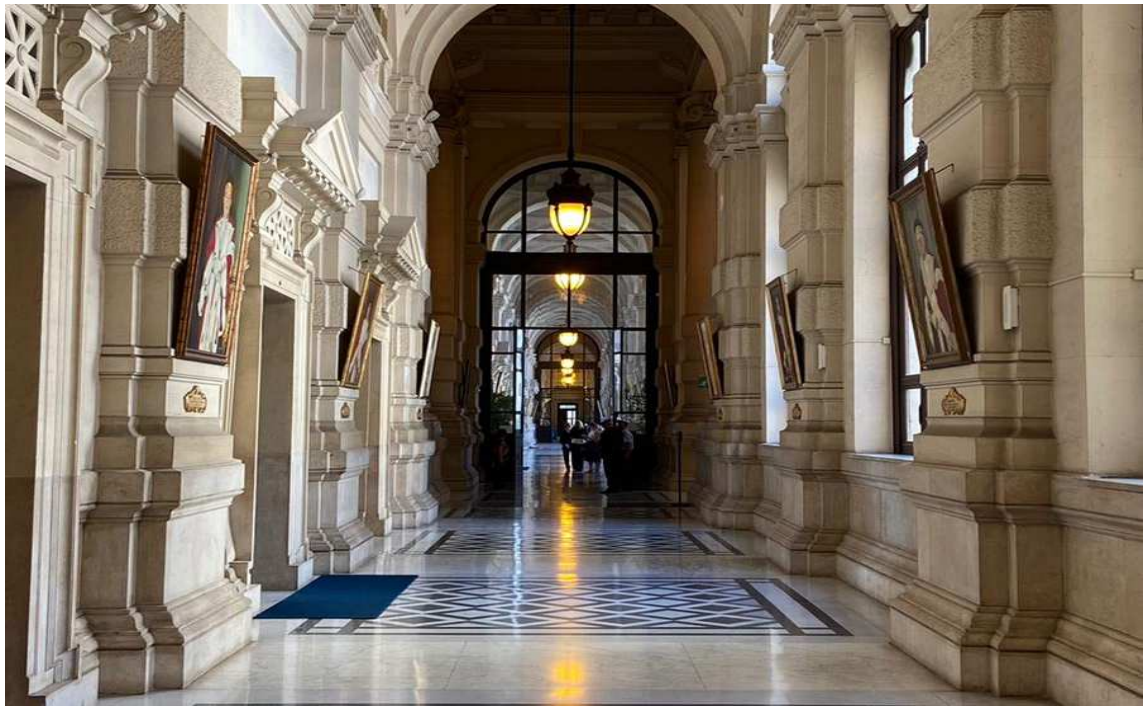
Brief Introduction to Italian and EU Discovery in IP Litigation:
Judge Andrea Postiglione



Summary

1. *Discovery, a catch-all concept?*
2. *Discovery in IP litigation*
3. *Discovery in the EUCJ interpretation: a flexible tool.*
4. *The European Directive n. 48-2004*
5. *The Discovery tools of EU Directive 48-04: an overview*
6. *Conclusions*

Discovery, a catch-all concept?

- In terms of functionality, Discovery can be described, in a broad sense, as the process within a dispute of sustaining a representation with adequate proof and thus the attitude for the plaintiff (or the defendant) to convey to the Court the facts which could lead the judge to issue a favourable judgement.
- In Italy, however, we tend to interpret the term “discovery” in a narrow meaning specifically when it comes to evidence which is beyond the reach of one part and it can be accessed exclusively throughout a motion.
- Discovery in Continental law vs Discovery in the Common Law
- some attempts to introduce discovery tools like in the common law: article 257 bis of the rules of Italian civil procedure

Discovery in IP litigation

- A patent trial is often based on representation which must result into detailed allegations. Parties are therefore used to providing the judge with all documents or evidence necessary for him to decide.
- So, in a patent infringement case, the plaintiff would exhibit patent licence, pictures, expert witness description of the counterfeiting items as well as with a roughly outlined estimate of damages claimed for.
- In a patent annulment case, plaintiff would, on the contrary, exhibit destructive prior art and, as almost always happens, an expert witness opinion on patentability, novelty, and inventive step.
- Very often parties are eager to get the opponent to yield additional information to foster their case, information that the opponent is reluctant to submit about i.e., contacts with main competitors (mails, invoices, expeditions, pictures, e-mails etc); here comes discovery into play in the form of description, order of exhibition and interrogation

Discovery in the EUCJ interpretation: a flexible tool.

