

Summary Report

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2020 – Study Question – General

Standing to litigate and effect on remedies

Introduction

This Study Question examined what *locus standi* / standing requirements there may be for parties in specific types of intellectual property cases.

Four areas were addressed in relation to claimants:

- 1) **Co-owners/co-proprietors:** Should all co-owners of an IP right sue together, or should individual co-owners be entitled to make claims of infringement?
- 2) **Licensees:** whether licensees should have standing to make a claim of infringement, and if so, should that be open only to exclusive licensees, sole licensees or also non-exclusive licensees and/or sub-licensees. If a licensee has standing to litigate, should the licensee need to prove their standing to litigate by reference to the agreement under which they are a licensee?
- 3) **Authorised claimants:** whether persons authorised to make a claim of infringement on behalf of the proprietor of an IP right should be entitled to do so, and if so, whether they should need to prove their standing to litigate by reference to the authorisation under which they are acting?
- 4) **Legal interest:** whether a claimant requesting a declaration of invalidity/revocation should have a legal interest in the outcome of the validity challenge, e.g. because they have been threatened with an infringement claim.

In relation to defendants, the Study Question examined who has 'standing' to be the defendant in a claim for the revocation of an IP right. Should the owner, all the co-owners or some co-owners of the IP right be the only possible defendant in such an action, or may a licensee or any other person having standing to make a claim of infringement of that IP right also be the defendant in a revocation claim?

The issues raised by this Study Question revolve around a number of public policy considerations.

By relaxing standing requirements to commence invalidity/revocation proceedings, the validity of IP rights is more likely to be given greater scrutiny and those rights that should never have been granted in the first place are more likely to be revoked. This is clearly in the public interest. However, weighing against that, it will also become easier for plaintiffs to commence spurious and vexatious litigation against IP right owners. Not only will this increase litigation costs by generating litigation where none would have existed before, it will allow plaintiffs to gain commercial leverage against IP right owners who are forced against their will to litigate to preserve their IP rights.

Similarly, by allowing plaintiffs easier access to declarations of non-infringement (DNIs), market entrants would be able to more easily gain commercial certainty that their new product launches will not infringe. This certainty is valuable and allows businesses to plan their R&D, investment in manufacturing and product sales activities. An early DNI to 'clear the path' before product launch can also prevent an IP right owner from causing serious harm if it chooses to sue years later, when significant damages from infringement have been accumulated and the defendant has irreversibly committed to an activity that is later found to infringe. Conversely, easier access to DNIs will force IP right owners to litigate against their will – perhaps when they have no ability yet to counterclaim for infringement, or perhaps when they have insufficient funds to litigate.

In some jurisdictions, it is permissible to authorise a third party to enforce IP rights on behalf of an IP owner. In a litigation environment in which the two main remedies sought by such entities – injunctions and damages assessed on a reasonable royalty basis – are readily available to third parties, there can be little downside to an IP right owner in delegating the enforcement of its IP rights to such entities, and the litigation itself can become more profitable if it can be commoditised. However, this is very different to an IP right owner asserting their rights, perhaps as a last resort, to seek a remedy that will protect their business or legal rights. If IP litigation is delegated and commoditised, businesses will become subject to ever greater numbers of lawsuits. It was a purpose of laws prohibiting champerty and maintenance to prevent serial and unnecessary litigation of this type.

In relation to the questions raised, there are pros and cons with each choice to be made, and the views of the Groups given through their Reports will assist AIPPI with striking the right balance.

The Reporter General has received Reports from the following Groups and Independent Members in alphabetical order: Argentina, Australia, Austria, Independent members (Azerbaijan), Brazil, Bulgaria, Canada, China, Republic of Croatia, Denmark, Ecuador, Finland, France, Hungary, India, Indonesia, Italy, Japan, Malaysia, Mexico, The Netherlands, Norway, Philippines, Poland, Russian Federation, South Korea, Spain, Sweden, Switzerland, Independent members (Chinese Taipei), Turkey, United Kingdom, United States of America and Uruguay.

