

SCOPE OF PROTECTION FOR A UTILITY MODEL¹

Pia Björkwall

1. Introduction

According to Section 24 in the Finnish Utility Model Act (800/1991) the scope of protection conferred by a utility model right shall be determined by the claims, whereby the description and illustrations may be used for interpretation. This provision corresponds to Section 39 in the Patent Act (550/1967) and Article 69 EPC. However, a utility model right differs from a patent in ways that make it questionable if the same principles actually should be used for interpretation. In this article I look at some of the problems related to the scope of protection conferred by a utility model certificate. First, I present the legal framework for the scope of protection for patents and give a short overview over the aspects that are taken into consideration in the evaluation of the scope of protection for a patent. Second, I present the differences between patents and utility models that should be taken into consideration when determining the scope of protection for a utility model certificate. Third, I look at Finnish case law. Finally, I present some concluding remarks.

2. The Scope of Protection for a Patent as a Starting Point

2.1 Legal Framework

Section 39 in the Patent Act determines the scope of protection for a Finnish patent: “The scope of protection conferred by a patent shall be determined by the claims. The description may serve as guidance for interpreting the claims.” The rule corresponds to Article 69 EPC, which states that the extent of the protection conferred by a European patent or a European patent application shall be determined by the claims, whereby the description and drawings shall be used for interpretation. There is a small difference between the two, since Section 39 contains the wording “*may* be used”, whereas Article 69 uses the word “*shall*”. However, the Finnish legislator has pointed out that there is no real difference as to the interpretation. In the preparatory works 92/2005 the legislator stated that the court shall apply Article 69 EPC when interpreting a patent with effect in Finland.

In order to balance between different interpretation traditions in the Member States, a protocol for interpretation of Article 69 EPC has been introduced.² Article 1 in this Protocol states the following:

¹ This article is a draft and may not be cited.

Article 69 should not be interpreted as meaning that the extent of the protection conferred by a European patent is to be understood as that defined by the strict, literal meaning of the wording used in the claims, the description and drawings being employed only for the purpose of resolving an ambiguity found in the claims. Nor should it be taken to mean that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the patent proprietor has contemplated. On the contrary, it is to be interpreted as defining a position between these extremes which combines a fair protection for the patent proprietor with a reasonable degree of legal certainty for third parties.

The Protocol was revised in the EPC 2000, whereby an Article 2 was added, which states that in determining the extent of protection “due account shall be taken of any element which is equivalent to an element specified in the claims”. Hereby the so called “Doctrine of Equivalents” was given a legal basis. Article 39 in the Patent Act shall be interpreted in accordance with the Protocol.³ Even though the application of Article 69 for the interpretation of Finnish patent law was not confirmed by the legislator until recently, it seems that the same principles were at least to some extent present in the Finnish practice before.⁴ Even in literature it has been argued that the interpretation of Article 39 should be carried out in accordance with Article 69 EPC.⁵

2.2 The Function of Description and Drawings

From a legal point of view the patent claims are the main feature of the patent. The rule is that only something included in the claims is protected, which makes the claims the most important part of a patent.⁶ The function and main purpose of the description is to describe the invention in such a way that it can be understood and carried out by a person skilled in the art. The drawings are a supplement to the description. In the description the applicant describes the state of the art and explains how the invention differs from what was known. Usually a problem is identified and the applicant describes how his invention solves this problem.⁷ Consequently, in order to understand the gist of the invention, a person skilled in the art reads the patent claims in the light of the description and the drawings.⁸

2.3 The Interpretation

The actual determination of the protection conferred by a patent in case of a potential infringement is a complex issue. The starting point for the interpretation of what the

² Protocol on the Interpretation of Article 69 of the Convention, adopted at the Munich Diplomatic Conference for the setting up of a European System for the Grant of Patents on 5 October 1973, as revised by the Act revising the EPC of 29 November 2000. The new EPC 2000 came into force on the 31.12.2007.

³ Preparatory works 92/2005, 30.

