

## **Patent equivalence in the light of recent Italian case law.**

### **1. Patent equivalence according to the Italian Code of Industrial Property.**

The rights of the patent owner in Italy are primarily governed by Article 66 of the Code of Industrial Property ("*c.p.i.*" - Codice della proprietà industriale), according to which:

*1. the rights deriving from the patent for industrial inventions consist in the exclusive right to implement and profit from the invention in the territory of the State, within the limits and under the conditions provided for in this Code; and*

*2. In particular, the patent shall confer on the holder the following exclusive rights:*

*a) if the subject matter of the patent is a product, the right to prohibit third parties from making, using, putting on the market, selling or importing for the foregoing purposes the product in question without the consent of the patent holder;*

*b) if the subject matter of the patent is a process, the right to prohibit third parties from using the process without the consent of the patent owner and from using, placing on the market, selling or importing for the aforesaid purposes the product directly obtained by the process in question.*

*2-bis. The patent shall also grant to the patentee the exclusive right to prohibit third parties from supplying or offering to supply, without his consent, to persons other than those entitled to use the patented invention, the means relating to an*

*indispensable element of that invention and necessary for its execution in the territory of a State in which it is protected, if the third party is aware of the suitability and purpose of those means for the execution of the invention or is able to do so with ordinary diligence.*

*2-ter. Paragraph 2-bis shall not apply if the means consist of products currently on the market, unless the third party induces the person to whom they are supplied to perform the acts prohibited by paragraph 2.*

*2-quater. For the purposes of paragraph 2-bis, the persons performing the acts referred to in Article 68(1) shall not be deemed to be entitled to use the invention.*

As is well known, at the phenomenological level, with reference to the infringement of a patent, a fundamental distinction must be made.

- One speaks of *literal* patent infringement if the third party implements the invention covered by the patent in such a way that it has all the features claimed by the patent.
- If, on the other hand, the third party creates a solution that does not completely overlap with the patent, but which has only minor variants compared to the patented solution, this is referred to as *equivalent* patent infringement.

With regard to the latter, paragraphs 3 and 3-bis of Art. 52, c.p.i. must be taken into account:

*1. the patent claims shall expressly state what is to be the subject matter of the patent.*

*2. the limits of protection shall be determined by the claims; however, the description and the figures shall serve to interpret the claims.*

*3. Paragraph (2) shall be interpreted in such a way as to ensure both adequate protection of the proprietor and adequate legal certainty for third parties.*

*3-bis. In determining the scope of protection conferred by the patent, due account shall be taken of any element which corresponds to an element indicated in the claims.*

Thus, the theory of equivalence consists in a rule of patent interpretation according to which a product or process, although formally different from the patented invention, may nevertheless be assimilated to it and thus reincorporated into the scope of protection of the patent, and thus aims at protecting the rights of the patentee and ensuring him effective protection, i.e. not subject to the complete and literal reproduction of all elements of the invention. The principle also meets the more general need for equitable protection of the patentee by attempting to avoid circumvention and emptying of the content of the exclusive right by modest and insignificant changes on the part of the infringer.

In order to establish an equivalent patent infringement, Italian case law tends to resort to one of the following two criteria:

a) According to the criterion of the so-called Triple Identity Test or FWR Test (function, way, result), taken from the American jurisprudence, an equivalent patent infringement exists when the variants introduced in the allegedly infringing solution introduce different means with respect to the patent wording, but which perform the same function, fulfilled in the system economy of the patent by the means provided for in the claim, and guarantee in the same way the achievement of the same technical result. Thus, one invention is considered equivalent to another if it performs essentially the same function (*function*), in the same way (*way*) and to achieve the same result (*result*).

b) According to the criterion of inventive step taken from German case law, on the other hand, the symptom of infringement by equivalents is the obviousness or lack of originality of the alternative solution chosen by the infringer with respect to the patented solution, taking into account the average knowledge of the person skilled in the relevant field.

The existing inventive step of the second solution excludes the configurability of an equivalent infringement and may, if at all, constitute the prerequisite of an independent invention, which is outside the scope of protection of the first solution.