34 Reports were received in total. The Reporter General thanks the Groups and Independent Members for their helpful and informative Reports.

The Reports provide a comprehensive overview of national and regional laws and policies relating to standing to litigate set out in three parts:

- Part I – Current law and practice
- Part II – Policy considerations and proposals for improvement of the current state of the law
- Part III – Proposals for harmonisation.

This Summary Report does not summarise Part I of the Reports received. Part I of any Report is the definitive source for an accurate description of the current state of the law in the jurisdiction in question. All Reports may be accessed [here](#).

This Summary Report has been prepared on the basis of a detailed review of all Reports (including Part I) but focuses on Parts II and III, given AIPPI's objective of proposing improvements to, and promoting the harmonisation of, existing laws. As it is a summary, if any question arises as to the exact position of a particular Group in relation to Parts II or III, please refer to the relevant Report directly.

In this Summary Report:

- references to Reports of or responses by one or more "Groups" may include references to Independent Members;
- where percentages of responses are given, they are to the nearest 5%; and
- in Part IV below, some conclusions have been drawn in order to provide guidance to the Study Committee for this Question.

I. Current law and practice

For the replies to Questions 1) - 6), reference is made to the full Reports.

II. Policy considerations and proposals for improvements of your Group's current law

7) Are there aspects of your Group's current law or practice relating to standing to litigate IP rights that could be improved? If YES, please explain.

25 Groups (about 75%) indicated that their laws could be improved, while 9 said they could not.

The Swiss Group finds the current position, that non-exclusive licensees do not have standing to enforce the licensed IP rights against third party infringers, unsatisfactory in certain situations (e.g., where the right owner does not have sufficient interest in enforcing the right against a specific infringer because it does not feel overly affected by the specific infringement). Such infringements, however, may harm the non-exclusive licensee significantly and it may not be sufficient for the licensee to rely on damage claims it may have against the inactive right owner (particularly because such damage claims are often difficult to quantify and to enforce).

The Swiss Group would welcome the possibility for the right owner to assign specific claims for injunctive relief against specific infringers to the non-exclusive licensee.

Similarly, and with respect to patents, the Australian Group considers the meaning of “exclusive licensee” under the Australian Patents Act is unnecessarily narrow, and is inconsistent with commercial practice. An obvious issue arises where a licence to a patent is limited to exploitation of the invention in a particular field, such as (in a pharmaceutical context) use in humans where the invention is also capable of use in animals, or use in the treatment of a particular disease where the invention is also capable of use in other diseases. The granting of field-limited licences is a common way of maximising the value of a patent in many industries. Even where a licence is not field-limited, licence agreements sometimes provide for reservations of rights to the patentee to perform certain types of acts, as in the case of licence agreements with universities where it is common for the university to have a retained right for the university to use the patented invention for non-commercial research and teaching.

The Swiss Group would also welcome a clear statutory regime regarding the standing to sue in case of collective ownership of IP rights, which takes into account the peculiarities of such rights. In addition, the same statutory regime should, to the extent practicable, apply to all IP rights.

The Swedish group suggests that each co-owner should be able to initiate infringement proceedings without the other co-owners’ consent (unless otherwise agreed between the co-owners). Similarly, a co-owner initiating proceedings should be required to notify the other co-owners to give them the possibility to intervene. All co-owners should be included as respondents in an *in rem* nullity action.

The Mexican Group comments that, generally speaking, the possibility of authorising third parties to litigate should be restricted, as this can result in the filing of frivolous infringement actions by parties with no real economic interest on the case. It is considered that the standing to litigate should be restricted to parties with an economic interest in the litigation and that could potentially suffer any loss as a result of the infringement.

The Japanese Group suggested that a (non-registered) exclusive licensee should be allowed to seek an injunction in their own name, not as a subrogee.

8) Should the standing of a person to litigate an IP right depend on whether that person suffers loss caused by the infringement, or has any other interest in the claim?

