



CCBE POSITION PAPER CONCERNING THE PROPOSAL FOR A EUROPEAN AND COMMUNITY PATENTS COURT

CCBE position paper concerning the proposal for a European and Community Patents Court

Introduction

The Council of Bars and Law Societies of Europe (CCBE) represents more than 700,000 European lawyers through its member Bars and Law Societies of the European Union and the European Economic Area. In addition to membership from EU Bars, it has also associate and observer representatives from a further ten European countries' Bars.

The CCBE has created a Working Group on Patents, made up experts from a number of Member States. This Working Group is following the discussions taking place at a Council level concerning the proposal for a European Union Patent Court. The CCBE, in February 2009, submitted a position paper on Article 28 "Representation" (attached again for convenience).

The present paper contains views of the CCBE on a number of aspects of the proposal for a European Union Patent Court. The CCBE will submit additional views in the future on a number of other aspects, for example, the relationship between national patent system and the European patent system, the European Patent Court and the Community patent, the role of the European Court of Justice, language issues and forum shopping.

General comments

The CCBE generally welcomes the idea of the Commission to establish a court system which enables the assertion of European patents and future Community patents uniformly for the territory of all EU Member States. Even if in practice only a few cases have given rise to the necessity of asserting the same patent against the same presumed infringer in more than one jurisdiction (usually it is sufficient to assert one national patent in one jurisdiction in order to re-establish law and order) it appears to make sense to pave the way for a simplified enforcement of European patents in different jurisdictions.

Comments on specific Articles:

The CCBE would like to make comments on the following articles (based on Council Paper 7928/09, PI 23, COUR 29 of 23 March 2009).

COUNCIL TEXT	CCBE COMMENTS
<p><u>Article 3</u></p> <p>Scope of application</p> <p>This Agreement shall apply to any:</p> <ul style="list-style-type: none"> (a) Community patent; (b) supplementary protection certificate issued for a patent; (c) compulsory licence in respect of a Community patent; (d) European patent which has not yet lapsed at the date referred to in Article 59 or was granted after that date, without prejudice to Article 58; and (e) application for a patent which is pending at the date referred to in Article 59 or filed after that date. 	<p><u>Article 3</u></p> <p><i>CCBE comment: This Article mentions compulsory licences in respect of a Community patent but not compulsory licenses (or indeed licences of right) under European patents. The CCBE would like to know whether this is deliberate on the grounds that the rules for compulsory licensing vary from state to state?</i></p>
<p><u>Article 5</u></p> <p>The Court of First Instance</p> <p>(1) The Court of First Instance shall comprise a central division as well as local and regional divisions.</p> <p>(2) A local division shall be set up in a Contracting State upon its request in accordance with the Statute.</p> <p>(3) An additional local division shall be set up in a Contracting State upon its request when more than one hundred patent cases per calendar year have been commenced in that Contracting State during three successive years prior to or subsequent to the date referred to in Article 59. The number of divisions in one Contracting State shall not exceed three.</p>	<p><u>Article 5 (3)</u></p> <p><i>CCBE comment: In some jurisdictions each disputed patent is assigned a separate case, whereas in other jurisdictions several patents can be litigated in a single "case" (e.g. in telecoms cases there is no reason why 15 or more patents should not all be included in a single set of proceedings). The CCBE believes that this article could be amended to read "An additional local division shall be set up in a Contracting State upon its request when more than one hundred patents are the subject of cases commenced per calendar year in that Contracting State during three successive years."</i></p> <p><i>CCBE comment: It is unclear what the words "prior to or subsequent to the date referred to in article 59" mean. All dates are prior to or subsequent to any date. The wording could be read as excluding any three year period which spans the date referred to in Article 59. - is that intended?</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>(6) Any panel of the central division shall sit in a composition of two legally qualified judges and one technically qualified judge allocated from the Pool of Judges with qualifications and experience in the field of technology concerned.</p> <p>(7) Without prejudice to paragraphs 1 to 6 and in accordance with the Rules of Procedure, parties may agree to have their case heard by a single judge.</p> <p>(8) Any panel of the Court of First Instance shall be chaired by a legally qualified judge.</p>	<p><i>be as well or better able to deal with the technology relating to, for example, 2G or 3G mobile telephone patents that a “technically qualified judge” who might have a PhD in the general area of electronics or information technology but had never studied the details of mobile phone technology. Whilst it is clear that a number of part-time technical judges are envisaged, each of them will have to be available when required and will need not only the relevant qualifications and experience in the fields of technology concerned but also the necessary understanding of Civil Law in general and the law of patents in particular.</i></p> <p><i>CCBE comment: Should the final sentence of Article 6 (5) read “no further technically qualified judge may be allocated....” rather than “has to be allocated”?</i></p> <p><u>Article 6 (6)</u></p> <p><i>CCBE comment: This appears to imply that the central division will always sit with one technically qualified judge whereas local and regional divisions may sit with just legally qualified judges. Why is this proposed?</i></p> <p><u>Article 6 (7)</u></p> <p><i>CCBE comment: Can the parties agree to have their case heard by a single technical judge? Or should a single judge always be legally qualified? If so, this should be made explicit.</i></p>
<p><u>Article 7</u></p> <p>The Court of Appeal</p> <p>(1) Any panel of the Court of Appeal shall sit in a multinational composition of five judges. It shall sit in a composition of three legally qualified judges and two technically qualified judges.</p>	<p><u>Article 7(1)</u></p> <p><i>CCBE comment: This does not appear to specify that the technically qualified judges should be technically qualified in the relevant field of technology. It is the view of the CCBE that all the judges on a patent case should be people with experience of handling cases in the relevant technical area. The ability to handle technical issues should not be a skill that can or should be confined to a sub-set of the judges on the panel, who could otherwise have a disproportionate influence on the decision. The strong preference is that all judges who handle patent cases should be willing and able to grapple with the technical and legal aspects of the case. This ability can be</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>(2) Any panel of the Court of Appeal shall be chaired by a legally qualified judge.</p> <p>(3) The panels of the Court of Appeal shall be set up in accordance with the Statute.</p> <p>(4) The Court of Appeal shall have its seat in [...].</p>	<p><i>developed through experience of handling patent cases just as much as, or often more than, from having studied a broad scientific subject at University maybe 20 years or more previously. What is important is each judge's ability to understand the technology, not his or her pre-existing knowledge of the general field in which it lies. Knowledge of the technology can be provided by a scientific advisor sitting with the judges (whose function is specifically limited to explaining the technology) or through a pre-hearing teach-in.</i></p> <p><u>Article 7 (4)</u></p> <p><i>CCBE comment: Does the Court of Appeal require a seat? Clearly the registry has to have a location. One could hope that the Court of Appeal would sit at any city in Europe that was convenient to the parties.</i></p>
<p><u>Article 10</u></p> <p>Eligibility criteria</p> <p>(1) The Court shall comprise both legally qualified judges and technically qualified judges. Judges shall ensure the highest standards of competence and proven experience in the field of patent litigation.</p> <p>(2) Legally qualified judges shall possess the qualifications required for appointment to judicial offices in a Contracting State.</p> <p>(3) Technically qualified judges shall have a university degree and proven expertise in a field of technology. They shall also have proven knowledge of civil law and procedure.</p>	<p><u>Article 10(1)</u></p> <p><i>CCBE comment: As indicated above the concept of separate legally and technically qualified judges is not appealing. The second sentence appears to be a statement of that which is desirable, but it is unclear what purpose this sentence serves.</i></p> <p><u>Article 10(2)</u></p> <p><i>CCBE comment: Is it intended that, if there is a Contracting State with very low "qualifications" for appointment to Judicial Office, then any person (irrespective of the state of which they are a national) possessing those qualifications could be appointed as a Judge?</i></p> <p><u>Article 10(3)</u></p> <p><i>CCBE comment: This Article leaves a great deal open. Many technologists have, for example, a degree in mathematics but great expertise in a practical subject. Is it intended to exclude, for example, someone with a degree in mathematics who then becomes an expert in fluid dynamics from hearing cases about jet engines, ships or aircraft? The statement that they should have</i></p>

