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Norway

PATENT LITIGATION

Contributing firm

Advokatfirmaet Thommessen AS



Camilla Vislie

Partner and Head of Thommessen's IP and Technology Practice | cav@thommessen.no

Eirik W. Raanes

Partner | era@thommessen.no

Magnus Hauge Greaker

Managing Associate | mag@thommessen.no

This country-specific Q&A provides an overview of patent litigation laws and regulations applicable in Norway.

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NORWAY

PATENT LITIGATION



1. What is the forum for the conduct of patent litigation?

Oslo District Court is the mandatory first instance venue for patent litigation in Norway. In the District Court, the Court is constituted with one legal judge. In addition, two technical expert judges are normally called for in patent cases. Each party may request expert judges, and the Court may decide to call expert judges independent of any such request. There is no permanent group or list of expert judges from which the experts are appointed, and the Court regularly asks the parties to come up with recommendations. The appointment is sometimes complicated and time consuming.

2. What is the typical timeline and form of first instance patent litigation proceedings?

Under Norwegian Law a defendant that wishes to invoke invalidity as defence against an infringement claim will have to file a counterclaim for invalidation before the same Court that handles the infringement case. Infringement and validity will then be handled in the same case and the Court will assess invalidity before it assess infringement (infringement will only be assessed if the Court concludes that the patent is valid). All issues of claim construction are considered together with validity and/or infringement and the assessment of validity and infringement shall be based on the same construction of the claims. Depending on the scope and complexity of the case - it typically takes between one year and one and a half year to obtain a first instance decision on infringement and/or validity.

3. Can interim and final decisions in patent cases be appealed?

A decision (both interim and final decisions) by the District Court may be appealed to the Court of Appeal. The appeal term is one month from the service of the appealed decision. No leave is required. The appeal

procedure is similar to the procedure before the District Court. A decision by the Court of Appeal may be appealed to the Supreme Court. The term of appeal is one month. Leave is required. If admitted to the Supreme Court the case is heard by five legal judges. It typically takes between one and a half and two years (counted from the time when the first instance issued its decision) to obtain a decision from the Court of Appeal. The case handling time before the Supreme Court is however, much quicker. If leave is granted it typically takes approximately six to ten months counted from the date of the Court of Appeal's decision to obtain a decision from the Supreme Court. A decision from the first instance granting a preliminary injunction may be enforced immediately also if the first instance's decision is appealed. A decision on the merits issued in ordinary proceedings (i.e. not preliminary injunction proceedings) regarding infringement and/or validity only becomes effective and enforceable from the time the decision becomes final, i.e. from the time the term for appeal has expired without an appeal being filed or from the time the decision is upheld after an appeal.

4. Which acts constitute direct patent infringement?

Pursuant to section 3 of the Patents Act the following acts constitute direct patent infringement:

- a) making, offering, bringing into trade or using a product which is protected by the patent, or importing or being in possession of the product with such intent;
- b) using or offering to use a process protected by the patent or, if he knows or it is obvious under the circumstances that the process cannot be used without the patentee's consent, offering it for use in the country;
- c) offering, bringing into trade or using a product which is produced by utilization of a patented process, or importing or possessing products with such intent.

5. Do the concepts of indirect patent infringement or contributory infringement exist? If, so what are the elements of such forms of infringement?

The concepts of indirect patent infringement and contributory infringement exist under Norwegian Law. Section 3, second paragraph, of the Patents Act governs indirect infringement.

The provision forbids to 'offer or deliver' means for exercising the invention. 'Means' are typically materials or parts which give the recipient the possibility of producing a patented product or exercising a patented method. The means must regard something 'essential in the invention'. Section 3 makes an exception for staple articles. Offer for sales of such articles will only qualify as infringement if the offeror seeks to induce the recipient to commit patent infringement.

6. How is the scope of protection of patent claims construed?

Pursuant to section 39 of the Patents Act, the scope of the patent is determined by the patent claims. The description may serve as a guide to the understanding and interpretation of the patent claims.

Norwegian Law provides for protection by equivalence. Following the Supreme Court's decision in the so-called Donepezil Decision from 2009, the conditions for protection by equivalence under Norwegian law, may be summarized as follows:

First, the alleged infringing product or process must solve the same problem as the patented invention, second, those modifications that are made must have been obvious to the skilled man and third, the alleged infringing product or process must not belong to prior art.

