# Three (3) Important Facts, Five (5) Myths, and Ten (10) Potential Pitfalls to Remember

A talk before the International Intellectual Property Society (New York)
by Martin Schweiger

February 03, 2023

# About the Talk

Since the 70ies of the last century, there have been efforts to create a uniform European patent that could replace all national patents.

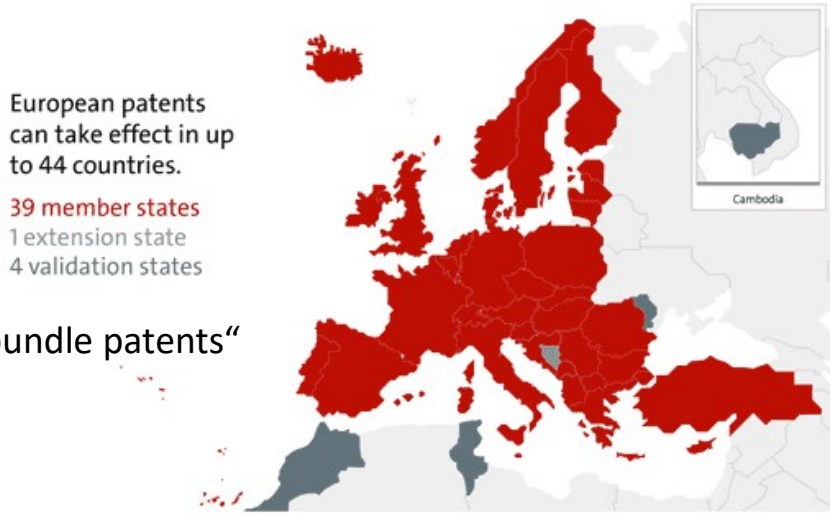
Now, only 50 years later, there is a “Unitary Patent Package” at reach, a combination of the Unitary Patent regulations and an Agreement on the Unified Patent Court (UPC).

That package created the “UPC Land”.

The UPC/UP system is said to start on June 1, 2023

# About Martin Schweiger

- Singapore, German & European Patent Attorney
- in the patent business since 1993
- expert for patenting computer algorithms
- gearbox aficionado
- founder of Schweiger & Partners, now turning into a LegalTech company
- editor of www.ip-lawyer-tools.com

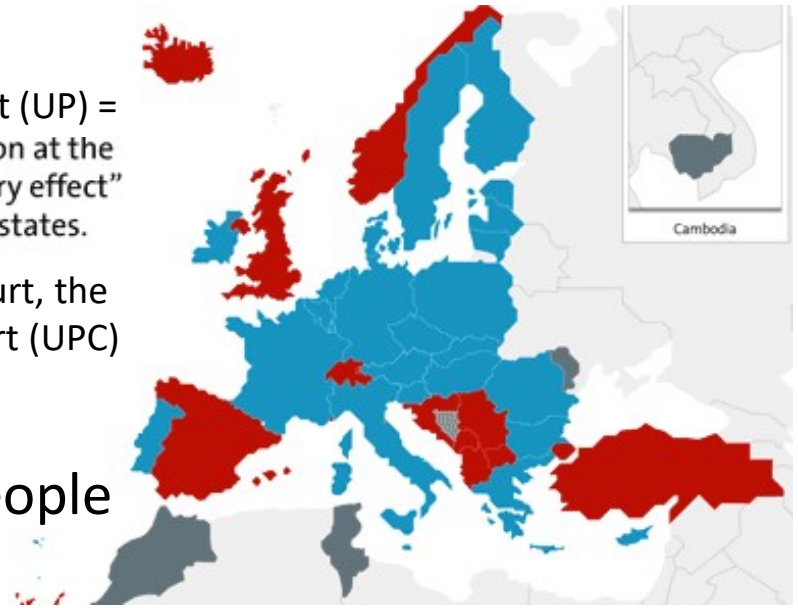



„bundle patents“

EP: 700 Mio People

Unitary Patent (UP) =
a single validation at the
EPO with “unitary effect”
will cover many states.