⁴ See preparatory works 92/2005, 30. For more detailed reading, see Norrgård & Bruun 2007, *Analogiamenetelmäpatentin suojapiiri*. Osa 1. Lakimies 2007/5, 699. Note that in the Supreme Administrative Court’s decision 23.11.2000 the court held that the Finnish courts are not bound by EPO case law.

⁵ E.g. Godenhjelm 1994, *Patentskyddets omfattning i europeisk och nordisk rätt*. Helsingfors, 38 ff.

⁶ Domeij 2007, *Patenträtt*. Uppsala, 29.

⁷ Lévin 2004, *Lärobok i immaterialrätt*. Stockholm, 215.

⁸ Norrgård & Bruun 2007/5, 704.

patent actually protects is, as mentioned above, the wording in the claims, read in the light of the description and drawings.⁹ The claims shall be read “through the eyes” of a person skilled in the art.¹⁰ This gives the evaluation objectivity. If needed the file wrapper, meaning the correspondence between the applicant and the granting authorities during the prosecution of the application can be used, mainly to narrow down the scope of protection or to choose one interpretation alternative over another.¹¹ In the interpretation the state of the art works as the technical context in which the claims should be read. Theoretically all known technical solutions and solutions that are obvious to a person skilled in the art would fall under this concept.¹² However, the state of the art can also have a direct effect on the determination of what a patent covers. The state of the art can for instance be used as a defense, whereby the infringing party argues that his “infringing” product did in fact belong to the state of the art or that it was obvious to a person skilled in the art.¹³ The Supreme Court decision 1982-II-1984 is a good example where these principles are applied. The defendant referred to a U.S. patent claiming his product belonged to the state of the art. In the interpretation of the patent claims the court paid attention *to the description, the state of the art on the filing day and the file wrapper*, stating that an infringement was not at hand.

An infringement is only at hand when the infringing product embodies all the elements in the claims.¹⁴ However, in some situations the scope of protection can be extended to elements equivalent to those specifically mentioned in the claims. This is the consequence of the so called “Doctrine of Equivalence” now incorporated into the Protocol of interpretation regarding Article 69 EPC. The idea behind this “extension” is to prevent the possibility of avoiding infringement by making small amendments to a patented product. Hence, different ways of carrying out the invention that were obvious to a person skilled in the art at the priority date are usually covered by the claims.¹⁵ In Scandinavia attention has traditionally been paid to how much inventiveness an invention embodies when determining its scope of protection. A general principle behind the scope of protection for technical inventions is that pioneering inventions “earn” broader protection whereas the scope of protection for small inventions should be narrow.

3. Specific Features in Utility Model Law

3.1 Protection for Small Inventions

Utility model protection is intended as a complementary protection for “small inventions” that are not patentable. As such this can be seen as an implication that the scope of protection for a utility model should be narrow. However, utility model

⁹ Stenvik 2001, *Patenters beskyttelseomfang*. Oslo, 492 ff.

¹⁰ Godenhielm 1994, 270. For a more detailed analysis see e.g Norrgård & Bruun 2007/5, 700 ff.

¹¹ Stenvik 2001, 521. Supreme Court 1981 II 184 (Lokari).

¹² Stenvik 2001, 538-539.

¹³ Stenvik 2001, 611.

¹⁴ Domeij 2007, 104.

¹⁵ For a detailed overview of the scope of protection in literature see Norrgård & Bruun 2007, *Analogiamenetelmäpatentin suojaääri*. Osa 2. Lakimies 2007/6, 830 ff.

protection is also considered to be a cheaper alternative e.g. for SMEs who cannot afford patent protection. Therefore it has been argued that companies which, due to the high costs of patents, choose to protect their large inventions under utility model law *instead of patenting them* should not thereby be “worse off”, but should get the same protection a patent would confer. This is probably one reason behind the fact that the scope of protection has not explicitly been narrowed down by the legislator.