Whether the alleged product or process is infringing the patent on the basis of the doctrine of equivalence, will in any event depend on a discretionary assessment by the Court, and the court will hereunder consider whether the product or process is a close modification of the solution described in the patent claim.

Although there is no absolute prosecution history estoppel under Norwegian Law, it will generally be very difficult for a patentee to argue that the scope of protection shall be broadened beyond the wording of the claims by invoking the doctrine of equivalence if this would imply that the patent would be extended to cover subject matter that was ceded by the amendments

(narrowing) of the claims that were done during the prosecution.

7. What are the key defences to patent infringement?

Invalidity: If someone is sued for infringement, the normal reaction, which is adopted in almost every infringement case, is to file a counter claim for invalidation of the patent.

Research exemption: Experiments and research on the invention itself is exempted from the patentee's sole right. The exemption does not only regard 'pure' research but also commercial research and development. There are some examples where the research exemption has been invoked as defence, but this is not a defence that is invoked often.

License: The defence of leave and license is not expressly dealt with in the Patents Act but is generally accepted as being a valid defence to a claim for infringement. The defence can be based both on an express or implied license entered into between the patentee and the defendant.

Exhaustion: The exhaustion rule implies that the patentee's sole right is exhausted for those products he brings to the market, or which are brought onto the market with the patentee's consent. Norway's obligations as an EEA member made it necessary in 1994 to expand the exhaustion rule to products brought onto the market within the EEA.

8. What are the key grounds of patent invalidity?

Lack of inventive step is still the most common applied ground of invalidation of patents in Norway.

From the recent years we do however, also have examples of invalidation based on insufficient disclosure and added matter. Lack of clarity of the claims may be a ground for refusing to grant a patent, but lack of clarity of the claims cannot be invoked as ground for invalidation after a patent has been granted.

9. How is prior art considered in the context of an invalidity action?

Everything made available to the public anywhere in the world, either in writing, in lectures, by exploitation or otherwise, before the priority or filing date of the patent application shall constitute prior art. In the assessment

of novelty it is not allowed to combine prior art references while this can be done in the assessment of inventive step.

10. Can a patentee seek to amend a patent that is in the midst of patent litigation?

A patentee is entitled to seek to amend a patent during a litigation. This can be done at any stage of the litigation, i.e. also in an appeal case. The patentee can seek to amend the patent by filing auxiliary claims in the litigation or by filing a request for administrative limitation to the Norwegian Industrial Property Office (NIPO).

11. Is some form of patent term extension available?

Patent term extensions for medicinal products are available under Norwegian Law. The codified Supplementary Protection Certificate (SPC) Regulation (469/2009(EC)) is incorporated in the Norwegian Patents Act and is applicable as Norwegian Law. This means that the total protection period for a medicinal product under a patent and a SPC may go up to 25 years and 6 months as a maximum (20 years under the patent and 5 years and 6 months under the SPC with the six months so-called paediatric extension of the SPC).

A patent term extension for plant protection products is also available in Norway under the Regulation concerning the SPC for plant protection products (1610/96/EC) which is incorporated in the Norwegian Patents Act and is applicable as Norwegian Law. This means that the total protection period for a plant protection product under a patent and a SPC may go up to 25 years (20 years under the patent and 5 years under the SPC).

The requirements for granting SPCs for medicinal products and plant protection products are the following (all of them has to be fulfilled):

- a) the product must be protected by a patent that is in force;
- (b) a valid authorization to place the product on the market must have been granted;
- (c) the product must not already has been the subject of a SPC; and
- (d) the authorization referred to in (b) is the first authorization to place the product on the market.

The duration of a SPC for medicinal products cannot exceed five and a half years and the duration of a SPC for plant protection products cannot exceed five years. The validity of SPCs can be challenged both on the grounds that the underlying patent is invalid and that the requirements for granting a SPC were not fulfilled.

12. How are technical matters considered in patent litigation proceedings?

Evidence is subject to free assessment by the court. There is no restriction as to the kind of evidence, which may be documents, physical objects like models or infringing goods, witness statements and expert statements.

