

## 5.4. Step by Step Italy

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#### 5.4.1. Step 1: Choose legal form

While there are various forms of legal entity for companies in Italy, the country's corporate law differentiates principally between limited liability companies and partnerships. We have listed the most common types of organizational entity.

##### *Companies*

There are two main types of limited liability company:

**Società per azioni (S.p.A. or SpA)** A joint-stock company - the approximate equivalent of a public limited company by shares - this form of entity is usually used for larger corporations, and is not always a limited liability entity. An SpA requires a minimum investment of 120,000 EUR and at least one director. Audited accounts must be filed with the local Register of Companies. There are three management options: a traditional board with one single director; a board of directors; or a management board assigned by a shareholder-elected supervisory committee.

**Società a responsabilità limitata (S.r.L.)** The most common format for small and medium-sized businesses, an S.r.L. is a limited liability corporation (although there are some differences between an Italian S.r.L. and the UK/US definition of a limited liability enterprise), which requires at least one shareholder and a minimum investment of 10,000 EUR. Shareholders have limited liability to the extent of their contribution.

### *Partnerships*

There are two key forms of partnership:

Società in nome collettivo (S.n.c.) - general commercial partnership An S.n.c. requires a minimum of two partners (individuals or legal entities); all partners are general members of the partnership and hold full liability and management responsibility. No minimum set-up capital is stipulated.

Società in accomandita semplice (S.a.s.) - limited liability partnership The main conditions are the same as for a general partnership. However, at least one partner must be limited and hold limited liability to the extent of their contribution to the company. The other must be general and own full liability for the partnership's obligations.

## **5.4.2. Step 2: Officially Register your Company with the Chamber of Commerce**

### *Company Registration Italy*

To start economic activity, a new company must have a code that identifies that company, providing it legal and juridical existence: the "Partita IVA (the Italian equivalent of VAT number)". The Partita IVA is provided by the "Agenzia delle Entrate (Inland revenue)" the Italian institution which controls the fiscal regulations and taxes. The Partita IVA is composed of 11 numbers, specifically, the first 7 numbers identify the name of the owner, the following 3 numbers identify the company to the "Agenzia delle Entrate" and the last number is provided for control.

For more information [click here](#)

### *Specific economic sector*

When opening a new company, the most important information to give and to be aware of is the type of company. In Italy each company is identified by the ATECO code, a code provided by the Company Registrar of the local Chamber of Commerce where the company is registered. This code also contains information on the status of the company which can be active and inactive. The Italian government has created a website on which companies (who cannot find their code anymore, or start-ups that are willing to research the different official economic activities) can research the [ATECO code](#). [This website](#) is useful also to have more technical information on the code.

### 5.4.3. Step 3: Fiscal regulation and Accountancy

The accountancy of a company is crucial to assure its healthy development. Taking into consideration the assets, costs and taxes is important but is not always an easy task, this is why the majority of companies, rely on professional accountants. One of the keys to good accountancy is to adhere to the right fiscal regulations. In Italy we have 3 different types of fiscal regulation:

\* Regime forfettario (flat regime): up to Euro 65.000,00 of income. The main characteristic of this regimen is the absence of IVA which therefore is not included in the invoices produced and neither in the invoices for purchases. It is the most suitable for Sole Traders / Freelance.

\* Regime semplificato (simplified regime): inferior to Euro 400,000.00 of income. This fiscal regime is for Individual companies which have surpassed the amount of 65.000,00 Euros.

\* Regime ordinario (ordinary regime): superior to Euro 400.000,00 of income. It is the most adequate for the Srl (the Italian equivalent of Ltd).

For more information [Click here: https://www.partitaiva24.it/tipologie-di-regime-fiscale/](https://www.partitaiva24.it/tipologie-di-regime-fiscale/)

### 5.4.4. Step 4: Write a business plan

See [Chapter 4](#) and [Chapter 6](#)

### 5.4.5. Step 5: Opening a Business Account

*How to open a bank account in Italy online*

Moving countries comes with challenges, but as an expat, your finances shouldn't be one of them. Opening a bank account in Italy can be simple, if you know how (hint: go online).

