

Conference on the training of UPC judges

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Overview of the work of the Select Committee

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Budapest – 14 March 2014

Close interactions between the UPC Agreement and the UPP Regulations 1257 and 1260

1. Exclusive competence of the UPC in respect of disputes relating to European Patents with unitary effect (see art. 32 UPCA)
2. Rights conferred by a European Patent with unitary effect and the limitations applicable to these rights are foreseen in the UPC Agreement (see art. 25 to 28 of the UPCA)
3. EU Regulations 1257 and 1260 will be applicable on the date of entry into force of the UPC Agreement (art. 18 (2) EU Regulation 1257)
4. Phasing in the Unitary Patent Protection: the unitary effect will apply only in the EU participating Member States that have ratified the UPC Agreement at the date of registration of the unitary effect (art. 18 (2) EU Regulation 1257)

Definition of a European Patent with unitary effect

A European Patent with unitary effect means 1) a patent granted by the European Patent Office under the rules and procedures laid down by the European Patent Convention and 2) which benefits from unitary effect in the participating Member States by virtue of the EU Regulation 1257.

Unitary Protection: A European patent with unitary effect shall have a unitary character. It shall provide uniform protection and shall have equal effect in all the participating Member States (art. 3 (2) Regulation 1257)

The scope of the rights conferred by a European patent with unitary effect and the limitations applicable to those rights shall be uniform in all participating Member states in which the patent has unitary effect (art. 5 Regulation 1257)

A new option for the European Patent holder

Options for the European Patent proprietor	EPC Contracting States which are EU participating Member States (25) BG, CZ, DK, DE, EE, IE, EL, FR, CY, LV, LT, LU, HU, MT, NL, AT, PL, PT, RO, SI, SK, FI, SE, UK, BE	EPC Contracting States which are EU member States but which are not participating Member States (3) ES, IT, HR	EPC Contracting States which are not EU Member States (10) CH, TR, AL, SM, NO, MC, RS, IS, LI, MK
Current situation	Validation of the EP in one, several or all EPC Contracting States		
Future situation	Either validation of the EP in one, several or all EPC Contracting States which are EU Participating Member States	Validation of the EP in one, several or all EPC Contracting States	
	Either (new option) registration of the Unitary effect for all EPC Contracting States which are EU participating Member States		

Conditions of registration of the Unitary effect

1. The European Patent must be granted with the same set of claims in respect of all the participating Member States
2. The request for unitary effect must be submitted no later than one month after the publication of the mention of grant in the European Patent Bulletin
3. The request for unitary effect must be submitted in the language of proceedings before the EPO
4. During a transitional period (between 6 and 12 years) the request for unitary effect shall have to be submitted with a translation of the specification of the European Patent

Close interaction between the EU Regulation 1257 and the EPC

	European Patent	with a Unitary effect
	EPC	EU Regulations 1257 and 1260
What?	Application, examination and grant of a European Patent.	Conditions, scope and effect of the unitary effect.
Who?	<p>Administered by the 38 EPC Contracting States within the governing bodies (AC, BFC, etc.).</p> <p>Executed by the European Patent Office.</p>	<p>Implemented by the 25 EU participating Member States within the Select Committee.</p> <p>Executed by the European Patent Office.</p>

Close interaction between the EU Regulation 1257 and the EPC

EU Regulation 1257/2012 is an hybrid instrument

1. EU legislation adopted on the basis of article 118 (1) TFEU
2. Special agreement within the meaning of article 142 EPC (art. 1 (2) Regulation 1257)

Article 1 (2) Regulation 1257: « This Regulation constitutes a special agreement within the meaning of Article 142 of the Convention on the grant of European Patents. »

Article 142 (1) EPC: « Any group of Contracting States, which has provided by a special agreement that a European Patent granted for those States has a unitary character throughout their territories, may provide that a European Patent may only be granted jointly in respect of all those States. »

