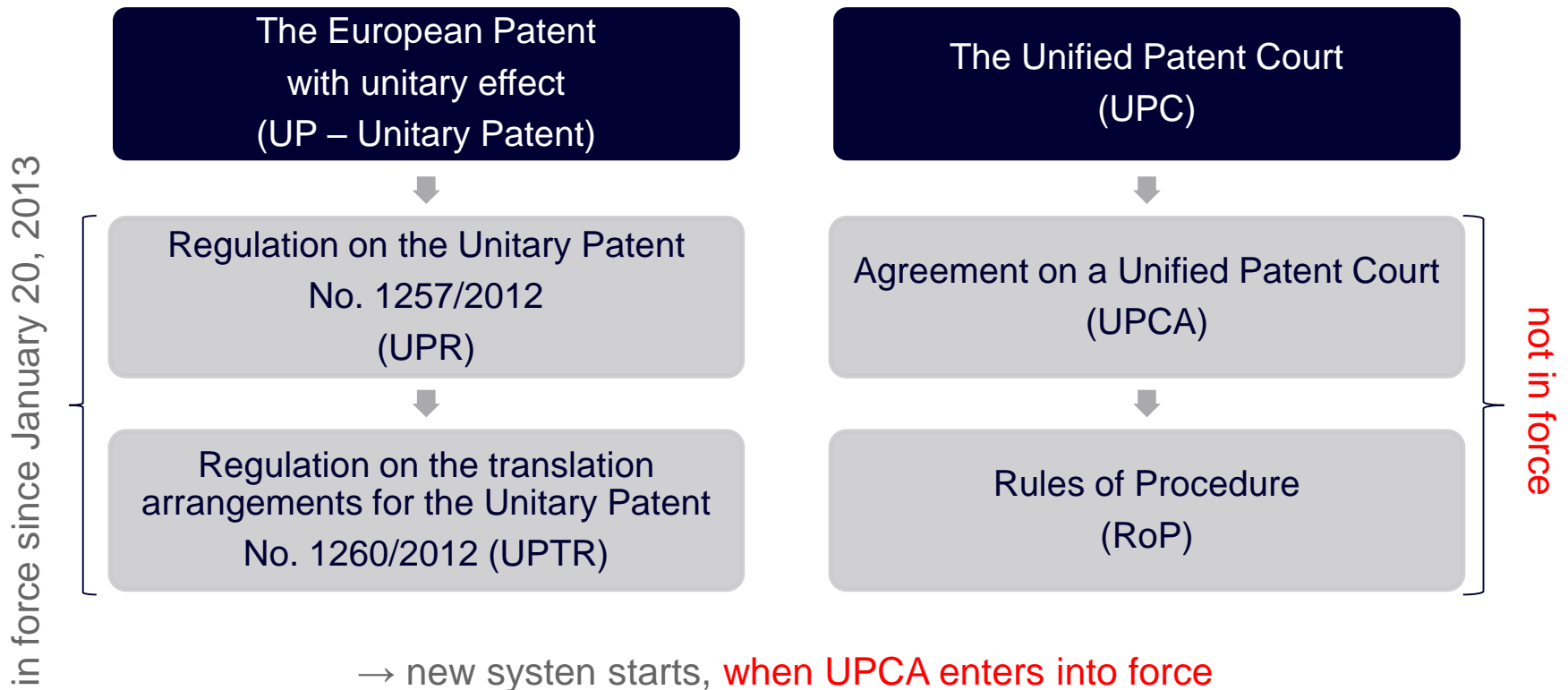




The EU Unitary Patent System in its current state

EU-Japan Policy Seminar
22 November 2016

Overview on the Unitary Patent System



I. The Unitary Patent

The Unitary Patent

Grant of European Patent (EP)

Application, examination and grant of the patent by European Patent Office (EPO) in accordance with EPC (Art. 9 (I) a UPR)



Procedure for registration of unitary effect

Filing a request for unitary effect within 1 month after publication of the mention of the grant (Art. 3 (I), 9 (I) a, g UPR)



