

Enforcing patents in Finland

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1. What options are open to a European patent holder, whose rights cover your jurisdiction, when seeking to enforce its rights in your jurisdiction?

Finland has been a member of the European Patent Convention ever since 1996.

European patents are treated as national patents after they have been granted and have come into effect in Finland. Therefore, the possibilities for European patent holders to enforce their rights in Finland correspond to those of national patent holders. Patent infringement cases can be trialled on a civil or criminal basis, although the former is normally what happens in practice.

2. Does your jurisdiction have specialist patent courts? If not, what level of expertise can a patent owner expect from the courts?

The District Court of Helsinki is the sole competent court of first instance with respect to patent infringement and invalidity matters in Finland. As all court actions in patent cases are handled before the district court of Helsinki, certain judges in one division of the court are specialised in hearing these cases.

The competent court of first instance in patent infringement actions consists of one legally trained judge and two technical experts in the preparatory hearings. The main hearing consists normally of three legally trained judges and two technical experts. Technical experts are appointed by the court and they are regarded not as judges but as assistants of the court. It is to be noted that in the proceedings for patent invalidation, the court shall at its own discretion also request the expert opinion of the Patent Office.

The second instance in patent infringement cases is the Helsinki Court of Appeal and the final instance is the Supreme Court. Neither the court of appeal nor the Supreme Court has technical experts assisting it.

3. Is it possible to cross-examine witnesses at trial? How far are proceedings based on written evidence? Are there restrictions on the use of evidence from experts?

The preparatory phase of the court action in patent litigation is based on written documentation, while witnesses may be cross-examined in the main hearing. Scientific experts are quite often used as expert witnesses.

All material which illustrates that an infringement has taken place can be considered relevant. The same applies to material proving the claimed invalidity of a patent if the case concerns annulment issues. Written documents, letters, brochures, drawings and photographs or pictures of the product or process in question, findings by the witnesses etc, can be presented to the court. Rules of evidence are applied in accordance with the Civil Procedural Code of Finland.

4. Are infringement and invalidity dealt with simultaneously? What level of proof is necessary to demonstrate one or the other?

It is quite usual in Finland that an infringement action includes two combined proceedings: the patent infringement action of the claimant and the invalidation proceeding against the patent claimed to be infringed, initiated by the defendant. If both infringement and invalidation matters are combined, the court has first to decide the question of invalidity of the patent if the defendant so requests. The infringement proceedings are then stayed until the validity has been finally determined. This carries procedural benefits, because if the patent is

finally declared invalid, no penalty, payment of compensation or other measures may be ordered by the court as no infringement has taken place.

In Finland, the Patents Act does not define the level of proof necessary in order to demonstrate patent infringement or invalidity. Basically the courts may freely consider the evidence on the basis of which they determine what is right in the case. Only with respect to precautionary measures is there a defined standard for the issuance. Thus, the probability of the existence of alleged infringement is assessed by the court in these cases.

5. To what extent is pre-trial discovery permitted? If it is permitted, how is discovery conducted?

Finnish patent law does not permit so-called pre-trial discovery, as it is known to many common law jurisdictions. However, parties may request the court to order certain identified documents or other pieces of evidence to be presented in the court if these are necessary for determining the level of damages, for example.

6. To what extent does any doctrine of equivalents apply in an infringement action?

The basic rule for the interpretation of patents by the Finnish courts is set out in Section 39 of the Finnish Patents Act. According to this, the scope of protection conferred by a patent is determined by the claims and the description may serve as guidance for interpreting them.

Finnish case law, however, is not coherent with regard to the interpretation of the patent claims in accordance with the statute and also to the application of the doctrine of equivalents. Nevertheless, it can be said that while the courts have traditionally based their assessment in patent infringement cases first and foremost on the literal wording of the patent claims, they may also take into consideration the patent description, drawings and prior art when interpreting them. Furthermore, in practice the courts assess the patent claims as a whole, taking into account technical knowledge, intuition, legal tradition and expert opinions. The claims may thus be construed more broadly than their literal interpretation would give rise to.

Irrespective of what has been said above, in their reasoning the Finnish courts have not been keen on referring to the doctrine of equivalents, according to which patent scope also entails such elements which do not

infringe the patent claims literally, but which solve the technical problem in an equivalent manner compared to the elements explicitly mentioned in the patent claims. Instead, they have applied the doctrine indirectly and have considered whether there is only an insubstantial difference between the patented invention and the allegedly infringing product/process, or whether technical solutions are functionally similar.

7. Are there certain types of patent right that may be granted by the EPO – biotech or computer software-related, for example – that are more difficult to enforce than others?

With regard to patents granted for computer-related inventions, the Finnish Patent Office has taken the position that it follows the practice of the European Patent Office (EPO) and accepts so-called product claims. However, to our understanding, the enforceability of these patents has not so far been tested in court. When it comes to certain biotech-related inventions, the situation corresponds to that of computer-related inventions: the practice of the Finnish Patent Office is largely consistent with that of the EPO, but the Finnish courts have not so far given decisions on the matter.

8. To what extent are courts willing to consider, or bound by, the opinions and decisions of other courts that have dealt with similar cases?