With one single court, the
Unified Patent Court (UPC)




UPC Land: 295 Mio People

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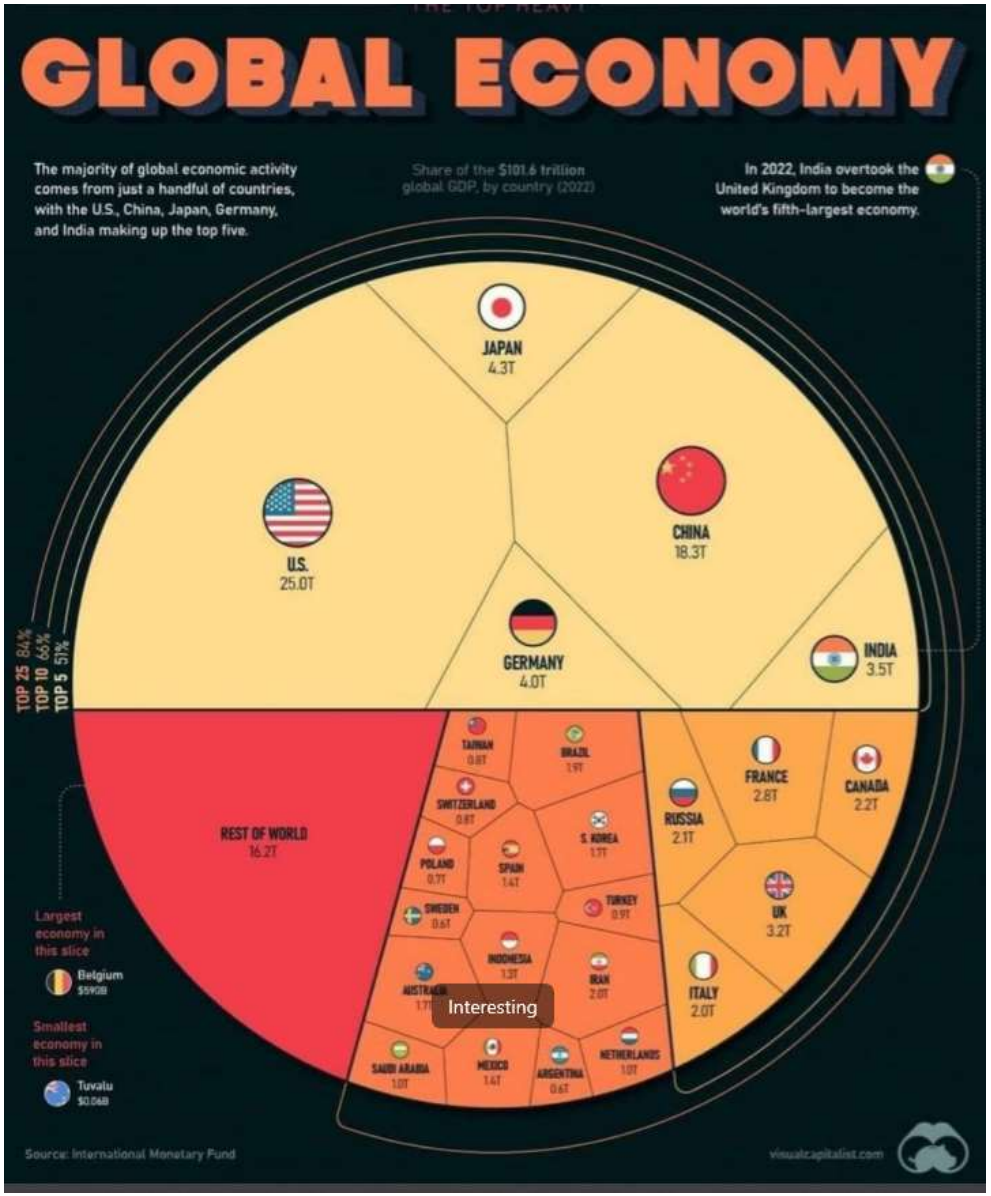


