

# Swiss Patent Jurisprudence 2012

by **Cyrill P. Rigamonti\***

Dr. iur. (Zurich), LL.M. (Georgetown), S.J.D. (Harvard), Professor of Law and Chair, Department of Economic Law, University of Bern, Switzerland

**Abstract:** The new Swiss Federal Patent Court, with nationwide first-instance jurisdiction over all civil patent matters, has been operating since 1 January 2012. This article reviews and contextualizes the most important patent cases published in 2012 by

the Swiss Federal Patent Court and the Swiss Federal Supreme Court. It concludes that the revamped Swiss patent litigation system has the potential of turning Switzerland into a competitive venue for the adjudication of patent matters in Europe.

**Keywords:** Intellectual Property, Patents, Litigation, Switzerland, Patent Court, Specialized Courts, Specialized Judges, Technical Judges, Expert Opinions, Preliminary Injunctions, Provisional Measures, Civil Procedure, Infringement, Novelty, Inventive Step, Non-obviousness, Requests for Relief, Pre-Trial Taking of Evidence, Precise Description

© 2013 Cyrill P. Rigamonti

Everybody may disseminate this article by electronic means and make it available for download under the terms and conditions of the Digital Peer Publishing Licence (DPPL). A copy of the license text may be obtained at <http://nbn-resolving.de/urn:nbn:de:0009-dppl-v3-en8>.

Recommended citation: Cyrill P. Rigamonti, *Swiss Patent Jurisprudence 2012*, 4 (2013) *JIPITEC* 53, para. 1.

## A. Introduction

- 1 The year 2012 marked the beginning of a completely new era in Swiss patent litigation. The newly created Swiss Federal Patent Court, a first-instance trial court with nationwide jurisdiction over all civil patent matters, began operating on 1 January 2012, and the procedural rules applicable to patent litigation were also revamped as a result of the enactment of the new Swiss Federal Code of Civil Procedure in 2011.<sup>1</sup> The primary goal behind these institutional and procedural changes was to professionalize the adjudication of patent cases and to ensure quick and cost-effective proceedings on the trial level, in part to make Switzerland a more attractive venue for international patent litigants and litigators.<sup>2</sup>
- 2 The concentration of patent cases in the hands of a single court with nationwide jurisdiction was only one element of the strategy adopted by the Swiss legislature. An equally important element was the substitution of court-appointed technical experts with a large number of technically trained adjunct judges,<sup>3</sup> because the routine use of external experts was a major source of delay and costs under the old system.<sup>4</sup> By contrast, relying on part-time technical

judges who are paid on a case-by-case basis not only tends to reduce costs, but also shortens the proceedings significantly, mostly because the selection and instruction of a technical judge is an internal matter and because there are virtually no procedural devices allowing the parties to influence or formally suggest amendments to the subject matter of the technical judge's report or statement.<sup>5</sup> Accordingly, the Swiss Federal Patent Court's policy is to always rely on technical judges rather than court-appointed experts, unless extensive testing is required or the technical field in question is so peculiar that there is no technical judge on the court with the appropriate expertise. So far, the Swiss Federal Patent Court has not appointed external experts and has relied exclusively on technical judges.<sup>6</sup>

- 3 The importance of reports or statements by technical judges cannot be underestimated.<sup>7</sup> While they are meant to replace reports from court-appointed experts, the subject matter of their reports or statements is not limited to factual issues, but may and typically does include legal conclusions and determinations, precisely because their role is not that of expert, but rather judge. Therefore, a party

faced with a negative statement by a technical judge cannot rebut that statement by submitting a party expert opinion or by requesting that the court appoint an expert to obtain a second opinion. Instead, if the rest of the panel adopts the factual findings and legal opinions of the technical judge, the only way to challenge the substance of the technical judge's work is to appeal the court's final decision to the Swiss Supreme Court. However, it is unlikely that the Swiss Supreme Court will disagree with a technical judge on a technical issue, given that the Supreme Court justices lack technical expertise and no experts can be brought in on appeal.

- 4 Regarding the duration of the proceedings,<sup>8</sup> the Swiss Federal Patent Court strives to complete proceedings on the merits within twelve months, but there is no reliable actual data yet, because most of the cases decided so far were inherited from the cantonal courts that had jurisdiction before 2012 (some of which stalled proceedings pending the creation of the new court, foreseeing a transfer of venue). It is unclear how long these proceedings would have taken had they initially been filed directly with the Swiss Federal Patent Court. In reality, the goal of twelve months appears to be difficult to achieve, in part because – as expected<sup>9</sup> – the need to accommodate the extra-judicial work schedules of part-time judges does not necessarily facilitate fast decision-making. An average of eighteen months seems more realistic, as long as the court can work without the appointment of external experts. Since the Swiss Supreme Court decides appeals within approximately six months,<sup>10</sup> the overall duration of patent litigation on the merits up to a final decision (on both infringement and validity)<sup>11</sup> should not exceed two years, which is rather short in comparison to most other European venues. Moreover, regarding summary proceedings, including those relating to preliminary injunctions, the court also appears to be on track, because it has completed all proceedings filed directly with the court within six months or less.
- 5 In 2012, the Swiss Federal Patent Court published nineteen decisions, the most important of which will be reviewed below.<sup>12</sup> It should be noted at the outset that this number is significantly lower than the number of cases actually filed,<sup>13</sup> because there is a relatively high rate of settlement. This is no coincidence, because the Swiss Federal Patent Court, following the example of some cantonal commercial courts, has adopted procedural guidelines that aim to enable and facilitate settlements early on.<sup>14</sup> After the first briefs have been exchanged, the court typically invites the parties to a court hearing (“preparatory hearing”), which consists of a formal and an informal part. During the formal part, which is transcribed, the court essentially discusses the subject matter of the case with the parties, points out where more evidentiary support is necessary, asks

for clarifications should the briefs be unclear, and may take evidence. During the informal part, which is not transcribed and is strictly off the record,<sup>15</sup> the court gives its preliminary assessment of the case, reveals weaknesses in the parties' arguments, and tries to get the parties to settle, with considerable success. Approximately fifty percent of the cases are settled during such hearings.