COUNCIL TEXT	CCBE COMMENTS
	<p><i>“proven knowledge of civil law and procedure” leaves the question of “how much?” wide open.</i></p>
<p><u>Article 11</u></p> <p>Appointment procedure</p> <p>(1) The Advisory Committee shall establish a list of the most suitable candidates to be appointed as judges of the Court, in accordance with the Statute. [...]</p> <p>(2) On the basis of this list, the Mixed Committee shall appoint the judges of the Court acting by common accord.</p> <p>(3) The implementing provisions shall be provided for in the Statute.</p>	<p><u>Article 11(1)</u></p> <p><i>CCBE comment: There is nothing to explain the process by which the Advisory Committee will establish its list or how long the list will be relative to the number of available appointments. How is it intended that the list will be prepared?</i></p>
<p><u>Article 12</u></p> <p>Judicial independence and impartiality</p> <p>(1) The Court, its judges and the Registrar shall enjoy judicial independence. In the performance of their duties, the judges shall not be bound by any instructions.</p> <p>(2) Legally qualified judges and technically qualified judges who are full-time judges of the Court may not engage in any occupation, whether gainful or not, unless otherwise provided for in this Article or where an exception is granted by the Mixed Committee.</p> <p>(3) The exercise of the office of legally qualified judges shall not exclude the exercise of other judicial functions at the national level.</p> <p>(4) The exercise of the office of technically qualified judges who are part-time judges of the Court pursuant to Article 13, paragraph 2, shall not exclude the exercise of other functions provided there is no conflict of interest.</p>	<p><u>Article 12 (2)</u></p> <p><i>CCBE comment: Interestingly legally qualified judges can split their time between working in the European Patents Court and their national Courts, but technically qualified Judges may not. Does this imply that no national legal system currently uses “technically qualified judges”?</i></p> <p><i>If the technically qualified judges are to have qualifications which relate to reasonably narrow areas of competence, one would expect them to be in much less demand than legally qualified Judges.</i></p> <p><u>Article 12 (4)</u></p> <p><i>CCBE comment: The arrangements for ensuring that there is no appearance of any conflict of interest for technically qualified judges will require careful drafting of regulations to ensure openness and transparency as to the technically qualified judge’s other functions. In some industry driven technologies it is difficult to find wholly independent experts – suggesting that it may be very difficult to find suitable judges.</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>(5) In case of a conflict of interest, a judge shall not take part in proceedings. Rules governing conflicts of interest shall be provided for in the Statute</p>	
<p><u>Article 13</u> Pool of Judges</p> <p>(1) A Pool of Judges shall be set up in accordance with the Statute.</p> <p>(2) The Pool of Judges shall be composed of all legally qualified judges and technically qualified judges from the Court of First Instance who are full-time judges of the Court. Moreover, it shall comprise technically qualified judges who are part-time judges of the Court. It shall be ensured that the Pool of Judges includes at least one technically qualified judge with qualifications and experience per field of technology.</p> <p>(3) Where provided in this Agreement or the Statute, the judges from the Pool of Judges shall be allocated to the division concerned by the President of the Court of First Instance. The allocation of judges shall be based on their legal or technical expertise, linguistic skills and proven experience.</p>	<p><u>Article 13 (2)</u></p> <p><i>CCBE comment:</i> Implies that it is possible to define all possible “fields of technology”. If this is intended it would be helpful to see the intended list now and to be clear that that list is likely to expand as technologies continue to develop.</p>
<p><u>Article 14</u> Training framework</p> <p>(1) A training framework for judges shall be set up in accordance with the Statute in order to improve and increase available patent litigation expertise and to ensure a broad geographic distribution of such specific knowledge and experience.</p> <p>(2) The training framework shall in particular focus on:</p> <ul style="list-style-type: none"> (a) internships in national patent courts or divisions of the Court of First Instance hearing a substantial number of patent litigation cases; (b) improvement of language skills; (c) technical aspects of patent law; (d) the dissemination of knowledge and experience in civil procedure for technically qualified judges; (e) the preparation of candidate-judges. 	<p><u>Article 14(2)(e)</u></p> <p><i>CCBE comment:</i> Will candidate judges be selected from the list prepared under Article</p>

