8

Utility Model Protection in Poland

In Search of a Regulatory Framework Capable of Incentivizing Innovation

Rafał Sikorski

Poland has a relatively long tradition of providing utility model protection, a tradition that goes back to 1919. Polish law has been strongly influenced by German law where utility model protection originated in the second half of the nineteenth century.[1] This influence is still visible in the 2022 Explanatory Memorandum to the draft of the Industrial Property Law (Explanatory Memorandum).[2] The release of the draft of the new Industrial Property Law (draft IPL)[3] has spurred numerous debates about the need to modernize Polish utility model protection to make it more attractive for innovators. These local debates reflect the debates underway in many other countries, as well those at regional and international levels.

This chapter starts by providing historical perspective on the evolution of the Polish regulatory framework for the protection of utility models. Interestingly, the draft IPL takes us to legislative solutions already tested in the past. One might even say *nihil novi sub sole* (there is nothing new under the sun). In the next section, data about the functioning of the regime currently in force is presented. This is followed by a more general discussion, drawing on experience from other jurisdictions, of how various aspects of the regulatory framework might affect the ability of the system to promote innovation. Then, the current legislative framework will be presented against the backdrop of the solutions proposed in the draft IPL. Finally, the chapter will end with conclusory remarks.

[1] See Chapter 6 (Germany and Switzerland).

[2] Uzasadnienie projektu z dnia 25 kwietnia 2022 r. Prawo własności przemysłowej, available at https://legislacja.rcl.gov.pl/docs//2/12359055/12874004/12874005/dokument552323.pdf.

[3] Projekt z dnia 25 kwietnia 2022 r. Prawo własności przemysłowej, available at https://legislacja.rcl.gov.pl/docs//2/12359055/12874004/12874005/dokument552321.pdf.

https://doi.org/10.1017/9781009478113.011 Published online by Cambridge University Press

8.1 HISTORICAL PERSPECTIVE

Utility models have been protected under Polish intellectual property law for over a hundred years. Early forms of utility model protection were introduced shortly after Poland regained its independence in 1919 in a *Decree on protection of designs and models*.[4] The 1919 Decree was repealed in 1924 by the *Law on inventions, utility models and trademarks*[5] and then subsequently in 1928 by a *Presidential decree on inventions, utility models and trademarks*.[6] The 1928 Presidential decree remained in force after the end of World War II and was the basis for utility model protection until 1962.

8.1.1 *German Origins and Utility Models Protection in the First Half of the Twentieth Century*

Polish utility model regulations were highly influenced by German and Japanese laws. Germany introduced utility model protection in 1891 to allow for protection of minor inventions by local innovators.[7] Japan followed suit and introduced a similar type of protection in 1905.[8] The new German law on utility models allowed for protection of minor inventions related to shape and construction of rather simple working tools and other useful objects. Since the right was aimed at protecting local innovators, it also adopted a concept of relative novelty – utility models met the novelty requirement if there were no prior publications of the model in Germany and the model was not used in Germany. Applications for utility model protection were not subject to substantive examination, they were only checked for formalities. German law required that models ensure some utility, thus setting the inventiveness bar rather low. The protection period was six years, divided into two three-year periods.

In its first five years after being established in 1919, the Polish Patent Office registered over 900 utility models. At that time, even though protection of patents was already available, no patent applications were examined due to organizational difficulties and the lack of personnel facing the newly established Patent Office.[9]

[4] Dekret o ochronie wzorów rysunkowych i modeli, Dz.Pr.P.P. 1919 nr 13 poz. 138, available at https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU19190130138.

[5] Ustawa z dnia 5 lutego 1924 r. o ochronie wynalazków, wzorów i znaków towarowych, Dz. U. 1924 nr 31, poz. 306, available at https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU19240310306.

[6] Rozporządzenie Prezydenta Rzeczypospolitej z dnia 22 marca 1928 r. o ochronie wynalazków, wzorów i znaków towarowych, Dz.U. 1928 nr 39 poz. 384, available at https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=wdu19280390384.