- EU legislator has been struggling to introduce within the European Union, moreover in the fields of innovation and new technologies, a flexible idea of trial based not only on the principle of equal treatment (which entails a duty of the judge towards the parties) but moreover on the principle of parity (which, on the contrary, is more focused on the rights of the parties towards the judge and each other).

- The goal was to provide EU Court as well national Courts with swift, trustful, reasonable, and clear evidence, regardless of technicalities. Otherwise, the 28 European juridical systems would be each one entangled in their own technical specificities and unable to communicate. The principle of discovery in civil proceedings entails therefore the right of the plaintiff to provide the court with a clear, complete, and convincing outline of its allegations.

Case Law C 175-06 Alessandro Tedesco against Tommasoni and RWO Marne equipment Ltd (UK)

- AG KOKOTT states: “The taking of evidence generally presupposes that the party with the burden of proof must specify the matter to be proved and the evidence to be adduced in support thereof. However, the holder of an intellectual property right who becomes aware of an infringement of his right is often faced with the difficulty of being unable to specify the evidence in support of the allegation or to have access to it, since it is in the possession of the party responsible for the infringement or a third party. Moreover, in most such cases urgency is of the essence to limit the harm arising from the infringement and to preserve the evidence before it can be compromised. To ensure effective protection of intellectual property, therefore, Article 50 of the TRIPs Agreement grants courts the authority to order prompt and effective provisional measures both to prevent the entry into circulation of infringing goods and to preserve evidence of an alleged infringement. Article 7 of Directive 2004/48 builds on that provision of the TRIPs Agreement. Under that provision, judicial authorities ‘may ... order prompt and effective provisional measures to preserve relevant evidence in respect of the alleged infringement’. Those measures may ‘include the detailed description, with or without the taking of samples, or the physical seizure of the infringing goods, and, in appropriate cases, the materials and implements used in the production and/or distribution of these goods and the documents relating thereto’

The European Directive n. 48-2004

- Article 3 of the Directive : "*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*".

- *Recital 20 "Given that evidence is an element of paramount importance for establishing the infringement of intellectual property rights, it is appropriate to ensure that effective means of presenting, obtaining and preserving evidence are available. The procedures should have regard to the rights of the defence and provide the necessary guarantees, including the protection of confidential information. For infringements committed on a commercial scale it is also important that the courts may order access, where appropriate, to banking, financial or commercial documents under the control of the alleged infringer*" and

- recital 21 moves on "*Other measures designed to ensure a high level of protection exist in certain Member States and should be made available in all the Member States. This is the case with the right of information, which allows precise information to be obtained on the origin of the infringing goods or services, the distribution channels, and the identity of any third parties involved in the infringement".*

The Discovery tools of EU Directive 48-04: an overview

- The **exhibition order** is generally issued by a court both in an ordinary proceeding or in a precautionary proceeding and aims to the exhibition in original or in copy of documents related to infringement issues. For instance, the ones concerning subjects, duration, or details of the alleged infringement such as invoices, mail exchange etc.

- The judge carries out an **interrogation** towards the legal representative of the undertaking. It is a free interrogation in which the judge, using the documentation already in the acts, tries to fill in all information gaps that still exist in the factual allegation of the counterpart.

- The **description** is considered both a preliminary and precautionary tool (depending on whether goods are simply described or factually seized) and aims to take a picture of the ongoing infringement

The abuse of procedural tools

- To prevent abuses, the entire matter of Discovery is subject to two assumptions:

1) the Discovery can then only be ordered if there is sufficient evidence against the requester
2) the judge must give the parties specific and detailed methods of execution of the Discovery to protect confidential information or trade secrets. (See Council Statement 54/01: 'The scope of application of Regulation 1206-2001 shall not cover pre-trial discovery, including the so-called "fishing expeditions").

General Advocate KOKOTT statement.

- Thank you for your attention

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