

European Court of Justice, 13 July 2006, GAT v LuK

LITIGATION

Exclusive jurisdiction of the court of the place of deposit or registration

- [That the rule of exclusive jurisdiction laid down therein concerns all proceedings relating to the registration or validity of a patent, irrespective of whether the issue is raised by way of an action or a plea in objection.](#)

The view must be taken that the exclusive jurisdiction provided for by that provision should apply whatever the form of proceedings in which the issue of a patent's validity is raised, be it by way of an action or a plea in objection, at the time the case is brought or at a later stage in the proceedings. The invalidity of the patent at issue would undermine (i) the binding nature of the rule of jurisdiction laid down in Article 16(4) of the Convention, (ii) the predictability of the rules of jurisdiction laid down by the Convention, and consequently to undermine the principle of legal certainty, and (iii) would also multiply the risk of conflicting decisions which the Convention seeks specifically to avoid.

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European Court of Justice, 13 July 2006

(P. Jann, N. Colneric, J.N. Cunha Rodrigues, M. Ilešič and E. Levits)

JUDGMENT OF THE COURT (First Chamber)

13 July 2006 (*)

(Brussels Convention – Article 16(4) – Proceedings concerned with the registration or validity of patents – Exclusive jurisdiction of the court of the place of deposit or registration – Declaratory action to establish no infringement – Question of the patent's validity raised indirectly)

In Case C-4/03,

REFERENCE for a preliminary ruling, pursuant to the Protocol of 3 June 1971 on the interpretation by the Court of Justice of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, from the Oberlandesgericht Düsseldorf (Germany), made by decision of 5 December 2002, received at the Court on 6 January 2003, in the proceedings

Gesellschaft für Antriebstechnik mbH & Co. KG

v

Lamellen und Kupplungsbau Beteiligungs KG,

THE COURT (First Chamber),

composed of P. Jann (Rapporteur), President of the Chamber, N. Colneric, J.N. Cunha Rodrigues, M. Ilešič and E. Levits, Judges,

Advocate General: L.A. Geelhoed,

Registrar: F. Contet, Principal Administrator,

having regard to the written procedure and further to the hearing on 14 July 2004,

after considering the observations submitted on behalf of:

– Gesellschaft für Antriebstechnik mbH & Co. KG, by T. Musmann, Rechtsanwalt,

– Lamellen und Kupplungsbau Beteiligungs KG, by T. Reimann, Rechtsanwalt,

– the German Government, by R. Wagner, acting as Agent,

– the French Government, by G. de Bergues and A. Bodard-Hermant, acting as Agents,

– the United Kingdom Government, by K. Manji, acting as Agent, assisted by D. Alexander, Barrister,

– the Commission of the European Communities, by A. M. Rouchaud and S. Grünheid, acting as Agents,

after hearing the [Opinion of the Advocate General at the sitting on 16 September 2004.](#)

gives the following

Judgment

1 This reference for a preliminary ruling concerns the interpretation of Article 16(4) of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters (OJ 1978 L 304, p. 36), as amended by the Convention of 9 October 1978 on the Accession of the Kingdom of Denmark, Ireland and the United Kingdom of Great Britain and Northern Ireland (OJ 1978 L 304, p. 1, and – amended version – p. 77), by the Convention of 25 October 1982 on the Accession of the Hellenic Republic (OJ 1982 L 388, p. 1), by the Convention of 26 May 1989 on the Accession of the Kingdom of Spain and the Portuguese Republic (OJ 1989 L 285, p. 1), and by the Convention of 29 November 1996 on the Accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden (OJ 1997 C 15, p. 1) ('the Convention').

2 The reference has been made in the course of proceedings between Gesellschaft für Antriebstechnik mbH & Co. KG ('GAT') and Lamellen und Kupplungsbau Beteiligungs KG ('LuK') concerning the marketing of products by the first of those companies which, according to the second, amounts to an infringement of two French patents of which it is the proprietor.

Legal context

3 Article 16 of the Brussels Convention, which constitutes Section 5 ('Exclusive jurisdiction') of Title II, concerning the rules of jurisdiction, states:

'The following courts shall have exclusive jurisdiction, regardless of domicile:

...

4. in proceedings concerned with the registration or validity of patents, trade marks, designs, or other similar rights required to be deposited or registered, the courts of the Contracting State in which the deposit or registration has been applied for, has taken place or is under the terms of an international convention deemed to have taken place;

...

4 The fourth paragraph of Article 17 of the Convention, which, together with Article 18, makes up

Section 6 ('Prorogation of jurisdiction') of Title II, provides that '[a]greements ... conferring jurisdiction shall have no legal force ... if the courts whose jurisdiction they purport to exclude have exclusive jurisdiction by virtue of Article 16.'