The court may appoint experts on application from a party or also on the courts own motion where the court finds that such appointment is necessary to establish a sound factual basis for the ruling in the case.

In patent cases, it is more common that the parties present their own experts as witnesses. A party may call witnesses to give expert testimony. An expert witness may attend the hearing throughout and may be allowed to ask questions to parties, witnesses and experts. Usually the expert witness present a written report to the Court. The expert witness will however have to present the main content of the report orally during the oral hearing and he or she will be subject to cross examination during the oral hearing. Although expert witnesses are instructed by a party, the expert witness is under a duty to present his/hers sincere assessment and viewpoints to the Court.

13. Is some form of discovery/disclosure and/or court-mandated evidence seizure/protection (e.g. saisie-contrefaçon) available, either before the commencement of or during patent litigation proceedings?

Pursuant to Norwegian Civil Procedural Law, evidence may to a certain extent be obtained and secured outside a lawsuit by judicial examination of parties and witnesses and by providing access to and inspecting documents, including electronically stored material, and other real evidence.

Norwegian law does not recognize the concept of discovery. However, all persons are obliged to make available as evidence objects, including documents, that are in their possession or of which they can obtain possession.

The Norwegian Civil Procedural Act also contains provisions that correspond to Article 8 of Directive 2004/48/EC on the enforcement of intellectual property rights. Thus, when there are reasonable grounds to believe that an infringement of a patent has been committed, the court may at the request of the patentee rule that the infringer shall disclose information on the origin and distribution networks of the goods, including information with respect to the name and address of manufacturers, distributors, suppliers and others who have had the goods in its possession, name and address of wholesalers and retailers, and information on production quantities and prices. Such information may also be required inter alia from those having contributed to the infringement or have been in possession of the infringing goods.

14. Are there procedures available which would assist a patentee to determine infringement of a process patent?

Under Norwegian Civil Procedural Law the burden of proof may under certain circumstances be reversed. With respect to infringement of process patent the burden of proof will normally be reversed if the patent concerns a process for manufacturing a new product. Under Norwegian Civil Procedural Law the Courts may order the defendant to provide a description etc. of a process.

15. Are there established mechanisms to protect confidential information required to be disclosed/exchanged in the course of patent litigation (e.g. confidentiality clubs)?

Under the Norwegian Civil Procedural Act the Court may order that information that is disclosed/exchanged in the course of a patent litigation shall be treated as confidential. This will imply that a duty to treat the information as confidential is imposed on the Parties and their representatives and the Court may also order that only a limited and predetermined circle of people representing a Party shall have access to the information.

16. Is there a system of post-grant opposition proceedings? If so, how does this system interact with the patent

litigation system?

There is a system of post-grant opposition proceedings in Norway. Oppositions may be filed within nine months after the grant of the patent. Invalidation actions before the Courts can be filed once a patent is granted. It is possible to file both an opposition and initiate an invalidation action before the Courts simultaneously. It will then be for the NIPO and the Court to decide whether the handling of the opposition or the Court case should be stayed to await the decision from the other body. Normally the Court will not stay a Court case awaiting the outcome of an opposition.

There is also a procedure for administrative review available in Norway. Anyone may file a request with the NIPO that a patent shall be declared invalid by a decision made by NIPO through an administrative review. A request for an administrative review cannot be filed before the time limit for oppositions has expired or while an opposition procedure or patent limitation proceedings are pending before the NIPO. Requests for administrative review can be filed until the patent expires and also after expiry if the party requesting an administrative review has a legal interest in having the issue reviewed after the expiry, e.g. if the party has been accused of infringement while the patent was in force.

A request for an administrative review can, however, not be filed if and as long as legal proceedings regarding the patent are pending before the Courts. If legal proceedings regarding the patent are brought before the courts before a final decision has been made on a request for an administrative review, the NIPO shall suspend its handling of the administrative review until the legal proceedings have been finally decided if the administrative review has been requested by another party than the patent holder. Further, a party that has requested administrative review cannot institute legal proceedings regarding the patent while administrative review proceedings are pending before the NIPO.

17. To what extent are decisions from other fora/jurisdictions relevant or influential, and if so, are there any particularly influential fora/jurisdictions?

