

INTELLECTUAL PROPERTY - SWEDEN

Availability of corrective measures

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In December 2020 the Patent and Market Court of Appeal (PMCA) handed down a judgment on the validity of a patent claiming a pharmaceutical invention and the availability of corrective measures with respect to goods manufactured in countries where the patentee's consent is unnecessary (PMCA - PMT 8135-19). The court's examination of the latter issue reveals that Sweden has failed to properly implement the EU Enforcement Directive (2004/48/EC) with respect to corrective measures.

Facts

The claimant, a pharmaceutical company, brought an action for patent infringement against the defendant, who had marketed a certain generic medicinal product. The defendant brought a cross-action for patent invalidity, arguing that the invention claimed by the patent was obvious. The Patent and Market Court dismissed the invalidity action and granted an injunction under a penalty of a fine against the defendant for patent infringement. The court also ordered the defendant to:

- pay reasonable compensation for the use of the invention;
- inform its costumers that the product was infringing the patent and that it could no longer be sold;
- destroy all remaining infringing products;
- pay for the destruction and publication of information; and
- pay the patent owner's litigation costs.

The defendant appealed the judgment to the PMCA.

Decision

The PMCA started by assessing the issue of invalidity. The court confirmed that the patent had inventive step, discussing – among other things – when the skilled person could be deemed to adopt a try-and-see attitude. Having found factors that would have made the skilled person sceptical that the teaching of a specific disclosure would solve the objective technical problem formulated by the PMCA, the court ruled that no such approach would be adopted by the skilled person.

The defendant did not question that there was an infringement if the patent was found to be valid but challenged the corrective measures sought by the claimant. Under Section 59 of the Patents Act, a court may, under certain conditions, order corrective measures – such as destruction – with respect to goods covered by a patent which have been manufactured without the consent of the patent owner. In this respect, Sweden is bound by Article 10 of the EU Enforcement Directive, which provides that member states must ensure that the courts may order that appropriate measures be taken with regard to goods that they have found to be infringing an IP right. The provision in Section 59 of the Patents Act predates the EU Enforcement Directive and while some amendments to the provision were made when the directive was implemented in Swedish law, the language which makes corrective measures available with respect to products manufactured without the consent of the patent owner (as opposed to products found to be infringing) was kept.

The PMCA found the language of the Patents Act in this respect to be limiting. The court discussed the possibility of construing Section 59 of the Patents Act in conformity with the EU Enforcement Directive but recognised that there are limits to the permissibility of doing so. The court further compared the language of Section 59 of the Patents Act with corresponding remedies under some other Swedish IP statutes and found that the language of these provisions differed, with some being clear that they covered products found to be infringing and others limiting the remedy to specific acts of infringement.

The claimant had argued that the defendant imported the infringing products to Sweden without the consent of

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the claimant and stored, marketed and sold them in Sweden. Corrective measures were sought to prevent the infringement. The court noted that the claimant had not argued the unlawful manufacture of the infringing products, and that the remedy sought could therefore not be based on Section 59 of the Patents Act. The PMCA held that it would be neither appropriate nor possible to extend the availability of the remedy so far beyond the language of the Patents Act. The court thus reversed the lower court's order for destruction of the goods. Leave to appeal was not given.

Comment

The court's discussion of obviousness is instructive, but the principal point of interest is its finding that corrective measures are unavailable with respect to goods not manufactured without the consent of the patent owner. While the court's judgment in this respect appears to be formally based on the fact that the claimant did not argue that the products had been manufactured without the consent of the patent owner, thus barring the court from ruling on that circumstance, the consequences of the court's finding appear to be more far reaching. It would accordingly appear that Swedish patent law does not provide a corrective remedy with goods manufactured in countries where there is no patent protection. This limitation in the availability of corrective measures seems to circumvent the EU Enforcement Directive, and it will be for the Swedish legislature to remedy the directive's imperfect implementation.

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