*What are the different types of bank accounts in Italy?*

Your first Italian banking decision is whether you want a resident account or a non-resident account. If you're only going to be living in Italy for part of the year –if you're only buying property you intend to rent there, for example – a non-resident account might be enough. But if you're going to be spending serious time in Italy, you should consider a resident account. You don't have to be an Italian citizen to get one – you just have to live there.

There are different types of resident accounts. Expect to encounter the following:

- Conto corrente (current account) – as in other countries, this is the standard type of account for day-to-day transactions.
- Conto corrente cointestato (joint account) – this is a current account that you share with someone else.
- Conto di risparmio (savings account) – this is for your savings, on which you can earn a little bit more interest.

- Conto di deposito (deposit account) – this is a less flexible type of savings account that might offer a higher rate of interest.

#### *How to choose a bank account in Italy*

There's a wide range of banking institutions in Italy. There are major national and international banks based in the big cities, but further out of town you'll find smaller local ones. What's more, these days there are newer, digital banks to consider as well. Here are a few things to think about while you make your decision:

- How easy is it to open the account? Can you do it online?
- Will you need to visit your branch often, and is there one close to you?
- Does your bank offer services in English (or your other first language)?
- Are there any fees and what are they?

#### *How to open a bank account in Italy*

So, you know what sort of account you want and have chosen a bank. Here are our tips for opening a resident account with ease:

- Wait until you're in Italy. It can be tempting to try to start the process from abroad, but unless you're getting a non-resident account, this might prove difficult. Even if you don't need to go into a branch to open the account, you will still need to provide details such as a valid Italian address. So you might just need to bide your time.
- Have your documents ready. Banks always need to be able to verify your identity, so you'll need to show them some documents. There's more information on what you'll need below.
- Go to your new bank, or its website. Once you're ready, you can begin the signup process. For traditional institutions you may well need to go into a branch, but digital banking options like N26 mean you can apply online.
- Wait for the mail to arrive. You'll need to wait a few days to get your bank card and other information in the post – another reason it makes sense to already be in Italy!

#### *How to open an online bank account in Italy*

Traditional Italian banks can hold some surprises for foreigners. The opening hours, for example, can seem really strange: they're usually open from early in the morning until around 1 pm, and then for just an hour or so later in the afternoon – but that's it.

That's just one reason why you might want a bank where you can do pretty much everything online. Another is the language barrier: some online banks provide their services in a variety of languages, so you won't have to try to find a bank teller who happens to speak your language.

With N26, you can use it in five languages and do everything online. You can [set up a full Italian bank account](#) from your phone in minutes, without any paperwork, from the comfort of your sofa.

However is important to consider that N26 can be useful only at the start of a new business since payments in Italy may delay (despite the fact that by contract payments are due within 30 to 60 days often these can delay even more). In these cases business need the support of local physical banks which can provide Fidi Bancari (Bank Overdrafts).

### *How much does it cost to open a bank account in Italy?*

Every bank has its own set of fees, and they can vary a lot. It's one of the most important factors to consider when choosing an account. Fees in Italy tend to be on the high side, by European standards.

There might be an account opening fee, but the fees that'll cost you more in the long term are the ones that you pay every month or even every transaction.

### Types of bank account fees in Italy

You might face the following fees with a standard Italian account:

- Maintenance fee – this service fee could be charged regularly, for instance every month.
- Transaction fee – you might find that the bank charges you a small amount for each individual transaction that shows up on your statement. You might get a certain number free each year.
- Cash withdrawal fee – if you use an ATM (bancomat in Italian) to withdraw cash, there could be a charge, especially if you don't use your own bank's ATM.
- International transfer fees – this can be a big deal for expats. If you're likely to need to send money abroad, check what your bank will charge you for this. These fees can vary hugely.

Not all banks will charge the same fees, and it's worth considering a variety of options. Try to find an account where the fee schedule works in your favor – for example, it could be in your interest to minimize international transfer fees, or to get an account that doesn't charge so much for withdrawing cash.

### *What do you need to open a bank account in Italy?*

You'll need to show your new bank some documents to prove you are who you say you are. The details can vary, but the general requirements to open a bank account in Italy are:

- ID, such as a passport.
- A valid Italian address. Most banks require proof of address, such as a utility bill, although N26 is an exception – you just need to legally be resident there.
- Your codice fiscale (tax number).
- Proof of employment (or proof that you're studying, if you're a student).

