

5.1/10/1

COREPER

2 March 2004

THE SECRETARY GENERAL

Dear Ambassador,

UNICE appreciates the continuing efforts of the Irish presidency to find a solution for the issue of the legal effect of translations in the proposed Community Patent Regulation.

UNICE has very carefully studied the latest proposal which in essence contains a deletion of former Articles 24c and 24d and a shift of any consideration of linguistic differences to the court ("New concept article").

After careful consideration of the "New Concept Article" and the "New Recitals" we have to come to the conclusion, however, that the wording does not serve the needs of European industry and would create legal uncertainty in proceedings concerning the enforcement of a Community Patent. Furthermore, it would, similar to all the previous proposals, basically eliminate the unitary character of the Community Patent.

If the court were to be obliged, under any circumstances (regardless of whether an alleged infringer raises the issue), to take into account linguistic differences, this would make it impossible to enforce a patent via preliminary measures which might be necessary to prevent irreparable harm. In addition, it is unclear what "acting in good faith" and "in accordance with best business practice" would mean and this would open the door for lengthy disputes on these definitions while losing sight of the actual problem, namely the infringement of an intellectual property right.

With regard to the new recitals, we note that the right to use the invention for an alleged infringer (Recital 8c) should not trigger the principle of Community exhaustion, but we doubt whether such a position would be compatible with long-standing jurisprudence of the European Court of Justice. Moreover, it would put a severe and undue burden on the patentee to control the flow of goods from the alleged infringer. If the product is on the market in the territory of the EU, how can a patentee prevent the parallel import into another country of the EU if the parallel import is conducted not by the direct sale of the "entitled" infringer but by a customer of this entitled infringer in its home country? How could a patentee stop such a parallel import?

Taking into account the above, UNICE does not consider the latest compromise proposals acceptable.

However, the explanatory notes under the fourth bullet point contain a statement which could actually help remove a major part of the problem: it is said in the second-last sentence: "*This may mean that in cases of doubt or where significant investment is being contemplated, recourse has to be made to the original text of patents as granted*".

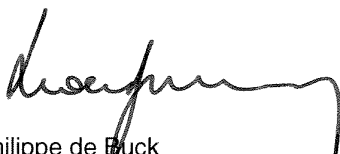
In other words, it is the opinion of the presidency that an infringer should make recourse to the patent in the language of grant if he has doubts – from there it is only a small step further to defining the text of the grant patent as the binding one. This would be exactly what industry requires, in order to achieve legal certainty and maintain the unitary character of the Community Patent.

Such a result could easily be achieved by using the wording of a proposal for an amendment to the Community Patent Regulation regarding the legal status of the translations of the patent claims presented by UNICE to the presidency. UNICE suggested that there should be one authentic text for legal proceedings and that should be the text of the language in which the patent was granted before the European Patent Office. The translated claims should be of informative nature but not legally binding and differences between the original and translated claims should have no legal effect.

We sincerely hope that the above remarks can constructively contribute to the efforts of the Irish presidency to find a solution that can correspond to the needs of the users of the patent system.

UNICE is willing to provide any additional information or explanation requested on its position.

Yours sincerely,



Philippe de Buck