

Stolmár & Partner

München Stuttgart Seoul

› Patent and Trademark Attorneys



Utility Models in Germany and Europe and their Strategic Use in Litigation

Dr. Matthias Stolmár

Patent Attorney (DE, CH) European Patent and Trademark Attorney

EURÓPAI IP KÉRDÉSEK: ÚJRATÖLTVE

MIE konferencia 2014. május 8-9. Herceghalom



Talk Outline

1. Introduction & Background
2. Utility Models – Where in Europe?
3. Pros and Cons of Utility Models
4. Different Types of Utility Models
5. Litigating Utility Models
6. Branched-Off Utility Models
7. Different Scenarios
8. Summary



Introduction & Background

Utility Models – Petty Patents – Short-Term Patents

Main Characteristics

- Unexamined intellectual property right
- Easy and quick registration
- Short life span
- Restricted protectable subject-matter



Utility Models – Where in Europe?

Utility model in

AT BG BE CZ DE

DK EE ES FI FR

GR HU IE IT NL

PL PT SL SK TR

Also: RU

No utility model in

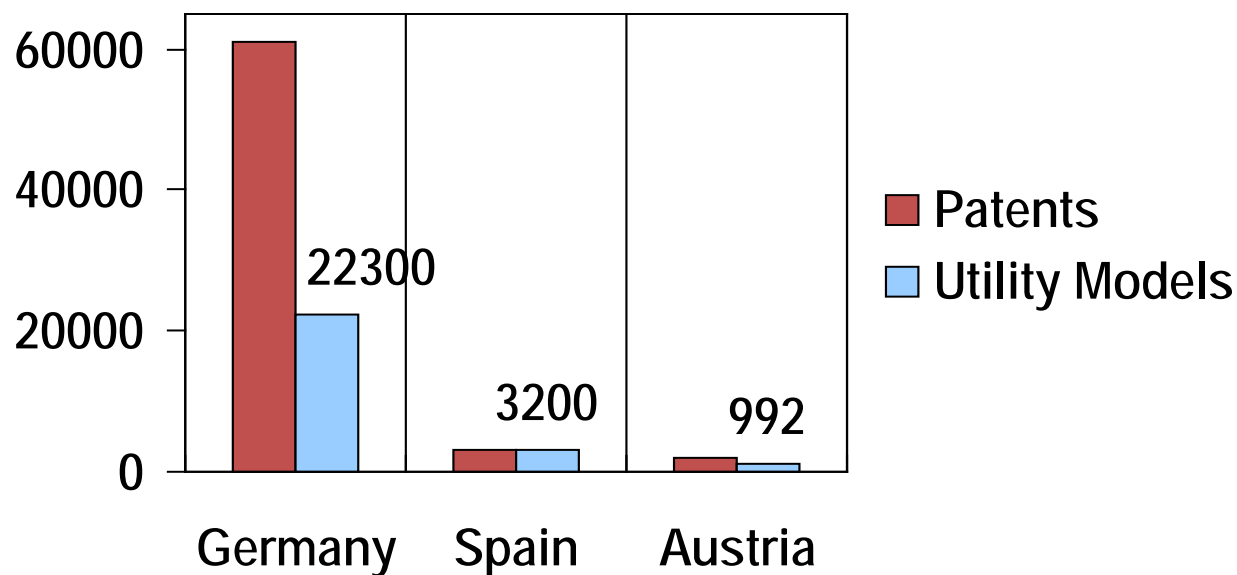
CH CY GB IS LI

LT LU MC RO SE

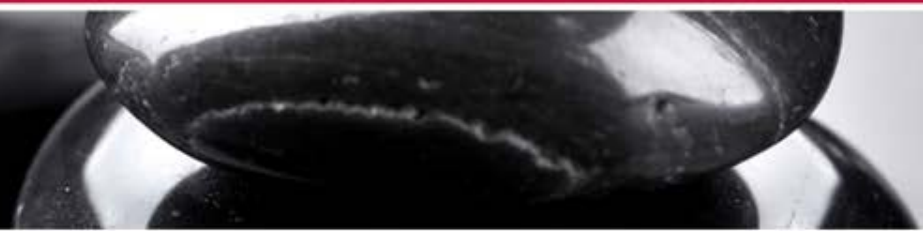
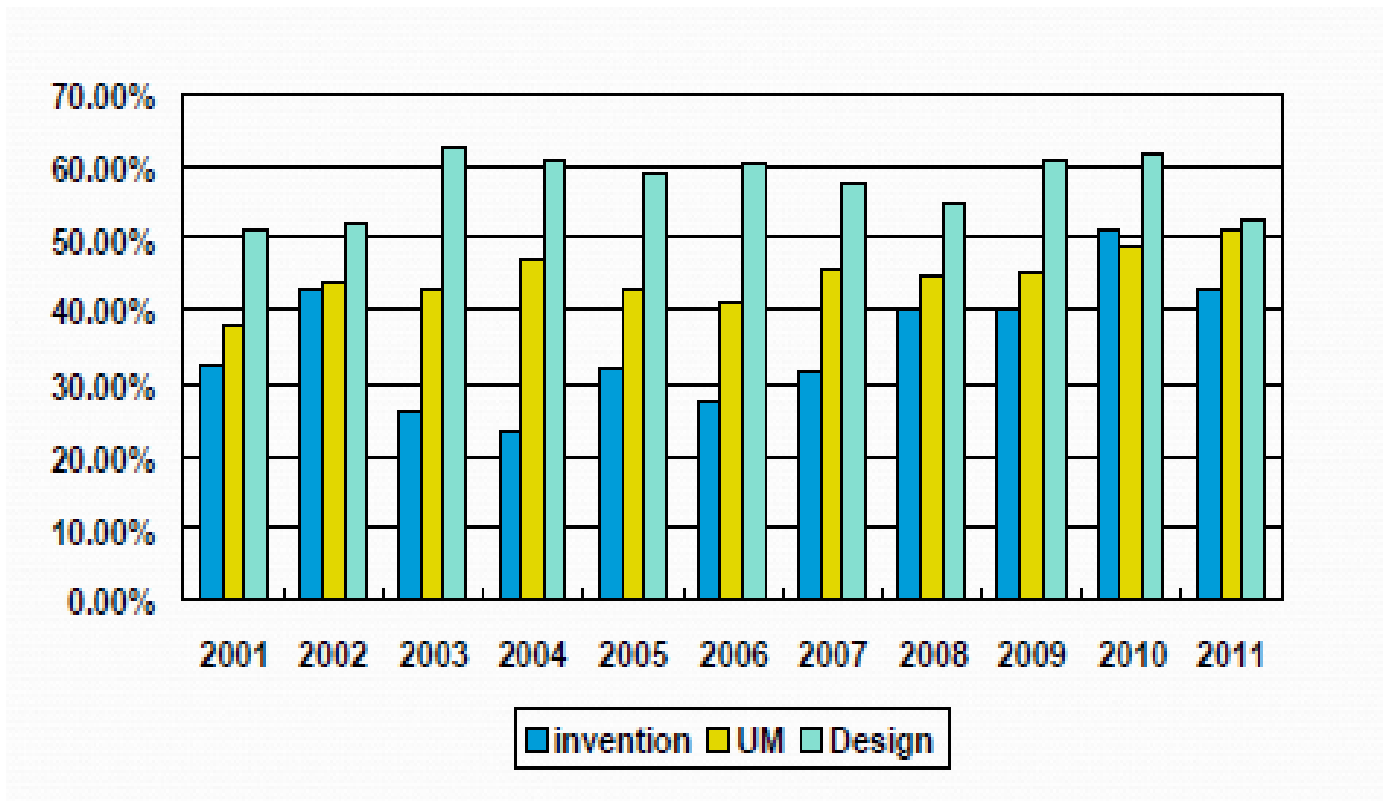
Also: NO