COUNCIL TEXT	CCBE COMMENTS
<p>(3) The training framework will provide for continuous training. Regular meetings will be organized between all judges of the Court in order to discuss developments in patent law and to ensure consistency of jurisprudence.</p>	<p>11(1)? If not how will those candidate judges be selected? Who will make the selection and on what grounds</p>
<p><u>Article 14a</u> Applicable law</p> <p>(1) When hearing a case brought before it under this Agreement, the Court shall respect Community law and base its decisions on:</p> <ul style="list-style-type: none"> (a) this Agreement; (b) directly applicable Community law, in particular Council Regulation (EC) No ... on the Community patent, and national law of the Contracting States implementing Community law [...]; (c) the European Patent Convention and national law which has been adopted by the Contracting States in accordance with the European Patent Convention; and (d) any provision of international agreements applicable to patents and binding on all the Contracting Parties. 	<p><u>Article 14a(1)(d)</u> <i>CCBE comment: What is meant by an international agreement “binding” on all the contracting parties? An international agreement can be signed and ratified without having direct effect – is it binding?</i></p>
<p><u>Article 14e</u> Limitations of the effects of the European patent</p> <p>The rights conferred by the European patent shall not extend to:</p> <ul style="list-style-type: none"> (a) acts done privately and for non-commercial purposes; (b) acts done for experimental purposes relating to the subject-matter of the patented invention; (c) acts carried out solely for the purpose of conducting tests and trials in accordance with Article 13 of Directive 2001/82/EC4 or Article 10 of Directive 2001/83/EC5 in respect of any patent covering the reference product within the meaning of the said Directives; (d) the extemporaneous preparation for individual cases in a pharmacy of a 	

COUNCIL TEXT	CCBE COMMENTS
<p>medicine in accordance with a medical prescription nor acts concerning the medicine so prepared;</p> <p>(e) the use on board vessels of countries other than Contracting States of the patented invention, in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the waters of Contracting States, provided that the invention is used there exclusively for the needs of the vessel;</p> <p>(f) the use of the patented invention in the construction or operation of aircraft or land vehicles or other means of transport of non-Contracting States , or of accessories of such aircraft or land vehicles, when these temporarily or accidentally enter the territory of Contracting States;</p> <p>(g) the acts specified in Article 27 of the Convention on International Civil Aviation of 7 December 19446, where these acts concern the aircraft of a country other than a Contracting State;</p> <p>(h) the use by a farmer of the product of his crop for propagation or multiplication on his own holding, provided that the reproductive vegetable material was sold or otherwise commercialized by the holder of the patent or with his consent to the farmer, for agricultural purposes. The scope and the detailed methods of this use are laid down in Article 14 of Regulation (EC) No. 2100/947;</p> <p>(i) the use by a farmer of protected livestock for farming purposes, on condition that the breeding animals or other animal reproductive material was sold or otherwise commercialized to the farmer by the holder of the patent or with his consent. Such use includes the provision of the animal or other animal reproductive material for the purposes of his agricultural activity, but not the sale as part of or for the purpose of commercial reproductive activity;</p> <p>(j) acts allowed pursuant to Articles 5 and 6 of Directive 91/250/EEC on the legal protection of computer programs by copyright⁸, in particular, by its provisions on decompilation and interoperability; and</p> <p>(k) acts allowed pursuant to Article 10 of</p>	<p><i>Article 14e (i)</i></p> <p><u><i>CCBE comment: Why is the obligation to pay the relevant rights holder equitable remuneration not included in the Agreements</i></u></p>

