PREU BOHLIG

German Utility Models (Gebrauchsmuster)

Guide

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Content

1. Essentials

German utility models are a unique form of intellectual property protection obtainable through a swift and inexpensive registration process. Like German patents, German utility models are and will be forever excluded from the future UPC jurisdiction. They confer rights similar to a patent, i.e., cease and desist claims, damage claims, claims to render account, and even destruction claims. Used in tandem with other forms of intellectual property, utility models can be a powerful part of a patent portfolio.

Utility models provide protection only for product claims, including claims that are focused on substances, such as pharmaceuticals. Utility models cannot be used to protect method or use claims (§2 N° 3 Utility Model Act), but the case law of the Federal Supreme Court seems to be rather flexible with this exception, which is detailed below. The process of obtaining a German utility model is uncomplicated. The GPTO registers these rights within two to three months without examination as to novelty or inventive step. Similar to a German patent application, a utility mode can be filed in any language provided a German translation is submitted within a three month period from its filing date (§4(b) Utility Model Act).
The validity of a German utility model can later be challenged by cancellation proceedings filed with the GPTO (§15 Utility Model Act). A special utility model division has jurisdiction to decide on the validity of the utility model in inter partes proceedings. Its decisions can be appealed to the Federal Patent Court (§18(1) Utility Model Act) and in exceptional circumstances a further appeal is possible to the Federal Supreme Court.

[1]Melullis, in Benkard, Commentary EPC, 3rd ed. 2019; Art. 60, n° 14, 15
[2]Article 60(1) EPC

2. Different Protection Standards

A particular advantage of utility models is that the novelty standards are different compared with patents. Of particular interest is a six-month grace period from the disclosure of the invention (§3(1) of German Utility Act), which would ordinarily preclude filing of patent applications. Publications or use within 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 or his predecessor in title. Thus, where there has already been a barring disclosure for patent applications, an applicant may still be eligible to receive a German utility model.

Furthermore, prior public use of an invention is not a barring act for purposes of utility models if the prior public use occurred outside Germany, as provided in §3(1) of the German Utility Act. However, written publications made in and outside Germany represent relevant prior art.

Moreover, even if the invention has been the subject of European or German patents, an applicant may still receive a utility model without prohibition from double patenting rules. Thus, in some circumstances utility models may be the best, or only, option for protecting inventions in Germany.

Up until recently, the main hurdle in utility models was novelty, rather than inventiveness. This has been changed by a landmark decision of the German Federal Supreme Court, in which the court ruled that an invention protected by a utility model needed, like a regular patent, to feature an inventive step.[1]

[1] Federal Supreme Court, decision of Jun. 20, 2006, X ZB 27/05, “Demonstrationsschrank”.

3. Registration of a German Utility Model

A utility model application may be filed like any regular patent application, either without claiming a priority, or within the priority year by claiming priority of a previously filed application (§6 of the German Utility Model Act). The GPTO registers a utility model without examining its novelty or inventive step, and without examination of whether or not the application documents are supported by, or originally disclosed in, the parent application documents as filed.

4. Protectable Subject Matter

Utility model protection is possible for all product claims including claims that are directed to substances or pharmaceuticals. According to §§1(2) and 2 of the German Utility Model Act, the following subject matter is excluded from utility model protection:

- discoveries, scientific theories and mathematical methods;
- aesthetic creations;
- schemes, rules and methods for performing mental acts, games, business methods, and programs for computers;
- presentations of information;
- inventions which violate public policy or the public order;
- plant species and animal species; and
- methods.

Although no examination is carried out by the GPTO with regard to novelty and inventive step, a formal examination is indeed carried out prior to registration to make sure that no subject matter is registered that falls under the above-mentioned exclusions.

With respect to method claims that generally cannot be the subject matter of a German utility model, a few important decisions of the Federal Supreme Court illustrate that "use" or "method" elements in claims may be permissible in certain circumstances.

First the Federal Supreme Court ruled that utility model protection could be sought for the use of a substance for the treatment of a disease insofar as claims would at least contain elements of a product claim, namely a drug.[2] Accordingly, the use of a known substance for a medical indication can be subject to a utility model. The Federal Supreme Court referred in its ruling to the conclusions of the German legislature when enacting the German Utility Model Act in 1986 and concluded that the legislature did not exclude from the act use claims in the context of medical indications. Furthermore, product claims containing method features may be permitted insofar as the involved method features give an indication to the skilled person whether and how structural features of a product have to be implemented according to the teaching of the invention.[3] Accordingly, product-by-process claims are not excluded from being protected by a utility model.

[2] Federal Supreme Court X ZB 7/03, GRUR 2006, 135, "Arzneimittelgebrauchsmuster".
[3] Federal Supreme Court, X ZR 188/01, GRUR 2005, 749, "Aufzeichnungsträger".

