

**GROUP B+ PLENARY MEETING  
GENEVA, 12 JULY 2023**

**SUMMARY OF DISCUSSIONS**

On Wednesday 12 July 2023, the Group B+ held a two-part in-person plenary meeting. The Director General of the National Institute of Industrial Property (INPI), Mr. Pascal Faure (France), chaired, and the Group B+ Secretariat, the EPO, hosted the meeting. In the first part of the meeting, the Group B+ delegations met with representatives of user associations of the Industry Trilateral (IT3): AIPLA, IPO, BusinessEurope (BE) and JIPA, as well as FICPI, AIPPI, the IP Federation and KINPA.

**MEETING OF THE GROUP B+ AND USER ASSOCIATIONS**

**1. Welcoming address by the Chair**

The Chair welcomed the delegations and the user associations and expressed his great satisfaction that the Group B+ Plenary could take place as a physical meeting for the first time since 2019, particularly since 2023 had been a fruitful and successful year.

**2. Client-Attorney privilege update**

The B+ Core Group (AU, CA, ES, JP, KR, SE, chaired by CH, with UK, US and FR as observers) gave an update on their work on client-attorney privilege (CAP), and announced that it would be pursued in 2023-2024. A consultation was carried out on a first draft agreement drawn up in 2020. Most users agreed that CAP is desirable, but a great deal of analysis would be required to incorporate feedback received from the users through the consultation into the draft agreement. For some users, the draft did not go far enough: for instance, they believed it should extend to in-house counsel. Some questioned the usefulness of the exercise if certain big delegations did not participate. As a next step, an amended draft of the Report should be circulated to the Group B+ for comment.

The CH delegation, who has been leading the Core Group since 2017, would be seeking a replacement from within the Group to lead it, but would remain at the helm until that time.

BE, IPO, AIPLA, AIPPI and FICPI expressed their deep appreciation and support for the work of the Core Group, which dealt with a matter of great importance for users. FICPI emphasised that the agreement would benefit users of the system, not lawyers or patent attorneys. AIPPI hoped the scope of the agreement could be expanded as the more countries were covered, the higher the benefits to users.

The IP Federation reported two major concerns: patent attorneys and in-house counsel should be covered by CAP, and the definition of professional advice and scope of the Agreement should be broadened to include ancillary activities such as licensing and other sundry advice. Bringing these activities within the ambit of the agreement would be beneficial to industry.

The Chair thanked the Core Group for its hard work and expressed the hope that the report could be completed by next year, and the exercise brought to a successful conclusion. Delegations were invited to join the group and support the work.

### **3. Industry Trilateral update**

The IT3 presented the outcomes of work on substantive patent law harmonisation (SPLH) carried out in 2022-2023. They were working towards a balanced package providing legal certainty and transparency for all parties, and recalled that changes in law in all jurisdictions would be necessary to fulfil the policy objectives with regard to the definition of prior art, grace period, 18-month publication, conflicting applications and prior user rights. IPO and AIPLA considered how to replace the Defence of Intervening User (DIU) in response to the feedback received. BusinessEurope replied to the European consultations in 2022 and actively participated in the European Symposium on SPLH in 2023. JIPA continued its internal discussions particularly on the grace period in light of feedback from delegations and from national/regional user consultations. All IT3 member associations agreed that SPLH should continue and remained committed to it, and a further update to the Group B+ would be provided in the first half of next year.

### **4. FICPI ongoing internal discussions**

FICPI reported on internal discussions triggered by the European Symposium on SPLH. There was a broad consensus that the grace period was a key component of SPLH, as a safety net, balanced by strong prior user rights and/or a statement requirement. Two issues were addressed. Accelerated or early publication was discussed. The anticipated benefits were understood, as it would shorten the period of uncertainty for third parties, it would be easier to clear freedom-to-operate opinions, and it placed an additional burden on the applicant, reinforcing the safety net character of the grace period. However, FICPI identified several concerns, such as “over-publication”, as the application published would certainly contain more matter than the pre-filing disclosure (PFD). The practicality of early publication was queried and it was concluded that it would constitute an unnecessary complication. Another problem was the issue of what constituted a disclosure and what needed to be listed, these issues could constitute a trap for applicants, and might increase litigation costs. Without early publication, the need for a mandatory statement was alleviated. However, FICPI believed that a voluntary statement would be useful, combined with a presumption that when a statement was filed, the PFDs listed therein were graced.

### **5. Presentation of KINPA informal consultation results**

KINPA, participating in the Group B+ plenary for the first time, presented the outcomes of their internal consultation, carried out in 2023 upon the request of KIPO. KINPA members believed that SPLH was either important or very important. Almost all KINPA members were in favour of the grace period only if it was a “safety net” which was “harmonised internationally”, balancing the interests of applicants and third parties. Users were asked to rank the proposed packages in order of preference. The AIPPI resolutions were preferred, followed by the FICPI proposal, and finally the IT3 Elements Paper. The AIPPI position on the grace period and prior user rights was preferred, and all respondents opposed the concept of early publication of applications due to increased legal uncertainty and administrative burden. KINPA opinions were split on the statement requirement proposed by the IT3 and whether prior user rights could be derived from a PFD in good faith. Users in Korea believed that the mandatory statement requirement in Korea was working well, because it could be corrected throughout the granting procedure. Almost all KINPA members were open to a system where conflicting applications would be relevant for novelty only.