UPC land is the third largest economy in the World, after US and China, and UPC land is still growing:

| Country Code | GDP in Trillion US$ |
|---|---|
| US | 21.4 |
| CN | 14.3 |
| UP | 13.4 |
| JP | 5.1 |
| DE | 3.8 |
| IN | 2.9 |
| (UK | 2.8) |

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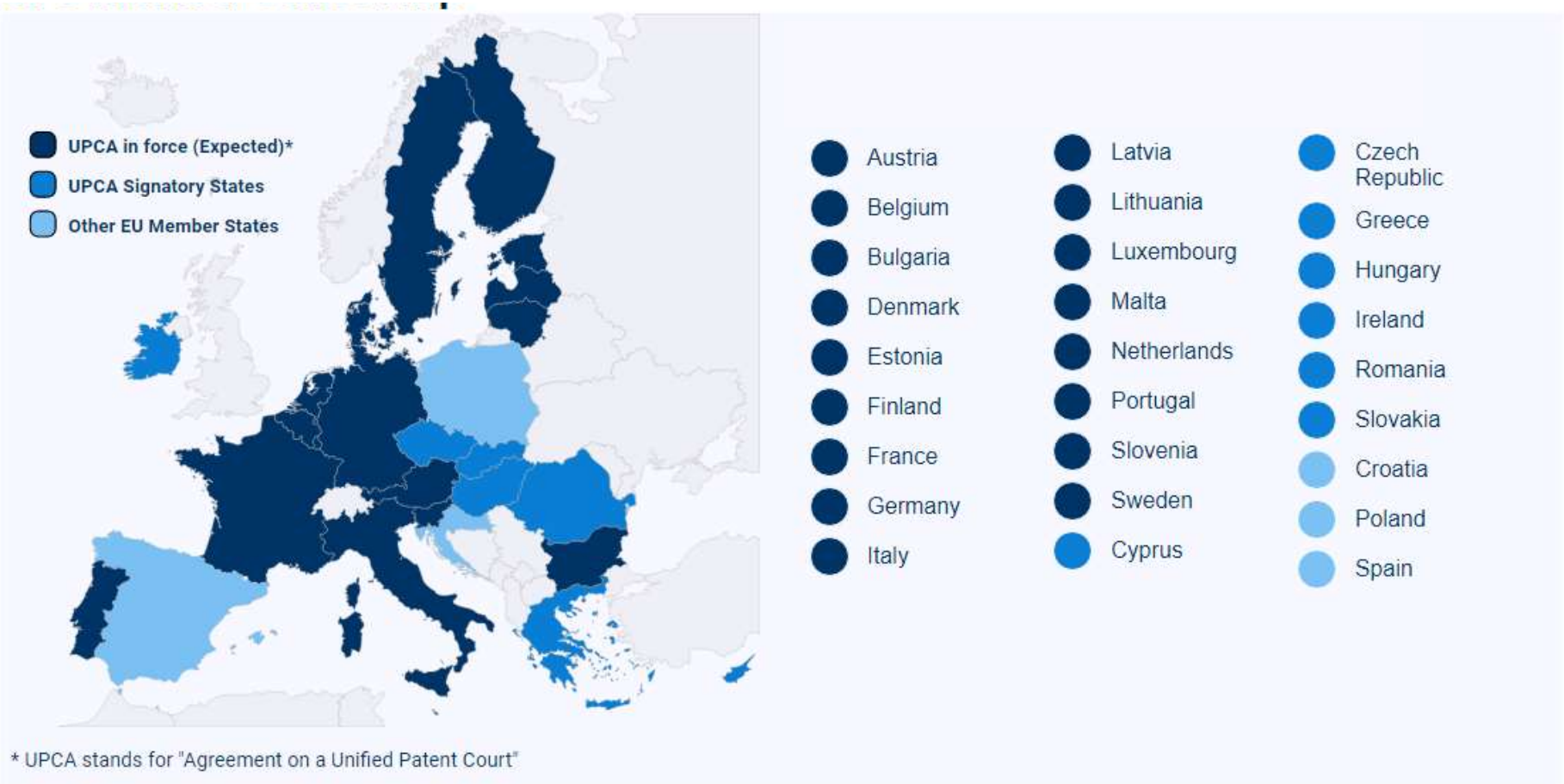
# UPC Land States map

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# Yes, you can have up to three (3) parallel patents in one and the same country, for an identical subject matter

**Example Germany (DE)**

- National DE Patent
- „Bundle“ EP/DE Patent OR Unitary Patent
- Utility Model („little patent“)

In order to obtain a UP, file a conventional application for a European Patent. No separate or different application is required. The decision of whether or not to obtain a UP will be made at the time of grant of a European Patent.