Selected countries Filing Numbers 2010



Filings of Patents and UM's in China



China

- Similar system to Germany with regard to UM
- litigation/nullity bifurcated system
- DE companies reluctant to file UM in CN since doubts on litigation („Tea Tray Case“ at Guandong Higher Peoples Court)
- Strong preference for patents since costs are fairly the same



Pros and Cons

Advantages

- Quick and simple (3 weeks to 3m for registration in DE)
- Often lower "patentability requirements"
- Lower costs (official fees, Attorneys fees ?)
- Grace period (6 m in DE)

Drawbacks

- Shorter life span
- Restricted protectable subject-matter
- Litigation uncertainties



Different Types of Utility Models

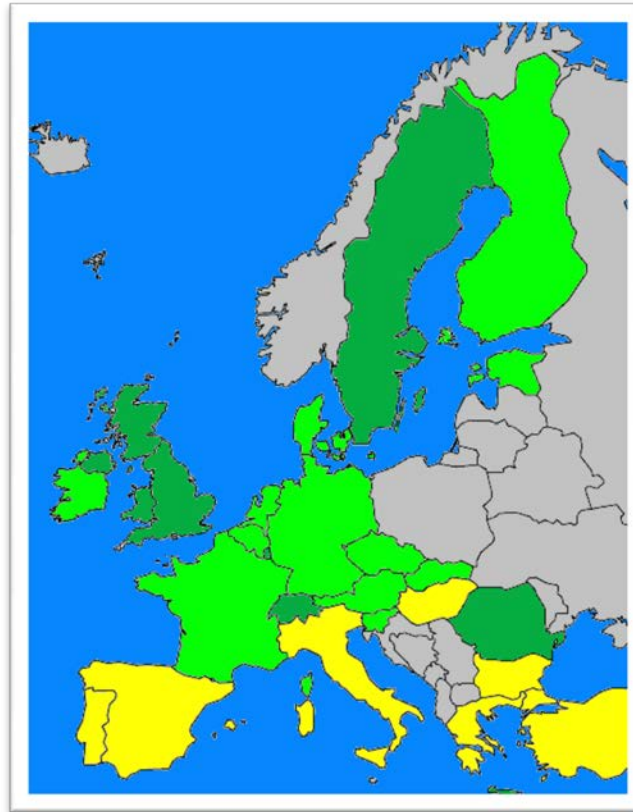
Utility Models - Group 1

- Three-dimensional form requirement
- Lower standard of inventive step
- Life span generally 10 years



Utility Models – Group 1

Italy
Portugal Spain



Hungary
Bulgaria Greece
Turkey

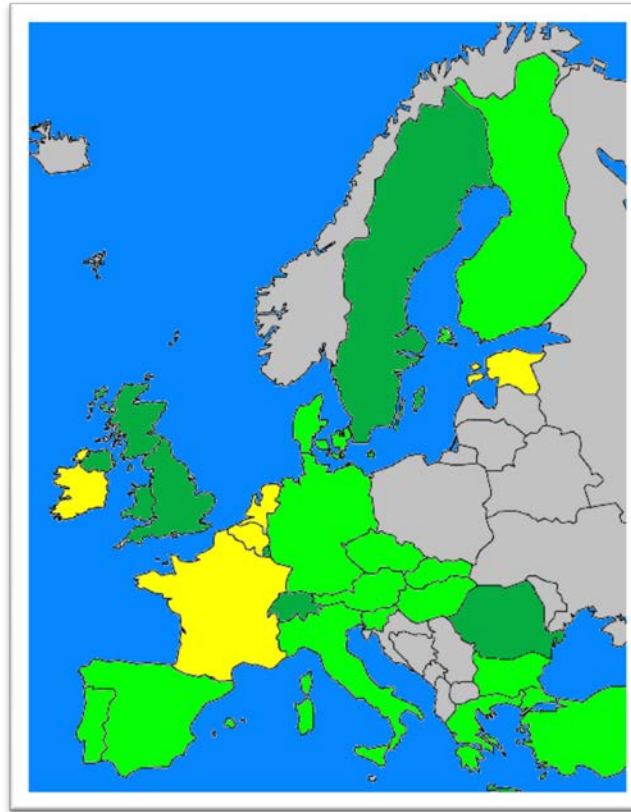
Utility Models - Group 2 *(Short-Term Patents)*

