

OPINION OF ADVOCATE GENERAL
GEELHOED
delivered on 16 September 2004¹

I — Introduction

patent infringement one of the parties pleads that the patent is invalid or a nullity.

1. In this case the Oberlandesgericht Düsseldorf (Higher Regional Court Düsseldorf) raises a question concerning the interpretation of Article 16(4) of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters² (hereinafter the 'Brussels Convention'). In certain circumstances, this provision grants exclusive jurisdiction to the courts of the Contracting State in which the deposit or registration of a patent has been applied for, has taken place or is deemed to have taken place.

3. There may be situations in which in a patent infringement action the defendant pleads the nullity of the patent. Moreover, the claimant in a declaratory action to establish that a patent is not infringed may plead that the patent is invalid or a nullity and that for that reason there has been no infringement. This second situation is present in the main proceedings. More particularly, the referring court also wishes to know whether it matters if the court seised of the proceedings considers the plea to be substantiated or not and when the plea is raised during the course of the proceedings.

2. More particularly, the referring court enquires whether the exclusive jurisdiction applies only if proceedings (with *erga omnes* effect) are brought to declare the patent invalid, or also if in an action concerning

4. Article 16(4) forms an exception to the general principle of Article 2 of the Brussels Convention. That article stipulates that defendants domiciled in a Contracting State shall, whatever their nationality, be sued in the courts of that State. It is based on the adage *actor sequitur forum rei*. Thus, the object of Article 2 is to protect the rights of the defendant. In accordance with the settled case-law of the Court, because of the general nature of the principle of Article 2 deroga-

1 — Original language: Dutch.

2 — OJ 1972 L 299, p. 32. The consolidated version of the convention as since amended is in OJ 1998 C 27, p. 1.

tions from it must be given a restrictive interpretation.³

5. On the other hand, a broad interpretation of the provisions of Article 16(4) is good for legal certainty and reduces the risk of conflicting rulings. Jurisdiction to adjudicate upon the validity of a patent is then always vested in the same court. More importantly, Article 16(4) should not be interpreted in such a way that jurisdiction depends on the claimant's choice between a nullity action and an action for declaration of non-infringement. As far as possible, forum shopping should be ruled out.

II — Legal, factual and procedural context

6. Article 2 of the Brussels Convention, in Title II, Section 1 'General provisions', reads as follows:

'Subject to the provisions of this Convention, persons domiciled in a Contracting State shall, whatever their nationality, be sued in the courts of that State. ...'

3 — See, for example, the judgment in Case C-189/87 *Kalfelis* [1988] ECR 5565, paragraph 19, and more recently the judgment in Case C-168/02 *Kronhofer* [2004] ECR I-6009, paragraphs 12 to 14.

7. Article 16, introduction and subparagraph (4), of the Brussels Convention, in Title II, Section 5, 'Exclusive jurisdiction', states:

'The following courts shall have exclusive jurisdiction, regardless of domicile: in proceedings concerned with the registration or validity of patents, trade marks, designs, or other similar rights required to be deposited or registered, the courts of the Contracting State in which the deposit or registration has been applied for, has taken place or is under the terms of an international convention deemed to have taken place'.

8. The Brussels Convention has since been replaced by Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement judgments in civil and commercial matters.⁴ However, this Regulation is not applicable to the present case since it applies only to proceedings initiated and authentic instruments drawn up after its entry into force on 1 March 2002, which is not the case here.

9. The issue arose in a dispute between Gesellschaft für Antriebstechnik mbH & Co.

4 — OJ L 12, p. 1. The Brussels Convention still applies with respect to the Kingdom of Denmark.

KG, Alsdorf (GAT), the claimant, and Lamellen und Kupplungsbau Beteiligungs KG, Bühl (LuK). The parties are competitors in the field of motor vehicle technology.

10. The claimant competed for a contract with Ford-Werke AG, Cologne, to supply a mechanical damper spring. The defendant alleged that the claimant was in breach of, *inter alia*, certain French patents of which it was the registered proprietor. The claimant then brought legal proceedings in the Landgericht (Regional Court) Düsseldorf asking for a declaration that the defendant had no entitlement under the French patents and, moreover, asserted that the patents were a nullity or invalid.

