

DISTRICT COURT

Civil Law Section

Case number/cause list number: 156096 / KG ZA 07-304

Judgment in preliminary relief proceedings

In the action between

SYNTHON B.V.,

a private company with limited liability incorporated under Dutch law,
having its corporate seat in Nijmegen,
claimant in the summons of 23 May 2007,
procurator *litis*: Mr. L. Paulus,
lawyers± Messrs. M.G.R. van Gardingen and R. Hermans in Amsterdam

and

ASTELLAS PHARMA INC.,

a legal entity under foreign law,
having its registered office in Tokyo, Japan,
defendant,
procurator *litis*± Mr. F.J. Boom,
lawyers± Messrs. W.A. Hoyng and F.W.E. Eijsvogels in Amsterdam.

Hereinafter, the parties will be referred to as Synthon and Astellas.

1. The Proceedings

1.1 The course of the proceedings is shown by:

- the summons with exhibits
- the change or increase of the claim
- Astellas' exhibits
- the hearing
- Synthon's pleading notes
- Astellas' pleading notes.

1.2 Finally, the judgment has been rendered.

2. The Facts

2.1 Synthon and Astellas are pharmaceutical undertakings that produce, develop and trade in medicinal products.

2.2 Astellas has developed a medicinal product containing the active substance 'tamsulosin'. This medicinal product is used to treat complaints of prostate enlargement.

2.3 Astellas has held a monopoly position for this medicinal product in Germany since 1980, based on German patents and a German 'supplementary protection certificate' (SPC).

2.4 On 2 February 2001, the German patent with number EP 0 034 432 expired. The SPC based on this expired on 2 February 2006. Since then, medicinal products containing tamsulosin may be traded in Germany by anyone.

2.5 On 14 May 2007, Astellas initiated proceedings on the merits in Germany against Synthon, in which it claims compensation due to the infringement made by Synthon of Astellas' German patents and the SPC. In these proceedings Astellas – in brief – asserts that Synthon already traded in medicinal products containing tamsulosin in Germany prior to 2 February 2006 or made delivery arrangements with clients for trading after 2 February 2006. Synthon disputes that it infringed the patents and SPC.

2.6 Further to an application filed with this district court pursuant to section 1019b in conjunction with 1019c(1) and 1019d Dutch Code of Civil Procedure (DCCP), Astellas was granted leave on 21 May 2007 by the single judge charged with urgent cases for levying a prejudgment evidence attachment and making a detailed description at Synthon's expense. This leave *inter alia* stipulated that:

"(i) (copies of) these documents will be transferred by the bailiff appointed by the applicant to the office of Groenwegen en Partners Gerechtsdeurwaarders in Dordrecht within 24 hours after the attachment, which bailiff is prepared to act as sequestrator in this matter, so that it can produce copies of the documents within 7 days after the receipt of the documents for inspection by the applicant, after which the documents will be returned to the respondent within 7 days (...)."

2.7 On 22 May 2007, the bailiff proceeded to levying the abovementioned prejudgment attachment and making a detailed description at Synthon's premises in Nijmegen.

2.8 On 23 May 2007, *Mr. Eijsvogels*, one of Astellas' lawyers, and *Mr. Klusmann*, Astellas' patent agent, obtained access to the garnished documents. Subsequently, they made a report hereof. That report describes a large number of orders for 'Tams' or 'Tamsulosin' stating names of companies, order and delivery dates, quantities and prices.

2.9 The report drafted by Messrs. Eijsvogels and Klusmann was submitted as piece of evidence by Astellas in the German proceedings on the merits on 24 May 2007.

