Reports of Cases

JUDGMENT OF THE COURT (Sixth Chamber)

28 April 2022*

(Reference for a preliminary ruling – Intellectual property – Directive 2004/48/EC – Article 9(1) – European patent – Interim measures – Power of national judicial authorities to issue an interlocutory injunction to prevent an imminent infringement of an intellectual property right – National case-law dismissing applications for interim measures where the validity of the patent in question has not been confirmed, at the very least, by a decision given at first instance in opposition or invalidity proceedings – Obligation to interpret national law in conformity with EU law)

In Case C-44/21,

REQUEST for a preliminary ruling under Article 267 TFEU from the Landgericht München I (Regional Court, Munich I, Germany), made by decision of 19 January 2021, received at the Court on 28 January 2021, in the proceedings

Phoenix Contact GmbH & Co. KG

v

HARTING Deutschland GmbH & Co. KG,

Harting Electric GmbH & Co. KG,

THE COURT (Sixth Chamber),

composed of I. Ziemele (Rapporteur), President of the Chamber, P.G. Xuereb and A. Kumin, Judges,

Advocate General: A. Rantos,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

– Phoenix Contact GmbH & Co. KG, by H. Jacobsen and P. Szynka, Rechtsanwälte,

* Language of the case: German.

– HARTING Deutschland GmbH & Co. KG and Harting Electric GmbH & Co. KG, by T. Müller, Rechtsanwalt,

– the European Commission, by T. Scharf and S.L. Kalėda, acting as Agents,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

Judgment

1 This request for a preliminary ruling concerns the interpretation of Article 9(1) of Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ 2004 L 157, p. 45, and corrigendum OJ 2004 L 195, p. 16).

2 The request has been made in proceedings between Phoenix Contact GmbH & Co. KG and HARTING Deutschland GmbH & Co. KG and Harting Electric GmbH & Co. KG ('Harting') concerning an alleged infringement of a European patent held by Phoenix Contact.

Legal context

European Union law

3 Recitals 10, 17 and 22 of Directive 2004/48 state:

'(10) The objective of this Directive is to approximate [the] legislative systems [of the Member States] so as to ensure a high, equivalent and homogeneous level of protection in the internal market.

…

(17) The measures, procedures and remedies provided for in this Directive should be determined in each case in such a manner as to take due account of the specific characteristics of that case, including the specific features of each intellectual property right and, where appropriate, the intentional or unintentional character of the infringement.

…

(22) It is … essential to provide for provisional measures for the immediate termination of infringements, without awaiting a decision on the substance of the case, while observing the rights of the defence, ensuring the proportionality of the provisional measures as appropriate to the characteristics of the case in question and providing the guarantees needed to cover the costs and the injury caused to the defendant by an unjustified request. Such measures are particularly justified where any delay would cause irreparable harm to the holder of an intellectual property right.'

4 Article 2 of that directive, entitled 'Scope', provides, in paragraph 1:

'Without prejudice to the means which are or may be provided for in [EU] or national legislation, in so far as those means may be more favourable for rightholders, the measures, procedures and remedies provided for by this Directive shall apply, in accordance with Article 3, to any infringement of intellectual property rights as provided for by [EU] law and/or by the national law of the Member State concerned.'

5 Chapter II of that directive, entitled 'Measures, procedures and remedies', contains, inter alia, Article 3 thereof, entitled 'General obligation', which reads as follows:

'1. Member States shall provide for the measures, procedures and remedies necessary to ensure the enforcement of the intellectual property rights covered by this Directive. Those measures, procedures and remedies shall be fair and equitable and shall not be unnecessarily complicated or costly, or entail unreasonable time limits or unwarranted delays.

2. Those measures, procedures and remedies shall also be effective, proportionate and dissuasive and shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.'

6 Article 9 of that directive, entitled 'Provisional and precautionary measures', provides:

'1. Member States shall ensure that the judicial authorities may, at the request of the applicant:

(a) issue against the alleged infringer an interlocutory injunction intended to prevent any imminent infringement of an intellectual property right, or to forbid, on a provisional basis and subject, where appropriate, to a recurring penalty payment where provided for by national law, the continuation of the alleged infringements of that right, or to make such continuation subject to the lodging of guarantees intended to ensure the compensation of the rightholder; an interlocutory injunction may also be issued, under the same conditions, against an intermediary whose services are being used by a third party to infringe an intellectual property right; …

(b) order the seizure or delivery up of the goods suspected of infringing an intellectual property right so as to prevent their entry into or movement within the channels of commerce.

