

EPLAW

European Patent Lawyers Association

Association européenne d'avocats spécialisés dans le droit des brevets d'invention
Europäische Vereinigung der im Patentrecht spezialisierten Rechtsanwälte

Comments of the EPLAW Board on 20 April, 2012 regarding the current draft of the Rules of Procedure of the Unified Patent Court dated 30 March, 2012 (“the Rules”).

General remark:

It is unclear which of the various drafts of the underlying Agreement on a UPC (“the Agreement”) is the operative version. Equally, it is unclear to what extent the Agreement may change in future negotiations. Therefore, as well as commenting on the draft Rules, we also suggest changes we would prefer relating to the Agreement. Also previous comments on the Agreement as well as on the draft Council Regulation implementing enhanced cooperation still stand. On the draft versions of the Rules and the Agreement available to us as of now we suggest the following changes, but we are looking forward to being given the opportunity to comment as well on all future drafts of the Agreement and the Rules of Procedure:

- a) Second and fifth paragraph of the Preamble should be changed to reflect the wording of Art. 23 of the Agreement (replace “fairness and equity” by “fair and equitable” with consequential grammatical adjustment).
- b) Rule 10 (and parallel Rules)- At the first instance, generally allow for second written pleadings of the defendant as well.
- c) Rules 260 and 280 - At the second instance, the given time period for the statement of response to any appeal (3 months in Rule 280) cannot be more than the period for the appeal (2 months in Rule 260); instead it should 3 months for both.
- d) Rule 280 - In the Appeal procedure all the parties shall have the right to lodge a response to the other parties appeal irrespective of whether that party has filed an appeal.
- e) If the plaintiff is outside of the EU the defendant shall have the right to request a security for its procedural costs and if the plaintiff has not deposited the security the case shall be rejected
- f) Rule 12.3 and Rule 12 (1) (b) (ii) (see below g)) should be deleted.
- g) Rule 5: Only pleadings, the patent in suit and witness statements and expert opinions as such (without exhibits) shall be lodged upfront in the language of the proceedings. For other documents discretion like that foreseen in Rule 37 (2) should be available and the lodging of documents other than those mentioned above in other languages should be generally accepted. Translations shall be added upon request from the Judge Rapporteur.
- h) Changes of language in course of the proceedings are not acceptable, unless all parties and the court agree there upon.

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- i) Rule 268.3 should be amended such that there are less drastic consequences than rendering the Appeal inadmissible for a mere translation issue.
- j) Rule 345 - In the event of withdrawal all the costs of the procedure shall be fully and entirely paid by the plaintiff (contrary to Rules 150-157).
- k) Rules 196.4 - Amend to say after evidence "should be carried out in accordance with national law and Rule 196.5 should be deleted.
- l) Rules 199 and 201 - The procedure is a civil law procedure which is bound by the respective parties proposals and, as a consequence, the Court should not "of its own motion" have the power to order an inspection or to order experiments without the reasoned request of a party.
- m) Moreover, the court should not make a decision based on a point that the parties have not pleaded.
- n) Under the control of the judges, the parties may ask questions to the witnesses and the experts. The judges may also ask questions to the witnesses and experts.
- o) Furthermore, it is obvious that there will be some facts which the Court may know already and the Court should be able to use them as a basis for its decision without any reference to these facts by any of the parties, provided that the Court first informs the parties in a timely manner and allows them to comment.
- p) It seems to us that the draft Rules are based on the assumption that a patent has only one proprietor and fails to acknowledge the possibility of co-owner patentees. With respect to revocation and non-infringement, all the proprietors of the patent in question shall be involved as parties and it should be clear from the Rules that if only one of them is named as a defendant the others should be summoned to the procedure (eg. Rule 60, Rule 395).
- q) If the plaintiff is not the proprietor of the patent (Rule 11. di) he should also lodge evidence to prove that he is entitled to initiate an infringement action
- r) Language may have to be reviewed with respect to "may" and "shall" in certain rules (Rule 10.3, Rule 10.4, Rule 21, Rule 28 for example)
- s) The Rules do not clearly define how the fee shall be calculated in the event that more than one patent is involved in a case (Rule 11 di).
- t) Rule 70 contradicts Rule 60, ie. it is unclear whether the non-infringement action may be lodged against the patent proprietor or against the exclusive licensee as well.
- u) In general there need to be introduced provisions governing the service process. This process has to be efficient.
- v) The role of the Registry should be limited to registration of the case, checking payment of the court fees and efficient service. Anything else discussed in Rules 14, 15, 25, 193, 431.4 etc should be the Court's responsibility.
- w) Rule 4 (b) should be amended such that subsequent to the service of the action all other documents shall be served directly from representative to representative simultaneously copying the Registry.

- x) Rule 17 - The Preliminary objection should contemplate a reasoned request to involve/invite third parties in the procedure
- y) Rule 408 - The words "of its own motion" should be deleted.
- z) Rule 370 - If the infringement case is allowed to be bifurcated and stayed in the event of a revocation being filed as a counterclaim, it also should be allowed to be stayed if another revocation procedure is pending at this Court notwithstanding the fact that the parties are partly different (e.g. the revocation was filed by a third party)
- aa) Evidence of electronic service as such and on the precise time when service occurred should be ascertained.
- bb) Rule 211.1 – The available provisional measures should be defined properly and not “in particular”.
- cc) With respect to a PI, if the Court orders the applicant to provide adequate security, the Court also shall also stipulate a strict deadline for such and the PI shall not be effective until the security is deposited (contrary to Rule 211.4). If the security is not deposited by the given deadline, the request for a PI should be rejected and all the costs of the procedure should be paid by the applicant (contrary to the Rules 150-157).
- dd) In the event of settlement the parties should also agree in relation to the costs.
- ee) In the event of application being withdrawn, the withdrawing party should pay the costs of the other party, thereby avoiding infringement procedures being used just to threaten competitors.
- ff) Rehearing should be allowed after the end of the opposition procedure if there are any changes in the claims of the patent which is involved in the procedure (Supplement to Rule 295).
- gg) The case number should be a necessary part of any decision (Supplement to Rule 450)
- hh) The word “form” is missing from the footnote, on page 23.
- ii) Rule 352.1 - The correct cross-reference is 350.4
- jj) Rule 118 (3) - Should be amended to "... may either... or". Besides, it should be considered how misuse of the system can be prevented, i.e. at the stage of PIs, staying of the infringement case, suspensive effect of appeal and/or the possibility of a centralized stay of enforcement to prevent irreparable harm to a party under Rule 254 (4)). Also, there should be some specific guidance to the courts on how to come to decisions on these questions
- kk) Rule 117.4 The Court shall be informed. In case of exceptional circumstances (illness of representative etc) the hearing shall be adjourned without discretion.
- ll) Rule 126ss There should be no time limit for lodging the Application for the determination of damages. In general the time limits provided for in Rules 125 to 143 are too short.
- mm) Rule 104 In case there is no agreement as to the determination of a hearing date there should be a notice period of 6 months.