

Jurisdiction of the Unified Patent Court The First year in Review

*CEIPI-Seminar "One Year UPC – The First Year in Review"
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Overview

UPC Jurisdiction
First Year in Review

Time is of the essence

UPC's jurisdiction for infringement acts committed prior to the entry into force of the Agreement?

to be used for acts prior to the UPC Agreement

to be used for acts committed after the UPC Agreement

UPC Jurisdiction
First Year in Review

Back to basics

"The international jurisdiction of the Court shall be established in accordance with Article 1 of Council Regulation No 1215/2002" (Art. 1(1) UPCA), Art. 7(2) in conjunction with Art. 719(1) BR.

"The UPC has international jurisdiction in respect of an infringement action where the European patent relied on by the claimant has effect in at least one Contracting Member State and the alleged damage may occur in that particular Contracting Member State. Where the damage is allegedly caused via the internet, the likelihood of such damage may arise from the possibility of obtaining products used for online activities from an internet site accessible within the territory of the Contracting Member State where the European patent has effect.

The place "where the actual or threatened infringement has occurred or may occur" set referred to in Art. 23(1)(a) UPCA must be interpreted in the same way as the place "where the harmful event occurred or may occur" of Art. 7(2) of the Brussels I recast Regulation is interpreted in relation to alleged patent infringements."

AG: HEINRICH KAMMERSCHMIDT
 ABG: ANDREA GALLAGHER
 PRESIDENT: JÜRGEN VON BAR
 VICE-PRESIDENTS: JÜRGEN VON BAR, ANDREA GALLAGHER
 MEMBERS: JÜRGEN VON BAR, ANDREA GALLAGHER, JÜRGEN VON BAR, ANDREA GALLAGHER, JÜRGEN VON BAR, ANDREA GALLAGHER

UPC Jurisdiction
First Year in Review

Household issues

- Parallel proceedings (Central Division/Local Division)
- Multiple defendants

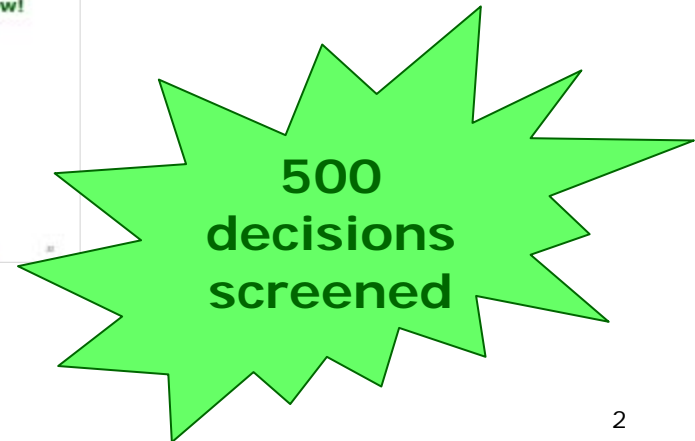
UPC Jurisdiction
First Year in Review

Neighbourhood problems

- Conflict of jurisdiction between UPC and national courts during the transitional period
- "Carve-out" by patentee in the infringement action cannot prevent defendant from challenging validity for all CMS

