

**WIPO SUBSTANTIVE PATENT LAW TREATY – STRATEGIC AND POLICY
ISSUES**

1. INTERNATIONAL HARMONISATION OF SUBSTANTIVE PATENT LAW

UNICE has always supported attempts to harmonise patent law for the benefit of users of the patent system.

At this point in time, the WIPO negotiations on SPLT have reached a point at which it is necessary to make an assessment as to what extent the SPLT will meet the goals asked for by its users. The main points for such an assessment are whether the SPLT meets the objectives of cost-effectiveness, efficiency and legal certainty which are key issues for companies and particularly SMEs.

In principle, for these objectives to be met international harmonisation is not needed per se. While international harmonisation of substantive patent law may contribute to higher efficiency and lower costs, greater co-operation between NPOs, in addition to international harmonisation, will make it possible to rely on each other's search and examination results, so that a patent grant in one jurisdiction will lead to patent grants in other jurisdictions without further examination.

The crucial question, in this context, is whether certain ground rules of a patent law system can be defined so that mutual exploitation and, ultimately mutual recognition of search and even examination results of Patent Offices becomes a reality.

2. ESSENTIAL ASPECTS OF INTERNATIONAL HARMONISATION OF SUBSTANTIVE PATENT LAW.

UNICE considers that the following points are essential for any international harmonisation of substantive patent law.

A. TRULY INTERNATIONAL HARMONISATION

For UNICE, any international harmonisation of substantive patent law should be truly international. Europe should not participate in any international harmonisation that does not apply to all states and organisations that are PCT International Searching Authorities.

B. STRICTLY DEFINED PATENTABLE SUBJECT- MATTER

UNICE is fiercely against attempts to impose as the new world standard the norm that "everything under the sun made by man" (including non-technical business methods) should be patentable subject-matter. The claimed subject matter must have a technical character in that it provides a technical solution to an identified (or, at least, identifiable from the disclosure) problem.

UNICE wants to retain the "in any field of technology" and "industrial applicability" requirements, in accordance with the TRIPs standards. Exceptions from patentability should not go beyond Article 27TRIPs.

C. FIRST-TO-FILE AS A WORLDWIDE PRINCIPLE

The first-to-file principle is a crucial element of any international harmonisation of substantive patent law and UNICE would like to see some substantial progress made on it in the SPLT negotiations.

This includes prior user rights for anybody who has used or has made serious preparations for using a claimed invention prior to the priority date of that claimed invention, except if the (serious preparations for) use is (are) based on secret information originating from the patentee (or his predecessor in title).

D. TECHNICAL CONTRIBUTION AS A CONDITION FOR PATENT PROTECTION

In UNICE's view, a subject-matter should only be eligible for patent protection if a technical contribution is made over the prior art. Europe should not accept patents for business methods without this.

E. MANDATORY PUBLICATION OF THE PATENT APPLICATION AS SOON AS POSSIBLE AFTER 18 MONTHS FROM THE PRIORITY DATE

In the interest of legal certainty, submarine patents should be ruled out. Hence, all patent applications, or patents, should be made available to the public, as soon as possible after 18 months from the priority date.

F. GLOBAL NOVELTY AS A STANDARD

In line with the EPC (Art. 54), the SPLT must prescribe the **absolute novelty** requirement, which is of an objective nature. UNICE is strongly against any departure from the novelty requirement, as reflected in Art. 54 EPC.

UNICE is of the strong opinion that prior art should cover, 'information made available to the public in written form, by oral communication, by use or in any other way'.

An anti-self-collision provision is not desirable.

G. NARROWLY DELIMITED GRACE PERIOD

UNICE firmly believes that the introduction of a grace period is not desirable at European level for the reasons set out in Mr. Galama's expert opinion made at the request of the European Patent Organisation. Nevertheless, UNICE could accept a grace period only in the framework of an overall acceptable truly international harmonisation of substantive patent law based upon the first-to-file principle and meeting all the essential aspects set out here.

Such a grace period should only serve as a safety net for emergency situations. Therefore it should not be longer than 6 months prior to the priority date of a claimed invention. Only disclosures from or based on information from the applicant or his predecessor in title (including the inventor) can be excused. In the interest of legal certainty, with regard to all disclosures that the applicant knows or should know, the applicant should by written declaration invoke the grace period on filing the patent application and should provide all details of the disclosures that are to be excused. In addition the applicant should pay a fee to enjoy the benefit of the grace period.

The patent application should be made available with all the above details at the latest 18 months after the earliest disclosure that is to be excused or 3 months after the filing date, whichever expires last.

Prior user rights and intervening rights should not be affected. Proof of evidence should be with the applicant invoking the grace period.

H. GROUNDS FOR REFUSAL

Provisions, as the ones proposed in Art. 13(2) and 14(2) draft SPLT are strongly opposed by UNICE within the SPLT context and no deviation from the TRIPs agreement is desirable.

G. COMPULSORY LICENSES

UNICE is of the strong opinion that compulsory licenses should only be granted where they are necessary to alleviate defined circumstances and are likely to make a material contribution in doing so.

Issues of the proportionality between the problem and the remedy of compulsory licensing must be considered in relation to whether a compulsory license should be granted at all, whether it should be granted to the particular applicant, and the scope and duration of grant. That this is the case is apparent from Articles 31.1(a), (c) and (g) TRIPs.

3. ALTERNATIVE WAYS TO ACHIEVE HIGHER EFFICIENCY AND LOWER COSTS

Basic differences in existing national patent laws as well as issues of highly political content have obstructed any substantial progress on the SPLT, as has also become clear during the latest SPLT negotiations. Alternative routes such as recourse to another negotiating forum (OECD) or an SPLT of limited scope are being suggested.

In this context, UNICE is of the strong opinion that time is ripe to investigate alternative possibilities for achieving the goals of higher efficiency and lower costs.

In the PCT framework, there is already a complete common set of substantive requirements for patentability for the purpose of the PCT search and the PCT preliminary substantive examination resulting in a PCT international preliminary report on patentability. The only reason why the current PCT examination is "preliminary" is that, in the national phase, national law is applicable rather than the substantive requirements laid down in the PCT concerning requirements not relating to the form and/or the contents of the international application.

If the result of the current work within the PCT framework to achieve trust in each other's results is positive, the goals of higher efficiency and lower costs sought by international harmonisation of substantive patent law can also be obtained without such international harmonisation by the so-called "PCT patent".

This "PCT patent" would be based on an optional protocol to the PCT. The protocol would point out that, if the PCT international preliminary report on patentability is positive in all respects, WIPO shall grant a PCT patent with effect for all parties to the optional PCT protocol. However, if that report is not positive in all respects, the applicant cannot avail himself of the advantages of the protocol, and could seek national (or regional) patents in the PCT national phase on the basis of the existing PCT. This optional PCT protocol would be based on the general idea that its Contracting Parties accept PCT patents that meet the substantive requirements for patentability within the PCT framework alongside national (and/or regional) patents corresponding to the national substantive requirements for patentability.

In Europe, European patents meeting the EPC requirements exist alongside national patents that are subject to national requirements. In the future, alongside these national and European patents, there will be the possibility of Community patents subject to Community law. The proposal for an optional PCT protocol would just add a fourth possibility to enhance patent protection. Aspects not dealt with in the optional PCT protocol would be dealt with in accordance with the national laws of the Contracting Parties, just like in Europe, where the EPC only contains some provisions applicable to the granted European patent while, for the remainder, national law applies.