

## The future of the boards in the light of the Unitary Patent and Unified Patent Court

*EPO boards of appeal and key decisions*  
European Patent Academy • Munich • 9 November 2012



**Pierre Véron**  
Honorary President  
EPLAW  
(European Patent Lawyers Association)

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A V O C A T S  
Paris ■ Lyon




The Unified Patent Court

## On the table today

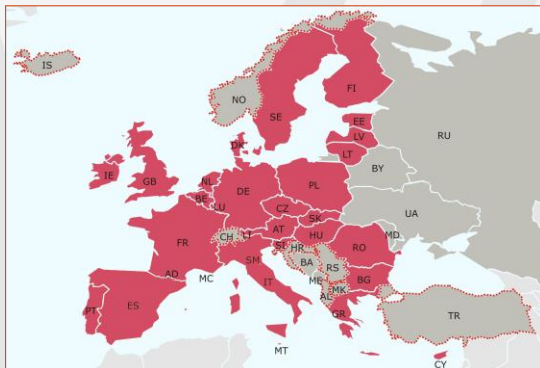
- 23 June 2011  
Proposal for a **Regulation** implementing enhanced cooperation in the area of the creation of unitary patent protection 11328/11  
<http://register.consilium.europa.eu/pdf/en/11/st11/st11328.en11.pdf> 
- 12 October 2012  
Draft **Agreement**  
Unified Patent Court and draft Statute  
Revised Presidency text 14750/12  
<http://register.consilium.europa.eu/pdf/en/12/st14/st14750.en12.pdf> 
- Draft **Rules of procedure** of the Unified Patent Court 16 October 2012 – [unpublished](#) 

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## 2 A changing territory

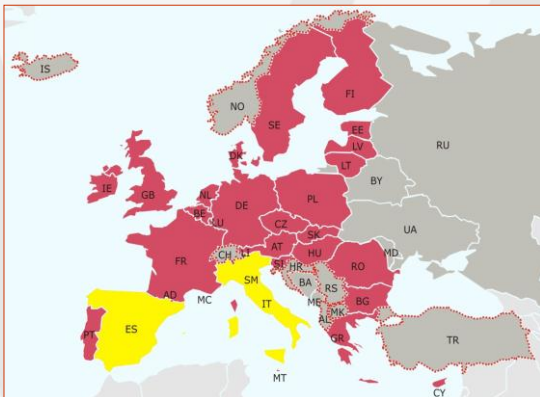


EPO  
and EU

EPO  
NON EU

(Two different Europes: EU & EPO)

## 2 A changing territory



25 UP + UPC  
(EPO + EU + UP)

NON UP NON UPC  
(EPO + EU)

EPO  
(NON EU)

(Three different Europes: EU, EPO & UP+UPC)

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### 3 Scope of application

- Unitary patent
- SPC for a patent  
(although it is a national IP right)
- European patent
- patent application  
(European or unitary)

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### 4 The Court

```

    graph TD
      Registry[Registry] --- Divisions[Local division, Local division, Central division, Regional division, Regional division]
      Divisions -- "Appeal (facts & law)" --> CourtOfAppeal[Court of Appeal]
      CourtOfAppeal <-->|"optional preliminary request binding decision"| ECJ[European Court of Justice]
  
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## 5 The Court of first instance