[7] Gebrauchmustergesetz, 1 Juni 1891, RGBl s. 290. See Chapter 6 (Germany and Switzerland). See also Balicki (2020).

[8] See Chapter 11 (Japan).

[9] Balicki 2020.

https://doi.org/10.1017/9781009478113.011 Published online by Cambridge University Press

Opting for registration of utility models rather than substantive examination allowed the Patent Office to overcome those difficulties.

The 1928 Presidential decree defined the characteristics of utility models' protection in Poland for the next 34 years. At that time the regulation of utility models was closely aligned with the protection of the so-called decorative or ornamental models – predecessor of design protection available today. The 1928 decree defined a model as an appearance of product reflected in its shape, drawings, colors, and materials.[10] The distinction between decorative (ornamental) models and utility models was based upon the purpose of the model. When that purpose was to provide for greater utility of the product, the model was a utility model, and when the purpose of a given model was to fulfill certain aesthetic functions, the model was a decorative (ornamental) model.[11]

The 1928 protection regime required a utility model to be novel. Novelty was not understood in absolute terms. It could be defeated through a publication of the essential features of the utility model in Poland or abroad or through its use or public exhibition in Poland.[12] The concept of novelty evolved over the years with the jurisprudence. First, strict identity of the later utility model with an earlier one was not required to defeat the novelty of the later utility model. It sufficed that the later utility model shared the same essential features with the earlier one.[13] Second, courts required that publications used to defeat novelty were publicly accessible. Thus, books or periodicals – available in bookstores or publicly accessible libraries – as well as patent descriptions could be used. Courts also required these publications to have been published in one of the European languages.[14] Finally, the concept of novelty evolved to include utility of the model. Utility meant that the product was easier or cheaper to produce or that it was more comfortable or capable of satisfying the needs of the user not previously recognized.[15]

Polish legislators were aware of the various organizational difficulties faced by the Polish Patent Office. Not only was there a limited number of patent attorneys, but the number of patent examiners was also limited. In fact, similar motivations were behind the adoption of the registration model in German law. Therefore, a full substantive examination of applications for protection was not an option. The Patent Office only examined the industrial application of the model. The protection was granted for a period of 10 years.

[10] Presidential Decree 1928 r, Art. 87 (1).
[11] Ibid., Art. 87 (2).
[12] Ibid.. Art. 90 (2).
[13] Balicki 2020.
[14] Balicki 2020.
[15] Balicki 2020.

https://doi.org/10.1017/9781009478113.011 Published online by Cambridge University Press

8.1.2 *Utility Model Protection between 1962 and 2000*

Pre–World War II regulations on utility models were replaced first in 1962[16] and then later the 1962 Law on inventions was replaced by the new act in 1972.[17] Both acts mark a change of approach of the Polish legislator. Both acts concentrated on the protection of technical inventions.[18] Thus, whereas earlier regulations tied utility models with the predecessors of design rights, namely, decorative (ornamental) models, the 1962 and 1972 acts regulated both patent and utility model protection. This had consequences for utility models and resulted in patent law influencing the concepts used with respect to utility models.[19] Utility models were defined as novel and useful technical solutions related to the shape or structure of a durable object or an object of interconnected parts of a durable nature.[20]

The 1972 Law on inventions applied the concept of absolute novelty used with respect to patented inventions.[21] The absolute novelty requirement was not previously applied to utility models in Poland. In the 1928 regulation the concept of absolute novelty was rejected. Similarly, the 1962 Law on inventions provided that novelty could be defeated if there was prior publication of the model or its use in Poland.[22]

Unlike patents, there was no requirement of nonobviousness of the technical solution. In fact, no level of inventiveness was required at all. The 1972 Law did not demand that the technical solution be capable of industrial application. Only utility (usefulness) of the technical solution was required.[23] The concept of usefulness was applied with respect to patented inventions as well. It was applied in a very liberal way, thus it was sufficient for the applicant seeking protection to specify the area in which the product could be applied.

