Centralised European patent protection and enforcement has arrived!

ast year we reported that both the new Unitary Patent (UP) and the Unified Patent Court (UPC) could be about to begin. After some delays, these new systems began on 1 June 2023.

The UP and UPC will centralise patent protection and enforcement within many EU countries and may make the European (EP) patent system more attractive to some. Moreover, the new systems will impact all existing granted EP patents and pending EP applications, such that patent proprietors need to make strategic decisions in relation to their EP patent portfolio.

The Unitary Patent

Currently patents granted by the European Patent Office (EPO) must be validated in all of the countries in which the patent proprietor wants to obtain patents. The validation procedure yields a number of individual patents in the countries of interest, which patents must then be enforced and/or invalidated individually at the national courts.

The UP will, for the first time, offer patent proprietors the option to have a single patent covering multiple EU member states. At present, these states are Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovenia and Sweden. Further EU member states may join in future. If protection is required in other countries, such as the UK, these will remain available via the current validation route.

To maintain a patent in force, it is necessary to pay annual renewal fees. A single renewal fee based on the total cost of renewal fees for the top four UP states (namely Germany, France, Italy and the Netherlands) will be payable for a UP. Thus, the renewal fees for a UP will be significantly cheaper than renewing separately in all UP Member States, which could make a UP an attractive option. However, the renewal fees for a UP will be more expensive if you typically only validate and renew in two or three EPC member states. Renewal fees on any national validations, such as in the UK, will also be required.

Jurisdiction of the UPC

A UP will fall under the jurisdiction of the UPC, which is a new centralised court through which:

- a patent proprietor can enforce their European patent against an infringer and
- a third party can seek central revocation of a European patent

Decisions by the UPC will be effective in all UPC member states. Infringement and revocation decisions for non-UPC countries (such as the UK) will continue to be made by the national courts.

The UPC brings unknown opportunities and risks and there will thus be a transitional period of at least seven years to provide better certainty for users.

Transitional period

During transition, the national courts of UPC member states will also have jurisdiction over EP patents which are effective in these countries. A patent proprietor can thus choose between centralised patent enforcement before the UPC or enforcement in individual national courts. Similarly, a third party can choose whether to revoke a patent before the UPC or a national court.

During transition, a patent proprietor can also request an opt out to remove their EP patents from the jurisdiction of the UPC. The patent proprietor can withdraw this request at a later stage, for example, if they wish to initiate a pan-European infringement action. Many opt outs have now been filed, but for some of our clients decisions on whether to opt out still need to be made.

There are various factors to consider, and different decisions may be appropriate for different patents in a portfolio. Currently about half of our clients are deciding to opt out, with some deciding to opt out their entire patent portfolio and others making decisions on a case-by-case basis.

> For more information on the UP and the UPC, contact Kate Hickinson, Partner, Appleyard Lees