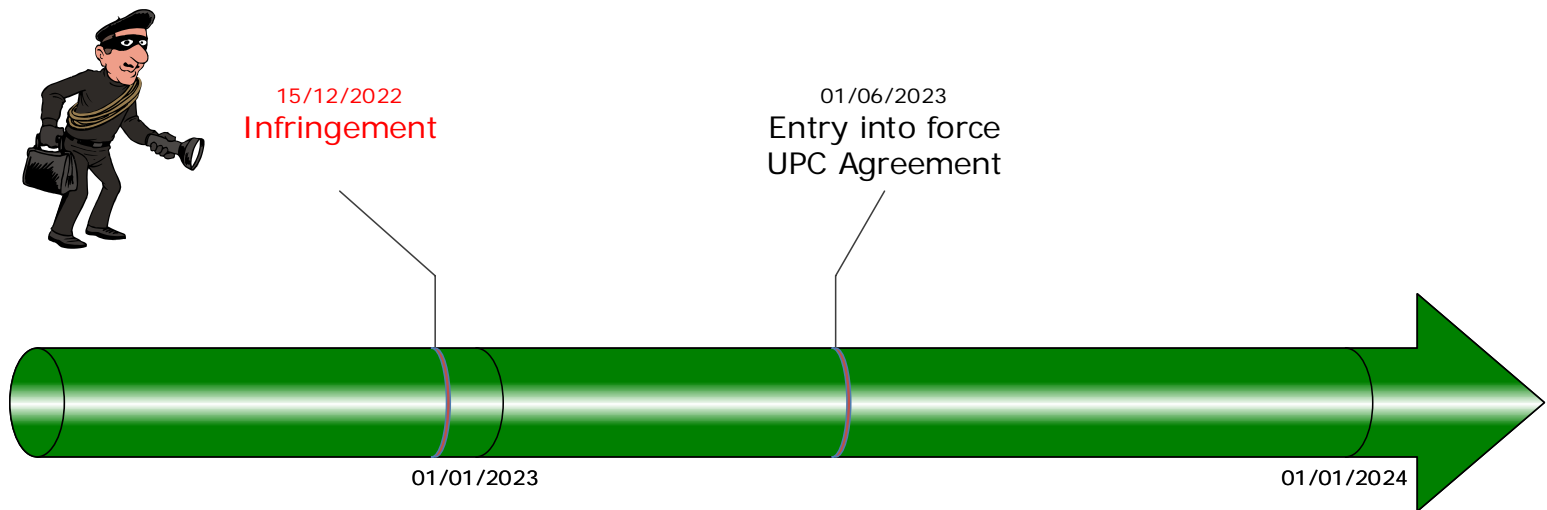
UPC Jurisdiction
First Year in Review

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Time is of the essence

UPC's jurisdiction for infringement acts committed prior to the entry into force of the Agreement?



Time is of the essence

UPC jurisdiction over infringement acts committed before 1st June 2023 (entry into force UPCA)

*"In the view of the rapporteur... The **Unified Patent Court has jurisdiction over infringement acts committed before the entry into force of the Agreement** on a Unified Patent Court on 1 June 2023. This follows from Art. 3 c) and 32.1. a) UPCA and the absence of conflicting intertemporal orders."*

(Dies folgt aus Art. 3 c) und 32.1. a) EPGÜ und dem Fehlen entgegenstehender intertemporaler Anordnungen)

29/09/2023	Edwards Lifesciences Corporation ./. Meril GmbH	UPC_CFI_15/2023	ORD_576853/2023	Infringement Action	Court of First Instance - Munich (DE) Local Division	German
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Time is of the essence

*"The UPC has **no jurisdiction** for actions for the determination of damages on the basis of patent infringement proceedings that have become final before a national court.*

Art. 32(a) UPCA confers jurisdiction on the UPC to determine damages only after a prior action for patent infringement has been brought before a chamber of the UPC."

17/11/2023

Fives ECL, SAS v.
REEL GmbH

UPC_CFI_274/2023 –
application processed in
hardcopy only (outside
CMS)

Application for
determination of
damages

Court of First Instance -
Hamburg (DE) Local
Division

German

https://www.veron.com/wp-content/uploads/pve-upc/fichiers/2023-11-17_LD_Hamburg_UPC_CFI_274-2023_ACT_559935-2023_anonymized_en.pdf

Back to basics

"The international jurisdiction of the Court shall be established in accordance with Brussels I recast regulation No 1215/2012" (Art. 31 UPCA), Art. 7(2) in conjunction with Art. 71b(1) BR

*"the UPC has international jurisdiction in respect of an infringement action where the European patent relied on by the claimant has effect in at least one Contracting Member State and the alleged damage may occur in that particular Contracting Member State. **Where the damage is allegedly caused via the internet, the likelihood of such damage may arise from the possibility of obtaining products and/or using services from an internet site accessible within the territory of the Contracting Member State where the European patent has effect...***

The place "where the actual or threatened infringement has occurred or may occur "as referred to in Art. 33(1)(a) UPCA must be interpreted in the same way as the place "where the harmful event occurred or may occur" of Art. 7(2) of the Brussels I recast Regulation is interpreted in relation to alleged patent infringements."