European Patent with Unitary Effect

Entry into the register for unitary patent protection (Art. 9 (I) h UPR), retroactive effect from the date of publication of the mention of the grant of the European Patent (Art. 4 (I) UPR)

The Unitary Patent

Prosecution costs:

EPO costs for application and examination remain the same (UP = “tick the box”)

„Classic“ EP	Unitary Patent	USA
EUR 12,200	EUR 8,300	US\$ 14,000 (= EUR 12,500)

Translations:

Filing of UP in German, English French: No additional translation, Art. 3 (I) UPTR

Additional translations (no machine translations at the beginning) for an interim period of 12 years, Art. 6 UPTR:

German or French → English

English → German or French

The Unitary Patent

Renewal fees: “True Top 4”

Renewal fees for all UP member states =

Top 4 countries of EP validation

(Germany, France, UK and the Netherlands):

Total 20 years:

True Top 4 = EUR 35,555

EP (DE, GB FR) = EUR 25,148

DE, FR, GB, NL = EUR 36,188

50% for EPO, 50% for other Patent Offices

Art. 13 (I) UPR

Year	True TOP 4	25 MS
	€	€
2	35	0
3	105	1 298
4	145	1 874
5	315	2 545
6	475	3 271
7	630	3 886
8	815	4 625
9	990	5 513
10	1 175	6 416
11	1 460	7 424
12	1 775	8 473
13	2 105	9 594
14	2 455	10 741
15	2 830	11 917
16	3 240	13 369
17	3 640	14 753
18	4 055	16 065
19	4 455	17 660
20	4 855	19 197
Total	35 555	158 621

from: www.epo.org

The Unitary Patent

Unitary effect:

Art. 3 (II) UPR:

Limitation, nullification and transfer only with respect to all participating MS

Licensing with respect to all or a part of the participating MS

Different than EP (“bundle patent”) with different owners

Opt out:

For EP and SPC during transitional period of 7 (+ up to 7) years, Art. 83 UPCA

Opt-out by “proprietor” of EP:

Proprietor = “person entitled to be registered as proprietor”, R. 8 (V) RoP

Multitude of proprietors: all proprietors, R. 5 (Ia) RoP

Multitude of designated MS: all MS in which EP was validated, R. 5 (Ib) RoP

→ Mechanical procedure (Case Management System), no validity check!

No opt-out fees

Preparation of the Unitary Patent

European Patent Office:

Internal provisions passed in December 2015

Technical implementation of new UP register

Implementation of online filing system and online fee management

Start of ISO 9001 certification process

Opt out:

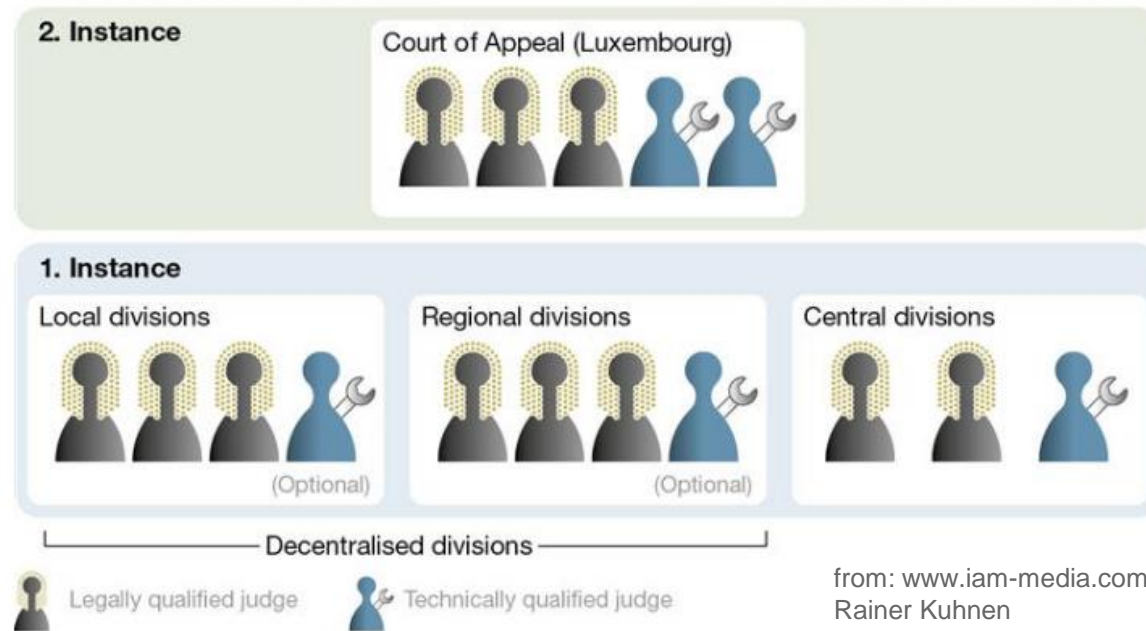
To be filed with Registry of UPC (via Case Management System)

