

Question Q204P



National Group: Hungary

Title: **Liability for contributory infringement of IPRs – certain aspects of patent infringement**

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Questions

The Groups are invited to answer the following questions under their national laws

I) Analysis of current legislation and case law

1. *a) Is it a separate condition for the supply or offering of means to qualify as contributory patent infringement that the means supplied or offered were suitable to be put to a use that would infringe the patent?*

Yes. According to Art. 19(3) of Act XXXIII of 1995 on the protection of inventions by patents (in the following: HPA), it is a condition that the offerer or supplier knows, or it is obvious from the circumstances, that those means are suitable and/or serve for carrying out the invention.

- b) If yes to a), is it relevant that the means are also suitable to be put to other uses not related to the invention?*

It may be relevant. Namely, according to Art 19(4) of the HPA, if the supplied or offered means are ordinary goods available in the commerce, a further condition of indirect infringement is that the supplier or offerer deliberately induces the purchasing party to commit infringement.

2. *a) Is it a condition for the supply or offering of means to qualify as contributory patent infringement that the person supplied intended, at the time of supply or offering, to put the means to an infringing use?*

Yes. According to Art. 19(3) of the HPA, the offering or supply shall have the aim of carrying out the invention. This is an "abstract" aim which can not be present without the intention and knowledge of the person supplied.

- b) If yes to a), is the element of intention a separate condition to any condition of suitability for an infringing use?*

No, the element of intention is not a separate condition to any condition of suitability.

c) If yes to a) is it a condition for the supply or offering of means to qualify as contributory patent infringement that the supplier was aware, at the time of supply or offering, that the person supplied intended to put the means to an actually infringing use?

Yes, see our answer to 2a) above.

3. *If it is a condition for the supply or offering of means to qualify as contributory patent infringement that the means relate to an essential, valuable or central element in the invention or that the means relate to an essential, valuable or central element in the product or service that constitutes direct infringement, what is the test for determining whether an element is essential, valuable or central?*

We are not aware of any case law or guidance in Hungary for determining whether an element is essential, valuable or central. According to the Hungarian patent practice every element is essential which is present in an independent claim.

4. *To the extent the means supplied or offered are staple commercial products, is it an additional condition for the supply or offering of means to qualify as contributory patent infringement that the supplier provides any instruction, recommendation or other inducement to the person supplied to put the goods supplied or offered to an infringing use?*

Yes. As stated in 1b) above, if the supplied or offered means are staple commercial products, a further condition of indirect infringement is that the supplier or offerer deliberately induces the person supplied to commit infringement.

5. *a) Is injunctive relief available against acts of contributory infringement?*

Yes.

b) If yes to a), may injunctive relief be directed against the manufacture of the means per se or the supply of the means per se?

There are neither explicit provisions in the HPA, nor respective court decisions to this particular issue. However, according to the Hungarian provisions an IPR owner may request an injunctive relief even against acts directly threatening with (direct or indirect) infringement. In the opinion of the Hungarian Group, if the manufacture of the means *per se* or the supply of the means *per se* qualifies for such a threat, injunctive relief can be obtained.

c) If no to b), must the injunction be limited to manufacture or supply of the means in circumstances which would amount to contributory infringement?

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d) If yes to c), how in practice should this limitation be included in injunction orders, for example:

i) may claims for injunctive relief be directed for example against the abstract or hypothetical situation that the means are supplied in circumstances where the

supplier is aware that the person supplied intends to put the means to an infringing use, and/or

ii) must claims for injunctive relief be directed against particular shipments of means for which the supplied person's intent and the supplier's knowledge has been proven?

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6. *Is it a condition for the supply or offering of means to qualify as contributory patent infringement that the intended use of means for actual infringement is intended to take place in the country where the means are supplied or offered?*

Although we are not aware of any case law in this regard, the answer is yes in the opinion of the Hungarian Group. Contributory patent infringement in Hungary can be established only if all acts take place in Hungary. So, both the supply or offering on the one hand, and the intended use of the means on the other hand shall qualify as domestic acts.

7. *How is it to be determined where means are supplied or offered? For example:*
- *Supplier X conducts business in country A, X agrees to supply person Y with means for an infringing use in country B Are the means supplied in country A or B or in both?*
 - *Supplier X undertakes to deliver means "free on board" in a harbour in country A in the same circumstances Are the means supplied in country A or B or in both?*
 - *Supplier X undertakes to deliver means "free on board" in a harbour in country B in the same circumstances Are the means supplied in country A or B or in both?*
 - *If the offer was made in country A but accepted in country B, are the means supplied in country A or B or in both?*

There is neither guidance nor local case law to these particular issues.

8. *If means suitable for being incorporated into a patented product P are supplied by supplier X in country A to person Y, in circumstances where it was known to X (or it was obvious in the circumstances):*

- i) that Y intended to export the means to country B and complete product P in country B; and*
- ii) that Y intended to export the completed product P into country A,*

would Y then be regarded as having intended to put the means to an infringing use in country A by importing and selling product P in country A, with the consequence that X could be held liable for contributory infringement in country A by supplying the means to Y?

Yes. Both the supply and intended infringing use are domestic acts in country A.

