

**A new patent
system for the
European Union:
Introducing the
EPUE and the UPC.**



A new patent system for the European Union: EPUE and UPC

General information about the EPUE and the UPC

A new patent system for the European Union ('EU') based on the European Patent with Unitary Effect ('EPUE') and the Unified Patent Court ('UPC') is taking off soon.

The **present system** provides that enforcement and revocation of the national fractions of a conventional European patent operate only under the jurisdiction of the respective national Courts, with the exception of a centralized opposition procedure before EPO, which can be initiated only within the 9-month period following the grant of the patent.

The present system can be burdensome and expensive, requiring **separate legal proceedings in each country of interest, creating uncertainty** in the event national Courts issue inconsistent decisions. The new system will eliminate these problems when applicants elect to seek patent protection through an EPUE.

The **EPUE** will be a unitary right protecting a given invention throughout the territory of the participating member states.

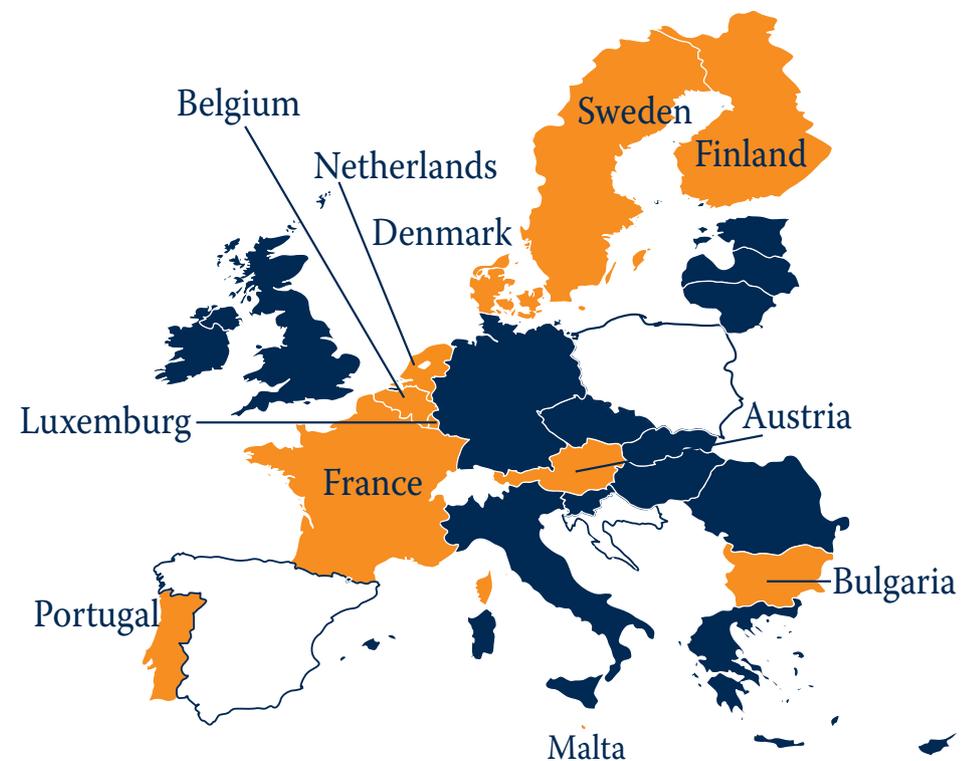
The **UPC** will be a completely new Court in which it will be possible for patent owners to use a **single procedure to enforce either an EPUE in the EU member states that have ratified the UPC agreement, or a conventional European Patent in those same states in which the patent was validated.**

Likewise, the UPC will be competent to preside over claims seeking revocation or a declaration of non-infringement, again in a single procedure. Thus, the high costs and risk of inconsistent decisions associated with the present system will be avoided.

The **UPC will be the only competent forum for questions regarding the enforcement or revocation of an EPUE.**

For conventional European patents, the patent owner may opt-out of the UPC and elect to have disputes relating to the enforcement or revocation decided by national Courts during a transitional period of seven years (with a possible extension of a further seven years). The patentee also may opt back in provided that no national court action has begun. The UPC will have no jurisdiction over questions of enforcement and revocation of national patents, for which national Courts will continue to have exclusive competence.

The new system will not enter into force until at least 2017, following ratification of the UPC agreement by at least 13 EU Member States, which must include all three of France, Germany and the United Kingdom. It will initially apply only in those EU member states that have ratified the UPC agreement. Following its entry into force, other member states will be included in the new system once they too ratify the UPC agreement. It should be noted that Croatia, Poland and Spain have not yet signed the UPC agreement, so that this new system will include the remaining 25 EU Member States.