…

5. Member States shall ensure that the provisional measures referred to in paragraphs 1 and 2 are revoked or otherwise cease to have effect, upon request of the defendant, if the applicant does not institute, within a reasonable period, proceedings leading to a decision on the merits of the case before the competent judicial authority, the period to be determined by the judicial authority ordering the measures where the law of a Member State so permits or, in the absence of such determination, within a period not exceeding 20 working days or 31 calendar days, whichever is the longer.

6. The competent judicial authorities may make the provisional measures referred to in paragraphs 1 and 2 subject to the lodging by the applicant of adequate security or an equivalent assurance intended to ensure compensation for any prejudice suffered by the defendant as provided for in paragraph 7.

7. Where the provisional measures are revoked or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities shall have the authority to order the applicant, upon request of the defendant, to provide the defendant appropriate compensation for any injury caused by those measures.'

German law

7 Paragraph 58(1) of the Patentgesetz (Law on patents), in the version applicable to the dispute in the main proceedings, provides:

'The mention of the grant of the patent shall be published in the Patentblatt (Patent Gazette). The patent specification shall be published at the same time. The legal effects of the patent shall take effect upon publication in the Patent Gazette.'

8 Paragraph 139(1) of that law provides:

'The injured party may, where there is a risk of recurrence, bring an action for an injunction against any person who uses a patented invention in breach of Paragraphs 9 to 13. The injured party shall also have that right if an infringement is liable to be committed for the first time.'

9 Under Paragraph 935 of the Zivilprozessordnung (Code of Civil Procedure), in the version applicable to the dispute in the main proceedings:

'Interlocutory injunctions relating to the subject matter of the dispute are permissible if there is a risk that a change in the existing situation could frustrate or substantially obstruct the realisation of a party's rights.'

10 Paragraph 940 of that code provides:

'Interlocutory injunctions are also permissible for the purpose of regulating a temporary state of affairs with regard to a disputed legal relationship, provided that such regulation appears to be necessary, in particular in the case of long-term legal relationships, to avert significant disadvantages or to prevent imminent violence, or for other reasons.'

Procedure before the Court

11 The referring court has requested the Court to apply the expedited procedure to the present case pursuant to Article 105 of the Rules of Procedure of the Court of Justice.

12 In support of that request, the referring court states, in essence, that the nature of the main proceedings requires it to give a ruling within a short time. Furthermore, according to that court, in the absence of prompt judicial intervention, Phoenix Contact will suffer significant financial loss as a result of the continued production and marketing of the infringing products. According to that court, any infringement of the patent would, in particular, jeopardise Phoenix Contact's market share and cause it, as the proprietor of the patent in question, an irremediable loss of sales opportunities, which would be difficult to compensate for by any subsequent award of damages.

13 Article 105(1) of the Rules of Procedure provides that, at the request of the referring court or tribunal or, exceptionally, of his or her own motion, the President of the Court may, where the nature of the case requires that it be dealt with within a short time, after hearing the Judge-Rapporteur and the Advocate General, decide that a reference for a preliminary ruling is to be determined pursuant to an expedited procedure.

14 It must be borne in mind, in that regard, that such an expedited procedure is a procedural instrument intended to address matters of exceptional urgency (judgment of 10 March 2022, *Commissioners for Her Majesty's Revenue and Customs (Comprehensive sickness insurance)*, C-247/20, EU:C:2022:177, paragraph 41 and the case-law cited).

15 Moreover, it is settled case-law of the Court that the economic sensitivity of a case or economic interests, including those likely to have an impact on public finances, however important and legitimate they may be, cannot, in themselves, justify recourse to the expedited procedure (see, to that effect, order of the President of the Court of 18 October 2017, *Weiss and Others*, C-493/17, not published, EU:C:2017:792, paragraph 10 and the case-law cited).