COUNCIL TEXT	CCBE COMMENTS
<p>Directive 98/44/EC on the legal protection of biotechnological inventions.</p>	
<p><u>Article 15a</u></p> <p>Jurisdiction of the divisions of the Court of First Instance</p> <p>(1) Actions referred to in Article 15, paragraph 1(a), (b), (d) and (e) shall be brought before:</p> <p style="padding-left: 40px;">(a) the local division hosted by the Contracting State where the actual or threatened infringement has occurred or may occur, or the regional division in which this Contracting State participates; or</p> <p style="padding-left: 40px;">(b) the local division hosted by the Contracting State where the defendant is domiciled, or the regional division in which this Contracting State participates.</p> <p>Actions against defendants domiciled outside the territory of the Contracting States shall be brought before the local or regional division in accordance with (a).</p> <p>If the Contracting State concerned does not host a local division and does not participate in a regional division, actions shall be brought before the central division.</p> <p>(2) A counterclaim for revocation can be brought in the case of an action for infringement. The local or regional division concerned shall, after having heard the parties, have the discretion</p>	<p><u>Article 15a(1)(a)</u></p> <p><i>CCBE comment: It is understood that some Member States hold the view that a defendant should always be entitled to be sued where they are domiciled. Bearing in mind that one of the stated groups of beneficiaries of this agreement is small and medium size enterprises and that many of them are likely to offer their goods or services via the internet, this would appear to leave such a company open to being sued in any local or regional division in Europe in respect of offers to supply made on a website. Is this intended?</i></p> <p><i>CCBE comment: The whole question of the language of the proceedings and the language of the patent does not appear to have been fully considered yet. There seems to be nothing to prevent an SME (which offers goods on its website) based, for example, in Sweden from being sued in, for example, Greece or Turkey. Is this intended?</i></p> <p><i>CCBE comment: Is it intended that if proceedings had been brought in a particular division simply because that was likely to put additional litigation pressure on the Defendant that Defendant could apply for the proceedings to be transferred to its domicile?</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>either to:</p> <p>(a) proceed with both the infringement action and with the counterclaim for revocation and request the President of the Court of First Instance to allocate from the Pool of Judges a technically qualified judge with qualifications and experience in the field of technology concerned;</p> <p>(b) refer the counterclaim for decision to the central division and suspend or proceed with the infringement proceedings; or</p> <p>(c) with agreement of the parties, refer the case for decision to the central division.</p> <p>(3) Without prejudice to paragraph 2, the actions referred to in Article 15, paragraph 1 (a1), (c), (f) and (g) shall be brought before the central division. Such actions may only be initiated if no action for infringement has been initiated between the same parties relating to the same patent before a local or a regional division.</p> <p>(4) If an action for revocation is pending before the central division, an action for infringement between the same parties on the same patent may be initiated at any division in accordance with paragraph 1. The local or regional division concerned shall have the discretion to proceed in accordance with paragraph 2.</p> <p>(5) An action for declaration of non-infringement pending before the central division shall be stayed once an infringement action related to the same patent between the same parties or between the holder of an exclusive licence and the party requesting a declaration of non-infringement is initiated within three months before a local or regional division.</p>	<p><i>CCBE comment: Art. 15 a 2 (a), According to Art. 15 a 2 (a), the local court has the possibility to call in a technically qualified judge from the pool of judges in the case of a nullity counterclaim. The bench would then consist of four judges involved in the decision. In some jurisdictions this may lead to considerable problems with the idea of the statutory judge. Regardless thereof the question arises as to whether the pool of judges is actually able to provide a competent judge for each individual case. It would be more expedient, therefore, to give the local courts the alternative to consult a highly specialised expert who advises the court without taking on the function of a judge.</i></p> <p><i>CCBE comment: Article 15 a 2 (b) Concerning the wording of Article 15 a 2 (b) it would be desirable if the extensive exercise of discretion (stay or continuation of infringement proceedings in the event of a nullity counterclaim) were defined more narrowly, so that the court only has to stay the proceedings if there is a considerable likelihood that the patent in suit will be invalidated. A guideline for the exercise of this discretion should be included in the legal text in order to avoid that ultimately the ECJ decides this important issue.</i></p> <p><i>CCBE comment: <u>Article 15a(3)</u> Will the central division only sit on one place? Is there any reason why the central division should not, in appropriate cases, transfer some disputes to a local division?</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>(6) Parties may agree to bring an action before the division of their choice, including the central division.</p> <p>(7) The actions referred to in paragraph 3 can be brought without the plaintiff having to initiate an opposition procedure before the European Patent Office.</p> <p>(8) Any party shall inform the Court of any pending limitation or opposition proceedings before the European Patent Office, and of any request for accelerated processing before the European Patent Office. The Court may stay its proceedings when a rapid decision may be expected from the European Patent Office.</p>	<p><u>Article 15a(8)</u></p> <p><i>CCBE comment: Inevitably one wonders whether a “rapid” decision is to be interpreted in a relative or absolute manner!</i></p>
<p><u>Article 23</u></p> <p>Proportionality and fairness</p> <p>(1) The Court shall deal with litigation in ways which are proportionate to its importance and complexity.</p> <p>(2) The Court shall ensure that the rules, procedures and remedies provided for in this Agreement and in the Statute are used in a fair and equitable manner and shall not distort competition.</p>	<p><u>Article 23(2)</u></p> <p><i>CCBE comment: It is noted that the Court must ensure that the remedies (including no doubt injunctions and financial remedies) “shall not distort competition”. Is this intended simply to reflect the fact that in certain circumstances enforcement of patent rights could be contrary to Article 81 or 82 or conflict e.g. with an obligation to grant FRAND licence?</i></p> <p><i>CCBE comment: Alternatively this could be regarded as opening up the possibility of a substantive defence in every case in which, without having to prove the elements of Article 81 or 82, a proposed remedy can always be objected to on the grounds that it “could distort competition”.</i></p>
<p><u>Article 27</u></p> <p>Parties</p> <p>(1) Any natural or legal person, or any body equivalent to a legal person entitled to initiate proceedings in accordance with the applicable law of the Contracting State concerned, shall have access to the Court in order to initiate actions, to defend itself against actions, or to seek application of the procedures and remedies provided for in this Agreement and in the Rules of Procedure.</p> <p>(2) The holder of an exclusive licence in respect of a patent shall be entitled to initiate proceedings before the Court in the same way as the</p>	<p><u>Article 27(2)</u></p> <p><i>CCBE comment: What is the definition of an exclusive licence? In particular must the</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>proprietor of a patent, provided that the proprietor is given prior notice, unless the licensing agreement provides otherwise.</p> <p>(3) The holder of a non-exclusive licence shall not be entitled to initiate proceedings before the Court, unless the patent proprietor is given prior notice and in so far as expressly permitted by the licence agreement.</p> <p>(4) In proceedings initiated by any licence holder, the patent proprietor shall be entitled to join them as a party.</p> <p>(5) The validity of a patent cannot be contested in infringement proceedings initiated by the holder of a licence where the proprietor of the patent does not take part in the proceedings. The party in infringement proceedings wanting to contest the validity of a patent shall have to initiate proceedings against the proprietor.</p> <p>(6) Any other natural or legal person, or any body equivalent to a legal person entitled to initiate proceedings in accordance with the applicable law of the Contracting State concerned, who is concerned by a patent, may initiate proceedings in accordance with the Rules of Procedure.</p>	<p><i>proprietor itself be excluded from positively exploiting the invention covered by the patent? Presumably it is intended that there could be several exclusive licensees, e.g. one with rights to manufacture, others with rights to supply in different Member States, etc. CCBE comment: Are licensees to be entitled to sue in respect of acts of infringement which they themselves are not licensed to carry out?</i></p> <p><u>Article 27(3)</u></p> <p><i>CCBE comment: A person who infringes a patent in the name of a troll may reasonably take the view that they are most unlikely to be subject to injunctive relief and in particular not to a preliminary injunction because there is no business of the patent proprietor at risk and its loss is simply a loss of royalty revenue. However, if a patent is owned by a non-trading individual or company but licensed to a trading company then that exclusive (or under this rule non-exclusive) licensee may well have a claim for an injunction. It seems highly desirable that the registration of both exclusive and non-exclusive licences giving the right to sue should be registered on a mandatory basis and that failure to register would at least deprive the licensee of the right to an injunction and/or damages.</i></p>
<p><u>Article 28</u></p> <p>Representation</p> <p>(1) Parties shall be represented by lawyers authorized to practise before a court of a Contracting State.</p> <p>(2) Parties may alternatively be represented by European Patent Attorneys who are entitled to</p>	<p><u>Article 28</u></p> <p><i>CCBE comment: Please see CCBE paper on "Representation".</i></p> <p><i>This has been discussed extensively by the CCBE. The current wording simply talks about "appropriate qualifications such as a European Patent Litigation Certificate" but this leaves the question of which European patent attorneys</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>act as professional representatives before the European Patent Office pursuant to Article 134 of the European Patent Convention and who have appropriate qualifications such as a European Union Patent Litigation Certificate.</p> <p>(2a) Representatives of the parties may be assisted by patent attorneys who shall be allowed to speak at hearings of the Court in accordance with the Rules or Procedure.</p> <p>(3) The requirements for qualifications pursuant to paragraph 2 shall be established by the Mixed Committee on the basis of a proposal from the Commission of the European Communities. A list of European Patent Attorneys entitled to represent parties before the Court shall be kept by the Registrar.</p> <p>(4) Representatives of the parties shall enjoy the rights and immunities necessary to the independent exercise of their duties, under the conditions laid down in the Rules of Procedure.</p> <p>(5) Representatives of the parties shall be obliged not to misrepresent cases or facts before the Court either knowingly or with good reasons to know</p>	<p><i>would have the right of representation wide open. It also raises the issue of the qualification criteria necessary for a patent agent to appear before the Court which needs to be jointly agreed by the Court and the European Patent Institute. Furthermore, as the EU Patent Litigation Certificate is completely undefined and it is unclear whether such a Certificate could be withdrawn in the case of gross incompetence or failure to follow professional requirements, the situation remains very unsatisfactory. As the procedure of the Court provides for at least the possibility of the production of documents, the question of privilege is important. It appears quite possible that a client might find that its communications with some of those who would be permitted to represent it before this Court would not be able to claim privilege in those communications. This could affect not only proceedings before this Court but of course also proceedings before Courts in other parts of the world. On the face of it, Article 28(4) will not preserve the client's privilege in the communications with its representative because the privilege is a right or immunity of the client, not of the representative.</i></p>
<p><u>Article 29</u></p> <p>Language of proceedings at the Court of First Instance</p> <p>(1) The language of proceedings before any local or regional division shall be the official European Union language(s) of the Member State or the official language(s) of other Contracting States hosting the relevant division, or the official language(s) designated by Contracting States sharing a regional division.</p> <p>(2) Notwithstanding paragraph 1, Contracting States may designate one or more of the official languages of the European Patent Office as the language of proceedings of their local or regional division.</p> <p>(3) Parties may agree on the use of the language in which the patent was granted as language of proceedings, subject to approval by the competent division. If the division concerned does not approve their choice, the parties may request that the case be referred to the central division.</p> <p>(4) [At the request of one of the parties and after having heard the other parties] / [With the agreement of the parties] the competent local or regional division may, on grounds of convenience</p>	<p><u>Article 29</u></p> <p><i>CCBE comment: This raises the very significant risk of multi lingual proceedings. It appears quite possible for a Swedish company to sue a Greek company in Spain under a patent written in French where the technically qualified Judge has may have only limited command of French and the parties experts might have, as their first language, English or German. It is noticeable that even in simple cases in the UK, where for example a German language patent is litigated, there can be a great deal of time and effort put into agreeing (or not agreeing!) the proper translation of the body of the specification of the patent. It is unlikely that the parties in the scenario identified above would consider that the patent, the prior art and the common general knowledge had all been properly understood with so many different languages engaged. Bearing in mind the importance of the body of the specification to a proper interpretation of the claims, some contracting states may object to community patents having their claims only available in a small number of languages or indeed to having the whole patent available in only one or two languages.</i></p> <p><i>CCBE comment: The EPO is generally content to</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>and fairness, decide on the use of the language in which the patent was granted as language of proceedings.</p> <p>(5) The language of proceedings at the central division is the language in which the patent concerned was granted.</p>	<p><i>be addressed in more than one language. Is it intended that this should be possible in proceedings before the EP Courts?</i></p>
<p><u>Article 30</u></p> <p>Language of proceedings at the Court of Appeal</p> <p>(1) The language of proceedings before the Court of Appeal shall be the language of proceedings before the Court of First Instance.</p> <p>(2) Parties may agree on the use of the language in which the patent was granted as language of proceedings.</p> <p>(3) In exceptional cases and to the extent deemed appropriate, the Court of Appeal may decide on another official language of a Contracting State as the language of proceedings for the whole or part of the proceedings, subject to agreement by the parties.</p>	<p><u>Article 30</u></p> <p><i>CCBE comment: Is it always appropriate that proceedings before the Court of Appeal should be in the same language as the Court of First Instance? Suppose that a patentee sues two different Defendants in different parts of Europe, giving rise to two sets of First Instance proceedings in different languages, which language would be chosen for a conjoined appeal?</i></p> <p><i>CCBE comment: How will the system ensure consistency of approach where proceedings are taken against more than one Defendant at the same time in different divisions of the Court (as would be required for example if more than one set of proceedings is running at the same time against infringers in different jurisdictions)?</i></p> <p><i>CCBE comment: Further, how will the system ensure that the claims are given the same construction when the patent is being enforced before two different divisions of the Court, quite possibly (indeed probably) operating in different languages?</i></p>
<p><u>Article 32</u></p> <p>Written, interim and oral procedures</p> <p>(1) The proceedings before the Court shall consist of a written, interim and oral procedure, in accordance with the Rules of Procedure. All procedures shall be organized in a flexible and balanced manner.</p> <p>(2) In the interim procedure, after the written procedure and if appropriate, the judge acting as Rapporteur, subject to a mandate of the full panel and designated in accordance with the Rules of Procedure, shall be responsible for convening an interim hearing. He shall in particular explore the possibility for a settlement.</p> <p>(3) The oral procedure shall give parties the opportunity to explain properly their arguments. The Court may, with the agreement of the parties, dispense with the oral procedure.</p>	<p><u>Article 32(2)</u></p> <p><i>CCBE comment: Will be Rapporteur always be a legally qualified Judge? What will the Rapporteur's responsibilities be?</i></p>
<p><u>Article 33</u></p> <p>Means of evidence</p>	

