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Unitary Patent and Unified Patent Court

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It is expected that the option to centrally protect granted European patent rights in multiple countries via the Unitary Patent (UP) system will become available in early 2023.

What is the Unitary Patent (UP)?

Currently, European patents are applied for centrally at the European Patent Office (EPO), and then on grant are converted into a bundle of individual national patent rights. When the UP becomes available it will allow an applicant to choose the UP when a European patent grants and this will give a unitary patent right providing protection in all EU states that have signed up to the UP at that time.

If the UP system goes live in early 2023 as currently expected, the countries that would be covered by a UP when it takes effect are Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovenia and Sweden.

All EU countries other than Spain, Poland and Croatia have agreed to participate in the UP, so it is expected the remaining EU countries will complete the formalities to allow them to be covered by a UP in due course.

Non-EU states covered by a European patent application will not be party to the UP, these are Albania, Switzerland/Lichtenstein, Iceland, Monaco, Macedonia, Norway, Serbia, San Marino, Turkey and the UK.



What will happen at the go live date?

For a European patent application pending when the UP becomes available, an applicant will be able to choose whether to file a request for a UP when their patent grants. Any request must be filed within one month after grant of a European patent. A translation of the complete specification into one other official language of an EU state will be required for an English language specification.

As an alternative, an applicant will still be able to obtain protection in any or all of the countries covered by a European patent application in the usual way. Further, even if a UP is requested an applicant can still protect the invention in any desired countries that are not covered by the UP.

This means that an applicant may end up with just a UP, or just a bundle of separate national patents, or a bundle of a UP and separate national patents based on the European patent application. This will depend on the countries of interest and the applicant's feelings on the UP.

What is the deadline for requesting a UP?

As mentioned above, the actions for obtaining a UP must be taken within one month after grant of a European patent.

In contrast, the deadline for converting a European patent into a bundle of individual national patent rights is unchanged, and so for most countries is three months from grant.

What are the translation requirements for a UP?

When requesting a UP for a European patent that has been granted in English a translation of the granted patent text into one other language of an EU state will be required. This cannot be a machine translation.

What is the cost of requesting a UP?

The costs of requesting a UP should be roughly the same magnitude as validating in one country under the current system where this country requires a full translation of the granted patent into its local language. In cases where a traditional national validation is also being completed in a country where a translation into an EU language is required (e.g. Spain or Poland), the cost of a UP will be reduced because the translation can be re-used.

What is the cost of maintaining a UP?

There is a single renewal fee each year to maintain the UP in all of its countries, because it is a unitary right. The renewal fee level for the UP was set to match the official fees for renewing a patent over its 20-year term in Germany, France, the UK and the Netherlands, and was weighted to make the first 10 years cheaper than the second 10 years.

There would also only be a single administrative agency cost because there is a single renewal fee, rather than there being a professional charge to pay the renewal fee in each country.

This appears to be good value for covering upwards of 17 countries, but less so if you generally only validate a patent in a couple of countries or if countries you would select are not part of the UP and so will still need to be protected and renewed separately. In addition, the payment of a single annual renewal fee means that you cannot reduce the renewal fees due each year by letting protection lapse in countries no longer of importance.



Can all European patents select a UP validation?

To be able to choose a UP at validation the European patent application must:

- › Have a filing date on or after 1 March 2007;
- › Have a grant date on or after the date the UP comes into effect;
- › Designate all countries that have ratified the UP as at the date of the grant of the patent; and
- › Have the same claim set for all of those UP countries.

What are the pros and cons?

The key benefit is value for money. A UP will be at a cost that is approximately comparable to obtaining protection, after grant of a European patent, in just a single country that requires a full translation under the current system. The annual renewal costs will be comparable to the current costs for renewing in three or four EPC member states. Therefore, the UP provides an applicant with the option of cheaper protection in their countries of interest, if they usually choose more than three or four UP countries, or the option of protecting the invention in more countries than usual for the same money.