16 It is also apparent from the Court's case-law that the mere interest of litigants in determining as quickly as possible the scope of their rights under EU law, while legitimate, is not such as to establish the existence of an exceptional circumstance within the meaning of Article 105(1) of the Rules of Procedure (judgment of 3 March 2022, *Presidenza del Consiglio dei Ministri and Others (Trainee specialist doctors)*, C-590/20, EU:C:2022:150, paragraph 29 and the case-law cited).

17 As regards the fact that the present request for a preliminary ruling was made in national proceedings relating to an application for interim measures, it should be recalled that the Court has already held that the fact that a request for a preliminary ruling is made in national proceedings allowing the adoption of interim measures is not, either on its own or in conjunction with the circumstances referred to in paragraph 15 of the present judgment, capable of establishing that the nature of the case requires that it be dealt with within a short time (see, to that effect, order of the President of the Court of 18 October 2017, *Weiss and Others*, C-493/17, not published, EU:C:2017:792, paragraph 12 and the case-law cited).

18 In the light of the foregoing considerations, the President of the Court decided, on 11 February 2021, after hearing the Judge-Rapporteur and the Advocate General, to dismiss the request for an expedited procedure.

The dispute in the main proceedings and the question referred for a preliminary ruling

19 On 5 March 2013, Phoenix Contact filed a patent application for a plug connector comprising a protective conductor bridge. In the proceedings prior to the grant of that patent, observations on the patentability of the product were submitted by Harting Electric.

20 On 26 November 2020, the patent applied for was granted to Phoenix Contact, inter alia for Germany.

21 On 14 December 2020, Phoenix Contact brought an application for interim relief before the referring court, seeking an injunction prohibiting HARTING Deutschland and Harting Electric from infringing the patent at issue.

22 The mention of the grant of that patent was published in the European Patent Bulletin on 23 December 2020.

23 On 15 January 2021, Harting Electric filed an opposition to that patent with the European Patent Office (EPO).

24 The referring court notes that it has reached the preliminary conclusion that the patent at issue is valid and that it is being infringed. It considers that the validity of that patent is not under threat.

25 However, that court states that it is prevented from ordering an interim measure on account of the binding case-law of the Oberlandesgericht München (Higher Regional Court, Munich, Germany) according to which, in order to issue an interlocutory injunction for patent infringement, it is not sufficient that the patent concerned has been granted by the granting authority, in this case the EPO, after a detailed examination of its patentability and that the question of the validity of that patent has also been reviewed by a court during the examination of the application for interim relief.

26 Thus, according to that case-law, for interim measures to be ordered, the patent concerned must also be the subject of an EPO decision in opposition or appeal proceedings, or of a decision of the Bundespatentgericht (Federal Patent Court, Germany) in the context of invalidity proceedings, confirming that the patent concerned confers protection on the product in question.

27 Taking the view that such case-law is incompatible with EU law, in particular with Article 9(1) of Directive 2004/48, the referring court decided to stay the proceedings and to refer the following question to the Court of Justice for a preliminary ruling:

‘Is it compatible with Article 9(1) of [Directive 2004/48] if German higher regional courts (Oberlandesgerichte), which have jurisdiction at last instance in proceedings for interim relief, refuse, in principle, to grant interim measures for patent infringement if the validity of the patent in dispute has not been confirmed in opposition or invalidity proceedings at first instance?’

Consideration of the question referred

28 By its question, the referring court asks, in essence, whether Article 9(1) of Directive 2004/48 must be interpreted as precluding national case-law under which applications for interim relief for patent infringement must, in principle, be dismissed where the validity of the patent concerned has not been confirmed, at the very least, by a decision given at first instance in opposition or invalidity proceedings.

29 According to settled case-law, in interpreting a provision of EU law, it is necessary to consider not only its wording but also the context in which it occurs and the objectives pursued by the rules of which it is part (see, to that effect, judgment of 28 October 2021, *Magistrat der Stadt Wien (Grand Hamster – II)*, C-357/20, EU:C:2021:881, paragraph 20).

30 In the first place, under Article 9(1)(a) of Directive 2004/48, Member States are to ensure that the competent judicial authorities may, at the request of the applicant, issue against the alleged infringer an interlocutory injunction in order to prevent any imminent infringement of an intellectual property right.

31 Thus, Article 9(1)(a), read in conjunction with recitals 17 and 22 of Directive 2004/48, requires Member States to provide, in their national law, for the possibility for the competent national judicial authorities to adopt an interlocutory injunction following an examination of the specific features of each individual case and in compliance with the conditions laid down in Article 9.