This is only for a resident account – for a non-resident account, as you'd expect, it's all a little different.

### *At what age can you open a bank account in Italy?*

You generally need to be 18 years old to open a full bank account in Italy. Anyone younger might need to get a parent or guardian involved. You can prove your age using your ID.

### *How much does it cost to cancel a bank account in Italy?*

It sounds paranoid, but it's worth checking up on this before you open your account. If you think you might want to close the account at some point, you should find out how easy the bank makes it, and how much it could charge you. There could be extra fees and more paperwork – the last thing you need when you should be spending your last few days in Italy eating as much gelato as possible.

Relevant links [N26 Bank Account\(new tab\)](#) [N26 Business You account](#)

#### **5.4.6. Step 6: Environmental Protection Laws and Rules and Applying for Permits**

##### *Environmental protection*

In Italy environmental protection is a very serious matter in fact the Italian legislation for environmental protection is the strictest in EU with fines and legal procedures strict and inflexible. Environmental protection is a responsibility of all companies, not only the ones active in particular fields (transportation, chemical industries, etc.) but also companies in the food industry, in agriculture, the ones that work in logistics and so on.

The regulations regarding environment take into consideration soil, water and air pollution. The actions to take of course are different depending on the type of economic activities the company carries out, and for each of this the company must obtain an Environmental Authorization, for example:

- Authorization for sewage
- Authorization for acoustic impact
- Authorization for gas emissions

It is important to consider that the companies have to take into consideration national and regional guidelines regarding environmental protection, in fact each region may have ulterior regulation regarding the protection of certain particular natural resource.

For more information [click here](#)

#### **5.4.7. Step 7: Privacy / Personal Data Protection (Making a business website)**

##### *Privacy*

All Italian, and European, companies have to take into consideration the new EU GDPR regulation. According to this regulation companies have to make their clients and/or visitors of their website aware of the new regulation on privacy, this must have certain characteristics:

- Be concise
- Transparent
- Clear
- Easy to access
- Simple language (even to minors)
- Consent to privacy must be given from 14 years of age

For more information , [click here](#).

#### **5.4.8. Step 8: Insurance**

In Italy all the companies with employees which are active in particularly dangerous activities must subscribe a national insurance through INAIL, the National Institute for Insurance against accidents on the job. This national institute provides protection to employees against physical and economic damages caused on the job. The dangerous activities are divided into two main groups:

- activities that include the use of machinery or activities that are carried out in laboratories;
- activities that for their nature are considered dangerous, for example: construction activities, transportation, private protection, etc...

The INAIL provides the company with civic liability against accidents but does not protect the company in case it is direct responsible of the accident because it has not fulfilled all the legal requirements regarding safety on the workplace.

The cost of the insurance depends for the type of activity the company carries on; according to the legislative decree 38/2000 the activities were divided into four main categories and for each one it has established the costs to face. These categories are:

- Industry
- Craftsmanship
- Service Industry
- other activities of different nature

All the documentation and actions needed for INAIL are complicated and require time this is why companies appoint an external expert called “Consulente del Lavoro” (Job Consultant) who will be in charge of all the relationship with the National Institute.

For more information [visit the official website of INAIL](#)

#### **5.4.9. Step 9: Management of human resources**

The management of human resources is key since it sets the basis for the development of the company. Businesses have to take into consideration different regulations to provide the employees with a healthy and legal working environment. The most important regulations are:

- Provision of a legal contract and respect of basic regulations in the working environment (i.e. minimum working hours, minimum wages, etc.): the employee has to be provided with a legal and valid contract which establishes the working hours, the wages and his status. The employer is responsible for it and he/she can rely on work consultants. For more information, [click here](#):

- Safety of the working environment: in a company the employer is responsible for assuring the safety of the working environment. Based on the type of activity and the connected risks the employer and other personnel have to undertake regularly safety courses to ensure that the employer and the employees know how to act in unsafe or medical situations.
- Each company needs to appoint a responsible for safety and a responsible for first aid.
- For more information [click here](#).

