



# Newsletter Edition 1/2020

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The New Rules of Procedure of the Boards of Appeal of the European Patent Office

M I C H A L S K I



H Ü T T E R M A N N

P A T E N T A N W Ä L T E

# “Brexit” is coming on 31 January 2020 – what does this mean for industrial property protection?

Now that the “UK Withdrawal Bill,” which gives the UK’s approval to the withdrawal agreement between the EU and the United Kingdom, and according to which Great Britain’s departure is to take place on 31 January 2020, has successfully made it through the voting in Britain’s House of Commons,<sup>1</sup> and the necessary approval by the European Parliament is also in the offing, it is time to consider the effects of the withdrawal agreement on industrial property protection.

Strictly speaking, even the “UK Withdrawal Bill” and the withdrawal agreement are not the ultimate beginning of “Brexit,” since a transition period lasting until 31 December 2020<sup>2</sup> is all that has been agreed on for now. Within this period, a final settlement is to be reached in the form of a trade agreement between the EU and Great Britain.

The good news for holders of EU industrial property rights, however, is that Article 127 of the withdrawal agreement provides that their rights will continue unchanged, even in Great Britain, until the end of this transition period.

The other good news is that protection for the UK will still exist even after the end of the transition period, with EU intellectual property rights converting into British intellectual property rights under Article 54 of the withdrawal agreement. This applies to all EU trademarks, designs, plant varieties, and geographical indications<sup>3</sup> registered in Europe before the end of the transition period. This conversion will take place automatically and at no cost unless a holder of a corresponding intellectual property right objects to the conversion by means of an “opt-out.” The British patent office has already published relevant information with regard to the planned procedures up to and including what registration numbers the new property rights will receive.<sup>4</sup>

The provisions are generous with regard to the requirement for use of converted EU trademarks in Great Britain. It will not be possible to base a cancellation on non-use in the UK prior to the end of the transition period. This provision is largely construed such that the five-year grace period for use only begins at the end of the transition period.

Corresponding automatic mechanisms for conversion are lacking for applications for trademark, design, and plant variety rights that are pending at the end of the transition period and have not yet resulted in registration. However, the plan here is to grant holders the opportunity to apply for conversion within a period of nine months after the transition period while preserving the priority date.<sup>5</sup>

<sup>1</sup> See <https://services.parliament.uk/bills/2019-20/europeanunionwithdrawalagreement.html> for the latest status

<sup>2</sup> Art. 126 of the withdrawal agreement

<sup>3</sup> Note: Some special provisions apply to geographical indications, but these are not discussed in detail.

<sup>4</sup> <https://www.gov.uk/guidance/changes-to-eu-and-international-designs-and-trade-mark-protection-after-brexit> and <https://www.gov.uk/guidance/changes-to-trade-mark-law-after-brexit>. Note: These pages were originally meant for a “no-deal Brexit,” which in all probability is now unlikely to take place, so some statements, for instance that EU intellectual property rights will no longer be valid in the UK after Brexit, are no longer true.

<sup>5</sup> Note.: The UKIPO web site mentions nine months after Brexit, but this would still fall within the transition period. Very likely the final withdrawal is meant, which is to say when the transition period has ended.



## In Our Own Affairs

As of 1 January 2020, our firm has added Wasilis Koukounis as a partner.

Dipl.-Ing. Wasilis Koukounis M.Sc., LL.M. studied mechanical engineering as well as sales engineering and product management at Ruhr-Universität Bochum. He also completed the Master's program in industrial property law at Heinrich Heine University Düsseldorf. After passing the patent attorney examination, he first worked as an in-house patent attorney in the industrial patent department of a DAX-listed company before joining our firm. He is known to a wide audience from his columns in VDI nachrichten.

Serious changes will ensue for representation. After the end of the transition period, British lawyers and patent attorneys will no longer be considered authorized representatives before the EUIPO, and the UK will be considered a non-EC/non-EEA country.

