The claim to establish that the production does not infringe the patent

In the most recent entry in the series “Patents Without Secrets” we have written about claims that a patent holder can pursue in the scenarios of patent infringements. This time, we would like to analyze a situation where the roles are in a certain way reversed, and **it is the patent holder against whom an action would be brought** in aim to demonstrate that the infringement does not occur.

A brief history of the claim to establish the lack of patent infringement in Polish legal system

A claim to establish that a particular protection does not infringe on a patent was available previously in Polish legal order on the basis of the 1972 Act on Inventiveness (Art. 19 — anyone with a legal interest could demand the Patent Office to establish that a particular production was

not covered by a given patent). It was subsequently replaced by the Act of 30 June 2000 - **the Industrial Property Law (the IPL) which did not equip the Polish Patent Office (PPO) with the competence to hear such claims.** In consequence, the claims were brought to civil courts on the grounds of a general rule enshrined in Art. 189 of the Act of 17 November 1964 - the Code of Civil Procedure (CCP). The main drawback of such a solution was that plaintiffs had to demonstrate their legal interest in bringing such a claim which in practice entailed serious limitations to initiating proceedings, especially for preventive purposes. The return of the specific claim into Polish law has occurred quite recently — its legal basis can be found in the CCP, revised through an extensive **amendment that entered in the force on 1 July 2020.** It is, therefore, a part of more far-reaching changes concerning the introduction of new rules governing proceedings in intellectual property cases (the new type of separate proceedings under the CCP), as well as the establishment of intellectual property courts (we have covered the amendment in our Legal Reports: **"Changes in the civil procedure (part 1) — are specialized courts going to review intellectual property cases?,"** WTS Legal Report No. 2/2020, as well as **"Changes in the civil procedure (part 2) — obligatory procedural representation, new rules regarding means of evidence and special actions,"** WTS Legal Report No. 4/2020). **It should be added that the claim to establish the lack of patent infringement is, next to the counterclaim, one of two kinds of special actions that the new rules of the CCP have introduced to the proceedings in IP cases.**

The purpose of the claim

The legislator was very clear about the purpose of the claim in the justification of the project of the amendment. Namely, the claim to establish that the production does not infringe the patent is meant **to protect an individual planning to launch a production process from incurring significant expenses of the investment in case it turns out that the process infringes on exclusive rights of other parties.** This way, a producer/an investor is offered a higher level of security when making decisions regarding certain expenses. Prof. Flaga-Gieruszyńska is clearly right when **characterizing that claim as preventive in nature.**

Relation to Art. 189 CCP

The legislator indicates in Art. 479.129 that the provision of **Art. 189 shall apply accordingly to claims to establish the lack of infringement.** Under Art. 189, anyone who has a legal interest can demand the court to establish existence or non-existence of a legal relationship of a right. Also in the justification, it was underscored that **the new regulation does not in any way preclude the application of general rules in accordance with Art. 189, but "barely complements them".**

It should be remarked that the use of the term "accordingly" by the legislator requires us to take into consideration the specificity of that claim. As the Supreme Administrative Court held in the judgement dated 26 April 2017 (no. I OSK 1773/15), applying provisions accordingly means that some provisions are applied directly, others are modified, while others are not applied at all.

Before the amendment, Art. 189 offered a sole basis for the claim to establish that a patent infringement does not occur. The possibility that it could be relied on in such a scenario has been suggested by Professor Du Vall in "Patent Law," who has explained that a relevant legal relationship referred to in the hypothesis of that provision would be in that case the relationship of tort liability incurred by an infringer towards a patent holder (and, as he added, since the plaintiff would seek a negative judicial ruling, i.e., a ruling denying the existence of the tort relationship, they would have to demonstrate in the lawsuit the reasons why the patent holder might hold a different view — which would involve a risk of a sort of self-denunciation).

Legal interest

Not anyone can pursue a claim on the basis of Art. 479.129 but only a person who can demonstrate their legal interest in such a claim. Section 2 of that provision specifies when the legal interest would exist:

1) **The defendant has recognized the actions that the claim concerns as an infringement of a patent** (or an SPC / a right of protection / rights in registration);

2) **The defendant has not confirmed within the time limit set by the plaintiff that the actions that the claim concerns are not an infringement of a patent** (or an SPC / a right of protection / rights in registration).