3. The Dispute

3.1 After the increase of the claim, Synthon claims that:
primarily

- A. the prejudgment evidence and descriptive attachment levied against Synthon and granted to Astellas is lifted with immediate effect, and that the leave granted for levying a prejudgment evidence attachment and making a detailed description is withdrawn;
- B. Astellas is prohibited to levy a new attachment or to make a new detailed description pursuant to the leave granted to it on 22 May 2007 with immediate effect;
- C. Astellas is ordered to instruct the bailiff and/or sequestrator instructed by it with immediate effect to return all documents and/or data carriers, and all (digital) copies of documents and/or data carriers and descriptions made, which have been attached, have been made and/or are stored pursuant to the leave granted to Astellas on 22 May 2007 within 24 hours;

- D. Astellas is prohibited with immediate effect to make any use of any document surrendered to it, given to it for inspection or described to it pursuant to the leave granted to Astellas on 22 May 2007, and that Astellas is ordered to return these documents, and all (digital) copies thereof, to Synthon within 24 hours;
- E. Astellas is ordered to make a written list within 24 hours after the service of the judgment for Synthon's lawyers containing the names and addresses of all persons who have directly or indirectly taken note of or have obtained access to documents and/or data carriers and/or the information included therein (accompanied by a detailed specification per person of the information that has been provided to that person or has been given to him for inspection), and all (digital) copies of documents and/or data carriers and descriptions made, which have been attached, have been made and/or are stored pursuant to the leave granted to Astellas on 22 May 2007;
- F. Astellas is ordered to ensure with immediate effect that all persons who have directly or indirectly taken note of or have obtained access to documents and/or data carriers and/or the information included therein, and all (digital) copies of documents and/or data carriers and descriptions made, which have been attached, have been made and/or are stored pursuant to the leave granted to Astellas on 22 May 2007, to keep these documents, data carriers and included information strictly secret with immediate effect;
- G. Astellas is prohibited with immediate effect to apply for a new or supplementary leave for levying a prejudgment evidence attachment and/or making a detailed description;
- The claims under B, C, D, E, F and G each under pain of a penalty payment;

alternatively

- H. Astellas is ordered to instruct the bailiff who levied the prejudgment attachment pursuant to the leave of 22 May 2007 and has made detailed descriptions or the sequestrator who stores the documents obtained from this respectively with immediate effect and make sure (and allow) that the bailiff and/or sequestrator does not deliver or give access to the contents of the documents that have been attached and/or described and/or are stored in any way to Astellas or third parties, until a competent court will have determined in a decision that has become final and conclusive or that has immediate effect that Astellas is entitled to the surrender or inspection of these documents;
- I. Astellas is ordered to, within 24 hours after the service of this judgment, (i) provide a copy to Synthon of all documents and digital information taken by the bailiff, and (ii) make a written list for Synthon's lawyers with the names and addresses of all persons who have directly or indirectly taken note of or have obtained access to the documents and/or data carriers and/or the information included therein (accompanied by a detailed specification per person of the information that have been provided or have been given for inspection to that person), and all (digital) copies of documents and/or data carriers and descriptions made, which have been attached, have been made or are stored pursuant to the leave granted to Astellas on 22 May 2007;
- J. Astellas is ordered to make sure with immediate effect that all persons who have directly or indirectly taken note of or obtained access to documents and/or data carriers and/or information included therein, and all (digital) copies of documents and/or data carriers and descriptions made, which have been

attached, have been made or are stored pursuant to the leave granted to Astellas on 22 May 2007, to keep these documents, data carriers and the information included therein strictly secret;
the claims under H, I and J also each under pain of a penalty payment;

primarily and alternatively:

- K. is determined that this judgment has immediate effect;
- L. Astellas is ordered to pay the costs of these proceedings.