The 1972 Law on innovation contained an interesting procedure regarding the granting of utility model protection. Whereas patents were granted upon full examination, utility models were granted in a limited examination procedure. This limited examination model was an interesting combination of the two competing traditions in industrial property law – one of registering rights without having a substantive examination, as is the case in France, and the other where applications are subject to full substantive examination.[24] The limited examination model required examination of only a limited portion of the state of the art which comprised only of utility model rights and patents protected in Poland as well as

[16] Ustawa z dnia 31 maja 1962 r. Prawo wynalazcze, Dz.U. 1962 nr 33, poz. 156.
[17] Ustawa z dnia 19 października 1972 o wynalazczości, Dz.U. 1972 nr 43, poz. 272.
[18] Grzybowski 1978, 9.
[19] Grzybowski 1978, 51–53.
[20] Art. 73 Law on inventions 1972.
[21] Art. 78 Law on inventions 1972.
[22] Art. 76 Law on inventions 1962.
[23] Art. 77 Law on inventions 1972.
[24] Szwaja 1978, 144–145.

of patent applications filed with the Polish Patent Office.[25] Thus, although the 1972 Law on Innovation applied the concept of absolute novelty, at the examination stage only Polish utility models and patents or applications for patent or utility model protection could be considered. Later, at the invalidation stage, utility models or inventions protected in other jurisdictions as well as applications for utility model or patent protection in other territories could be used to defeat novelty. Limited examination procedure certainly shortened the time required to obtain protection, while at the same time moved disputes over validity to the period following the grant of utility model protection.

8.2 RELATIVE SUCCESS OF UTILITY MODEL PROTECTION IN POLISH IP LAW

A recent OECD-sponsored study *Enhancing intellectual property use for a stronger innovation ecosystem in Poland*[26] provides data that might be helpful in explaining the relative popularity of the utility model protection in Poland. It shows that almost 70 percent of those taking part in an online survey conducted by OECD on IP use in Poland believe that utility models provide important protection for companies.[27]

That should not be surprising. The OECD study shows that a vast majority of Polish companies are small and even "micro" companies.[28] Given that utility models are generally regarded as suiting the interests of small and medium enterprises (SMEs), a large number of such enterprises creates a solid base of potential users of the utility model system.

Data published by the Polish Patent Office shows that the number of utility model applications has remained stable over the past decade. In 2022 – the last year for which the data is available – there were 673 utility model applications filed.[29] In the period from 2013 till 2021 that number varied from 759 to 1,151.[30] The number of utility model applications has remained relatively stable over the past 20 years.

Domestic applicants have always outnumbered foreign applicants. In 2022 – there were 63 foreign applicants.[31] In the period from 2013 to 2021 – there were between 37 and 79 utility model applications filed by foreign applicants per year. The number of foreign applicants has also remained relatively stable over the past 20 years, with a tendency to rise slightly.[32] In 2003 there were only 27 foreign applicants.

[25] Szwaja 1978, 146.
[26] Clayton et al. 2023.
[27] Clayton et al. 2023, 22.
[28] Clayton et al. 2023, 11.
[29] Polish Patent Office 2022, s. 60.
[30] Based on the data found in annual reports of the Polish Patent Office for years 2013–2022. The annual reports for years 2003–2022 are available at https://uprp.gov.pl/pl/publikacje/raport-roczny-uprp.
[31] Polish Patent Office 2022, 60.
[32] Based on the data found in annual reports of the Polish Patent Office for years 2013–2022.

The local character of utility model protection is further confirmed by the fact that rights are primarily obtained in a national procedure – in 2022 the national procedure was used in the case of 660 applications whereas the international Patent Cooperation Treaty (PCT) was used only 13 times.[33] In the period between 2018 and 2021, the PCT procedure was used in only 1.0–2.5 percent of cases.[34]

Data published by the Polish Patent Office reveals an interesting trend when broken down by the category of applicants. The 2022 Annual Report shows that publicly funded research and education institutions such as universities, the Polish Academy of Sciences and research centers accounted for 13 percent of domestic applicants.[35] In the top 10 of the applicants for the utility model rights, these publicly funded institutions had 5 representatives, whereas in the top 38 applicants there were 16 publicly funded institutions.[36] Natural persons accounted for 23 percent and business entities for 64 percent of domestic applicants.[37] The numbers for 2022 are similar to those from 2017 through 2021.[38]

Polish Patent Office reports also break down the data concerning applications by business entities. Here data is available only for patent and utility model applications jointly. The data for 2022 shows that among applicants that are business entities 60 percent employ less than 9 employees, whereas 13 percent employ between 10 and 49 employees.[39] This shows that over 70 percent of patent and utility model applicants are SMEs. These numbers are very similar to data available for the period from 2017 through 2021.

