

New Trends in Patent Claim Interpretation in Germany - Good-bye to the "General Inventive Idea"

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1. Harmonized Claim Interpretation within EPO Countries

With the adoption of the European manner of claim interpretation according to Art. 69 EPC 1) and the confirmation by the Federal Supreme Court that the interpretation protocol of Art. 69 will have to be regarded as a guideline for the German courts, 2) the intent of the German legislature to harmonize national patent law with such claim interpretation has been correctly conveyed. It was to be expected, therefore, that in comparison to former German practice certain limitations as to the extent of protection awarded to patentees would be pronounced by the courts.

2. Decision on "Moulded Curbstone" (German Federal Supreme Court)

The first and generally welcomed step in this direction was the decision of the German Federal Supreme Court with regard to a patent for a Moulded Curbstone³.) In a carefully drafted and convincing opinion the Supreme Court created a new defense for an alleged infringer, who, as it often happens in practice, uses a solution which has been developed from the prior art but which is covered by the wording of the claims of a patent or may be regarded as an equivalent of said wording, although it contains more features of the prior art than the patented solution. The Court's new theory is that if a hypothetical - examination of such an embodiment shows that it must be regarded as obvious with respect to the prior art, it would certainly be a strange result if nevertheless the patentee were entitled to enjoin the use of something for which he or anybody else would not have been granted a patent in the first place. It is true that in some cases such a result is due to claims which are worded too broadly and which therefore should not have been allowed. However with the German separation of infringement proceedings from nullity proceedings the judge in infringement cases is regarded as being bound to consider only the claims as granted, except where it is discovered that the subject matter of the claims has been disclosed in a piece of prior art. On the other hand the limitation of claims in a nullity proceeding, in such a way that the defendant's embodiment is no longer covered, often fails and is anyway too complicated for the defendant. Therefore, the new approach taken by the Federal Supreme Court in the Moulded Curbstone decision, that a defendant would not be regarded as an infringer if his embodiment were not new or unobvious over the prior art, takes account of the necessity in infringement proceedings of limiting a sometimes excessively broad protection of the patentee.

3. Does the Narrow Interpretation Go Too Far? - The "Radio Broadcasting System" Case

a) The more recent case Radio Broadcasting System⁴) is not concerned with a limitation of the claim in view of close prior art. It does, however, limit the protection of the patentee from another direction.

The claim of the patent in its preamble was directed to a new "VHF stereophonic radio transmission system in which a VHF transmitter is modulated..." the characterizing part describing a special form of frequency modulation which is intended to switch on the radio of a car driver in case of traffic information, even if the driver is listening to tapes or if he has turned

down the radio program. This system works only with radios especially equipped for receiving the respective signals, which is a self-evident peculiarity of any transmission/receiver system, and it was undisputed in the litigation that, given the teaching of the characteristics of the transmitter, manufacturing of the receiver was obvious for a person skilled in the art.

The defendant had offered for sale radios equipped to receive such traffic information, which equipment has become standard for car radios in Germany. The Supreme Court, in line with the District Court and the Court of Appeals, dismissed the suit with the basic argument that the receiver (radio) was not mentioned in the claims so that no protection could be granted to the inventor.

It is obvious, if one may say so in this context, that the inventor did not just have the sale of some transmitter equipment in mind, since the major economic value lies in the sale of car radios, of which millions are sold each year. Therefore, the drafting of the claims as granted was certainly an oversight of the patentee which has proved to be very costly, since after the decision of the Supreme Court everybody now has a "free ride" for the use of the invention with respect to the manufacturing of radio receivers.

b) This decision must have been an unpleasant and most surprising result for the patentee. In the past, German patentees could in most cases rely on the benevolence of the courts that in such a situation the judges would try to help, i.e. they would examine whether the inventive features as disclosed in patent

- were also contained in the embodiment of the defendant
- could have been derived from the disclosure of the patent and
- would also have been patentable over the prior art.

This examination, mostly done on the basis of a newly drafted "claim" defining the infringing feature, became known under the concept of a "general inventive idea." It might be interesting to examine whether under this doctrine the outcome of the case would have been different.

c) Without going into the technical details of the equipment of transmitters on the one hand and receivers on the other hand, it is safe to say that with respect to the specific features of frequency modulation the receiver is the alter ego or the "negative mould" of the transmitter and must therefore of necessity contain the corresponding features. These features were all undisputedly disclosed in the patent for the transmitter, and, if the transmitter was regarded as patentable, the receiver would have been patentable as well.