- Protect same subject-matter as patents
- Same requirements for inventive step
- Shorter life span than patents



Utility Models - Group 2

Ireland
Netherlands
Belgium
France



Estonia

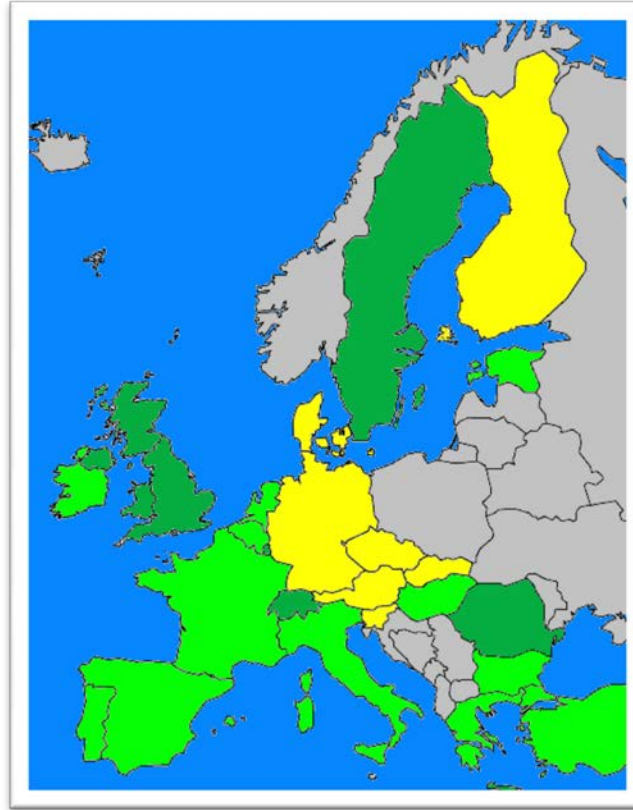
Utility Models - Group 3

- No three-dimensional form requirement
- Lower requirements for inventive step
- Life span 10 years



Utility Models - Group 3

Denmark
Germany
Austria



Finland
Czech Republic
Slovakia
Slovenia

Historical Excuse Germany

Since 1.6.1891 (for foreign applicants only since 1936 without reciprocity) Models, 3-D- Requirement

Machines can be protected since 1936 (gegenständliche Einheit)

„Modellfähigkeit/Raumformerfordernis“ („Space-Form-(or 3D) Requirement“) „gegenständliche Einheit“ („Unity of (subject)-matter“) until 1990

Change of UM Act 15.8.1986 (GebrMÄndG)

Anti-Piracy Act (PrPG) 7. March 1990



Historical Excuse Germany

Anti-Piracy Act (PrPG) 7. March 1990

No longer „Raumformerfordernis“, exclusion of processes from protection, since 2005 also biotechnological inventions (BioTRIUMsG)

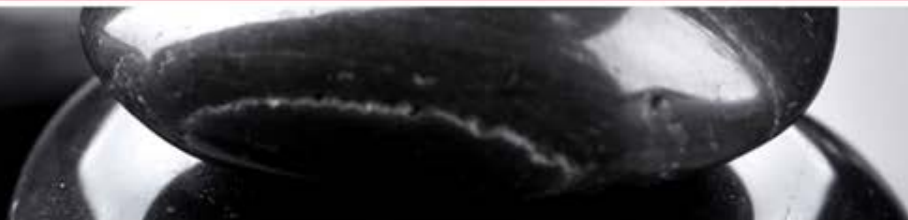
Claim to Destruction of infringing goods and information claim, border seizure