```

graph TD
    Root[ ] --- C[Central division]
    Root --- R1[Regional division]
    Root --- R2[Regional division]
    R1 --- L1[Local division]
    R2 --- L2[Local division]
  
```

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## 5 The Court of first instance: local divisions

(2) A local division shall be set up in a Contracting Member State upon its request in accordance with the Statute.

(3) An additional local division shall be set up in a Contracting Member State upon its request when more than 100 patent cases per calendar year have been commenced in that Contracting Member State during 3 successive years prior to or subsequent to the date of entry into force according to Article 59. The number of divisions in one Contracting Member State shall not exceed 3.

(4) A Contracting Member State hosting a local division shall designate its seat and provide the facilities necessary for that purpose.

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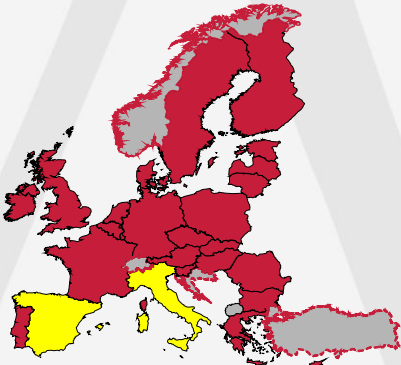
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## 5 The Court of first instance: local divisions

Each Member State has the right to set up a local division

A Member State with more than 100 patent cases (=DE, FR, UK?) has the right to set up additional local divisions (up to 3)



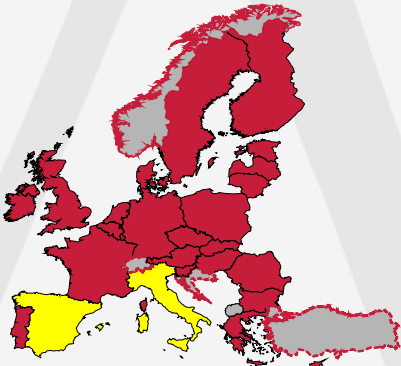
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## 5 The Court of first instance: regional divisions

(5) A regional division shall be set up for two or more Contracting Member States, upon their request in accordance with the Statute. Such Contracting Member States shall designate the seat of the division concerned and shall provide the necessary facilities for that purpose. The regional division may hear cases in multiple locations.



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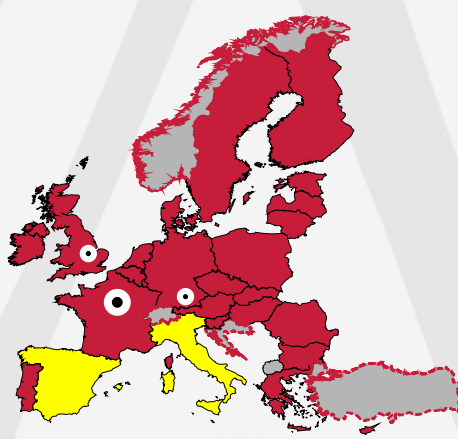
10

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## 5 The Court of first instance: central division

(1a) The central division shall have its seat in Paris, with sections in London and Munich. The cases before the central division shall be distributed in accordance with Annex II...

Contracting Member States hosting the central division, its sections or the Court of Appeal shall provide the facilities necessary for that purpose.



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**28/29 June 2012  
European Council conclusions**

## The Court of first instance: central division and sections



**London**

SECTION A — HUMAN NECESSITIES

SECTION C — CHEMISTRY; METALLURGY



**Paris**

SECTION B — PERFORMING OPERATIONS; TRANSPORTING

SECTION D — TEXTILES; PAPER

SECTION E — FIXED CONSTRUCTIONS

SECTION G — PHYSICS

SECTION H — ELECTRICITY



**Munich**

SECTION F — MECHANICAL ENGINEERING; LIGHTING; HEATING; WEAPONS; BLASTING

« Given the highly specialised nature of patent litigation and the need to maintain high quality standards, thematic clusters will be created in two sections of the Central Division, one in London (chemistry, including pharmaceuticals, classification C, human necessities, classification A), the other in Munich (mechanical engineering, classification F). »

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## 10 The judges

