

# The effect of the patent revocation versus the effect of the patent expiration

Industrial property law knows two fundamental institutions that can result in the termination of patent rights: revocation and expiration. Both of these institutions, in Poland regulated in detail by the Act of 30 June 2000 - Industrial Property Law (hereinafter: IPL), have in common that they cause the intangible property protected by the patent to enter the public domain and become available for general use. In this text, we draw attention to the subtle but significant differences in the scope of the effects produced by revocation and expiration. We ask the questions: **can a patent that has expired be revoked? And why does it matter?**

## The patent revocation

In order to briefly present those two institutions indicated in the title, let us begin with the patent revocation. It is governed by Art. 89 IPL. A patent may be revoked in its entirety or in part at the request of anyone who proves one of the following:

- 1) The conditions for granting a patent have not been met;
- 2) The invention has not been presented clearly and exhaustively enough for a person skilled in the art to be able to realize the invention;
- 3) The patent has been granted for an invention not covered by the content of the application or the original application;
- 4) The patent claims do not define the subject of the requested protection in a clear and concise manner or are not fully supported by a description of the invention.

A patent may be revoked in two distinct procedures:

- as a result of filing an opposition (in accordance with Art. 256 IPL, anyone may file a reasoned opposition to a final decision of the Patent Office of the Republic of Poland (PPO) to grant a patent within 6 months from the date of publication in the “Patent Office News” of information on the granting of the right – the basis for the opposition must be circumstances that justify the revocation of the patent);
- in patent revocation proceedings (contentious proceedings conducted before the PPO).

Both procedures end with a decision of the PPO, which revokes the patent in whole or in part or results in dismissing the opposition/application for revocation. The revocation is subject to entry in the patent register (Article 92 of the Polish Patent Office).

Although this issue raises some controversy in the scholarship, it must be accepted that **the decision to revoke a patent is of a constitutive nature – it forms a new legal reality**. The revocation of a patent produces **an *ex tunc* effect** – and therefore the exclusive right granted by the patent is treated as if it had never existed. A faulty decision to grant a patent is eliminated from law. The entitled party therefore loses the right to use exclusively an intangible property, which from now on enters the public domain.

**At the same time, the patent as the object of previously performed legal actions is annihilated. Therefore, the problem arises of how to treat the effectiveness of these actions.** It seems reasonable to agree with the view expressed by Ł. Żelechowski in the commentary to the IPL that revocation does not cause the initial impossibility of performance consisting in making a disposition of the patent (*impossibilium nulla obligatio est*), but rather a subsequent impossibility. However, the general principles of civil law, which will be discussed in more detail in the context of the expiration of the patent, will not apply here, but rather we will have to turn to a specific provision of Art. 291 IPL.

Pursuant to Art. 291 IPL, in the event of a patent being revoked, the buyer, licensee, or other person to whom the entitled person has transferred a patent for remuneration (or otherwise disposed of the patent on their behalf for remuneration), may make the following compensation claims: demand the return of the remuneration and compensation for damages under general principles. This is a dispositive provision — the parties may regulate this issue differently by means of an agreement. It should be added that Art. 291 proposes a mechanism for settlements between the parties: the seller may deduct the benefits that the buyer obtained by using the invention before the patent was revoked; if these benefits are higher than the remuneration paid and the compensation claimed, the seller shall not be liable.

We wrote about patent invalidation in more detail in one of our previous articles (see [here](#)).

## The patent expiration

Moving on to expiration, we should begin by stating that in accordance with Art. 90(1) IPL, a patent expires if one of the following events occurs:

- 1) The lapse of a period for which the patent has been granted — i.e., maximum of 20 years;
- 2) The patent holder renounces the patent before the PPO — however, this must occur with the consent of all the persons who have the rights under the patent;
- 3) Failure to pay the periodic fee within the prescribed period;
- 4) Permanent loss of the ability to use the invention due to the lack of biological material necessary for this purpose, which has become unavailable and cannot be reproduced based on the description.

In the event of the expiry of the protection period, the PPO does not take any further action, while in other situations it issues a decision stating the expiry of the patent. The expiry is subject to entry in the register (Article 92). **The decision is declaratory in nature — it confirms something that has occurred spontaneously, by operation of law.**

**Expiration has an effect referred to as *ex nunc*.** The previously protected invention enters the public domain and its use no longer requires the consent of the entitled party. However, **actions taken before the expiry of the patent remain in force.**

If there are third parties who were entitled to use the invention based on agreements with the patent-holder, they will no longer hold their special position. For example, in the most classic case of a license agreement, the patent-holder will no longer be able to perform due to the loss of exclusivity. So how should such actions be treated when the patent expires? As indicated in “Industrial Property Rights” edited by E. Nowińska, U. Promińska and K. Szczepanowska-Kozłowska, in such a case the provisions of the Act of 23 April 1964 — Civil Code on the impossibility of performance should apply - “the party obliged to perform, i.e. the person entitled to the given exclusive

right, shall bear liability". However, the set of claims available to the other party will vary depending on whether the patent expired for reasons for which the patent-holder is responsible or whether they are not at fault.