5. Reasons for Filing a Utility Model

5.1. Low Fees and Prosecution Costs

The fees for applying for a utility model are very low. Currently, the fees are as follows:

- Filing fee: EUR 40
- First renewal fee after three years: EUR 210
- Second renewal fee after six years: EUR 350
- Last renewal fee after eight years: EUR 530

Accordingly, the fees for a utility model until the end of its life are slightly above 1,000 Euros. Because the utility model is registered without examination, there are no prosecution costs. Furthermore, a utility model application provides a priority right under the Paris Convention that can be used for subsequent applications in Member States of the Paris Convention. That is, the financial investment for the prosecution of full patents in signatory countries to the Paris Convention can be postponed by means of a utility model application.

5.2. Early Publication of the Invention

In a few circumstances, the inventor may be interested to have his invention published as soon as possible so that the application documents become part of the relevant prior art under German and European standards. A German utility model is an inexpensive and fairly uncomplicated way to make the invention available to the public on the date of registration with the benefit of a priority right. This usually occurs two to three months after the filing of the application. Accordingly, the content of a utility model constitutes prior art relevant to novelty and inventive step from the date of its registration. This publication occurs earlier than the publication of a patent which is usually published eighteen months after the date of filing or, if priority has been claimed, from the date of priority.[4]

5.3. Earlier Enforceability

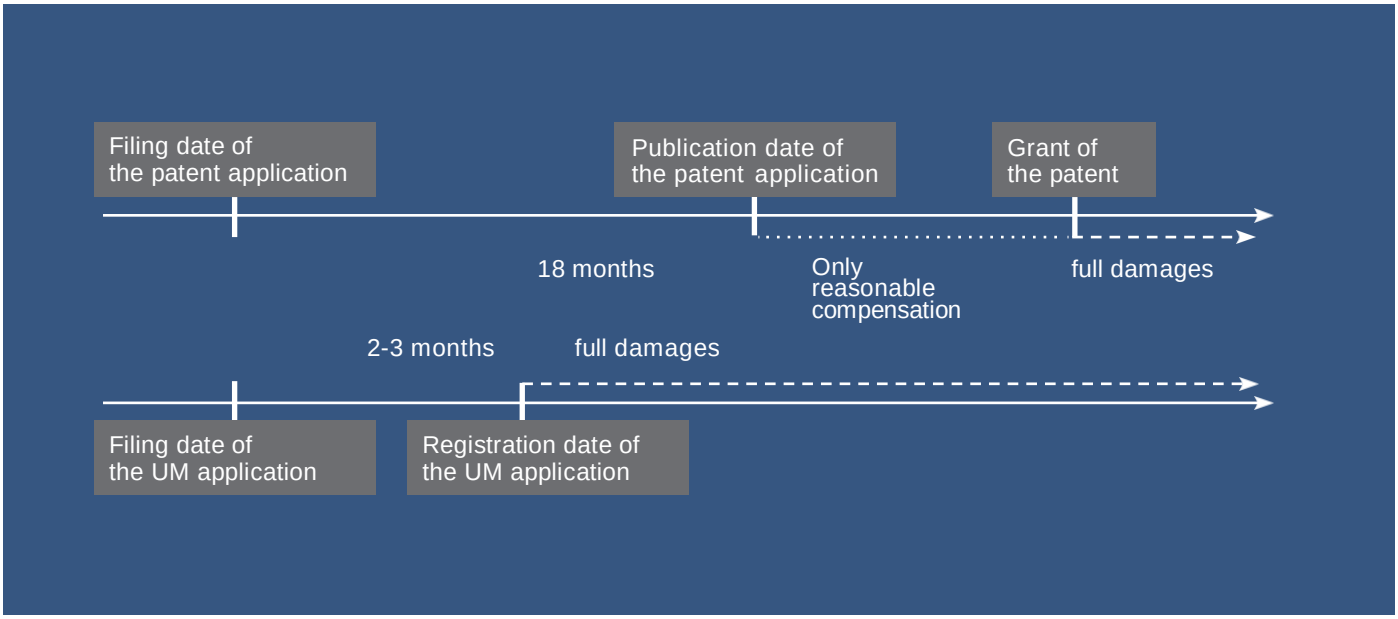
The utility model applicant obtains an enforceable right from the day of its registration. He can sue the accused infringer on the basis of the utility model and may achieve the goal of stopping him more quickly, even though it may still take considerable time until a parallel patent is granted. Thus, utility models can provide a powerful mechanism for blocking early entrance of infringing products into the market, while awaiting issuance of patents through the EPO or GPTO.

