

Substantive law of Unitary Patents before the EU's Unified Patent Court



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Establishment of the Unified Patent Court



- Unified Patent Court (“UPC”) coming soon (2016?) - pending treaty ratification by participating EU countries
 - Established by UPC Agreement among participating EU countries via ‘enhanced cooperation’ mechanism
 - Will largely consolidate EU patent litigation (‘one-stop shop’)
 - UPC decisions will have wide effect (within all participating EU countries)
- UPC is linked to the EU’s establishment of the ‘unitary patent’
 - Unitary patents authorized by Regulation 1257/2012 [“Unitary Patent Regulation” or “UPR”] – valid in all EU countries except Spain and Italy
 - European Patent Office (EPO) grant process unaffected
 - ✦ Upon grant by EPO, patent holder may apply for ‘unitary effect’ throughout territories of participating EU countries
 - ✦ Unitary patent will substantially reduce fees and translation costs

A new form of EU substantive patent law



- New EU Unitary Patent will create (almost) uniform substantive patent law throughout most of EU territory
- Unitary Patent Regulation [“UPR”]
 - UPR Article 5(2) provides for uniform scope of rights in participating EU countries
 - UPR Article 7 identifies the appropriate ‘national law’ to govern each Unitary Patent ‘as an object of property’
 - ✦ According to the law of the participating EU country in which the applicant has principal place of business
 - ✦ Failing this, according to the law of the participating EU country in which the applicant has a place of business
 - ✦ Failing this, German law
 - UPR Article 5(3) indicates scope of protection (that is, the uniform right shall be defined by that national law indicated by UPR Article 7)
- A Unified Patent issued to a Chinese applicant with no place of business in a participating EU country will be governed by German law

UPC Agreement Article 24



- UPC Agreement Article 24(1) provides for cascade of sources of law to be applied by Unified Patent Court
 - EU law (including the UPR – which points to an appropriate national law)
 - Provisions of the UPC Agreement
 - 1973 European Patent Agreement (as amended)
 - ‘other’ international patent agreements (TRIPS, Paris Convention)
 - National law
- UPC Agreement Article 24(2) indicates which national law governs (“private international law rules”)

EU substantive patent law



- EU law enjoys primacy by UPC Agreement Article 20
 - UPC must apply EU law ‘in its entirety’
 - ✦ Includes UPR (which directs application of appropriate national law to Unitary Patents)
 - Matters of EU law are subject to CJEU oversight
- There is no general EU patent directive or regulation defining substantive patent rights
 - In the absence of EU patent legislation, competency over substantive patent law remains vested in EU countries
- Pockets of specialized EU patent law
 - Supplementary protection certificates for patented pharmaceuticals
 - Patentability of biotechnological inventions

UPC Agreement Provisions



- UPC Articles 25-30 set out substantive provisions for infringement purposes
 - Article 25 – rights to prevent direct uses of patented invention
 - Article 26 – rights to prevent indirect uses of patented invention
 - Article 27 – limitations of rights (e.g. experimental uses)
 - Article 28 – prior use rights
 - Article 29 – exhaustion of rights
 - Article 30 – effect of supplemental protection certificates
- UPC provisions escape CJEU oversight
- UPC substantive provisions lack specificity found in national patent law

1973 European Patent Convention



- UPC Agreement refers to the Convention as a source of law – presumably only the Convention text, not including invalidity decisions taken by European Patent Office Boards of Appeal
- EPC provides little substantive coverage
 - EPC Article 64 defers determination of rights to national laws
- ‘Extent of protection’ under EPC Article 69
 - Clarified by Protocol on the interpretation of Article 69
 - May or may not impose a doctrine of equivalents

“Other” international patent agreements



- **TRIPS / WTO**
 - Incorporates and expands on substantive elements found in Paris Convention
 - Potential source for CJEU supervision of UPC substantive decisions
- **Patent Cooperation Treaty**
- **Paris Convention**