From this point of view, in order to assess equivalence, it is necessary to consider the achievement of the same technical effect by the allegedly infringing invention and the obviousness of the innovative solution in the challenged invention (i.e. the modification made) in the light of the knowledge of the average technician in the field: only a non-obvious and original innovation – as opposed to the merely trivial and obvious solution or, in any case, one within the reach of the average skilled person – precludes equivalence.

Moreover, in traditional case law, it is quite common to limit the scope of patent claims to be extended by the equivalence theory with reference to declarations issued by the patentee in the past, in order to prevent the latter from obtaining an unreasonable extension of his property right, *contra factum proprium* and in defiance of the basic principle of legal certainty. This principle also derives from the US tradition, where it is known as prosecution-history (or file-history) estoppel.

Italian jurisprudence regarding both the determination of equivalence and the relevance of file history can only ever be described as exceedingly fickle. In the last few years, however, there has been a tendency in the Court of Cassation to unify the jurisprudence concerning the above aspects. In the following, we will briefly comment on the most significant judgments that have emerged from this tendency.

## **2. The judgment of the Court of Cassation No. 2977 of 07/02/2020.**

A first decisive step towards the harmonization of the jurisprudence is the judgment No. 2977/2020 of the Court of Cassation. The proceedings decided by said judgment were initiated by Proras s.r.l., as holder of an Italian patent, concerning a "process and plant for the extraction and concentration of tannin

from wood and other natural products", as well as the European patent application (granted in the meantime) based on the Italian patent, by serving the summons to the company Nuova Rivart before the Court of Reggio Emilia. The plaintiff sought, *inter alia*, a declaration of invalidity of the patent applied for by the defendant ("Nuova Rivart Patent") entitled "Process for the extraction and refining of tannins", of non-infringement of the latter patent by the plaintiff's patent application ("Prora's Patent"), and of infringement by the defendant of its own patent.

The Court of First Instance of Reggio Emilia declared the defendant's patent (Nuova Rivart patent) invalid, excluded the infringement of the same by the plaintiff's patents (Proras patent), and prohibited the defendant from using the infringing process.

However, the Court of Appeal of Bologna, in a judgment dated June 10, 2015, granted Nuova Rivart's appeal, resulting in the rejection of all Proras' claims.

The Court of Appeal, having established beforehand that there was no literal patent infringement in the relationship between the applicant's patent and the solution implemented by the defendant, also ruled out an equivalent patent infringement, considering the limitation to a filtration phase for intercepting particles larger than 10 pm (i.e. microns), put forward by Proras before the EPO Examining Board to overcome the objections raised by the examiners, as an essential feature to distinguish the invention from the known technology (essential feature).

Thus, the ruling was based primarily on a subjectivist interpretation of the patent under the principle of prosecution history estoppel.

The appeal in the third instance, with its various grounds, thus offered the Court of Cassation the opportunity to clarify the relatively complex panorama of Italian jurisprudence with regard to the theory of equivalence.

After a quite commendable introduction concerning the origin and the bases of the principle of equivalence, as well as the two methods for establishing patent equivalence mentioned before, the judgment, referring to the previous case law of the Court of Cassation, advocates the criterion of obviousness, according to which it is necessary to consider the achievement of the same technical effect by the allegedly imitated invention and the obviousness of the innovative solution in the contested invention (i.e., the modification made) in the light of the knowledge of the average technician in the field of patent law.

The judgment of the Court of Appeal, on the other hand, erroneously omitted to assess whether the modification made by Nuova Rivart, with the introduction of a less selective pre-filtering phase, consisted in substance in a mere pretext to escape the scope of literal patent infringement. Furthermore, it would have had to be examined whether the solution pursued by Nuova Rivart to achieve the same end result was original in nature and offered a non-trivial and non-repetitive answer beyond the normal capabilities of an average skilled person confronted with the same problem.