EUIPO has announced that in the case of proceedings in which British representatives are involved as necessary domestic representatives for non-EU/EEA applicants, notices will be sent out to designate a new representative. EUIPO has likewise announced that it will no longer effect service to the UK, and will close current accounts and electronic access systems of British representatives. Applicants and owners domiciled in the EU/EEA who previously had been represented by a British representative will then be contacted directly by the EUIPO – insofar as the EUIPO is able to identify a communication option – without involving the British representative, which will have consequences such as triggering time limits that must be observed on one's own responsibility without the aid of counsel.

*What do owners of EU intellectual property rights need to do now with regard to the UK?*

With regard to intellectual property rights themselves, there is no need for action for the time being, since they will continue to be valid until the end of the transition period. Only after that will it be necessary to extend their documentation with the newly created British intellectual property rights.

But since applications for cancellation of then-British trademarks (with EU origin) due to non-use in the UK are fundamentally possible after the end of the transition period, owners should consider establishing use in the UK in the interim.

If EU intellectual property rights are represented by British representatives, now may already be the time to consider which European representatives should take their place after the transition period.

## In Our Own Affairs

We would like to give advance notice of this year's patent seminar, which will take place on Thursday, 23 April 2020 at the Industrie-Club Düsseldorf. As every year, our seminar is free of charge. We will send out invitations with the specific program well in advance. If you would like to be included on the distribution list for invitations or if you already know that you would like to participate in the seminar, please send us an e-mail with your postal address to: [seminar@mhpatent.de](mailto:seminar@mhpatent.de).

# The New Rules of Procedure of the Boards of Appeal of the European Patent Office

With the start of the new decade, new Rules of Procedure of the Boards of Appeal (RPBA) have come into force at the European Patent Office. These Rules of Procedure apply for all pending and future appeal proceedings; there are de facto no transitional provisions. The declared goal of the EPO was to increase efficiency in the appeals process and at the same time to improve consistency in the form of a "more transparent and harmonized" appeals process. The new Rules of Procedure ostensibly are essentially a codification of the case law already in existence.

Two new points found in Art. 12 of the Rules of Procedure differ from previous practice, however, and could well have significant effects on both appeals and proceedings at first instance. For the reasons explained below, it is advisable to review pending opposition and appeal proceedings to determine whether submissions are necessary in view of the new Rules of Procedure:

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<sup>6</sup> Available on the EPO website, or directly at: [http://documents.epo.org/projects/babylon/eponet.nsf/0/E4000AA7677433BFC125842D002C1078/\\$File/RPBA\\_2020\\_communication\\_en.pdf](http://documents.epo.org/projects/babylon/eponet.nsf/0/E4000AA7677433BFC125842D002C1078/$File/RPBA_2020_communication_en.pdf)

<sup>7</sup> Art. 25 merely rules out a retroactive effect for the case that a statement of grounds of appeal or a reply had already been filed before 1/1/2020 or that a summons to oral proceedings was already issued before 1/1/2020



1. Paragraph 1(a) of the new Art. 12 defines what the EPO transfers into the Board's file from the first instance as part of the appeal proceedings, namely only the decision under appeal, including the minutes of oral proceedings. This means that all other submissions from the first instance, or everything that was discussed in the oral proceedings but was not recorded in the minutes, does not inherently become part of the appeal proceedings.
2. It is a direct consequence of the above that it is no longer the task of the Boards of Appeal to consider which submissions from the first instance are relevant to the appeal proceedings, and to what extent. Instead, according to Paragraph 2 of the new Art. 12, it is the task of the parties to submit everything that they had already submitted in the first instance and that is still relevant with regard to the review of the decision of the first instance. In so doing, it is not necessary<sup>8</sup>, to resubmit annexes that are already in the record from the first instance. In other words, the EPO will transfer documents into the Board's file from the first instance if the parties explicitly address these documents in the statement of grounds of appeal or in the reply thereto.