5 Article 18 of the Convention states:

'Apart from jurisdiction derived from other provisions of this Convention, a court of a Contracting State before whom a defendant enters an appearance shall have jurisdiction. This rule shall not apply ... where another court has exclusive jurisdiction by virtue of Article 16.'

6 Article 19 of the Convention, which features in Section 7 ('Examination as to jurisdiction and admissibility') of Title II, provides:

'Where a court of a Contracting State is seised of a claim which is principally concerned with a matter over which the courts of another Contracting State have exclusive jurisdiction by virtue of Article 16, it shall declare of its own motion that it has no jurisdiction.'

7 According to the first paragraph of Article 28 of the Convention, which is in Section 1 ('Recognition') of Title III, concerning the rules of recognition and enforcement, 'a judgment shall not be recognised if it conflicts with the provisions of Sections 3, 4 or 5 of Title II'. The second paragraph of Article 34 of the Convention, which is in Section 2 ('Enforcement') of Title III, refers, in regard to the possible grounds for refusing enforcement of a decision, to the first paragraph of Article 28, cited above.

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

8 GAT and LuK, companies established in Germany, are economic operators competing in the field of motor vehicle technology.

9 GAT made an offer to a motor vehicle manufacturer, also established in Germany, with a view to winning a contract to supply mechanical damper springs. LuK alleged that the spring which was the subject of GAT's proposal infringed two French patents of which LuK was the proprietor.

10 GAT brought a declaratory action before the Landgericht (Regional Court), Düsseldorf to establish that it was not in breach of the patents, maintaining that its products did not infringe the rights under the French patents owned by LuK and, further, that those patents were either void or invalid.

11 The Landgericht Düsseldorf considered that it had international jurisdiction to adjudicate upon the action relating to the alleged infringement of the rights deriving from the French patents. It considered that it also had jurisdiction to adjudicate upon the plea as to the alleged nullity of those patents. The Landgericht dismissed the action brought by GAT, holding that the patents at issue satisfied the requirements of patentability.

12 On appeal by GAT, the Oberlandesgericht (Higher Regional Court) Düsseldorf decided to stay the proceedings and refer the following question to the Court of Justice for a preliminary ruling:

'Should Article 16(4) of the Convention ... be interpreted as meaning that the exclusive jurisdiction

conferred by that provision on the courts of the Contracting State in which the deposit or registration of a patent has been applied for, has taken place or is deemed to have taken place under the terms of an international convention only applies if proceedings (with erga omnes effect) are brought to declare the patent invalid or are proceedings concerned with the validity of patents within the meaning of the aforementioned provision where the defendant in a patent infringement action or the claimant in a declaratory action to establish that a patent is not infringed pleads that the patent is invalid or void and that there is also no patent infringement for that reason, irrespective of whether the court seised of the proceedings considers the plea in objection to be substantiated or unsubstantiated and of when the plea in objection is raised in the course of proceedings?'

The question referred for a preliminary ruling

13 By that question, the referring court seeks in essence to ascertain the scope of the exclusive jurisdiction provided for in Article 16(4) of the Convention in relation to patents. It asks whether that rule concerns all proceedings concerned with the registration or validity of a patent, irrespective of whether the question is raised by way of an action or a plea in objection, or whether its application is limited solely to those cases in which the question of a patent's registration or validity is raised by way of an action.

14 It should be recalled, in this connection, that the notion of proceedings 'concerned with the registration or validity of patents' contained in Article 16(4) of the Convention must be regarded as an independent concept intended to have uniform application in all the Contracting States ([Case 288/82 Duijnsteet \[1983\] ECR 3663](#), paragraph 19).

15 The Court has thus held that proceedings relating to the validity, existence or lapse of a patent or an alleged right of priority by reason of an earlier deposit are to be regarded as proceedings 'concerned with the registration or validity of patents' (Duijnsteet, cited above, paragraph 24)

16 If, on the other hand, the dispute does not concern the validity of the patent or the existence of the deposit or registration and these matters are not disputed by the parties, the dispute will not be covered by Article 16(4) of the Convention (Duijnsteet, paragraphs 25 and 26). Such would be the case, for example, with an infringement action, in which the question of the validity of the patent allegedly infringed is not called into question.

17 In practice, however, the issue of a patent's validity is frequently raised as a plea in objection in an infringement action, the defendant seeking to have the claimant retroactively denied the right on which the claimant relies and thus have the action brought against him dismissed. The issue can also be invoked, as in the case in the main proceedings, in support of a declaratory action seeking to establish that there has been no infringement, whereby the claimant seeks to establish that the defendant has no enforceable right in regard to the invention in question.