#### **5.4.10. Step 10: Patents and Brands**

The rights conferred by a patent for industrial inventions are territorially defined and consist of the exclusive right to work the invention and earn profit therefrom in the territory of the Italian State, within the limits of and on the conditions imposed by the law. This exclusive right is extended to the sale of the product to which the invention refers, but expires once the product is put on sale by the proprietor of the patent or with his consent, inside a member State of the European Union or the European Economic Area. If the original product is put on sale outside the European Economic Area and is then imported into it, the owner of the right can oppose this because, in this case, the right has not expired inside the European Economic Area.

When a product is manufactured using a method patented in a country where the patent title does not exist, if that product is introduced into a country where a method patent does exist, said product can be used in said country only by the owner or his successor in title of the method patent. If third parties use the product for profit in countries where the patent is protected, the owner or successor in title of the method patent can prevent such use.

The patent right does not extend, whatever the object of the invention:

- to any actions performed on private premises provided they have no commercial purpose, or attaining to experimentation;
- to the extempore preparation, in units, of medicine in chemist's shops according to a prescription, and to the medicine thus prepared.

If a patent, in order to be executed, implies the use of inventions protected by other patent titles still in force, it cannot be executed or used without the consent of the owner or his successor in title of the previous patent title. In the same way, the owner or his successor in title of the previous patent title cannot use the subsequent patent title without the consent of the owner of the latter.

Every patent application, and consequently every patent, must have as its object only one invention, or a group of inventions connected to each other so as to form a single inventive teaching. The patent confers the following exclusive rights on the holder:

- the subject of the invention is a product the right to forbid third parties, except with the agreement of the patent holder, from producing, using, trading in, selling or importing



for such purposes the product in question into those countries where the patent is in force;

- If the object of the patent is a method, the right to forbid third parties, except with the agreement of the patent holder, from applying the method, or using, trading in, selling or importing for such purposes the product which is directly obtained by the method in question in those countries where the method patent is in force;
- In the case of a method patent, any product which is identical to the one produced by means of the patented method is presumed to have been obtained, unless proof to the contrary is provided by the third party, by means of the said patented method, according to one of the following cases:
  - if the product obtained by the method is new;
  - if there is a substantial probability that the identical product was made by means of the patented method and if the holder of the said patent is not able, by means of reasonable efforts, to determine the method actually followed.

In the effort to show proof to the contrary, the legitimate interest of those accused of infringement in protecting their manufacturing and commercial secrets must be respected. In other words, it must be avoided that the improper use of a method patent allows the owner, or his successor in title, to come into possession of the secrets of a competitor.

In Italy a patent for industrial inventions lasts 20 years from its filing date and is subject to the payment of annual maintenance fees, starting from the fifth year. If the deadline for payment of the annual fees is allowed to expire, a period of six months grace is given, during which it is possible to pay the annual fee due subject to a surtax.

The exclusive rights of a patent are conferred with the concession of the patent certificate. The effects of the patent come into force on the date on which the description and drawings attached to the patent application are made available to the public, or, from the moment when the content of the patent application is notified to a third party infringer. It should be clarified that the notification must include the whole content of the patent application, not only part of it.

Unless there is a specific request for advance publication, which must be presented with the patent application, the application is in any event available 18 months after the filing date. If the application has been filed first in a foreign country and then extended to Italy under international priority, namely within the convention period of 12 months from the first filing date, the application is made available upon expiry of 18 months from the first filing date.

Italian Patent Law includes the concept of prior use. This concept indicates that anyone who, during the twelve months before the date of filing of a patent application, or before the priority date, has made use in his own Company of an invention which then becomes the subject of a patent application by another party, may continue to use such invention within the limits of such prior use.

Use in one's own Company should not be intended to mean experimentation, nor any design activity, but the real and effective use of the invention for the purposes of profit. If pre-use is invoked, it must be remembered that the filing of the subsequent patent application by the third

party freezes the extension of the pre-use on the date of said filing. Any further extension is subject to the right of the patent and must be authorized by the owner of said right or by his successor in title. This entitlement may be transferred only together with the Company, or branch of the Company, in which the invention has been used. The person claiming prior use is responsible for proving such prior use and its extent.