The previous practice of the Boards of Appeal is already consistent with the guideline in Paragraph 4 of the new Art. 12 that admission of amendments to the submissions from the first instance is subject to the discretion of the Board of Appeal. Within the framework of the new Rules of Procedure, however, one consequence is that it is the responsibility of the parties to demonstrate in their statement of grounds of appeal or in their reply that their submission was already a) admissibly raised and b) maintained in the proceedings in the first instance<sup>9</sup>. On the other hand, it is likewise the responsibility of the parties to *"clearly identify each amendment and provide reasons"*<sup>10</sup> why amendment to their first instance submission is necessary.

The previous practice of the Boards of Appeal is also consistent with the obligation of parties to provide reasons for any amendment in the submission that takes place in the appeal proceedings after filing of the statement of grounds of appeal or the reply<sup>11</sup>. The admission of such amendments still remains at the discretion of the Board. As before, very late submission in the appeal will only be taken into account in exceptional cases<sup>12</sup>.

It can be assumed that the admissibility of purportedly or actually new submissions will frequently take up a not inconsiderable part of the oral proceedings before the Board of Appeal. On the other hand, the risk exists that any change in the reasoning as compared to the first instance will be substantiated by way of precaution in order to take the formal wind out of the opposing party's sails in advance. Finesse and experience on the part of the representative are necessary here in order to keep from unduly bloating the briefs with formal matters.

A potentially serious risk for parties ultimately results from their responsibility to demonstrate that they had made their submission admissibly in the first instance. "Admissibly" here means a) adequately substantiated and b) submitted in a timely manner. Because the minutes of the opposition divisions cannot by their nature record every marginal aspect, and in practice are often appallingly terse, an expansion of the material submitted in writing in the first instance remains as a not very satisfying solution. At the earliest possible point in the proceedings, everything in the way of lines of attack, auxiliary requests, documents, and arguments that might yet become relevant in the proceedings should be filed proactively. In inter partes proceedings, this begins as early as the grounds for opposition and ends on the day before the oral proceedings. As before, the members of the Boards of Appeal recommend paying attention to adequate substantiation.

<sup>8</sup> See Art. 12, Paragraph 3, RPBA 2020

<sup>9</sup> See Art. 12, Paragraph 4, sentence 1, RPBA 2020

<sup>10</sup> See Art. 12, Paragraph 4, sentence 2, RPBA 2020

<sup>11</sup> See Art. 13, Paragraph 1, sentences 1 to 3, RPBA 2020

<sup>12</sup> See Art. 13, Paragraph 2, RPBA 2020

## In Our Own Affairs

Our firm has been rated a top law firm – "TOP KANZLEI 2019" – in the area of patent law in WirtschaftsWoche magazine's latest ranking. Dr. Dirk Schulz was recommended as one of the best attorneys in the magazine's "TOP Anwalt 2019" list.

In addition, the current JUVE Handbook, "German Commercial Law Firms," has named our patent law firm one of the largest and best positioned prosecution entities in western Germany. The accolade cites the broad technical range of our firm, making particular note of the areas of chemistry, biotech, automotive and software. It also notes that our special position in the region has been strengthened by our relatively recent branch in Essen. Mention is also made of the significant prosecution work performed by our Düsseldorf office, noting that our biotech team is very active in CRISPR oppositions, but also that we prosecute oppositions intensively across all technical fields. In infringement and nullity suits, special acknowledgement was given to our software and electronic team. Named as frequently recommended patent attorneys are Dr. Stefan Michalski, Dr. Aloys Hüttermann, Dr. Dirk Schulz, Guido Quiram, Dr. Uwe Albersmeyer and Dr. Ulrich Storz.

Dr. Aloys Hüttermann will give a presentation (in German) to the Central-East Regional Group of the GRUR (German Association for the Protection of Intellectual Property) in Dresden on 23 January 2020 on the topic: "The Dispute Over EPC Rule 28 – War of the Worlds at the European Patent Office?"

Lastly, it should not pass without mention that Art. 10 Paragraph 3 of RPBA facilitates the possibility of accelerating the proceedings for the parties as compared to the previous requirements. For example, if it is demonstrated to the Board that an infringement case is pending or that the interests of a potential licensee depend on the outcome of the appeal, the Board may accelerate the proceedings.



**Impressum:**

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