



More Refined Rules of Claim Interpretation in Germany - Are They Necessary?

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I. Prior Case Law

The decision, *Segmentation Device*, complements half a dozen Supreme Court judgments which have tried to define the scope of protection under the harmonized rules of patent interpretation, in particular Art. 69 EPC and its Interpretation Protocol. The most important one was the Radio Broadcasting System¹ where the Supreme Court made it unmistakably clear that in future the wording of the claim will be the basis for interpretation of patent claims, not merely the starting point for a generous extension of protection when the patentee or his agent had made a mistake in drafting the claim. Another, even more important, case was *Molded Curbstone*². In that case the Court, on the one hand, emphasized that the scope of protection of a patent claim is not limited to its wording but also comprises equivalents. On the other hand, and here again the possibilities of defense for the alleged infringer have been considerably improved, the Court allowed evidence that, in a case where no identical infringement is given, the defendant can demonstrate that his embodiment would not have been patentable on the priority date so that it cannot be comprised by the claim and cannot be the subject of an injunction.

Further decisions followed which have so far avoided settling the question whether sub-combinations, in the sense of partial protection of a patent claim, can be regarded as an infringement if a claim feature is missing in the infringer's embodiment³. The definition of the Supreme Court always was that the allegedly equivalent solution must be derivable from the claim by a person skilled in the art without inventive effort.

It therefore came as a surprise to most practitioners when the Supreme Court handed down its *Fixing Device II* decision⁴, where it was stated in the head notes:

a) The scope of protection of a patent can also include such embodiments that make use of the protected teaching whilst also implementing an inventive further realization; it is then a dependent invention.



b) The requirements for patent infringement by equivalent means are also met if one or more elements of the actual embodiment are to be understood as the realization of a more general statement that the average skilled person can deduce to be of equivalent effect to the teaching described in the patent claim and explained in the patent description. Under these circumstances, it is irrelevant whether the actual realization is obvious to the average skilled person, or whether it is inventive.

c) If an embodiment makes identical use of the elements of the spatial and physical realization of the patent claim, then there is generally no need to examine whether the identical elements fulfill the same purpose and have the same effect and function as that of the patent at issue. In the case of a product patent the inclusion in the patent claim of statements about purpose, effect and function as a rule does not restrict the scope of the patent.

Many practitioners interpreted this case as a reintroduction of the general inventive idea, which had been considered abolished by the Supreme Court in the Radio Broadcasting System decision. For many years, practitioners believed that the generalization of a feature of the claim was admissible if it could be regarded as an equivalent of one of the features of the original claim.

II. The "Segmentation Device" Case

This was obviously also the belief of the Düsseldorf Court of Appeals in the Segmentation Device case: In view of the fact that all but one of the features of the claim were identical in the attacked embodiment, the court of appeals came to the conclusion that "sawing" used in the plaintiff's patent claim also covers "molding" which was used by the defendant for the same purpose and with the same result, namely to smoothen the surface of the edges of the logs.

The Supreme Court has now given an interpretation of the Fixing Device decision which limits or even destroys expectations of broadening of protection by a generalization of claim features. The Supreme Court rejects the method used by the court of appeals which had formulated a general term, "smoothening device," to cover the original feature of the claim and the feature used by the alleged infringer. The Supreme Court regards this as a generalization of an inventive idea whose admissibility under the new law had



not yet been determined and which the Court also refuses to decide in this case.

