

EIP

Unitary Patent and Unified Patent Court - finally happening?

The project to establish a Unitary Patent in Europe and a Unified Patent Court to handle patent infringement litigation for European patents is underway again. After several years' further delay due to constitutional challenges in Germany, progress towards setting up this project, 40 years in the making, is again resuming. The Preparatory Committee expects the Court to open for cases in mid-2022.

The UPC and Unitary Patent

There are two aspects to the project – the creation of a European Patent with Unitary Effect (“Unitary Patent”) having unitary effect in participating EU member states, and the establishment of the Unified Patent Court (“UPC”) which will be responsible for patent litigation in respect of both Unitary Patents and European patents for which unitary effect is not requested (“classical” European patents).

The Unitary Patent will be a single patent right covering all EU member states which have ratified the agreement at the patent grant date. The request to convert the European patent into one having unitary effect, instead of a bundle of national rights in the participating countries, is made by the proprietor on grant of the patent by the European Patent Office (EPO).

Ultimately, the UPC will hold exclusive jurisdiction over litigation in respect of patents covering EU member states which were prosecuted through the EPO. However, for a lengthy transitional period of at least seven years, national courts will also have jurisdiction over “classical” European patents, and it will be possible to opt such patents out of the jurisdiction of the UPC altogether. The UPC will have no competence in respect of patents granted by national patent offices.

Patent owners will need to make important decisions as to whether to use the Unitary Patent system, and, if not, whether to opt their European patents out of the system altogether. In addition, when considering patent litigation, it will be necessary to decide the part the UPC may play in the overall litigation strategy for Europe.

As the timetable for the commencement of the system becomes clearer, we will provide further details of the detailed working of the system, and advice on the strategies that may be adopted. EIP has established patent litigation teams in UK and Germany, and is well placed to advise on pan-European litigation strategies whether including the UPC or not.

Current status

The German Bundestag recently passed the legislation which will allow Germany to ratify the UPC Agreement (the 'UPCA'). The UPC will come into existence on the first day of the fourth month after that ratification.

However, Germany will not ratify the UPCA just yet since the court is not yet ready to open its doors – before ratification of the main agreement, the Protocol on the Provisional Application of the UPCA (the PAP-Protocol) needs to enter into force, which requires 13 states, including Germany, France and Italy to ratify the PAP-protocol. Currently, 10 states have ratified the PAP agreement; Germany are expected to ratify this imminently, and the required further two ratifications (rumoured to be Austria and one of Malta, Portugal and Slovenia) are expected during the autumn of this year. The UK has withdrawn from the UPCA and will not participate at all.

Once the PAP-Protocol enters into force, the UPC will be in a position to complete the preparations for the Court to open for business, including recruitment of judges and other staff, setting up the IT systems which will be needed, establishment of the bodies set out in the UPCA including the Administrative Committee which will supervise the working of the Court, and adoption of the secondary legislation which is being prepared by the Preparatory Committee. The Preparatory Committee has indicated that this work will require a provisional application period (PAP) of approximately eight months. Germany are therefore expected to ratify the main agreement approximately 4 months after the PAP begins (spring 2022 if the expected timeline is followed).

There have already been many delays in establishment of the UPC since the signing of the UPCA in 2012. While the current mid-2022 timeline seems realistic, the possibility of further delays does remain. We will provide updates as the implementation progresses.

If you have any questions, please get in touch with your usual EIP contact.