11. The Landgericht Düsseldorf considered that it had international jurisdiction to adjudicate upon litigation relating to the infringement of French patents. It also considered that it had jurisdiction to rule on the dispute concerning the nullity or absence of validity of the patents at issue. It based itself — according to the order for reference — on a restrictive interpretation of Article 16(4), which was necessary to prevent a court being deprived of its jurisdiction as soon as a person accused of infringing a patent argued that the patent was invalid.

12. The Landgericht dismissed the claimant's action and ruled that the patents satisfied the patentability requirements. The claimant then appealed to the Oberlandesgericht (Higher Regional Court) Düsseldorf. In the course of hearing the appeal the Oberlandesgericht raised the question referred to in paragraph 2 above.

13. In the order for reference, the Oberlandesgericht notes, *inter alia*, that, whichever solution is chosen, there is a risk of divergent rulings. The court also suggests that consideration be given to the argument that the grant of a patent constitutes a sovereign act which the courts of the Member State concerned are better placed to examine than the courts of a foreign power. According to the Oberlandesgericht, this is also the reasoning behind Article 16(4) of the Brussels Convention.

III — The submissions to the Court

14. Submissions were lodged with the Court by the defendant in the main proceedings (LuK), the Governments of Germany, France and the United Kingdom, and the Commission. On 14 July 2004, the Court held a

hearing on this case. At the hearing the claimant in the main proceedings (GAT) also pleaded its cause.

Furthermore, on the basis of Article 2 the patent owner can bring all patent infringements before the same courts (namely, the courts of the State in which the infringer is domiciled), whereas under Article 16(4) he must sue in the courts of all the Member States in which a patent is registered.

15. In the proceedings before the Court three mutually exclusive propositions were defended. The Court will have to decide which of these three propositions is most consistent with the text and objectives of Article 16(4) of the Brussels Convention.

18. The French and United Kingdom Governments, together with GAT, take the opposite view. They advocate a broad interpretation of Article 16(4), in the interests of the sound administration of justice.

16. LuK and the German Government argue for a restrictive interpretation of Article 16(4) of the Brussels Convention. According to them, Article 16(4) only applies to a dispute about the validity of patents if that dispute concerns the principal claim of an action. They reject the idea that questions of the validity and infringement of a patent cannot be separated and consider that such a notion would seriously jeopardise the balance between the different jurisdictions under the Brussels Convention. In particular, it would result in almost all infringement cases falling under the exclusive jurisdiction of Article 16.

19. They point out that the courts of the Member State in which the patent is granted are best placed to adjudicate upon its validity, because of their physical proximity and also because they are legally most closely connected with the granting of the patent. Moreover, validity and infringement are, in practice, inseparable. The applicability of Article 16(4) of the Brussels Convention to infringement actions can prevent conflicting judgments and is therefore in the interests of legal certainty. Moreover, taking this view would stop parties from evading the exclusive jurisdiction rule of Article 16(4). Thus, if an alleged infringer brought an action to establish that a patent had not been infringed, instead of challenging the validity of the patent, he would not — if the opposite view were taken — fall under Article 16(4).

17. Parties would thus be deprived of rights conferred on them not only by Article 2 (the courts of the State in which the defendant is domiciled) but also by Article 5(3) and (5) and Article 6(1) of the Brussels Convention.

In this connection, the French Government refers to the Jenard report,⁵ according to which decisions concerning the validity of patents fall within the jurisdiction of the Member States.

IV — Analysis

A — *The context: the case-law of the Court*

20. The Commission defends a third, intermediate, position. It argues that the above-mentioned broad interpretation of Article 16(4) essentially leads to all patent litigation being dealt with by the courts of the country in which the patent is, or is to be, deposited or registered. The Commission does not discuss the desirability of such a solution but takes the view that it cannot be found in the text of Article 16(4).

21. It does, however, consider it important that parties should not be allowed to strip Article 16(4) of the Brussels Convention of its content. They should not have the option of choosing a forum by reference to the main issue: validity or nullity or alternatively infringement. In a case such as the present one it is immaterial whether the nullity of a patent is put forward as part of the principal claim or only as an argument in support of a plea of non-infringement. Under Article 16(4) there is only one court that can determine validity or nullity. Other issues concerning patents fall outside the scope of Article 16(4).