Close interaction between the EU Regulation 1257 and the EPC

1. Additional tasks related to the unitary protection entrusted to the European Patent Office

Art. 143 (1) EPC: « The group of Contracting States may give additional tasks to the European Patent Office. »

Art. 9 (1) Regulation 1257: « The participating Member States shall, within the meaning of article 143 of the EPC, give the EPO (administrative) tasks, to be carried out in accordance with the internal rules of the EPO. »

The tasks enumerated in article 9 (1) Regulation 1257 are mainly:

- The administration of the requests for unitary effect;
- The administration of the Register for unitary patent protection;
- The publication of the translation of patent specifications during the transitional period;
- The collection and administration of the renewal fees for European Patents with unitary effect;
- The administration of the compensation scheme for the reimbursement of translation costs.

Close interaction between the EU Regulation 1257 and the EPC

2. Setting up of a Select Committee (art. 145 (1) EPC and art. 9 (2) EU Regulation 1257)

Art. 145 (1) EPC: « The group of Contracting States may set up a Select Committee of the Administrative Council for the purpose of supervising the activities (related to the additional tasks entrusted to the EPO). »

Art. 9.2 EU Regulation 1257: « (The participating Member States) shall set up a Select Committee of the Administrative Council of the European Patent Organisation within the meaning of article 145 of the EPC. »

Tasks of the Select Committee (art. 9 (2) Regulation 1257)

The tasks of the Select Committee are the following:

- To ensure the governance and supervision of the activities related to the administrative tasks that shall be given to the EPO
- To set the level of renewal fees in accordance with article 12 of EU Regulation 1257 and to set the share of distribution of the renewal fees in accordance with article 13 of the same Regulation

Composition of the Select Committee

(Art. 9 (2) Regulation 1257 and art. 6 Rules of Procedure)

- Representatives of the 25 EU participating Member States: BG, CZ, DK, DE, EE, IE, EL, FR, CY, LV, LT, LU, HU, MT, NL, AT, PL, PT, RO, SI, SK, FI, SE, UK, BE
- President of the EPO
- A representative of the European Commission as an observer de jure
- Ten other EPO Contracting States having requested their admission as observer: ES, IT, HR, CH, TR, AL, SM, NO, MC, RS
- Two NGO representing the users of the European patent system: Business Europe and the European Patent Institute
- Board of auditors of the European Patent Organisation
- Representatives of the staff of the EPO

Voting rules

(art. 9 (2) of EU Regulation 1257 and art. 9 of the Rules of procedure)

- The right to vote is restricted to the EU participating Member States. Each participating Member State has one vote.
- Before any voting, the representative of the European Commission shall have the opportunity to give its position on the proposal at issue.
- In principle, decisions are taken by a simple majority of the participating Member States. But a majority of three quarters of the votes is required to adopt and amend:
 - The Rules relating to unitary patent protection
 - The Rules relating to fees
 - Other rules or decisions of a financial or budgetary nature
 - The Rules of procedure of the Select Committee

Draft Rules relating to the Unitary Patent Protection

- Those rules regulate the administrative procedures that the EPO will manage in order to carry out the tasks enumerated in art. 9 (1) EU Regulation 1257 that will be entrusted to him by the EU participating Member States

- Those procedures concern for example:
 - The filing of a request for unitary effect
 - The payment of renewal fees
 - The entries in the Register for Unitary Patent Protection
 - The re-establishment of rights

Draft Rules relating to the compensation scheme

- Art. 5 EU Regulation 1260/2012
 1. (...), the participating Member States shall (...), give, (...), the EPO the task of administering a compensation scheme for the reimbursement of all translation costs up to a ceiling, for applicants filing patent applications at the EPO in one of the official languages of the Union that is not an official language of the EPO.
 2. The compensation scheme (...) shall be funded through the (renewal) fees (...) and shall be available only for SMEs, natural persons, non-profit organisations, universities and public research organisations having their residence or principal place of business within a Member State.