No, you cannot add EU countries to your UP if they ratify after your UP is granted.

# Sunrise Period Starts March 1, 2023

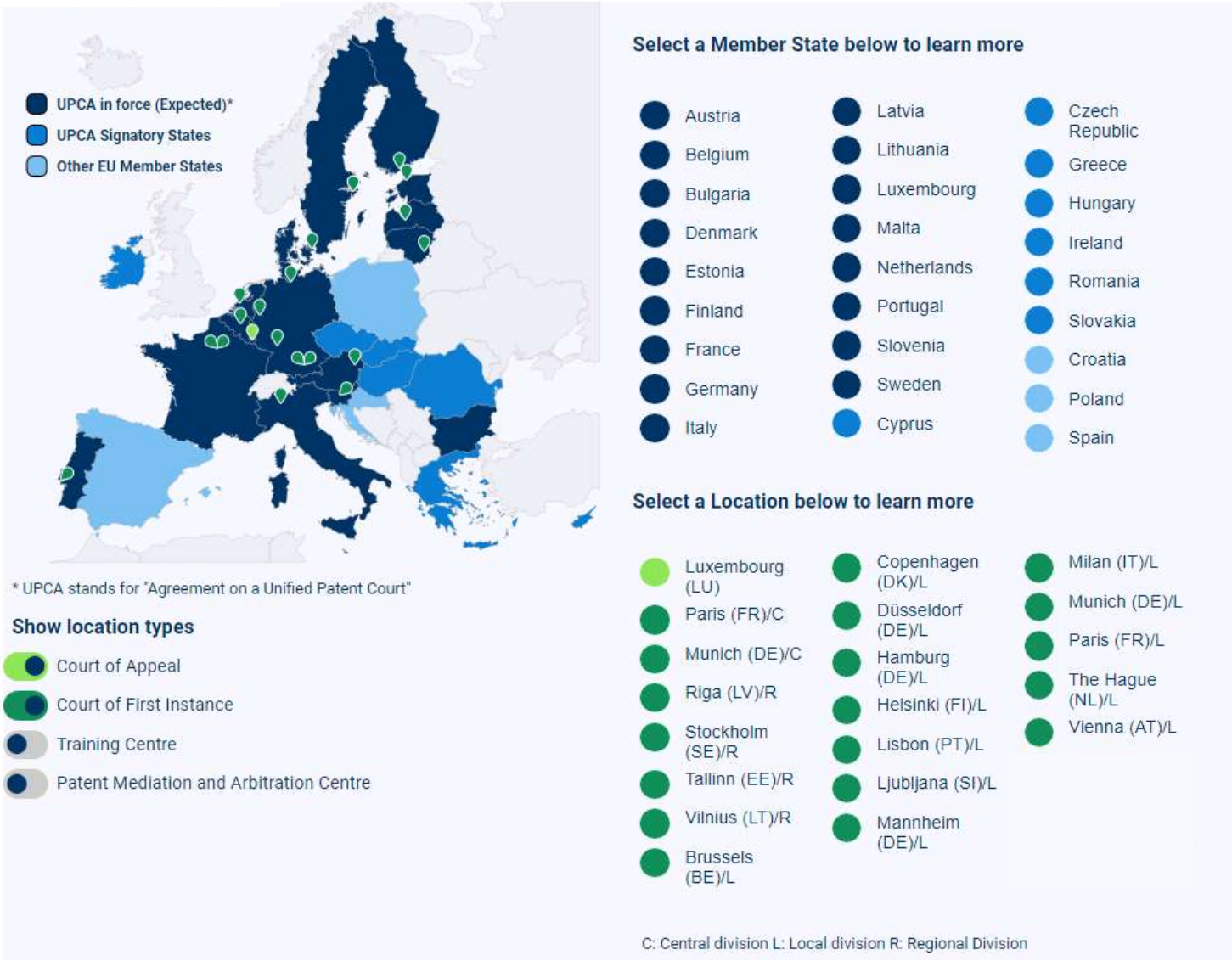
- Opt-out individually or in bulk the EPs of your choice (published or already granted)