- 6 The Supreme Court has reviewed only two Federal Patent Court decisions so far. The first case was a clear affirmation of an equally clear dismissal on procedural grounds,<sup>16</sup> and the second case was a partial reversal on a peculiar issue of subject matter jurisdiction.<sup>17</sup> The Swiss Supreme Court also published two other patent decisions in 2012, both of which had been appealed in 2011 under the old system, that is, prior to the existence of the Swiss Federal Patent Court. These cases will be included in the following review.

## B. Case Law

- 7 A review of the nineteen decisions published by the Swiss Federal Patent Court in 2012 reveals a certain prevalence of procedural issues, which is not surprising given the fact that the court still has to fine-tune some of its procedures on the basis of the new Swiss Code of Civil Procedure and the special procedural provisions contained in the Act on the Federal Patent Court and the Patent Act. Overall, the court is doing a good job of elaborating and communicating its practices that will form the basis of future proceedings. At the same time, the court has had the opportunity to decide a few cases involving substantive issues, which demonstrate the use and significance of reports by technical judges and the importance of the practices and case law of the European Patent Office.

### I. Procedural Issues

- 8 While the Swiss Federal Patent Court has had a flurry of minor procedural issues to decide,<sup>18</sup> there are six 2012 decisions that are particularly important. They relate (i) to the formal requirements and the admissible content of requests for relief in preliminary patent proceedings, (ii) to the new procedural devices for the pre-trial taking of evidence, and (iii) to the evidentiary status of expert opinions. On the issue of pre-trial evidence, there is also a Supreme Court case to be considered.

#### 1. Requests for Relief

- 9 Swiss courts are fairly strict in terms of what they require in order for a request for injunctive relief

to be sufficiently determinate to be admissible. The leading Supreme Court case on the issue was decided in 2004 and held that a request for injunctive relief in patent matters is only sufficiently determinate if the accused device is described therein as a “real technical act”, so that “no interpretation of legally or ambiguous technical terms is necessary”,<sup>19</sup> because “only if the concrete technical features of the accused device that make use of the patent in litigation are spelled out, can a potential injunction be enforced”.<sup>20</sup> The basic idea is that officials enforcing injunctions should not have to assume the role of the judge, and therefore both the order granting injunctive relief and the request for such relief must be determinate with regard to the technical features of the accused device that amount to patent infringement. Accordingly, drafting a request for injunctive relief requires both skill on behalf of the drafting attorney and sufficient information about the accused device that enables the drafting attorney to be specific in the request. It is no surprise that patent litigators wanted to have clarity about the extent to which the Swiss Federal Patent Court would follow the Supreme Court in this regard.

- 10 In one of its first decisions, the Swiss Federal Patent Court made it clear that it would closely follow the Supreme Court’s decision when it held that it was not sufficient to describe the accused device by simply referring to an exhibit consisting of advertising materials containing a product description, if the concrete technical features of the accused device that allegedly constituted patent infringement could not be ascertained on the basis of these materials.<sup>21</sup> According to the court, one must proceed in two steps, namely (i) analyze the relevant patent claim and break it down into its individual technical elements and (ii) show how every single technical element of the relevant claim is implemented in the accused device.<sup>22</sup> If the request for injunctive relief does not comply with these requirements, the request will be dismissed without prejudice on procedural grounds.
- 11 In line with these considerations, the Swiss Federal Patent Court also dismissed without prejudice a request for a preliminary injunction in another case, because the plaintiff had simply incorporated the language of the allegedly infringed patent claim without detailing which of the technical elements in the accused device would amount to patent infringement. The court explained that while the official enforcing an injunction may well have to consult with a technical expert if faced with factual issues that the official cannot master alone, no official shall have to answer the question of whether certain facts constitute patent infringement, but instead shall simply determine whether these facts match the precise technical description in the injunction. Therefore, the request for injunctive relief must contain sufficient information about

which technical elements of the accused device the plaintiff considers to be a practice of the patented invention.<sup>23</sup>

- 12 The court’s purist approach to the drafting of requests for injunctive relief is not likely to be met with great enthusiasm by practitioners, because it is seen as an unnecessarily formalist hurdle, given that the parties involved often know precisely what kind of behavior is targeted by the request for injunctive relief in question and because injunctions are often enforced autonomously by the parties without the intervention of any official.<sup>24</sup> Nevertheless, as a matter of principle, the court’s approach merits support, because holding the parties to a high standard when drafting requests for injunctive relief facilitates the work of the court and therefore contributes to the streamlining of the proceedings. Breaking down the accused device into its technical elements and matching them with the individual technical elements in the allegedly infringed patent claim also helps to clarify the technical issues at stake and to focus the proceedings on the few technical elements that are in dispute. To the extent that it is difficult or even impossible to precisely describe the accused device for lack of information prior to the filing of the request for injunctive relief,<sup>25</sup> the newly available procedural remedy of precise description<sup>26</sup> should help (for more detail, see also *infra* para. 17). In any event, the Swiss Federal Patent Court, in the two cases summarized above, has given practitioners useful and precise guidelines regarding the proper drafting of requests for injunctive relief.
- 13 Aside from requests for injunctive relief, the Swiss Federal Patent Court also had to decide whether a request for declaratory judgment regarding the ownership of a European patent was admissible as a preliminary measure in summary proceedings. Invoking the majority view expressed in scholarly writings, the court dismissed the request, finding it to be inadmissible under the general rules of civil procedure.<sup>27</sup> Essentially, the court reasoned that a preliminary declaration of patent ownership pending the outcome of the merit proceedings would be tantamount to a permanent order, the effect of which would and could not be limited in time. In this particular case, the court also expressed concern that the plaintiff had shown neither any legally protected interest in a court declaration of ownership nor a likelihood of irreparable harm should the preliminary declaration not be made.<sup>28</sup> By contrast, the court found it procedurally admissible to request that the defendant be preliminarily enjoined from alleging towards third parties that the plaintiff is not the legal owner of the patent in question.<sup>29</sup> Following a substantive analysis, however, the Swiss Federal Patent Court denied this request for injunctive relief, because the plaintiff had not shown the likelihood of any contractual violation or the infringement of any legal rights.<sup>30</sup>