(1) The Court shall comprise both legally qualified judges and technically qualified judges.

Judges shall ensure the highest standards of competence and **proven experience in the field of patent litigation**.

(2) Legally qualified judges shall possess the qualifications required for appointment to judicial offices in a Contracting Member State.

(3) Technically qualified judges shall have a university degree and proven expertise in a field of technology. They shall also have proven knowledge of civil law and procedure relevant in patent litigation.

## 11 The judges: appointment

(1) The **Advisory Committee\*** shall establish a list of the most suitable candidates to be appointed as judges of the Court, in accordance with the Statute.

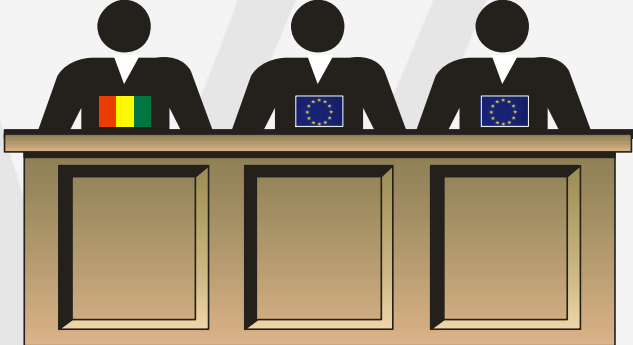
(2) On the basis of this list, the Administrative Committee shall appoint the judges of the Court acting by common accord.

(3) The implementing provisions for the appointment shall be provided for in the Statute.

\* 9c (ex 57b) (2) The Advisory Committee shall comprise patent judges and practitioners in patent law and patent litigation with the highest recognised competence.

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**6 (2a)**  
**Panel: 1<sup>st</sup> instance local division**



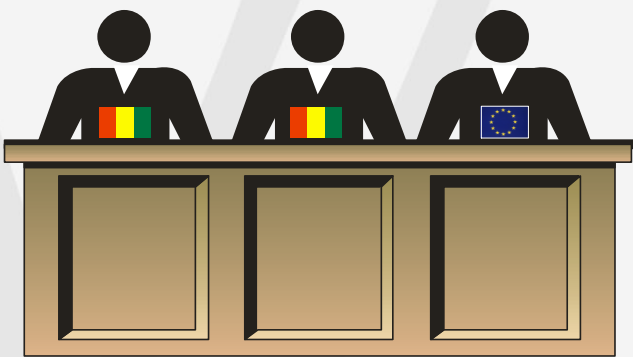
**Member State with < 50 cases**

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**6 (3) & (4)**  
**Panel: 1<sup>st</sup> instance local division**



**Member State with > 50 cases  
or regional division**


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**6 (5)**  
**Panel: Additional technical judge**



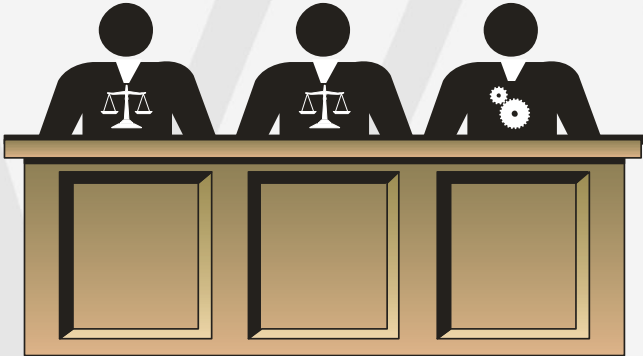
**Upon request of the parties  
or on the panel's initiative**

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**6(6)**  
**Panel: 1<sup>st</sup> instance central division**




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## 7 Panel: Court of Appeal



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## Applicable law

- 14e(1) substantive law
- 14e(2) conflict of law
- 14f-14i definition of infringement
- 39-43 sanctions and damages

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## Applicable law 14f - 14i Agreement vs 6-8 Regulation

Draft agreement	Proposal for a Regulation
<p>Article 14f Right to prevent the direct use of the invention</p>	<p>Article 6 Right to prevent the direct use of the invention</p>
<p>Article 14g Right to prevent the indirect use of the invention</p>	<p>Article 7 Right to prevent the indirect use of the invention</p>
<p>Article 14h Limitations of the effects of the European patent</p>	<p>Article 8 Limitation of the effects of the European patent with unitary effect</p>

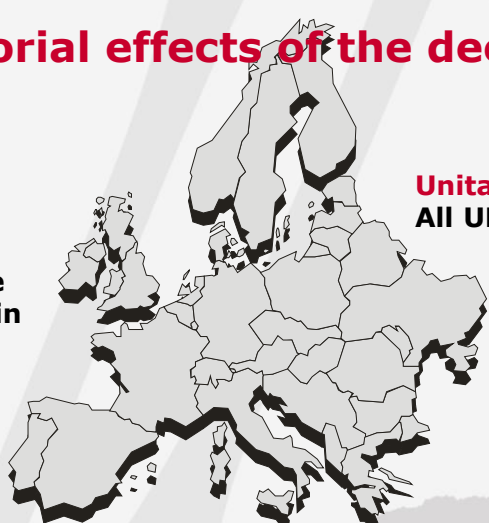
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## 16 Territorial effects of the decision

**European Patent**  
All the countries where the patent is in force



**Unitary Patent**  
All UP countries

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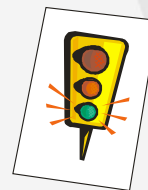
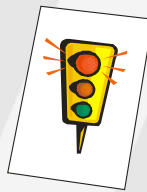


## 27 Plaintiffs

- The patentee
- The exclusive licensee, provided that the proprietor is given prior notice, unless the licensing agreement provides otherwise
- The non-exclusive licensee cannot initiate proceedings but can join them