Already possible since January 1, 2023:

- Request a delay in issuing the publication of the mention of grant of a European patent (Rule 71(3) EPC).
- Request early unitary effect

- English language proceedings available
- technically trained judges of German, Swiss, Dutch, and Nordic origin
- Selection of court venue (Place of infringement or Central Division)

UPC Locations Map

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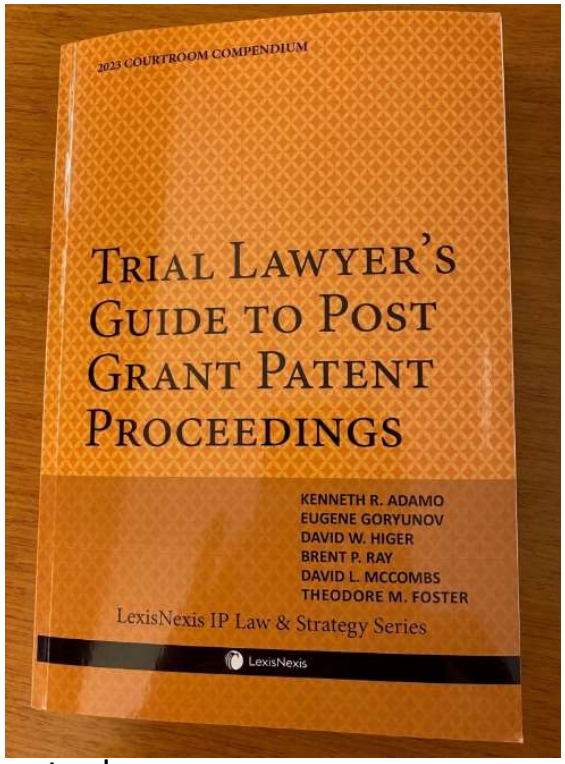
Interim/Preliminary Injunctions are immediately available, different from the US and China.

All UPC decisions can be swiftly asserted in the entire UPC land, different from the EU.

# UPC provides Mixed “Common/Continental Law”-style litigation, combining infringement and invalidity, but avoiding lengthy trial days in court

„Netlist case“

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**China** has a bifurcated patent system but joint infringement and validity hearings have been held.

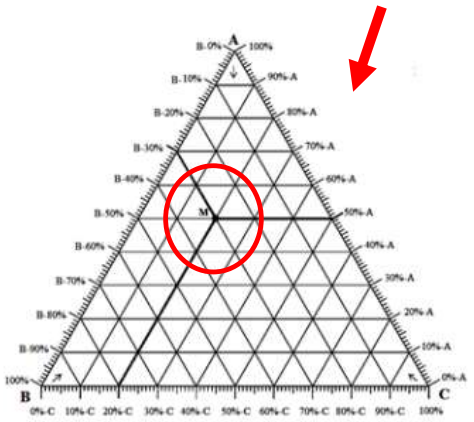
“In July 2021, in Guangdong Province (Foshan City), a joint hearing took place to determine patent validity and patent infringement. This was the first time such a joint hearing had been held in Guangdong Province. The joint hearing in a single venue took place on 14 July 2021: The Foshan Intellectual Property Protection Centre (FIPPC) had organised a joint on-line hearing of the Patent Re-examination Board (PRB) of the China National IP Administration (CNIPA) (responsible for determining patent validity), and the Guangzhou Intellectual Property Court (Guangzhou IP Court) (responsible for determining infringement) at a single sitting.”