Data published by the Polish Patent Office is also broken down by field of technology. The majority of utility model applications cover civil engineering, handling, mechanical elements, and machines including electrical machines and apparatuses, consumer goods, medical equipment, and transport.[40] None or single applications are filed in such fields as telecommunications, digital communications, semiconductors, biotechnology, basic and foods chemistry.[41]

As of December 31, 2021, there were 3,529 utility models in force.[42] This number was relatively stable in the five-year period from 2017 through 2021.[43] The overall number of utility models however has steadily risen over the past 20 years. Shortly

[33] Polish Patent Office 2022, 91.
[34] Polish Patent Office 2022
[35] Polish Patent Office 2022, 95.
[36] Polish Patent Office 2022, 99–100.
[37] Polish Patent Office 2022, 95.
[38] Polish Patent Office 2022.
[39] Polish Patent Office 2022, 61.
[40] Polish Patent Office 2022, 92–93.
[41] Polish Patent Office 2022, 92–93.
[42] Polish Patent Office 2022, 100.
[43] Polish Patent Office 2022

before Poland joined the European Union in 2004, there were 1,978 utility model rights in force.[44]

Interesting conclusions can also be drawn when comparing the data for both patents and utility models. Whereas in 2022 there were 3,529 utility models in force, in the same year there were 16,243 national patents in force and over 94,156 European patents validated in Poland.[45] Whereas utility models are predominantly held by Polish applicants, the situation is different in the case of patents. European patents validated in Poland are generally held by foreign patentees, European patents validated in Poland by Polish applicants are only a small fraction of the overall number of European patents validated in Poland.[46]

Analysis of data concerning utility models in Poland confirms many of the assumptions usually made with respect to second-tier patent protection. First, utility model protection is predominantly used by national applicants, with foreign applicants constituting only a fraction of the overall number of applicants. Second, business entities constitute the largest group of applicants. Within that group, however, SMEs account for over 70 percent of the applicants. Individual applicants constitute the second-largest group of applicants. Third, publicly funded research and education institutions are also among the key groups who file for utility model protection. Their role in the field of "technical IP" becomes even more crucial when utility model applications are combined with applications for patents – then it reaches over 45 percent of the overall number of applications.

The third of the conclusions is probably the most surprising. It is even more puzzling when combined with the very low commercialization rate of the inventions and utility models coming from the publicly funded scientific and research sectors. The vast majority of protected inventions or utility models are neither licensed out nor practiced by these institutions themselves. Nor are these rights transferred to business entities. Though moving from invention to commercialization is always fraught with difficulties, in the case of IP owned by Polish educational and scientific institutions, the examples of successful commercialization are even harder to find.[47] This suggests that motivations behind obtaining IP rights by these institutions must be distorted in some way. One possible explanation is that both utility model and patent applications are used as indicators of academic achievement and are considered for assessment of academic activity and decisions on funding academic research.[48] Thus, to some extent at least, IP applications may substitute for publications in peer-reviewed journals.[49]

[44] Polish Patent Office 2003.
[45] Polish Patent Office 2022, 58.
[46] Polish Patent Office 2022, 101–103.
[47] Clayton et al. 2023, 18–19.
[48] Clayton et al. 2023, 27.
[49] Clayton et al. 2023

8.3 RATIONALE FOR UTILITY MODEL PROTECTION

The Explanatory Memorandum to the new draft Industrial Property Law explicitly states that the availability of utility model protection should incentivize investment in innovation.[50] This rationale for the protection of technical solutions, including utility models, has generally been accepted, including in Poland. The draft Industrial Property Law – in an attempt to make the system even more capable of providing incentives for technical innovation – simplifies the procedure for obtaining utility model protection. Instead of a full substantive examination it provides for a registration model, a change that is supposed to reduce the time necessary for obtaining the right from 24 months, which is the average time under the current legislation, to no more than 12 months.[51]

However, before analyzing specific rules on utility model protection – both those currently in force and those proposed in the draft legislation – it would first be interesting to look more generally at selected aspects of the regulatory framework that might influence the pro-innovation potential of utility model protection.

