

Early production of evidence can be invaluable when deciding whether to litigate

One of the critical issues in patent infringement litigation is the difficulty of accessing evidence of suspected violations so as to confirm whether a third party is in fact infringing a protected right. Without such evidence it is extremely difficult for a patent owner to make informed and strategic decisions. This is due to the very technical nature of patents, which can make it difficult to analyse the relevant elements and confirm that a patent has definitely been infringed.

However, the revised Article 381 of the Code of Civil Procedure (Law 1.3105/2015) introduces a new format to the legal procedure for early production of evidence, which can be extremely helpful in patent infringement cases. Article 381 has a wider scope than the previous legislation on this matter and deals with more than mere precautionary measures (ie, where evidence is at risk of being lost or destroyed). The new procedure covers situations where the evidence at issue could help to make viable a settlement or other suitable means of resolving a dispute. It also applies to issues where prior knowledge of the facts may either justify the filing of the lawsuit or make it avoidable.

This procedure allows rights holders to form a realistic probative case before any lawsuit is filed. The more in-depth knowledge of the context of a particular conflict and the risks involved (including the chances of success) there is available, the more clarity all parties have regarding their legal position and the better condition they are in to decide whether to file a lawsuit or perhaps to pursue an alternative course of action.

Improved knowledge and greater certainty tend to result in more responsible litigancy and allows claims that have no solid basis and that would likely result in losses – including legal and attorney fees (which can be significant in patent cases) – to be avoided.

Under this simplified procedure, a rights holder need only state the importance of the evidence to be produced in relation to a material conflict that could be the subject of a future lawsuit. There is no analysis of the content of the evidence and the related rights, enabling it to be used in future actions by any of the parties involved. The costs of obtaining this technical evidence can be recovered in the future lawsuit.

This mechanism has many applications in intellectual property, given the importance of evidence for such cases. It brings advantages not only to patent litigation but to the system as a tool for containing litigation.

The possibility of an injunction, even prior to the other party's knowledge of the procedure, is fully admitted and can be justified if there is an urgent risk of losing elements related to the evidence in question, which is quite common in patent infringement cases, where leaks can result in the destruction or loss of evidence (eg, judicial inspections, especially in inventions involving methods or production process, considering how easy it is for an infringer to modify the method used). Such requests will follow the regular discipline of provisional urgent measures and thus must meet the same requirements in order to be granted. Secrecy could be granted (eg, with regard to the risk of exposure to business secrets) in the context of this prior probative procedure, provided that it is duly justified.

Accordingly, early production of evidence could be an extremely useful instrument for building the factual background of patent infringement lawsuits, required to sustain certain requests such as injunctions in patent claims, based on technical matters where there is a great deal of uncertainty. It would not only anticipate evidential needs in order to sustain such injunction requests, but possibly provide elements to confirm or reinforce the presumption of a violation in cases where there is considerable doubt due to the lack of previous access to elements involved.

Even when an injunction is not necessary, cases of patent violation are often not determined beforehand and examining the technical aspects usually requires the previous analysis of material to which no access is granted and a naked-eye examination is insufficient. It quite often involves inventions of great relevance and significant infractions, making the early production of evidence a good option.

Such technical evidence can either be produced in this previous evidence procedure or in the context of the future possible infringement lawsuit.

In conclusion, the early production of evidence provides legal certainty with regard to a patent owner's rights when it is searching for elements to construct a particular case – sometimes necessary for filing a specific claim – with more efficiency and a mitigated impact than infringement lawsuits. This mechanism could also lead to a favourable scenario for negotiation and friendly settlement, besides a concrete sense of the feasibility of a patent claim, providing the parties with the advantage of previous knowledge of aspects so that they may better prepare their claims and requests, as well as allowing them to think more consciously about the strategies available to them and to weigh the actual risks involved and the possible consequences of litigation.