The Court of Appeal, on the other hand, had based its decision on the American principle of Prosecution History Estoppel. According to the Court, this criterion is *"alien to our legal system and to the patent system, in which the rules of interpretation are laid down by Art. 69 of the EPC Protocol and by Art. 52 of the Code of Industrial Property, excluding the relevance of the subjective intention of the inventor and having regard to the objective meaning of the patent, which can be accepted by the community, expressed in the claims, interpreted in the light of the descriptions and illustrations, independently of the administrative process of the granting procedure, and negating the relevance of the obvious and non-original modifications which escape its objective scope."*

The appeal is thus granted, establishing the following legal principle:

*"With respect to the equivalent patent infringement of industrial inventions pursuant to Legislative Decree No. 30 of February 10, 2005, art. 52, paragraph*

*3-bis, as amended by Legislative Decree of August 13, 2010, n. 131, in determining the scope of the protection conferred by the patent, the court may not limit itself to the wording of the claims, interpreted in light of the description and drawings, but must balance the reasonable protection of the owner with the reasonable legal certainty of third parties, and must therefore take into account any element that is substantially equivalent to an element indicated in the claims; to this end, it may use various methods to determine the equivalence of the inventive solution, such as, for example, the examination of whether the contested implementation makes it possible to obtain the same final result by introducing simple variants, since these are obvious in view of the knowledge of the average person skilled in the art confronted with the same problem; on the other hand, however, it cannot attach any importance to the subjective intentions of the patent applicant, even if these are historically reconstructed by analyzing the activities carried out during the administrative procedure for the grant of the patent."*

### **3. Remarks concerning the above-mentioned judgment.**

The judgment, thus briefly summarized, appears to be extremely relevant above all in two areas.

First, with regard to the determination of the equivalent patent infringement, despite an apparently neutral approach, the so-called criterion of obviousness is clearly preferred.

Second, and this is undoubtedly the most relevant aspect, the Court of Cassation explicitly opposes the use of the prosecution history estoppel, thus branding the entire action of the patentee in the course of the granting procedure as tendentially irrelevant. This position overtakes an established trend in case law and jurisprudence, which, among other things, relies on a subjective interpretation of the patent as an act comparable to a contract in order to give appropriate weight to such statements of the patentee, especially *contra stipulatorem*.

#### 4. The subsequent case law.

As noted in the previous paragraph, the judgment of February 10, 2020 represents a quite relevant development of the previously ambivalent Italian case law on patent equivalence. Therefore, it seems of great importance to examine to what extent this precedent has affected the subsequent case law of the Court of Cassation. Thus, below we will analyze two of the most recent judgments on the subject.

##### *4.1 Court of Cassation, judgment of January 4, 2022, no. 120.*

The proceedings that led to this judgment concerned a patent of the company Garbuio S.p.A., which referred to a "method and device for handling stacked containers of cut tobacco" in and out of the feeders of cigarette packaging machines, in order to allow the emptying and tipping of containers of cut tobacco from previous stages of processing, by means of a device also known as a "gantry robot" that moves in front of each feeding line. Garbuio S.p.A. had asserted this patent against Comas Costruzioni Macchine Speciali S.p.A., which opposed it and counterclaimed for recognition of the patent and a declaration of its invalidity. Both at first instance and before the Venice Court of Appeal, the plaintiff's claim, based among other things on alleged patent equivalence, was rejected. Without going into the technical details of the dispute, it should be noted that the Court of Appeal had ruled out patent infringement because, for infringement by equivalents, *"it is not sufficient to claim that the essential core or heart of the invention is reproduced in Comas' plant, apart from the mere variations, obvious to one skilled in the art, as can be inferred in hindsight from an assessment independent of the claims,"* where Comas' apparatus did not have certain essential features of the patent under examination, namely feature *"(c) of claim 1)" (means for stacking and unstacking containers)"*. The applicant filed an appeal to the Court of Cassation against the judgment of the Court of Appeal, with reference to the denial of equivalent patent infringement.

