IP Pro patents

ISSUE029 03 May 2017

ippropatents.com

Protect and Preserve

Gene editing disputed as patent litigation dominates discussion

Switzerland and Liechtenstein

Particularities of patent prosecution

Compulsory Licensing

TRIPS Agreement explained

PPH Agreements

Cost-effective prosecution

Patent Pals

Examination in China

Switzerland and Liechtenstein: The particularities of patent prosecution

In the first of a two-part series, Joachim Frommhold of Weinmann Zimmerli provides an overview of patent protection and enforcement in Switzerland and Liechtenstein. This part focuses on patent prosecution in both jurisdictions

The handling of Swiss patents is governed by the Federal Act of 25 June 1954 on Patents for Inventions (PatG), which was updated in 2012. Patents are administered by the Institute of Intellectual Property (IGE), which is situated in Berne, the capital of Switzerland.

Liechtenstein has neither its own patent law nor a patent office. Instead, patents for inventions are also governed by the IGE due to the bilateral patent protection act of 1978. Switzerland and Liechtenstein are a common territory for national invention patents as well as for European patents having effect in Switzerland and Liechtenstein. And it should be mentioned that the bilateral patent protection act is limited to invention patents.

Liechtenstein does, however, have its own trademark law as well as its own design law. Trademark and design applications may therefore be filed with and registered by the department of intellectual property of the Liechtenstein Office of Economic Affairs. Filing of priority trademark applications in Liechtenstein requires a private seat or seat of business in Liechtenstein. And as a peculiarity, it should be mentioned that unlike the Swiss trademark law, the Liechtenstein trademark law does not provide for an opposition procedure. Accordingly, any trademark disputes will have to be settled by bringing an action to the competent court.

A unitary Swiss-Liechtenstein patent may only be granted, transferred, annulled, or lapse in respect of the whole territory of protection, ie, both Liechtenstein and Switzerland. Similarly, a European patent may only be granted jointly in respect of Liechtenstein and Switzerland. Inventors either from Switzerland or Liechtenstein will file national (Swiss) patent applications according to the rules of the federal law on invention patents and respective patent regulation.

Patents will be granted for inventions that are new, not obvious over the prior art and commercially applicable (Article 1(1) of PatG). Certain types of subject matter are not patentable, according to Articles 2 and 1a-b of PatG. In particular:

- Ideas, discoveries, business or mathematical methods, aesthetic creations and software, having no technical character
- Inventions contrary to public morality and/or policy
- Inventions covering surgical, therapeutic or diagnostic methods used on humans or animals
- Human body in all its phases of formation and development, animal species, plant varieties, and essentially biological methods for breeding plants or animals
- Naturally occurring gene sequences and partial sequences (with the exceptions mentioned in Article 1(b) of PatG, namely sequences or partial sequences derived from naturally occurring gene sequences, if produced by means of a technical process and if a specific function is indicated)

Unlike European patent applications, for example, national patent applications are not substantively examined, with respect to novelty and inventiveness, by the IGE. The applicant has no obligation to disclose prejudicial documents and/or other disclosures. Therefore, national patents can be obtained 'easily', looking like 'low grade' rights. But they imply common rights for patent holders and obstacles for potential infringers.

The grant of a national patent may not, as a rule, be opposed in proceedings before the IGE.

As one exception, the PatG allows the filing of an opposition within nine months of the publication of the grant of the patent, if the opposition is based on the grounds that the patent covers a certain subject matter that is not patentable as described above.

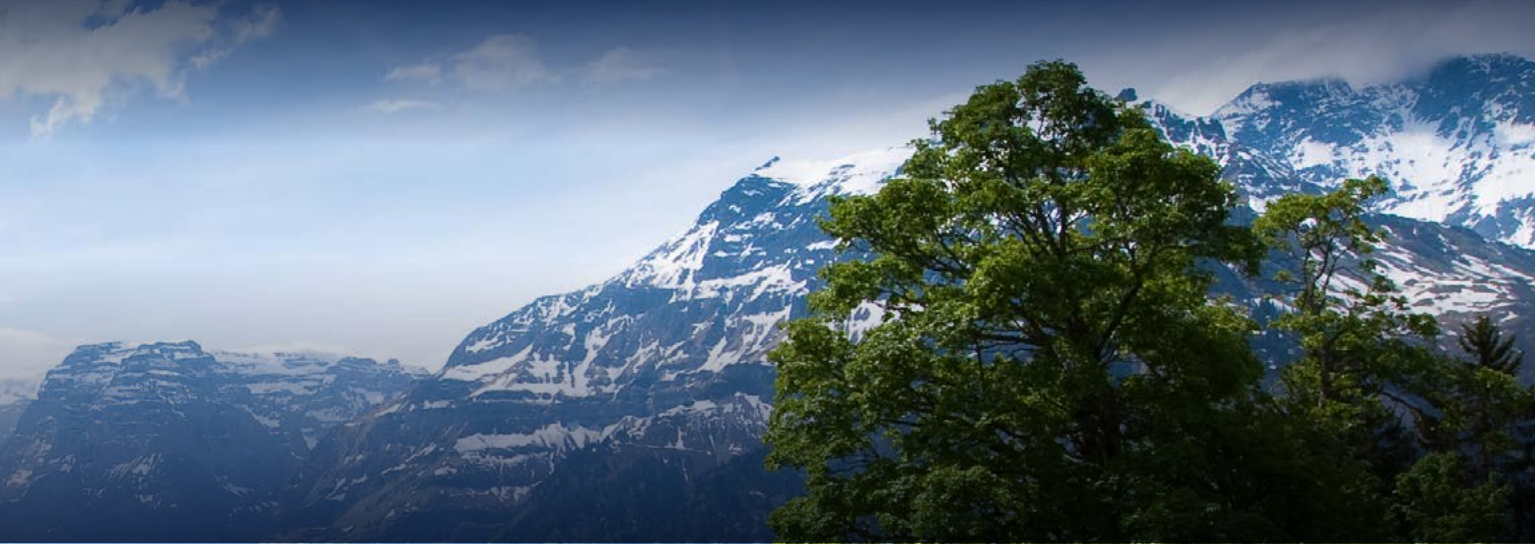
Decisions of the IGE may be appealed to the Swiss Federal Patent Court, and decisions of the Swiss Federal Patent Court may be appealed to the Swiss Federal Court.

