



## **IP Federation comments on other appropriate qualifications under Article 48(2) UPCA**

### ***Introduction***

The Federation represents IP intensive companies in the United Kingdom - a list of members is attached. Our member companies are extensively involved with IP in Europe and internationally. Not only do our companies own considerable numbers of IP rights, both in Europe and elsewhere, but they are affected by the activities and IP rights of competitors. They may be either plaintiffs or defendants in IP related court actions, here and elsewhere.

### ***The consultation***

On 13 June 2014, the Preparatory Committee launched a [consultation](#) on proposals for the European Patent Litigation Certificate (EPLC). The Committee are seeking views on this proposal which sets out the rules under which European Patent Attorneys will be qualified to represent parties before the Unified Patent Court (UPC). The consultation will close on Friday 25 July 2014.

The IP Federation asks the Preparatory Committee to consider and adopt the following comments on the draft rules concerning representation under Article 48(2) of the Unified Patent Court Agreement (UPCA). The Federation is pleased to have the opportunity to comment, as adequate representation is a fundamental need of all users before any court, and an important factor in choosing whether to use any litigation forum.

### ***Background***

Provisions for representation have real practical consequences for industry. Ready availability of representation promotes access to justice. Choice of representation ensures competition amongst legal service providers, providing industry with more cost-effective services and, indirectly, allowing more rights issues to be pursued. Whilst the creation of the UPC is driven partly by the desire for a more level playing field for SMEs, it should be remembered that larger industry players also have small- and medium-sized rights issues. Today some rights violations are not pursued before the national courts, partly because the cost of local representation is not justified against the smaller scale of the issue.

At the same time, representation needs to be competent in order to protect the public interest.

The current wide-scale adoption of the European patent route by industry can, in part, also be attributed to access to cost-effective, competent representation before the EPO. Many industrial companies (both inside and

outside the IP Federation) have in-house patent groups staffed by European Patent Attorneys having direct representation rights before the EPO. This has allowed industry to represent itself very cost-effectively in a wide range of matters before the EPO, and further increases competitive forces in the wider market for legal services. It also allows industry to maintain greater continuity in its representation, which brings cost and consistency benefits of its own.

### ***Industry's needs for representation before the UPC***

The usability of the UPC for industry will be promoted by a system for representation which:

- is readily available at the start-up of the system;
- provides industry with choice and competition in legal services;
- has controls over competency which are rigorous but also consistent, with regard to the level of competency required, and the treatment of legal professionals from different disciplines and backgrounds;
- provides a clear, obtainable pathway to qualification as a representative; and
- enables industry to maximise continuity in its representation on European patent matters if it chooses.

The IP Federation comments on each of these aspects below.

### ***Availability, and Choice and Competition***

Article 48 provides for two sources of representation. However, self-evidently the EPLC does not currently exist, and may not exist for a long time. Thus, the initial pool of representatives will arise from the 'grandfathering' provision of Article 48(1) for national lawyers, and the 'grandfathering' provision of the proposed rules (Part II) for other appropriate qualifications under Article 48(2).

In principle, the IP Federation welcomes the early release of rules for other appropriate qualifications. Such rules can only increase the pool of representatives available to industry from start-up of the system. Similar 'grandfathering' provisions were needed at the beginning of the EPC for representation before the EPO, and enabled that system to function effectively while a dedicated qualification course was established. The Committee has been welcomingly proactive in this respect.

However, the range of other appropriate qualifications to be recognised will have a large impact on availability in practice, and hence on the level of choice and competition between legal service providers. As explained below, the draft rules largely adopt academic rather than professional or legal practice qualifications as the selection criteria. This will have the (probably unintended) result of excluding some existing national patent court representatives from the available pool. Availability, choice and competition would further improve if the rules were amended to include those national patent court representatives. This is considered in the next section.