### *Types of rights*

The rights arising from an invention are rights of a personal nature (the moral right of the inventor, a personal and inalienable right) and of a patrimonial nature (rights which are disposable or transferable). Patrimonial rights arising from inventions can be ceded either by deeds drawn up by living persons or through death; they are also subject to forfeit, confiscation and expropriation (for debts, or in the public interest). The right to the patent belongs to the author of the invention and to his successors in title.

### *Requirements of patentability*

In order to be patented, an invention:

- must be lawful;
- must be suitable for application in the industrial field;
- must be new;
- must not be obvious, that is, it must not be a natural evolution of the state of the art.

Lawful means that inventions which, if worked, would be against public order or morality, cannot be the object of a patent. However, the working of an invention is not considered against public order or morality simply because it is forbidden by a law or administrative regulation. Public order means the protection of public interests such as safety, security, physical integrity, tranquility and health. Morality covers the principles of moral ethics. Breeds of animal, and the essentially biological procedures followed in order to obtain them, cannot be patented either. However it should be noted that it is possible to patent microbiological procedures and also the products obtained by such procedures.

An invention is considered able to have an industrial application when the object thereof can be manufactured or used in any type of industry, including agriculture.

An invention is considered new if it is not included in the state of the art. State of the art means everything which has been made available to the public in the territory of the State or abroad, before the filing date of the patent application, by means of a written or oral description, by use, or by any other means. The state of the art is also considered to include the contents of Italian patent applications, or the contents of applications for a European or international patent which designates Italy, as they have been filed, which have a filing date earlier than that of the invention, even if they have been published or made available to the public later; this is on condition that their content is identical to that of the later patent document.

An invention is considered not obvious, and hence implying an inventive activity if, for a person of skill in the art, it is not obvious from the state of the art. The person of skill is a virtual figure

who knows the state of the art at the priority date which generated the invention, who reads the prior art documents keeping in mind his scholastic knowledge and his acquired knowledge. The person of skill does not have any intuitive capacity but has a combinatory logic and the aim of his activity is to find a solution to the problem he is given. In deciding whether an activity is inventive or not, the documents comprising national applications, European applications or international applications designating Italy are not taken into consideration, when they have a filing date prior to that of the invention and have been published, or made available to the public, at a later date.

An invention, if it is to satisfy the requirement of inventive activity and be considered not obvious, must be intrinsically new. It must solve a technical problem and entail an improvement, that is, the solution of a new problem, even if it is only small, as compared to the state of the prior art in that field at that given time. The content of the invention must not be such as can be inferred from what existed beforehand, and it must entail the solution of technical and/or technological problems; therefore it must not be a mere combination of things or facts already known.

#### *Types of inventions*

Inventions can refer to a product, a device to obtain a product, or a method or a system.

Programs for processors, which are used to manage machines, plants, equipment or physical functions, such as for example road junctions, can be protected by means of a patent of invention, provided that the functions performed by the program are protected, and not for the way they are written. The protection of a program for a processor is protected for the way it is written by means of copyright. In a patent application, and therefore in a patent, several inventions can be present connected to each other, which generate autonomous and independent claims. Therefore a patent can have product claims, method claims, device claims and use claims.

They may be main inventions, if they have been conceived independently of any other invention, or derived if they employ elements of one or more earlier inventions. When an invention is dependent on a patent which is still valid and belongs to a third party, the dependent invention cannot be embodied without the authorization of the owner of the previously patented invention, and that owner cannot embody the dependent invention without the authorization of the owner of the same. There may also be:

- inventions of improvement of what is already known, whether patented or not, and such inventions are subject to the regulations for derived inventions as regards their embodiment;
- inventions of transfer when they entail a new use of something which is already known, or a previous inventive idea, by means of an original application of the same in a different field of the art and for purposes other than the original purpose;
- inventions of combination, which are those inventions realized by an intimate union or amalgamation of elements taken from something known or from earlier inventions.

### *Procedure*

In Italy a patent application must be filed through the portal set up for the purpose by the Ministry of Economic Development.

Without authorization from the Ministry of Productive Activities, residents in Italy cannot file their applications for a patent of invention, utility model or topography exclusively at the offices of foreign states or the European Patent Office or the World Intellectual Property Office as receiving office, nor can they file them at said offices before ninety days have passed from the date of filing in Italy, or the date on which the request for authorization was presented.