First, the criteria for granting utility model protection are crucial. On one hand, the bar for protection might be set very low. For example, it is possible – as is the case under Polish law – to require nothing but novelty of the utility model. But, IP legislators might also decide that at least some degree of inventiveness is required. That degree of inventiveness might be set at a low level. It is also possible, however, to demand the same degree of inventiveness as required under patent law. Generally, the higher the bar for inventiveness, the more difficult it is to obtain protection. With strict protectability criteria, obtaining utility model protection does not differ much from the traditional patent protection, consequently it becomes less attractive for SMEs.

It is also essential for the national legislators to frame the concept of novelty properly. When novelty is framed as absolute – obtaining protection is much more difficult.[52] SMEs, especially those operating locally, might not be aware of what has been disclosed to the public in other jurisdictions. If utility model protection is to provide an incentive for this group of applicants, then a limited concept of novelty would be preferable. The choice of a particular concept of novelty also influences the understanding of the concept of inventiveness.[53] If novelty is understood as absolute, then the concept of state-of-the-art covers anything that has been made available to the public irrespective of the territory in which it has been made available. For purposes of evaluating inventiveness, one always considers whether the particular invention is sufficiently distant from state-of-the-art. This assessment is made from the perspective of a person skilled in the art, that is a skilled practitioner

[50] Explanatory Memorandum (Poland), 22.
[51] Ibid.
[52] Dreyfuss and Benoliel 2022, 444.
[53] Dreyfuss and Benoliel 2022, 459–462.

in the relevant technology field. It is assumed that such a person is familiar with the state-of-the-art. Thus, the novelty concept influences the benchmark against which the inventiveness of a particular solution is assessed. Absolute novelty broadens the state-of-the-art and consequently raises the bar for the assessment of inventiveness.

Second, the definition of the subject matter protected is of paramount importance. The legislative choices with respect to the subject matter protected will determine the fields of technology in which utility model protection may provide incentives for innovation. The laws in various jurisdictions differ substantially in this respect. For example, some jurisdictions do not differentiate between patentable subject matter and the subject matter that is capable of protection as a utility model. Others limit protection to shapes and structures of products, excluding chemical substances, products containing biological material, or processes and new uses of known substances or devices.

The selection of protected subject matter must be very careful. When making that choice one should consider that the traditional purpose of utility model protection was to provide protection for minor technical improvements and adaptations of products, such as mechanical devices or apparatuses. Whereas patents may be used to protect breakthrough innovations, protection of utility models have always been envisaged as a means of protecting merely incremental innovation.[54]

It is not the purpose of this distinction to diminish in any way incremental innovation. Incremental innovation builds upon breakthrough inventions and enables the full exploitation of the potential of breakthrough innovation.[55] Minor adaptations are often required to enter new product markets, new market segments or new geographic markets.[56] They permit adaptation to changes in the legal and regulatory environment.[57] Frequently, they also enable an innovator to maintain market leadership by adopting customer requirements for new features, thereby helping to maintain or increase margin levels. Generally, incremental innovation is crucial for businesses to remain competitive in the market. The economics literature teaches that a successful innovator always relies on a mix of various types of innovation, consisting of more radical, sometimes breakthrough inventions, supplemented by lesser innovations that build upon earlier efforts.[58]

Incremental innovation also characterizes economies at a certain level of development. The economic literature describes three phases of development. Initially, economies aim at manufacturing products according to specifications provided by investors. Incremental innovation becomes possible once businesses have become

