

# ACT FASTER ON INFRINGEMENTS

Annelise Holme  
Holme Patent A/S



Many industrial products ranging from table systems to medical compositions enjoy patent protection. But owning a patent is not a passive form of protection—if someone is infringing your rights, you need to take action.

Patent infringement occurs when another party makes, uses, imports or sells either the same or a similar version of the proprietor's patented product without the proprietor's authority and in the jurisdictions where the patent is obtained.

In Denmark, a rights holder who is aware of infringing activities but fails to object to the infringing activity may risk enforcement being barred under general principles of acquiescence or laches. Hence, patent owners faced with infringement should initiate proceedings within a reasonable time of becoming aware of the infringing activity. In particular, they must initiate preliminary injunction proceedings rapidly after they become aware of infringing activities as it will otherwise be difficult to establish the required necessity of such measures.

It can in this respect be argued that if a proprietor tolerates an infringement without protest for a long period of time, this will evidently worsen the situation of the infringer, which can end up paying larger damages. Thus, if a proprietor knows of the infringement or should have known—where it could have known if it had reasonably monitored the market—the proprietor has acted carelessly. Consequently, it is misusing its rights when it starts to enforce them only at a late point in time.

The question in this respect is: when has a reasonable time expired or what is a late point in time? Obviously, the proprietor first needs to discover that an infringement is likely; thus, the alleged infringer must have been infringing for a period of time. Then, the proprietor needs to evaluate the infringements in order to prevent unjustified accusations against a third party. Such an evaluation can take a relatively long time, especially if experiments, etc. have to be performed and the opinions of patent attorneys have to be taken into consideration.

In principle, there are no general time limits for filing patent infringement lawsuits. However, according to the Danish Patent Act, Section 60(4), a claim for damages for infringement actions shall not be statute-barred earlier than one year after the expiration of the opposition period or after the patent is maintained by the patent authority. Thus, there is a clear lower limit where acquiescence cannot enter into force.

In the new Danish Supreme Court decision 11/208 from August 24, 2009, the Danish court ruled that a patent proprietor who had tolerated an infringement for eight years has lost his right to stop the infringement.

**"IN DENMARK, A RIGHTS HOLDER WHO IS AWARE OF INFRINGING ACTIVITIES BUT FAILS TO OBJECT TO THE INFRINGING ACTIVITY MAY RISK ENFORCEMENT BEING BARRED UNDER GENERAL PRINCIPLES OF ACQUIESCENCE OR LACHES."**

In said case, the patent proprietor obtained a patent on October 23, 1995 and started a patent injunction case in September 1997 against an alleged infringer. However, the patent proprietor withdrew the injunction case in December 1997 and, instead, initiated opposition proceedings against the alleged infringer's own patent before the Danish Patent Office. The alleged infringer's patent was maintained unamended after appeal, after which the patent proprietor started a new injunction case in March 2006.

The proprietor likely believed that since the opposition proceedings filled the gap between the two injunction cases, it had not tolerated the infringement. The reason for withdrawing the first injunction was properly due to the wrongful assumption that one patent can infringe another patent or that obtaining a patent gives the holder a right to manufacture the product.

In this respect, it must be stressed that only actual products and methods can infringe a patent, not theoretical products and methods, and that a patent by itself does not give the proprietor the right to commercialise the protected technology but only the right to exclude all others from commercialising it. While the difference may seem subtle, it is a crucial distinction.

In the present case, the Danish Supreme Court stated that due to the eight years of passivity, the proprietor had lost its right to prevent the infringement as the alleged infringer had reason, in good faith, to assume that the proprietor would not enforce its rights.

The judgment highlights the importance of prompt action where a patent is infringed, and where a reasonable case for infringement of rights can be raised, that case should be brought without delay. Waiting too long may open up a number of costly legal issues and may ultimately prevent any effective action at all.

---

*Annelise Holme is a European patent attorney and partner at Holme Patent A/S. She can be contacted at: ah@holmepatent.dk*