AIPPI, FICPI and the IP Federation made statements supporting the SPLH process.

AIPPI supported the grace period, which would address difficulties experienced by universities and research organisations. They did not support a mandatory statement requirement due to the potential for satellite litigation. Loss of rights was a disproportionate penalty for failure to list a PFD.

The IP Federation, also attending the Group B+ for the first time, supported SPLH and the grace period, assuming that this would not cause a move to first-to-publish. The system should remain a first-to-file system, with safeguards necessary in relation to the grace period, such as a mandatory statement and accelerated publication. The IP Federation agreed with AIPPI and FICPI that full prior user rights should apply. As for conflicting applications, different practices existed around the world and it would be necessary to come to some form of compromise between systems.

The Chair invited the user associations to feel free to send written contributions on SPLH issues to the Group B+.

## **6. European alignment process**

The EPO reported on behalf of the European delegations on the ongoing European alignment process regarding SPLH, designed to reach common positions if possible on best practice and potential areas of compromise regarding the grace period, conflicting applications and prior user rights, thereby hopefully facilitating future discussions on SPLH.

A two-part Symposium bringing together European delegations and user associations, organised by the EPO, initiated the process. User associations engaged in internal consensus-building and reported outcomes via a questionnaire. The results of the European common consultation of 2022 were confirmed. 21% of respondent user associations were against a grace period, 25% in favour, and 54% supported it only as a compromise within a balanced harmonisation package. For prior user rights, European users supported a “deep harmonisation” approach with objective criteria harmonising the accrual and scope of rights, allowing predictable and consistent outcomes across jurisdictions.

European users were interested in SPLH. There was momentum, with stakeholders heavily investing in the process. The readiness in Europe to accept a grace period as a compromise, provided it was within a balanced SPLH package, showed a flexibility which should be recognised by Europe’s partners, and this window of opportunity should be seized by delegations willing to advance discussions on SPLH.

The Chair emphasised the importance of the progress made in Europe on SPLH in the past year, and thanked the European user associations for their efforts in this regard.

## **7. Presentation of the Working Group Report on the comparative analysis of outcomes of national consultations on SPLH**

The Chair emphasised the important work carried out by the Working Group (WG), composed of the AU, CZ, DE, EPO, JP and PL delegations, chaired by the UK, with FR as an observer.

The WG Chair presented the Report of the B+ Working Group on SPLH with an overview of existing systems as well as a comparative analysis of the consultation results in AU, CA, JP and Europe, as

well as an informal survey by KINPA, but also taking into account the positions of IT3, AIPPI, FICPI, previous work of the Group B+ and the WIPO SCP on all 5 items of the SPLH package. The inherent limitations of the analysis were highlighted: consultations in 2022 were not conducted with the idea of directly comparing their results. There were different approaches, and consultations did not always provide comparable data to analyse. The level of detail varied across the consultations, and since not all jurisdictions were covered, little could be said about users in those jurisdictions.

There was great support for SPLH across all consultations, with broad consensus on the issues of the definition of prior art and 18-month publication. As requested, the WG identified areas of convergence amongst users across jurisdictions: regarding the grace period on types of disclosures covered, the burden of proof, and rejection of the proposed DIU. There were divergences regarding the critical date, the statement and the interaction of the grace period and prior user rights. On prior user rights, there was a large degree of alignment regarding qualifying activities, limits on transfer of rights, with divergences emerging regarding derivation from the applicant, the good faith requirement, and the scope of the rights and whether modifications could be made to the use of the invention. On conflicting applications, it was difficult to draw conclusions, but there was a consensus on general principles.

The WG set out options where divergences existed, and suggested that the Group B+ should focus on areas of divergence and options identified. All in all, the support existing amongst users for a balanced package of norms was very encouraging.

The Chair concluded that there were clear results, regarding convergence and points needing more work, so that between the European alignment exercise and the WG's comparative analysis, there were two main areas of progress. He thanked the user associations, whose contributions were important to fuel the work of the WG and the Group B+. When KINPA expressed interest in ongoing involvement in SPLH efforts, the Chair confirmed that KINPA would be invited to the next plenary.

## **MEETING OF THE GROUP B+ DELEGATIONS**

### **8. Approval of publication of the WG Report**

It was decided that the WG Report would be published on the Group B+ website, as per the users' request. The Chair specified that the report should be published with the disclaimer that it reflected the views of the members of the WG only, and those delegations which had not participated in the work should not be assumed to be associated with it.