[54] Radauer et al. 2015, 12.
[55] Varadajan 2009, 21–29.
[56] Varadajan 2009
[57] Varadajan 2009
[58] Varadajan 2009

reliable producers. Finally, business entities in such catching-up economies turn to more radical and disruptive innovation.[59]

The micro- and macro-perspectives on incremental innovation shed some additional light on possible regulatory choices for utility model protection. On one hand, utility model protection seems to suit economies at certain levels of economic development. This explains the popularity of this type of protection in countries like South Korea and Japan through the 1970s. These economies, having achieved greater economic development, have moved from incremental innovation to more radical forms of innovation. That shift resulted in fewer applications for utility model protection as the business entities turned to more advanced forms of innovation for which patent protection is more suitable.[60] This might lead to a conclusion that after a certain point in time utility model protection might no longer be a desirable form of protection and could simply be abandoned. It is reasonable to claim that at a certain state of economic development patent protection of more advanced inventions would be sufficient, as it allows control over more radical and breakthrough inventions upon which incremental innovation is based.

One of the problems with second-tier patent protection in countries that are at a lower level of technological development is that once in place, protection must be available to nationals and entities from other countries as a result of national treatment clauses in international agreements such as the Paris Convention[61] and the TRIPS Agreement.[62] This opens utility model protection to foreign business entities and might allow them to "hijack" this IP right. This could, contrary to motivations behind the introduction of utility model protection, lead to even stronger barriers for effective competition by local business entities, for whom the system was designed in the first place.

Third, utility models are generally exclusive rights with the scope of protection being determined by the wording of the claims. The approach towards claim interpretation is one of the most contentious issues in patent law.[63] In some jurisdictions a more literal and strict interpretation of patent claims is the preferred option, while in others there is a tendency to interpret claims broadly.[64] Also, the approach towards equivalents varies significantly. Finally, the role of descriptions and drawings is perceived differently among jurisdictions.

With respect to utility model protection, similar problems need to be resolved. The solutions that will be adopted will likely influence freedom to operate by competitors. It seems that, given the nature of utility model innovation, namely its incremental character, that interpretation should be rather strict and literal. That

[59] Krishnaswamy et al. 2015, 237–238.
[60] See Chapters 11 (Japan) and 12 (Korea). See also Radauer et al. 2015, 21.
[61] Paris Convention for the Protection of Industrial Property, Art. 2.
[62] TRIPS Agreement, Art. 3.
[63] du Vall 2017, s. 353–377.
[64] du Vall 2017, 355.

does not exclude the use of utility model description or drawings. However, expanding the scope of the claims would not be justified for a utility model system. A lesser degree of inventiveness requires commensurate – in this case narrower – scope of protection.

Fourth, utility model protection is usually obtained faster than patent protection. Usually, it is also a cheaper form of protection. This is largely due to the fact that utility model applications are checked for formalities only, rather than subject to full substantive examination. The fact that patent offices do not examine utility model applications does not mean that there are no disputes over protection criteria. These are simply shifted in time, usually to the post-grant stage.

The registration system for utility models, though cheaper and faster than patent protection, comes with a significant and potentially anticompetitive downside. The ease of obtaining utility model protection might result in a significant number of rights that might create thickets, a phenomenon well-known in patent law[65] and at times also described with respect to other IP rights.[66] Thickets can be problematic, as they create uncertainty for competitors, especially in quickly evolving markets. Thickets make innovation riskier; they may discourage businesses from entering a market or force market exit in other cases. This problem will be further exacerbated when protectability criteria are set at a low level. Such thickets might also welcome abusive enforcement practices aimed at exploiting uncertainties surrounding validity and scope of protection in order to obtain excessive royalty payments.

8.4 CURRENT STATE OF UTILITY MODEL PROTECTION IN POLAND AND THE PLANNED REFORM

The modern Polish Industrial Property (IPL) Law was enacted in 2000.[67] The 2000 IPL was a comprehensive act that regulated virtually all types of industrial property rights including patents, utility models, industrial designs, geographical indications, trademarks, topographies of integrated circuits, and supplementary protection certificates. The IPL has been amended on numerous occasions. The most recent amendments to the chapter on utility models were adopted in 2019.[68] Currently, discussions are under way with respect to a draft of a new Industrial Property Law. The draft IPL envisages significant changes to the utility protection regime.