Not necessary on day 1 of the system, but “sunrise period” starting about 6 months before

“Protocol to the Agreement on a Unified Patent Court on provisional application”

II. The Unified Patent Court

Structure of the UPC



Central Divisions in Paris, London, Munich (Court of Appeal: Luxembourg)

Regional Division in Sweden (Nordic-Baltic), ...

Local Divisions in Austria, Belgium, Denmark, France, Finland, Germany (4), Greece, Ireland, Italy, Netherlands, UK, ...

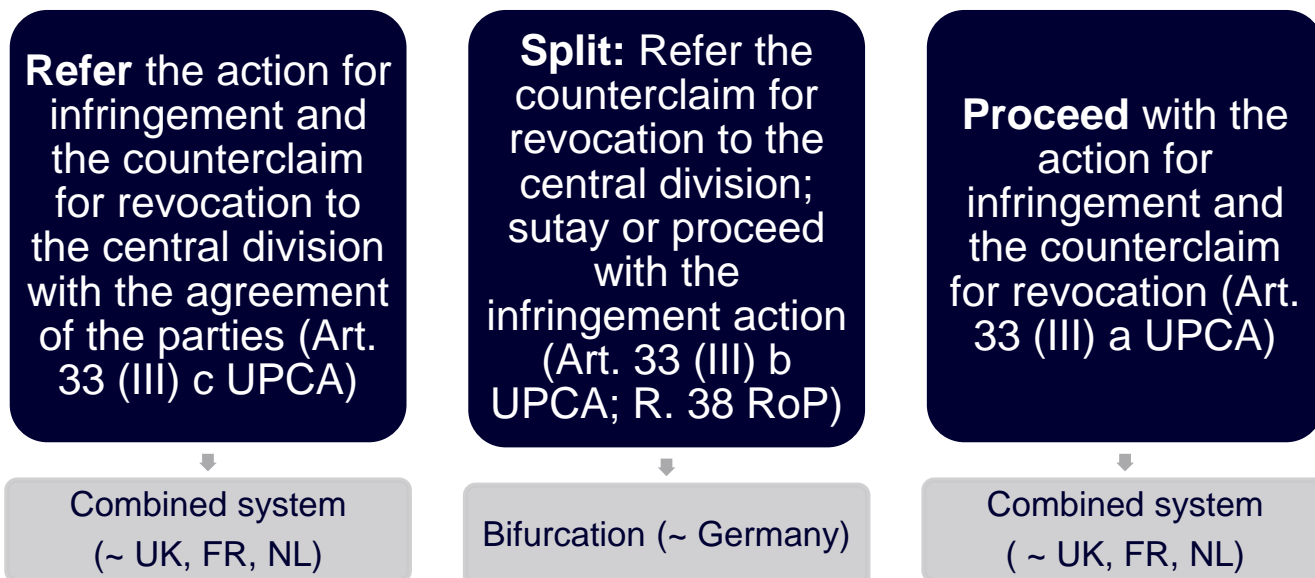
Patent Arbitration and Mediation Centers in Lisbon and Ljubljana

Structure of the UPC

Jurisdiction for EP, SPC and UP for

- Infringement actions incl. PI (usually before local or regional divisions)
- Declaratory actions for non-infringement (before central division)
- Nullity actions (before central divisions)