Once it has been filed, a patent application is first examined to see if it affects national defence, then it is examined to see if it is formally correct, and if it meets the characteristics required by the law relating to the search report transmitted by UIBM.

In some countries third Parties are allowed to oppose the definitive grant, by filing a reasoned request within a defined period, starting from the date the patent is granted by the Patent Office of said country. With regard to specific rules, an opposition procedure can involve a dialogue between the Parties, or it may be managed autonomously by the examiner with the owner of the right. It is possible to send the claims, translated into English, to the Italian Patent and Trademark Office (UIBM), or to pay a search fee. Sending the translated claims or paying the search fee must be done at most within two months from the filing date, otherwise the application is rejected. When it receives the patent application, UIBM assigns the class and carries out a pre-filtering to eliminate those applications which are obviously unpatentable.

If the patent application is not of interest for reasons of national defence, and if it is formally correct, it is sent to the European Patent Office (EPO) which carries out a prior art search and sends to UIBM, within nine months of the filing date, a report and a preliminary opinion. In an urgent case it is possible to ask UIBM (which may reserve the right to refuse) to carry out an accelerated procedure. EPO carries out the search on the basis of the claims translated with the support of the description translated using software, if not supplied at the moment of filing. In the event of doubts regarding the search, it is possible to ask for a copy of the translation done using software. EPO may object to a lack of inventive unity and carry out the search only on a part of the patent. After receiving the search report and the preliminary opinion (which normally occurs around nine months after filing and are forwarded by UIBM), it is possible to make voluntary comments or amendments to the text within eighteen months after the filing date of the application, when all the documentation is made accessible to the public and the application is examined by the Italian examiners, who must base their examination on the search report and can use the preliminary opinion issued by EPO only for consultation. A patent subject to the new Italian procedure, which is extended as a European patent or PCT, can have the right to have part of the search fee repaid, if the claims are the same as those of the first Italian filing.

It should be noted that the PCT search report drawn up by EPO, in some foreign countries, in particular the US, is often completely reformulated.

In the case of a request for early issue, if the search is still in progress, the patent is granted without a search, and in the public file it is noted that no search has been carried out. In Italy, a fee must be paid for every claim after the tenth.

There are also countries where third parties are allowed to present an opposition to the definitive grant by presenting a proper, reasoned request within a certain period from the date of grant by the Patent Office of that country. With regard to the specific rules, an opposition procedure can involve a dialogue between the parties, or it can be managed autonomously by the examiner with the owner of the right.

### *The field of protection of a patent*

Both in Italian and in European law, it is a fundamental principle that the field of protection of a patent is determined by the content of the claims; the description and the drawings are considered only for the purposes of interpreting the claims, and not, therefore, in terms of integration. However, it should be noted that the description and drawings support and justify the claims juridically, and the claims cannot contain features that are not present in the description and the drawings.

Since the claims define the subject matter of the protection requested, they must be clear and concise, and they must be founded in the description and in the possible diagrams or drawings; they must also be comprehensible in themselves. If there are features in the description and/or in the drawings that are not present in the claims, said features are not protected. In the same way, if there are features in the claims that are not supported by the description and/or drawings, these features cannot be used in opposition against third parties.

Claims are independent or dependent, the dependent claims are justified and supported juridically by the respective independent claim. An independent claim is a claim which reproduces the essential characteristics (the so-called "bottleneck") of the invention for which protection is requested, and which serves to identify the subject matter of the invention. A dependent claim contains all the characteristics of the independent claims to which it is connected, and indicates other characteristics or variants for which protection is requested. It matters nothing that the dependent claim is in itself patentable with respect to the state of the art or even with respect to the independent claim to which it is connected. This is important only when the main claim which supports it is not patentable itself. In some systems, a dependent claim which is patentable in itself can be the object of a divisional application to be filed by the grant date of the main application.

