

The European Patent Enters a New Phase

On May 21, 1969, an Inter-Governmental Conference to Establish a European System for the Grant of Patents took place in the building of the Council of the European Communities in Brussels. In addition to the representatives of the Commission of the European Communities, representatives of the Governments of the following 17 States participated: Austria, Belgium, Denmark, Federal Republic of Germany, France, Great Britain, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and Turkey. At that Conference the work on a European Patent was resumed with a different objective in mind than previously, and with a group of participants considerably larger than the group of the six Member States of the European Economic Community (EEC).

The second Inter-Governmental Conference to Establish a European System for the Grant of Patents was held January 13-16, 1970, in Luxembourg. The countries represented were the same as for the first Conference. Participants discussed the results of the work carried on since the first Conference and approved publication of the Draft of the Convention on a European System for the Grant of Patents.

Previous History

Between 1959 and 1962 a first Draft Convention for a European Patent Law was prepared within the framework of the six parties to the EEC (Belgium, Federal Republic of Germany, France, Italy, Luxembourg, the Netherlands). The subject of this Draft was a complete Patent Law applicable to the territory of the Member States of the EEC, and which was to exist alongside the national patent laws of the Member States. After its initial publication, the Draft was partly revised by the Committee of Experts charged with preparing the Convention. However, it then was not possible anymore to make this revised Draft available to the public.

Some of the essential features of the European granting procedure as originally envisioned were as follows:

- (1) A European patent application, whether or not it claimed the priority of a national application, would be filed in either German, French, or English with a newly created European Patent Office.
- (2) Deferred examination would be employed concerning the grant of patents.
- (3) The International Patent Bureau in The Hague (Institut International des Brevets, IIB) would prepare a report on the state of the art for each application filed.
- (4) Each European patent application would be laid open to public inspection 18 months after the priority date.
- (5) A provisional European patent would be granted after a formal check of the application.

- (6) The provisional European patent would be examined upon request according to a uniform substantive patent law.
- (7) The patent claims deemed to be patentable subsequent to examination, would be published.
- (8) A customary opposition procedure would follow publication of the examined claims.
- (9) Upon fulfilment of the requirements of substantive patent law, the provisional European patent would be confirmed as a final European patent.
- (10) The European patent would remain a single patent unit, i.e. it would not be possible, to split it up so that different parts of it would be owned by different persons.

Work on this European patent project was interrupted in 1964, mainly for political reasons which prevented agreement on whether or not States not parties to the EEC could become members of the Convention. Most of the difficulties were overcome in the autumn of 1968. The French Government, primarily at the request of French industry, submitted to the Council of the European Communities a new proposal. It would establish a European patent system applicable not only to the six Member States of the European Economic Community but also to a larger group of European countries.

In the spring of 1969, a Committee of Experts of the six Member States of the EEC under the Chairmanship of Kurt Haertel, President of the German Patent Office, drafted the basic principles according to which a European Patent Law could be achieved by concluding two conventions:

A. The First Convention, to which States not party to the EEC could belong, would provide for the grant of a European patent by a European Patent Office on the basis of a uniform substantive law on patents for invention. After grant, this European patent would result in a number of different national patents.

B. A Second Convention to be concluded exclusively among the six Member States of the EEC would, with respect to the territory of the Common Market, prevent such splitting up into national patents and would regulate the continued existence of the European patent as a single patent unit after its grant in the individual States parties to the EEC (Community patent).

On March 3, 1969, the Council of the European Communities approved these principles which were put forth in a Memorandum. Subsequently, Mr. Thorn, Luxembourg Foreign Minister and then Chairman of the Council, invited several European States, including non-Member Countries of the EEC, to participate in an Inter-Governmental Conference in Brussels to establish the European System for the Grant of Patents. The Memorandum provided the basis for discussion and was transmitted to the invited States. Its text is annexed to this report.

