



The Unitary Patent

How to obtain one, Transitional Measures, Pros and Cons

[updated on December 20, 2022]

The necessary ratification procedures by EU member states have now been finalized and the Unitary Patent system is expected to start on June 1st, 2023. At that time, the Agreement on a Unified Patent Court (UPCA) will enter into force, and the European regulations 1257/2012 and 1260/2012 regarding unitary patent protection will become applicable.

There follows a summary of the practice at the European Patent Office (EPO) to obtain a European patent with unitary effect and the transitional measures offered by the EPO. We conclude with an analysis of the pros and cons of making use of the unitary effect.

The UPCA

At the time of writing, 17 of the potential 25 countries have ratified the UPCA agreement: Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovenia, Sweden.

Great Britain (after Brexit), Spain, Poland and Croatia will not participate in the UPCA.

On November 11, 2022, the President of the EPO has announced that, to support the uptake of the Unitary Patent System, transitional measures will be available at the EPO as from January 1st, 2023. These measures should remain available until the start date of the Unitary Patent System (expected on June 1st, 2023).



Obtaining a European patent with unitary effect

The normal procedure for obtaining a European patent remains unaltered. Once the European patent has been granted, however, the proprietor must file a "request for unitary effect" at the EPO to obtain a Unitary Patent (Rule 5(1) RUPP). This request must be filed no later than one month after the date of publication of the mention of the grant in the European Patent Bulletin (Rule 6(1) RUPP). Together with the request, a translation must be filed of either a full translation of the specification of the European patent into English (when the language of the proceedings is French or German) or a full translation of the specification of the European patent into any other official language of the European Union (Rule 6(d) RUPP). There is a compensation scheme for preparing these translations for small and medium-sized enterprises, natural persons, and non-profit organisations/universities (Rule 8 RUPP).

The only limitation to obtaining unitary effect is that the European patent must have been granted with the same set of claims in respect of all the 25 contracting member states (Rule 5(2) RUPP). This is usually the case.

Transitional measures of the EPO as of January 1st, 2023

The EPO intends to help proprietors to obtain a Unitary Patent as soon as possible, and has created two measures to do so. The measures are the possibility of (1) an early request for unitary effect and (2) a request for a delay in issuing the decision to grant.

Both transitional measures will be available as of January 1st, 2023, and until the start date of the Unitary Patent System.

They concern applications which have reached the final stage of the grant procedure. Specifically, these measures concern applications for which a communication under Rule 71(3) EPC (as called IGRA- Intention to GRAnt) was sent by the EPO with a reply deadline falling after January 1st, 2023.

For such applications:

1. An early request for unitary effect may be filed so that the EPO will register the unitary effect immediately at the start of the system.
2. The applicant may request a delay in issuing the decision to grant. This request must be received before or at the latest together with the approval of the text intended for grant. This will make sure that the mention of the grant is published in the European Patent Bulletin on or immediately after the start date of the Unitary Patent system. This delay will thus give the client access to the Unitary Patent as well as the option to postpone the decision to go ahead with the Unitary Patent.

It is noted that for both transitional measures, the requirements of paying the fee for grant and publishing as well as the filing of translations in the two official languages of the EPO should still be fulfilled within the established deadline of four months from the IGRA.



Pros and Cons of the Unitary Patent

a) The costs

A single renewal fee

The Unitary Patent with a single renewal fee (and limited translation costs) was intended to significantly reduce costs of protection over all participating member states. The amount of renewal fees was initially calculated based on the renewal fees of the top four validated countries (at that time DE, GB, FR and NL). Despite Great-Britain leaving the UPCA, the renewal fees will not be recalculated.

Currently the renewal fee for a Unitary Patent is approximately as expensive as validating in Germany, France, Italy, and the Netherlands.

In other words, the benefits in terms of costs of requesting unitary effect increase with the number of countries where protection would be desirable. The fact that Great-Britain, Spain or Poland should be validated separately should at the same time not be forgotten. Note also that contrary to a bundle of rights, validations may not be abandoned in the course of time when requesting unitary effect.

Translations

During the transitional period:

- If the original EP patent is in English, only translation of the description in another EU language will be required.
- If the original EP patent is in German or French, a translation of the description in English will be required.

After the transitional period, no translation of the EP patent will be necessary (beyond translated claims in the three official EPO languages). Translations costs will thus be significantly lower when requesting unitary effect.

Other financial incentives

For the sake of completeness, it is noted that a compensation scheme for translation costs for small entities will be offered, as well as fee reductions for entities willing to license at a reasonable price.

Another important aspect, when considering requesting unitary effect is the consequence on litigation.



b) The litigation venue: the UPC

The Unified Patent Court (UPC) will have exclusive competence over Unitary Patents (UPs). One main difference between litigating before the UPC or before a national court will be the geographic scope of the jurisdiction. A revocation before the UPC will act as a single, central revocation in all the UPC member states, and the same would apply for an infringement ruling or a preliminary injunction. The UPC will therefore bring new opportunities but also new risks that need to be assessed on a case-by-case manner to decide the best strategy per applicant and/or per application.

In addition to this purely legal aspect, the costs of procedures before the UPC should be considered. The UPC fees are considerable. The fees will comprise a fixed fee depending on the type of action (11 000 euros for infringement claim, 20 000 euros for a revocation counterclaim) and a value-based fee based on the value of the case. The recoverable costs of the winning party may further be reimbursed to a ceiling.

For instance, for a 2 million euros case, the court fees for the patentee will be 24 000 euros, and for the infringer 20 000 euros, while the recoverable costs will have a ceiling of 200 000 euros. Litigation before the UPC will thus not be particularly cheap.

To be noted, however, is that the language requirements of the court may allow the use of English in most local, regional, and central divisions of the UPC. This means that all Arnold & Siedsma attorneys will be able to plead in front of the UPC.

Conclusion

No one-size-fits-all advice is readily available when considering requesting unitary effect or not. Multiple criteria may play a role in the decision. Think of the commercial value of the IP, the strength of the patent, the likelihood of litigation (defendant or plaintiff), the licensing strategy, the territory (countries of operation, countries of litigation), the competitors' behavior, the portfolio structure (cluster or single patent), and the costs, among others.

At present, a simple recommendation would be to consider if the cost aspect is worth requesting Unitary effect despite the exclusive competence of the UPC.





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