## 2. Pre-Trial Taking of Evidence

- 14 In view of the costs and uncertainties associated with patent litigation, it is important to have somewhat reliable information, especially about the technical features of a potentially infringing device, prior to initiating a lawsuit. To this end, there are two partially new procedural devices available to plaintiffs that allow them to better assess their evidentiary basis and the risks of litigation.<sup>31</sup> The first device generally enables the pre-trial taking of evidence to safeguard legitimate interests on the basis of the new Swiss Code of Civil Procedure,<sup>32</sup> and the second device is specific to patents in that it allows for a provisional measure that consists of the precise description of an allegedly infringing structure or process by a member of the Swiss Federal Patent Court.<sup>33</sup> It is no surprise that both the Swiss Supreme Court and the Swiss Federal Patent Court have already had the opportunity to express their views on these procedural novelties.
- 15 In a case decided in January 2012, the Swiss Supreme Court had to review the denial of a request for the pre-trial taking of evidence to safeguard legitimate reasons in the context of a claim based on indirect patent infringement.<sup>34</sup> The plaintiff had asked the lower court, the Commercial Court of the Canton of Aargau, to inspect and document the facilities of a waste incineration plant in order to assess the chances of success of a patent infringement action to be brought against a defendant which had delivered component parts to the company running the waste incineration plant. It is unclear why the plaintiff did not bring the case against the waste incineration company as an alleged direct infringer, but instead filed the action against the supplier as an alleged indirect infringer. In any event, the commercial court denied the request, citing the plaintiff's failure to establish the likely existence of an act of indirect infringement committed by the defendant. The plaintiff appealed, and the Swiss Supreme Court affirmed.<sup>35</sup> In terms of substance, the Court took the opportunity to explain that the general device for the pre-trial taking of evidence and the patent-specific device of precise description are two different procedural avenues, and that it is perfectly fine to ask either for a precise description under the special rules or for the inspection of a waste incineration plant in accordance with the general rules.<sup>36</sup> More importantly, however, the Court clarified that while it is appropriate to use the general procedural device for the purpose of ascertaining litigation prospects, the requesting party must still show the likely existence of facts, based upon which substantive law provides a claim against the defendant.<sup>37</sup> This requirement is only relaxed regarding facts that are meant to be proven by the evidence that is the subject matter of the evidentiary request, as it is sufficient to allege these facts in a substantiated fashion.<sup>38</sup> In other words, while the plaintiff did not have to show the likely existence of the direct infringement to be proven with the requested evidentiary measure, it still had to show the likely existence of facts underlying its claim for indirect infringement (other than the acts constituting direct infringement), which it had not done. The mere allegation of a legitimate interest in the pre-trial taking of evidence is not enough for an evidentiary request to be granted. In plain English, fishing expeditions are not allowed under the new regime.
- 16 The Swiss Federal Patent Court first applied these general principles in the context of a pharmaceutical patent case. Using the general procedural device for the pre-trial taking of evidence, the plaintiff requested that the defendant be asked about the composition of its tablets and about the identity of the supplier of the active ingredient contained in the tablets and that the defendant turn over samples of its tablets for further lab analysis.<sup>39</sup> In support of its requests, the plaintiff argued that the defendant had registered its tablets as a generic version of the patented drug with the Swiss authorities prior to the lapse of the relevant patents, while these tablets contained an active ingredient that *potentially* infringed the plaintiff's patents. However, in order to establish that the active ingredient in question *actually* infringed the patent, it needed more evidence and information that only the defendant could provide, because the defendant's tablets were not yet available on the Swiss market. Consequently, the plaintiff argued that it had the prerequisite "legitimate interest" in taking the requested pre-trial evidence, namely a legitimate interest in avoiding futile litigation. While the Swiss Federal Patent Court agreed with the latter, it applied the standards set forth by the Swiss Supreme Court and ultimately denied all requests, because the plaintiff had not shown the likely existence of a right to injunctive relief.<sup>40</sup> First, one of the patents invoked by the plaintiff had been revoked by the European Patent Office, and while the appeal was still pending and the patent was therefore still in force, the plaintiff had not explained in what sense the revocation was legally wrong.<sup>41</sup> In view of these facts, the court concluded that the plaintiff had not shown the likely existence of patent infringement with regard to this patent. Second, the court reached the same conclusion with regard to the process patent invoked by the plaintiff, because the mere allegation – that the plaintiff assumed that the active ingredient contained in the defendant's tablets had been produced pursuant to the patented process – was obviously not sufficient to establish a likely existence of infringement.<sup>42</sup> Third, the same was also true for the patent protecting a certain composition of tablets with the relevant active ingredient, because the fact alone that the defendant's tablets contained a certain active ingredient was not

sufficient to show that all elements of the relevant patent claim were fulfilled. In sum, the Swiss Federal Patent Court concluded that the plaintiff's request was an inappropriate fishing expedition for which the new procedural device for the pre-trial taking of evidence is not available.<sup>43</sup> This case reiterates that while there are procedural mechanisms available to help a plaintiff obtain evidence prior to the formal initiation of patent litigation, the mere allegation of a legitimate interest in obtaining such evidence is not sufficient if the underlying claim for infringement itself is also based on mere allegations.

