

International report - Invalidity attack blocks precautionary injunction demand

Gün + Partners - Turkey

The Istanbul IP Court recently rejected a crucial precautionary injunction demand of a patent owner on the grounds that the demand required a full trial due to the pending invalidation action against the patent.

The patent discloses the use of an active pharmaceutical ingredient for treating the conditions of a disease. In light of the drug's summary of product characteristics, the literal infringement of the patent was inevitable and obvious. The main defence held that the invalidation action had been filed slightly before the precautionary

injunction demand. As the invalidation action remained at the international notification stage, the patent owner was unaware of the action (ie, no procedural steps had been initiated). The action was only a petition filed before an IP court.

Pending invalidation action negatively affects a precautionary injunction demand for the same patent due to the retroactive effect of a possible invalidity decision. This usually happens if, at the time of the demand, the invalidation action has already been processed up to a certain point (eg, pleadings have been completed or the opinion of a court-appointed expert panel has been sought). However, even in such cases, the court may grant the precautionary injunction demand in light of the patent owner's



MAR 18



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unrecoverable damages or prevention of rights during the patent term, possibly in return for a higher guarantee bond than expected.

The recent IP court decision was the first time that a court has considered the possible retroactive effect of an invalidation action at such an early stage. While rejecting the precautionary injunction demand of the patent owner, the court ruled that "considering the ongoing invalidation action and the retroactive impact of an invalidity decision, it has been decided that the precautionary injunction demand requires an action on merits".

However, this seems to be an over implementation of the retroactive effect of a barely pending invalidation action. The court rejected the precautionary injunction demand without knowing the result of the invalidation action – a decision that is expected to take at least two years. It anticipated that the patent will be invalidated after two years and therefore should not be protected.

Further, the court's reasoning conflicted with Turkish patent law, which sets out the conditions of a precautionary injunction as follows:

"Proving that the usage which is the subject to the case occurs inside the country and in a way that violating the industrial property rights, or proving that serious and effective preparations are being made for the purpose of such a usage."

The conditions for a precautionary injunction demand include the urgent need to secure the efficacy of a future decision on the merits. Therefore, blocking this legal right to rely on the invalidation decision and its retroactive effect seems overly restrictive with regard to patent owners' rights.

The court also determined that while the defendant's drug had been granted marketing authorisation, the defendant had not applied to the Social Security Institution's reimbursement list. Based on this finding, the court evaluated the so-called 'Bolar' exemption, whereby all pre-launch activities would be exempt from patent rights. However, the court did not apply this exemption – rather, it based its decision on the pending invalidation action and held that the precautionary injunction demand required a full trial. The district court's evaluation of the IP court's decision is eagerly anticipated.

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