Brussels Inter-Governmental Conference

The Conference was opened on May 21, 1969, by the Luxembourg Ambassador, Mr. Borschette, then Chairman of the Committee of Permanent Representatives of the European Communities. In his welcoming speech, addressed mainly to the representatives of the numerous non-Member States of the EEC, he expressed the desire for a rapid and successful conclusion of the negotiations. On behalf of the States not parties to the EEC, the Danish Ambassador and the Head of the Swiss Delegation expressed gratitude at being invited to participate in this Conference, the importance of which for the industries of all European States was well known.

Kurt Haertel, President of the German Patent Office, was unanimously elected Chairman of the Conference.

Elected as Vice-Chairmen were: Gordon V. Grant, then Comptroller General of the English Patent Office; François Savignon, Director of the French Patent Office; and Antonio Fernández-Mazarambroz, Director of the Spanish Patent Office.

The broad outlines of the above-mentioned Memorandum were discussed and adopted unanimously as the basis for future work. At the request of several delegations it was decided to examine the introduction of deferred examination more closely at a later time. Similarly, it was agreed to later examine whether it would be desirable to have the opposition procedure occur before the grant of the patent, pursuant to Continental procedures.

The Conference admitted the following international organisations to participate as observers in its sessions: BIRPI (Geneva); Council of Europe (Strasbourg); Commission of the European Communities (Brussels); and the International Patent Institute (The Hague).

Recognising that it would not be able to prepare the First Convention successfully and rapidly within the larger group of 17 States, the Inter-Governmental Conference decided to set up working groups each consisting of a limited number of participants.

The Conference fully recognised the importance of a close cooperation with European industry and European patent agents, who are greatly interested in the establishment of a European Patent Law. Therefore, it was agreed that the international private organisations concerned should be kept informed of the progress of the work, and they would be given the possibility of expressing their opinions in writing and also of participating in meetings.

English, French and German were designated as the working languages, and all documents will be published in these languages.

Activities of the Working Group

The First Working Group set up by the Conference deals with substantive patent law and the patent granting procedure. Similar to a working group established within the framework of the Committee of Experts on Patents of the Council of Europe, this particular Working Group is limited to the following 6 States: Federal Republic of Germany, France, Great Britain, the Netherlands, Sweden, and Switzerland.

At three meetings in Luxembourg in July, October, and November, 1969, this Working Group prepared in exemplary cooperation, proposals for the Convention on a European

System for the grant of Patents. These Proposals, drawn up in the form of Articles, deal with the entire substantive patent law and the patent granting procedure.

Structure of the European System for the Grant of Patents

Current comments on the annexed Memorandum seem to substantiate that, in principle, the course taken is the right one. Interested parties desire the possibility of obtaining a patent which is effective in the greatest possible number of European States. The smaller European States would prefer the system as provided in the Plan for a Patent Cooperation Treaty of explicitly designating those States in which protection by a European patent is sought. They fear that otherwise they would be swamped with patents of foreign origin.

A large part of future discussions will deal with the details of deferred examination. Of primary importance will be a compromise between the legitimate interest by possible rivals of the applicant in having the legal situation of patent applications clarified rapidly, and the practical approach of having the future European Patent Office proceed with immediate examination of important applications, thus delaying or waiving a clarification of the legal situation of applications without economic value.

The most significant question concerning non-Member States will be that of "accessibility". The 1962 Draft did not clarify the issue whether nationals of States not party to the Convention should have access to the European patent. In the light of the statements made under II.3 of the annexed Memorandum, nationals of non-Member States will have access to the European patent system on the condition that the national laws of such States do not discriminate between applications claiming priorities of States party to the Convention and applications filed by their own nationals. Accordingly, it would be up to the non-Member States concerned to make it possible for their nationals to obtain European patents.

The European Patent Within the Framework of the European Economic Community

As may be seen from item 1.2 of the annexed Memorandum, the Member States of the European Economic Community envision defining a uniform legal system applicable to the European patent with respect to their territory. In doing so, they desire only to achieve the objective of the 1962 Draft, i.e. to create a unitary and autonomous patent which will not only be granted on a uniform level but will also be treated according to uniform principles with respect to its interpretation and validity.