However, an important fact that should be taken into consideration is Section 8 in the Utility Model Act. According to this rule, it is possible to convert a patent application into a utility model application. This means that an almost identical protection can be achieved even in cases where the patent granting authorities decide that an invention does not qualify for patent protection. Since a utility model confers the same exclusive right on its owner as a patent does (although the time of protection is shorter), the question is how this should be acknowledged in relation to the scope of protection.

3.2 An Unexamined Right

Notwithstanding the fact that a utility model right requires less inventiveness than a patent, there is a big difference between the two rights. A patent is granted after an extensive examination procedure. The application is usually drafted by a patent attorney and amended in a dialog with the registration authorities. This procedure has two important advantages: first, it means that the authorities confirm that the invention has the inventive step required for protection. Second, it means that the authorities decide how broad the claims can be drafted considering the state of the art. This prosecution of a patent application can be described as a “war of words” where the result is a compromise.¹⁶ However, this time consuming process has an important function – its goal is to create as much legal certainty as possible. It should be clear to the rights holder as well as third party what a patent covers and the protection should be justifiable. This is always hard to achieve, since describing the invention with words means abstracting from it.¹⁷ This can be problematic, even for professionals – there are not always words for the elements that should be described.¹⁸

The granting procedure in Finland for utility model protection is somewhat different, because the protection is intended to be a faster and cheaper alternative to patent protection. The utility model application should – more or less – contain the same parts as a patent application: claims stating the elements for which protection is sought; a description of the invention, sufficiently clear to enable a person skilled in the art to carry out the invention and, where necessary, drawings (Section 6.2 Utility Model Act). At a first glance the rights seem similar. However there is a difference, because the utility model application is not examined. Protection is granted if the application fulfills the formal criteria. No one investigates whether the invention distinctly differs¹⁹ from the state of the art, no balancing of the breadth of the claims to the state of the art takes place. This means that the granted claims are in practice identical with those originally

¹⁶ See e.g. Lévin 2004, 287.

¹⁷ Lévin 2004, 287.

¹⁸ Stenvik 2001, 438.

¹⁹ According to Section 2 in the Utility Model Act An invention must be new in relation to what was known before the filing date of the utility model right application and must differ distinctly therefrom.

drafted by the applicant (or his patent attorney) without the objectiveness obtained for patents through the processing of the application by the authorities. Still the claims, according to Section 24, carry the same weight as the patent claims when the right is being enforced.

Another feature of the utility model system is that it is intended to be an “easy” form of protection for SMEs. Utility model applications are frequently drafted by the applicants themselves, often small companies with little or no experience of intellectual property in general and enforcement in particular. According to an empirical study²⁰ of Finnish utility model holders large companies practically always use professionals when drafting the utility model application whereas this is not always the case for single inventors and small companies.

3.3 Conclusion

The fact that a utility model certificate is an unexamined right in combination with the fact that the application are often drawn up without the assistance of a patent attorney imply that the same principles that are used to determine whether a patent is being infringed cannot always be applied directly on a utility model case. Furthermore, the current system leads to inconsistency due to the fact that the scope for protection for a converted (rejected) patent application is subjected to the same rule for interpretation as a patent.

4. Finnish case law

Finnish case law on utility model certificates is overall scarce. There has been no Supreme Court decision interpreting the scope of protection. A few cases have been handled by the Court of Appeal.

In its decision of 12.5.1998 the Helsinki District Court held that the defendant’s product was infringing the utility model certificate with the argument that the products were similar. Even though the products differed in some ways “the idea had been copied”. In this case the court did not even mention Section 24 in the Utility Model Act, nor did it pay any attention to the wording in the claim. It motivated the decision with the utility model holder’s testimony and the opinion of the technical experts. The defendant appealed but changed his claims in the Court of Appeal whereby he withdrew the claim that his product did not infringe. Consequently the scope of protection was not interpreted by the Court of Appeal in its decision 25.5.1999²¹.

In its decision of 15.3.2005²² the Court of Appeal, without further comments, saw no need for changing the district court’s decision in a case where the district court in detail discussed the interpretation of the scope of protection. In its decision the district court stated that *the same procedure and principles can be used as in patent law*, since the object for protection is the same – an invention. Consequently the court analyzed the

²⁰ The results will be published in my doctoral thesis in 2009.