Set forth below, is an analysis of a number of selected aspects of the utility model regime currently in force, together with the proposals for amendment found in the

[65] Shapiro 2001, 119–122; Contreras 2018.
[66] See Copyright Trolling; Contreras 2018.
[67] Ustawa z dnia 30 czerwca 2000 r. Prawo własności przemysłowej, Dz.U. 2001, nr 49, poz. 508.
[68] Ustawa z dnia 20 lutego 2019 r. o zmianie ustawy Prawo własności przemysłowej, Dz.U. 2019, poz. 501.

draft IPL. These will include: the concept of the utility model, protectability criteria, and the procedure for the grant of utility model rights.

8.4.1 *Utility Model: Definition*

The current IPL defines utility models as solutions of a technical nature related to the shape or structure of a durable object or to an object which consists of functionally interconnected parts of a durable nature.[69] Since the technical solutions must always be related to a material three-dimensional object, the concept of utility models cannot cover processes or methods nor compositions of substances, mixtures, or liquids. Applicants have obtained protection for various shapes of windows, garden rakes, a hanger, a folding bike or a stroller, a container used in transportation, a car trailer allowing for easy maneuvering, and a multilevel highway intersection, among other things.[70]

The draft IPL simplifies the definition of the utility model and provides that a utility model is a solution of a technical nature.[71] The concept is not subject to the limitations imposed under the current IPL, thus the technical solution does not have to relate to the shape or structure of a durable object. Interestingly, there are a number of exclusions from protection. These cover objects made of biological material or containing such material, processes, chemical substances, and their mixtures, including pharmaceutical compositions, as well new uses.[72] All this suggests that a different drafting technique was used but the end result is generally the same. Though the definition of the concept of utility model is proposed to be simplified, it is unlikely to result in utility model protection being more appealing to new sectors of the industry, such as biotech, pharma or telecommunication or semiconductor sectors.

8.4.2 *Protectability Criteria: Novelty, Utility (Usefulness) and Industrial Application*

The IPL initially defined two criteria of protectability – novelty and utility (usefulness). These criteria were later amended in 2019. Whereas novelty remained, utility was replaced with capability for industrial application.[73] The draft IPL maintains both novelty and industrial application.[74]

[69] Art. 94 IPL.
[70] For examples see: www.pwrz.pl/rzecznik_patentowy/moje.html.
[71] Art. 111 draft IPL.
[72] Art. 112 draft IPL.
[73] Art. 94 IPL.
[74] Art. 111 draft IPL.

https://doi.org/10.1017/9781009478113.011 Published online by Cambridge University Press

Polish law does not currently require any form of inventiveness for utility models. This omission makes Polish law different than that of many legal systems with utility model protection, which require at least some degree of inventiveness.

Prior to the 2019 amendments of the IPL, usefulness (utility) was one of the criteria for utility model protection. This concept was also part of the pre–World War II Polish IP legislation and was used to distinguish utility models and aesthetic models. In the 1928 Law the legislature demanded that the model "aims at achieving greater degree of utility" – this could be achieved by ensuring that manufacturing of the product is cheaper or safer, or that the product is more comfortable.[75] The same concept was used in 1962 when the Law on inventions was adopted and was repeated in 1972.[76] Though the utility requirement was interpreted in a liberal manner, the Patent Office denied protection in cases when utility was missing.[77]

Utility was also adopted as one of the protectability criteria for utility model protection in the IPL. According to Art. 94 IPL, a particular technical solution is regarded as useful if it enabled the achievement of an aim of practical significance for the manufacturing or use of the product. The wording of this provision, however, does not require greater utility, it merely requires utility. Therefore, the Patent Office checks for utility but is not required to compare two technical solutions and establish that one is in any way superior to the other. Thus, the utility requirement was practically devoid of any meaning.[78]

After amendments in 2019, the IPL no longer requires utility. Utility models, apart from being novel – must now be capable of industrial application. The same approach is taken in the draft IPL. Industrial application only requires that the technical solution be capable of being applied repeatedly while allowing achievement of the same result and without there being a need to resort to additional technical means or a different set of skills.[79] As such, industrial application does not introduce any requirements for inventiveness.