### ***Competency and Consistency***

The Federation firstly notes that no separate legal qualification is required for national lawyers to practice before the UPC under Article 48(1). Thus,

Article 48(1) is itself a grandfathering provision, based on the principle of 'deemed competency' - having the right to act before a national court is considered sufficient assurance to grant a corresponding right before the UPC.

European Patent Attorneys are not afforded the same automatic right under Article 48(2) and are required to supplement their qualification. However, some European Patent Attorneys have already supplemented their EPA qualification, by gaining national rights to act before their own national courts on patent matters. These rights are granted by an assessment of competence, result in practice certificates recognised by the courts, and give representation rights that are equal or greater than the rights of national lawyers operating in the same courts.

As presently drafted, the rules do not include such European Patent Attorneys as one category having appropriate other qualifications. Such people should be included, for consistency with the principle of 'deemed competency', and to increase the availability and choice of representatives.

In particular, some European Patent Attorneys are also UK patent attorneys who have the right to act before one or more UK courts on patent matters. For consistency, these national rights should also be grandfathered across to the UPC.

Different tiers of litigation right exist for UK patent attorneys. Many UK patent attorneys have the right to act as representatives before the Intellectual Property Enterprise Court, which hears a variety of patent and other IP matters. A smaller number of UK patent attorneys have also obtained UK Patent Attorney Litigator rights after substantial study, giving them the same national rights as UK solicitors to conduct patent litigation before all the UK national courts, including the Supreme Court. Some of these patent attorney litigators have also gained higher courts advocacy certificates, giving them the same representation rights as UK solicitor advocates (and greater representation rights than UK solicitors, who will qualify automatically under Article 48(1)).

To not include national litigation rights in general as a sufficient additional qualification under Article 48(2) would deprive the UPC and its users of access to an existing pool of representatives having the necessary ability to act. Within this, to not include at least UK Patent Attorney Litigators and Advocates would be particularly disadvantageous for a unified patents court. These practitioners are already assessed as having the necessary competence before all levels of national court, and are equipped to act before the UPC in the same way as national lawyers. Not including them will also reduce the availability and choice of representatives for industry. Not treating patent professionals with national litigation rights in the same way as lawyers with equivalent (or lesser) national rights is neither justifiable nor ultimately helpful to the court.

This is especially the case since some UK Patent Attorney Litigators and Advocates work directly in or for industry, and as representatives could allow industry to pursue rights violations before the UPC with greater continuity and cost-effectiveness, much as their European Patent Attorneys achieve before the EPO today. Equally, recognising UK Patent Attorney Litigators and Advocates as having appropriate qualifications under Article

48(2) will provide at least one competency-assessed route to gaining UPC representation rights in the absence of the EPLC, so allowing the pool of representatives under Article 48(2) to increase in the early years whilst the EPLC is created.

Historically there have been several routes to qualifying as a UK Patent Attorney Litigator and Advocate, some of which have involved obtaining a law degree and/or attending a dedicated course at Nottingham Law School in the UK. In this respect, draft rule 11 and 12(1)(c) will read tangentially on to some, but not all, of those having these national court rights. Thus, we favour the addition of a permanent further category under rule 11, stipulating that -

the grant of litigation or, at the very least, the grant of advocacy rights on patent matters before a national court (or courts) of a Contracting Member State having jurisdiction over infringement and validity issues is an appropriate additional qualification under Article 48(2).

The wording should make it clear that the jurisdiction has to be over *infringement and validity issues*, and not over *infringement and/or validity issues*.

Under transitional rule 12, several courses are specified, in equivalent terms. Their adoption as transitional rules suggests they are each viewed as 'stand-ins' for the EPLC course until it is established. However, the specified courses are very different in their content, duration and outcome. The Nottingham Law School course is the current pathway to UK Patent Attorney Litigator rights, and requires substantial study and assessment. It is understood the other specified courses do not all provide a direct pathway to equivalent rights before other national courts, and are more cursory in their approach. Their inclusion suggests that the 'bar' in the transitional provisions of rule 12 is being set at a relatively low level for a short period, with a view to enabling a starting pool of representatives of sufficient size.