²¹ Helsinki Court of Appeal 25.5.1999, No. 1398 (S98/641).

²² Helsinki Court of Appeal 15.3.2005, No. 910 (S03/1978).

claims in the light of the description and the drawings. Here the court acknowledged the difficulty in trying to define an invention with words, and noted that it, in this case, was necessary to read the description in order to understand the invention and the scope of protection. In a comparison of the protected product and the allegedly infringing product the court found that even though both products solved the same problem the solutions were different. In its conclusions the court pointed out that it had tried to see to that the utility model holder gets a “reasonable and acceptable protection.” However, no infringement was at hand.

In the Court of Appeal’s decision of 22.11.2005²³ the court upheld the decision of the district court stating that no infringement was at hand. The claims in the utility model certificate referred to a sauna stove and the dispute concerned the placing of the sensor. According to the wording in the first claim the invention was characterized by the fact that “the sensor was placed in the lower box in a place exposed to significant heating from the electrical resistance”. Since the testimonies differed considerably as to whether the defendant’s product was infringing, the district court called in technical experts of its own. The court noted that according to Section 24 in the Utility Model Act the scope of protection for utility model is determined by the claims, whereby the description and drawings may be used for guidance. The protection can not be extended to something not mentioned in the claims, and all elements in the claims must be found in the infringing product. However, the court stated that the claims were so clear in this case that there was *no need for using the description and drawing*. Nevertheless, the technical experts used the description in their evaluation. The court declared that in the absence of detailed measurement results, the heating effects on the sensor should be evaluated from the perspective of a person skilled in the art. Since the sensor in the allegedly infringing product due to a cover sheet was not exposed to direct heating from the electrical resistance, the place was not specific in the sense that the utility model claim intended. The defendant had also referred to an earlier patent where the sensor was placed in the lower box as well, and according to the court this indicated that if the idea was not to limit the placing of the sensor to a specific place, the utility model would not be new in relation to the patent. Hence, in this case the court used a strict interpretation of the wording in the claim, using the state of the art to justify a narrower interpretation. The utility model holder appealed to the Supreme Court, but a retrial was not permitted.

In another decision the court has taken a broader approach. In its decision of 28.9.2001²⁴ the Court of Appeal ruled that infringement was at hand, since the infringing product was “functionally the same” and the court distinctly stated that the infringing product was an *equivalent solution*. The infringing product embodied four of five elements in the claims. An interesting fact in this case is that the defendant tried to make use of the state of the art argument, referring to the Supreme Court decision 1981-II-184, claiming that the underlying problem had already been solved in an earlier patent. However, the Court of Appeal stated that this kind of arguments have to do with the invalidation of a certificate – something that is handled by the registration authorities. According to the court *the state of the art has no meaning in this case*,

²³ Helsinki Court of Appeal 20.11.2005, No.3776 (S03/2849).

²⁴ Helsinki Court of Appeal 28.9.2001, No. 2534 (S00/320).

therefore the claim was dismissed. The defendant appealed to the Supreme Court, but a retrial was not permitted.

5. Final remarks

The current Finnish legislation has not included any provision “narrowing down” the scope of protection for a utility model certificate. The legislator has left it to the courts to decide from case to case how broad the protection should be. Based on the limited case law it is hard to draw any conclusions on general patterns. However a few things could be noted:

In none of the cases cited in this article the court acknowledged the fact that the inventions protected by utility model rights might involve only a small amount of inventiveness. Neither did the courts discuss the fact that there might be a difference in the scope of protection for a utility model compared to a patent. On the contrary the court has in at least two cases given the utility model holder protection that goes beyond the wording in the claims. One of these utility models referred to an invention for which a patent application had been withdrawn. In one case the court did interpret the claims narrowly – however, this was due to the state of the art in relation to an earlier patent. In another decision the court held that the state in the art could not be used as a defense in order to avoid infringement. It might be worth noting that all of the utility models defended in court were registered by the assistance of patent attorneys.