Case-law from the EPO is regarded as highly relevant and influential for the interpretation of the Norwegian Patents Acts.

Also decisions from the higher Courts of other European countries, in particular Denmark, Sweden, Germany, Netherlands and the UK, are regarded as relevant and influential for the interpretation of the Norwegian Patent

Acts. Decisions from other jurisdictions regarding foreign equivalents of the patent in suit may also be regarded relevant and influential for the concrete assessment. This is in particular true for decisions from other European Countries and especially from Denmark, Sweden, Germany, Netherlands and the UK.

18. How does a court determine whether it has jurisdiction to hear a patent action?

Norwegian Courts do not have jurisdiction to consider the validity of foreign patents and will dismiss a case or a claim that concerns the validity of a foreign patent. Norwegian Courts may consider questions of infringement of foreign patents provided that the alleged infringer may be sued in Norway, i.e. is domiciled in Norway. Foreign companies may however not be sued in Norway for acts carried out outside of Norway. For practical purposes it is therefore difficult to imagine a situation where a Norwegian Court could consider a question of whether a foreign patent is infringed.

19. What are the options for alternative dispute resolution (ADR) in patent cases? Are they commonly used? Are there any mandatory ADR provisions in patent cases?

ADR is never used in patent disputes relating to infringement and invalidity. There are no mandatory ADR provisions in patent cases. An infringement dispute may be settled by arbitration. This is however not possible for a dispute regarding the validity of a patent. Since invalidity often is used as defence against infringement it is for practical purposes not an option to use arbitration in infringement disputes.

20. What are the key procedural steps that must be satisfied before a patent action can be commenced? Are there any limitation periods for commencing an action?

The procedure is governed by the Norwegian Civil Procedural Act. Before trial is initiated the plaintiff must notify the defendant of his intention to start litigation setting out his claims and the legal basis for the claims. Failure to notify may have an impact on the court's decision regarding costs, but cannot lead to dismissal of a case.

The limitation period with regard to claims for damages or compensation arising from an infringement of a patent right is subject to a limitation period of three

years measured from the date on which the party obtained, or reasonably ought to have obtained, necessary knowledge of the damage and the responsible party. This limitation period will nevertheless expire at the latest twenty years after the fault was committed or other basis for liability ceased.

A patent infringement claim, e.g. a claim for an injunction, may in itself not be time barred. A claim for invalidation of a patent may be filed any time during the period the patent is in force.

21. Which parties have standing to bring a patent infringement action? Under which circumstances will a patent licensee have standing to bring an action?

Owner: Proceedings for infringement of a patent may be instituted by the owner of the patent.

Exclusive Licensee: If the licensee has been granted an exclusive license, the licensee may instigate legal proceedings and claim compensation (damages, etc.) for the loss incurred as a consequence of the infringement. Exclusive licensees may also normally sue for infringement.

Non-exclusive Licensee: If the licensee on the contrary has not been granted an exclusive license, the licensee may not claim an injunction, but may sue for damages.

22. Who has standing to bring an invalidity action against a patent? Is any particular connection to the patentee or patent required?

Pursuant to section 52 of the Patents Act, anyone may bring legal proceedings in order to invalidate a granted patent.

23. Are interim injunctions available in patent litigation proceedings?

Interim (preliminary) injunctions are available in patent litigation proceedings.

It is possible to request that a preliminary injunction is granted without the defendant being heard. However, this is seldom granted in patent cases. Preliminary injunction proceedings in patent cases will as a general rule be conducted as inter partes proceedings – either as separate proceedings or as a part of ordinary

proceedings on the merits.

In order to obtain an injunction, the petitioner must substantiate his claim and the urgency of the matter. In patent cases, the fact that there is a continuous infringement of the patent normally makes the matter sufficiently urgent. In patent cases, the main remedy is normally a prohibition against further use or sales of the infringing goods. The court may make the injunction conditioned on financial security from the petitioner. This is quite normal.

If an injunction is reversed through appeal or in subsequent ordinary proceedings, the petitioner has a strict liability for damages caused to the other party as a consequence of the injunction.

24. What final remedies, both monetary and non-monetary, are available for patent infringement? Of these, which are most commonly sought and which are typically ordered?