03/09/2024	AYLO FREESITES LTD, AYLO Billing Limited , AYLO PREMIUM LTD v. DISH Technologies L.L.C., Sling TV L.L.C	UPC_CoA_188/2024	ORD_42716/2024	Appeal RoP220.2	Court of Appeal - Luxembourg (LU)	German
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Household issues

- Parallel proceedings (Central Division/Local Division)
- Multiple defendants

Household issues

Parallel proceedings (infringement LD, revocation CD)

01/06/2023 Edwards (patentee) commences infringement proceedings against Meril **India** and Meril **GmbH** before UPC Local Division Munich

04/08/2023 Meril **Italy** commences revocation proceedings against Edwards before UPC Central Division Seat in Paris

Edwards argues that revocation proceedings before UPC CD in Paris, are inadmissible (Art. 33(4) UPCA "*If... an action for infringement... between the **same parties** relating to the same patent has been brought before a local or a regional division, actions (for revocation) may only be brought before the same local or regional division*").

UPC CD holds that Meril **India** and **GmbH** are not the same parties as Meril **Italy** and holds admissible the latter's revocation action

13/11/2023	Edwards Lifesciences Corporation v. Meril Italy srl	UPC_CFI_255/2023	ORD_578356/2023	Preliminary Objection	Court of First Instance - Paris (FR) Central Division - Seat
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Household issues

Parallel proceedings (infringement LD, revocation CD)

05/12/2023 Seoul Viosys (patentee) commences infringement proceedings against Laser Components (importer) before UPC Local Division Paris

18/03/2024 Photon Wave (manufacturer) intervenes as a 'white knight' in the infringement proceedings

05/06/2024 Photon Wave commences revocation proceedings against Seoul Viosys before UPC Central Division Seat in Paris

Photon Wave submits that infringement proceedings before LD should be stayed until a final decision of the CD on its revocation action

24/07/2024 LD Paris decides not to stay infringement proceedings because Photon Wave revocation action before CD is likely to be held inadmissible in view of Art. 33(4) UPCA "*If... an action for infringement... between the same parties relating to the same patent has been brought before a local or a regional division, actions (for revocation) may only be brought before the same local or regional division*".

Art. 33 (1)

Infringement: (b) defendant's domicile

"1) Without prejudice to paragraph 7 of this Article, actions (for infringement) shall be brought before:

*(b) the local division hosted by the Contracting Member State where the defendant or, in the case of multiple defendants, **one of the defendants has its residence**, or principal place of business, or in the absence of residence or principal place of business, its place of business, or the regional division in which that Contracting Member State participates. **An action may be brought against multiple defendants only where the defendants have a commercial relationship and where the action relates to the same alleged infringement.**"*



Household issues

Action against multiple defendants (domicile of one of the defendants)

"In the case of multiple defendants, if one of the defendants has its residence within the territory of the Local Division seized, Article 33(1)(b) UPCA must be applied, regardless of whether the other defendants are based inside or outside the Contracting Member States or inside or outside the EU. Hence the only requirements to be met are: 1) the multiple defendants have a commercial relationship, 2) the action relates to the same alleged infringement.