EPUE

The EPUE will constitute a single patent right, the filing and prosecution of which will be exactly the same as for conventional European patents.

The patent application will be filed and prosecuted according to standard procedures before the EPO. Within one month from the publication of the mention of grant in the European Patent Bulletin, the patentee must decide whether to file a request for an EPUE that will be valid for the EU member states which have ratified the UPC agreement, and also whether to validate in extra-EU and those EU states which have not yet ratified the UPC agreement.

During a transitional period of 6-12 years, it still will be necessary to file a **translation** of the EPUE patent specification into one additional language. Thereafter no translation will be required beyond the usual translation of the granted claims into the two official EPO languages that are different from the language of the proceedings.

One of the prerequisites for obtaining an EPUE, the designation of all EU member states, is typically satisfied because all European Patent Convention ('EPC') contracting states are designated by paying a single designation fee. Another prerequisite is that the text of the EPUE is the same for all participating EU states; therefore, to obtain an EPUE the options available under the EPC allowing different texts for different member states are not available in practice.

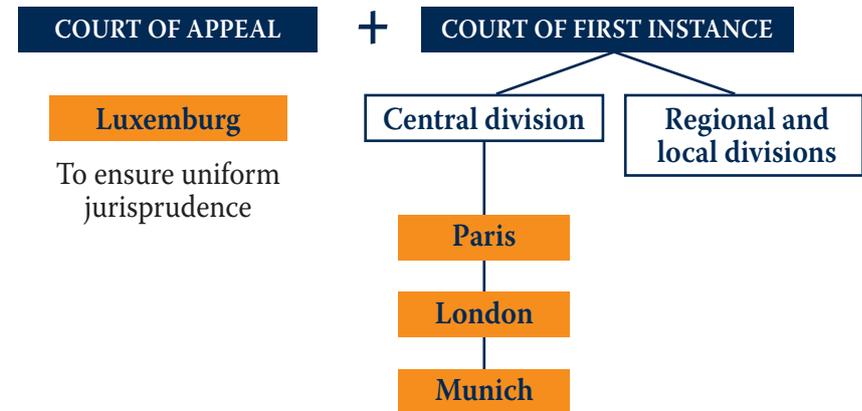
Renewal fees

The owner of an EPUE **only needs to pay one annual renewal fee to the EPO to cover all of the member states which have ratified the UPC agreement.** The amount of renewal fees has been set to cover all costs associated with the grant of the EPUE and the administration of unitary patent protection in order to ensure that the EPO maintains a balanced budget. The amount is on par with national renewal fees for a European patent with effect in the four EU countries in which – according to the present system – conventional European patents are most often validated (i.e. DE, FR, GB, NL).

UPC

Structure and Division

The UPC will consist of a Court of First Instance and a Court of Appeal.



The Court of Appeal, located in Luxembourg, will ensure uniform and consistent jurisprudence. The Registry of the UPC will be established at the headquarters of the Court of Appeal.

The Court of First Instance will have a central division, as well as regional and local divisions throughout Europe. The central division will have a total of three branches which will be located in Paris, London and Munich, and which will be primarily competent for electrical, chemical and mechanical patents, respectively.

Any group of member states may decide to establish a regional division, whereas individual states having a high volume of patent litigation may set up one or more local divisions. At this point, Sweden, Estonia, Liechtenstein, Latvia have decided to establish a regional division in Stockholm. Local divisions will be established in London, Paris, Munich, Dusseldorf, Hamburg, Mannheim, Milan, Dublin, Vienna, Copenhagen, Helsinki, Brussels and The Hague.

In conformity with general legal principles, actions for or relating to infringement, provisional and protective measures and injunctions, damages or compensation deriving from provisional protection and/or prior use shall be brought before the local/regional division where the infringement occurred, or where the defendant has its residence or place of business. This arrangement allows for a certain amount of latitude in “forum shopping”.

If the defendant has no residence or place of business in one

of the participating member states and the alleged infringement takes place in a member state without any local or regional division, these actions shall be brought before the appropriate central division.

Actions for revocation or requests for a declaration of non-infringement will be brought before the relevant central division, unless an action for infringement between the same parties with respect to the same patent has already been filed before a local or regional division. In such cases, a claim for revocation only may be raised before that local or regional division. The local or regional division nevertheless may decide to refer the revocation claim to the central division and, in that situation, whether to suspend the infringement action pending that decision.