The Court of Cassation rejects the appeal, noting in advance the preference expressed by judgment No. 2977/2020 for the criterion of inventive step, according to which *"Equivalent patent infringement includes all realizations which, on the basis of known technology, constitute an obvious variant or a trivial and repeated answer to the claimed subject matter, unless the contested invention solves a different technical problem, which then falls within the scope of dependent inventions under Article 68 (2) CPI"*. Subsequently, the Court shares the Court of Appeal's view that Comas' solution is not a "trivial and obvious substitute" for that of the applicant, but is based on a "widely known" but more complicated and less reliable technique.

On the other hand, in establishing the legal principle<sup>1</sup> ("principio di diritto"), in clear contradiction with the preceding case law, the judgment commented here seems to favor the Triple Identity Test as a method for establishing patent equivalence: *"With respect to patents for industrial inventions and their corresponding infringement, the judge who has to assess the existence of an infringing act must, according to Article 52(3bis) of the Code of Industrial Property [...], first determine the scope of protection granted by the patent and then analytically determine the individual features of the invention as specifically claimed by the patentee, as expressly claimed in the text of the patent and also interpreted on the basis of their description and the attached drawings, and then examine whether each claimed element is also contained in the allegedly infringing product, and also only in the form of equivalence, being understood as such those variants of the invention which, according to one of the possible methods that can be applied, can perform the same function as the elements of*

---

<sup>1</sup> According to Art. 384 of the Italian Code of Civil Procedure: *"The Court shall state the principle of law when it rules on an appeal under Article 360, paragraph 1, point 3, and in all other cases where, in ruling on other grounds of appeal, it clarifies a point of law of particular importance.*

*If the Court grants the appeal, it shall set aside the judgment and refer the case to another court or tribunal, which shall comply with the principle of law and, in any event, with the decision of the Court or shall decide the case on the merits if no further findings of fact are required."*

*the patented product, following substantially the same way as the inventor and achieving the same result."*

*4.2 Court of Cassation, Judgment of 20 October 2022, No. 30943.*

The present case concerned a patent relating to a modular element structure for technical-functional interior fittings, which had been asserted by Artinox S.p.A. against Mittel Group s.r.l.. Both in the first and in the second instance, the applications for a declaration of patent infringement and for damages were granted, also on the basis of the theory of patent equivalence. Both parties appealed against the judgment of the Court of Appeal to the Court of Cassation. The defendant Mittel Group primarily claimed to be the owner of a European patent covering the disputed solution. An equivalent infringement was to be excluded, since the product was protected by a valid European patent, the grant of which required an inventive step: Indeed, the European examiner had expressly considered the Artinox patent and denied that it constituted invalidating prior art of the Mittel Group's patent. Since the allegedly infringing product reproduces the Mittel patent, this means that the product itself is based on an inventive step, which does not allow the application of the theory of equivalent infringement, which takes into account the lack of originality and novelty of the alternative solution chosen by the infringer. This argument is rejected: first, there are relevant differences between the defendant's patent and the solution applied by the defendant, and second, the national judge is not limited by the validity of the patent established by the EPO.

The appeal concerning the determination of patent equivalence is also rejected, and the methodology in question is summarized as follows: *"in order to assess whether the contested embodiment can be considered equivalent to the patented one, so as to constitute infringement, it is necessary to examine whether, by allowing the same end result, it has the character of originality, by offering a non-trivial answer that does not repeat the previous one, but qualifies as one that exceeds the capabilities of the average technician faced with the*

*same problem, because in this case it can only be considered that the solution is outside the idea of the protected solution".*

The annotated decision is therefore in line with the 2020 jurisprudence, as it explicitly maintains the view that equivalence should be assessed according to the criterion of inventive step.

#### **5. Final considerations.**

Although not without contradictions, Italian case law seems to be slowly but steadily moving towards abandoning the FWR criterion in favor of the inventive step principle.

On the other hand, as far as the Prosecution History Estoppel is concerned, a further judgment of the Court of Cassation following the 2020 decision has yet to be issued. It therefore remains to be seen whether said decision will remain an isolated case or will become the basis of a constant jurisprudence in the sense of complete objectification of patent interpretation.

Milan, November 29, 2022