22. I shall begin by referring to the settled case-law, according to which, in order to ensure that the rights and obligations arising out of the Brussels Convention for the Contracting States and for individuals concerned are as equal and uniform as possible, an independent definition must be given to concepts under the Convention.⁶

23. Moreover, the Court's interpretation must contribute to the predictability of the attribution of jurisdiction. If the claimant in a private action can easily determine the court to which he can apply and if the defendant can easily determine in which court he can be sued, then the interests of both legal protection and legal certainty will be served. As explained in the 11th recital of Regulation No 44/2001, the rules of jurisdiction must be highly predictable.

24. The Court has also repeatedly held that Article 16, being an exception to the general

6 — See, with reference to Article 16 of the Brussels Convention, the judgment of the Court in Case C-518/99 *Gaillard* [2001] ECR I-2771, paragraph 13.

5 — OJ 1979, C 59, p. 1.

rule of jurisdiction set out in Article 2(1) of the Brussels Convention, must not be given a wider interpretation than is required by its objective, given that this results in depriving the parties of the choice of forum which would otherwise be theirs and, in certain cases, results in their being brought before a court which is not that of the domicile of any of them. I have already referred to this in my introduction.⁷ I also share the view of Advocate General Jacobs that not too much importance should be attached to a restrictive interpretation. As he writes in his opinion in the Gabriel case,⁸ a legislative exception, like any other legislative provision, should be given its proper meaning, determined in the light of its purpose and wording and the scheme and object of the instrument of which it forms part.

25. A fourth criterion applied by the Court in its case-law on the Brussels Convention is the existence of a particularly close connecting factor between the dispute and the court for the place where the harmful event occurred, so that the attribution of jurisdiction to that court is justified for reasons relating to the sound administration of justice and the efficacious conduct of proceedings.⁹

26. On various occasions, on the basis of these principles, the Court has already given an interpretation of the concepts used in Article 16 of the Brussels Convention. Most of its pronouncements concern exclusive jurisdiction under Article 16(1), which relates to certain proceedings involving immovable property. The Court has ruled only once on Article 16(4).

27. In *Reichert and Kockler*¹⁰ the Court held that the exclusive jurisdiction of the courts of the Contracting State in which the immovable property is situated (Article 16(1) of the Brussels Convention) is justified by the fact that, for reasons of proximity, these courts are best placed to ascertain the facts and to apply the relevant rules and practices. The exclusive jurisdiction of the courts of the Contracting State in which the property is situated does not encompass all possible actions concerning rights *in rem* in immovable property. On the contrary, the exclusive jurisdiction is (in essence) limited to actions which seek to determine the extent, content, ownership or possession of immovable property or the existence of other rights *in rem* therein.

28. In the *Duijnste* judgment¹¹ the Court gave an interpretation of the exclusive jurisdiction under Article 16(4) of the courts

7 — See also the judgment mentioned in the previous footnote, paragraph 14.

8 — Opinion in Case C-96/00 [2002] ECR I-6367, point 46.

9 — See the recent Kronhofer judgment cited in footnote 3, paragraph 15 (with respect to Article 5(3) of the Brussels Convention).

10 — Judgment in Case C-115/88 [1990] ECR I-27, paragraphs 10 and 11.

11 — Judgment in Case 288/82 [1983] ECR 3663.

of the Member State in which a patent is granted (or applied for). For the Court, jurisdiction is justified 'by the fact that those courts are best placed to adjudicate upon cases in which the dispute itself concerns the validity of the patent or the existence of the deposit or registration'. The Court makes a distinction between these disputes and other actions which concern patents but fall outside the scope of Article 16(4) of the Brussels Convention. This latter category includes, for example, disputes about patent infringements, as well as, for example, the question before the Court in the *Duijnste* case, that is, whether the employer or the employee was entitled to the patent.

29. The Court also bases its approach on the Jenard report¹² and on patent conventions, which make a clear distinction between the granting and registration of a patent, on the one hand, and infringements, on the other.

B — What does the text of the Brussels Convention say?

30. Under Article 16(4), in Title II, Section 5 of the Brussels Convention entitled 'Exclusive jurisdiction', certain disputes concerning patents and other industrial property rights

are heard by the courts of the Member State in which the right has been or is to be deposited or registered.

31. The binding nature of the exclusive jurisdiction is apparent from the provisions of Articles 17 and 18 of the Brussels Convention. The only question is to which disputes does Article 16(4) apply.