COUNCIL TEXT	CCBE COMMENTS
<p>(1) In proceedings before the Court, the means of giving or obtaining evidence shall include in particular the following:</p> <ul style="list-style-type: none"> (a) hearing the parties; (b) requests for information; (c) production of documents; (d) hearing witnesses; (e) opinions by experts; (f) inspection; (g) comparative tests or experiments; (h) sworn statements in writing (affidavits). <p>(2) The Rules of Procedure shall govern the procedure for taking such evidence. Questioning of witnesses and experts shall be under the control of the Court and be limited to what is necessary</p>	<p><u>Article 33(1)</u></p> <p><i>CCBE comment: It may be noticed that this is a non-exhaustive list of the means by which evidence may be given. It is unclear why tests or experiments are limited to those which are “comparative”. For example if it is asserted that carrying out the prior art produces a particular chemical compound (which falls within the claims of a later patent) in what sense is that a “comparative test”. The role of procedure, but also probably the attitude of Judges to the desirability and extent of each type of evidence here specified, will have a very significant impact on the costs and timing of proceedings but also on its acceptability to, for example, the pharmaceutical industry, a large part of which is American owned or run. Although arguably not included in the non-exhaustive list, presumably evidence obtained under the Hague Convention is intended to be available to the Court. Is that correct?</i></p>
<p><u>Article 35</u></p> <p>Order to produce evidence</p> <p>(1) Where a party has presented reasonably available evidence sufficient to support its claims and has, in substantiating those claims, specified evidence which lies in the control of the opposing party or a third party, the Court may order that party to produce such evidence. Such order shall not result in an obligation of self-incrimination.</p> <p>(2) On application by a party the Court may order, under the same conditions as specified in paragraph 1, the communication of banking, financial or commercial documents under the control of the opposing party.</p>	<p><u>Article 35(1)</u></p> <p><i>CCBE comment: What is meant by self-incrimination? Does self-incrimination involve the risk of exposure to a penalty under the criminal law only? If so, to which State or States should the Court have regard in determining the criminal law? And how great must be the risk of exposure to a penalty before protection from self-incrimination can be claimed?</i></p>
<p><u>Article 35a</u></p> <p>Order to preserve evidence and to inspect property</p> <p>(1) The Court may, even before the commencement of proceedings on the merits of the case, on application by a party who has presented reasonably available evidence to support the claim that the patent right has been</p>	

