

Unitary patent, it's time to think about it

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We have been hearing about Unitary Patent since a long time, however the issue seems to be constantly postponed and this important tool hasn't entered into force... yet. But something is changing so it is important to look better at this instrument and to put it in our business strategy.

First of all, let's find what a Unitary Patent is. It is a unique privilege providing effective and exclusive rights to the owner in a territory made of the EU countries which ratified a special international agreement. So far, 17 of the 25 EU Member States have already ratified this agreement.

The Unitary Patent is granted after an examination is run by the European Patent Office (EPO), so the procedure and the evaluation criteria are the same applied to European Patents. For a seven-year transitional period, at the end of the examination procedure, it will be possible to choose between a Unitary Patent or a European Patent. Once the transitional period is over, for those countries which have ratified the agreement, the EPO will grant Unitary Patents only.

The Unitary Patent Court (UPC), with its offices in Paris and Munich, has the exclusive jurisdiction on the validity of the Unitary Patent. Milano is candidate for being the 3rd branch of the UPC.

As mentioned at the beginning, the Unitary Patent is on its way. After Austria has ratified the Protocol on Provisional Application of the UPC Agreement, Germany is the country missing to deposit its instrument of ratification, which will lead to the Agreement's entry into force. In the Official Journal of January 2022, the EPO has announced that when Germany deposits its instrument of ratification, all of the applicants who have received a communication under Rule 71(3), which intends to grant a European Patent, can ask for a delay so to get instead a Unitary Patent granted.

Since the German Parliament has already agreed on ratification of the UPC Agreements and only the signature of German President is missing in the ratification law, rumor has it that at the end of 2022 the Unitary Patent will enter into force.

Considering the imminent deadline, I have discussed with some clients, and we have strategically chosen to extend the examination procedure and delay as much as possible the grant waiting for the possibility to get a Unitary Patent. I believe it is extremely important to make some considerations about the elements an entrepreneur should keep in mind when making a choice.

Let's start by saying that getting a Unitary Patent means to save the fees necessary to validate the European Patent in different countries, which is of course true only if the applicant has interest in these different countries, otherwise the maintenance fees of the Unitary Patent would rapidly exceed the benefits. This unique privilege allows the owner to get damage compensation and injunction with a single act in all the countries where the right is granted. This means a focused and effective action, without the risk of different decisions in different countries, think about the well-known Epilady case.

However, to get a unique privilege also means to put all the resources in one shot undertaking a solo and unique judgement that might put at risk the title's validity in all the countries where the Unitary Patent is valid. With this in mind, when talking with IP managers of big companies, it seems that they

are moving towards a mix strategy where the most important inventions will be protected by national patents in all the countries, while the less important ones will be protected by the Unitary Patent to be also more cost-effective.

We don't have clear information about the registration and maintenance fees of a Unitary Patent, but what is clear is that this new instrument is approaching and it might be interesting, especially for SMEs and single inventors granted with a European Patent, to delay the examination procedure and waiting for a Unitary Patent to sell or license it to some interested large company. On this occasion the Unitary Patent, although neither enforced nor defined yet, is already impacting on strategic choices for the pending European Patent filings.

It's time to think about it.