- 17 In another case, the Swiss Federal Patent Court had to apply the new rules governing the patent-specific procedural device of *precise description* for the first time.<sup>44</sup> Legally, it is a provisional measure that allows a plaintiff to have an allegedly infringing device or process described by a technical judge of the Swiss Federal Patent Court in order to enable the requesting party to assess its chances of success prior to filing a patent infringement action. An important feature of this provisional measure is that it no longer requires a showing that the item to be described is likely to be unavailable at trial.<sup>45</sup> However, the requesting party must still show that it is likely that a legal claim based on patent law has been infringed or is about to be infringed.<sup>46</sup> In the case at hand, the plaintiff requested a precise description of a certain process employed by the defendant, arguing that this process is likely to infringe the plaintiff's process patent. The Swiss Federal Patent Court concluded that the plaintiff had shown the likelihood of infringement of a legal claim arising out of patent law, because the defendant was the successor to a bankrupt company that had undeniably practiced the patented invention and from which the defendant had inherited its facilities, means of production and much of its personnel.<sup>47</sup> The defendant's argument – that its process was practiced at temperatures other than those mentioned in the relevant patent claim – was rejected by the court, precisely because only a description of the defendant's process could establish whether this was true. Accordingly, the court ordered a precise description of the defendant's process.<sup>48</sup> In order to protect any business secrets, the plaintiff was not allowed to be present when the precise description was taken, but the court allowed the plaintiff's attorney and patent attorney to participate, subject to a duty of confidentiality, that is, a duty not to disclose anything perceived during the precise description to their client, the plaintiff, until the plaintiff was formally notified by the court.<sup>49</sup> In this respect, the Swiss Federal Patent Court adopted, without acknowledgement, the description procedure practiced by the German courts in Düsseldorf.<sup>50</sup> What is important about this case is that it demonstrates that it is possible for a plaintiff to meet the burden of showing a likelihood of infringement in order to obtain a pre-trial precise description. It also shows how the court handles this

new procedural device in practice. Plaintiffs now know approximately how much it costs (in the case at hand, CHF 12,000)<sup>51</sup> and approximately how long it takes (in the case at hand, four months and three weeks).

### 3. Evidentiary Status of Expert Opinions

- 18 A critical factor in patent litigation is the evidentiary status of expert opinions. As discussed above (see *supra* para. 2), the Swiss Federal Patent Court does not ordinarily appoint experts, but instead relies on its technical judges to assess technical issues. However, the parties are typically inclined to submit opinions authored by experts of their own choosing or opinions of experts appointed by foreign courts in parallel proceedings taking place abroad. The latter situation has already been brought before the Swiss Federal Patent Court in the context of an invalidity action regarding the Swiss part of a European patent.<sup>52</sup>
- 19 In support of the validity of its patent, the defendant submitted two extensive opinions rendered by experts appointed by the German Supreme Court and the Tribunal of Rome, respectively. The plaintiff argued that these opinions were neither expert opinions nor any other type of evidence within the meaning of the Swiss Code of Civil Procedure, whereas the defendant claimed that these opinions qualified as documents and were therefore admissible into evidence.<sup>53</sup> Even though the opinions in question had been commissioned by foreign courts and not by any of the parties, the Swiss Federal Patent Court seized the opportunity to lay down the law on the evidentiary status of opinions authored by party-appointed experts. Not surprisingly, it followed the Supreme Court<sup>54</sup> by concluding that such opinions did not qualify as evidence under Swiss law, but instead as mere party allegations that, while admissible as such, had to be treated as allegations of fact and therefore had to be incorporated into the party briefs in order to be considered by the court.<sup>55</sup>
- 20 Turning to opinions commissioned by foreign courts, the Swiss Federal Patent Court held that they were neither party expert opinions nor court expert opinions according to the Swiss Code of Civil Procedure, but rather simple documents to be treated as party allegations, just like party opinions.<sup>56</sup> As a result, these opinions did not have to be considered by the Swiss Federal Patent Court if their contents were not incorporated in detail into the party briefs (as opposed to being incorporated by reference).<sup>57</sup> In the case at hand, since the defendant had merely incorporated the conclusions of the foreign expert opinions into its briefs, the court admitted these opinions only as evidence to prove that the defendant's allegations regarding the content of

these conclusions were accurate, but otherwise disregarded them.<sup>58</sup> While the evidentiary status of opinions that are not authored by experts appointed by the competent Swiss courts may be a comparative anomaly, at least the position of the Swiss Federal Patent Court is now clear.

## II. Substantive Issues

21 In terms of substantive issues, the Swiss Federal Patent Court had the opportunity to set forth the patent infringement test it intends to use and to apply standard patent doctrine in the context of novelty and non-obviousness decisions.<sup>59</sup> In addition, the Swiss Supreme Court also decided a case relating to the issue of non-obviousness.

### 1. Infringement Test

22 In one of the first cases regarding a request for a preliminary injunction on the basis of alleged patent infringement, the Swiss Federal Patent Court laid out the test it would use for such requests. Under the general procedural rules, in summary proceedings for a preliminary injunction, the plaintiff has to show the likely existence of (i) an actual or impending act of patent infringement and (ii) irreparable harm arising out of that infringing act.<sup>60</sup> According to the Swiss Federal Patent Court, these rules imply a three-pronged test, namely (i) whether the request for relief contains the concrete technical elements of the accused device to be enjoined, (ii) whether the defendant uses exactly this type of accused device, and (iii) whether said device comes within the scope of protection of the patent in suit, either literally or by virtue of equivalents. If the first prong is not fulfilled, the case is dismissed without prejudice on procedural grounds, as discussed in detail above (see *supra* paras. 9-12). If the second or the third prong is not fulfilled, the request for relief is denied with prejudice. In the context of summary proceedings for preliminary injunctive relief, it is sufficient if the first prong is fulfilled and if the likely existence of the second and third prongs is shown.<sup>61</sup>

