

Bird & Bird

Poland

Patent Litigation Q&A

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Poland – Patent Litigation

Where can patent infringement actions be started? Is there a choice of venue?

As of 1 July 2020, the Regional Court in Warsaw is exclusively competent in the first instance in all patent cases, utility models, software, and technical know-how related infringement and/or entitlement matters, except invalidation matters which must be brought before the Polish Patent Office (“PPO”). There is no choice of venue.

Are the judges’ specialists? Do they have technical backgrounds?

The judges dealing with patent infringement cases (in the civil court) do not have technical backgrounds and are not technical specialists. Thus, in most patent infringement cases the court appoints a court expert (or a scientific institute) to assist with the assessment of technical arguments and relies heavily on the opinion of such appointed expert. Private expert opinions are also commonly used, but they cannot replace a court’s expert’s opinion.

In validity proceedings, two members of adjudicating panels of the PPO (composed of three persons) have technical backgrounds in the relevant field.

How long does it take from starting proceedings to trial?

The duration of patent infringement proceedings is typically 2-3 years in the first instance. The time will vary depending on the complexity of the case and the activity of the parties to the proceedings.

Infringement proceedings can start in two ways – either by submitting a pre-trial preliminary injunction request or going straight for the statement of claims.

Typically, 3-6 months after a statement of defence is filed, the court will schedule a hearing (or a closed session in preliminary injunction proceedings). Further rounds of submissions, hearings and evidentiary motions are scheduled by a court if needed (which is usually the case).

Can a party be compelled to disclose documents before or during the proceedings?

A defendant can be compelled to disclose documents before and during the proceedings, whereas a plaintiff can be compelled to disclose documents only during the proceedings and only in exceptional cases.

There are several different legal measures which allow for obtaining evidence or documents for the purposes of the proceedings e.g., preservation of evidence and/or disclosure of evidence.

Under certain conditions a plaintiff may request preservation of evidence (including by obtaining evidence from the defendant or third parties using subpoenas) prior to the commencement of or during the trial, when there is a threat that obtaining, or access to the evidence may become impossible or too difficult at a later stage.

The plaintiff is required to substantiate its claims, so when there is no other option to obtain certain evidence, or it is impossible or excessively difficult to present, or prove some facts or when there is a risk of destruction of evidence, the court will likely accept preservation of evidence requests.

The plaintiff may request access to different types of information or documents, e.g. on the origin and distribution networks, shipment details or bank, financial or commercial documents, or other document necessary for the purpose of proving facts.

The defendant will only have to disclose information/documents, if it is specifically obliged to do so by the court (if evidence collection measures are requested by the plaintiff and then accepted by the court).

How are arguments and evidence presented at the trial?

In general, both parties are obliged to present all their arguments and to submit evidentiary motions upfront in the statement of claims, or the response to it respectively. The court may consider evidentiary motions submitted at a later stage only in exceptional cases if the party proves that it was not possible to submit them at the earlier stage, or if the need to submit them could have not been reasonably foreseen.

A preparatory hearing may be ordered by the court before the trial, but this measure is relatively new in Polish law and is still quite uncommon. Instead of a preparatory hearing, the court usually schedules the first

ordinary oral hearing for the parties to present their arguments, usually followed by more oral hearings before a judgment is then issued.

However, trials are primarily conducted in written form and the written pleadings of the parties are of great importance, whereas the hearings, witness testimonies, cross-examination of court experts, etc. have a more supplementary role.

How long does the trial generally last and how long is it before a judgment is made available? Are judgments publicly available?

There is no recognisable 'trial' as you would see in some other jurisdictions, such as the UK or the US. Instead, oral hearings are scheduled for not more than one day, and each hearing typically only lasts a few hours. Further hearings (around 3-4 per case) are then scheduled with several weeks or months in between them.

A judgment can be announced right after the last hearing and closing of the trial, or (as is more often the case) within 14 days of the last hearing, which is approximately 2-3 years after the commencement of the infringement action.

The judgments are not publicly available, but some are published in generally available legal databases or the court's online case law search engine with all applicable confidential information redacted. In addition, it is also possible to obtain access to judgments via a freedom of information request.

Can a defence of patent invalidity be raised? Are infringement and validity issues heard together?

As there is a bifurcated system, in general a defence of patent invalidity cannot be raised within the patent infringement proceedings. However, defendants often raise such argument for the additional strategic effect of trying to undermine a substantiation of the patentee's claims in PI proceedings, or to convince the court to stay the main infringement proceedings. In addition, as of 1 July 2023, when examining the legal interest in obtaining preliminary measures, the court will need to take into account the likelihood that the asserted patent will be invalidated. Thus, the parties will be obliged to inform the court on any past or pending nullity proceedings.

Are infringement proceedings stayed pending resolution of validity in the national patent office (or, if relevant, the EPO) or another court?

Where the patent's validity is challenged before the PPO (or the EPO), the defendant can request a stay of the infringement proceedings, and courts sometimes do decide to stay the proceedings until the issue of validity is decided, but they are not bound by the defendant's request for a stay. In the event the invalidity action (or even first instance invalidation decision) is brought to the court's attention, e.g. from the 'defence pack' filed by the defendant, the court may consider the infringement claims not credible enough and dismiss the preliminary injunction request.

The courts sometimes appear to proceed slower (instead of granting a formal stay) when they know that invalidation proceedings are under way and there is a good chance the invalidation of the patent will release them from having to decide on the infringement case.