3.2 Synthon bases its claims on the following.

- a) On 24 May 2007, at the Oberlandesgerichts Düsseldorf in Germany the hearing took place of patent proceedings between Synthon and Astellas. These proceedings concern a German patent with the number EP 0 194 838. At the hearing, Astellas submitted the report drafted by Messrs. Eijsvogels and Klusmann to the court. With this, Astellas has used the documents attached by the bailiff for other purposes than for which it had obtained the leave on 21 May 2007. According to Synthon, this is even more cogent as Astellas has tried to obtain the same documents for the abovementioned patent in Germany already unsuccessfully through a so-called 'einstweilige Verfügung'. With this, the unlawfulness of the use of the attachment by Astellas has already become an established fact.
- b) Astellas' application is based on "*Titel 15. Van rechtspleging in zaken betreffende rechten van intellectuele eigendom*" (Title 15. On proceedings in matters concerning intellectual property rights) of the Dutch Code of Civil Procedure, which has been in force since 1 May 2007. In view of the text of section 1019 DCCP in relation with what can be deduced from legal history with respect to this section, the opportunity of attachment in conformity with this new rule is restricted to the enforcement of patent rights obtained for the Netherlands pursuant to Dutch legislation. As the intellectual property rights on which Astellas based its application for attachment and description concern an already expired German patent and an also expired Germany supplementary protection certificate (SPC), i.e. German national rights that did not apply in the Netherlands, Astellas' application should have been rejected. Prima facie evidence is shown of the invalidity of the rights invoked by Astellas.
- c) Furthermore, it applies that pursuant to section 1019(4) DCCP in any case the protection of confidential information should have been safeguarded. The application does not contain anything on this though. The leave granted should not have been granted for that reason.
- d) Moreover, a prejudgment evidence or descriptive attachment does not also include the right to inspection of these documents. The sections 1019b up to and including 1019d DCCP concern storage. The actual inspection is covered by section 1019a in conjunction with section 843a. This is why the leave granted is too broad. In any case, Astellas has abused the leave granted (interpreted it in a too broad sense) by inspecting and copying the documents attached in prejudgment, making notes thereof and subsequently using them in German proceedings on a patent for which the attachment was not granted.

3.3 Astellas advanced a motivated defence against Synthon's claims. It puts first that the purpose of the application filed by it is to obtain and protect evidence demonstrating the scope of the infringement which Synthon has made of Astellas' SPC. In that respect, it also asserts that evidence attachment laid down in section 1019 and further DCCP is meant to provide the person levying the attachment with evidence in view of proceedings (possibly) to be initiated. Astellas further asserts that these preliminary relief proceedings concern a prejudgment evidence attachment with respect to the German patent with number EP 0 034 432. The earlier proceedings in Germany, which lead to the rejection of Astellas' claim, cannot be

compared with this and furthermore concerned another German patent, i.e. the patent with number EP 0 194 838.

Furthermore, according to Astellas Title 15 of the Dutch Code of Civil Procedure is also applicable to the enforcement of intellectual property rights arising from the SPC that was in force in Germany. For this, it refers to the legal history and to the preamble of the so-called Enforcement Directive. Astellas also disputes that the attached documents contain confidential information. They only contain information about the scope of the infringement which Synthon made of the SPC. Such information does not provide Astellas with a competition advantage over Synthon. Astellas has not obtained information about arrangements with clients which have nothing to do with the infringement of the SPC and about technical product information.

Finally, Astellas acknowledges that it was given the inspection of documents attached by the bailiff. This was also allowed on the basis of the leave given. However, Astellas did not make any copies. The report drafted by Messrs. Eijsvogels and Klusmann only concerns a representation of what they have seen. There has not been a detailed description as referred to in section 1019b in conjunction with 1019d DCCP.

4. The Assessment

4.1 The urgent interest arises from Synthon's assertions.

4.2 The most important is whether the leave for levying a prejudgment evidence attachment, and for making a detailed description, could have been granted pursuant to Title 15 DCCP.

This concerns the question whether for the enforcement in Germany of a (now expired) German patent right (with number EP 0 034 432 (based on the European Patent Convention of 5 October 1973) and the SPC based on it) Astellas may use the opportunities for obtaining evidence as provided in section 1019 and further DCCP in the Netherlands against a company established in the Netherlands of an allegedly made patent infringement made by that company in Germany. According to Synthon, that question must be answered negatively, because section 1019 DCCP restrictively sums up which intellectual property rights fall within the scope of Title 15 DCCP. This section provides:

“This title is applicable to the enforcement of intellectual property rights pursuant to the Copyright Act 1912, the Neighbouring Rights Act, the Database Act, the Patents Act 1995, the Benelux Treaty on the intellectual property (trademarks and drawings or designs), the Original Topographies of Semiconductor Products Legal Protection Act, the Seeds and Planting Materials Act 2005, to proceedings pursuant to the sections 5 and 5a of the Trade Names Act, to proceedings concerning geographic names pursuant to section 13a Agricultural Qualities Act and to enforcement of intellectual property rights pursuant to Council regulation (EC) no. 40/94 of 20 December 1993 on the Community Trademark (OJ EC 1994, L11), Council regulation (EC) no. 2100/94 of 27 July 1994 on Community plant variety rights (OJ EC L 227) and Council regulation (EC) no. 6/2002 of 12 December 2001 on Community designs (OJ EC 2002, L3).”

