

Opting out of the Unified Patent Court

About this guide

In deciding whether to opt your European patents out of the jurisdiction of the Unified Patent Court (UPC), there are a number of factors to consider.

Your decision may be the same across your whole portfolio of patents or, in some instances, it may be worth making a specific decision for each case. In some cases, it may be advisable to identify portfolios of patents that protect particular product lines, and consider individual strategies for each portfolio as well as for individual patents within them. For example, it might be advantageous to keep at least one relatively strong patent within the portfolio opted in so that a pan-European injunction can be obtained.

Another option may be to opt out all patents to avoid the risk of a central revocation action being brought at the UPC, but then to opt one or more patents back in if you wish to bring a central pan-European enforcement action. However, once opted out and opted in again, a patent cannot be opted out for a second time. Furthermore, there is a risk that you will be blocked from opting back in if an action is launched in a national court while the patent is opted out.

It is important to note that patents validated as unitary patents cannot be opted out of the jurisdiction of the UPC.

Opting out

You may choose to opt out if it is more likely that the validity of the patent will be challenged than it is that you will attempt to enforce the patent across Europe. Opting the patent out will avoid the risk of central revocation of the patent across all UPC countries in a single action.

Factors that point towards opting out include:

- This is a key patent protecting an important product and is therefore likely to be asserted or have its validity challenged.
- The patent is fundamental to a particular technology area.
- The patent has been monetised (e.g. there are licences or liens against the patent or it has been relied upon for investment) and so is of key importance to your business.
- You are aware or suspect that the patent is vulnerable to a validity attack.
- The patent, or closely related patents, have been opposed at the EPO.
- Litigation is common in your industry or technical area.
- You have concerns about the quality or consistency of decisions in the new court.
- You wish to make it harder for competitors to clear the way to enable launch of their product across Europe.
- Enforcement in one jurisdiction would have the same commercial effect as pan-European enforcement.

Remaining opted in

You may choose to allow the patent to remain opted in if it is more likely that you will want to enforce the patent across Europe against a potential infringer than it is that a validity attack will be launched against the patent.

Factors that point towards remaining opted in include:

- The invention covered by the patent is not currently implemented in a product and hence is unlikely to be asserted or have its validity challenged.
- You are aware of one or more potential infringers in multiple territories across Europe against whom you may wish to bring an infringement action.
- You wish to provide a bigger disincentive to infringers who will be aware of the possibility of pan-European action, including injunctions and damages, against them.
- You wish to try out the new court and influence its development, for example by helping to frame its precedents and procedures.
- The patent is considered to be strong, with few concerns over validity, in particular if the patent has survived an opposition at the EPO.
- There is a low risk of invalidity actions against the patent due to invalidity actions being uncommon in that field or within the group of competitors.
- To prevent competitors from blocking you opting in by launching a national court action against the patent.
- To access cheaper litigation options. Litigating patent rights across Europe in a single UPC action will be cheaper than litigating in multiple separate European countries. This may be particularly important for patents protecting low value products. The patent is one of a portfolio of patents of roughly equal value that protects your product and business.
- The patent is directed to a process invention. The UPC has a discovery process, in contrast to some European countries, and therefore may be more suitable for litigating process patents. Moreover, the UPC might be able to grant relief if the individual process steps are conducted in different European countries.