According to art. Art. 495 § 1 of the Civil Code, if one of the reciprocal performances has become impossible due to circumstances for which neither party is responsible (e.g. expiry of the statutory patent protection period), the party which was to make the performance cannot demand the reciprocal performance, and, if it had already received it, it is obliged to return it according to the provisions on unjust enrichment. However, if the patent-holder is to blame for the expiry (e.g. failure to pay the fee for the renewal of the protection period), Art. 493 of the Civil Code shall apply. This provision states that if one of the reciprocal performances becomes impossible due to circumstances for which the obliged party is responsible, the other party may, at its discretion, either demand that any damage caused by the nonperformance of the obligation be remedied or rescind the contract. Of course, the parties may regulate their mutual relations differently by means of an agreement.

It is also worth noting that the expiration of a patent does not affect the effectiveness of dispositions made before its expiry. As for limited property rights established on the patent, such as a pledge, they will expire together with the patent. Żelechowski points out that in such a case "the effects of such dispositions are already consumed, and the patent was vested in the transferor in the period after its transfer and before its expiry, as a right remaining in full force and effect".

Importantly, if the patent has expired, the action for infringement cannot be brought. An action for cessation of infringement, as indicated in the literature, can only be successful if the patent is in force at the time of closing of the hearing (Art. 90 IPL commentary to the IPL edited by Ł. Żelechowski). However, the question arises, what about **monetary claims concerning infringements that occurred during the term of patent protection**. Considering the *ex nunc* effect of the expiration, **one should definitely accept their admissibility**. This is where the key difference between the effects of revocation and expiration becomes apparent: if we assume that in the case of revocation the patent never actually existed, then at no time could it have been infringed.

## Can an expired patent be revoked? The case of revalidation

In response to the question posed in the introduction, it is worth considering the case of the revalidation of a European patent, which very well illustrates the difficulties that may arise in practice in the context of the relationship between the two discussed institutions related to the termination of patent rights.

In order for the holder of a European patent to be able to enjoy protection in the territory of Poland, it is of course necessary to carry out validation. In accordance with Art. 6(2) of the Act of 14 March 2003 on the filing of European patent applications and the effects of European patents, the holder of a European patent is obliged to submit to the PPO a translation of the European pa-

tent into Polish within 3 months from the date of publication by the European Patent Office (EPO) of information on its granting. This is usually B1 document. The same translation must be submitted if, as a result of the EPO reviewing the opposition, the European patent is amended or, at the request of the holder, its scope is limited (Art. 6(3)). Art. 7 of the Act imposes on the PPO an absolute obligation to publish a translation of the European patent immediately after its receipt, including the date of publication by the EPO of the information on the grant of the European patent. If the requirements concerning the translation are not met, the European patent shall be invalid on the territory of the Republic of Poland from the date of its grant (Article 6 para. 4).

The following situation may therefore occur: let us imagine that we have a European patent validated in Poland, which has expired due to the non-payment of the renewal fee. Opposition proceedings are pending before the EPO and lead to the amendment of the patent (EPO B2 document). The norm expressed in Art. 6(3) remains in force regardless of the status of the patent in a given state: the entitled party is still obliged to submit a translation of the European patent amended after the opposition. Failure to comply with this obligation results in the invalidity of the patent in the territory of Poland. The PPO is also obliged to publish such a translation (Art. 7). In other words, in order to avoid the effect of revocation, one has to revalidate the European patent.

This situation shows that in fact a patent that has expired may be revoked. The *ex nunc* effect may turn into an *ex tunc* effect.

### The significance of the revocation of the expired patent

From the comparison of the effects of revocation and expiration of a patent conducted above, a clear conclusion emerges: **the effects of invalidation are more far-reaching**. The most significant difference concerns the possibility of pursuing monetary claims related to patent infringement: in the event of expiration, claims related to the situations that occurred within the protection period may be pursued, whereas in the event of revocation, such a possibility will be excluded. For this reason, one should agree with Ł. Żelechowski that "there are no temporal limitations regarding filing an application for invalidation of a patent during the period of patent protection".