4.3 In Synthon's vision, this implies that section 1019 and further DCCP can only be applied for enforcement in the Netherlands of intellectual property rights obtained pursuant to these regulations in/for the Netherlands. That it must always concern national rights which are enforced according to national laws is also suggested by the Explanatory Memorandum (Explanatory Memorandum, 2005-2006, no. 3), which *inter alia* states:

“Finally, also legal proceedings because of infringements of rights arising from the registration of intellectual property rights on the basis of international treaties are subject to title 15. These are not explicitly mentioned in section 1019, because this concerns international registrations which give rise to separate national rights which are enforced according to national laws, such as rights arising from registrations pursuant to the European Patent Convention of 5 October 1973 (...).”

4.4 Nor section 1019 DCCP nor Parliamentary History urge to the conclusion though that in a case like this (as described above under 4.2) the provisions of section 1019 and further DCCP cannot apply. In the first place, that would not do justice to the objective and effectiveness of the Enforcement Directive (Directive 2004/84/EC of the European Parliament and the Council of 29 April 2004 on the enforcement of intellectual property rights), about which Parliamentary History *inter alia* says the following (TK 2005-2006, no. 3):
“The directive intends to harmonise the enforcement of intellectual property rights in order to be able to effectively fight infringements of intellectual property rights in general and large-scale counterfeit and piracy in particular. Infringements increasingly have a cross-border character and differences in national enforcement rules are harmful to the internal market and impede an effective fight of infringements.”

And in the recitals 7 and 8 from the preamble to the Directive itself:

“(7) It emerges from the consultations held by the Commission on this question that, in the Member States, and despite the TRIPS Agreement, there are still major disparities as regards the means of enforcing intellectual property rights. For instance, the arrangements for applying provisional measures, which are used in particular to preserve evidence, the calculation of damages, or the arrangements for applying injunctions, vary widely from one Member State to another.(...)

(8) The disparities between the systems of the Member States as regards the means of enforcing intellectual property rights are prejudicial to the proper functioning of the Internal Market and make it impossible to ensure that intellectual property rights enjoy an equivalent level of protection throughout the Community. This situation does not promote free movement within the Internal Market or create an environment conducive to healthy competition.

4.5 With all this, it is irreconcilable that in the case of cross-border infringements as the current matter for enforcement in a member state no use could be made of the (enforcement) possibilities provided in the national laws of another member state for the implementation of the Enforcement Directive.

4.6 Furthermore, such a strict view as that of Synthon is inconsistent with the EEX Treaty and the Brussels I Regulation and the system of international jurisdiction laid down in it. As such, article 31 of the Brussels I Regulation provides:

“Application may be made to the courts of a Member State for such provisional, including protective, measures as may be available under the law of that State, even if, under this Regulation, the courts of another Member State have jurisdiction as to the substance of the matter”, which provision is almost similar to article 24 EEX Treaty.

The opportunity to apply for and obtain protective measures in a member state, despite the (exclusive) competence of another designated court in another member state for the proceedings on the merits apparently intends to safeguard an effective legal protection and that is precisely what is at stake here and what would be affected in Synthon’s opinion. Its standpoint would imply that in a case like this Astellas would have to apply for protective measures in Germany with a German court (assumed that these measures are included in the

German law for the implementation of the Enforcement Directive) and with the leave obtained it could only take measures in the Netherlands through an enforcement order to be obtained from a Dutch court for the execution thereof. This would be time-consuming and unpractical and affect the objective of the Enforcement Directive.

4.7 The above leads to the conclusion that the leave for levying a prejudgment evidence attachment, and for making a detailed description, could be granted pursuant to Title 15 DCCP.