32 In the second place, it should be noted that, in accordance with Article 9(1)(a) of Directive 2004/48, read in conjunction with recital 22 thereof, the provisional measures available under national law must enable the infringement of an intellectual property right to be immediately terminated, without awaiting a decision on the merits. Those measures are particularly justified where any delay would cause irreparable harm to the holder of such a right. Thus, the 'time' factor is of particular importance for the purposes of effective enforcement of intellectual property rights.

33 In the present case, the referring court states that the patent at issue is valid and that it is the subject of an infringement, such that the application for interim relief brought by Phoenix Contact should be granted. However, that court is bound by national case-law under which the patent concerned may enjoy interim judicial protection only where the validity of that patent has been confirmed by a decision given at first instance in patent validity proceedings.

34 It must be stated that such case-law imposes a requirement which deprives Article 9(1)(a) of Directive 2004/48 of any practical effect in so far as it does not allow the national court to adopt, in accordance with that provision, an interlocutory injunction in order to terminate immediately the infringement of the patent in question even though that patent, according to the national court, is valid and is being infringed.

35 As Phoenix Contact submits in its written observations, such a requirement would be likely to give rise to a situation in which competitors of the proprietor of the patent in question, as potential infringers, knowingly decide to abandon a challenge to the validity of that patent in order to prevent it from enjoying effective judicial protection, which would render the provisional protection mechanism provided for in Article 9(1) of Directive 2004/48 devoid of substance.

36 In the third place, it must be held that the conclusion that national case-law such as that referred to in paragraph 33 of the present judgment does not comply with Directive 2004/48 is borne out in the light of the objectives pursued by that directive.

37 In that regard, it is apparent from recital 10 of that directive that it is intended to approximate the legislative systems of the Member States so as to ensure a high, equivalent and homogeneous level of protection in the internal market (see, to that effect, judgment of 18 December 2019, *IT Development*, C-666/18, EU:C:2019:1099, paragraph 38). The fact remains that that directive applies, as is apparent from Article 2(1) thereof, without prejudice to the means which are or may be provided for, in particular, in national legislation, in so far as those means may be more favourable for rightholders (judgment of 25 January 2017, *Stowarzyszenie Oławska Telewizja Kablowa*, C-367/15, EU:C:2017:36, paragraph 22).

38 Consequently, Directive 2004/48 lays down a minimum standard concerning the enforcement of intellectual property rights and does not prevent the Member States from laying down measures that are more protective (judgment of 25 January 2017, *Stowarzyszenie Oławska Telewizja Kablowa*, C-367/15, EU:C:2017:36, paragraph 23 and the case-law cited).

39 It is also apparent from the Court's case-law that the provisions of that directive are intended to govern the aspects of intellectual property rights related, first, to the enforcement of those rights and, secondly, to infringement of them, by requiring that there must be effective legal remedies designed to prevent, terminate or rectify any infringement of an existing intellectual property right (judgment of 18 December 2019, *IT Development*, C-666/18, EU:C:2019:1099, paragraph 40 and the case-law cited).

40 A national procedure aimed at the immediate termination of any infringement of an existing intellectual property right would be ineffective and, consequently, would disregard the objective of a high level of protection of intellectual property, if the application of that procedure were subject to a requirement such as that laid down by the national case-law referred to in paragraph 33 of the present judgment.

41 In that context, it must be borne in mind that filed European patents enjoy a presumption of validity from the date of publication of their grant. Thus, as from that date, those patents enjoy the full scope of the protection guaranteed, inter alia, by Directive 2004/48 (see, by analogy, judgment of 30 January 2020, *Generics (UK) and Others*, C-307/18, EU:C:2020:52, paragraph 48).

42 Furthermore, as regards the risk that the defendant in the proceedings for interim relief may suffer harm as a result of the adoption of interim measures, it must be recalled that, under Article 3(2) of Directive 2004/48, the measures, procedures and remedies necessary to ensure the enforcement of intellectual property rights covered by that directive must be applied in such a way as to avoid the creation of barriers to legitimate trade and to provide safeguards against their abuse.