COUNCIL TEXT	CCBE COMMENTS
<p>infringed or is about to be infringed, order prompt and effective provisional measures to preserve relevant evidence in respect of the alleged infringement.</p> <p>(2) Such measures may include the detailed description, with or without the taking of samples, or the physical seizure of the infringing goods, and, in appropriate cases, the materials and implements used in the production and/or distribution of these goods and the documents relating thereto.</p> <p>(2a) The inspection of the premises shall be conducted by a person appointed by the Court in accordance with the Rules of Procedure.</p> <p>(3) At the inspection of the premises the requesting party shall not be present itself but may be represented by an independent professional practitioner whose name has to be specified in the Court's order.</p> <p>(4) The measures shall be taken, if necessary without the other party having been heard, in particular where any delay is likely to cause irreparable harm to the proprietor of the patent, or where there is a demonstrable risk of evidence being destroyed.</p> <p>(5) Where measures to preserve evidence are adopted without the other party having been heard, the parties affected shall be given notice, without delay and at the latest immediately after the execution of the measures. A review, including a right to be heard, shall take place upon request of the parties affected with a view to deciding, within a reasonable period after the notification of the measures, whether the measures shall be modified, revoked or confirmed.</p> <p>6) The Court shall ensure that the measures to preserve evidence are revoked or otherwise cease to have effect, upon request of the defendant, without prejudice to the damages which may be claimed, if the applicant does not initiate, within a period not exceeding 31 calendar days, proceedings leading to a decision on the merits of the case before the Court.</p> <p>(7) Where the measures to preserve evidence are revoked, or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of the patent right, the Court may order the applicant, upon request of the defendant, to provide the defendant appropriate compensation for any</p>	<p><u>Article 35a(3)</u></p> <p><i>CCBE comment: What is an "independent professional practitioner"?</i></p>