18 As the Commission has observed, it cannot be established from the wording of Article 16(4) of the Convention whether the rule of jurisdiction set out therein applies only to cases in which the question of a patent's validity is raised by way of an action or whether it extends to cases in which the question is raised as a plea in objection.

19 Article 19 of the Convention, which, in certain language versions, refers to a claim being brought 'principally', does not provide further clarity. Apart from the fact that the degree of clarity of the wording of that provision varies according to the particular language version, that provision, as the Commission has observed, does not confer jurisdiction but merely requires the court seised to examine whether it has jurisdiction and in certain cases to declare of its own motion that it has none.

20 In those circumstances, Article 16(4) of the Convention must be interpreted by reference to its objective and its position in the scheme of the Convention.

21 In relation to the objective pursued, it should be noted that the rules of exclusive jurisdiction laid down in Article 16 of the Convention seek to ensure that jurisdiction rests with courts closely linked to the proceedings in fact and law.

22 Thus, the exclusive jurisdiction in proceedings concerned with the registration or validity of patents conferred upon the courts of the Contracting State in which the deposit or registration has been applied for or made is justified by the fact that those courts are best placed to adjudicate upon cases in which the dispute itself concerns the validity of the patent or the existence of the deposit or registration (Duijnste, paragraph 22). The courts of the Contracting State on whose territory the registers are kept may rule, applying their own national law, on the validity and effects of the patents which have been issued in that State. This concern for the sound administration of justice becomes all the more important in the field of patents since, given the specialised nature of this area, a number of Contracting States have set up a system of specific judicial protection, to ensure that these types of cases are dealt with by specialised courts.

23 That exclusive jurisdiction is also justified by the fact that the issue of patents necessitates the involvement of the national administrative authorities (see, to that effect, the Report on the Convention by Mr Jenard, OJ 1979 C 59, p. 1, at p. 36).

24 In relation to the position of Article 16 within the scheme of the Convention, it should be pointed out that the rules of jurisdiction provided for in that article are of an exclusive and mandatory nature, the application of which is specifically binding on both litigants and courts. Parties may not derogate from them by an agreement conferring jurisdiction (fourth paragraph of Article 17 of the Convention) or by the defendant's voluntary appearance (Article 18 of the Convention). Where a court of a Contracting State is seised of a claim which is principally concerned with a matter over which the courts of another Contracting State have jurisdiction by virtue of Article 16, it must declare of its

own motion that it has no jurisdiction (Article 19 of the Convention). A judgment given which falls foul of the provisions of Article 16 does not benefit from the system of recognition and enforcement under the Convention (first paragraph of Article 28 and second paragraph of Article 34 thereof).

25 In the light of the position of Article 16(4) within the scheme of the Convention and the objective pursued, the view must be taken that the exclusive jurisdiction provided for by that provision should apply whatever the form of proceedings in which the issue of a patent's validity is raised, be it by way of an action or a plea in objection, at the time the case is brought or at a later stage in the proceedings.

26 First, to allow a court seised of an action for infringement or for a declaration that there has been no infringement to establish, indirectly, the invalidity of the patent at issue would undermine the binding nature of the rule of jurisdiction laid down in Article 16(4) of the Convention.

27 While the parties cannot rely on Article 16(4) of the Convention, the claimant would be able, simply by the way it formulates its claims, to circumvent the mandatory nature of the rule of jurisdiction laid down in that article.

28 Second, the possibility which this offers of circumventing Article 16(4) of the Convention would have the effect of multiplying the heads of jurisdiction and would be liable to undermine the predictability of the rules of jurisdiction laid down by the Convention, and consequently to undermine the principle of legal certainty, which is the basis of the Convention (see Case C-256/00 Besix [2002] ECR I-1699, paragraphs 24 to 26, Case C-281/02 Owusu [2005] ECR I-1383, paragraph 41, and [Case C-539/03 Roche Nederland Others \[2006\] ECR I-0000](#), paragraph 37).

29 Third, to allow, within the scheme of the Convention, decisions in which courts other than those of a State in which a particular patent is issued rule indirectly on the validity of that patent would also multiply the risk of conflicting decisions which the Convention seeks specifically to avoid (see, to that effect, [Case C-406/92 Tatry \[1994\] ECR I-5439](#), paragraph 52, and Besix, cited above, paragraph 27).