Ultimately, if no substantive remedy (such as damages compensating the plaintiff for their losses) can be awarded by the Court to a successful plaintiff, litigation may serve no purpose.

19 Groups (55%) consider that standing to litigate *should* depend on having an interest in the claim, whereas 14 Groups take the view that there should not be such a requirement. Whilst this could be considered to be finely balanced, there is a greater consensus that emerges from the detail provided by the Groups. The general view was that there should be a requirement for a legal interest, but that requirement should not be unduly onerous where there is a clear violation of the legal rights of the plaintiff, e.g. in actions for infringement where there is a violation of a statutory monopoly. The Dutch Group states that if the IP right holder (or

authorised person) argues that any infringement has occurred at any time or at least there is sufficient threat of it occurring, the plaintiff should be considered to have standing to litigate.

Should standing be extended to at least all those who suffer loss? The Australian Group notes that not all persons who may suffer loss as a result of infringement of the patent may have standing to sue, as in the case of a licensee who, though having exclusive rights in the particular field in which the infringement occurs, does not have an exclusive licence across the full breadth of the patent.

This suggests that, as a matter of principle, *locus standi* should be afforded to all those who suffer loss. However, it could equally be said that extending the right to sue to a broader group of potential plaintiffs does not promote legal certainty and defendants may find it impossible to predict where infringement claims come from.

The Austrian Group is of the view that any misuse of standing can be dealt with by competition law, or by doctrines to prevent abusive litigation.

Threats to infringe: The Canadian Group comments that standing should not be limited to those who have suffered harm but should include those who are affected or reasonably apprehend that they may be affected by any actual or contemplated act or omission.

Declarations: The Australian Group suggests that in the case of a declaration of non-infringement, the interest required should be to show that the litigant has done, is doing, or intends to do an act in respect of which the non-infringement declaration is sought. This avoids courts giving mere advisory opinions.

9) Should it be possible to ‘outsource’ enforcement of IP rights by authorising third parties, who suffer no loss from any infringement, to litigate?

A total of 19 Groups (~ 55%) take the view that it should not be possible to outsource enforcement, but 13 Groups (~ 40%) would allow enforcement to be outsourced. The biggest potential issue identified with outsourcing was the proliferation of baseless claims and contingency fee representation, effectively promoting the litigation itself into an industry as opposed to being a necessary means of obtaining remedies for damage suffered or about to be suffered by a plaintiff.

The Dutch Group supports outsourcing. In their view, an innovator should not be burdened by an obligation to enforce its IP rights itself, but should be able to outsource enforcement so as to focus on further innovation. The Dutch Group states that it can be in the interest of a financially weaker IP rights holder to be able to outsource the enforcement of its IP rights to a third party, e.g. a litigation funding party or a collecting society.

Arguably the ability of outsourcing an enforcement claim is the mirror image of outsourcing the defence of a claim by a defendant, e.g. via insurance. Even if an enforcement claim is ‘sold’ to an enforcement entity, it would be arguable that the sale price represents an advance on damages, but formally there is a disconnect because the entity enforcing IP rights does not itself suffer loss, even though it may formally have standing to litigate.

The Finnish and Swedish Groups argue that ultimately a *locus standi* requirement should apply to constrain the ability to seek relief to those that need legal protection (and that copyright collecting societies should be a special case).

In the view of the Mexican Group, the law should restrict the filing of infringement claims to the IP right owner and the licensees, who are the parties that are directly affected by the infringement and can suffer an economic loss from such conduct.

The US Group argues that to allow outsourcing of claims would be inconsistent with the principles established previously by AIPPI for the recovery of damages (e.g. resolutions in Sydney and London). Damages should be recoverable for the losses suffered by the right holder. This argument would appear to apply only to actual damages (i.e. actual loss suffered by the plaintiff) and not necessary to other relief (such as injunctions and declarations, and damages assessed by reference to a reasonable royalty).