23 In applying this infringement test to the request for preliminary injunctive relief, the Swiss Federal Patent Court also explained that the complete accused device, as defined in the request, must fall within the scope of protection of the patent in suit, because otherwise the request would cover subject matter that is not protected by the patent claims and can therefore not be enjoined.<sup>62</sup> Given that the description of the accused device in the plaintiff's request failed to include a technical element contained in the allegedly infringed patent claim, granting the request would have extended the protection of the patent into the prior art. In other

words, the request as filed was overly broad and was therefore denied.<sup>63</sup>

### 2. Novelty

24 In adjudicating a request for preliminary injunctive relief for patent infringement,<sup>64</sup> the Swiss Federal Patent Court, faced with an invalidity defense, was called to express its views on a particular issue of novelty. More specifically, the patented invention was described in terms of product claims consisting of structural elements combined with indications of the intended purpose of some of these elements.<sup>65</sup> The issue was whether the patented invention was anticipated by a prior art device that consisted of all claimed structural elements, but that had never been suggested to be used for the claimed purposes. Following the practice of the European Patent Office,<sup>66</sup> the Swiss Federal Patent Court reasoned that if the prior art device was in fact *suitable* for the purposes indicated in the relevant patent claim, it would defeat the novelty of the patented invention.<sup>67</sup> In the case at hand, a drilling device for embroidery machines disclosed in a German patent in 1932<sup>68</sup> was found to be suitable for the purposes indicated in the claims of the relevant Swiss patent on a cutting device for embroidery machines.<sup>69</sup> As a result, the relevant claims of the Swiss patent in suit were considered anticipated and therefore invalid.<sup>70</sup> In addition, the infringement of other claims or patents that were potentially valid had not been shown, because the plaintiff had not properly alleged that the defendant had actually used the devices defined in these claims or patents.<sup>71</sup> Accordingly, the request for a preliminary injunction was denied. What is perhaps most notable about this case, for future reference, is that it demonstrates that the Swiss Federal Patent Court is clearly looking to the European Patent Office for guidance on issues of substantive patent law.

### 3. Non-obviousness

25 In December 2011, the Swiss Supreme Court decided one of its few non-obviousness cases.<sup>72</sup> The plaintiff had filed an action with the Commercial Court of the Canton of St. Gallen to have one of the defendant's Swiss patents on an inductive heating element in a cooking device declared invalid for lack of inventive step. The commercial court denied relief, and the plaintiff appealed to the Swiss Supreme Court, arguing, *inter alia*, that the commercial court had wrongly instructed the court-appointed expert on the basis of the court's erroneous selection of the closest piece of prior art for non-obviousness purposes. The Swiss Supreme Court first reviewed the standard doctrine of non-obviousness in patent law,<sup>73</sup> and then turned to the European

Patent Office's *problem-solution approach* that lay at the heart of the plaintiff's argument. The Court explained that the problem-solution approach is not the only possible method for determining inventive step or non-obviousness, and that, in fact, it should not matter which piece of prior art is chosen as a starting point for the inquiry into whether a person having ordinary skill in the art could have achieved the solution provided by the patent with little intellectual effort or whether doing so required inventive activity.<sup>74</sup> After all, courts cannot solely rely on the closest piece of prior art, but instead have to consider other relevant prior art as well. Therefore, the Swiss Supreme Court ruled that the plaintiff's critique regarding the wrong selection of the closest piece of prior art was unfounded. Moreover, it also explained that while the mere combination of prior art elements or processes was obvious if, when combined, they continued to work in the usual fashion without interaction, the combination was non-obvious if the prior art elements or processes, when combined, produce a new technical result.<sup>75</sup> Applying this distinction to the case at hand, the Swiss Supreme Court affirmed the lower court's decision by holding that the patented invention in question was non-obvious, in part because the prior art did not suggest the technical solution found by the patentee and because some prior art references actually taught away from that solution, making it a surprising find.<sup>76</sup>

- 26 The Swiss Federal Patent Court also had the opportunity to apply the law of non-obviousness in 2012, albeit in the context of a request for a preliminary injunction.<sup>77</sup> The plaintiff claimed patent protection on esomeprazole magnesium trihydrate and sued the manufacturer of a drug consisting of esomeprazole magnesium dihydrate, arguing that the defendant's product actually also contained the patented substance. The defendant took the position that the patent was invalid for lack of inventive step, because it was known at the priority date that crystalline esomeprazole magnesium existed in the form of hydrates, so finding a trihydrate form was obvious.<sup>78</sup> Against this background, the Swiss Federal Patent Court explained that the problem-solution approach required the court (i) to identify the closest piece of prior art, (ii) to define the objective technical problem to be solved by the invention, and (iii) to examine whether a person having ordinary skill in the art could not only find, but would also have found the claimed invention.<sup>79</sup> The court referred this question to a technical judge. In her report, she concluded that the claimed invention was obvious, because solving the technical problem of finding new and advantageous forms of esomeprazole magnesium by providing a trihydrate form was part of the professional knowledge of a skilled person working in the field of drug development, particularly in view of a scientific overview article on the subject that was part of the prior art. The technical judge

further explained that a person of ordinary skill would have searched for different crystalline forms of a drug, including hydrates, as part of the normal research and development process and would have also routinely used the standard analytic processes to detect hydrate forms.<sup>80</sup> The same is true for the arbitrary selection of a specific form (trihydrate) from a generic group of equally suited candidates (hydrates).<sup>81</sup> The other judges on the panel followed the report by the technical judge, rejecting any and all arguments set forth by the plaintiff. As a result, the request for a preliminary injunction was denied.