5.4. Damages

The utility model applicant can claim damages as soon as the utility model has been registered. The registration of the utility model can thus trigger the accrual of damages without having to wait for issuance of a patent or the publication of a pending application. Moreover, the damages accruing based on the registered utility model may be higher than the provisional remedies that would pertain based on publication of a pending patent application. The heightened damages based on registration of a utility model are illustrated below, as compared with the compensation that would be due based only on the publication of a pending patent application (see Figure 4.3 below).

[4] Article 93(1)(a) EPC.

Early Damage Claim Due To Utility Model Protection



5.5. Strategic "Branching Off"

5.5.1. General Remarks

A strategic benefit of utility models is that they may be "branched off" from an earlier German, European or PCT application (§5 of the German Utility Model Act). Such branching off is admissible up to the expiration of two months from the end of the month in which processing of the patent application or any opposition procedure is terminated. Because of the shortened 10-year term of utility models, filing the "branched off" utility model must occur by the end of the tenth year from the date of filing of the earlier patent application. Normally, there must be a pending patent application to branch off a utility model because it cannot be branched off from a granted patent. An exception to this rule occurs if an opposition proceeding is commenced (under either the EPO or GPTO), at which point the patentee regains the opportunity to branch off a utility model during the pendency of the opposition.

The branched-off utility model is accorded the priority and filing date of the parent patent application insofar as the claims are supported by the earlier patent application.

5.5.2. Tailoring Claims in View of the Infringing Embodiment

An applicant may recognize that the claim language of an existing patent application could be improved with regard to infringing embodiments of a competitor. Utility models can be a powerful tool in this situation. By branching off a German utility model with refined claim language to more closely track a competitor's products, a patentee can continue to adapt to developments in the market.

5.5.3. Claim Sets for German Utility Models in Case of an Infringement

The applicant may even branch off several utility models, and assert them against a competitor. The only requirement is that the claims of these applications be somehow different when compared with each other. It might be possible to claim different aspects of an invention, or to define the same invention from different perspectives. The patentee can assert the granted patent and additionally one or more utility models against the competitor. Thus, utility models can help build a thicket of intellectual property rights to bolster an enforcement strategy.

When drafting claim sets for utility models, the following considerations should be noted:

- The claims must be supported by the parent patent application, although the related standards of the GPTO and the Federal Patent Court appear to be more flexible than the formalistic approach of the EPO.
- The subject matter of the utility model claims should be novel and inventive in view of the known prior art.
- Principles of claim construction, discussed below in Chapter 10, should be taken into account.

Branching Off

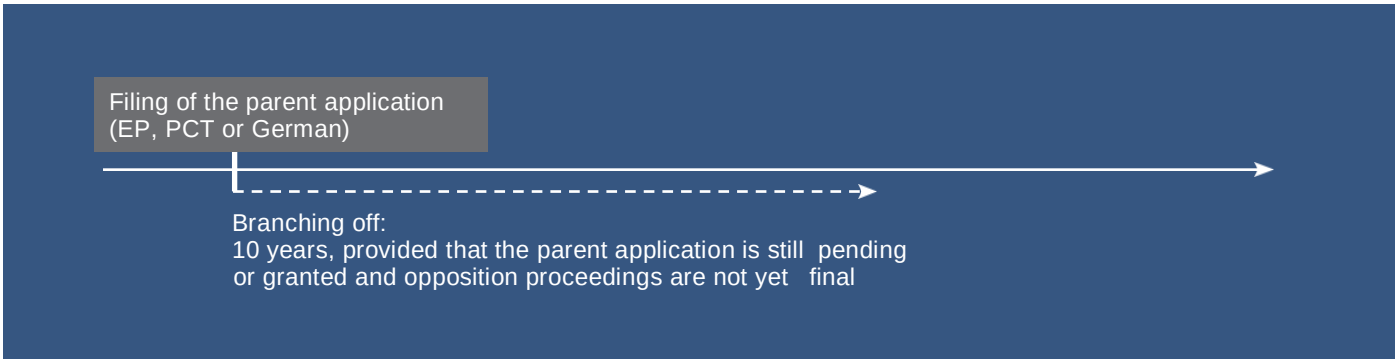


Table Main Characteristics of Utility Models

Registration proceedings	No substantive examination. Can be branched off from a PCT, EP or German patent application. Early publication and enforceability of the invention through registration.
Protectable subject matter	Product claims are possible. Use and method claims are in principle not allowed.
Prior art	Grace period of six months; public prior use only relevant if occurred within German territory.
Judicial Enforcement	Immediately after registration possible. UM gives almost the same rights as a granted patent. UM can be used to tailor claims to the accused embodiment.
Damages	Relevant calculation period begins as soon as the UM is registered.
Official fees	Very low, about 1,000 Euros for the life of the UM.

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