32. To begin with, it is fairly clear from the text of Article 16(4) that those who drafted the Convention did not intend to bring all disputes concerning patents — and other industrial property rights — within the exclusive jurisdiction. Article 16(4) applies only to disputes concerning the registration or validity of patents and other rights. The provision makes no express mention of disputes concerning patent infringements. In this respect Article 16(4) differs from Article 229A EC, which opens up the possibility of the Court being granted jurisdiction over all disputes concerning Community industrial property rights.

33. The national court refers in particular to the English wording of Article 16(4) which appears to be more broadly formulated than subparagraphs (1) to (3) of Article 16. Article 16(4) refers to 'proceedings concerned with' whereas paragraphs (1), (2) and (3) relate to 'proceedings which have as their object'. Other language versions, such

¹² — See footnote 5.

as the German, French, Italian and Dutch, do not make the same distinction and, moreover, it is not absolutely clear from the English text what this difference in wording actually means. In its observations the Commission thoroughly explores the difference in the English text mentioned by the national court. It concludes that the difference is irrelevant inasmuch as it is not reflected in the other language versions and there is no evidence that the drafters of the convention intended to qualify Article 16(4) in the way suggested. It refers in this connection to the abovementioned Jenard report.¹³ I share the Commission's view on this point.

34. Under Article 19 of the Brussels Convention, the court of a Contracting State seised of a claim which is principally concerned with a matter over which the courts of another Contracting State have exclusive jurisdiction by virtue of Article 16 must declare of its own motion that it has no jurisdiction. The French language version — unlike the German, English, Italian and Dutch versions — specifies that in this case the court must be seised of the claim 'à titre principal'. The provisions of Article 19 of the Brussels Convention were thoroughly discussed during the proceedings before the Court and it was made clear that Article 19 is not a rule of jurisdiction and that its interpretation cannot determine the interpretation of Article 16 of the Brussels Convention. The interpretation of Article 19

aside, the Brussels Convention does not preclude Article 16(4) from also applying to disputes with respect to which the courts are not already required to declare that they have no jurisdiction when seised.

35. To sum up, the Brussels Convention establishes a binding rule for conferring jurisdiction, but does not make all disputes concerning patents subject to Article 16(4). At the same time, it does not appear from the text of the Convention that its drafters intended to restrict the article's application to proceedings in which the principal claim has the validity or, as in this case, the nullity of a patent as its object.

C — Assessment

36. As already noted, the referring court wishes to know the scope of the exclusive jurisdiction conferred by Article 16(4) of the Brussels Convention on the courts of the State in which a patent is registered or deposited. From the submissions to the Court three propositions can be derived (for further details see Section III of this Opinion):

- first proposition: Article 16(4) only applies if the principal claim of a proceeding concerns the validity of patents;

¹³ — See footnote 5.

- second proposition: validity and infringement are, in practice, inseparable in patent proceedings and therefore Article 16(4) also applies to infringement actions;
- third proposition: only the court indicated in Article 16(4) is competent to determine the validity or nullity of a patent. Other issues concerning patents fall outside Article 16(4).

39. Consequently, the first proposition should also be rejected. Although this proposition may be defensible if Article 16(4) is given a strict grammatical interpretation, its adoption would make it possible for the claimant in a civil proceeding to evade the binding choice of forum under Article 16(4). This is illustrated by the case that forms the subject of the main proceedings. GAT — according to the first proposition — rightly chose to bring an action in the German courts to establish non-infringement. However, the company could also have chosen to contest the validity of the LuK patents in the civil courts. Then, under Article 16(4) of the Brussels Convention, it would have had to sue in the courts of the Member State in which the patent was registered, in this case France.

37. I propose that the Court should opt for the third proposition, for the following reasons.

38. To begin with, the second proposition must be discarded. As the Court pointed out in the *Duijnstee* judgment, Article 16(4) of the Brussels Convention is based on a distinction between disputes concerning the granting and registration of a patent, in which the validity of patents is generally at issue, and disputes concerning patent infringements. The second proposition may be attractive from the standpoint of legal certainty and coherence, but it is inconsistent with the explicit choice of the drafters of the convention not to bring all disputes concerning patents and other industrial property rights within the scope of Article 16(4) of the Brussels Convention.

40. If the claimant in a civil proceeding were to have this discretion, then — given the consequences for the jurisdiction of the courts — it would undermine the predictability of the system for the defendant and hence one of the principles of the case-law of the Court.¹⁴ Moreover, such freedom of choice would be detrimental to the object and meaning of Article 16(4) of the Brussels Convention, which provides for a binding rule.