Protection of Microorganisms, chemical compounds, pharmaceutical formulations, CII, evtl: use ,product-by process



Landmarks

Claims directed to the **use of a compound for medicinal treatment** are not claims directed to methods, which are excluded from the Utility Models Act. Thus, utility models can be granted for such claims directed to the use of a compound for medicinal treatment. (GRUR 2006, 153, BGH-Arzneimittelgebrauchsmuster).



Landmarks

In the decision “Demonstrationsschrank” the Federal Supreme Court decided, that the **criteria for inventive step are the same for patents and utility models**. The criterion of inventive step is not a quantitative but rather a qualitative criterion. The assessment of inventive step is the result of a valuation and not an issue of fact. (GRUR 2006, 842, BGH-Demonstrationsschrank, confirmed in : BGH, 20.12.2011 – X ZB 6/10 „Installiereinrichtung II“).



Litigating Utility Models

Legal Actions

- Quick registration - Quick enforcement
- Same protective scope as patent (no interdiction of double patenting/protection)
- Same legal proceedings as for patent
- Validity either assessed by Civil Court (BGH 05.06.1997 – X ZR 139/95 „Leiterplattennutzen) mostly in form of a „counter-claim“ or in parallel cancellation proceedings before the GPTO



Litigating Utility Models

The grant of an **interim (preliminary) injunction** based solely on an utility model is only possible, if a positive decision maintaining the utility model in cancellations proceedings has been issued. A Utility Model represents a non-examined protective right, which is granted only on the basis of the application filed by the applicant. This has the effect, that maintenance of the Utility Model in cancellations proceedings is more important than in case of patents.

(Higher Regional Court, 29.04.2010, I-2 U 126/09, 2 U 126/09, Harnkatheterset)

Litigating Utility Models

The **grant of an interim injunction** based on a utility model only comes into consideration if an infringement of the utility model as well as the validity of the utility model are so likely, that a wrong decision in the first instance, which has to be corrected in the second instance, cannot be expected.

(Regional Court, 12.09.2013, 4b 0 43/13 U, Transdermales System)