At the request of the Permanent Representatives of the States of the European Economic Community, the Committee of Experts of the six States of the Common Market has resumed its work under the chairmanship of Kurt Haertel. At two meetings in October and December, 1969, this Committee established proposals in the form of articles providing for uniform treatment of the European patent as a so-called "Community patent" with respect to the territory of the Common Market. This Community Patent would prevent the splitting up of the market within the EEC. A transitional regulation would take into consideration the time required for all effects of the Common Market to become fully established.

The proposals prepared by the Committee of Experts have been transmitted to the Permanent Representatives.

The progress made in this field suggests that a Convention on a Community Patent (referred to earlier as the Second Convention) should be established simultaneously with a Convention for a European System for the Grant of Patents. Since the regulations concerning the Community Patent will be based on the grant of a European patent, it seems impossible that the projected Convention on a Community Patent would be concluded prior to the Convention on a European System for the Grant of Patents.

Luxembourg Inter-Governmental Conference

At the Luxembourg Inter-Governmental Conference January 13-16, 1970, the suggestions prepared by Working Group I for substantive patent law and procedure were discussed by the representatives of those countries that also participated in the Brussels Conference. The second Inter-Governmental Conference unanimously approved the proposed Articles and recommended their publication as a Draft Convention, even though some of the provisions are incomplete. The Articles conform closely to the recommendations contained in the annexed Memorandum.

At the Conference there was considerable discussion on the question whether a nullity suit against a European Patent, when carried out separately in each of the countries, would proceed in accordance with national criteria, or whether European patents in principle could only be invalidated if the European prerequisites of patentability were not met. This problem will be examined in detail at a later date.

A very flexible solution was suggested concerning the details of Deferred Examination. The Draft calls for an Administrative Council consisting of representatives from the Member States. This Council would have the power to alter the deadline date provided for in the Convention prior to which a request for examination may be filed, or even to completely strike that date in order to change the system to one of immediate examination. No final agreement could be reached concerning the length of the period during which a request for examination may be filed. The text of the Draft Convention indicates that deadlines of seven, five, and two years are still up for discussion.

The recommendations of the Memorandum and the proposals contained in the Draft Convention, differ only in the details of the opposition procedure. Instead of an opposition customary in continental Europe occurring prior to patent grant, a post-grant opposition procedure is recommended. Opposition may be filed within twelve months following grant of a European patent. Two factors were important in considering the change to the post-grant procedure:

Several states considered it important to be able to request applicants to submit a translation of the European patent application in their official language at an early date. This, of course, involves considerable costs for the applicant. Furthermore, especially in connection with the preparation and publication of translations in the various official languages, a considerable amount of time is lost for the applicant until final protection of the invention is assured in the different states.

The Conference formed several additional Working Groups, which will consider the final sections of the Draft Convention, the institutional questions, the regulations governing personnel, and the financial basis of the European patent system.

Future Developments

A subsequent Inter-Governmental Conference is scheduled for the latter half of April this year in Luxembourg. At that time the basic features of the Draft of the First Convention Establishing a European Patent, will be discussed with those parties especially interested in formation of a European Patent Law. Thereupon the Working Groups will complete the presently missing provisions of the Draft Convention.

Since the procedural rules connected with a European patent are closely related to those of the Patent Cooperation Treaty (PCT), it will not be possible to establish these rules prior to the Diplomatic PCT Conference, which is scheduled for May/June of this year in Washington, D.C.

Finally, the Draft of the Second Convention, the Convention Establishing a Community Patent Within the Common Market, was approved the end of January, 1970, by the Permanent Representatives of the States of the EEC and released for publication. This Draft will soon be published and will be discussed with interested parties in the course of this spring.

Memorandum on the Setting up of a European System for the Grant of Patents

I. INTRODUCTION

1. With a view to strengthening international co-operation in the field of patent law, the six Member States of the European Economic Community have studied the possibility of setting up an international system for the grant of patents. They based their work in particular on the Draft Convention relating to a European Patent Law, which they had prepared in 1962 (Brussels Draft) and on the Council of Europe's Convention on the unification of certain points of substantive law on Patents for Invention, of 27 November, 1963. They also took into consideration the draft Treaty for international co-operation in the field of patents (PCT), published in July, 1968, by the United International Bureaux for the Protection of Intellectual Property (BIRPI).