Draft Rules relating to the compensation scheme

- The objective of those Rules is to regulate the administrative procedure that the EPO will manage in order to reimburse unitary-patent translation costs in accordance with article 5 EU Regulation 1260.
- The questions addressed by the draft Rules concern, for example:
 - The filing of the request for compensation
 - The examination of the request by the EPO
 - The level of compensation

Rules relating to the renewal fees

(Art. 11 to 13 EU Regulation 1257)

1. General principles:
 - For each annuity a unique renewal fee will have to be paid to the EPO
 - The level of the fees will be progressive between the third and the twentieth annuity

2. No less than 9 parameters will determine the level of the renewal fees. Some of them are the following:
 - Facilitate innovation in Europe and foster the competitiveness of European business
 - Take into account the situation of specific entities such as SME's

Rules relating to the renewal fees

(Art. 11 to 13 EU Regulation 1257)

- Reflect the size of the market covered by the Unitary Patent Protection
- Be equivalent to the level of the renewal fees to be paid for the average geographical coverage of current European Patents
- Cover all costs associated with the grant of European Patent and the administration of the Unitary Patent Protection

Conclusion: The renewal fees will have to be:

- Low enough to ensure the attractiveness of the Unitary Patent Protection to users
- High enough to ensure financial sustainability of the European Patent Organisation and the national Offices

Distribution of the renewal fees

1. 50 percent of the renewal fees will be retained by the EPO
2. The remaining amount shall be distributed among the Participating Member States and should be used for patent related purposes
3. The distribution among the participating Member States shall be based on the following fair, equitable and relevant criteria:
 - The number of patent applications
 - The size of the market, while ensuring a minimum amount to be distributed to each participating Member State

Distribution of the renewal fees

- Compensation to the participating Member States which have:
 - An official language other than one of the official languages of the EPO
 - A disproportionate low level of patenting activity and/or
 - Acquired membership of the European Patent Organisation relatively recently

Overview of the work of the Select Committee in 2013

Subject matters	20 March 2013	29 May 2013	25 and 26 June 2013
I. Institutional matters	<ul style="list-style-type: none"> • Decision to set up the Select Committee • Discussion on the timeline for the work of the SC • Discussion on the admission of observers 	<ul style="list-style-type: none"> • Discussion on the rules of procedure of the SC • Discussion on the timeline for the work of the SC • Discussion on the admission of observers 	<ul style="list-style-type: none"> • Approval of the rules of procedures of the SC • Approval of the timeline of the work of the SC • Admission of observers
II. Governance and supervision of the administrative tasks that will be given to the EPO			
Rules relating to unitary patent protection			<ul style="list-style-type: none"> • Discussion on the draft rules
Rules for the compensation scheme for reimbursement of translation costs			
Budgetary matters			
III. Level and share of distribution of the renewal fees			

Overview of the work of the Select Committee in 2013

Subject matters	18 September 2013	30 October 2013	10 and 11 December 2013
I. Institutional matters		<ul style="list-style-type: none"> • Discussion on the admission of observers 	<ul style="list-style-type: none"> • Admission of observers
II. Governance and supervision of the administrative tasks that will be given to the EPO			
Rules relating to unitary patent protection	<ul style="list-style-type: none"> • Discussion on the draft rules 		<ul style="list-style-type: none"> • Completion of the first reading of the draft rules
Rules for the compensation scheme for reimbursement of translation costs		<ul style="list-style-type: none"> • Presentation on the compensation scheme for translations made by the EPO 	<ul style="list-style-type: none"> • Discussion on the draft rules
Budgetary matters		<ul style="list-style-type: none"> • Presentations of statistical and financial information made by the EPO 	<ul style="list-style-type: none"> • Draft principles for the budgeting and accounting of the Unitary patent
III. Level and share of distribution of the renewal fees		<ul style="list-style-type: none"> • Presentation of statistical and financial information made by the EPO 	

Thank you for your attention !