

The 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') has taken off in June 2023.

The **old system** provided 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 old system has been seen as 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 eliminates these problems when applicants elect to seek patent protection through an EPUE.

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

The **UPC** is a completely new Court in which it is 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 is validated.

Likewise, the UPC is 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 old system will be avoided.

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

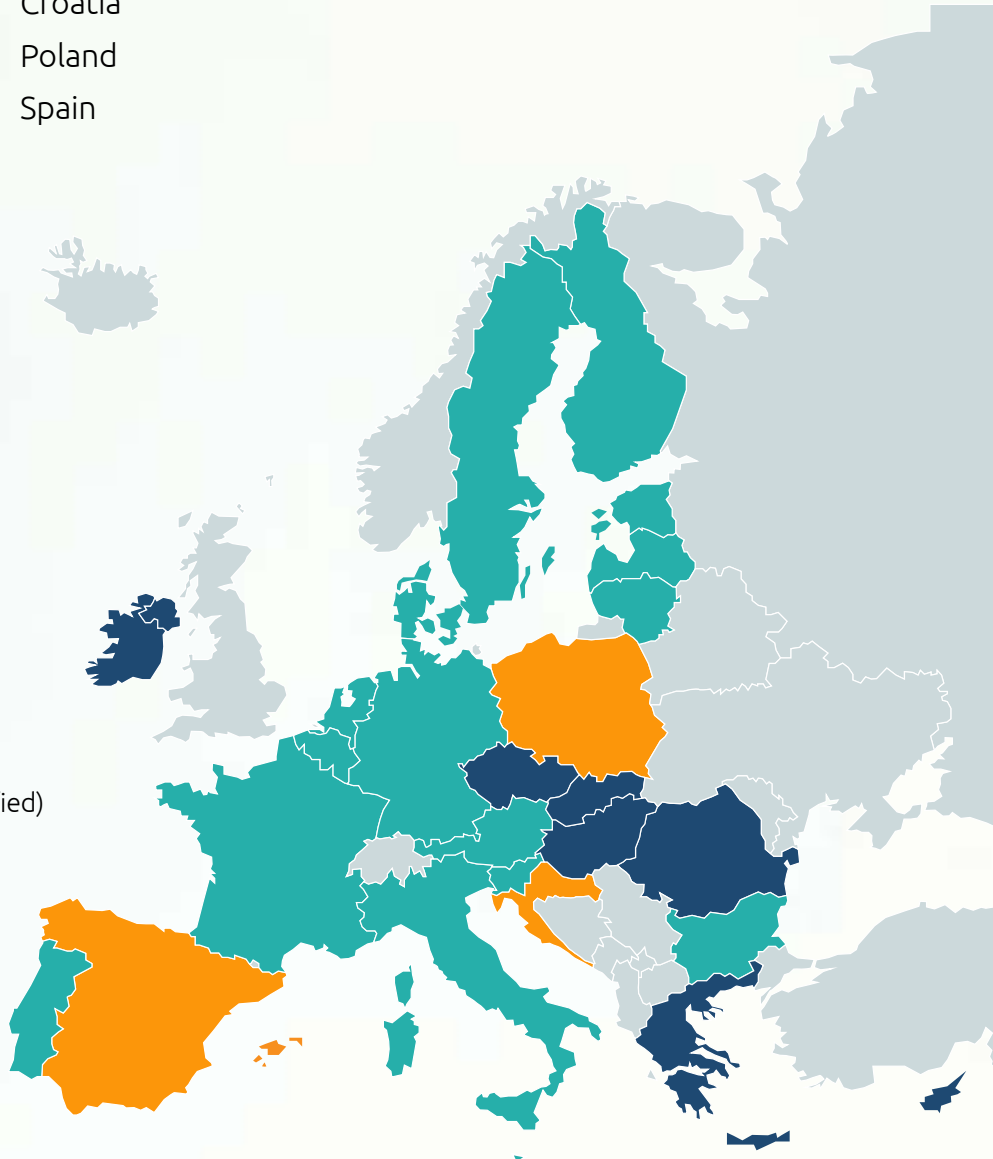
For conventional European patents, the patent owner may opt-out of the UPC and elect to have disputes relating to the enforcement or revocation decided by national Courts during a transitional period of seven years (with a possible extension of a further seven years). The patentee also may opt back in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

The new system is in force in 17 EU Member States, as in the following map. Seven Countries have signed the agreement but they have not yet ratified it.

