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Patent Issues Part III: The European Patent

The European Patent Convention (EPC), established in the 1970s, is a multilateral treaty instituting the European Patent Organisation (EPO) and providing a legal system for the grant of patents through one single process in a number of contracting states. This article discusses certain aspects of obtaining a patent and opposing to a granted patent.

The name "European Patent" is misleading. Although establishing a European Community Patent has been debated within the European Union (EU) for many years, insurmountable obstacles like the question of a publication language are preventing an agreement on the community patent. The so-called "European Patent" that currently exists is a patent granted by the EPO in conformity with the EPC. However, the EPC is absolutely independent of the EU. While all 25 members of the European Union joined the EPC, not all contracting states of the EPC are also members of the EU, e.g. Turkey has been a contracting state of the EPC since 2000 but is not (yet) a member of the EU.

After the patent is granted the European Patent divides into a bundle of national parts administrated in the individual countries and not related to each other. Today no common litigation scheme exists for dealing with the question of validity and/or infringement of European Patents after the patent is granted,. This can be expensive for the patentee as an enforcement of his intellectual property rights must be carried out before national courts in individual countries even if the same parties are involved. It can also be expensive for the competitors in that a revocation of the patent cannot be attained through one centralised process.

Nevertheless, the legal system provided by the EPC for the grant of a patent coming into effect in several contracting states through one single process is a simplification. The patent grant procedure in accordance with the EPC is schematically illustrated in the accompanying figure and will be discussed later.

Elaborating and filing of a patent application

A patent confers the right to the patentee to exclude others from making, using, or selling the patented invention. An independent inventor may also profit from the patent by licensing the patent rights to an existing manufacturer and collect a royalty for licensing that patent.

In order to obtain a European patent for an invention, a patent application has to be filed with the EPO. A complete application consists of: a request for the grant of a European Patent, abstract, description, claims, drawings and fees. The applicant also has to specify in which Contracting State or States of the EPC protection for the invention is desired.

According to the EPO, the golden rules for a potential patent applicant are:

- Keep the invention secret so that it remains “new”.
- Remember that searching patent documents and studying the market can save time and money later.
- Be realistic as to what you expect from your invention.
- Consult a professional expert such as a patent attorney

No professional representative is required for composing and/or filing a European patent application. Nevertheless, the EPO strongly advises consulting a professional expert. The value of a patent depends as much on how it is drafted as on the invention itself. After filing, the possibilities for amendments are very limited. If the claims drafted are too narrow or if an essential feature was not disclosed in detail, this may not be corrected and, therefore, would substantially reduce the value of the patent. For example, a patent may be related to recycling a toner cartridge, comprising the step of cleaning a hopper using compressed air. A process comprising all steps of the patent but cleaning the hopper by wiping it out, may not make use of the patented process if claim 1 of the patent includes cleaning by using compressed air. This example shows that drafting an enforceable patent at least requires some experience. In view of the overall costs of a patent, including all official and annuity fees that come due, saving on expenses for constructing the patent application in most cases means saving at the

Processing of an application at the EPO

Processing a filed application at the EPO includes a formal examination of the application by the receiving section, a search for relevant prior art documents undertaken by the Search Division and, on request, a substantive examination by the Examining Division. If not withdrawn beforehand, the application is generally published 18 months after its application (priority) date. When the Examining Division agrees that the invention is patentable, a patent will be granted and the specifications of the European patent are published by the EPO. If neither the applicant’s residence nor place of business is in an EPC contracting state, they must be represented for all acts (except for filing of the application) by a professional representative.

Opposition procedure

Once granted by the EPO, a European patent comes into existence effectively as a group of national parts in each of the designated Contracting States. Before the division of the European Patent in a group of national parts, the public is given a one and last chance to challenge the European patent as a whole by an opposition procedure. Of course, each national part may afterwards be challenged individually. However, this consumes both time and money. And although attacking a competitor in several countries may be an effective way of paralysing a smaller competitor, in most cases a centralised procedure is preferable.