30 The argument, advanced by LuK and the German Government, that under German law the effects of a judgment indirectly ruling on the validity of a patent are limited to the parties to the proceedings, is not an appropriate response to that risk. The effects flowing from such a decision are in fact determined by national law. In several Contracting States, however, a decision to annul a patent has erga omnes effect. In order to avoid the risk of contradictory decisions, it is therefore necessary to limit the jurisdiction of the courts of a State other than that in which the patent is issued to rule indirectly on the validity of a foreign patent to only those cases in which, under the applicable national law, the effects of the decision to be given are limited to the parties to the proceedings. Such a limitation would, however, lead to distortions, thereby undermining the equality and uniformity of rights and obligations aris-

ing from the Convention for the Contracting States and the persons concerned (Duijnste, paragraph 13).

31 In the light of the foregoing, the answer to the question referred must be that Article 16(4) of the Convention is to be interpreted as meaning that the rule of exclusive jurisdiction laid down therein concerns all proceedings relating to the registration or validity of a patent, irrespective of whether the issue is raised by way of an action or a plea in objection.

Costs

32 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 (First Chamber) hereby rules:

Article 16(4) of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, as last amended by the Convention of 29 November 1996 on the Accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden, is to be interpreted as meaning that the rule of exclusive jurisdiction laid down therein concerns all proceedings relating to the registration or validity of a patent, irrespective of whether the issue is raised by way of an action or a plea in objection.

OPINION OF ADVOCATE GENERAL GEELHOED

delivered 16 September 2004 (1)

Case C-4/03

Gesellschaft für Antriebstechnik mbH & Co. KG (GAT)

v

Lamellen und Kupplungsbau Beteiligungs KG (LuK)
(Reference for a preliminary ruling from the Oberlandesgericht Düsseldorf, Germany)

(Interpretation of Article 16(4) of the Brussels Convention – Exclusive jurisdiction ‘in proceedings concerned with ... the validity of patents’ – Inclusion or exclusion of actions to establish the infringement (or non-infringement) of a patent in the course of which a party pleads the invalidity of the patent)

I – Introduction

1. In this case the Oberlandesgericht Düsseldorf (Higher Regional Court Düsseldorf) raises a question concerning the interpretation of Article 16(4) of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters (2) (hereinafter the ‘Brussels Convention’). In certain circumstances, this provision grants exclusive jurisdiction to the courts of the Contracting State in which the deposit or registration of a patent has been applied for, has taken place or is deemed to have taken place.

2. More particularly, the referring court enquires whether the exclusive jurisdiction applies only if proceedings (with erga omnes effect) are brought to declare the patent invalid, or also if in an action concerning patent infringement one of the parties pleads that the patent is invalid or a nullity.

3. There may be situations in which in a patent infringement action the defendant pleads the nullity of the patent. Moreover, the claimant in a declaratory action to establish that a patent is not infringed may plead that the patent is invalid or a nullity and that for that reason there has been no infringement. This second situation is present in the main proceedings. More particularly, the referring court also wishes to know whether it matters if the court seized of the proceedings considers the plea to be substantiated or not and when the plea is raised during the course of the proceedings.

4. Article 16(4) forms an exception to the general principle of Article 2 of the Brussels Convention. That article stipulates that defendants domiciled in a Contracting State shall, whatever their nationality, be sued in the courts of that State. It is based on the adage actor sequitur forum rei. Thus, the object of Article 2 is to protect the rights of the defendant. In accordance with the settled case-law of the Court, because of the general nature of the principle of Article 2 derogations from it must be given a restrictive interpretation. (3)

5. On the other hand, a broad interpretation of the provisions of Article 16(4) is good for legal certainty and reduces the risk of conflicting rulings. Jurisdiction to adjudicate upon the validity of a patent is then always vested in the same court. More importantly, Article 16(4) should not be interpreted in such a way that jurisdiction depends on the claimant’s choice between a nullity action and an action for declaration of non-infringement. As far as possible, forum shopping should be ruled out.

II – Legal, factual and procedural context

6. Article 2 of the Brussels Convention, in Title II, Section 1 ‘General provisions’, reads as follows: ‘Subject to the provisions of this Convention, persons domiciled in a Contracting State shall, whatever their nationality, be sued in the courts of that State. ...’

7. Article 16, introduction and subparagraph (4), of the Brussels Convention, in Title II, Section 5, ‘Exclusive jurisdiction’, states: ‘The following courts shall have exclusive jurisdiction, regardless of domicile: in proceedings concerned with the registration or validity of patents, trade marks, designs, or other similar rights required to be deposited or registered, the courts of the Contracting State in which the deposit or registration has been applied for, has taken place or is under the terms of an international convention deemed to have taken place’.

8. The Brussels Convention has since been replaced by Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement judgments in civil and commercial matters. (4) However, this Regulation is not applicable to the present case since it applies only to proceedings ini-

tiated and authentic instruments drawn up after its entry into force on 1 March 2002, which is not the case here.