10) If it is possible to ‘outsource’ enforcement of IP rights to third parties, should the quantification of damages in such an outsourced action depend on the loss suffered by the third party claimant, or the loss suffered by the owner of the IP right?

Around two-thirds of Groups responding to this question consider that the losses to be claimed should relate to the loss suffered by the right holder (and not the third party). However, a number of Groups take this view because one reason they do not consider pure outsourcing to be legitimate is because the third party has suffered no loss. Around a third of Groups believe that the relevant loss to be considered should include the loss (if any) of the third party plaintiff.

In the opinion of the Swiss Group, the third party claimant should only be able to sue for the amount of the loss it suffered itself and not for the amount of damages suffered by the right owner, except if the claimant is a fiduciary or trustee for the third party or is obligated to hold the third party harmless. The possibility to sue for the entire loss suffered by the right owner should nonetheless remain possible, but only if the right owner assigns its financial claim to the third party.

11) Should IP right owners always be joined into a case if there is an *in rem* determination of validity?

Nearly 90% of Groups responding believe that IP right owners should be joined, mainly because the IP right owner is the person most directly affected.

Not joining an IP right owner into a case which could involve revocation of the IP right, and therefore a loss of property, may also involve due process considerations. As pointed out by the Australian Group, it is a fundamental principle that the owner of property, including intellectual property, should have the right to be heard in any proceeding in which the rights of the owner in the property may be adversely affected.

12) Should a declaration of non-infringement only be available in relation to an existing product, or should such a declaration also be available for proposed products that have not been made or sold yet?

Around 75% of Groups take the view that DNIs should be available for existing products as well as sufficiently precisely defined proposed products.

In the view of the Argentine Group, a declaration of non-infringement by a Court should be also available in relation to proposed products that have not been made or sold yet, in order to allow a cautious manufacturer to “clear the path”. However, the claimant should have a legal interest. A person of an unrelated industry without plausible connection with the involved IP rights should not have standing for such non-infringement claim.

The main issue identified by Groups taking the opposite view is that if a proposed product is not defined sufficiently precisely, assessing infringement can be difficult.

In the Dutch Group’s view, a declaration of non-infringement should be available for existing products, provided that the IP right holder has refused to confirm that he will not bring an action for IP infringement. A declaration of non-infringement should also be available for proposed products that have not been made or sold yet, as long as the products are i) sufficiently determinable in order to determine a possible infringement, and ii) the party seeking the declaration of non-infringement made demonstrable preparations to actually make the proposed product, as it should not be possible to burden the IP right holder with litigation on hypothetical products. Also, the description of the proposed product needs to be sufficiently complete in order to be able to determine whether the proposed product actually will infringe or not.

A practical question that arises in relation to demonstrable preparations is whether a manufacturer that makes demonstrable preparations for the sale of a product globally has made such preparations adequately for a specific jurisdiction, if later their sales efforts do not succeed in that jurisdiction. Should the demonstrable efforts relate to the making/manufacture of the product, or its sale/distribution in particular countries, or both?

13) Are there any other policy considerations and/or proposals for improvement to your Group's current law falling within the scope of this Study Question?

About 65% of Groups did not have any further points.

The Swiss Group finds that it is unclear, under current Swiss law, on what basis non-exclusive licensees can join an infringement action and whether they have an autonomous claim for financial compensation against the infringer or whether they are claiming the right owner's loss in their own name. The Swiss Group would welcome a clarification of this issue in the statute or by a precedent.

The French Group proposes that DNIs should be available for other IP rights, and not just patents.

III. Proposals for harmonisation

7) Do you believe that there should be harmonisation in relation to standing to litigate IP rights?

Approximately 80% of Groups believe that there should be harmonisation.

8) Who should have standing to bring a claim of infringement of an IP right, and subject to what (if any) conditions?