An opposition may be filed by any person and no commercial or other interest whatsoever needs to be given. The time limit for filing an opposition is nine months from the publication of the mention of the grant of the European patent. Upon filing the opposition an opposition fee is due. If the opposition fee is not filed within the time limit, the opposition concerned is deemed to have not been filed.

The opposition can only be based on grounds mentioned in the EPC, i.e. on the grounds that the subject matter of the patent is not patentable, in particular that the subject matter of the patent is not novel or does not involve an inventive step (see previous articles in the August/September issues), on the grounds that it is not sufficiently described to allow a person skilled in the art to carry out the invention, or on the grounds that the content of the patent extends beyond the content of the application as filed. If the latter two grounds are effective this mostly results from deficiencies of the original application or of acts during the prosecution of the application. An opposition not based on the grounds mentioned above will be rejected as inadmissible. Again, economic and/or environmental aspects are no grounds of opposition and not considered by the EPO.

As with filing an application, several requirements are to be met when filing an opposition. It would go far beyond the scope of this article to discuss all details on filing an opposition. Considering that this is the final chance of attacking the patent as a whole, one may not want to take the risk but rather leave it to a patent professional to file the opposition. However, if you intend to file an opposition yourself, please memorise the following aspects: Firstly, there is a time limit to be met, secondly, there is a fee to be paid, and thirdly, the grounds of opposition are restricted to the ones mentioned above.

Third Party Observation

A European Patent Application is published 18 months after its filing or, if applicable, its priority date. Following the publication of the European patent application, any person may present Observations (third-party-observations) concerning the patentability of the invention in respect of the application as filed. Such Observations must be filed in writing and must include a statement of the grounds on which they are based. The person filing the third-party-observation is not party to the proceedings before the EPO. As the person is not party to the proceedings, the EPO does generally not inform this person of any further action it takes in response to the Observations.

The Observations must be taken into account in any proceedings pending before the EPO, if the patentability of the invention in whole or in part is questioned by the Observation. However, if the third-party-observation relates to an alleged prior art item other than a document, for example a prior use, the third-party-observation is only taken into account if the alleged facts are either undisputed by the patentee or established by the third party beyond any doubt.

Case Study

You may remember the case study from the first article (published in the August issue). For the case study, it was assumed that during the grant procedure the following “observation” was filed:

“I am a remanufacturer of cartridges. Recycling cartridges is not new. For many years my company has remanufactured thousands of cartridges. I am also of the strong opinion that

granting this application would be contrary to public interest on both environmental and economic grounds. Therefore, I object to granting of the patent application.”

Let’s consider a second “observation”:

“The enclosed article on recycling cartridges was published in journal J, in month M year Y, which is before the priority date of the patent application under examination. Claim 1 of the patent application opposed relates to a method for recycling a cartridge comprising steps a, b, c. Such a method comprising the steps a, b, c is already described in the enclosed article, in particular in column x, line y. Therefore, the subject matter of claim 1 is not novel in view of this prior art document.”

The first “observation” is not giving any evidence to the alleged prior use and for several reasons will be not considered by the EPO. However, the second “observation” may in fact reveal prior art questioning the patentability of the invention in whole or in part. Therefore, the second observation must be taken into account by the EPO. It is obvious, that it is beyond the power of the EPO to include every prior art item or even every article published in the databases used for research at the EPO. Consequently, depending on the introduced prior art item, such a third-party observation may be an inexpensive possibility for preventing the granting of an unwarranted patent by providing additional prior art, which may not be included in the databases at the EPO. However, if the alleged prior art item is a prior use, in most cases it is recommendable to introduce this prior art item in opposition proceedings, in which the opponent is party of the proceedings.

Conclusion

In next month’s article, aspects of patent infringement acts are discussed. In some countries, including Germany where I am based, it is the duty of an entrepreneur to be informed, to respect patent rights and to adopt his technical and commercial business to these existing rights. Even without this duty, it is recommendable to observe the competitive environment for having the possibility to take early actions against interfering patents, such as presenting observations or filing an opposition.