Alternately, the parties may agree to transfer both the infringement action and the counterclaim for revocation to the central division.

In any case, the operations of the various divisions should not result in significant differences in terms of efficiency, speed, quality of judgment and interpretation of law.

Language of the proceedings

The language of the proceedings will be one of the official languages of the participating member state hosting the UPC local division or the official language(s) designated by the participating member states sharing a regional division.

The language of the proceedings before the central division courts will be the official EPO language in which the patent was granted.

The language of the proceedings before the Court of Appeal will be that used before the Court of First Instance.

Participating member states also will have the ability to designate any of the official languages of the EPO in addition to, or as an alternative to, their official language as the language of proceedings in the respective local or regional division. The option of adopting the language in which the patent was granted as the language of the proceedings also may be possible before a local or regional division.

The Judges

The UPC will include both legally qualified judges and technically qualified judges.

LEGALLY QUALIFIED	TECHNICALLY QUALIFIED
	<ul style="list-style-type: none"> • nationality of one contracting member state • top standard of competence • proven experience in patent litigation • good command of at least one of English, French and German
qualifications required for judicial offices in his or her country	university degree
	expertise in technology
	demonstrated knowledge of civil law and procedure concerning patent litigation

Court Fees

The court fees will consist of a fixed fee and - above a pre-established threshold - a value-based fee. Such fees will be decided by the Administrative Committee of the UPC based on the recommendation of the Preparatory Committee that will be established by the Signatory States of the UPC Agreement.

Advantages

The owner of a conventional European patent will have, during the transitional period of seven years (with a possible extension of a further seven years), the option of excluding its patent from the jurisdiction of the UPC. The choice of whether to opt-out should be taken on an informed basis, comparing the benefits of doing so with potential disadvantages.

The primary benefits of the UPC are:

- **Avoiding parallel litigation in different countries** and the higher costs and possible inconsistent decisions deriving therefrom
- **Accelerating judicial procedures** in those member states which are often slow
- **Promoting unified jurisprudence** with an increased predictability of the content of decisions
- **Obtaining judicial measures having contemporaneous effect** in all participating member states of the EU

JACOBACCI

The Jacobacci Group combines the legal expertise of the lawyers of the law firm Jacobacci & Associati and the technical expertise of the patent attorneys of the patent and trademark agency Jacobacci & Partners.

The expertise of the Jacobacci Group is evidenced by the fact that several Jacobacci & Partners patent attorneys were determined to have already satisfied the requirements for becoming technical judges of the UPC on the basis of their previous experience alone. They were thus exempt from the requirement of further training to become a technical judge.

The Jacobacci Group has offices in four European countries, including Italy and France, i.e. in 2 of the 4 most populous EU member states. The firm is therefore particularly well-suited for the needs of litigating parties before any local, regional and central division and the Court of Appeal of the UPC, as well as during pre-judicial and extra-judicial procedures.

JACOBACCI & PARTNERS Patent and trademark agency firm	JACOBACCI & ASSOCIATI Law firm
360 employees	70 employees
36 European Patent Attorneys and 1 United States Patent Attorney	50 lawyers including 1 UK solicitor
<ul style="list-style-type: none"> • IP leader in Italy • Best Pan-European IP firm at ILASA in New York (2013) 	

By way of example, the Jacobacci Group can assist you with:

- strategically **evaluating the strengths and weaknesses of a patent portfolio** to select the most appropriate patent right(s) to enforce. Evaluating with you the pros and cons of opting out of or opting back in the UPC jurisdiction for your classic European patents, prior to enforcing them against 3rd parties.
- **selecting the most suitable division of the UPC** for a particular matter
- **coordinating litigation before the UPC** with possible parallel litigation in non-participating EU or extra-EU countries

- **enhancing the effectiveness of an action before the UPC** with customs seizure procedures
- managing complex **validity and infringement** issues for a patentee or a party accused of infringement
- conducting **mock oral proceedings** with the client in preparation for the actual proceedings
- conducting searches to **find national prior rights** for challenging a portion of an EPUE
- **arguing anticipation of a patent**, when the claims, for example, are only partially entitled to the priority of an independently published patent application
- **utilizing SPCs** for extending the coverage of pharmaceutical and phyto-pharmaceutical patents
- negotiating **extra-judicial settlements**

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