The Supreme Court does not discuss nor even mention the concept of a general inventive idea. It is true that in the numerous German Windsurfing cases which were still decided under the old law, the lower courts as well as the Supreme Court had examined the wording of the patent claim very carefully. In one of the cases, for example, the Munich Court of Appeals rejected the suit against a surf board manufacturer which for some patent practitioners - not for this author - came as a surprise. The patent claim of the Windsurfing patent as granted in Germany was directed in its preamble to a "rig for a sailboard...." The Court convincingly argued that as the claim was directed to the rig (after express limitation during examination), the board was clearly outside the scope of protection, although the board only functions in connection with the rig and is therefore mentioned several times in the claim. The outcome of this Windsurfing case - it reached the German Supreme Court but was settled before a decision - was later expressly referred to by the European Court of Justice as a sound and equitable interpretation of a patent claim. 5)

d) Whether this can also be said of the Radio Broadcasting System decision might be answered differently. The Court of Appeals as cited by the Supreme Court had assumed that the words "Radio Broadcasting System" in the preamble generally refers to both the transmitter and the receiver. However, according to the Court of Appeals and the Supreme Court, the invention only describes the characteristics of the transmitter where in fact certain additional

problems had to be solved in order to avoid disturbing existing receivers by the introduction of the new system.

Although the Court of Appeals admitted that there is of course the necessity of a functional adaptation of the new receivers to the transmitters, it is not at all clear - according to the Court - whether those receivers do in fact adopt the inventive features as defined in the claim. Even if one assumes a functional interdependence of transmitter and receiver, this would not necessarily comprise the realization of the inventive idea with respect to the receivers as well.

The Supreme Court accepts this view by adding that the interest of the public requires that only those parts of a complex apparatus or technical system are granted protection which the inventor has expressly chosen by including them in the claims. Legal certainty requires that the inventor cannot go beyond the finally granted claims. In infringement proceedings, the use of the description for an extension of a clearly worded claim is excluded. Although the Court admits that in the claim the functioning of the receiver was mentioned, the characteristic feature of the invention described was not transmitting information from the transmitter to the receiver but the particular kind of the transmitted information. Even under the assumption that the receiver had to be specifically adapted to receive the information, this fact should not be a sufficient reason to now include the receiver into the scope of protection.

e) If one tries to evaluate the outcome of the decision one certainly has the feeling that it may be regarded as unfair to the patentee when one considers the commercial profits which the "infringers" gain from the invention. However, it is impossible to say that the decision is wrong and that one could propose a solution which would still be in conformity with the new and more restrictive statutory text of claim interpretation, although the outcome of the case would certainly have been different under the old law.

It is also true, however, that under the new patent law the division of a claim into a preamble and a characterizing part does not lead to an interpretation by which only the characterizing part is protected. The courts have repeatedly held that if a feature has erroneously been included in the preamble although it did not belong to the prior art, it can be used by the courts as an element to determine infringement. But if the preamble, as the Supreme Court has put it in this case, only generally refers to a broader technological field and then, in its characterizing part, the patentee only claims and describes a small entity as his improvement - although it is clear that other parts have to be modified as well by using the newly discovered inventive features - it is indeed the fault of the patentee to have restricted the extent of protection, and it is not a task of the court to extend such protection beyond this clearly defined scope.

Summarizing, one comes to the conclusion that in contrast to the Moulded Curbstone decision the facts of this case are rather unique, so that they will rarely have to be decided a second time. This case is nevertheless a severe warning against loose claim drafting and the Supreme Court obviously was of the opinion that the patentee does not even have the excuse that he could not have foreseen this particular form of alleged infringement and therefore he did not expressly claim the receiver.

It is also true that under the old German practice the patentee would most probably have been protected by the concept of a "general inventive idea". It might therefore have been appropriate for the Court to expressly discuss this old practice and then to refuse its application (as some of the judges have done already on a private basis in articles and lectures) instead of silently burying it. A short good-bye speech by the highest patent justices would have been more appropriate for an old friend of German patentees, praised and pleaded in many lengthy briefs in patent infringement litigation, who has now gone forever.

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1) Art. 69 Extent of Protection:

(1) The extent of the protection conferred by a European patent or a European patent application shall be determined by the terms of the claims. Nevertheless, the description and drawings shall be used to interpret the claims.

(2) For the period up to grant of the European patent, the extent of the protection conferred by the European patent application shall be determined by the latest filed claims contained in the publication under Article 93. However, the European patent as granted or as amended in opposition proceedings shall determine retroactively the protection conferred by the European patent application, in so far as such protection is not thereby extended.

2) The Interpretation Protocol of Art. 69 reads as follows:

Article 69 should not be interpreted in the sense that the extent of the protection conferred by a European patent is to be understood as that defined by the strict, literal meaning of the wording used in the claims, the description and drawings being employed only for the purpose of resolving an ambiguity found in the claims. Neither should it be interpreted in the sense that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the patentee has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patentee with a reasonable degree of certainty for third parties.

3) German Federal Supreme Court decision, 18 IIC 795, 798 (1987) - Molded Curbstone (Formstein), with comment by GEISSLER.

4) German Federal Supreme Court decision, Radio Broadcasting System, IIC, this issue at 811.

5) 17 IIC 362 (1986) - Windsurfing International.