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Preparatory Committee for the Unified Patent Court
Eileen Tottle, Head of Secretariat

Via e-mail

28 April 2016

epi Comments on the Draft Rules of Procedure and on Court Fees and Recoverable Costs

Dear members of the Preparatory Committee,

Please find attached some comments of our Litigation Committee on the latest draft of the Rules of Procedure of the Unified Patent Court as well as on the Rules on Court fees and recoverable costs.

We kindly request you to duly consider these comments, which we regard as essential at this stage of preparations.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Antonius Tangena', with a long horizontal line extending to the right.

Antonius Tangena
President

Annex: **epi** Comments on the Draft Rules of Procedure and on Court Fees and Recoverable Costs

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EPI comments on the draft Rules of procedure

And on Court fees and recoverable costs

Having carefully studied the last draft of Rules of procedure issued on 19th October 2015, as well as the draft relating to Court fees and recoverable costs, the **epi** would like to present to the Preparatory Committee a few remarks as follows.

I. Court fees and recoverable costs

1. Court fees

In the present draft, the 60% fees reduction applies only to small and micro enterprises, while Article 36-3 of the UPC Agreement mentions also medium-sized enterprises, non profit organizations, universities, research organizations and natural persons. Concerning natural persons, the possibility to request legal aid as provided in Rules 375 and following is rather complex so that a reduction of fees would seem a better solution. It is therefore suggested that the fees reduction would apply to all persons mentioned in Article 36-3 of the UPC Agreement.

§7 of the new Rule 370 states that « *only one fixed fee will apply if an action has more than one claimant and/or more than one defendant or if the action concerns a plurality of patents* ». This is somewhat unclear since the following table of part IV mentions « *fee* ». It should be made clear that §7 applies to all fees (fixed fees and value based fees)

2. Ceilings for recoverable costs

The ceilings indicated for the recoverable costs seem to apply only to representation costs, meaning that they do not include experts costs, experiments costs, witnesses costs and any other costs: this should be clarified

In case of bifurcation, it should be made clear that this would in fact constitute almost a second action, with a separate procedure and a separate oral hearing: the ceilings should take this into account.



II. Rules of procedure

Rule 5 - Opt-out and withdrawal of the opt-out

The **epi** recognizes that the procedure for opting out or withdrawing an opt-out should be as simple as possible. Nevertheless, the absence of control by the Registrar of the Applications for opt-out and withdrawal, could lead to difficulties.

The **epi** suggests therefore that Rule 5 be amended to increase safety without too much impeding the simplicity of the procedure. The following amendments could fulfil this goal.

According to Rule 5-4, no representation is compulsory for lodging an application for opt-out or an application to withdraw an opt-out. However, when a representative is appointed **epi** considers that it should be a professional representative or a legal practitioner as defined in Article 134 EPC or in Article 48 of the Agreement.

In other words the sentence contained in Rule 5-4 “such a representative may include” should be replaced by “such a representative shall include”.

Alternatively or in addition, it is proposed to require a power of attorney from any representative appointed.

According to the present wording of Rule 5 as well as the online form of the CMS, there is almost no checking of the person lodging an application for opt-out or an application to the withdraw an opt-out. It is namely sufficient to give a mobile phone number. Consequently, it is extremely dangerous and very easy for any fraudulent person to opt-out any patent from any company.

No examination will be made by the Registrar and only before a National court will it be possible to explain that an opt-out is invalid because it was fraudulently applied for. It will be necessary to afford evidence of such a fraud.

For all those reasons, the **epi** suggests that Rule 5 be amended to require that a power of attorney be filed when an application for opt-out or an application to withdraw an opt-out is lodged. Such a power of attorney should be executed by at least one of the proprietors of the patent and would permit in the future to challenge more easily a fraudulent action if the opt-out or the withdrawal of the opt-out was made against the will of the owner of the patent.

Rule 88 – Application to annul or alter a decision of the Office

In the same way as for opt-out, no representation is compulsory for such an Application.

In view of the technicality of such an Application, the same remarks as for Rule 5 can be made. In the same way if a representative is appointed it should be either a professional representative or a legal practitioner defined in Article 134 EPC or a representative referred to in Article 48 of the Agreement.

A corresponding statement should be added in Rule 88-4.

Rule 220 - Appealable decisions

This rule is somewhat unclear:

In Rule 220-2 it is stated:

“Orders other than those referred in Rule 220.1 and Rule 97.5, may be either the subject of an appeal together with the appeal against the decision or may be appealed with the leave of the Court of First Instance within 15 days of service of the Court’s decision to that effect.”

The underlined decision seems not to be an order to be attacked. It seems to be a decision about the request for leave of the Court of First Instance. Accordingly, the 15-day term relates to the filing of the appeal following a positive decision about the allowance of the leave by the Court of First Instance. Accordingly, there is no clear term for filing the request for leave of the Court of First Instance (which should probably be 15 days of service of the Court’s order to be attacked).

The **epi** suggests that Rule 220-2 be clarified

Rule 220-3 states:

“3. In the event of a refusal of the Court of First Instance to grant leave within 15 days of the order of one of its panels a request for a discretionary review to the Court of Appeal may be made within 15 calendar days from the end of that period.”

This wording is not completely clear: What happens, if the refusal is issued after 15 days? Is a discretionary review allowable?

The **epi** suggests that Rule 220-3 be clarified.



Rule 221 – Application for leave to appeal against cost decision

Rule 221-1 states:

“1. A party adversely affected by a decision referred to in Rule 157 may lodge an Application for leave to appeal to the Court of Appeal within 15 days of service of the decision of the Court refusing leave to appeal.”

This statement is not clear. The cost decision referred to in Rule 157 is a decision of the Judge-rapporteur of the first instance. The leave to appeal should first be requested from the Court of the First Instance and not from the Court of Appeal.

If this first request for leave to appeal is refused by the Court of First Instance, a further request for leave to appeal could be filed before the Court of Appeal according to Rule 221-1. The time period for filing this second request is of 15 days of service of the decision of the Court of First Instance rejecting the first request for leave.

The **epi** suggests that the wording of Rule 221-1 be amended along those lines.

For the **epi** Litigation Committee
Axel Casalonga