Non-monetary remedies: Injunctions are the most commonly sought and typically ordered non-monetary remedy. If there is substantiated that an infringement has occurred, the right holder is entitled to get an injunction prohibiting the continuation of the Infringement. Further, injunctions may be granted intended to prevent any imminent infringement of a patent. The court may, on the patentee's request, and as to prevent further infringements, decide on remedies such as amendment, seizure, destruction of the infringing goods, etc. The court may also order that information about the judgment shall be communicated in a suitable manner for the infringer's account.

Monetary remedies: In cases of intentionally or negligence infringement the patent holder is entitled to a compensation determined on the most favourable of the following grounds:

1. compensation corresponding to a reasonable license fee for the exploitation, as well as damages for any loss resulting from the infringement that would not have arisen in connection with licensing;
2. damages for any loss resulting from the infringement; or
3. compensation corresponding to the gain obtained through the infringement.

If the infringement has been committed intentionally or through gross negligence, the patent holder is entitled to claim compensation on the basis of a fourth option, that

is compensation corresponding to double a reasonable license fee for the exploitation.

For infringements that have taken place in good faith, the infringer shall, insofar as this is not seen as unreasonable, pay compensation corresponding to a reasonable licence fee for the exploitation or corresponding to the gain procured as a result of the infringement.

25. On what basis are damages for patent infringement calculated? Is it possible to obtain additional or exemplary damages?

See answer to previous question.

26. How readily are final injunctions granted in patent litigation proceedings?

See answer to question 24 above.

27. Are there provisions for obtaining declaratory relief, and if so, what are the legal and procedural requirements for obtaining such relief?

Declaratory relief is available under the Norwegian Civil Procedural Act. Both declarations of infringement and non-infringement are available provided that the plaintiff can substantiate that he/she has an actual and real need to obtain such a declaration. That will e.g. be the case if the Party that is initiating an action for a declaratory relief has been accused of patent infringement or if someone has informed the Patentee that an activity that the Patentee considers to constitute an infringement will be initiated.

28. What are the costs typically incurred by each party to patent litigation proceedings at first instance? What are the typical costs of an appeal at each appellate level?

Proceedings (Infringement) first instance: Normally EUR 200,000 –EUR 400,000.

Proceedings (Invalidity) first instance: Normally EUR 200,000 –EUR 400,000.

Proceedings (Infringement and Invalidity) first instance: Normally EUR 400,000 –EUR 1000,000.

The costs will normally be the same before the Court of Appeal as before the first instance in ordinary infringement and invalidity actions.

Preliminary injunction proceedings first instance:
Normally EUR 50,000–EUR 100,000.

In preliminary injunction proceedings the costs will normally be lower before the Court of Appeal than before the first instance.

Before the Supreme Court the costs will normally be significantly lower than before the lower Courts both in ordinary proceedings and preliminary injunction proceedings.

29. Can the successful party to a patent litigation action recover its costs?

The party regarded as having won the case in its 'entirety' or 'in its essentials', is entitled to compensation for legal costs from the losing party. Legal costs include 'all necessary costs relating to the case', such as cost for legal counsel, travel costs, fees to experts etc.

30. What are the biggest patent litigation growth areas in your jurisdiction in terms of industry sector?

The biggest patent litigation growth area in Norway is technology relating to the aquaculture industry.

31. What do you predict will be the most contentious patent litigation issues in your jurisdiction over the next twelve months?

The most contentious patent litigation issues do not vary a lot over time. Claim construction are always among the most contentious patent litigation issues both in infringement and validity cases.

32. Which aspects of patent litigation, either substantive or procedural, are most in need of reform in your jurisdiction?

The Norwegian Patent Litigation regime is fairly up to date and well-functioning and we consider that there are no pressing needs for reforms to the system.

33. What are the biggest challenges and opportunities confronting the international patent system?

The complexity of the system and the costs and resources and time it takes to obtain patent protection in several jurisdictions are the biggest challenges to the system in our view.

Contributors

Camilla Vislie

Partner and Head of Thommessen's IP and Technology Practice cav@thommessen.no



Eirik W. Raanes Partner

era@thommessen.no



Magnus Hauge Greaker Managing Associate

mag@thommessen.no