In case of infringement action, defendant may raise counterclaims for revocation



Court fees

Type (value of dispute)	Fixed	Value-based	Total
Infringement (\leq EUR 500k)	EUR 11,000	EUR 0	EUR 11,000
Infringement (EUR 1 M)	EUR 11,000	EUR 4,000	EUR 15,000
Infringement (EUR 2 M)	EUR 11,000	EUR 13,000	EUR 24,000
Infringement (EUR 5 M)	EUR 11,000	EUR 32,000	EUR 43,000
Infringement (EUR 10 M)	EUR 11,000	EUR 65,000	EUR 76,000
Infringement (EUR 30 M)	EUR 11,000	EUR 150,000	EUR 161,000
Infringement ($>$ EUR 50 M)	EUR 11,000	EUR 325,000	EUR 336,000
Preliminary injunctions	EUR 11,000	-	EUR 11,000
Revocation action	EUR 20,000	-	EUR 20,000
Counterclaim for revocation	EUR 11,000	Max. 9,000	Max. 20,000

Comparison for infringement action: UK ~ EUR 14,000; Germany EUR 10,608 – 329,208

Attorneys' fees

Basic rule: The losing party has to reimburse the winner, Art. 69 (I) UPCA.

But: Ceiling for recoverable attorneys' costs

Value of Dispute	Ceiling	Germany (2 attorneys)	UK
EUR 500,000	EUR 56,000	EUR 16,065	Typically 60% to 70% irrespective of value
EUR 1 M	EUR 112,000	EUR 23,565	
EUR 2 M	EUR 200,000	EUR 38,565	
EUR 5 M	EUR 600,000	EUR 83,565	
EUR 10 M	EUR 800,000	EUR 158,565	
EUR 30 M	EUR 1,2 M	EUR 458,565	
> EUR 50 M	EUR 2 M	EUR 458,565	

Preparation of the UPC

Provisions for UPC

- Agreement of a Unified Patent Court (UPCA), February 2013
- Rules of Procedure (RoP), amended 18th draft June 2016
- Code of Conduct (CoC), 4th draft June 2016
- European Patent Litigation Certificate, draft September 2016
- Protocol on Privileges and Immunities, draft June 2016
- Provisions on court fees; on Registry; ...

Recruitment of Judges

- Demand: ~ 100 legally qualified judges; 50 technically qualified judges
- July/August 2016: 840 applications (40% Germany, 16% France, 16% GB)
(83% male, 17% female)

Implementation of IT system (incl. Case Management System)

III. Current Situation

Start of the system

Ratification of UPCA by at least 13 states, including France, Germany, UK

- Currently 11 states, Germany and UK still missing
- United Kingdom European Union membership referendum, June 2016 (“Brexit”)

Current situation

- UK still European Member State, no notification to withdraw from the EU under Art. 50 (II) EUC yet.
- Exit negotiations for 2 years, Art. 50 (III) EUC
- UPCA may only be ratified by EU Member States, Art. 84 UPCA → UK may still ratify as long as it is a EU Member State. But:
 - Precedence of EU law, Art. 20 UPCA
 - Reference to the Court of Justice of the European Union (CJEU) for preliminary rulings whenever a question of Union law requires interpretation (like national courts)
- After leave, EU law will not be applicable in UK any more (including UPR and UPTR)

Start of the system

Possible solutions

- Legal opinion of Chartered Institute of Patent Attorneys: UK can join the UPC and remain part of the UPC system after leaving the EU.
- Ratification of by UK, everything else can be handled within the UPCA
- Extra agreement between UK and the other UPC Member States on the basis of Art. 142 (I) EPC: extend unitary effect of an EP to UK

View of the Industry

- Lot of “political will” to bring the system to a quick start – industry pushes EU-wide for a quick start of the system
- Meeting of the Competitiveness Council end of September 2016 – UK delegation expressed its interest in the Unitary Patent system
- Big industry (Siemens, Bayer): A non-participation of the UK would be unfortunate, but not decisive for the success of the system
 - UK still has EP protection; Southern and Eastern Europe more important...

Thank you very much for your attention!

Questions? – Please contact me

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