COUNCIL TEXT	CCBE COMMENTS
injury caused by those measures.	
<p><u>Article 35b</u></p> <p>Freezing orders</p> <p>The Court may order a party to refrain from removing from its jurisdiction any assets located there, or from dealing in any assets, whether located within its jurisdiction or not.</p>	<p><u>Article 35b</u></p> <p><i>CCBE comment: Provisions similar to those found in Art.35a, paragraphs 4 to 7 (with appropriate modifications) should apply in the case of Freezing Orders.</i></p>
<p><u>Article 36</u></p> <p>Court experts</p> <p>(1) Without prejudice to the possibility for the parties to produce expert evidence, the Court may at any time appoint court experts in order to provide expertise for specific aspects of the case. The Court shall provide to the court expert appointed in a case all information necessary to give his expert advice.</p> <p>(2) To this end, an indicative list of experts shall be drawn up by the Court in accordance with the Rules of Procedure and kept by the Registrar.</p> <p>(3) The court experts shall guarantee independence and impartiality. Rules governing conflicts of interest applicable to judges shall by analogy apply to court experts.</p> <p>(4) Expert advice given to the Court shall be made available to the parties who shall have the possibility to comment on the advice given.</p>	<p><u>Article 36</u></p> <p><i>CCBE comment: The precise role to be played by a Court expert (particularly in this system which also has technically qualified judges) requires careful thought.</i></p>
<p><u>Article 39</u></p> <p>Power to order the communication of information</p> <p>(1) The Court may, in response to a justified and proportionate request of the plaintiff and in accordance with the Rules of Procedure, order an alleged infringer to inform the plaintiff of:</p> <ul style="list-style-type: none"> (a) the origin and distribution channels of the infringing goods or processes; (b) the quantities produced, manufactured, delivered, received or ordered, as well as the price obtained for the goods in question; and (c) the identity of any third person involved in the production or distribution of infringing goods or in the use of an infringing process. <p>(2) The Court may, in accordance with the Rules of Procedure, also order any other person who, on a commercial scale:</p>	<p><u>Article 39(1)</u></p> <p><i>CCBE comment: Provisions similar to those found in Art.35a, paragraphs 4 to 7 (with appropriate modifications) should apply in the case of orders requiring the communication of information.</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p>(a) was found in the possession of infringing goods or in the use of an infringing process;</p> <p>(b) was found to be providing services used in infringing activities; or</p> <p>(c) was indicated by the person referred to in (a) or (b) as being involved in the production, manufacture or distribution of the goods or processes or in the provision of the services, to provide the plaintiff with the information referred to in paragraph 1.</p>	<p><u>Article 39(2)(a)</u></p> <p><i>CCBE comment: Presumably this is meant to be a reference to “allegedly” infringing goods and processes.</i></p>
<p><u>Article 41</u></p> <p>Award of damages</p> <p>(1) The Court may, at the request of the injured party, order the infringer who knowingly, or with reasonable grounds to know, engaged in a patent infringing activity, to pay the injured party damages appropriate to the prejudice actually suffered as a result of the infringement.</p> <p>(2) The injured party shall, to the extent possible, be restored in the position it would have been in if no infringement had taken place. The infringer shall not benefit from the infringement. However, damages shall not be punitive.</p> <p>(3) When the Court sets the damages:</p> <p>(a) it shall take into account all appropriate aspects, such as the negative economic consequences, including lost profits, which the injured party has suffered, any unfair profits made by the infringer and, in appropriate cases, elements other than economic factors, such as the moral prejudice caused to the injured party by the infringement; or</p> <p>(b) as an alternative to (a), it may, in appropriate cases, set the damages as a lump sum on the basis of elements such as at least the amount of the royalties or fees which would have been due if the infringer had requested authorisation to use the patent in question.</p> <p>(4) Where the infringer did not knowingly or with reasonable grounds to know engage in infringing activity, the Court may order the recovery of profits or the payment of compensation.</p>	<p><u>Article 41</u></p> <p><i>CCBE comment: Art.13(1) of the IP Enforcement Directive provides that the payment of damages is mandatory in the circumstances envisaged in Art.41(1) of the draft Agreement. However Art.41(1) uses the word “may” which suggests that the relief is discretionary under the draft Agreement. Is this intended?</i></p> <p><u>Article 41(3)(a)</u></p> <p><i>CCBE comment: It is interesting that whereas many people assumed that the enforcement directive’s references to moral prejudice were directed at other IP rights such as trademarks and copyright, the Commission appear to consider that patent infringement may give rise to moral prejudice appropriately compensated with money. In what circumstances would such prejudice arise?</i></p> <p><i>CCBE comment: In the circumstances envisaged in Art.41(4), the relief is in the Court’s discretion. This is consistent with Art.13(2) of the IP Enforcement Directive. However upon what principles is the Court supposed to act when exercising its discretion? When should relief be granted? And when should it be refused?</i></p>