Swiss patent law is based on a first-to-file system. Therefore, the right to the patent belongs to the applicant who either filed the earlier patent application or has the earlier priority date, in case the same invention is filed by different applicants independently. Another applicant, having a later filing or priority date, may have the right for further use of his or her invention, if the invention was already being commercially used before the filing date or the priority date of the earlier filed patent application.

An invention patent may be invalidated if the owner is neither the inventor nor his or her successor in law, and if there is no other legal reason why the owner should be entitled to the patent. A person who is entitled to a patent may file an action for assignment of the patent or application, if a patent is not yet granted. An action must be filed within two years from publication of the patent, unless the original applicant acted in bad faith.

A patent may be amended ex parte after grant. A patent owner is permitted to partially renounce the patent by requesting the IGE, in the case of national patents, or the European Patent Office, in the case of European patents, to cancel a claim or to restrict an independent claim. The restricted claim shall refer to the same invention and define an embodiment that is included in the specification of the published patent, according to the version of the patent application as filed.

In case of court proceedings concerning the validity of a patent, the patent owner is allowed to partially acknowledge the invalidity. The court may also declare parts of the patent invalid. Furthermore, it is possible to amend (restrict) claims.



A partial renunciation or declaration of partial invalidity of a patent only pertains to the patent claims, but not to the description, the drawings or the abstract. The scope of protection of the patent claims may only be narrowed, not enlarged.

Swiss patent law does not, in general, provide for a grace period. However, if the patent application (or application for design) has been disclosed to the public within six months prior to the priority or application date (according to Article 7b of PatG), such a disclosure does not form part of the prior art, if the disclosure was due to an evident abuse that was detrimental to the patent applicant (or his or her legal predecessor). Note the difference to the European Patent Convention (EPC) for which an applicant's protection goes only with the European patent application, but not with its national priority application.

Furthermore, if the patent applicant or his or her legal predecessor has, within six months prior to the priority or application date, disclosed the invention at an official international exhibition, falling within the terms of the Convention on International Exhibitions, such a disclosure does not form part of the prior art. The scope of protection of a process claim extends to products that directly result from the process. This also applies in cases where the process is carried out in a third country and its product is then imported.

Any means are deemed to be equivalent if they deviate only in non-essential features from the patented product or process, that is, if the features are regarded by one skilled in the art as equivalents to the features of the patent claim.

The patent term is 20 years from patent application date. The payment of annual fees is payable from the fourth year on. The term of a patent cannot be extended.

However, supplementary protection certificates (SPCs) are available for active ingredients of patented pharmaceuticals or pesticides. The term of protection of SPCs corresponds to the time period from the filing date of the patent application up to regulatory approval, minus five years. This term of protection begins at the moment of patent expiration and ends after a maximum of five years. An SPC protects, within the limits of the respective patent, all types of uses of the product as a medical product that has received regulatory approval, and affords the same rights as the basic patent and is subject to the same restrictions. At present, the current law does not provide for an extension of pediatric pharmaceuticals. The IGE evaluates a change of the practice to grant SPCs according to the relevant jurisdiction of the Court of Justice of the EU. Namely, to grant a SPC in light of the Actavis decision (C-433/12).

Licensing parties are free to agree on the contractual terms of a licensing agreement. There is no specific legislation limiting the terms. However, terms in a licensing agreement must comply with anti-trust law. Furthermore, the parties may have in mind the Group Block Exemption Regulation, insofar as the territory of the EU is concerned. Compulsory licences are available to an owner of a junior patent, if the invention is of significant economic relevance compared to the invention that is the same subject matter of the senior patent. Furthermore, they are available if the use of the patent is in the public interest, for diagnostic products or methods (provided a practice in violation of anti-trust law is proven), and for patented biotechnological inventions that shall be used as research tools. This is also valid, if the patentee of a senior patent does not use the patented invention in Liechtenstein. But in practice, compulsory licences have very negligible relevance in Liechtenstein. **IPPro**

The second part of this article, covering patent enforcement in Switzerland and Liechtenstein, will feature in the next issue of IPPro Patents, published on 17 May

> ***Licensing parties are free to agree on the contractual terms of a licensing agreement. There is no specific legislation limiting the terms***

Joachim Frommhold, Patent attorney, Weinmann Zimmerli