41. The third proposition, on the other hand, can readily be defended. It results in the exclusive jurisdiction provided for in

¹⁴ — See paragraph 23 above.

Article 16(4) prevailing whenever the validity of a right recognised by an authority of a Member State — or registered with that authority — is challenged in a civil proceeding. Among other things, the decision of the authority itself is then in dispute, which introduces elements of administrative law. A decision by a national authority should, wherever possible, be subject to scrutiny by the courts of the country concerned itself, not by the courts of a foreign power. I also see here a parallel with the *Reichert and Kockler* judgment in which the Court applied the test of proximity to certain actions concerning immovable property (see paragraph 27 above).

42. These considerations apply regardless of the proceedings that form the context of the plea of invalidity. It is the object of the proceedings that counts, not the formulation of the claimant's principal claim. The referring court also enquires whether any significance attaches to when the plea of invalidity or nullity is raised in the course of the proceedings. In my opinion, this question should be answered in the negative. The essence of the solution I propose is that only the courts of the Member State in which a patent is deposited or registered should rule upon its validity. This being so, it is immaterial when in the course of the proceedings its validity is challenged, all this

apart from the fact that, as far as possible, the Brussels Convention should be autonomously interpreted, independently of the procedural law of the Member States.

43. In 'pure' infringement proceedings there is no such link with the national authority. These disputes concern the infringement of a person's subjective right and, in principle, are no different from other comparable civil disputes concerning subjective rights unrelated to industrial property. This view of the difference between patent infringement and patent validity proceedings finds direct support in the text of the Brussels Convention. Moreover, as already mentioned, the distinction was recognised by the Court in the *Duijnste* judgment.

44. The drafters of the convention explicitly chose not to bring infringements of a patent (or, for example, a trade mark) within the scope of Article 16(4) of the Brussels Convention. It would be wrong — not least in view of the requirement to maintain the balance of the system — to interpret Article 16(4) in such a way that 'pure' infringement actions were also wrested away from the general rule of Article 2 of the Brussels Convention. Moreover, such an

interpretation would be inconsistent with the Court's ruling that exceptions to the general rule of jurisdiction of Article 2(1) of the Brussels Convention must not be given a wider interpretation than is required by their objective.¹⁵

Article 16(4) does not apply when the defendant disputes the validity of a patent in the context of an infringement action. The Brussels Convention provides ample means of ensuring an effective remedy. The court judging the infringement can transfer the case completely, it can stay the proceedings until the court of another Member State with jurisdiction under Article 16(4) rules upon the validity of the patent, or it can deal with the case itself where a defendant acts in bad faith.

45. Then there is the judgment in *Gantner Electronic*¹⁶ concerning Article 21 of the Brussels Convention. This article regulates the situation in which proceedings between the same parties are brought in the courts of different Contracting States. In that judgment the Court held that, where jurisdiction is concerned, account should be taken only of the claims of the applicant, to the exclusion of the defence submissions. Otherwise, depending on the content of the defence submission — which can necessarily only be introduced in the course of the proceedings — the attribution of jurisdiction might have to be modified. Moreover, if account were to be taken of the defence submissions, the defendant would be given the opportunity to act in bad faith and obstruct proceedings already *sub judice*.

47. Finally, one of the main lines of argument put forward in this case in submissions to the Court relates to the organisation of the administration of justice and judicial economy. Viewed from this standpoint, however, not even the chosen solution can be regarded as ideal. No more than any other solution does it avoid the risk of the courts of several Member States becoming involved in the same case and of those courts making divergent rulings. A patentee often holds patents for the same product or process in a number of Member States. Thus, the courts of these different Member States would have exclusive jurisdiction as soon as, in the context of an infringement proceeding, the question of the validity of a patent was raised. This does not make an infringement proceeding any easier per se.

46. In my opinion, it does not follow from the *Gantner Electronic* judgment that Art-

15 — See paragraph 24 above

16 — Judgment in Case C-111/01 [2003] ECR I-4207

V — Conclusion

48. I propose that the Court should answer the question raised by the Oberlandesgericht Düsseldorf as follows:

‘Article 16(4) of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters determines jurisdiction whenever in a proceeding the validity or the nullity of a patent or of another industrial property right mentioned in that provision is claimed. The article in question therefore applies whenever the defendant in a patent infringement action or the claimant in a declaratory action to establish that a patent is not infringed pleads that the patent is invalid or a nullity.’