Are preliminary injunctions available? If they are, can they be obtained *ex parte*? Is a bond necessary? Can a potential defendant file protective letters?

In the past, the majority of preliminary injunction proceedings were *ex parte*, however as of 1 July 2023, as a rule a court needs to hear the obliged party before granting a preliminary injunction so *inter partes* preliminary injunctions became a rule, unless an immediate decision is necessary, e.g. where the injunction is wholly subject to enforcement by a bailiff and surprise effect needs to be maintained or there is other exceptional urgency in which case an *ex parte* injunction can be granted.

In order to obtain the preliminary injunction, the plaintiff must show that the infringement is highly probable and to prove its legal interest in obtaining a PI.

Also as of 1 July 2023, when examining the legal interest the court will need to take into account the likelihood that the asserted patent will be invalidated. Thus, the parties will be obliged to inform the court on any past or pending nullity proceedings. Also a requirement of urgency was introduced in preliminary injunction proceedings. Based on it a preliminary injunction request will be dismissed by the court. in case the request is filed more than six months after the applicant became aware of the infringement.

A bond is not required and is very rare. Once the preliminary injunction is granted the defendant can make a bond application, which may be accepted by the court if the defendant is able to substantiate the nature and amount of the damages it may suffer as a result of an unduly granted PI, but, additionally, if it is able to show that the plaintiff will likely be unable to pay the damages if they were awarded.

Protective letters are not formally regulated in the Polish law, but do exist and are being used in IP matters. Due to their informal nature, their influence on the preliminary injunction proceedings is never certain as they might be omitted by the court, i.e. due to the timelapse between the defensive letter being filed and the commencement of the court action itself. Therefore, if the defendant expects a pre-trial preliminary injunction action in Poland, it often sets up informal monitoring of the relevant courts to try to learn in advance about a preliminary injunction request. If the defendant is successful in finding out about any such request, it may file a so-called 'defense pack', i.e. an informal letter containing arguments against the request (primarily based on non-infringement, but potentially also including invalidity arguments and arguments against legal interest of the plaintiff in obtaining a preliminary injunction), that may sometimes provoke doubts on the part of the court as to whether the claims are in fact credible and the patentee has a legal interest in obtaining a preliminary injunction.

Are final injunctions available as of right? Is a bond necessary?

Final injunctions are available once the judgment becomes final, i.e. when no appeal is filed against the first instance judgment or after the second instance court's judgment is rendered.

A bond is not necessary. However, if the judgment of the second instance court is appealed by way of a cassation appeal, the second instance court can make enforcement of its judgment conditional upon a payment of a bond in case the defendant shows that the enforcement of the judgment would cause him irreparable harm.

What other remedies are usually ordered if a patentee is successful?

Besides the permanent injunction, available remedies include obtaining an order for the account of unlawfully obtained profits, obtaining an order regarding the unlawful products or materials owned by the infringing party – especially through a withdrawal from the market, destruction, or awarding the products/materials to the plaintiff in lieu of a monetary remedy, an award of damages, and/or publication of the judgment.

Would the tribunal consider granting cross-border relief?

No, the courts would not consider an application for cross-border relief.

Is there a right of appeal from a first instance judgment? How long between judgment at first instance and hearing the appeal?

There is a right of appeal from a first instance judgment. The appeal can be filed to the Court of Appeal within two weeks of the first instance judgment with its full written justification (which needs to be expressly requested by the party interested in filing the appeal within one week of the judgment being announced or served).

The appeal may take another 1-2 years to be decided. In some cases, from the judgment on appeal, a cassation appeal to the Supreme Court may be available.

Is an appeal by way of a review or a rehearing? Can new evidence be adduced on appeal?

An appeal is heard by a review, i.e., the appeal court does not re-conduct the evidentiary proceedings, but rather verifies whether the court of first instance correctly determined the facts of the case and applied the legal provisions to those facts.

New evidence may be adduced on appeal, but it must be proved that such evidence could not have been submitted in the first instance.

What is the cost of a typical infringement action to first instance judgment? If the issues of invalidity and infringement are bifurcated, what is the cost of the invalidity action? Can the winner's costs be recovered from the losing party? How much is the cost of an appeal?

The costs of first instance infringement proceedings may be roughly estimated to be in the range of €80,000-150,000, depending on the complexity of the case, activity of the parties to the proceedings, complexity and number of patents asserted. In addition, there would be a court fee payable of 5% of the value of the monetary claims (if any).

The cost of the invalidity action may be estimated to be in the similar range, i.e., €80,000-150,000, again depending on the complexity of the case and activity of the parties to the proceedings.

The losing party is usually ordered to pay the successful party's legal costs, which consist of court fees (including the costs of preparing court experts' opinions and other official fees) and attorneys' fees. However, the law limits the amount of the attorneys' fees which may be recovered. The limit is calculated based on the complexity and value of the case, but at the same time using maximum statutory rates which are very low compared to the actual rates applied by law firm.

Thus, in practice, the successful party is likely to receive only about €1,500-2,500 as reimbursement of the attorneys' fees.

The statutory cost of an appeal (i.e., a court fee) amounts to 5% of the value of the claim, whereas the costs of legal services may be estimated at €50,000-80,000.

Note: The information in this document relates to litigation through the national jurisdiction and not the UPC.

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