- 27 It is somewhat remarkable that the Swiss Federal Patent Court did not mention the Supreme Court's non-obviousness case discussed above (see *supra* para. 25). While it is clear that the Supreme Court case did not involve the same technology or address the same issues, it still provided some background on the law of non-obviousness, including the significance of the problem-solution approach. This is a bit unusual, given the fact that the Swiss Federal Patent Court typically shows that it is well aware of what the Supreme Court does. Instead, the only references in the context of non-obviousness are to the Guidelines for Examination in the European Patent Office and to a pertinent decision by an EPO Board of Appeal. In other words, just as in the novelty case discussed above (see *supra* para. 24), the Swiss Federal Patent Court again looked exclusively to the European Patent Office for guidance on matters of substantive patent law. This is not necessarily wrong, and may well make sense in a particular case, especially if European patents are involved, but it does suggest to some extent that the influence of technical judges, who are particularly familiar with the practices of the EPO, may carry a certain risk of undue deference to the European Patent Office. Only time will tell whether the structural make-up of the Swiss Federal Patent Court will have a lasting impact on the direction of its case law.

## C. Conclusion

- 28 The year 2012 was an exceptional year for patent law in Switzerland, because it stands for the beginning of a new era in Swiss patent litigation. The Swiss Federal Patent Court has started operating and is on track. The court obviously strives to provide quick and cost-effective proceedings as well as high-quality decisions, and it has done so with remarkable success.<sup>82</sup> It understands the importance of open communication in building confidence in the new system. Aside from issuing its procedural guidelines and publishing its decisions in a timely manner, it has also taken care to provide a bit more detail in its opinions than is customary whenever it deemed it necessary to settle a matter of principle in order to increase legal certainty for the future. Specifically,

the court has provided guidance on the evidentiary status of party expert opinions, the formal requirements for requests for injunctive relief, the infringement and non-obviousness tests it employs, the use of reports and statements from technical judges in lieu of expert opinions, and the procedural devices for the pre-trial taking of evidence, in particular the new patent-specific device of precise description. Moreover, the president of the court speaks regularly at conferences in order to educate attorneys, patent attorneys, and in-house counsel on practicing before the court. If the enthusiasm about the court and the commitment of the judges to make it work persist, the Swiss Federal Patent Court will have the potential of becoming a competitive alternative to the planned unified patent system of the European Union.<sup>83</sup> Looking forward, it will be interesting to see whether the relatively strict formal requirements for requests for injunctive relief will lead to increased numbers of requests for precise description of allegedly infringing devices or processes. Finally, on a more structural note, it remains to be seen whether the institutional choice of using technical judges, combined with the paramount importance of their often outcome-determinative reports and statements, will substantively transform Swiss patent jurisprudence towards a more automatic adoption of the practices and case law of the European Patent Office.

- 1 For an overview of the new Swiss patent litigation system in English, see *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3; see also *Ritscher*, Patent Litigation in Switzerland – At the Brink of a New Era, in Hansen & Schüssler-Langeheine (eds.), *Patent Practice in Japan and Europe*, Alphen aan den Rijn 2011, 211-219. For overviews in German and French, see *Stieger*, die Zuständigkeit der Schweizer Gerichte für Prozesse über und im Zusammenhang mit Patenten ab 2011, *sic!* 2010, 3; *Stieger*, Prozessieren über Immaterialgüterrechte in der Schweiz – ein Quantensprung steht bevor, GRUR Int. 2010, 574; *Bosshard*, Le nouveau Tribunal fédéral des brevets et les juridictions cantonales, SZPP 2010, 191; *Gick-Komondy*, Schweizerische Patentgerichtsbarkeit im Vergleich mit der europäischen Entwicklung, Diss. Bern, Zurich 2010, 189-213; *Schweizer*, Das neue Bundespatentgericht: besser, schneller, billiger?, Jusletter 12. März 2012; *Bremi*, Das Schweizer Bundespatentgericht – ein neuer schneller Weg zu Verletzungsurteilen in Europa, Mitt. 2012, 529.
- 2 See *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3, paras. 9 and 58.
- 3 The Swiss Federal Patent Court currently consists of two full members of the Court, a legally trained full-time judge (the President of the Court) and a technically trained part-time judge, as well as 11 legally trained and 25 technically trained adjunct judges who work as attorneys and patent attorneys (in US terminology, patent agents) and are called to serve on the court on a case-by-case basis.
- 4 Note that the Swiss Supreme Court has held that, if a factual issue is in dispute between the parties and if the court itself does not possess the required technical expertise to decide the issue, it is arbitrary *not* to appoint a technical expert and to merely rely on party-appointed experts; see BGE 132 III 83,

consid. 3.5; see also BGE 129 III 25, consid. 3; BGer. 4A\_52/2008 of 29 April 2008, consid. 3.4. Under the old system, the use of such court-appointed technical experts was, therefore, necessary as a matter of law. Under the new system, however, technical judges alleviate the need for court-appointed experts.