### **9. Proposed work plan for the WG on SPLH**

The Chair of the WG presented the proposed workplan for the coming year, agreed within the WG, to further investigate the options on issues where divergences remained, based on existing evidence, as well as hold meetings with users to receive additional input on these options, including IT3, AIPPI, FICPI and user associations not currently represented. It was concluded that the WG worked well and collaboratively this year, but that a wider representation would greatly enhance the work, and any interested members of the Group B+ were encouraged to join the WG.

One delegation stated that despite significant work achieved so far, the WG believed that it did not fully fulfil the tasks it was entrusted with at the last meeting, and supported the Chair's view that continued activities would benefit from input from other delegations as well.

The Chair of the Group B+ reminded the delegations that there was a clear mandate from the users to pursue SPLH, and the delegations should meet their expectations. He concluded that the WG would continue its work in the coming work cycle.

Two delegations expressed doubts about the ongoing discussions on SPLH. These delegations preferred initiatives like the CA proposal to pursue work on Standard Essential Patents (SEPs), with one of the delegations opining that in pursuing SPLH at a time where IP rights were facing serious challenges in multilateral fora, the Group might not be investing its resources in the best manner.

Referring to the two Diplomatic Conferences scheduled to take place in 2024 within WIPO, two delegations mentioned that they would welcome that the Group B+ offer a forum for coordination of the industrialised countries in preparation of these events.

Many delegations supported the WG Chair's proposal for future work, and believed that work needed to be continued to support further discussion. They were happy to continue to contribute to SPLH, and expressed their sincere gratitude to the WG Chair and Chair of the Group B+ for their leadership and efforts. Several mentioned the keen interest of their users.

One delegation found that the report was very factual, very useful, and accurately reflected the results from their user consultations. The delegation believed that the grace period was the keystone on work for SPLH, and suggested that work should focus on that issue until there is further development. It was happy to see the European positions on the grace period, which would help advance discussions on SPLH work.

Another delegation pointed out that the European alignment exercise, which was a major investment of time and effort, had yielded quite a lot of progress. Where users previously rejected a grace period outright, they were now actively considering a grace period as part of a package, in efforts made primarily by users. The delegations in the Group B+ had a duty to live up to the expectations of their users.

The Chair concluded that work would proceed on CAP, the WG would keep on working on SPLH, and the composition of the WG should be enlarged if possible. Proposals for coordination in view of other events would be taken under advisement.

## **10. Proposal for further work on Standard Essential Patents**

The CA delegation presented a proposal for further work on Standard Essential Patents (SEPs) within the Group B+, giving a brief overview of the topic and arguing that SEPs are vital to implement technical standards and enabling interconnectivity across various industries, such as IT, wireless communications and the Internet of Things. The staggering growth of SEPs worldwide from 2014 onwards was emphasised. With many countries engaging, multilateral work would be useful. Many countries had consulted on SEPs in recent years and there was increasing interest from stakeholders. At the 35<sup>th</sup> meeting of the SCP in October 2023, stakeholders and observers were invited to share their experiences with SEPs.

The CA delegation proposed that a voluntary working group be formed within the Group B+ to explore issues on SEPs, listing such issues as transparency of information and processes, essentiality determinations, appropriate use of injunctions for enforcement, Anti-Suit Injunctions/jurisdictional disputes and dispute resolution mechanisms, in an illustrative list. The workplan would be decided by those delegations who decided to volunteer. The CA delegation would be willing to act as Secretariat of the working group, and proposed that the working group would form and hold an intersessional meeting to develop a workplan.

Two delegations expressed their support for this proposal, and looked forward to further elaboration from the CA delegation so that they could consider whether to join the working group.

Two other delegations opined that the Group B+ should be careful not to spread itself too thinly, and should embark on initiatives conscious of the resources they entail. It was supported that delegations wishing to work on a particular topic do so, and it seemed that SEP was a topic which had an international dimension, so it seemed to be a good choice for such a voluntary group. In Europe, however, there was a complication, as there was a pending proposal at the EU level, and it was queried how much the European delegations could effectively contribute at this time

The Chair of the Group B+ noted that there was global interest regarding SEPs, which was becoming increasingly important. However, the Group had to be pragmatic. In line with the CA proposal, the Chair asked the CA delegation to begin organising the work with delegations wishing to join the group on a voluntary basis, then clarify a roadmap, and expose some first findings of the voluntary group. If the Group B+ considered that it would be useful to work on SEPs formally, a decision as to the creation of a working group of willing delegations on SEPs would be taken at the next plenary.

## **11. Conclusion of the meeting**

The Chair announced that the JPO would be taking over the Secretariat of the Group B+ for the upcoming year in the fall and thanked the EPO for their work as Secretariat in the past year.

Thanking the participants, the Chair concluded the meeting, stating what a pleasure it was to chair the meeting and see the delegations in presence. SPLH remained the core business of the Group, mandated by the keen interest of users globally, and in this last year, very significant progress had been made. The Chair praised the Group for being efficient and respectful of all different points of view.