The Supreme Court also examines whether a dependent invention in the sense of Fixing Device II is given, but rejects this on the basis of the facts. It defines a dependent invention as a more concrete embodiment of a feature contained in the claim which the alleged infringer was able to derive from a general teaching already contained in the original claim, and which one would regard as an equivalent solution in the sense of an alternative solution, not as a general teaching covering both solutions. A dependent invention according to the definition of the Supreme Court is therefore always given if the alleged infringer makes (literal or equivalent) use of claim features but realizes at the same time a further inventive and more concrete embodiment. Such would be the case under the present circumstances if the patent at issue had contained a teaching protecting all "smoothing devices," so that the molding method used by the defendant would constitute a more specific realization of "sawing" contained in the claim. According to the Supreme Court, the patent understands "fine machining" as a

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smoothing method only as sawing which is expressly mentioned in the claim. To reach this result the Court suggests a rather complicated examination:

1. As a first step the wording and the contents of the claim must be interpreted as they would be understood by a person skilled in the art.
2. If the defendant does not use the wording of the claim in this sense it must be examined whether the solution used by the defendant still makes use of the sense of the claim and whether the modified means of the embodiment found could have been derived from the protected claim as achieving the same result for the solution of the problem of the patent. If with this method an equivalent solution must be denied, the search for a possible dependent invention would follow a three-step procedure:

a. Examination for Superfluous Features

Which features of the alleged infringing embodiment are unnecessary with respect to the inventive teaching? Only those features shall be maintained which in view of the subject matter of the invention are indispensable and still fulfill the meaning of the features as understood by the skilled person, or which are modified but necessary features in a problem/solution context.



b. Abstraction Principle

It must be examined whether, if the modified feature or replacement as far as it is not an equivalent can be understood as a generalized feature or a more general realization of the original claim feature.

c. Equivalence Examination

Does this more general or more abstract feature stand in an equivalence relationship to the claimed feature?

The Supreme Court explained that the wrong approach of the court of appeals consisted in the fact that the generalization and indispensability of features was conducted with respect to the features of the patent claim and not, as it should be, on the basis of the allegedly infringing embodiment.

The reason behind this approach, according to the Supreme Court, is that the inventor should not benefit from an inventive achievement of third parties which would only later be read into the patent claim. The abstraction or generalization should therefore apply to the allegedly dependent solution. Such an examination would also comply with the definition of equivalence which requires that the solution of the infringer must have been derivable from the claim on the basis of the knowledge of an average person skilled in the art. True inventive solutions, therefore, if the inventive character does not merely lie in a more specific and more concrete realization, are outside the scope of a prior patent and deserve independent protection.

III. Evaluation of the Decision

If one wishes to contrast Fixing Device II and Segmentation Device, the former decision concerned an equivalent alternative to an inventive teaching which was already contained in the original patent claim. In contrast thereto, the Segmentation Device contained a concrete claim feature which could not be generalized to cover another concrete feature of the infringing embodiment.

The possible forms of an infringement as defined by the Supreme Court would therefore be the following:

- identical or literal infringement
- infringement by an equivalent solution



- a further, more specific, development in the form of an alternative which as such is covered by a general teaching already contained in the patent claim (Fixing Device II).

If the reader has been able to follow the rules and principles developed here, the question nevertheless may arise: was it necessary to refine further the existing detailed rules for the definition of the scope of protection and the interpretation of patent claims?⁵

It is taken for granted that the 10th Chamber of the German Federal Supreme Court is certainly one of the most experienced bodies to decide patent cases (more than 100 cases per year in infringement and nullity proceedings). And this Court is certainly able to apply its own rules. But it is difficult to understand why in the present case it was necessary to define a new rule of law which does not ask whether the potential infringer could derive a more general solution from the patent claim, and exchange or modify features which he could find there, but whether the allegedly infringing embodiment contains a general teaching which covers features of the patented claim. Such an examination method has so far been unusual in normal patent practice, since the judgment of unfairness normally comes from the feeling by a neutral observer that some kind of derivation has occurred from that which was disclosed by the patentee, whether such a derivative solution aimed at the same inventive result or whether the features used in the defendant's embodiment were close enough to, or too far from, the protected wording of the claim that a skilled person could still regard them as being covered by the contents of the claim or at least by the sense of the wording. To ask now whether features of the infringing embodiment cover terms or features of the patent claim is, to say the least, surprising.