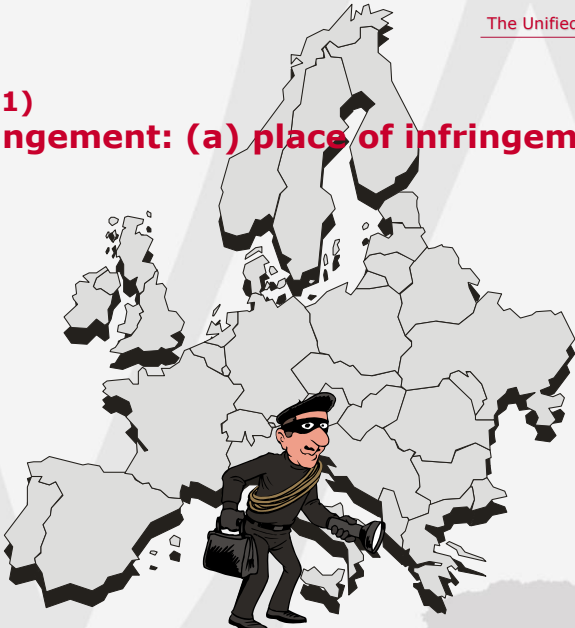
## 15 Jurisdiction

- Infringement
- Declaration of non-infringement
- Revocation
- Miscellaneous



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**15a (1)  
Infringement: (a) place of infringement**




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**15a (1)  
Infringement: (b) defendant's domicile**

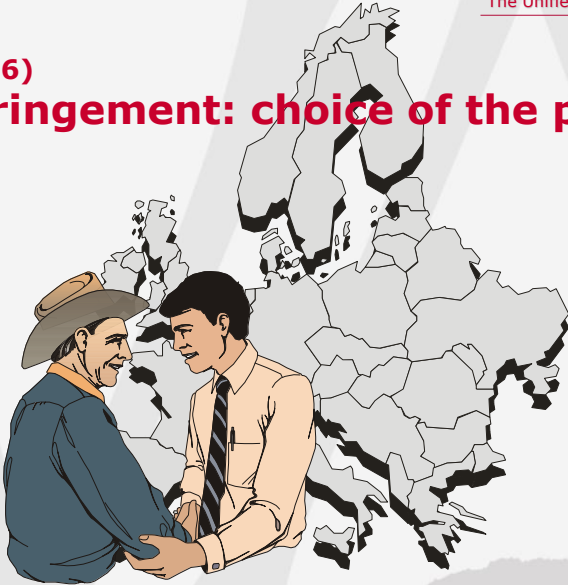


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**15a (6)  
Infringement: choice of the parties**



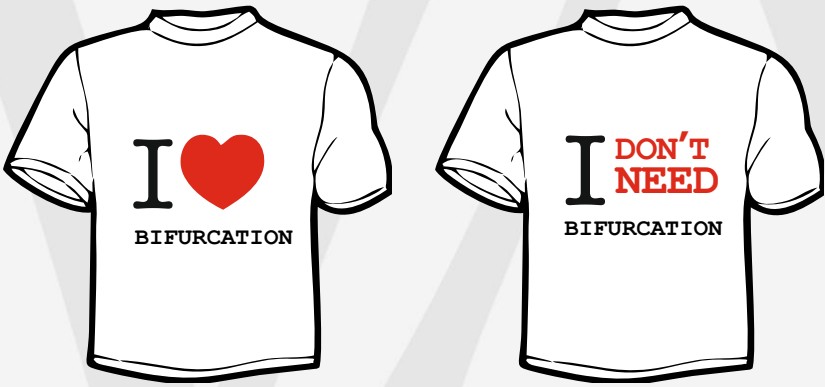
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This slide features a light gray background with a faint map of Europe. In the center, two men are shaking hands. The man on the left is wearing a brown hat and a blue jacket, while the man on the right is wearing a light-colored shirt and a dark tie. The text '15a (6) Infringement: choice of the parties' is written in bold red font. The logo for 'VÉRON VA & ASSOCIÉS AVOCATS' is in the bottom left, and the number '27' is in the bottom right.

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**15a  
Bifurcation or not bifurcation?**



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This slide features a light gray background with a faint map of Europe. In the center, two white t-shirts are shown. The t-shirt on the left has a red heart between the letters 'I' and 'LOVE', with the word 'BIFURCATION' below it. The t-shirt on the right has the words 'I DON'T NEED' in red above the word 'BIFURCATION'. The text '15a Bifurcation or not bifurcation?' is written in bold red font. The logo for 'VÉRON VA & ASSOCIÉS AVOCATS' is in the bottom left, and the number '28' is in the bottom right.

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## 15a (2) Concurrence of actions: infringement then revocation

01/06/2012  
Infringement action
30/06/2013  
Counterclaim  
for revocation

01/01/2012
01/01/2013
01/01/2014

**The local division has the discretion to:**

- ▶ proceed with the infringement proceedings and counterclaim for revocation (with a technically qualified judge);
- ▶ refer the counterclaim for decision to the central division and proceed with the infringement proceedings; or
- ▶ with agreement of parties, refer the case to the central division

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## 15a (4) Concurrence of actions: revocation then infringement

30/06/2012  
Revocation action  
Central division
01/09/2013  
Infringement action  
Local division

01/01/2012
01/01/2013
01/01/2014

**The local division may either**

- ▶ Proceed with the infringement proceedings, or
- ▶ stay the infringement proceedings, or
- ▶ if parties agree, refer the infringement action for decision to the central division

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## 15a (3) Revocation and non-infringement

The diagram shows a hierarchical structure of the Unified Patent Court. At the top is the 'Central division'. Below it are five divisions: 'Regional division', 'Local division', 'Central division', 'Regional division', and 'Local division'. A red arrow points from the 'Central division' box down to a central point where two icons meet: a large red 'X' representing 'Revocation action' and a traffic light representing 'Action for a declaration of non-infringement'. The 'Central division' is the sole authority for both types of actions.

