

Third Party Patent Challenges in Europe, the United States and Australia: A Comparative Analysis

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Structure of presentation

◆ Compare and contrast:

- EU post-grant opposition
- AU pre-grant opposition
- US re-examination

◆ Discuss:

- Potential purposes of third party challenges?
- How does each system operate?
- Key differences?
 - Initiation
 - Process
 - Outcomes
 - Statistics of use
 - Nature



Purposes of third party challenges

- ◆ Improving quality of granted patents
- ◆ Alternative to litigation
- ◆ Providing competitors ‘freedom to operate’



Overview of three systems

- ◆ **EU post-grant opposition:**
 - independent procedure takes place after grant
 - main benefit: a single action before the EPO
- ◆ **AU pre-grant opposition:**
 - after examination & acceptance but prior to grant
 - only post-grant opposition system in OECD
- ◆ **US re-examination:**
 - ex parte and inter partes re-examination: sparingly used
 - support for post grant opposition but recent reform stalled



Differences: Initiation

	AU	EU	US
Timing	3 months after advertisement	9 months after publication	any time the patent is enforceable
Who may initiate	any person	any person	any person
Capacity of challenger to challenge own patent	no purpose in such a challenge	patentee may not challenge	ex parte – yes inter partes – no
Capacity of challenger to remain anonymous	no	yes	ex parte – yes inter partes – no



Differences: Process

	AU	EU	US
Number of examiners	single, senior examiner	three person Division	single, senior examiner
Basic structure	adversarial	adversarial	inquisitorial



Differences: Outcomes

- ◆ **Outcomes the same in each jurisdiction, patent/application either:**
 - continues unchanged,
 - is amended, or
 - is invalidated

- ◆ **US inter partes re-examination: estoppel**
 - not available in AU or EU



Discussion

- ◆ **How do systems compare against potential purposes of third party challenges?**
- ◆ **Practically, systems have substantially similar:**
 - outcomes
 - grounds for challenge
- ◆ **Two ways in which important differences may be contrasted:**
 - timing
 - nature



Statistics of use

	Third party challenge procedure	Court action
US	0.3% of patents	0.6% of patents
AU	1.2% of patents	0.02-0.05% of patents
US	8% of patents	greater rate than opposition but difficult to know exact figures



Why is US re-examination relatively under used?

- ◆ Not likely a result of timing:
 - post-grant, like EPO opposition
- ◆ More likely because of nature:
 - inquisitorial
 - conducted by a single USPTO examiner
 - blamed for 'low quality' patents
 - work viewed as not optimal



Conclusion

- ◆ Given similarities, infrequently discussed reason for differences between systems:
 - perceptions of USPTO examiners, and
 - culture of US patent attorney profession
- ◆ Necessary to re-think any reforms being considered