In the case of infringement, protection is defined by the so-called subject matter of the invention as identified in the independent claims by the so-called person of skill in the art. It is important to note the substantive difference between inventive idea, found in the patent description, and the field protected by a granted patent found in the claims. A dependent claim is considered infringed only if the independent claim which supports and justifies the dependent claim is infringed. If, during an examination or administrative opposition, an independent claim were to

be found invalid, it is possible to integrate it with one or more of the dependent claims, or by acquiring features contained in the description, thus achieving a new, valid, independent claim.

An independent claim must be read in its entirety and compared with what is considered to be interfering. During the life of a granted patent right, the claims can be voluntarily amended on condition that they remain within the limits of the content of the patent application as initially filed, and do not extend the protection conferred by the granted patent. Any amendment of the claims must entail a reduction of the field protected by the claims as granted. The amendments can be made either at UIBM, or at EPO, or in the course of a case. At UIBM the amendments must be requested before starting an active legal action and are requested when relevant prior art documents, previously unknown, become known. At EPO, or during a case, the amendments can be requested in order to overcome a possible case for annulment, due to the presence of relevant prior art documents. The amendments at EPO must be requested according to certain European legislations. In Italy, during a case, the limitations can be requested at every stage and degree of the judicial system, when the annulment of the right is requested. In some European systems, it is also possible to request amendments of the claims in the event of active actions for infringement. In Italy, the source where the material to be introduced or reformulated for the claims must be found is the description, drawings and dependent claims.

An independent claim must be read in its entirety and compared with what is deemed to interfere. The interference can be literal, when what is considered interfering can be read completely in the claim, or through equivalence. By equivalents we mean those technical means, instead of the means described in the patent at the moment of the priority date and claimed, the alternative use of which was obvious for the person of skill without having to apply a particular mental effort. Furthermore, the concept of equivalent means is also important in the examination procedure, that is, in the procedure which precedes the grant of a patent in the systems which have a prior examination to assess the relevance or irrelevance of a prior art document, or in a court of law as happens for example in Italy, to define the subject matter of the invention or its protected field. The formulation of claims for medicines provides that, when the medicine is a new product, it can also be protected as a medicine according to the protection granted to the substance.

When the product used as a medicine is in itself known, but without therapeutic characteristics, the substance or mixture of substances can be protected for specific use in a therapeutic treatment.

### *The protection of a patents*

The protection of the exclusivity of patented inventions is both a civil and a penal matter. It concerns both patrimonial rights and the moral right of the inventor.

Judicial proceedings to protect the exclusivity right may be proceedings of ascertainment (to verify whether infringement has or has not occurred), prohibition (to prevent the continuance of the detrimental act), recovery of the damages (to obtain a fair compensation for the damage suffered as a result of the detrimental act), and also of claiming (when the ownership of a patent

is in dispute). Judicial proceedings can be both active and passive. It should be remembered that it is not possible to make actions of negative ascertainment, which decide whether the product of a Company infringes a patent title of a foreigner who has no registered office or domicile in Italy.

Legal actions regarding patents for industrial inventions are characterized as movable commercial actions.

For any disputes on intellectual property beginning from 22.02.2014 and to which a foreign Company is a party, that is, "a Company, in whatever form it is incorporated, with its legal headquarters abroad, even having secondary headquarters stably representing it within Italian territory", only nine Specialized Sections are competent, which are: Bari (for judicial offices situated in the districts of Bari, Lecce, Taranto and Potenza, Cagliari (for judicial offices situated in the districts of Cagliari and Sassari), Catania (for judicial offices situated in the districts of Caltanissetta, Catania, Catanzaro, Messina, Palermo, Reggio Calabria), Genoa (for judicial offices situated in the districts of Bologna and Genoa), Milan (for judicial offices situated in the districts of Brescia and Milan), Naples (for judicial offices situated in the districts of Campobasso, Naples and Salerno), Rome (for judicial offices situated in the districts of Ancona, Florence, L'Aquila, Perugia and Rome), Turin (for judicial offices situated in the districts of Turin) and Venice (for judicial offices situated in the districts of Trento, Bolzano, Trieste and Venice).

