

## EUROPEAN UNION



The entry into force of the unitary patent has been discussed for some time. However, there seems to exist still a certain degree of unawareness regarding this issue among a large number of European patent owners.

Making a brief summary, and in broad terms, it can be said that the unitary patent is sustained on two fundamental pillars:

- The creation of a European patent with **unitary effect** in all the participating countries, and
- The creation of the **Unified Patent Court (UPC)**, with exclusive jurisdiction for disputes related not only to these new unitary patents, but also to "classic" European patents, both future and existing ones.

In relation to the first topic, the European patent with unitary effect, owners with patents **granted after June 1<sup>st</sup>** can request before the European Patent Office (EPO) the unitary effect of their patents in all the countries that have ratified the Agreement on a Unified Patent Court (UPCA) at that time. To date, they are 17: Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovenia, and Sweden. The **request for the unitary effect has to be filed within one month from grant**, and will comprise just one request and a unified annuity payment.

The second pillar on which the unitary patent stands is the Unified Patent Court. After its entry into force, the UPC will turn into the court with exclusive jurisdiction to rule on the infringement and validity of unitary patents and "classic" European patents (and their respective Supplementary Protection Certificates). Nonetheless, for the latter (both existing and future ones), patent owners and applicants can rely on a mechanism to exempt them from the jurisdiction of this court, the so-called "opt-out". It is important to highlight that this exemption

mechanism will only be available if an action has not already been brought before the Unified Court. That is to say: if an action against a patent is filed in the UPC before its "opt-out", it will be ruled by the UPC. In order to avoid this scenario, one in which a third party blocks a patent under the jurisdiction of the UPC, a period (the so-called "sunrise period") of three months prior to the entry into force of the UPC (March 1<sup>st</sup> – June 1<sup>st</sup>) was established, in which the owners and applicants of European patents can request the exemption.

## EUROPEAN UNION



We are currently, thus, in the final stretch of the "*sunrise period*". Even though the **possibility to opt out will remain open for a transitional period of, at least, 7 years**, those owners and applicants who want to be exempted from the UPC jurisdiction without having it imposed on them by a third party, ends next May 31<sup>st</sup>.

Since the beginning of the "*sunrise period*", on March 1<sup>st</sup> 2023, it has been clear that European patent owners have their reservations regarding the UPC. One of the main reasons is its novelty, which raises doubts about its operation and effectiveness. Faced with these uncertainties, many European patent owners have decided to wait and see, first, how it works, choosing to file

what could be considered as preventive *opt-outs*. Additional reasons leading to the option of not choosing the UPC as competent are the high official fees of this court and the risk of possible invalidation actions with simultaneous effect in all countries participating in the system.

In any case, it is important to mention that **an opt-out is a reversible process**. As long as an action has not been brought in a national court, the proprietor can request, if so decided, the reverse process ("*opt-in*"), so that the patent or application previously excluded through an opt-out be once again under the UPC jurisdiction. How and when to proceed will depend on each specific case, as the study of the different variables to decide the best strategy to follow will prove essential.

In UNGRIA, we remain at your disposal to assist and advise you in any matter related to the Unitary Patent and the Unified Patent Court.