9. The issue arose in a dispute between Gesellschaft für Antriebstechnik mbH & Co. KG, Alsdorf (GAT), the claimant, and Lamellen und Kupplungsbau Beteiligungs KG, Bühl (LuK). The parties are competitors in the field of motor vehicle technology.

10. The claimant competed for a contract with Ford Werke AG, Cologne, to supply a mechanical damper spring. The defendant alleged that the claimant was in breach of, *inter alia*, certain French patents of which it was the registered proprietor. The claimant then brought legal proceedings in the Landgericht (Regional Court) Düsseldorf asking for a declaration that the defendant had no entitlement under the French patents and, moreover, asserted that the patents were a nullity or invalid.

11. The Landgericht Düsseldorf considered that it had international jurisdiction to adjudicate upon litigation relating to the infringement of French patents. It also considered that it had jurisdiction to rule on the dispute concerning the nullity or absence of validity of the patents at issue. It based itself – according to the order for reference – on a restrictive interpretation of Article 16(4), which was necessary to prevent a court being deprived of its jurisdiction as soon as a person accused of infringing a patent argued that the patent was invalid.

12. The Landgericht dismissed the claimant's action and ruled that the patents satisfied the patentability requirements. The claimant then appealed to the Oberlandesgericht (Higher Regional Court) Düsseldorf. In the course of hearing the appeal the Oberlandesgericht raised the question referred to in paragraph 2 above.

13. In the order for reference, the Oberlandesgericht notes, *inter alia*, that, whichever solution is chosen, there is a risk of divergent rulings. The court also suggests that consideration be given to the argument that the grant of a patent constitutes a sovereign act which the courts of the Member State concerned are better placed to examine than the courts of a foreign power. According to the Oberlandesgericht, this is also the reasoning behind Article 16(4) of the Brussels Convention.

III – The submissions to the Court

14. Submissions were lodged with the Court by the defendant in the main proceedings (LuK), the Governments of Germany, France and the United Kingdom, and the Commission. On 14 July 2004, the Court held a hearing on this case. At the hearing the claimant in the main proceedings (GAT) also pleaded its cause.

15. In the proceedings before the Court three mutually exclusive propositions were defended. The Court will have to decide which of these three propositions is most consistent with the text and objectives of Article 16(4) of the Brussels Convention.

16. LuK and the German Government argue for a restrictive interpretation of Article 16(4) of the Brussels Convention. According to them, Article 16(4) only applies to a dispute about the validity of patents if that

dispute concerns the principal claim of an action. They reject the idea that questions of the validity and infringement of a patent cannot be separated and consider that such a notion would seriously jeopardise the balance between the different jurisdictions under the Brussels Convention. In particular, it would result in almost all infringement cases falling under the exclusive jurisdiction of Article 16.

17. Parties would thus be deprived of rights conferred on them not only by Article 2 (the courts of the State in which the defendant is domiciled) but also by Article 5(3) and (5) and Article 6(1) of the Brussels Convention. Furthermore, on the basis of Article 2 the patent owner can bring all patent infringements before the same courts (namely, the courts of the State in which the infringer is domiciled), whereas under Article 16(4) he must sue in the courts of all the Member States in which a patent is registered.

18. The French and United Kingdom Governments, together with GAT, take the opposite view. They advocate a broad interpretation of Article 16(4), in the interests of the sound administration of justice.

19. They point out that the courts of the Member State in which the patent is granted are best placed to adjudicate upon its validity, because of their physical proximity and also because they are legally most closely connected with the granting of the patent. Moreover, validity and infringement are, in practice, inseparable. The applicability of Article 16(4) of the Brussels Convention to infringement actions can prevent conflicting judgments and is therefore in the interests of legal certainty. Moreover, taking this view would stop parties from evading the exclusive jurisdiction rule of Article 16(4). Thus, if an alleged infringer brought an action to establish that a patent had not been infringed, instead of challenging the validity of the patent, he would not – if the opposite view were taken – fall under Article 16(4). In this connection, the French Government refers to the Jenard report, (5) according to which decisions concerning the validity of patents fall within the jurisdiction of the Member States.

20. The Commission defends a third, intermediate, position. It argues that the abovementioned broad interpretation of Article 16(4) essentially leads to all patent litigation being dealt with by the courts of the country in which the patent is, or is to be, deposited or registered. The Commission does not discuss the desirability of such a solution but takes the view that it cannot be found in the text of Article 16(4).

21. It does, however, consider it important that parties should not be allowed to strip Article 16(4) of the Brussels Convention of its content. They should not have the option of choosing a forum by reference to the main issue: validity or nullity or alternatively infringement. In a case such as the present one it is immaterial whether the nullity of a patent is put forward as part of the principal claim or only as an argument in support of a plea of non-infringement. Under Article 16(4) there is only one court that can determine validity or nullity. Other issues concerning patents fall outside the scope of Article 16(4).