4.8 In this scope, it is assessed with respect to the protection of confidential information that is not safeguarded according to Synthon that it is comprehensible that Synthon does not want third parties to inspect its contracts and other (business) sensitive information, but that judged for the time being the information in question is not so confidential that disproportionate harm is to be feared for Synthon and that the leave should not have been granted for that reason.

4.9 Furthermore, Synthon's assertion must be assessed that Astellas has used the documents attached by the bailiff for other purposes than for which it obtained the leave on 21 May 2007. According to Synthon, the unlawfulness of the use of the attachment by Astellas has already become an established fact with this.

4.10 The single judge charged with urgent cases does not follow Synthon in this. It is an established fact that the report drafted by Messrs. Eijsvogels and Klusmann has also been submitted as document in the proceedings on the merits initiated in Germany on 14 May 2007. These proceedings also concern the German patent with number EP 0 034 432 and the SPC based on it.

It cannot be assumed that the application has been contrary to the judgment by the Landgericht Düsseldorf of 23 January 2007. These proceedings concerned the obtaining of documents through an 'einstweilige Verfügung' for the German patent with number EP 0 194 838, and this provision was rejected because the Landgericht deemed the patent invalid at that time. The present case however concerns the patent with number EP 0 034 432 to which the judgment of 23 January 2007 does not refer.

4.11 Remains the question whether the leave granted has been too broad and/or whether Astellas has made a too broad use of the leave granted.

4.12 Astellas' application shows that the leave was granted for making a detailed description and levying a prejudgment evidence attachment against documents that are mentioned by name, with the provision that:

“(i) (copies of) these documents will be transferred by the bailiff appointed by the applicant to the office of Groenwegen en Partners Gerechtsdeurwaarders in Dordrecht within 24 hours after the attachment, which bailiff is prepared to act as sequestrator in this matter, so that it can produce copies of the documents within 7 days after the receipt of the documents for inspection by the applicant, after which the documents will be returned to the respondent within 7 days (...).”

4.13 It can be deduced from the legal history with respect to Title 15 DCCP that the purpose of a prejudgment (evidence) attachment is exclusively to safeguard pieces of evidence and therefore to conserve the existing situation and not to provide the person levying the attachment with the opportunity to take note as regards contents of pieces of evidence and

get these at his disposal with the attachment. It is subsequently up to the court hearing the main action to decide after a defended action what should be done with the attached document (*inter alia* see TK 2005-2006, no. 6, p. 8-9). A leave for levying an evidence attachment can therefore not automatically include an inspection right for the person levying the attachment. Assessed for the time being, there is no ground for the provision “*for inspection by the applicant*”. To that extent, the leave granted has been too broad and the single judge charged with urgent cases will review this pursuant to section 1019e(3) DCCP.

4.14 Astellas also asserts that inspection by it was necessary in order to be able to make a proper description of the documents attached by the bailiff. It is put first that this description should have been made by the bailiff and not by Astellas itself. This is stated by section 1019d(1) DCCP and the explanatory memorandum to section 1019d DCCP (TK 2005-2006, no. 3, p. 22). Astellas’ assertion that it itself has not inspected the documents, but one of its lawyers with a patent agent, does not alter this. For, they have been engaged by Astellas to represent Astellas’ interests and they can in that way be equated with Astellas.

4.15 Furthermore, the single judge charged with urgent cases is of the opinion that the report drafted by Messrs. Eijsvogels and Klusmann contains a much too detailed description of the attached documents. The contents of that report approach copies of the inspected documents and that is not the intention of a detailed description of documents, as the explanatory memorandum shows (TK 2005-2006, no. 3, p. 22):

“Copying the administration or other documents relating to the infringement is not one of the possibilities of the description. Making a description is something else than making an exact copy. For this, an attachment will have to be applied for.”

Astellas’ description should have been restricted to a description of what has been inspected, so that it is identifiable at a later stage. The report by Messrs. Eijsvogels and Klusmann however contains a lot of detailed information like order numbers, quantities, overall prices, prices per product, delivery dates, delivery addresses and bank account numbers. All this means that Astellas has also made a too broad use of the (too broadly) granted leave.

4.16 The above implies that with the use of the obtained leave Astellas has provided itself with more information than that to which it was entitled in this stage or should have been allowed to.