It is true that it has never been easy to understand the concept of a "dependent invention," in view of the definition of equivalence that such a solution must have been derivable from the prior patent by a person skilled in the art without inventive effort. The granting of a patent for such a dependent invention seems to show that it was not obvious when applying the skill of an average person to come to such a solution. Now the Supreme Court has shown that there are indeed cases of later inventions which, although "inspired" by the patent at issue, might be regarded as conceptionally independent because of a too precise claim feature in the prior patent which does not cover the respective feature in the later patent, although from the very facts of the case just this question whether the feature was too precise may



well be disputed. The fact that a patent has been granted for such a "second solution" is at least, as can be seen from the reasoning of the Court, an indication in favor of a new and independent invention.

IV. Practical Consequences

What does this mean for the future practice of patent infringement? One of the results which have become apparent from the above explanations is that the evaluation of the outcome of infringement suits has not become easier. The many principles, theories, and examination methods become more and more sophisticated in a way that each set of facts seems to create a new independent rule.

If it comes to the evaluation of a concrete infringement case, a number of complementary and sometimes diverging principles have to be taken into account, namely

- that parts of an invention not claimed are not protected (Radio Broadcasting System),
- broad claim language cannot be used to cover features which would not have been patentable on the priority day (Molded Curbstone),
- the omission of a feature excludes infringement if the feature has been described as essential by the patentee (Air-Breathing Hose),
- a feature may well be exchanged and modified if the original broad claim language allowed a generalization (Fixing Device II).

Segmentation Device adds another rule, namely that the concrete description of a feature, as it sometimes "slips" into the claim language upon request of the examiner, does not allow for a generalization which would cover another specific feature contained in the infringing embodiment if the other solution would not have been contemplated by the skilled person in view of the language of the claim, even if the new feature fulfils the same function as the feature of the claim. In the past such a restriction had been put forward by the Supreme Court only in cases where there was close prior art against which the patentee had to limit the claim during prosecution. That Art. 69 EPC should now require a complicated examination starting from a generalization of the infringing embodiment instead of just asking the question whether one feature can easily be replaced by the other is difficult to understand.



The most disturbing factor for the Supreme Court obviously was that the embodiment of the defendant was regarded as patentable by the Patent Office. Therefore, a revocation of that patent would certainly have facilitated the task for the patentee.

In fact, the Supreme Court expressly recommends waiting for the outcome of the already pending nullity suit against the patent of the defendant. This leads to one evident recommendation: If the infringer in a given case has obtained a (later) patent within the general technical area, and he relies on this patent by way of a Segmentation Device defense, a nullity suit against this patent seems to be inevitable. The distinction between Fixing Device II and Segmentation Device, if it was not evident to the experienced Düsseldorf Court of Appeals, will often be very difficult even for experienced attorneys in a given case. From the facts of Segmentation Device (sawing does not include molding as an equivalent alternative), it also does not become clear without knowledge of the full patent specification why the claim, as the Supreme Court thought, should be limited to the concrete wording.

Any modestly equipped, amateur, do-it-yourself-constructor would own an electric saw and a molding device, and he would use them as readily available alternatives - why not the famous person skilled in the art? Does the Supreme Court only want to improve peripheral claim drafting in Germany to avoid unpleasant surprises for German inventors in the future European patent infringement instances? If so, then simpler rules should be developed and applied, since less experienced courts (and patentees) will be unable to follow the German Supreme Court which has so far been so clear and predictable.

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1) 19 IIC 811 (1988) - Radio Broadcasting System

2) 18 IIC 795 (1987) with comment by GEISSLER.

3) Cf. PAGENBERG, "The Scope of Art. 69 EPC: Should Sub-Combinations Be Protected? - A Comparative Analysis on the Basis of French and German Law," 24 IIC 314 (1993).

4) 23 IIC 111 (1992).

5) Cf. for the German case law, PAGENBERG, *supra* note 3.

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