IV – Analysis

A – The context: the case-law of the Court

22. I shall begin by referring to the settled case-law, according to which, in order to ensure that the rights and obligations arising out of the Brussels Convention for the Contracting States and for individuals concerned are as equal and uniform as possible, an independent definition must be given to concepts under the Convention. (6)

23. Moreover, the Court's interpretation must contribute to the predictability of the attribution of jurisdiction. If the claimant in a private action can easily determine the court to which he can apply and if the defendant can easily determine in which court he can be sued, then the interests of both legal protection and legal certainty will be served. As explained in the 11th recital of Regulation No 44/2001, the rules of jurisdiction must be highly predictable.

24. The Court has also repeatedly held that Article 16, being an exception to the general rule of jurisdiction set out in Article 2(1) of the Brussels Convention, must not be given a wider interpretation than is required by its objective, given that this results in depriving the parties of the choice of forum which would otherwise be theirs and, in certain cases, results in their being brought before a court which is not that of the domicile of any of them. I have already referred to this in my introduction. (7) I also share the view of Advocate General Jacobs that not too much importance should be attached to a restrictive interpretation. As he writes in his opinion in the *Gabriel* case, (8) a legislative exception, like any other legislative provision, should be given its proper meaning, determined in the light of its purpose and wording and the scheme and object of the instrument of which it forms part.

25. A fourth criterion applied by the Court in its case-law on the Brussels Convention is the existence of a particularly close connecting factor between the dispute and the court for the place where the harmful event occurred, so that the attribution of jurisdiction to that court is justified for reasons relating to the sound administration of justice and the efficacious conduct of proceedings. (9)

26. On various occasions, on the basis of these principles, the Court has already given an interpretation of the concepts used in Article 16 of the Brussels Convention. Most of its pronouncements concern exclusive jurisdiction under Article 16(1), which relates to certain proceedings involving immovable property. The Court has ruled only once on Article 16(4).

27. In *Reichert and Kockler*(10) the Court held that the exclusive jurisdiction of the courts of the Contracting State in which the immovable property is situated (Article 16(1) of the Brussels Convention) is justified by the fact that, for reasons of proximity, these courts are best placed to ascertain the facts and to apply the relevant rules and practices. The exclusive jurisdiction of the courts of the Contracting State in which the property is situated does not encompass all possible actions concerning rights in rem in immovable property. On the contrary, the exclusive jurisdiction is (in es-

sence) limited to actions which seek to determine the extent, content, ownership or possession of immovable property or the existence of other rights in rem therein.

28. In the *Duijnstee* judgment (11) the Court gave an interpretation of the exclusive jurisdiction under Article 16(4) of the courts of the Member State in which a patent is granted (or applied for). For the Court, jurisdiction is justified 'by the fact that those courts are best placed to adjudicate upon cases in which the dispute itself concerns the validity of the patent or the existence of the deposit or registration'. The Court makes a distinction between these disputes and other actions which concern patents but fall outside the scope of Article 16(4) of the Brussels Convention. This latter category includes, for example, disputes about patent infringements, as well as, for example, the question before the Court in the *Duijnstee* case, that is, whether the employer or the employee was entitled to the patent.

29. The Court also bases its approach on the *Jenard* report (12) and on patent conventions, which make a clear distinction between the granting and registration of a patent, on the one hand, and infringements, on the other.

B – What does the text of the Brussels Convention say?

30. Under Article 16(4), in Title II, Section 5 of the Brussels Convention entitled 'Exclusive jurisdiction', certain disputes concerning patents and other industrial property rights are heard by the courts of the Member State in which the right has been or is to be deposited or registered.

31. The binding nature of the exclusive jurisdiction is apparent from the provisions of Articles 17 and 18 of the Brussels Convention. The only question is to which disputes does Article 16(4) apply.

32. To begin with, it is fairly clear from the text of Article 16(4) that those who drafted the Convention did not intend to bring all disputes concerning patents – and other industrial property rights – within the exclusive jurisdiction. Article 16(4) applies only to disputes concerning the registration or validity of patents and other rights. The provision makes no express mention of disputes concerning patent infringements. In this respect Article 16(4) differs from Article 229A EC, which opens up the possibility of the Court being granted jurisdiction over all disputes concerning Community industrial property rights.