*The requirement of a "commercial relationship" implies a "certain quality and intensity". However, to avoid multiple actions and the risk of irreconcilable decisions from separate proceedings, and to comply with the main principle of efficiency within the UPC, the interpretation of the link between the defendants should not be too narrow. **The fact of belonging to the same group (legal entities) and having related commercial activities aimed at the same purpose (such as R&D, manufacturing, sale and distribution of the same products) is sufficient to be considered as "a commercial relationship" within the meaning of the Article 33(1)(b) UPCA.***

https://www.veron.com/wp-content/uploads/pve-upc/fichiers/2024-04-11_Paris_LD_PO_order_Arm_v_ICPillar_signed.pdf



Neighbourhood problems

- Conflict of jurisdiction between UPC and national courts during the transitional period
- “Carve-out” by patentee in the infringement action cannot prevent defendant from challenging validity for all CMS

Neighbourhood problems

Lis pendens



between national and UPC proceedings

National revocation proceedings brought before entry into force UPCA constitute *lis pendens*

17/09/2024	Mala Technologies Ltd. v. Nokia Technology GmbH	UPC_CoA_227/2024	ORD_43637/2024	Appeal RoP220.2	Court of Appeal - Luxembourg (LU)	English
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Setting aside the decision of the CD Paris

02/05/2024	Nokia Technology GmbH v. Mala Technologies Ltd.	UPC_CFI_484/2023	ORD_13023/2024	Preliminary objection	Court of First Instance - Paris (FR) Central Division - Seat	English
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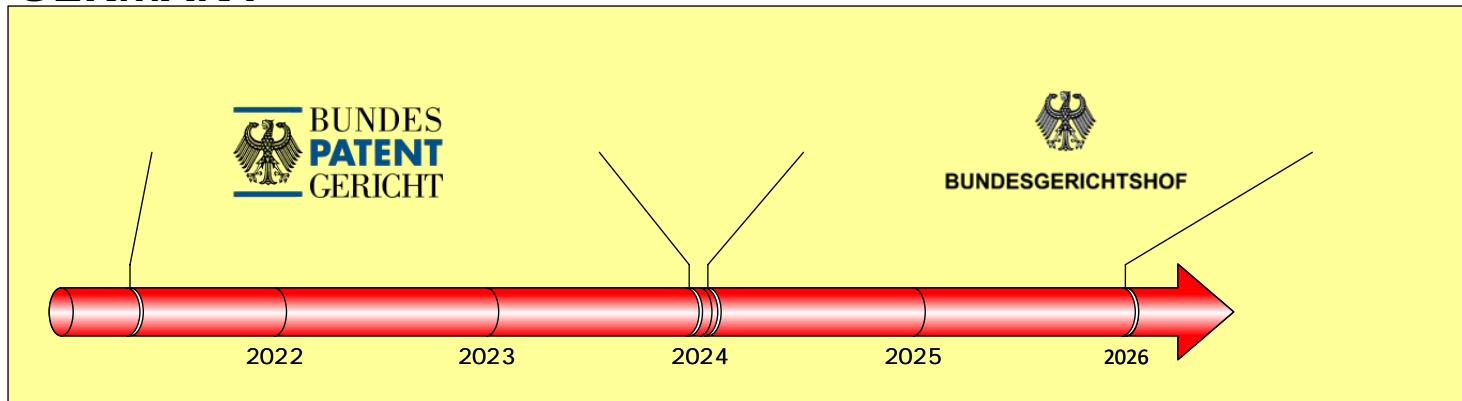
Neighbourhood problems