Revocation action
Action for a declaration of non-infringement

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## 15a (5) Concurrence of actions non-infringement then infringement

The diagram features a horizontal timeline arrow pointing to the right, starting at 01/01/2012 and ending at 01/01/2014. Two traffic light icons are placed above the timeline. The first icon is at 30/06/2012, with the text 'Action for declaration of non-infringement Central division' below it. The second icon is at 01/09/2013, with the text 'Infringement action Local division' below it. A red bracket spans from the first icon to the second, indicating a period of three months.

30/06/2012
01/09/2013

Action for declaration of non-infringement Central division
Infringement action Local division

01/01/2012
01/01/2013
01/01/2014


**The action for a declaration of non-infringement before the central division shall be stayed once an infringement action is initiated within three months before local division**

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## 29 Language of proceedings: 1<sup>st</sup> instance


Regional division



**Language of the court**  
(national or EPO language)

Local division


Central division



**Language of the patent**

Regional division

Local division




**Language of the court**  
(national or EPO language)

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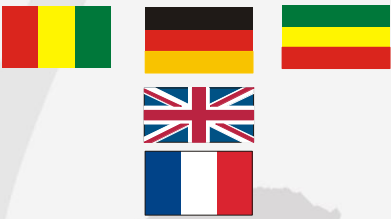
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## 30 Language of proceedings: appeal

- Language of 1<sup>st</sup> instance
- Language of the patent (upon the parties' agreement)
- Language chosen by the court and approved by the parties

Court of Appeal

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## 58 Transitional period

- National courts still competent for EP
- European Patent holders may opt out from Unified Patent Court (withdrawal possible)

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## 58 Transitional period

“(3) Unless proceedings have already been initiated before the Court, holders of European patents or patent applications granted or applied for prior to the date of entry into force according to Article 59 shall have the possibility to **opt out** from the exclusive competence of the Court. To this end they shall notify their opt-out to the Registry by the latest one month before expiry of the transitional period. The opt-out shall take effect upon its entry into the Registry.

(4) Unless proceedings have already been initiated before a national court, holders of European patents who made use of the opt-out in accordance with paragraph 3 shall be entitled to **withdraw their opt-out** at any moment. In this event they shall notify the Registry accordingly. The withdrawal of the opt-out shall take effect upon its entry into the Registry.”

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## 18 Court fees

“(1) The budget of the Court shall be financed by the Court's own financial revenues and at least in the transitional period referred to in article 58 as necessary, by contributions from the Contracting Member States. The budget shall be balanced.