33. The national court refers in particular to the English wording of Article 16(4) which appears to be more broadly formulated than subparagraphs (1) to (3) of Article 16. Article 16(4) refers to 'proceedings concerned with' whereas paragraphs (1), (2) and (3) relate to 'proceedings which have as their object'. Other language versions, such as the German, French, Italian and Dutch, do not make the same distinction and, moreover, it is not absolutely clear from the English text what this difference in wording actually means. In its observations the Commission thoroughly explores the difference in the English text mentioned by the national court. It concludes that the difference is irrelevant inasmuch as it is not reflected in the other language

versions and there is no evidence that the drafters of the convention intended to qualify Article 16(4) in the way suggested. It refers in this connection to the abovementioned Jenard report. (13) I share the Commission's view on this point.

34. Under Article 19 of the Brussels Convention, the court of a Contracting State seised of a claim which is principally concerned with a matter over which the courts of another Contracting State have exclusive jurisdiction by virtue of Article 16 must declare of its own motion that it has no jurisdiction. The French language version – unlike the German, English, Italian and Dutch versions – specifies that in this case the court must be seised of the claim 'à titre principal'. The provisions of Article 19 of the Brussels Convention were thoroughly discussed during the proceedings before the Court and it was made clear that Article 19 is not a rule of jurisdiction and that its interpretation cannot determine the interpretation of Article 16 of the Brussels Convention. The interpretation of Article 19 aside, the Brussels Convention does not preclude Article 16(4) from also applying to disputes with respect to which the courts are not already required to declare that they have no jurisdiction when seised.

35. To sum up, the Brussels Convention establishes a binding rule for conferring jurisdiction, but does not make all disputes concerning patents subject to Article 16(4). At the same time, it does not appear from the text of the Convention that its drafters intended to restrict the article's application to proceedings in which the principal claim has the validity or, as in this case, the nullity of a patent as its object.

C – Assessment

36. As already noted, the referring court wishes to know the scope of the exclusive jurisdiction conferred by Article 16(4) of the Brussels Convention on the courts of the State in which a patent is registered or deposited. From the submissions to the Court three propositions can be derived (for further details see Section III of this Opinion):

- first proposition: Article 16(4) only applies if the principal claim of a proceeding concerns the validity of patents;
- second proposition: validity and infringement are, in practice, inseparable in patent proceedings and therefore Article 16(4) also applies to infringement actions;
- third proposition: only the court indicated in Article 16(4) is competent to determine the validity or nullity of a patent. Other issues concerning patents fall outside Article 16(4).

37. I propose that the Court should opt for the third proposition, for the following reasons.

38. To begin with, the second proposition must be discarded. As the Court pointed out in the *Duijnste* judgment, Article 16(4) of the Brussels Convention is based on a distinction between disputes concerning the granting and registration of a patent, in which the validity of patents is generally at issue, and disputes concerning patent infringements. The second proposition may be attractive from the standpoint of legal

certainty and coherence, but it is inconsistent with the explicit choice of the drafters of the convention not to bring all disputes concerning patents and other industrial property rights within the scope of Article 16(4) of the Brussels Convention.

39. Consequently, the first proposition should also be rejected. Although this proposition may be defensible if Article 16(4) is given a strict grammatical interpretation, its adoption would make it possible for the claimant in a civil proceeding to evade the binding choice of forum under Article 16(4). This is illustrated by the case that forms the subject of the main proceedings. *GAT* – according to the first proposition – rightly chose to bring an action in the German courts to establish non-infringement. However, the company could also have chosen to contest the validity of the LuK patents in the civil courts. Then, under Article 16(4) of the Brussels Convention, it would have had to sue in the courts of the Member State in which the patent was registered, in this case France.

40. If the claimant in a civil proceeding were to have this discretion, then – given the consequences for the jurisdiction of the courts – it would undermine the predictability of the system for the defendant and hence one of the principles of the case-law of the Court. (14) Moreover, such freedom of choice would be detrimental to the object and meaning of Article 16(4) of the Brussels Convention, which provides for a binding rule.

41. The third proposition, on the other hand, can readily be defended. It results in the exclusive jurisdiction provided for in Article 16(4) prevailing whenever the validity of a right recognised by an authority of a Member State – or registered with that authority – is challenged in a civil proceeding. Among other things, the decision of the authority itself is then in dispute, which introduces elements of administrative law. A decision by a national authority should, wherever possible, be subject to scrutiny by the courts of the country concerned itself, not by the courts of a foreign power. I also see here a parallel with the *Reichert and Kockler* judgment in which the Court applied the test of proximity to certain actions concerning immovable property (see paragraph 27 above).

42. These considerations apply regardless of the proceedings that form the context of the plea of invalidity. It is the object of the proceedings that counts, not the formulation of the claimant's principal claim. The referring court also enquires whether any significance attaches to when the plea of invalidity or nullity is raised in the course of the proceedings. In my opinion, this question should be answered in the negative. The essence of the solution I propose is that only the courts of the Member State in which a patent is deposited or registered should rule upon its validity. This being so, it is immaterial when in the course of the proceedings its validity is challenged, all this apart from the fact that, as far as possible, the Brussels Convention should be autonomously interpreted, independently of the procedural law of the Member States.