- 5 According to estimates presented by the President of the Swiss Federal Patent Court at a conference for practitioners held in St. Gallen on 5 December 2012, the creation of a report by a technical judge is about 12 times faster and costs about one half to two thirds less than the creation of a report by a court-appointed expert.
- 6 See *Bremi*, Das Schweizer Bundespatentgericht – ein neuer schneller Weg zu Verletzungsurteilen in Europa, Mitt. 2012, 529, 532.
- 7 For more details, see also *Rigamonti*, Ein Jahr schweizerisches Bundespatentgericht, ZVglRWiss 2013 (forthcoming).
- 8 See also *Bremi*, Das Schweizer Bundespatentgericht – ein neuer schneller Weg zu Verletzungsurteilen in Europa, Mitt. 2012, 529, 531.
- 9 See *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3, para. 59.
- 10 Note that decisions by the Swiss Federal Patent Court can be appealed to the Swiss Supreme Court as a matter of right without exception; see *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3, para. 9.
- 11 Note that Switzerland does not have a bifurcated system for infringement and validity. Both issues are decided by the Swiss Federal Patent Court in a single proceeding.
- 12 For a more comprehensive review, see *Rigamonti*, Ein Jahr schweizerisches Bundespatentgericht, ZVglRWiss 2013 (forthcoming).
- 13 See also *Bremi*, Das Schweizer Bundespatentgericht – ein neuer schneller Weg zu Verletzungsurteilen in Europa, Mitt. 2012, 529, 531-532.
- 14 See Art. 8 of the Guidelines on Proceedings before the Federal Patent Court.
- 15 Note that neither the court nor the parties are allowed to later refer to or use anything that was said during the informal part of the hearing.
- 16 See BGer. 4A\_175/2012 of 3 April 2012; for proceedings below, see BPatGer. O2012\_012 of 20 February 2012. This case involved a pro se plaintiff who was apparently unwilling to comply with standard procedural rules governing the filing of a court action.
- 17 See BGer. 4A\_443/2012 of 5 February 2013; for proceedings below, see BPatGer. O2012\_021 of 7 June 2012. The case involved the question of whether the Swiss Federal Patent Court has subject matter jurisdiction over a claim brought by a foreign company against the Swiss government for the alleged infringement of a patent in the federal administration of a toll system for trucks. The Swiss Federal Patent Court held that it had jurisdiction to hear both the request for injunctive relief and the request for damages. The Swiss Supreme Court held that while the Swiss Federal Patent Court had jurisdiction to hear the request for injunctive relief, it lacked jurisdiction to adjudicate the claim for damages.
- 18 For details, see *Rigamonti*, Ein Jahr schweizerisches Bundespatentgericht, ZVglRWiss 2013 (forthcoming).
- 19 BGE 131 III 70, consid. 3.3.
- 20 BGE 131 III 70, consid. 3.4.
- 21 See BPatGer. S2012\_002 of 7 March 2012, consid. 2; see also BPatGer. O2012\_004 of 24 August 2012, consid. 9; BPatGer. S2012\_003 of 2 February 2012, consid. 15.
- 22 See BPatGer. S2012\_002 of 7 March 2012, consid. 3; see also BPatGer. O2012\_004 of 24 August 2012, consid. 9.