2. The Member States of the E.E.C. wish to set up an international system for the grant of patents in which, in addition to the Member States of the E.E.C., other interested European States would take part.

All the rules of law and procedure required for the grant of patents would appear in a Convention (hereinafter referred to as the "Convention") to be concluded by all these States.

This international system for the grant of patents would lead, by a single act, to be performed by an international body, the European Patent Office, to the grant of a European Patent.

As from its granting, this European patent would give rise to a bundle of national patents, the effects of which would be governed by the respective national law of each of the States parties to the Convention.

However, the Member States of the E.E.C. inform the other European countries that they envisage defining, by means of an act to be concluded between the Member States of the E.E.C., a uniform legal system applicable to the European patent in respect of the territory of the E.E.C.

3. The general outlines of the European System for the Grant of Patents as envisaged by the Member States of the E.E.C. are set out below.

II. Principles of the international system for the grant of patents

1. Rules of law concerning patentability

The grant of a European patent by the European Patent Office, following an international procedure, would seem to be possible only if the rules of law concerning patentability are also made the subject of international regulation.

Consequently, the proposed Convention must of necessity include provisions of this nature. They would be based on the corresponding provisions of the Brussels Draft and on the Council of Europe's Convention on the unification of certain points of substantive law on Patents for Invention, of 27 November, 1963.

2. International procedure

a) The Member States of the E.E.C. consider that the European patent which would be granted by the European Patent Office should be a legal title ensuring for its owner a maximum guarantee of juridical security, which also results in an unambiguous situation for competitors. Such a guarantee can only be offered by a patent obtained after the competent authority has examined whether the conditions of patentability are met, and not by a patent granted without examination of these conditions. It is, therefore, proposed that the European Patent Office should only grant a European patent after checking to see whether the four following basic conditions are met: patentable subject-matter, novelty, inventive step and industrial application.

b) As regards the system of examination, the Member States of the E.E.C. have a distinct preference for a system of deferred examination, i.e. one in which the examination is not made automatically on the filing of the patent application, but only at the request of the applicant or of a third party who may intervene during a given period of time. This system allows the applicant for a patent a period of reflection during which he can evaluate the possibilities of exploiting his invention and, depending on the latter, either introduce a request for examination, or withdraw. Such a system would in practice lead to a decrease in the number of examinations and, as a result, to a smaller workload for the European Patent Office than would result from a system of prior examination.

Nevertheless, the Member States of the E.E.C. consider that, in order not to prolong the juridical insecurity, the projected system of deferred examination should approximate to the system of prior examination. To this end, it would in particular be provided that the applicant for a European patent, or a third party, could introduce a request for examination as from the filing of the patent application and not at the end of a period subsequent to the filing of the application as was provided, for example, in the Brussels Draft. In this way, the advantages of the two systems could be combined.

c) As for the details of the procedure involved in the international system for the grant of patents, the Member States of the E.E.C. consider that these could be established as follows:

aa) The applicant for a European patent would not be compelled to apply for protection in respect of all the States parties to the Convention. He would, on the contrary, be granted a right of option enabling him to select, from among these States, those in which he desires protection. Nevertheless, it follows from the intention of the six Member States of the E.E.C. set out in the last sub-paragraph of paragraph 2 on page 2 above, that they could only be designated jointly, since they intend to create, with uniform effects for themselves, a unitary patent for the whole of their territories.

bb) All applications for a European patent would be made to the European Patent Office and would be the subject of a report on the state of the art, to be prepared by the International

Patent Institute at The Hague.

cc) Applications for a European patent, accompanied by the above-mentioned report, would be made public by the European Patent Office at the end of a period of 18 months as from the date of the application or from the priority date relating to a previous application made to a national office.

As from the date of this publication, the applicant would benefit from some protection in respect of the invention thus published; the nature and scope of this protection would have to be specified.