COUNCIL TEXT	CCBE COMMENTS
<p><u>Article 45</u></p> <p>Appeal</p> <p>(1) An appeal against a decision of the Court of First Instance may be brought before the Court of Appeal by any party which has been unsuccessful, in whole or in part, in its submissions. An appeal may be brought against a final decision of the Court of First Instance or against an order referred to in Articles [29, paragraph 4,] 35, 35a, 35b, 37 or 39. Any other order may only be appealed together with the final decision, unless the Court of Appeal grants leave to appeal.</p> <p>(2) An appeal shall be brought within two months of the notification of a final decision of the Court of First Instance or within fifteen calendar days of the notification of an order referred to in paragraph 1.</p> <p>(3) The appeal against a decision of the Court of First Instance may be based on points of law and matters of fact.</p> <p>(4) New facts and new evidence may only be introduced if their submission by the party concerned could not reasonably have been expected during proceedings before the Court of First Instance, in accordance with the Rules of Procedure.</p>	<p><u>Article 45(4)</u></p> <p><i>CCBE comment: Appears to exclude the possibility of new prior art being cited on appeal, contrary to the rules in a number of European jurisdictions. Is this intended?</i></p>
<p><u>Article 51</u></p> <p>Dissenting opinions</p> <p>(1) Decisions of the Court shall be taken by a majority of the panel, in accordance with the Statute.</p> <p>In case of equal votes the vote of the presiding judge shall prevail.</p> <p>(2) In exceptional circumstances any judge of the panel may express his dissenting opinion separately from the decision of the Court.</p>	<p><u>Article 51(2)</u></p> <p><i>CCBE comment: It is unclear why it is only in exceptional circumstances that a dissenting opinion may be given. Why should a dissenting Judge not always be entitled to say why they dissent?</i></p>

Conclusion

Having regard to the above, the CCBE is looking forward to receiving answers to the questions and the CCBE is pleased to elaborate on any aspect of the above.