Lis pendens

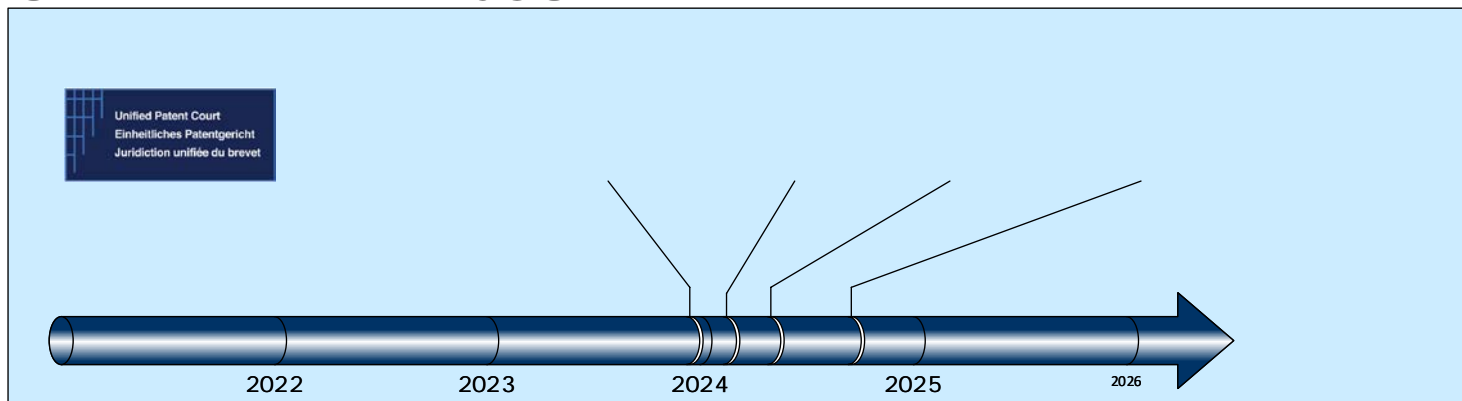
between national and UPC proceedings



GERMANY



UNIFIED PATENT COURT



Neighbourhood problems

Lis pendens



between national and UPC proceedings

LD Munich refuses to stay proceedings in view of prior revocation proceedings (DE) pending before the *Bundesgerichtshof*:

“Contrary to Rule 295 (a) UPC Rules of Procedure, a decision of the Federal Court of Justice is not to be expected in the short term

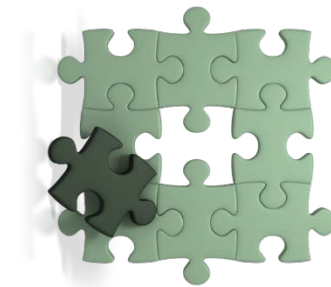
According to Art. 32 UPCA, the UPC has exclusive jurisdiction for actions for a declaration of invalidity. In addition, the jurisdiction of the Federal Patent Court and the Federal Supreme Court is limited to the German part of a European patent, whereas decisions of the UPC on the legal status of a European patent under Art. 34 UPCA apply to the territory of all contracting member states for which the patent has effect.”

13/09/2024	Koninklijke Philips v. Belkin	UPC_CFI_390 /2023	ORD_598464 /2023	Infringement Action	Court of First Instance - Munich (DE) Local Division	German
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https://www.veron.com/wp-content/uploads/pve-upc/fichiers/2024-09-13_LD_Munich_UPC_CFI_390-2023_ACT_583273-2023_ORD_598464-2023_en-GB.pdf

Neighbourhood problems

Carve-out



If the patentee does not seek an infringement decision for all the Contracting Member States covered by its patents (by excluding certain CMS from the infringement action), such a ***“carve-out”*** cannot restrict **defendant from challenging validity for all CMS**

04/07/2024

DexCom, Inc. v.
Abbott

UPC_CFI_230/2
023

ORD_37297/20
24

Generic Order

Court of First
Instance - Paris
(FR) Local
Division English

https://www.veron.com/wp-content/uploads/pve-upc/fichiers/2024-07-04_LD_Paris_UPC_CFI_230-2023_ORD_37297-2024_ORD_37297-2024.pdf

Carve out

Possible to exclude certain countries in a UPC case?

Article 34 UPCA

Territorial scope of decisions

"Decisions of the Court shall cover, in the case of a European patent, the territory of those Contracting Member States for which the European patent has effect."