If the international system for the grant of patents were organised in this way, the granting of a provisional European patent without examination, as provided for in the Brussels Draft, would no longer be necessary, in view of the provisional protection resulting from the publication of the application.

dd) Independent of the date the publication referred to under cc), examination of an application for a European patent would commence on the submission of a request for examination, subject to the report having been prepared. As indicated above, under b), the request for examination could be submitted on the filing of the application.

In addition, the Convention would lay down a period on the expiry of which the patent application would be regarded as being withdrawn, in the absence of a request for examination during this period.

ee) After an application for a European patent had been examined from the point of view, in particular, of patentable subject-matter, novelty, inventive step and industrial application, the claims which define the scope of the protection would be published as adopted by the European Patent Office subsequent to the examination. The object of this publication would be to give third parties, i.e. competitors, the opportunity to enter an opposition to the proposed grant of the patent within a period of three months, by allowing them to object. By entering an opposition, the third party would become an intervening party in the procedure before the European Patent Office.

ff) If no opposition is entered against the published claims, or if the opposition is disallowed as unfounded, the European Patent Office would grant the patent with effect in the States designated by the applicant.

3. Accessibility

The Member States of the E.E.C. envisage that it should be laid down in the Convention, in harmony with the rules of Article 2 of the Paris Convention, that the European patent will be accessible to nationals of States not parties to the Convention on condition that such States grant nationals of the States parties the same protection as that which they grant their own nationals for the purpose of obtaining national patents. Appreciation of this condition will fall, in the framework of a judicial review, to the bodies called upon to decide disputes, in accordance with the procedures to be laid down in the Convention.

4. Consideration of the PCT plan

In the opinion of the Member States of the E.E.C., the proposed system for the grant of a European patent is compatible with the PCT plan published in 1968 by the BIRPI, of which, moreover, it constitutes an important extension, since it would give greater advantages to the applicants, i.e. mainly to industry. It would be understood that the European Patent Office would retain complete freedom in its appreciation of the report on the state of the art and the report on patentability established by the competent international bodies pursuant to the PCT plan.

In addition, it would also be necessary to arrange on one hand that the provisions of the two instruments relating to the filing of applications would be harmonised and, on the other hand, that access to the European patent would be possible even by introducing an application in accordance with the PCT plan.

5. Effects and validity of the European patent in the States parties to the Convention, other than the Member States of the E.E.C.

Without prejudice, as regards the Member States of the E.E.C., to what appears in the last sub-paragraph of part I,2 above,

a) the European patent would produce its effects automatically, subject to what appears below under b), as from the date of grant, in the States parties to the Convention other than the Member States of the E.E.C., without any additional intervention on the part of their national administrative authorities;

b) as regards the validity of a European patent when granted, this could only be contested before the national authorities competent to decide on the validity of national patents granted by the national authorities;

6. Powers of the institutions which would have to be provided for in the Convention

a) European Patent Office

As already explained above, European patents would be granted by the European Patent Office.

The staff of the Office would be selected from among nationals of the States parties to the Convention.

The European Patent Office would be organised on two levels, the first consisting of the examining sections and divisions and the second of the boards of appeal. The latter would need to be organised on the lines of a tribunal. Their members could not be bound by any instructions and would benefit from irremovability for several years.

As regards financing, the aim would be that, at the end of an initial period, receipt from the fees charged would balance the expenses of the European Patent Office. During this initial period, the Office would have a supplementary source of finance in contributions from the States parties to the Convention, fixed in accordance with a scale to be determined.

b) Board of Administration

The Member States of the E.E.C. consider that an intergovernmental Board of Administration should be set up, in which the States parties to the Convention would be represented on an equal basis. The principal tasks of the Board of Administration would be:

- laying down the service regulations for the staff of the European Patent Office,
- the appointment of the senior officials of the Office,
- the adoption of the Office's budget,
- administrative and financial control of the Office.

c) Court of Justice

The problem arises of whether it would be necessary to set up a Court of Justice or whether the types of dispute to which the implementation of the Convention could lead might be settled by other legal means.

7. Implementing regulation for the Convention and regulation on fees

Putting the Convention into operation implies the establishment of an implementing regulation for it, and of a regulation on fees. These two regulations would have to come into force at the same time as the Convention, since they lay down rights and obligations of applicants.