It should be noted that Croatia, Poland and Spain have not yet signed the UPC agreement, so that this new system may be extended at maximum to the remaining 25 EU Member States.

- | | |
|---------------|------------------|
| ● Austria | ● Cyprus |
| ● Belgium | ● Czech Republic |
| ● Bulgaria | ● Greece |
| ● Denmark | ● Hungary |
| ● Estonia | ● Ireland |
| ● Finland | ● Romania |
| ● France | ● Slovakia |
| ● Germany | ● Croatia |
| ● Italy | ● Poland |
| ● Latvia | ● Spain |
| ● Lithuania | |
| ● Luxembourg | |
| ● Malta | |
| ● Netherlands | |
| ● Portugal | |
| ● Slovenia | |
| ● Sweden | |

- | |
|--|
| ■ UPCA in force |
| ■ UPCA signatory (not ratified) |
| ■ UE Member States (not a party of the UPCA) |



EPUE

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

The patent application is 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 (carrying no legal weight). 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 the participating 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.

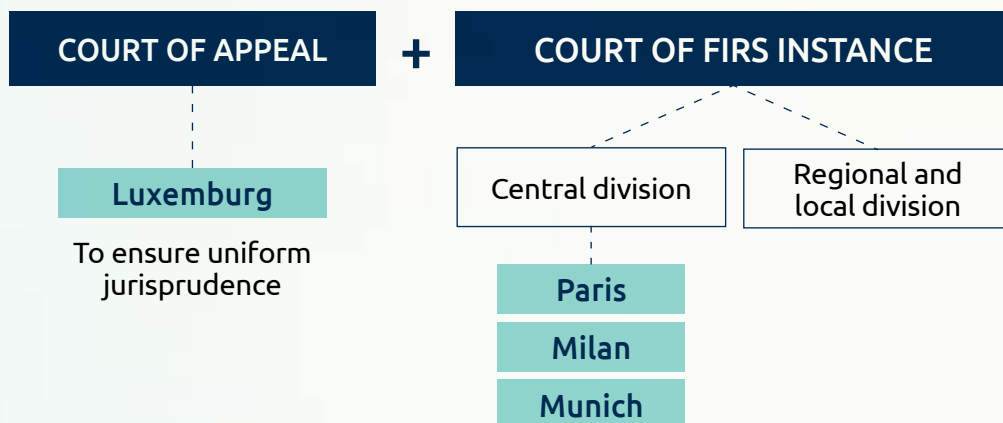
Renewal fees

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, IT, NL).

UPC

Structure and Division

The UPC consists of a Court of First Instance and a Court of Appeal



The Court of Appeal, located in Luxembourg, ensures uniform and consistent jurisprudence. The Registry of the UPC is established at the headquarters of the Court of Appeal.

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

Sweden, Estonia, Liechtenstein, Latvia have established a regional division in Stockholm. Local divisions have been established in 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 shall 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 may be only 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 competent 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 is 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 is the official EPO language in which the patent was granted.

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

All of the participating member states have also designated English as official language in addition 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 includes 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 consist of a fixed fee and - above a pre-established threshold - a value-based fee. Such fees have been decided by the Administrative Committee of the UPC.

Advantages

The owner of a conventional European patent has, 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 Avvocati and the technical expertise of the patent attorneys of the patent and trademark agency Jacobacci & Partners.

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 firm	JACOBACCI AVVOCATI Law firm
360 employees	60 employees
52 European Patent Attorneys	50 lawyers including 1 UK solicitor
IP leader in Europe	

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 traditional European patents, prior to enforcing them against third 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;
- preparing and enforcing European patent by asking **provisional measures** before the UPC to act in a very fast and impactful manner;
- 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**.

Contacts

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