# Unified material case law

- Novelty
- Inventiveness (inventiveness discussions only for elements that come with a technical advantage)
- Equivalence (standpoint: at the time of the earliest priority date)
- Priority (only for matters that have been disclosed as such)
- Added subject matter
- Lack of enablement
  (can you make it with what is described?)
- Sufficiency of disclosure
  (does it work at all?)
- Selection inventions

„copper“ is novel over „metal“.

But how about this?




| Component | Weight% in mixtur (M) |
|---|---|
| A | 50 |
| B | 30 |
| C | 20 |

# Good to know: Calculation of Damages

Art. 68 (2) UPCA:

- Put the injured party into the same position it would have been in if no infringement had taken place,
- Infringer should not benefit from the infringement,
- Damages shall not be punitive.

Continental Law (3 options):

- License analogy, an amount equal to royalties found in a license between reasonable parties,
- Restitution of profits lost by patentee; or
- Surrender of Profits made by the infringer. Profits before applying overhead costs!

# Good to know: Expert Evidence

UPC, R. 181 RoP:

A party may provide any expert evidence [independent, objective, impartial] that it considers necessary.

Continental Law:

Expert Witnesses are selected by the court only. Expert opinions can be filed by each party but these are not considered formal evidence.

# UPC: prepare for Litigate-Grade Patents

- Convert US-style patent claims to EP standard, with the independent claims in two-part form and with multi-dependencies in the dependent claims
- provide a support section for the claims: definitions, advantages and technical effects for the claim elements of each claim
- the original US-style claims are kept in the specification so that they can later be used again, if wanted (*)
- provide consistent reference numerals throughout the specification even if different terms are used in the claims, plus a reference numerals list
- provide formal support for so-called “intermediate generalizations”
- provide an updated Prior Art section with appropriately worded object of the invention

(*) it is recommended that a parallel US patent application be filed, along with the new PCT Application, in order to avoid adverse consequences from the EP adaptations to the scope of protection of a later granted US patent

# Conversion of US-Style to UP/EP-Style before filing

At the end of the priority year, file in parallel:

a) a US patent application

and

b) a PCT Application

in order to avoid adverse consequences from the EP adaptations to the scope of protection of a later granted US patent.

We have a 2-days turnaround time sprint service for this!

Let an EP attorney do that conversion for you. Just the conversion. Not more

You will still be filing the PCT application for your clients and represent them before WIPO.

That not only provides a smooth grant and a broad scope of protection in UPC land but also in EP, DE, UK, CN, JP, and SG.

# Forget Opt-Out, Unless You do Not Want Swift Litigation

- You can opt out and in any EP patent, as often as you like, during a transitional period of 7 years after the start of the UPC system
- All big players in the UPC Land industry will not Opt Out, except for pharmaceutical industry and similar
- Opting out does not make UPC lawsuits inadmissible
- Crappy patents should not appear before the UPC, unless in bulk

# SPRINT Acceleration at EPO

We have a EPO Track One Sprint service for this!

Get a UP/EP within 1 year of entering regional phase at EPO:

# Areas that will soon get clarification

- EP and UP for identical subject matters in one and the same country?
- Can non-UPC-Land countries allow their national patents to be litigated in the UPC? And can the UPC decision later be enforced in that non-UPC-Land country?
- What happens if a UPC-Land country leaves the EU?

# Is the UK in the UPC?

- No. The UPC is only open to participation by EU member states. Participation further requires UPCA ratification.

  The UK was an EU member state and ratified the UPC agreement on April 26, 2018. However, at the time of leaving the EU in 2020 "Brexit", the UK also withdrew its UPCA ratification.

- Fun fact: Article 7 (2) UPCA still defines London as a section of UPC's Central Division. Milano (IT) is currently the most likely replacement candidate.

- Can the UK rejoin the UPC?