On this key question, a number of different approaches were proposed:

Owners and exclusive licensees, and non-exclusive licensees (with owner's consent or if the owner does not bring a claim within a certain time): This was the view shared by most Groups. 14 Groups suggested that, in addition to the proprietor, all licensees should have standing to bring a claim of infringement of an IP right with the permission of the owner of the IP right. Exclusive licensees should have a right to bring a claim without the permission if the proprietor of the IP right does not bring the claim within a reasonable time after having been notified of the infringement.

The Swiss Group would welcome the possibility for the right owner to assign specific claims for injunction relief against specific infringers to non-exclusive licensees.

Anyone genuinely affected (support from 7 Groups): The Malaysian Group stated that the proprietor of an IP right and those whose IP rights are affected by an act of infringement should be allowed to bring an action infringement. The Canadian Group proposed that a person who is affected or reasonably apprehends that he may be affected by any entry in the register, or by any act or omission or contemplated act or omission under or contrary to the legislation. Similarly, the Argentine Group proposed that anyone who suffers or may possibly suffer a loss or whose rights are otherwise affected by the infringement should have standing to bring a claim.

Anyone authorised to bring a claim: A smaller number of Groups suggested that anyone who is authorised in writing by the IP right holder should have standing to bring a claim of infringement of an IP right.

Owners and exclusive licensees only: Fewer Groups take the view that non-exclusive licensees should not have standing to sue. The Australian Group considers that a person with an exclusive licence to do particular acts within the scope of an IP right should have standing to sue for infringement occasioned by the doing of one of those acts by an infringer, on the basis that the person has an expectation of exclusivity with respect to those acts. Conversely, a non-exclusive licensee, who has no expectation of exclusivity, should generally not have standing to sue for infringement.

Co-owners: Two main approaches were suggested:

The Finnish Group explains that, in its view, each co-owner should have standing to bring a claim of infringement of an IP right. Other co-owners should be informed of the claim in order to allow them to join the proceedings. Each co-owner's standing to bring a claim of infringement of an IP right independently of other co-owners and without their approval is an important element in securing the value of a co-owner's share of the IP right. Without independent standing there might be circumstances where it would be practically impossible to defend the IP right due to different views among the co-owners.

The members of the Swiss Group unanimously take the view that joint owners always should bring such claim together. The majority of the Swiss Group further takes the view that each of the co-owners should be entitled to bring action regardless of the other co-owners.

These diverging approaches were common across the Groups and no clear consensus emerged. However, in practice it may be that if all co-owners need to be parties in any case since there will frequently be a counterclaim for invalidity/revocation, then co-owners would be joined into such an action in any event (and there was a high level of support amongst Groups in relation to owner(s) being party to any revocation claim).

Further, if a defendant could be subjected to repeated/serial litigation by multiple co-owners, each claiming in relation to the *same* infringing acts, then clearly rules need to be in place to prevent such actions. This could be controlled either at the start of the process (by restricting *locus standi* such that all co-owners have to sue together), or at the end of the process (by restricting relief such that one co-owner cannot recover damages if another has already recovered damages). The easier solution would appear to be to control the start of the process; there could be significant complexities in controlling the quantification of damages in such situations. The easier solution is supported by the Swiss Group.

Collecting societies: There was substantial support across the majority of Groups for allowing collecting societies to enforce rights.

9) Should the remedies available, including the quantification of damages, depend on who brings claim of infringement of an IP right, and if so, how?

Slightly more Groups (~ 45%) took the view that quantification should not depend on who brings the claim. However, opinion was finely balanced with about 40% of Groups being of the view that quantification should depend on who brings the claim.

In terms of issues of principle expressed, the Dutch Group is of the opinion that injunctive relief should not be available to a non-exclusive licensee unless the IP right holder and the licensee agreed otherwise.

Similarly, the Swiss Group submits that some differentiation is necessary in the available remedies, depending on who brings the infringement claim.

