** an employer, an entrepreneur, or a contracting party. As it is indicated in the commentary edited by Professor Źelechowski, considering that we are dealing with a property right that can be transferred and inherited, as confirmed by Article 12 of the IPL, "a person affected by the prohibited act defined in Article 304 of the IPL can be anyone who at the moment when the act was committed was entitled to obtain an exclusive protection".

Manners in which personal rights can be violated

The right to authorship is the only personal right of an inventor which is under protection — this is, therefore, a diametrically different situation from the one that we know from the copyright law where an author benefits from a broad range of personal rights. Howe-

ver, it is not always clear how to distinguish between situations when infringements of this right would and would not occur. **While the indication of an inventor in descriptions and registries does not raise any doubts, some controversies might arise with respect to “other documents and publications”.** In the commentary to the IPL by Professor Żelichowski, two doctrinal positions are presented. According to the first one, the obligation to indicate an inventor concerns only those documents which are formally related to obtaining the patent protection. However, it is also possible to come across an opinion that narrowing down the concepts of “documents” and “publications” to only those whose submission is required in the proceedings before the Polish Patent Office is unjustified and the obligation of indicating an inventor should apply to all kinds of documents and publications (for instance, offers, catalogues, manuals, press publications, etc.). It is mentioned in the commentary that “the adoption of the second position, based on literal interpretation and recognition of such a broad scope of the inventor’s right to the authorship on the grounds of the IPL is unacceptable”. Such a scope of protection — as we can read further — is not necessary, considering the specificity of industrial property which is “focused on the needs of the market and utility of products”.

The infringement of personal rights can take place through **claiming the authorship** — an act mentioned expressly in the disposition of Article 303. It has to be an act rather than an omission — for instance, it can take the form of signing an inventive design with one’s name or leaving on it another mark pointing to a perpetrator, inclusion of such information in registries, documents, and publications, making a statement or sharing information — not necessarily publicly.

Likewise, personal rights can be violated by **misleading another person with respect to the authorship of an inventive design**. It can occur in situations where a perpetrator claims to be an author of another person’s inventive design (claiming the authorship), but also when they point to another person who either is not an inventor at all or is an inventor but in a lesser degree that the indication suggests — such offense can be performed not only through action (provision of false information) but also omission (failure to provide required information). It is important, as mentioned in the commentary by Professor Sieńczyło-Chlabicz that the perpetrator’s conduct actually leads to create a false impression with regard to the authorship of a given inventive design in at least one person.

It is worthwhile remarking that **all the offenses under Article 303 of the IPL can be committed only intentionally**. Claiming the ownership implies acting with direct intent (the perpetrator intends a particular consequence of their act), while other kinds of conduct covered by that provision can be also realized with oblique intent (the perpetrator, foreseeing the possibility of committing an offense, accepts it).

Manners in which property rights can be violated

The provision of Article 303 refers also to other manners of infringing on inventor's rights. There is a consensus in the doctrine that it would apply also to **the violation of one of the property rights of an inventor — the right to remuneration by its unfounded denial or refusal of its payment.**

We have once published an article discussing the subject of the inventor's remuneration: [The claim to increase a remuneration for an employee's invention in the Polish legal system \(WTS Legal Report No. 13/2020\)](#). Let us briefly remind you: an inventor is entitled to remuneration when the right to use their invention or the right to obtain a patent belongs to an employer or a contracting party under Article 11 Section 3 (an invention developed as a result of performance of the duties owed on the basis of the employment relationship or a different contract) or an entrepreneur under Section 5 (an invention developed with the entrepreneur's assistance) or Article 22 (an invention transferred to an entrepreneur for their use). The legal regime regarding remuneration is optional; it finds application only if the parties have not agreed otherwise. Pursuant to Article 22 Section 2, in the lack of the parties' arrangements, the amount of remuneration should be determined in just proportion to the benefits gained by the entrepreneur from the invention, taking into account the circumstances in which the invention has been developed, and in particular the scope of the assistance provided to the inventor and the scope of the employee's duties related to development of the invention. The remuneration shall be paid in whole or in parts, though, once again, different arrangements between parties are permissible (Section 3). In the aforementioned article we have also presented an analysis of the inventor's claim under Article 23 to increase the remuneration in case the benefits gained by the entrepreneur turn out to be considerably larger than those used as a basis for the calculation of the remuneration already paid.