43 That provision therefore requires the Member States and, ultimately, the national courts to offer guarantees that, inter alia, the measures and procedures referred to in Article 9 of Directive 2004/48 are not to be abused (judgment of 12 September 2019, *Bayer Pharma*, C-688/17, EU:C:2019:722, paragraph 68).

44 In that regard, it must be noted that the EU legislature has, in particular, provided for legal instruments which make it possible to mitigate comprehensively the risk that the defendant will suffer harm as a result of provisional measures, thereby ensuring its protection.

45 First, under Article 9(5) of Directive 2004/48, Member States are to ensure that the provisional measures referred to, inter alia, in paragraph 1 of that article are revoked or otherwise cease to have effect, upon request of the defendant, if the applicant does not institute, within a reasonable period, proceedings leading to a decision on the merits of the case before the competent judicial authority, the period to be determined by the judicial authority ordering the measures where the law of a Member State so permits or, in the absence of such determination, within a period not exceeding 20 working days or 31 calendar days, whichever is the longer.

46 Secondly, Article 9(6) of Directive 2004/48 provides for the possibility of making such provisional measures subject to the lodging by the applicant of adequate security or an equivalent assurance intended to ensure compensation for any prejudice suffered by the defendant. That protective instrument may be implemented by the competent court hearing the application for interim relief at the time when it examines that application.

47 Thirdly, Article 9(7) of Directive 2004/48 provides, in the cases referred to in that provision, for the possibility of ordering the applicant, upon request of the defendant, to provide the defendant appropriate compensation for any injury caused by those provisional measures.

48 Those legal instruments constitute guarantees which the legislature deemed necessary as a counterweight to the prompt and effective provisional measures for which it made provision. Thus, they correspond to the guarantees laid down by Directive 2004/48 in favour of the defendant, as a counterweight to the adoption of a provisional measure which affected its interests (see, to that effect, judgment of 16 July 2015, *Diageo Brands*, C-681/13, EU:C:2015:471, paragraphs 74 and 75).

49 In order to provide a useful answer to the referring court, it must be recalled that, in applying national law, national courts called upon to interpret that law are required to consider the whole body of rules of law and to apply methods of interpretation that are recognised by those rules in order to interpret it, so far as possible, in the light of the wording and the purpose of the directive concerned in order to achieve the result sought by the directive and consequently comply with the third paragraph of Article 288 TFEU (judgment of 19 April 2016, *DI*, C-441/14, EU:C:2016:278, paragraph 31 and the case-law cited).

50 Furthermore, the Court has held that the principle of interpreting national law in conformity with EU law has certain limits. Thus, the obligation for a national court to refer to EU law when interpreting and applying the relevant rules of domestic law is limited by general principles of law and cannot serve as the basis for an interpretation of national law *contra legem* (judgment of 19 April 2016, *DI*, C-441/14, EU:C:2016:278, paragraph 32 and the case-law cited).

51 In the present case, as the referring court points out, the German legislation at issue in the main proceedings does not contain any provision making the adoption of an interlocutory injunction to prohibit a patent infringement subject to the condition that the patent concerned must be the subject of a court decision given in patent validity proceedings, with the result that that legislation is fully compatible with Directive 2004/48.

52 In that context, it must be stated that the requirement to interpret national law in conformity with EU law entails the obligation for national courts to change their established case-law, where necessary, if it is based on an interpretation of national law that is incompatible with the objectives of a directive (judgment of 19 April 2016, *DI*, C-441/14, EU:C:2016:278, paragraph 33 and the case-law cited).

53 Accordingly, it is for the referring court to ensure that Article 9(1) of Directive 2004/48 is given full effect, if necessary by refusing of its own motion to apply national case-law where that case-law is not compatible with that provision.

54 In the light of all the foregoing considerations, the answer to the question referred is that Article 9(1) of Directive 2004/48 must be interpreted as precluding national case-law under which applications for interim relief for patent infringement must, in principle, be dismissed where the validity of the patent in question has not been confirmed, at the very least, by a decision given at first instance in opposition or invalidity proceedings.

Costs

55 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Sixth Chamber) hereby rules:

Article 9(1) of Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights must be interpreted as precluding national case-law under which applications for interim relief for patent infringement must, in principle, be dismissed where the validity of the patent in question has not been confirmed, at the very least, by a decision given at first instance in opposition or invalidity proceedings.

[Signatures]