8.4.3 *Substantive Examination versus Mere Registration*

The IPL today requires that applications for utility model protection be filed with the Polish Patent Office. The Patent Office is responsible for the receipt and examination of applications. After 18 months from filing, the Patent Office announces that an application was filed in the Patent Office Bulletin.

The Patent Office conducts a full substantive examination of the applications to determine whether the requirements for obtaining utility model protection have been met. This examination substantially delays the grant of protection. At present,

[75] Art. 87(2) Presidential Decree 1928.
[76] Balicki 2020.
[77] Balicki 2020.
[78] Balicki 2020.
[79] Ożegalska-Trybalska [2021]par. 32.

https://doi.org/10.1017/9781009478113.011 Published online by Cambridge University Press

obtaining utility model protection takes 24 months on average.[80] The draft IPL envisages major amendments to the procedure for obtaining protection. If the draft IPL is passed, full substantive examination will be replaced by a registration procedure, thus shifting the analysis of the protectability criteria to post-grant opposition or invalidation proceedings. The Patent Office will no longer be required to publish information about the filing of applications 18 months after filing.

The draft IPL requires that, because there will be no substantive examination of the application during the registration procedure, the right holder – prior to filing a lawsuit or a motion for a preliminary injunction – must obtain a search report confirming the novelty and industrial application of the utility model.[81] That report will be attached to the lawsuit or the motion for the preliminary injunction.[82] Additionally, the draft IPL allows the Patent Office to conduct a substantive examination of a utility model application, but only when the application prima facie does not meet the protectability criteria.[83]

Certainly, replacing substantive examination with registration is a significant change, though one might also say that it would only result in adopting solutions well known in Polish intellectual property law. This change – so claim the drafters of the new IPL – would allow applicants to obtain protection in less than a year. That would in turn enable the achievement of the goals of the drafters of the new IPL, namely, to provide for more easily accessible intellectual property protection. Consequently, the drafters believe, easily accessible utility model protection would also result in more innovation and more rights being granted. It seems that the drafters were influenced by German law on utility models which also adopts the registration model for granting rights.

8.5 CONCLUSIONS

The protection of utility models has a long tradition in Poland, and it is unlikely to be abolished in the foreseeable future. Instead, discussions have centered around necessary reforms of the system. In many respects, the design of utility model protection in Poland resembles regulations in other jurisdictions – utility model protection can be obtained faster than patent protection. It is also cheaper than patent protection. Utility model protection is also easier to obtain since only novelty and industrial applicability are required. At the same time, it is shorter than patent protection and only lasts up to 10 years. Protectable subject matter is also limited, and the breadth of protection is likely to be narrower, as broad interpretation of claims is not an option with respect to utility models.

[80] Explanatory Memorandum, 22.
[81] This requirement is similar, for example, to that in France (Chapter 5) and Japan (Chapter 11).
[82] Art. 477(2) draft IPL.
[83] Art. 121(1) draft IPL.

At the same time there are concerns that utility model protection might be used for purposes that have little to do with innovation. One concern relates to use of the system by academic institutions. Utility model and patent grants are playing an important role in academic evaluations and are also considered when decisions to finance research are made. This leads to granting patents and utility models that might not be intended for commercialization, while diverting academic focus away from valuable research, the results of which would otherwise be published in peer-reviewed journals.

So far, utility model protection has been popular particularly with individual inventors and SMEs. Reform of utility model protection is likely to make the system even more attractive for SMEs. It remains to be seen whether changes in the law could lead to creation of thickets and possible abusive litigation by right holders. It also remains to be seen whether expected changes in the law would make the system more attractive for foreign filers. These concerns, however, might be overrated. Utility model protection is relatively narrow and design arounds are much easier. Therefore, utility models are less likely to be used abusively; rather, it is patents and copyrights that are more prone to such abusive use.