A downside is that the UP stands or falls as a single right throughout its lifetime. Therefore, applicants have to weigh up cost savings/greater country coverage for the same cost against the risk of losing their patent rights from a single centralized attack.

Another issue to consider is the short deadline; a UP must be requested by one month from grant, and this is not extendable. Therefore, prompt action is needed to take advantage of this new route.

Furthermore, a UP is automatically under the jurisdiction of the Unitary Patent Court (UPC), a new legal system currently being set up, rather than the existing well-established national patent court systems. So for now there is uncertainty as to the approach that will be taken in the judgements handed down from this court and to what extent it might be seen as pro-patentee.

What is the Unified Patent Court (UPC)?

The Unified Patent Court (UPC) will include a court of first instance having a decentralised structure, spread over the member states. There will also be a common Court of Appeal, with its seat in Luxembourg. The Court will have the power to both revoke, and decide on infringement of, Unitary Patents for all participating member countries, in a single action. An action taken at the UPC should be of lower cost as compared to parallel litigation in several countries in national courts. However, this is a new court, so currently untested. There is therefore some uncertainty as to how reliably it will perform, as compared to national courts.

Advantageously, the UPC allows a patent owner to bring a single infringement action in a single court to obtain injunctions and damages for infringement of a patent throughout the countries covered by the UP. This avoids the cost and difficulty of bringing legal actions in many different countries.

However, a downside to the UPC structure is that a single revocation or invalidity action may be brought centrally against a UP, so leading to the cancellation of a patent throughout all of the UP member states.



The UPC will also, by default, have jurisdiction over any patents obtained through traditional validation in any country that has ratified the UPC Agreement. This includes all of the UP countries.

Should I opt-out of the UPC?

During a seven-year transitional period from the UP and UPC taking effect, applicants who follow the existing route of obtaining a European patent and converting this into a bundle of individual national patent rights can file an opt-out request, if they do not wish their granted European patent to fall within the jurisdiction of the UPC. However, it will be possible for patentees to opt back in to the UPC at a later date, should they wish to do so.

It is not possible to request a UP validation and opt-out of the UPC; opting out is only possible if the applicant validates the patent in the traditional way.

We expect that many patentees will consider an opt-out, at least for their most valuable patents, until the UPC has become established and tested. It would be possible to opt back in to bring infringement proceedings centrally.

There is the possibility that the transitional period could be extended by a further seven years. Once the transitional period has ended, it will no longer be possible to opt out of the UPC's jurisdiction and all European patent applications granted after that date will be subject to the UPC for those countries that have ratified the UPC Agreement. For these countries direct national filings would be the only way to avoid the use of the UPC.

What are the strategic considerations when choosing between the systems?

A Unitary Patent will be optional, and we suggest that its use should be decided on a case-by-case basis.

Where the patentee wishes to cover many countries, then the UP should offer cost savings in renewal fees, and in translations. Where protection in only a handful of countries is required, then it may well be more cost effective to select the traditional validation route. A Unitary Patent will provide a more affordable route for those wishing to protect across as much of Europe as possible. However, the patentee does need to be comfortable with their patent rights then falling under the jurisdiction of the UPC.

If protection in the UK, Spain or other non-UP countries is required, then these will need to be progressed as traditional validations (with the relevant validation and renewal fee requirements).

In addition to European applications filed after the start of the UP system, the option of selecting protection by way of a UP will also be available to those European patent applications filed before the start of the UP system (but on or after 1 March 2007), which are still pending at the go live date, and which designate all participating EU states.

What should I do if I think the UP might be of interest?

To be eligible for the UP the grant date of the European patent needs to fall on or after the go live date.

Any action required to slow down the grant of an application until the go live date depends on how far through prosecution the application has progressed, and the best course of action is to discuss this on a case-by-case basis with your usual Barker Brettell attorney.