- The right owner should always be entitled to claim all remedies available in the respective jurisdiction (injunction, destruction, recall, damages, disgorgement of profits, etc.). The right owner's standing to sue should not be mutually exclusive with other potential claimants, i.e. the right owner should always have standing to sue for all remedies available, irrespective of whether others (e.g. exclusive licensee) are also joined in the lawsuit.
- Exclusive licensees should be able to claim the same remedies as right owners, except if the license agreement limits or excludes one or more of these rights. However, when suing for damages, exclusive licensees should only be able to claim damages for the loss that they suffered, including damage that persons suffered whom they have to hold harmless (sublicensees etc.), to the exclusion of the loss of the right owner or other licensees.

- The remedies that can be claimed by other claimants should be more limited. There are no policy reasons to allow, e.g., non-exclusive licensees to sue for an injunction or the destruction of infringing devices. This is particularly true in situations with many parallel non-exclusive license agreements, where non-exclusive licensees can have interests opposite to the right owner or each other.
- Non-exclusive licensees should be entitled to damages corresponding to their own loss. This can be either with the consent of the right holder or without its consent.

The availability of relief as proposed above could be achieved by limiting the scope of standing, e.g. such that exclusive licensees should not have standing to claim an injunction. Alternatively, it could be achieved by giving general standing to all claimants and then limiting relief to some claimants.

10) Who could a claim for an *inter partes* declaration of invalidity or a declaration of non-infringement be brought against?

Most Groups take the view that it should be possible to bring a claim for an *inter partes* declaration of invalidity or a declaration of non-infringement against the IP right holder, an authorised person representing the IP right holder and/or any licensee that is entitled to bring an action of infringement.

A smaller number of Groups take the view that it should be possible to bring a claim for an *inter partes* declaration of invalidity against IP right holders and exclusive licensees only, or that these types of claims should be made against the proprietor.

11) Who could a claim for *in rem* revocation/nullity be brought against?

The vast majority of Groups take the view that an *in rem* revocation action should be brought only against the proprietor. As explained by the Austrian Group, the IP right holder should have a right to be heard in proceedings that could result in the loss of their property.

The Swedish Group states that such actions should be against all co-owners, if the IP right is subject to co-ownership.

12) What conditions / standing requirements should be satisfied by a claimant before a claim for a declaration of invalidity and/or non-infringement can be brought?

These two types of declarations are viewed by Groups differently:

- For declarations of invalidity, a majority of Groups take the view that there should be no standing requirement or only a minimal standing requirement. The logic is that removing invalid IP rights from the public register is in the public interest, and that invalid IP rights should not be allowed to remain on the register as a cloud over legitimate commercial activity. A small number of Groups (~

10%) take the view that declarations of invalidity should only be filed if the claimant has some demonstrable right or interest the exercise of which is obstructed due to the grant of the IP right.

- For declarations of non-infringement, most Groups agree that the claimant must be affected by the IP right in some way. However, there is some variance between the Groups as to what level of interest should be required.

In the view of the Dutch Group, as regards standing in declarations of non-infringement, any party that has a sufficiently concrete action has standing. Sufficiently concrete means that it must address proposed actions, formulated in such a manner that in all situations/variants as described, no infringement can be established. Also, the party bringing a claim for non-infringement must demonstrate a genuine intent to manufacture the proposed products, as the IP right owner should not be burdened with proceedings relating to hypothetical products.

The Argentine Group takes the view that there must be a reasonable connection between the claimant's interests or rights and the outcome of the claim, and this should include the standing of a cautious manufacturer to "clear the path" before launch of products.

The level of interest should be higher in the view of the Indian Group: there must be an actual or perceived threat of an infringement action against the claimant before a declaration of non-infringement can be sought.

These views seem to highlight a difference of principle. In the Dutch Group's view, it is a question of giving certainty for the current and future commercial activities of the plaintiff seeking a DNI: and for this, the intent and actions of the DNI plaintiff are key.

In the Indian Group's view, however, it is a question of whether the IP right owner is threatening infringement action: for this, the intent and actions of the defendant defending against the DNI are key.