According to the various cases, the actions are brought before the Specialized Section where the defendant is resident or domiciled, or before the one competent for the place where the plaintiff is resident or domiciled, or before the one competent for the place where the fact occurred, or before the Specialized Section in Rome. It should be remembered that the address noted in the register of patents is taken to be the elected domicile, in order to determine the competent Court and for all notifications, both administrative and judicial. Consequently, before proceeding with any action whatsoever, it is always advisable to verify in the register of patents not only if there are registrations or notes, but also if there have been amendments to the addresses or the domicile, or again in the content of the patent. When an action is based on facts which are assumed to damage the plaintiff's rights, this action can also be brought before the Specialized Section of the place in the district where the facts have been committed.

The burden of proving the invalidity or lapse of a patent in any case falls to whoever challenges the patent, while the burden of proving infringement falls to the holder of the patent. The owner of the rights of a patent may ask for a description or confiscation of whatever is alleged to infringe said rights. He may also request that the documents attesting or documenting the extension of the damage suffered shall be taken. The description and confiscation are carried out by a Judicial Officer, assisted when necessary by one or more experts and also by using any technical means or photographic means or any other means. The measure authorizing description and confiscation also defines the limits and the rules.

The owner of the patent rights can request temporary measures and can then ask for the manufacturing, trading and use of whatever is in infringement of the patent to be prohibited. Such a request is subject to the regulations of the Code of Civil Procedure concerning interim

measures and also to the special norms of the Industrial Property Code. A request for prohibition can be made before or during the main lawsuit. When the judge decides for prohibition, he can establish a sum owed for every violation or non-observance occurring later, or for every delay in carrying out the measure.

Actions for ascertainment and negative ascertainment of validity are requested when a third party wishes to ascertain that one of his products does not infringe the specific rights of others, and where another party desires to verify the validity of the rights of others. Actions for negative ascertainment cannot be brought against third parties which do not have registered offices in Italy, unless said third parties have the patent available in Italy.

The penalties which a person who has been found to commit an infringement may incur consist of publication of the ruling, apportionment of the infringed articles to the owner of the patent as his property, the removal, deprivation or destruction of such articles, and the payment of a sum to compensate for the damage caused.

Judicial proceedings to defend one's patent rights have a certain cost and require a certain time to reach the final judgement. The cost must be assessed taking into account the value of the infringement. The time must be assessed in the context of the extent of the infringement and the damage caused by it. There are countries where a case for infringement lasts a reasonable time, but there are also countries where a case may last 6-7 years. In the same way, there are countries where the cost of a case is reasonable, but there are countries where costs are enormous.

#### *Protection of a patents abroad*

An application for a patent can be extended abroad, under the priority procedure, within 12 months of the first filing. If the extended text substantially corresponds to the original text as filed in Italy, it has the right of priority. If new features are introduced into the text, not connected to the original ones, such new features do not enjoy the right of priority.

A patent application can also be extended outside the priority procedure, that is, within 18 months from the first filing, provided that the content of the patent application has not been made available to the public (for example by putting the object containing the inventive idea onto the market, if by examining the object it is possible to understand the inventive idea), and provided that the subject matter of the invention has not been otherwise disclosed, or on condition that third parties have not in the meantime filed an identical application. Extension abroad can be done country by country, that is, taking advantage of one of the unified procedures such as that under the European Patent Convention or the international application Convention (PCT). The PCT provides a procedure which allows to delay the moment when one has to decide in which countries to confirm a patent title. The PCT procedure must be considered a delaying procedure not a granting procedure, whereas the European Patent procedure is a granting procedure. The unified procedures should be used taking into account the times required by such procedures to reach the grant, and also the problems that can arise



after the grant. Indeed it should be noted that there are few countries (e.g. Italy) which allow a case for infringement to be started before the patent title has been granted.

A grant occurring when infringement has already started can even frustrate any interest in starting a defensive action.

An extension must be considered in the same way as any other production investment. The expenses for patent protection abroad must therefore find a correspondence in a reasonable turnover, and the relative margin of contribution or in the advantage over competitors which the owner hopes to acquire. Furthermore, the protection must take into account the possibility that only in certain countries is it worthwhile starting judicial proceedings, since actions in such countries are concluded in a reasonable time and give reasonable and expected judgements. In those countries where there is no security under the law, patents should be filed only after long meditation and evaluating the commercial reasons or effective technical collaboration.

Likewise, a patent title must be abandoned as soon as it is seen that there is no real interest in terms of competitive barrier or of turnover.