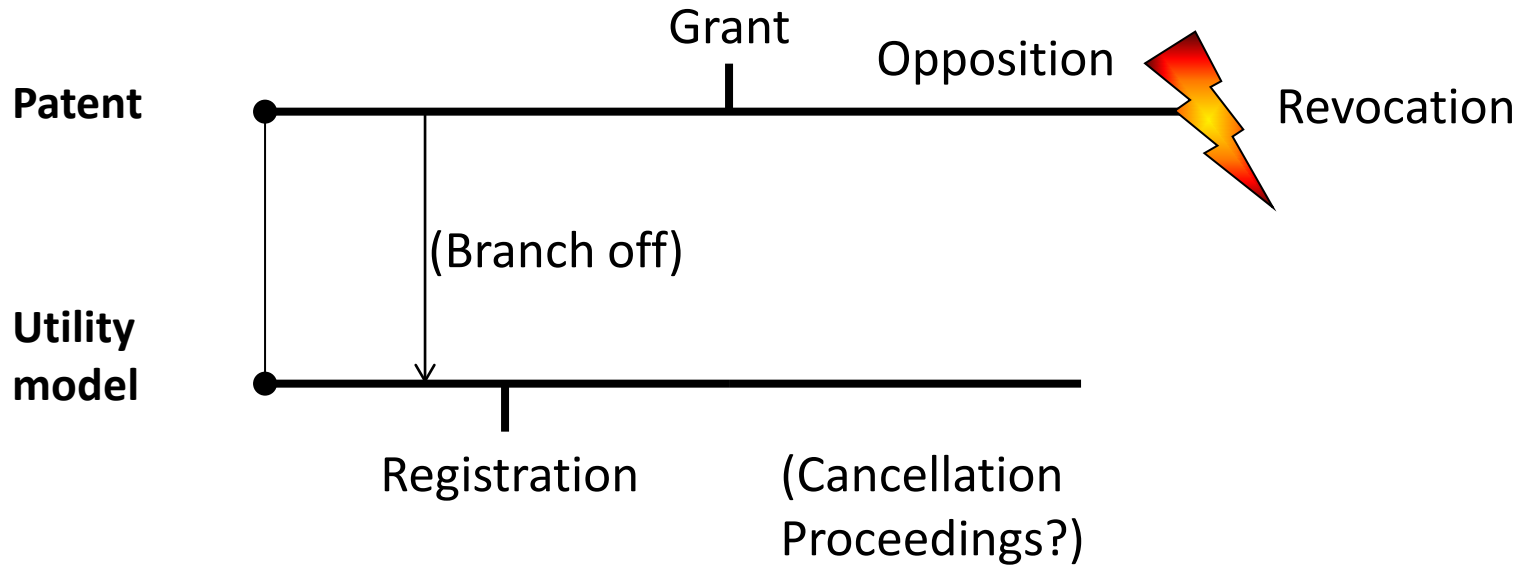


Branched-Off Utility Models

- Branching-off possible with pending patent application or opposed patent (DE national, PCT Application, EP Application)
“complementary protection”, no interdiction of double protection
- **NOT** applicable if patent is in invalidation (court) proceedings
- Quick registration -Quick enforcement
- Same scope as patent
- Same legal proceedings as for patents
- Branching off as many UM as desired with different claim sets

Branched-Off Utility Models

Parallel Protection: Patent and Utility Model (not possible in FR, China)
(ca. 1500-2000 cases/year)



Branched-Off Utility Models-PRO

Shape the claims according to the infringing product at any time

Add features comprised within the specification and found with the infringing product to avoid discussions on clarity, scope, equivalency etc. in litigation

Make use of different EPO/DE Case law in litigation (Selection Inventions, Numerical Ranges)

Grace Period



Particulars in Germany

- **I Validity:**

Grace Period, oral vs. Written disclosure

- **II Litigation:**

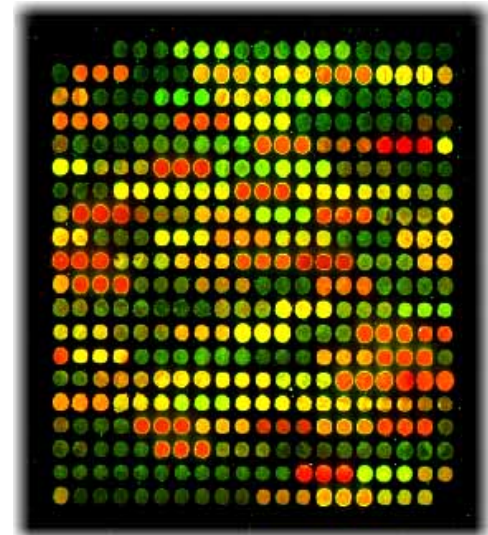
Diverging Case Law EP vs. DE, Selection Inventions, Numerical Ranges



Scenario I: The University Professor

The Invention:

DNA chip with more than
300.000 spots/cm², each spot
having a different DNA sequence
Professor files a PCT Patent Application



Scenario I: The University Professor

- Unfortunately,
- He disclosed his invention in a **lecture, 7 months** before the priority date -> **oral disclosure**
- he **published** his invention in a scientific journal **5 months** before the priority date -> **written disclosure**
- Patent invalid!



Scenario I: The University Professor

Curable? Yes, at least partially...