(2) The Court's own financial revenues shall comprise **court fees** and other revenues.”

## 18 Court fees

“(3) Court fees shall be fixed by the Administrative Committee.

The Court fees shall be fixed at such a level as to ensure a right balance between the principle of fair access to justice, in particular for small and medium-sized enterprises and micro entities and an adequate contribution of the parties for the costs incurred by the Court, recognising the economic benefits to the parties involved, and the objective of a self-financing Court with balanced finances.”

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## Rules of procedure (512 rules)

- Draft **Rules of procedure** of the Unified Patent Court  
16 October 2012 – [unpublished](#)

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**Rule 8 ROP**

## Stages of the proceedings


- (a) the written procedure;
- (b) the interim procedure, which may include an interim conference with the parties;
- (c) the oral procedure, which shall include an oral hearing of the parties;
- (d) the procedure for the award of damages;
- (e) the procedure for a cost order.

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## Front loading system? or drips and drabs system?



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This slide features a light gray background with diagonal white stripes. At the top right, the text 'The Unified Patent Court' is written in a small, dark font. Below this, the main title 'Front loading system? or drips and drabs system?' is displayed in a large, bold, red font. The central illustration shows a yellow front loader on the left and a red pipette with a single drop of red liquid on the right. In the bottom left corner, the logo for 'VÉRON VA & ASSOCIÉS AVOCATS' is visible, and the number '41' is in the bottom right corner.

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## Interim conference with the JR?



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This slide has a similar design to the first one, with a light gray background and diagonal white stripes. At the top right, it says 'The Unified Patent Court'. The main title 'Interim conference with the JR?' is in a large, bold, red font. The central illustration depicts a cartoon judge with a large head, wearing a black robe, a blue shirt, and an orange tie, sitting at a wooden desk and reading a green document. The logo for 'VÉRON VA & ASSOCIÉS AVOCATS' is in the bottom left, and the number '42' is in the bottom right.

## Hearing of a witness in person exceptional



## Oral hearing

### Rule 114 – Duration of the oral hearing

1. Without prejudice to the principle of proportionality, the presiding judge shall endeavour to complete the oral hearing within **one day**. The presiding judge may set time limits for parties' oral submissions in advance of the oral hearing, in accordance with the Practice Directions.
2. Oral testimony at the oral hearing shall be limited to issues identified by the judge-rapporteur or the presiding judge as having to be decided by oral evidence.
3. The presiding judge may, after consulting the panel, limit a party's oral submissions if the panel is sufficiently informed.

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**Thank you**

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