



MEETING RECAP
THE PAULINE NEWMAN
IP AMERICAN INN OF COURT
WEDNESDAY, OCTOBER 23, 2013



The second Inn meeting of the 2013-2014 year was a joint meeting with the Giles S. Rich American Inn of Court that took place in the U.S. Court of Appeals for the Federal Circuit. There was an initial reception in the Tayloe House adjacent to the courthouse, beginning at 5:30 p.m., at which drinks only were served. The presentation began at 6:31 p.m.

Kevin McCabe, President of the Rich Inn, made introductory remarks. Judge Liam O'Grady, President of the Newman Inn, welcomed Judge Pauline Newman. Kevin McCabe introduced the visiting Pegasus Scholar from England, Gemma Meredith Davies.

The topic of the program was the European Unitary Patent. Allan Soobert introduced the speakers, Chuck Eloshway, Senior Patent Counsel in the Office of Policy and International Affairs at the USPTO, and John B. Pegram of Fish Richardson.

Patent applicants can file directly with national patent offices, or with the European Patent Office. European patents have to be validated by each of the national patent offices to be in force in each office's country. The European Patent Convention is separate from the European Union, and has member states that do not belong to the European Union. The validation process is expensive, partly because of translation costs. Patent applications must be translated into each country's language. Patent office fees tend to be higher in Europe than at the USPTO. Patents are separately enforced in each country. There may be divergent outcomes, e.g., a patent may be held valid in one country and invalid in another. Courts that hear patent cases may only deal with patent issues rarely, and thus may not be familiar with patent law. This creates a high degree of legal uncertainty. A Community Patent Convention was proposed in 1999, but was not ratified by enough countries to take effect.



The European Union allows “enhanced cooperation” between less than all its member states. The unitary patent is an enhanced cooperation. Spain and Italy have objected, and have filed legal challenges. (Unitary patent may be in English, French or German, but not Spanish or Italian.) The unitary patent and a unified patent court will be established when the agreement is ratified by thirteen countries (which must include the United Kingdom, France and Germany). So far, only Austria has ratified it.



Pre-grant procedures under the unitary patent will be similar to those now in place for European Patent Applications. The patentee must request that a patent be given “unitary effect”. The request must be registered. The claims have to be the same in all member states. After a transitional period, translations will not be required, except that patents in English will have to be translated into either French or German, and patents in French or German will have to be translated into English, and translations into other languages may be required in infringement proceedings. It has not been determined how fees under the unitary patent will be distributed between different patent offices.

Spain and Italy will not be participating. There may be national referendums on the unitary patent in Ireland and Denmark.



The unified patent court will include a central division with a court of first instance and a court of appeal in Luxembourg. The court of first instance will have sections in London, Paris and Munich that will deal with different areas of technology. There will also be local divisions, which may be parts of countries, or several countries may be included in a regional division. There may be a possibility of appeal in some cases to the European Court of Justice. Technically qualified judges must be included on three-judge panels that hear patent cases. Lawyers who are admitted to practice in their national courts and European patent lawyers may practice in the unified patent court. Proceedings will be in the language of the unitary patent at issue. There will be limited discovery, including production of documents and inspection. There will be a duty to produce evidence.



Ratification is expected in the spring of 2015. Committees are already preparing for implementation. Patentees may opt out of the unitary patent, but later opt back in. Patent trolls will probably not be attracted, because of loser pays provisions. It is likely that there will be enough qualified judges. There is concern about increased costs because of annuities (maintenance fees). Unitary patents will be enforceable in all countries that adopt the unitary

patent; you will not be able to opt out of some of the countries.

English is the language used in 78% of European Patent Applications. The biggest user of the European Patent Office is the United States.

The program concluded at 7:29 p.m. After the program, members socialized at the main reception, again at the Tayloe House, with both food and drink, until about 8:30 p.m.



*Photographs were taken by Doug Pearson
Assistant Secretary-Treasurer*

Respectfully submitted,

Stephen Christopher Swift
Secretary-Treasurer