- Applicant can branch-off a German UM
- Neither the lecture nor the publication are prior art!



Scenario I: The University Professor

*The state of the art comprises any knowledge made available to the public **by means of a written description or by use within the territory to which this law applies** ... Description or use within the six months preceding the date relevant for the priority of the application shall not be taken into consideration if it is based on the conception of the applicant and his predecessor in title.*

[Section 3 German Utility Model Act]



Scenario I: The University Professor

Summary:

Not Prior Art for UM are

- Oral disclosures
- Public prior uses outside Germany
- Earlier, but post-published patent applications
- Publications of the applicant within grace period



k6644552 www.fotosearch.de

Scenario II: Exploit Differences in Case Law between EP and DE

EP Patent relating to a:

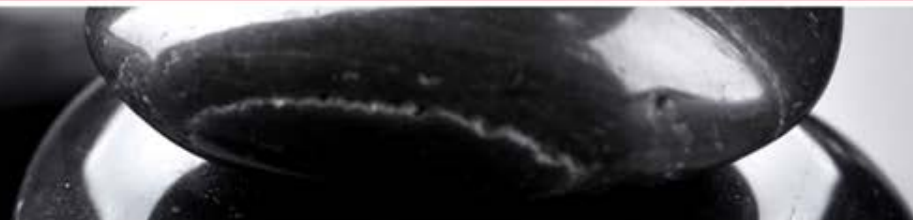
Sew with an inclination angle of the blade
angle is in the range 8-11°



Scenario II: Differences in Case Law

Competitor:

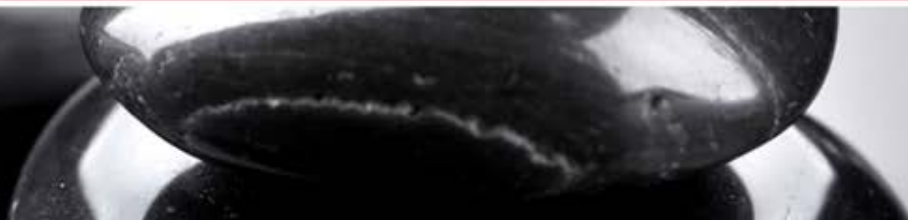
- markets sews with blades having optimum angle at 9.5°
 - files opposition based on prior art sew blades having an optimum angle at 8.5°
-
- Patent needs to be restricted!
 - No basis for restricting range
 - No alternative option for restoring novelty, while still covering competitor's product



Scenario II: Differences in Case Law

Federal Supreme Court in „Inkrustierungsinhibitoren“:

1. A *complete numerical range, such as a molecular weight range, essentially contains a similar complete disclosure of all subranges conceivable.*
2. *Exceptions to this principle only come into consideration under special circumstances that have to be set forth and, if necessary, proven by the applicant of a patent.*
3. *These principles apply in divergence to the case law of the European Patent Office (e.g. T666/69; OJ EPO 495, 602 - Detergent) also for a European patent valid in Germany.*



Scenario II: Differences in Case Law

- the range of 8 to 11° discloses under German jurisdiction e.g. the range of 9 to 11°.
- Proprietor of EP patent may branch-off a utility model with a „streamlined“ claim 1 wherein the range is restricted to „9 to 11°“, even though this subrange is not specifically disclosed in the patent!
- Established novelty and restricted claim covers infringing product



Summary

- Shorter life span, but early enforcement
- Generally lower “patentability“ requirements
- "Branching off" as a specific tool to "streamline" enforceable claims
- More cost-effective than Patents
- More flexible than patents





Dr. Matthias Stolmár
m.stolmar@stolmar-ip.com

The information and opinions contained in this document are not intended to be a comprehensive study, nor to provide legal advice, and should not be relied on or treated as a substitute for specific advice concerning individual situations

© Stolmár & Partner Patent Attorneys 2014

Page: 37