Whilst a sufficient-sized pool is helpful in principle, as explained above, it would be more in keeping with the balance of availability against deemed competency to populate that pool directly with European Patent Attorneys who are already deemed competent to act as representatives before their respective national court, since this is effectively the principle already being used under Article 48(1). If however courses that do *not* directly result in such national rights are retained as a transitional route to qualification under Article 48(2), they should be listed together with specification of the relevant competences and skills which they bring in order to be qualifying. Listing the courses intended for acceptance is a good thing for clarity.

### ***Clear, obtainable pathway***

The draft rules set out a pathway to the EPLC that is clear, but not currently obtainable. Until such time as provision for a course is made - and there is no guarantee of this - grandfathering in via draft rule 11 would be the only permanent way for European Patent Attorneys to gain representation rights. This emphasises the need to have other permanent route(s) recognised as leading to appropriate qualifications, such as gaining litigation or advocacy rights before a national court.

### ***Continuity in representation***

As explained, today many industrial companies employ European Patent Attorneys in-house, or have long-standing relations with outside firms of European Patent Attorneys. Continuity of representation brings efficiency and economy. Having to brief a new team of outside representatives unfamiliar with a company's business and technology is a costly, time-consuming exercise which may only be justified in major litigation.

If the UPC can enable continuity of representation for industry, it will stand more chance of being chosen as a litigation forum, in particular for the small- and medium-sized rights issues which today are not litigated nationally, usually due to prohibitive cost.

Continuity in representation would in general best be achieved by enabling European Patent Attorneys who today have the right to represent parties before national court(s) to likewise represent them before the UPC. Such a measure would of course be without prejudice to industry's right to appoint new (or different) representatives for EPO and UPC proceedings if it wished.

### ***Conclusion***

The members of the IP Federation ask the Preparatory Committee to consider and adopt the above comments on the draft rules concerning representation under Article 48(2). Adequate representation is a fundamental need of all users before any court, and an important factor in choosing whether to use any litigation forum.

In particular, we favour the addition of a permanent further category under rule 11, stipulating that the grant of litigation or, at the very least, the grant of advocacy rights on patent matters before a national court or courts of a Contracting Member State having jurisdiction over infringement and validity is an appropriate additional qualification under Article 48(2); and that the courses intended for acceptance under the transitional provisions of rule 12 should be listed, together with specification of the relevant competences and skills which they bring in order to be qualifying.

IP Federation  
24 July 2014



## **IP Federation members 2014**

The IP Federation represents the views of UK industry in both IPR policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed below. Its Council also includes representatives of the CBI, and its meetings are attended by IP specialists from three leading law firms. It is listed on the joint Transparency Register of the European Parliament and the Commission with identity No. 83549331760-12.

AGCO Ltd  
Airbus  
ARM Ltd  
AstraZeneca plc  
Babcock International Ltd  
BAE Systems plc  
BP p.l.c.  
British Telecommunications plc  
British-American Tobacco Co Ltd  
BTG plc  
Caterpillar U.K. Ltd  
Dyson Technology Ltd  
Element Six Ltd  
Eli Lilly & Co Ltd  
ExxonMobil Chemical Europe Inc.  
Ford of Europe  
Fujitsu Services Ltd  
GE Healthcare  
GKN plc  
GlaxoSmithKline plc  
Glory Global Solutions Ltd  
Hewlett-Packard Ltd  
IBM UK Ltd  
Infineum UK Ltd  
Johnson Matthey PLC  
Merck Sharp & Dohme Ltd  
Microsoft Limited  
Nokia UK Ltd  
Pfizer Ltd  
Philips Electronics UK Ltd  
Pilkington Group Ltd  
Procter & Gamble Ltd  
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