- 23 BPatGer. O2012\_004 of 24 August 2012, consid. 9.
- 24 See, e.g., *Widmer/Degen*, Anmerkung zu BGE 131 III 70, sic! 2005, 211, 212; *Walter*, Die bundesgerichtliche Rechtsprechung im Jahr 2005, ZBJV 2006, 580, 602.
- 25 See also *Widmer/Degen*, Anmerkung zu BGE 131 III 70, sic! 2005, 211, 213-214.
- 26 See Art. 77(1)(b) of the Swiss Patent Act; on this procedural remedy, see *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3, paras. 56-57.
- 27 BPatGer. S2012\_005 of 13 June 2012, consid. 11.1.
- 28 BPatGer. S2012\_005 of 13 June 2012, consid. 11.1.
- 29 BPatGer. S2012\_005 of 13 June 2012, consid. 11.2.
- 30 BPatGer. S2012\_005 of 13 June 2012, consid. 12.1 and 12.3.
- 31 See *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3, paras. 53-57; see also *Schweizer*, Vorsorgliche Beweisabnahme nach schweizerischer Zivilprozessordnung und Patentgesetz, ZZZ 2010, 3.
- 32 See Art. 158(1)(b) of the Swiss Code of Civil Procedure.
- 33 See Arts. 77(1)(b) and 77(4) of the Swiss Patent Act.
- 34 BGE 138 III 76; for brief comments on this case, see *Schweizer*, Anmerkung zu BGE 138 III 76, sic! 2012, 334; *Berger*, Entwicklungen im Immaterialgüter- und Lauterkeitsrecht, SJZ 2012, 401, 402.
- 35 In this context, it should be noted that it is a key feature of the Swiss law of appellate procedure that first-instance decisions on preliminary measures are not subject to *de novo* review, but instead are reviewed for the violation of constitutional rights only (Art. 98 of the Act on the Federal Supreme Court), such as the right to be heard or the prohibition of arbitrariness, which is a very high standard of review; see also generally *Rigamonti*, Ein Jahr schweizerisches Bundespatentgericht, ZVglRWiss 2013 (forthcoming).
- 36 BGE 138 III 76, consid. 2.4.1.
- 37 BGE 138 III 76, consid. 2.4.2.
- 38 BGE 138 III 76, consid. 2.4.2.
- 39 BPatGer. S2012\_006 of 27 April 2012, consid. 1.
- 40 On the test used by the Swiss Federal Patent Court, see BPatGer. S2012\_006 of 27 April 2012, consid. 5.
- 41 BPatGer. S2012\_006 of 27 April 2012, consid. 6.
- 42 BPatGer. S2012\_006 of 27 April 2012, consid. 7.
- 43 BPatGer. S2012\_006 of 27 April 2012, consid. 7.
- 44 Arts. 77(1)(b) and 77(2)-(5) of the Swiss Patent Act. See also, in general, *Rigamonti*, The New Swiss Patent Litigation System, JIPITEC 2011, 3, paras. 56-57; *Ritscher*, Patent Litigation in Switzerland – At the Brink of a New Era, in Hansen & Schüssler-Langeheine (eds.), Patent Practice in Japan and Europe, Alphen aan den Rijn 2011, 216-217; *Calame*, Beweissicherung im Zusammenhang mit Patentverletzungsklagen in der Schweiz ab 2011, in Liber Amicorum Rudolf Tschäni, Zurich 2010, 494-504; *Schweizer*, Der Anspruch auf genaue Beschreibung gemäss Art. 77 PatG, sic! 2010, 930.
- 45 But see Art. 158(1)(b) [first variant] of the Swiss Patent Act; for the old law, see also *Calame*, Beweissicherung im Zusammenhang mit Patentverletzungsklagen in der Schweiz ab 2011, in Liber Amicorum Rudolf Tschäni, Zurich 2010, 491-492.
- 46 Art. 77(2) of the Swiss Patent Act.
- 47 BPatGer. S2012\_007 of 14 June 2012, consid. 3.
- 48 BPatGer. S2012\_007 of 14 June 2012, consid. 4.
- 49 To the extent that the plaintiff's attorneys and patent attorneys learned of facts during the precise description that the court did not later share with the plaintiff, the duty of confidentiality continues to exist; BPatGer. S2012\_007 of 14 June 2012, consid. 5.
- 50 See, e.g., BGH, GRUR 2010, 318; see also *Meier-Beck*, Die Rechtsprechung des Bundesgerichtshofs zum Patent- und Gebrauchsmusterrecht im Jahr 2009, GRUR 2010, 1041, 1046 f.; *Müller-Stoy*, Der Besichtigungsanspruch gemäss § 140c in der Praxis – Teil 2, Mitt. 2010, 267, 270; *Ritscher*, Patent Litigation in Switzerland – At the Brink of a New Era, in Hansen & Schüssler-Langeheine (eds.), Patent Practice in Japan and Europe, Alphen aan den Rijn 2011, 217; *Schweizer*, Der Anspruch auf genaue Beschreibung gemäss Art. 77 PatG, sic! 2010, 930, 933-934.
- 51 BPatGer. S2012\_007 of 23 August 2012, consid. 7. Note, however, that this figure does not include the fees of attorneys and patent attorneys.
- 52 BPatGer. O2012\_022 of 3 May 2012.
- 53 BPatGer. O2012\_022 of 3 May 2012, consid. 7.
- 54 See BGE 132 III 83, consid. 3.4.
- 55 BPatGer. O2012\_022 of 3 May 2012, consid. 10.1.
- 56 BPatGer. O2012\_022 of 3 May 2012, consid. 10.2 and 10.3.
- 57 BPatGer. O2012\_022 of 3 May 2012, consid. 10.4.
- 58 BPatGer. O2012\_022 of 3 May 2012, consid. 10.5. Regarding the implementation of this point, see also BPatGer. O2012\_022 of 31 July 2012.
- 59 The Swiss Federal Patent Court also decided a patent ownership dispute, but it is too fact-specific to merit an in-depth discussion. Basically, the issue was whether the University of Bern had rights to an invention that one of its employees had made jointly with an outside engineer. The Swiss Federal Patent Court held that the University of Bern could not show any transfer of rights from the Canton of Bern, its predecessor entity, and that there had been no legal basis for the transfer of the rights from its employee, in addition to the University having forfeited the action for the assignment of patent rights; see BPatGer. O2012\_010 of 28 March 2012.
- 60 See Art. 77 of the Swiss Patent Act in conjunction with Art. 261(1) of the Swiss Code of Civil Procedure.
- 61 BPatGer. S2012\_003 of 2 February 2012, consid. 14. The infringement test adopted by the Swiss Federal Patent Court corresponds verbatim to the infringement test used by the Commercial Court of the Canton of Zurich; see, e.g., HGer. ZH, HE110003-O of 21 January 2011, consid. 3.
- 62 BPatGer. S2012\_003 of 2 February 2012, consid. 14.
- 63 BPatGer. S2012\_003 of 2 February 2012, consid. 15.
- 64 BPatGer. S2012\_004 of 24 March 2012.
- 65 See Patent No. CH 701 638 B1, Claim 1.
- 66 See *European Patent Office*, Case Law of the Boards of Appeal of the European Patent Office, 6th ed., Munich 2010, 184-185; see also Guidelines for Examination in the European Patent Office, 2012, ch. F-IV-18, para. 4.13.
- 67 BPatGer. S2012\_004 of 24 March 2012, consid. 8.
- 68 See Patent No. DE 566 263.
- 69 BPatGer. S2012\_004 of 24 March 2012, consid. 9.
- 70 BPatGer. S2012\_004 of 24 March 2012, consid. 10. The same was true for another patent claim invoked by the plaintiff (consid. 13).
- 71 BPatGer. S2012\_004 of 24 March 2012, consid. 15-16.
- 72 BGE 138 III 111.
- 73 BGE 138 III 111, consid. 2.1.
- 74 BGE 138 III 111, consid. 2.2.
- 75 BGE 138 III 111, consid. 2.3.
- 76 BGE 138 III 111, consid. 2.3 and 2.4.
- 77 BPatGer. S2012\_011 of 21 November 2012.
- 78 BPatGer. S2012\_011 of 21 November 2012, consid. 4.
- 79 BPatGer. S2012\_011 of 21 November 2012, consid. 4.4.

- 80 BPatGer. S2012\_011 of 21 November 2012, consid. 4.5.
- 81 BPatGer. S2012\_011 of 21 November 2012, consid. 4.5 and 4.6.  
See also EPO Board of Appeal, Case No. T 777/08 of 24 May 2011, consid. 5.2.
- 82 See also *Bremi*, Das Schweizer Bundespatentgericht – ein neuer schneller Weg zu Verletzungsurteilen in Europa, Mitt. 2012, 529, 530; *Berger*, Entwicklungen im Immaterialgüter- und Lauterkeitsrecht, SJZ 2012, 401, 402.
- 83 See Agreement on a Unified Patent Court, EU Council Doc. No. 16351/12 of January 11, 2013; see also Regulation (EU) No 1257/2012 of the European Parliament and of the Council of 17 December 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection, OJ EU L 361 of December 31, 2012, p. 1; Council Regulation (EU) No 1260/2012 of 17 December 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection with regard to the applicable translation arrangements, OJ EU L 361 of December 31, 2012, p. 89.