9. *a) Is the question of contributory infringement determined in accordance with the law of the country in which the means are:*
- i) offered; or*

ii) supplied?

Offering or supply are alternative conditions in the HPA. The question of contributory infringement shall be determined in accordance with the law of the country in which at least one of the acts is carried out.

b) What is the applicable law if the means are offered in country A but supplied in country B?

See our answer above to question a). The law of country A is applicable to the offer, while that of country B is applicable to the supply.

c) Are there any other relevant principles to determine the applicable law?

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II) Proposals for substantive harmonisation

The Groups are invited to put forward their proposals for adoption of uniform rules, and in particular consider the following questions:

1. *In a harmonised system of patent law, what should be the conditions for an act of supply or offering of means to qualify as a contributory patent infringement?*

The following should qualify as contributory patent infringement:

supplying or offering to supply any person, other than a party entitled to exploit the patented invention, with means, relating to an essential element of the subject matter of the patent, for putting it into effect, when the supplier or offerer knows, or it is obvious in the circumstances, that these means are suitable and intended for putting that subject matter into effect.

This should not apply when the means are staple commercial products, except where the supplier or offerer induces the person supplied to commit infringing acts.

2. *In a harmonised system of patent law, to what extent should injunctive relief be available to prevent contributory patent infringement?*

To the same extent as it is available in the case of a direct infringement.

3. *In a harmonised system of patent law, how should it be determined where means are supplied or offered?*

In a large number of cases the exact localisation of such acts is not possible. Instead, rules and guidelines should be established in relation to the conditions, under which an act qualifies as domestic act. This would provide a clear view for the national jurisdictions. Theoretically, an act could qualify as domestic act even in more than one country.

4. *Should special rules apply to offers transmitted via electronic devices or placed on the internet?*

See our answer above.

5. *In a harmonised system of patent law, how should it be determined which country's law should apply to acts of offering or supplying means where persons or actions in more than one country are involved?*

That country's law should apply concerning which the acts – based on the conditions of the contributory infringement – are domestic.

6. *Does your Group have any other views or proposals for harmonisation in this area?*

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Summary

It is a condition for contributory infringement in Hungary that the offerer or supplier knows, or it is obvious from the circumstances, that the means supplied or offered are suitable and/or serve for carrying out the invention. However, if the supplied or offered means are staple commercial products, a further condition of indirect infringement is that the supplier or offerer deliberately induces the person supplied to commit infringement.

Injunctive relief is available against acts of contributory infringement, and in certain cases injunctive relief seems to be obtainable against the manufacture of the means *per se* or the supply of the means *per se*.

Contributory patent infringement in Hungary can be established only if all acts take place in Hungary, i.e. all acts qualify as domestic acts. In a harmonised system of patent law, rules and guidelines should be established in relation to the conditions under which an act qualifies as domestic act.

Zusammenfassung

In Zusammenhang mit indirekter Patentverletzung ist es eine Voraussetzung in Ungarn, dass dem Anbieter oder dem Vertreiber bekannt ist, oder es unter den gegebenen Bedingungen offenbar ist, dass die Mittel für die Ausübung der Erfindung geeignet sind oder dazu dienen. Ist jedoch das vorerwähnte Mittel ein handelsüblicher Produkt, eine weitere Voraussetzung der indirekten Patentverletzung ist, dass der Verkäufer oder Anbieter des Produktes den Käufer mit Absicht zu Patentverletzung bringt.

Verbotsmaßnahmen sind bei indirekter Patentverletzung möglich, und in bestimmten Fällen scheinen sie auch gegen die Herstellung der Mittel *per se* oder gegen die Bereitstellung der Mittel *per se* getroffen werden zu können.

Indirekte Patentverletzung in Ungarn kann nur dann festgestellt werden, wenn die Tätigkeit in Ungarn ausgeübt wird, d.h. sie werden als innerstaatliche Tätigkeiten angesehen. In einem harmonisierten Patentrechtssystem sollten Regelungen und Richtlinien ausgearbeitet werden, um die genaue Umstände der innerstaatlichen Tätigkeiten zu bestimmen.

Résumé

La condition d'une contrefaçon indirecte en Hongrie est que le fournisseur ou l'auteur de l'offre sache, ou qu'il soit évident grâce aux circonstances, que les moyens fournis ou offerts sont aptes à et/ou servent à mettre en oeuvre l'invention. Cependant, si les moyens fournis ou offerts sont des produits commerciaux courants, une condition supplémentaire de la contrefaçon est que le fournisseur ou l'auteur de l'offre poussent délibérément le bénéficiaire de la fourniture à commettre une contrefaçon.

On dispose de mesures injonctives contre les actes de contrefaçon indirecte, et dans certains cas il semble que des mesures injonctives puissent être obtenues contre la fabrication de moyens en soi, ou contre la fourniture de moyens en soi.

La contrefaçon indirecte de brevet ne peut être établie en Hongrie que si tous les actes ont lieu en Hongrie, c'est-à-dire si l'ensemble des actes peuvent être considérés comme des actes internes. Dans un système harmonisé de la loi sur les brevets, il faudrait établir des règles et des orientations concernant les conditions sous lesquelles un acte est qualifié comme interne.