

INTELLECTUAL PROPERTY JUDGES ASSOCIATION I.P.J.A.

1st November 2012

The General Meeting of IPJA in Venice (October 26-27 2012), which included Patent Judges from 12 EU Member States, wish to draw to the attention of all those concerned with the creation of Unitary Patent Protection and a Unified Patent Court:

- 1. That they are (save for 2 Judges) of the opinion that Art.118 of the TFEU does not require that questions of what acts amount to infringement of a patent should be matters of EU law. All that Art 118 requires is that any IP right created pursuant to Art. 118 should have a unitary and uniform character.
- 2. That the Memorandum (copy annexed) identifying points for improvement of the draft agreement on a Unified Patent Court identified by the Court Rules drafting Committee (whose members included French, German and British judges) was seen by that Committee as uncontroversial. The Judges in Venice agreed both that the points are uncontroversial and that if incorporated in the ultimate agreement would result in very important improvements to it.
- 3. That although in the existing proposals there is no possibility for the defendant to request a transfer of an infringement case from a local division to the central division, there is not the same rule with regard to a regional division. Giving the defendant the right to request a transfer of an infringement case from a regional division would undermine the position of the regional divisions as competent divisions for infringement cases. It will cause unjustified delay or even completely deter claimants from bringing an infringement action before a regional division.

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The Rt. Hon. Professor Sir Robin Jacob President of IPJA

ANNEX TO THE UNITARY PATENT, UNIFIED COURT AND RULES OF PROCEDURE MEMORANDUM

FURTHER NON-CONTROVERSIAL AMENDMENTS TO THE DRAFT AGREEMENT ON A UNIFIED PATENT COURT

The following suggested amendments arise from the deliberations of the Drafting Committee responsible for preparing the draft Rules of Procedure:

Amendment arising from the note to Rule 70.3

As this note explains the drafting of Article 15a(5) is deficient in that it may by inference prevent a patentee, or exclusive licensee, from commencing an infringement action after 3 months following the commencement of declaratory proceedings in the Central Division. The following provision is suggested to be added at the end of Article 15a(5):

"For the avoidance of doubt this provision shall not preclude the patentee or an exclusive licensee from initiating an infringement action (Article 15(1)(a)) related to the same patent and against the same party outside such three month period."

Amendment arising from the note to Rule 118.1

The Drafting Committee has noted that there is no provision in the draft Agreement for compensation to a defendant when an order of the court is subsequently revoked owing to, say, invalidation of a patent or the reversal of a decision by the Court of Appeal. It is suggested that such a general power should be provided for in Article 34(a) as a new clause Article 34(a)(3) along the following lines:

"The court may award damages or compensation to a party when any order of the court affecting such party is subsequently revoked".

Amendment arising from the note to Rule 251.2

The majority of the Drafting Committee believe that there should be a general power to appeal procedural decisions with the leave of the Court of First Instance or, if such leave is refused, with leave of the Court of Appeal. This is currently Rule 251.2. However it is not clear that Article 45(1a) provides a general power for procedural appeals. It is felt that this will be important in the early days of the court in order to ensure consistency of approach as between the divisions. Therefore the following amendment is suggested to Article 45(1a) as a new second sentence to be inserted:

"All procedural orders of the Court of First Instance may be appealed with the leave of the Court of First Instance or, if leave is refused, with leave of the Court of Appeal."

Accessory liability and joint tortfeasorship

The Drafting Committee and others have noted that nowhere in the current draft agreement is there a provision relating to accessory liability. This is a major lacuna. We propose the following new Article which could be inserted as Article 14(j):

"Accessory liability for infringement

Where a third party commits an act of infringement of a European patent within Article 14f or Article 14g which is not exempted by Article 14h or Article 14i another party shall be jointly liable with the first party for the act of infringement if, but only if:

- (a) that other party procures the commission of the act in question; or
- (b) that other party participates in a common design to commit the act in question."

Additional suggested amendments that have been proposed to the Drafting Committee during the course of consultation

The following non-controversial amendments have been suggested to the Drafting Committee and we support them.

- (a) It is recommended that within Article 15 there should be reference to the power of the court to amend patents. We therefore suggest a new sub-clause 15(1)(c2) as follows:
 - "applications to amend a patent which are made in actions or counterclaims for revocation"
- (b) Article 27(4) is unclear as it stands and we suggest the following expanded provision:
 - "In proceedings initiated by any licence holder, the patent proprietor shall be joined as a defendant if it does not agree to be joined as a plaintiff. A patent proprietor joined as a defendant shall not be obliged to take any steps in the proceedings, and if it takes no steps, it shall not be liable for any costs".
 - If this is adopted Article 27(5) can be deleted.
- (c) The Drafting Committee believes that Article 52 is inappropriate and should be redrafted to reflect Rule 9.2 as follows:
 - "The parties may at any time in the course of proceedings conclude their case by way of settlement confirmed by a decision of the Court. The Court may by order confirm the terms of any settlement, including a term which obliges the patent owner to limit, surrender or agree to the revocation of a patent or not to assert it against the other party and/or third parties. A patent may not be confirmed valid by way of settlement".
- (d) It has been recommended to the Drafting Committee that the provisions of Article 58(3) and Article 58(4) should be amended so that the right to "opt-out" should take effect upon "receipt by" the Registry rather than "entry into" the Registry. We believe this recommendation is correct as a matter of principle. If the Agreement gives the right to opt-out then that right should not be affected or prejudiced by delay or inefficiency on the part of the Registry. We endorse this amendment.