The listing of those two kinds of situations is clearly a main reason why that claim has been regulated separately in the section of the CCP on the proceedings in IP cases. Also in the project's justification we can read: "The aim of the project is to settle that in cases defined in the proposed provision a legal interest in bringing the claim exists". It should be concluded that we are dealing with an act of embedding the premise of legal interest in a context specific to IP cases by categorically defining situations where that premise would be fulfilled — at the same time, the general understanding of legal interest in the doctrine remains relevant.

It is worth recalling at this point a fundamental opinion presented by the Division of Labor and Social Security of the Polish Supreme Court in its judgment of 1 December 1983 (case no. I PRN 189/13: **"a legal interest occurs when there is an uncertainty regarding a legal state or a right."** The Supreme Court elaborated that the uncertainty has to be objective, i.e., occur in the

light of the reasonable assessment of a situation, rather than barely subjective, i.e., in the assessment of an applicant. Legal interest may have a property or non-property character; it is important that it exists at the moment when an action is brought. It may exist with respect the claims for positive determinations as well as claims for negative determinations (so, e.g., with respect to the claim for establishing a lack of a patent infringement) — then, it would be manifest in the elimination of uncertainty regarding a legal state (as was held by the Civil Law Division of the Supreme Court in a resolution dated 13 April 1981 in case no. II CZP 17/81). In the Commentary edited by Professor Marszałkowska-Krześ, it is rightly remarked that the existence of the legal interest does not in and of itself determine the validity of the claim that a given legal relationship or a right exists (or does not exist) but the possibility to examine and verify if is conditional upon it.

Setting a time limit

We have to add that the provision in question introduces additional formal requirements applicable in the second kind of the scenarios where legal interest would occur (the defendant has not confirmed within the time limit set by the plaintiff that the actions that the claim concerns are not an infringement of a patent). According to Art. 479.129(3), the condition of the appropriate setting of a time limit would be fulfilled if:

- A time limit was set **in writing**;
- It is **not shorter than 2 months** from the delivery of the letter to the rights-holder;
- In the letter, the plaintiff has **precisely defined actions that they intend to undertake and that might constitute a patent infringement** (or an SPC / a right of protection / rights in registration), indicating the scope of a possible infringement, and called on the right-holder to explicitly confirm that the actions do not constitute an infringement.

Only then, if a rights-holder does not present the confirmation in a time limit set in such a manner, will the plaintiff have a legal interest in bringing the legal action.

The impact of the claim on the proceedings concerning the patent infringement

Based on Art. 177(1)(1) of the CCP, **the court may stay proceedings *ex officio* if the resolution of the case depends on the outcome of another ongoing civil procedure**. Should the procedure concerning the claim to establish a lack of infringement and the procedure initiated by the patent holder in response to infringement take place at the same time, the former would be preliminary to the latter, as Professor Du Vall argues, which would mean that the court may be able

to stay the latter proceedings until the former case is resolved. It is one of the optional grounds for the suspension of proceedings, however, the court does not enjoy total discretion in that regard. It was made clear by the Civil Law Division of the Supreme Court in its judgment of 10 July 2002 in the case no. II CKN 826/00: "The provision of art. 177 of the CCP, empowering the court to stay proceedings in specified situations, does not mean that the question of the suspension is left to court's arbitrary view, but rather obliges the court to take duly into consideration all the circumstances and make a decision that is appropriate in a given case".

The statute of limitations?

The claim based on Art. 479.129 is not characterized as a claim related to property rights, but **a claim to establish a legal relationship — and as such it will not be subject to the statute of limitations.** Nevertheless, it should be remarked, following Professor Du Vall, that a conclusion that it could be pursued indefinitely would be unreasonable. It is critical to determine that at a given moment legal interest exists. Of course, if property claims on the account of tort liability are at stake, they will be subject to the statute of limitations in accordance with general principles.