

Judgment

THE HAGUE DISTRICT COURT

Civil Law Session

Case Number / Docket Number: 238788 / HA ZA 05-822

Judgment of 18 October 2006

in the case of

1. the legal entity under foreign law
TECHNISCHES BÜRO STEUR GMBH,
established in Sittensen, Germany,
2. the company under Dutch law
ONLINE SERVICES B.V.,
established in Dinxperlo,
claimants in the principal action,
defendants in the cross-action,
attorney-of-record mr. H.C. Grootveld,
attorney-at-law mr. F.I.S.A.L. van Veslen and mr. F.S.G. Westerhuis in Rotterdam,

versus

1. **FRANCIS ZILKA**,
 2. **TIMOTHY ZILKA**,
- both domiciled in Saratoga, New York, United States of America,
defendants in the principal action,
claimants in the cross-action,
attorney-of-record mr. W. Taekema,
attorney-at-law mr. P. Burgers and mr. F.W. Gerritzen in Amsterdam.

The parties will be referred to hereinafter as Steur et al. and the Zilka Brothers.

1. The Proceedings

The course of the proceedings appears from:

- the writ of summons,
- the anticipatory writ of summons of the Zilka Brothers,
- the brief concerning rectification as also submittal of exhibits of Steur et al.,
- the statement of reply in the principal action as also counterclaim, including exhibits,
- the statement of rejoinder in the principal action as also reply in the cross-action, as also brief concerning secrecy regime, including exhibits,
- the statement of surreply in the principal action and of rejoinder in the cross-action, with an exhibit,
- the statement of surreply in the cross-action,
- the oral pleadings and the documents submitted on such occasion.

1.2 Finally the date was set for judgment.

2. The Facts

The Zilka Brothers are proprietors of European Patent no. 1 067 349 (hereinafter: the patent) which relates to ‘Device, system and method for on-line explosive deslagging’. The grant of the patent was published on 21 January 2004, following an application dated 14 January 1998, while invoking priority of 17 January 1997. The patent is applicable inter alia to the Netherlands.

The claims of the patent read (in the authentic English language) as follows:

...

The following figures are included in the patent:

The patent was granted following an application which has been divided from the application which resulted into EP 0 974 035 under Article 76 EPC. The latter patent was the topic of the proceedings having docket number 03/1234 between the Zilka Brothers and Kesselreinigung Rüegg GmbH, whereat this court found said patent valid by judgment of 25 February 2004 (unpublished), but did not assume infringement.

To the present patent a notice of opposition was filed on 7 October 2004 by Kesselreinigung Rüegg GmbH with the European Patent Office (hereinafter EPO). By letter of 4 May 2005 the claimant in 1 joined the opposition under Article 105 EPC.

3. The Dispute

in the principal action

Steur et al. claim – summarized – the following:

- That after statement of reply c.a. of the Zilka Brothers an interlocutory hearing be ordered;
- That the proceedings of the dispute relating to EP 1 067 349 be stayed until the EPO has given a final decision in the opposition procedure;
- That the Dutch part of EP 1 067 349 be invalidated;
- That to the extent that EP 1 067 349 remains (partly) effective, at least for the Netherlands and Germany it be declared that with its (company use of) the explosive device Steur does not infringe the Dutch and German parts of this patent in the Netherlands and Germany;
- That the Zilka Brothers be ordered to pay the costs of these proceedings.

To that end Steur et al. allege that the patent is invalid for not being novel, inventive, reproducible, as well as that there is added subject-matter. Furthermore they allege that they do not infringe the patent, because not all features of the claims have been met and because they apply (a non-inventive variation of) the state of the art.

The Zilka Brothers plead a defense. Their allegations will be discussed, as far as relevant, in more detail below.

in the cross-action

The Zilka Brothers claim – summarized – that the District Court will forbid Steur et al. to infringe the patent in the Netherlands and in Germany, under penalty of a civil fine, and also claim several additional measures, including an order to compensate the damage incurred as a result of the alleged infringement, or to deliver the profit made, all this raised with the costs of the proceedings.

Steur et al. plead a defense. The allegations of the parties will be discussed in more detail, as far as relevant, in more detail below.

4. The Examination

in the principal action and in the cross-action

Cross-Border Jurisdiction for Germany

4.1 Of its own motion the court considers that in conformity with the decision of the ECJ in the case between Gat and LuK (C-4/03), rendered on 13 July 2006 – and so after the moment that these oral pleadings were held in the present case – the District Court does not have jurisdiction neither in the principal action, nor in the cross-action, seen that provided in Article 22(4) EEC Regulation (Reg. 44/2001). After all, it is admitted that in the present case the invalidity of the patent is invoked both in the principal action and in the cross-action, in respect of which the German court has exclusive jurisdiction as far as Germany is concerned.

4.2 This also applies to the court declaration claimed in the principal action, as far as it relates to Germany. After all, this claim is conditionally filed “to the extent that EP 1 067 349 (partly) stays effective at least for the Netherlands and Germany”, whereas the German court can only judge whether this condition has been met for Germany. The more so, since this court declaration – as appears from the text – should also regard the event that the patent would be partly maintained. The questions of whether there is partial invalidity of the patent for Germany and what adjustment this should entail are also reserved to the German court.

Stay of the Proceedings

4.3 The District Court sees reason to stay the present proceedings both in the principal action and in the cross-action under Article 83, fourth paragraph, Row 1995 [Dutch Patent Act], pending the opposition procedure before the EPO. To this decision the following is conclusive.

4.4 In the present proceedings and in the opposition procedure before the EPO the same invalidity arguments are discussed, whereas they do not already seem a priori chanceless. Steur et al. even refer to the documents filed by them and the original opponent while using the same argumentation. If moreover the EPO upholds the patent in amended form, it is a fortiori useful to first wait for the outcome of the opposition procedure, in order to not let the undesirable situation arise that different sets of claims be established by the District Court (or in appeal by the Appeal Court) on the one hand, and the EPO (by the Opposition Division and possibly next by the Technical Board of Appeal) on the other hand, and have to be examined for validity and infringement. After the end of the procedure before the EPO the District Court can review whether the patent, if and as far as upheld and including any amended claims, is valid (for the Netherlands) and whether there is infringement.

4.5 The complaint of the Zilka Brothers that the opposition procedure may take quite some time and that upon stay of the proceedings they will in fact be deprived from patent protection, does not sufficiently outweigh the above. By way of alleviation of this disadvantage and bearing in mind Article 20 Rv [Dutch Code of Civil Procedure], the EPO will be requested to accelerate the filed opposition procedure (including the appeal procedure) as referred to in the Notices of 19 May 1998, OJ EPO 1998, 360 and 361, concerning Articles 99 and 106 EPC respectively.

5. The Decision

The District Court

in the principal action and in the cross-action

5.1 declares itself out of jurisdiction to take cognizance of the claims to the extent that they relate to Germany,

5.2. stays the proceedings under Article 83(4) Row 1995, this until a final judgment has been rendered in the opposition procedure before the EPO referred to in these proceedings on the question of whether the patent can be maintained and if so, in what form, or until this opposition procedure will have been cancelled, and until the first party to take action causes the case to be put on the cause-list after this,

5.3 holds over any further decision.

This judgment was rendered by mr. P.F.J. de Heij, mr. E.F. Brinkman and mr. R.C.D.E. Hasekamp and pronounced in public on 18 October 2006.