4.17 With regard to Synthon’s claims, the following is assessed with due regard for the abovementioned assessments.

The granted prejudgment evidence and descriptive attachment will not be lifted; neither will the leave granted for this be withdrawn (primary claim under A). The primarily claimed prohibition under B and G to levy a new attachment (for Astellas’ present claim) can scarcely be given, as the law opens the possibility to apply for leave for this with the competent single judge charged with urgent cases.

As long as the German proceedings on the merits have not finally been completed, there is no reason as yet to let the attached documents and/or copies thereof be returned (primary claim under C and D).

It is true that Astellas has provided itself with more information than that to which it was entitled in this stage, but it goes too far to connect an order to this to withdraw the report by Messrs. Eijsvogels and Klusmann from the German proceedings on the merits. The German court in those proceedings will have to assess whether that report and the information obtained from this and the evidence attachment may be used in those proceedings.

4.18 The alternative claim under H will be allowed. The attached documents may not or no longer be given to Astellas or third parties for inspection, until the competent court will have determined in a decision that has become final and conclusive or has immediate effect that Astellas is entitled to the surrender or inspection of these documents. Furthermore, to avoid any further use by Astellas of the information obtained to which it was not entitled in this stage, the single judge charged with urgent cases sees a reason to impose an obligation of secrecy on all representatives of Astellas, who have been able to inspect the attached documents (alternative claim under J), other than in the scope of the proceedings on the merits initiated in Germany on 14 May 2007. In the scope of the obligation of secrecy to be imposed it is furthermore necessary to disclose who have all taken note of the attached documents. The alternative claim under I will therefore be allowed.

4.19 There is reason to mitigate the penalty payments as claimed in the claims to be allowed in the way as indicated below.

4.20 As the parties to and from have not succeeded in their actions on some points, the costs of these preliminary relief proceedings will be compensated between them.

5. The Decision

The single judge charged with urgent cases:

5.1 orders Astellas to instruct the bailiff who has levied a prejudgment evidence attachment and has made detailed descriptions pursuant to the leave granted on 22 May 2007 or the sequestrator who stores the documents obtained therefrom and to ensure (and allow) that the bailiff and/or sequestrator does not surrender or give access to the contents of the documents that have been attached and/or described and/or are stored in any way to Astellas or third parties, until a competent court will have determined in a decision that has become final and conclusive or has immediate effect that Astellas is entitled to the surrender or inspection of these documents;

5.2 orders Astellas to provide to Synthon within 24 hours after the service of this judgment with a copy of all documents and digital information taken by the bailiff, and to provide a written overview to Synthon's lawyers with the names and addresses of all persons who have directly or indirectly gained the inspection of documents and/or data carriers and/or information included therein (accompanied by a detailed specification per person of the data that have been provided or given for inspection to that person), and all (digital) copies of documents and/or data carriers and descriptions made, which have been attached, have been made or are stored pursuant to the leave granted to Astellas on 22 May 2007;

5.3 orders Astellas with immediate effect to ensure that all persons who have directly or indirectly taken note of or have obtained the inspection of documents and/or data carriers and/or information included therein, and all (digital) copies of documents and/or data carriers and descriptions made, which have been attached, have been made or are stored pursuant to the leave granted to Astellas on 22 May 2007, to keep these documents, data carriers, and information included therein strictly secret with immediate effect, other than in the scope of the proceedings on the merits initiated in Germany on 14 May 2007;

5.4 orders Astellas, in the event that after the service of this judgment it might fail to fulfil one or more of the abovementioned orders, to pay to Synthon a penalty payment of EUR

50,000 for each day, part of a day included therein, that Astellas fails to fulfil the order given in 5.1 and/or the order given in 5.2, or for each time that Astellas fails to fulfil the order given in 5.3, however with a maximum of EUR 500,000;

5.5 compensates the costs of the proceedings between the parties in that way that any party bears its own costs;

5.6 declares that this judgment has immediate effect;

5.7 rejects the other claims.

This judgment has been rendered by *Mr.* R.J.B. Boonekamp and pronounced in open court in the presence of the court clerk *Mr.* M. van Gameren on 1 June 2007.