43. In ‘pure’ infringement proceedings there is no such link with the national authority. These disputes concern the infringement of a person’s subjective right and, in principle, are no different from other comparable civil disputes concerning subjective rights unrelated to industrial property. This view of the difference between patent infringement and patent validity proceedings finds direct support in the text of the Brussels Convention. Moreover, as already mentioned, the distinction was recognised by the Court in the Duijnsteer judgment.

44. The drafters of the convention explicitly chose not to bring infringements of a patent (or, for example, a trade mark) within the scope of Article 16(4) of the Brussels Convention. It would be wrong – not least in view of the requirement to maintain the balance of the system – to interpret Article 16(4) in such a way that ‘pure’ infringement actions were also wrested away from the general rule of Article 2 of the Brussels Convention. Moreover, such an interpretation would be inconsistent with the Court’s ruling that exceptions to the general rule of jurisdiction of Article 2(1) of the Brussels Convention must not be given a wider interpretation than is required by their objective. (15)

45. Then there is the judgment in *Gantner Electronic*(16) concerning Article 21 of the Brussels Convention. This article regulates the situation in which proceedings between the same parties are brought in the courts of different Contracting States. In that judgment the Court held that, where jurisdiction is concerned, account should be taken only of the claims of the applicant, to the exclusion of the defence submissions. Otherwise, depending on the content of the defence submission – which can necessarily only be introduced in the course of the proceedings – the attribution of jurisdiction might have to be modified. Moreover, if account were to be taken of the defence submissions, the defendant would be given the opportunity to act in bad faith and obstruct proceedings already sub judice.

46. In my opinion, it does not follow from the *Gantner Electronic* judgment that Article 16(4) does not apply when the defendant disputes the validity of a patent in the context of an infringement action. The Brussels Convention provides ample means of ensuring an effective remedy. The court judging the infringement can transfer the case completely, it can stay the proceedings until the court of another Member State with jurisdiction under Article 16(4) rules upon the validity of the patent, or it can deal with the case itself where a defendant acts in bad faith.

47. Finally, one of the main lines of argument put forward in this case in submissions to the Court relates to the organisation of the administration of justice and judicial economy. Viewed from this standpoint, however, not even the chosen solution can be regarded as ideal. No more than any other solution does it avoid the risk of the courts of several Member States becoming involved in the same case and of those courts making divergent rulings. A patentee often holds patents for the same product or process in a number of Member States.

Thus, the courts of these different Member States would have exclusive jurisdiction as soon as, in the context of an infringement proceeding, the question of the validity of a patent was raised. This does not make an infringement proceeding any easier per se.

V – Conclusion

48. I propose that the Court should answer the question raised by the *Oberlandesgericht Düsseldorf* as follows:

‘Article 16(4) of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters determines jurisdiction whenever in a proceeding the validity or the nullity of a patent or of another industrial property right mentioned in that provision is claimed. The article in question therefore applies whenever the defendant in a patent infringement action or the claimant in a declaratory action to establish that a patent is not infringed pleads that the patent is invalid or a nullity.’

1 – Original language: Dutch.

2 – OJ 1972 L 299, p. 32. The consolidated version of the convention as since amended is in OJ 1998 C 27, p. 1.

3 – See, for example, the judgment in *Case C-189/87 Kalfelis* [1988] ECR 5565, paragraph 19, and more recently the judgment in *Case C-168/02 Kronhofer* [2004] ECR I-6009, paragraphs 12-14.

4 – OJ L 12, page 1. The Brussels Convention still applies with respect to the Kingdom of Denmark.

5 – OJ 1979, C 59, p. 1.

6 – See, with reference to Article 16 of the Brussels Convention, the judgment of the Court in *Case C-518/99 Gaillard* [2001] ECR I-2771, paragraph 13.

7 – See also the judgment mentioned in the previous footnote, paragraph 14.

8 – Opinion in *Case C-96/00* [2002] ECR I-6367, paragraph 46 of the Opinion.

9 – See the recent *Kronhofer* judgment cited in footnote 3, paragraph 15 (with respect to Article 5(3) of the Brussels Convention).

10 – Judgment in *Case C-115/88* [1990] ECR I-27, paragraphs 10 and 11.

11 – Judgment in *Case C-288/82* [1983] ECR 3663.

12 – See footnote 5.

13 – See footnote 5.

14 – See paragraph 23 above.

15 – See paragraph 24 above.

16 – Judgment in *Case C-111/01* [2003] ECR I-4207.
