

Kluwer Patent Blog

Basics of the Unitary Patent system. Part 2: Unified Patent Court: what and where?

Pieter Callens (Eubelius) · Friday, February 26th, 2016

Europe is preparing for the launch of the new Unitary Patent and the Unified Patent Court (UPC). A provisional phase for the UPC is expected to start later this year, with a view to a full start of the system in the spring of 2017. In a series of articles, Kluwer IP Law explains the upcoming changes and the consequences they have for patent practitioners. The second blogpost: Unified Patent Court: what and where?

Unitary Patent and Unified Patent Court and what they mean for professionals

1. What kind of court is the UPC?

The Unified Patent Court is not a national court, nor an EU court. The UPC is an international court created by a treaty between (today) 25 countries.

Because the UPC is not a national, nor an EU court, it was necessary for the participating member states to create proper Rules of

Procedure for the UPC.

The UPC shall consist of a Court of First Instance and a Court of Appeal. There will be no supreme court (“Cour de Cassation”) within the structure of the UPC. The UPC can request the European Court of Justice to render preliminary rulings but only on topics of EU law (e.g. [the Biotech Directive](#) and [the Enforcement Directive](#)) (art 21 UPC Agreement).

2. For which patents shall the UPC have jurisdiction?

The UPC shall only have jurisdiction in disputes regarding European Patents and the new Unitary patents. No disputes regarding national patents can be brought before the UPC. The UPC shall also have jurisdiction for supplementary protection certificates issued for a product protected by a European or a Unitary Patent.

For Unitary Patents the UPC shall have exclusive jurisdiction, which means that disputes regarding such patents cannot be brought before national courts.

For European patents, the rule is that during a transitional period of 7 years

(extendable up to 14 years), the claimant can choose between bringing its action for infringement or for revocation before a national court or before the UPC (art 83 UPC Agreement). If a patent proprietor wishes to prevent that its European patent shall be judged by the UPC, he can opt-out of the UPC-system. An opt-out needs to be done during the transitional period of 7 years and has effect for the full lifespan of the patent. An opt-out is no longer possible if an action has already been brought before the UPC (see upcoming post on opt-out).

3. What's with the different divisions of the UPC?

The Court of First Instance of the UPC shall have different divisions: local divisions, regional divisions and one central division (with 3 subsections). Although the terminology ("central") could lead to a different conclusion, it is very important to understand that the central division and the local and regional divisions all act at the same level of jurisdiction.

Each member state can set up one or more (if there is a case-load of more than 100 patent cases per year) local divisions. Today the following member states have already announced to set up a local division: Austria (Vienna), Belgium (Brussels), Denmark (Copenhagen), France (Paris), Finland, Germany (Hamburg, Munich, Mannheim, Düsseldorf), Ireland, Netherlands and the UK (London).

If member states do not feel the need to set up a local division in their country, they can join forces with other member states to set up a regional division. Currently, it appears that only one regional division shall be set up, i.e. the regional division formed by Estonia, Latvia, Lithuania and Sweden.

The central division shall have a section in Paris, London and Munich. The seat of the central division shall be in Paris.

4. Which division shall handle my case?

The patent proprietor needs to bring its infringement action before a local or regional division hosted by the member state where the actual or threatened infringement has occurred or may occur OR the local or regional division hosted by the member state where the defendant has its residence or (principal) place of business (art 33 (1)(a) and (b) of the UPC Agreement). Defendants can bring counterclaims for revocation before the same local or regional divisions.

If a party wants to start an independent revocation or non-infringement action, he has to go to the central division. The distribution of cases between the 3 different sections of the central division has been determined according to the 8 sections (A to H) of the WIPO International Patent Classification. The London section shall deal with patent disputes in the field of human necessities (A) and chemistry/metallurgy (C). The Munich section shall be responsible for the field of mechanical engineering, lighting, heating, weapons and blasting (F). The Paris seat shall treat all cases in the field of performing operations and transporting (B), textiles and paper (D), fixed constructions (E), physics (G) and electricity (H).

The central division is also competent (together with local or regional divisions of the place of infringement) for infringement actions against defendants located outside the territory of the UPC or located in a member state of the UPC which does not host a

local or regional division (e.g. Luxemburg) (art 33 (4) and (5) UPC Agreement). E.g. if the alleged infringing product is imported by a Chinese company in Denmark, an infringement action in which the Chinese company is (co-) defendant, can be brought before the Danish local division or before the central division.

5. What shall be the effect of an UPC decision?

The whole purpose of the UPC is to avoid that parties would need to litigate in different member states. Therefore, a decision of the UPC shall have effect in all member states of the UPC. E.g. if the UPC decides that there is an infringement to a European patent or a Unitary patent, this decision has effect in all UPC member states. If a European patent or Unitary patent is revoked by the UPC, it shall be considered to be revoked in all member states of the UPC (article 34 of the UPC Agreement).

6. Who shall be the judges in first instance cases?

For each individual case, the UPC shall compose a panel of 3 legally qualified judges. In case of a local or regional division, the panel shall consist of one or two (depending on the number of patent cases per calendar year in that member state) national judges and one or two judges originating from other UPC member states. E.g. the panel of a local division in Belgium shall consist of one Belgian judge and two judges from other UPC member states.

Each of the judges shall be allocated from a pool of judges of the UPC. The administrative committee of the UPC shall appoint the UPC judges.

Besides the legally qualified judges, the pool of judges of the UPC shall also consist of technically qualified judges. If in an infringement case a counterclaim for revocation is initiated, the local or regional division has to add a technically qualified judge to the panel. The addition of a technically qualified judge is also possible if one of the parties request so.

The panels of the central division shall always consist of two legally qualified judges and one technically qualified judge.

7. What shall be the role of the Court of Appeal of the UPC?

The Court of Appeal of the UPC shall be located in Luxemburg. Its role shall be very important. All appeals against decisions of panels of a local, regional or central division, shall be brought before the Court of Appeal. Therefore, the Court of Appeal will set the case law of the UPC regarding issues that are currently decided differently in the member states (e.g. doctrine of equivalence, indirect infringement, etc.).

New facts and new evidence may only be introduced in the appeal proceedings if the submission thereof by the party concerned could not reasonably have been expected during proceeding before the Court of First Instance.

Pieter Callens (Eubelius, Belgium) is co-author of the book '[Introduction to the Unitary Patent and the Unified Patent Court](#)'. An updated version of this book shall become available in 2016.

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