UK joining the UPC would be easy if:

1. UK (re)joins the EU
2. UK ratifies the UPC agreement (one more time).

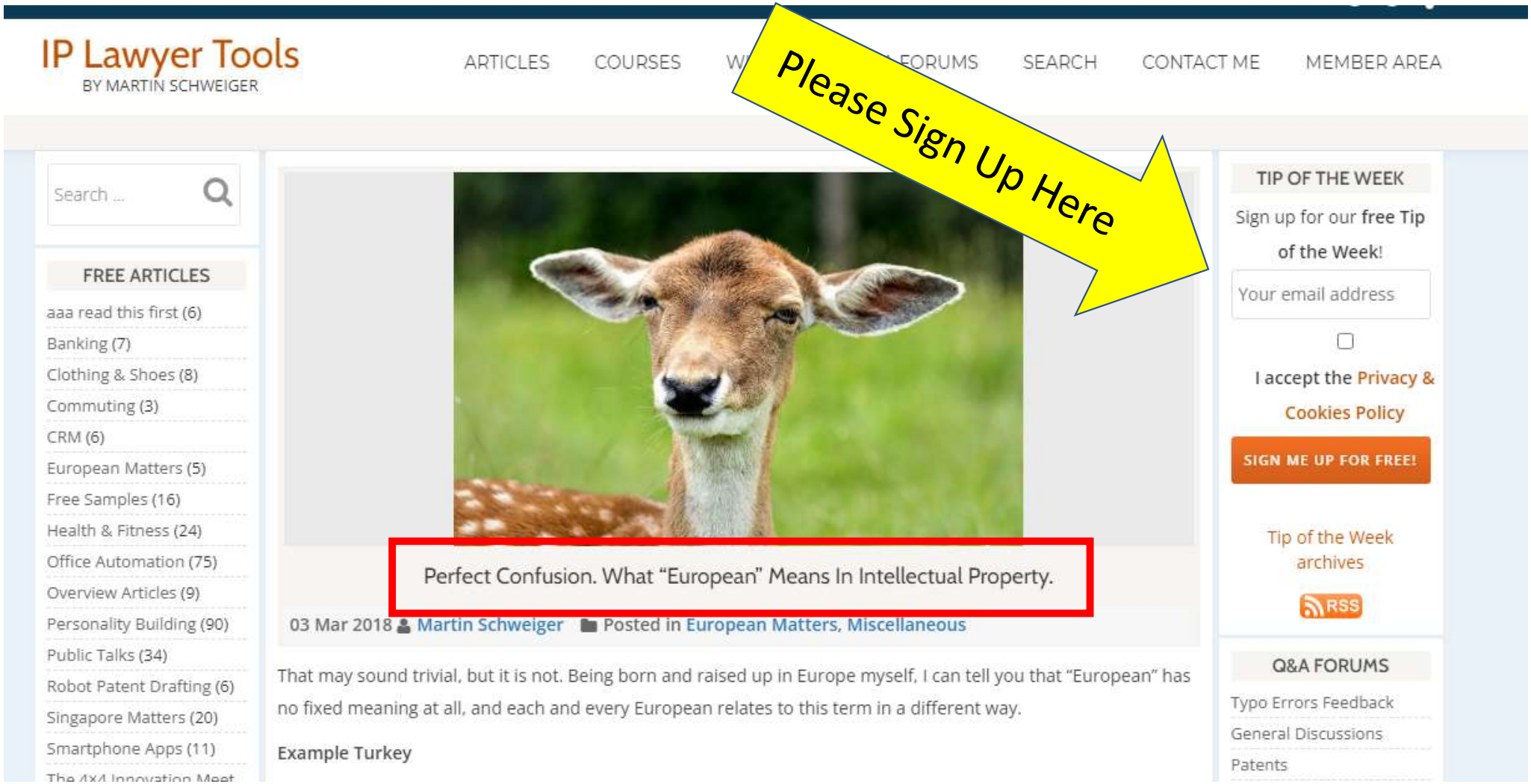
Yes, despite the UK not being part of UPC Land, the UK-EP patent attorneys can plead before the UPC …

… and so can the TK-EP patent attorneys from Turkey/Türkye, and all other European Patent attorneys that have an additional legal qualification.

Language does not make a difference because virtually nobody‘s mother tongue at the UPC is English. We all speak unceremonious English like I do. And nobody at in Europe likes Legalese.

# As we are talking about the UK …

UPC Land gives you five times the bang (GDP) for half of the litigation costs.

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