Finnish courts do take the opinions and decisions of other courts into account, but as a general rule they are not bound by them with the exception of the precedents given by the Supreme Court.

9. To what extent are courts willing to consider the reasoning given by foreign courts that have handed down decisions in similar cases?

Finnish courts are to some extent willing to take into consideration the reasoning given by foreign courts in similar matters, as well as the decisions of the EPO Board of Appeals. They are not bound to do so, however.

10. What options are open to a defendant seeking to delay a case? How can a plaintiff counter delaying tactics?

The defendant may delay the court proceedings by requesting extensions for its statements. This kind of delaying tactics may prolong the process for several months. Furthermore, if the defendant challenges the validity of the patent claimed to be infringed, the court will set a certain period of time

during which the defendant must file the invalidity proceedings against the patent. Handling of the invalidity action before the court takes normally from one and a half to two years in the first instance.

11. How available are preliminary injunctions and how do you get them?

A preliminary injunction action may be initiated in Finland in the district court before the main subject matter is pending. In order to succeed with such a claim, there must be a danger that the other party will hinder or undermine the realisation of the patent holder's right by deed, action or negligence or in some other manner, or will essentially decrease its value or significance. Furthermore, probability of the existence of a valid right is needed, and the granting of the preliminary injunction is tied to an interest balance: the other party must not suffer undue inconvenience in comparison with the benefit to be secured. Preliminary injunctions are sought quite often by patentees, especially in certain fields of industry, but the courts are cautious in awarding them.

In addition to a preliminary injunction potentially awarded prior to the initiation of the main action, it is possible to request the court in the course of the proceedings to grant an interlocutory injunction on use of the patent or to order that certain objects of property be seized for the duration of the proceedings.

12. How long does it take to get a decision at first instance? Is it possible to expedite this process?

The timeline for the patent cases at the first instance is generally from one and a half to two years, depending on the case. There are no specific provisions for expedited process.

13. What avenues for appeal are open to the defeated party in a first instance case? What criteria are there for granting an appeal? How long does the appeal process take?

The parties in a patent infringement case are entitled to appeal the decision to the Helsinki Court of Appeal in accordance with the instructions given by the district court. These appeal proceedings last generally from one to two years.

The decisions and judgments of the court of appeal can be further appealed to the third instance, the Supreme Court. In patent proceedings, as in other civil proceedings, permission to appeal has to be given. Permission is granted only if it is important to bring the matter to the

Supreme Court in order to ensure the consistency of jurisdiction in similar cases, or if it is considered otherwise necessary due to an error in the proceedings or otherwise in the case that would ultimately lead to the reversal of the judgment or for some other weighty reason. In practice, permission to appeal is granted in less than one-tenth of all cases. In patent matters, the number is even lower.

14. To take a case through to a first instance decision, what level of cost should a party to a litigation expect to incur?

Costs of patent litigation are relatively high in Finland. Parties should take into account that, in addition to attorneys' fees, the work of patent agents and, in most cases, scientific experts (cross-examined as expert witnesses in the main hearing) add to the legal costs of the case. Parties should be prepared for costs varying between Euros 80,000 and Euros 400,000 to get to a first instance decision depending on the case. The costs are dependent on the amount of work needed for the court proceedings (the preparation in writing, oral preparatory hearings and the main hearing). The more writs and pleading papers in the proceedings there are, the higher the costs.

It should be also taken into account that in principle the winning party is entitled to have its legal costs compensated by the losing party.

15. Who can represent parties in court? Is specialist representation required?

The representative of the party in dispute must have a law degree, but no other specialist representation is required under the law. Normally parties are represented by attorneys who are members of the Finnish Bar Association and specialise in patent law and intellectual property litigation.

16. What remedies are available for infringement and how are these typically applied? Are punitive damages available and in what circumstances?

In civil cases, the primary remedy for patent infringement in Finland is injunctive relief. Thus, if infringement is confirmed, the court typically forbids the infringer from continuing or repeating the infringing act. Furthermore, the infringer is as a general rule liable for paying reasonable compensation for the exploitation of the invention, which is often determined on the basis of licence analogy. Damages for other injury may also be awarded. These damages may only include

those incurred during the last five years prior to instituting the court proceedings, however. Moreover, if the patent infringement is intentional, the infringer may be liable to a fine. If requested, the court may also order that the infringing products must be altered or destroyed. If the patent infringement case is litigated on a criminal basis, the remedies available include a fine and imprisonment.

Punitive damages are not available in Finland and the reasonable compensation and damages awarded by the courts are typically rather low.

17. Are there any realistic alternatives to litigation in cases relating to patent disputes?

If the parties so agree, they can settle their case in arbitration or in mediation.

18. Has your jurisdiction signed up to either the London Protocol or the European Patent Litigation Agreement? If not, how likely is it that it will do so?

Finland has signed neither the London Protocol nor the European Patent Litigation Agreement. As of October 2006, no official decisions regarding the signing of the said agreements or the timeline for doing so had been made. Principally, Finland has had a positive approach towards the agreements, but prior to signing them there are still studies to be conducted with respect to the implications of the implementation of the agreements in Finland.