At the same time, it should be noted — as it is indicated in the commentary to the IPL edited by Professor Sieńczyło-Chlabicz — that **this provision shall not apply in a situation where remuneration is paid in a lesser amount than expected by the inventor.** Such a situation “would not constitute an infringement of the right to remuneration that is protected by criminal provisions”. In the doctrine, it is widely held that **a dispute regarding the concrete amount of remuneration shall be settled in a civil procedure.** The commentary underscores that there are no reasons for “according a protection of criminal sanctions to a civil law claim of such a kind as the claim to a remuneration in a specified amount”. **The provision of Article 303 would, therefore, apply to situations where the inventor's right to remuneration is violated by unfounded denial or refusal to pay the remuneration** (see: Andrzej Szewc, *Przestępstwa i wykroczenia przeciwko prawom własności przemysłowej*, Białostockie Studia Prawnicze, no. 19, 2015, p. 229-242).

Violations of the right to obtain a patent

It should be pointed out that an offense under Article 304 of the IPL (just like the offense under Article 303) can be committed by anyone. **In case of Section 1, the perpetrator can be one of the persons entitled jointly to file an application if that person acts without the participation and knowledge of the others;** as for Section 2 — an offense can be committed by anyone who has come into possession of information about someone else's invention.

The prohibited act that Article 304 Section 1 concerns might involve filing an application before the Polish Patent Office, EPO, or a patent office of a foreign country. The provision of Article 304 Section 2 mentions “preventing from obtaining of a patent” — the disclosure of information as an example of such a conduct must, therefore, lead to the loss of novelty by the invention. The disclosed information must enter the public knowledge. It is not important how it is disclosed, but most often the information would be shared orally or in writing, by handing a document containing such information or a technical means enabling to access the information, etc. The result of preventing the grant of the patent can also be achieved through other means: in the commentary by Professor Sieńczyło-Chlabicz, destruction of required documentation is mentioned, as well as physical prevention of filing of an application.

Importantly, **the offenses addressed by Article 304 can only be committed intentionally:** the perpetrator of the offense that Section 1 concerns must act with direct intent which is explicit in the wording of the provision; while, the perpetrator of the offense under Section 2 — acts with direct or oblique intent, while being aware that the information they are disclosing concern a solution that exhibits features of an invention, including novelty. It was already signaled that persons who act unintentionally, while being obliged to keep in secret information regarding the invention are subject to less strict liability (Section 3).

Liability of managers and directors of organizational entities

Under Article 309, **in organizational entities, the liability mentioned in Articles 303 and 304 is borne by a person who is a manager or a director of such an entity, unless the division of competencies justifies a liability of another person.**

In accordance with the position expressed by the Polish Supreme Court in its decision of 4 July 2007, “the provision of Article 309, narrows down the subjective scope of criminal liability for the types of offenses indicated, transforming thus their character as common offenses (*delicta communia*) into individual offenses that can be committed only by individuals who display some specified properties (*delicte propria*) — if they are committed in the circumstances defined in the provision” (V KK 361/06). We must, however, remain aware that the doctrine recognizes also different, competing interpretations of the nature of Article 309.

In the lack of a statutory definition of an organizational entity, we can accept the view presented in the commentary by Professor Żelechowski that “it refers to any legal person or another organizational entity without legal personality whose functioning is regulated by the rules of law;” the commentary offers an example of share-holding companies and private partnerships. **The terms “manager” and “director,” as well as “a person whose liability results from the division of competences” should be interpreted in the functional manner,** in the light of specific facts in a given case.

Summary

In general, attention is rarely paid to the regime of criminal liability established by the IPL, however, the severity of sanctions it provides for cannot be completely downplayed. Significantly, it is not that difficult “to fall” into the scope of the application of Articles 303 and 304 — in case of inventions where there is a plurality of coinventors all it takes is to omit one of them from the application. Each patent application, especially in cases where a design was developed by a larger group of persons, requires to conduct due diligence in order to determine the circle of coinventors. At the same time, it must be remembered that criminal liability cannot be pursued in situations other than those explicitly addressed in the provisions of the IPL — it will not be possible to invoke it in cases of infringements of rights not listed in Article 8 as well as in the context of the claim to increase a remuneration under Article 23.