The approach of the Dutch Group attracted more support from Groups than the approach suggested by the Indian Group.

13) Should there be any difference, in terms of requirements for standing, between actions in courts and actions in administrative tribunals (such as patent offices)?

About 80% of Groups are of the view that there should be no difference. The Swedish Group's view, that the outcome will have the same legal effect, so the standing requirements should be the same, and most Groups adopted a similar approach.

The Japanese Group takes the view that there should be a difference, because matters in administrative tribunals do not involve a dispute between two or more parties and therefore there is no need in administrative tribunals to require such a dispute to be shown to exist.

14) Please comment on any additional issues concerning any aspect of standing to litigate IP rights you consider relevant to this Study Question.

The Japanese Group states that in some countries, a licensee is required to register their license agreement in order to have standing to bring an IP infringement case. In addition, there is difference among countries in legal effects of registration and what to register.

The Japanese Group suggests future harmonization in relation to the necessity of registration, what to register, and legal effects of registration regarding license agreements.

15) Please indicate which industry sector views provided by in-house counsel are included in your Group's answers to Part III.

Electronics; pharmaceuticals; machinery; mass market products; IT industries; the automobile industry; the telecommunication and entertainment industry; paper and forest industry; food & beverage; household appliances; luxury goods; commercial and domestic building finishing work; industrial gas; cosmetics.

IV. Conclusions

Standing to make infringement claims

In relation to standing for infringement actions, about half of Groups support giving non-exclusive licensees standing to make claims. These would be subject to some limitations, e.g.:

- the consent of the proprietor could be required;
- the licensee may have to wait for a certain period of time for the proprietor to make a claim, and if they do not do so, the licensee may at that point make a claim itself;
- the remedies available to a non-exclusive licensee may be limited, e.g. no injunctive relief.

Even these safeguards may not be sufficient. If, for example, a non-exclusive licensee has the consent of the proprietor to claim but that consent is given under a contract that is later found void because it is anti-competitive, should the licensee's standing to bring a claim become retrospectively void and entitle the defendant to dismiss the action?

Giving non-exclusive licensees standing may also be subjected to the criticism that third parties cannot carry out freedom to operate searches, and assess the risk of infringement claims, because they are not aware of private arrangements for the enforcement of various IP rights that may not be registered.

A further point that arises is, of course, counterclaims for revocation that could routinely be commenced if a non-exclusive licensee is permitted to assert an IP right. If there is a claim for revocation with an *in rem* effect, 90% of Groups take the view that the proprietor should be included as a party. If the practical reality is that counterclaims for revocation are common, and if that means that the proprietor will nearly always be a party to the litigation, then it may be appropriate to require non-exclusive licensees to join the proprietor as a party right from the beginning. This approach would appear to have substantial majority support amongst Groups.

Standing to seek declarations of non-infringement or *inter partes* invalidity actions

Most Groups takes the view that it should be possible to bring a claim for an *inter partes* declaration of invalidity or a declaration of non-infringement against the IP right holder, an authorised person representing the IP right holder and/or any licensee that is entitled to bring an action of infringement.

For DNIs, most Groups take the view that there should be clarity as to the declaration being sought, with the objective being to eliminate vexatious claims in relation to ill-defined, irrelevant or non-existent products. A minority of Groups are of the view that a claim or threatened claim of infringement should be made, before a DNI can be sought.

Standing to make *in rem* revocation claims

The vast majority of Groups take the view that these claims should be made against the owner (or all co-owners).

The practical problem is, of course, that an IP right may be subject to co-ownership, trust arrangements, or it may have been made security for a loan, with or without disclosure of these arrangements. It would be very cumbersome to say the least for a revocation claim to have to be made against equitable owners of the patent (i.e. trust beneficiaries if the patent is held by a trust).

It may therefore make sense, from a practical point of view, of requiring claims for revocation to be made against all registered owners/co-owners, without limiting the joining of further parties to the case if the circumstances warrant it.