Article 76 UPCA

Basis for decisions and right to be heard

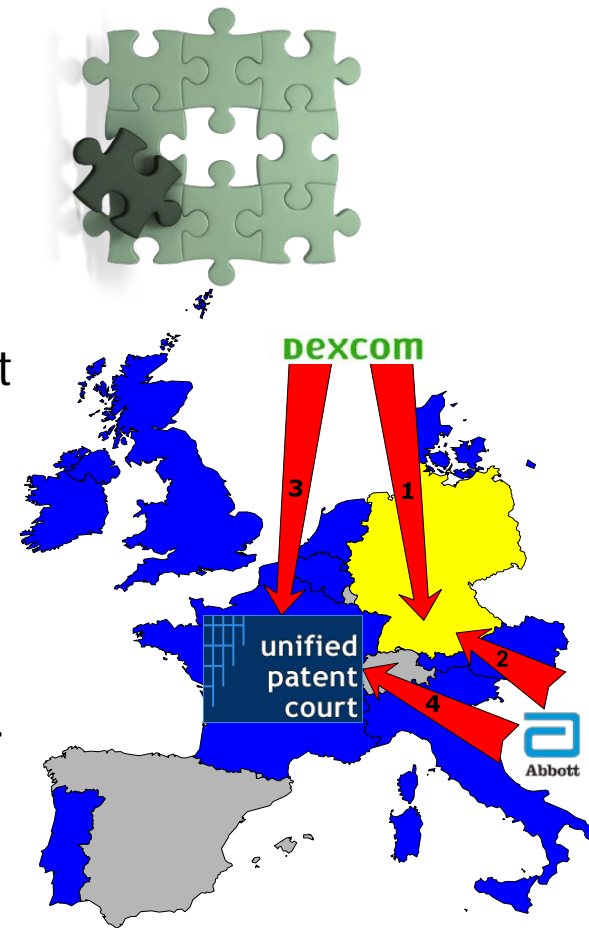
"(1) The Court shall decide in accordance with the requests submitted by the parties and shall not award more than is requested."



Neighbourhood problems

Carve-out

1. Dexcom sues competitor Abbott GmbH before *Landgericht* Mannheim for patent infringement (DE)
2. Abbott GmbH initiates revocation proceedings (DE) before the *Bundespatentgericht*
3. Dexcom sues 10 Abbott companies (incl. Abbott GmbH) before the UPC LD Paris for patent infringement **excluding DE** ("carve out" Germany from UPC proceedings)
4. The 10 Abbott companies counterclaim for revocation (**including DE**) before the UPC LD Paris



Neighbourhood problems

Carve-out



*"The scope of the dispute brought before the Court is indisputably governed by the principle that the parties define the subject matter of the dispute, a general principle of law which is reiterated in Art. 76(1) of the UPC Agreement and which, moreover, allows the claimant in the main action to exclude certain acts of infringement in order to avoid the inconvenience of parallel jurisdictions between the UPC and national courts during the transitional period provided for in Art. 83 of the Agreement ("carve out"). However, **this principle cannot restrict a defendant in its challenge to the validity of the European patent which is being asserted against it** since no legal text that is binding upon UPC expressly states such a restriction."*

Opt-out must be lodged by all proprietors of the patent



*" Art. 83(3) UPCA must be interpreted such that a valid opt out application requires that it is lodged by or on behalf of **all proprietors of all national parts of a European patent.**"*

04/06/2024	Neo Wireless GmbH Co. KG v. Toyota Motor Europe	UPC_CoA_79/20 24	ORD_30505/202 4	Appeal RoP220.2	Court of Appeal - Luxembourg (LU)	English
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https://www.veron.com/wp-content/uploads/pve-upc/fichiers/2024-06-04_CoA_UPC_79_2024_APL_9578-2024.pdf



Withdrawal of opt-out

Withdrawal of opt out is not valid (and UPC has no jurisdiction) if proceedings have been brought with respect of the patent at issue before national courts **even if such proceedings have been concluded before the entry into force of the UPC Agreement.**

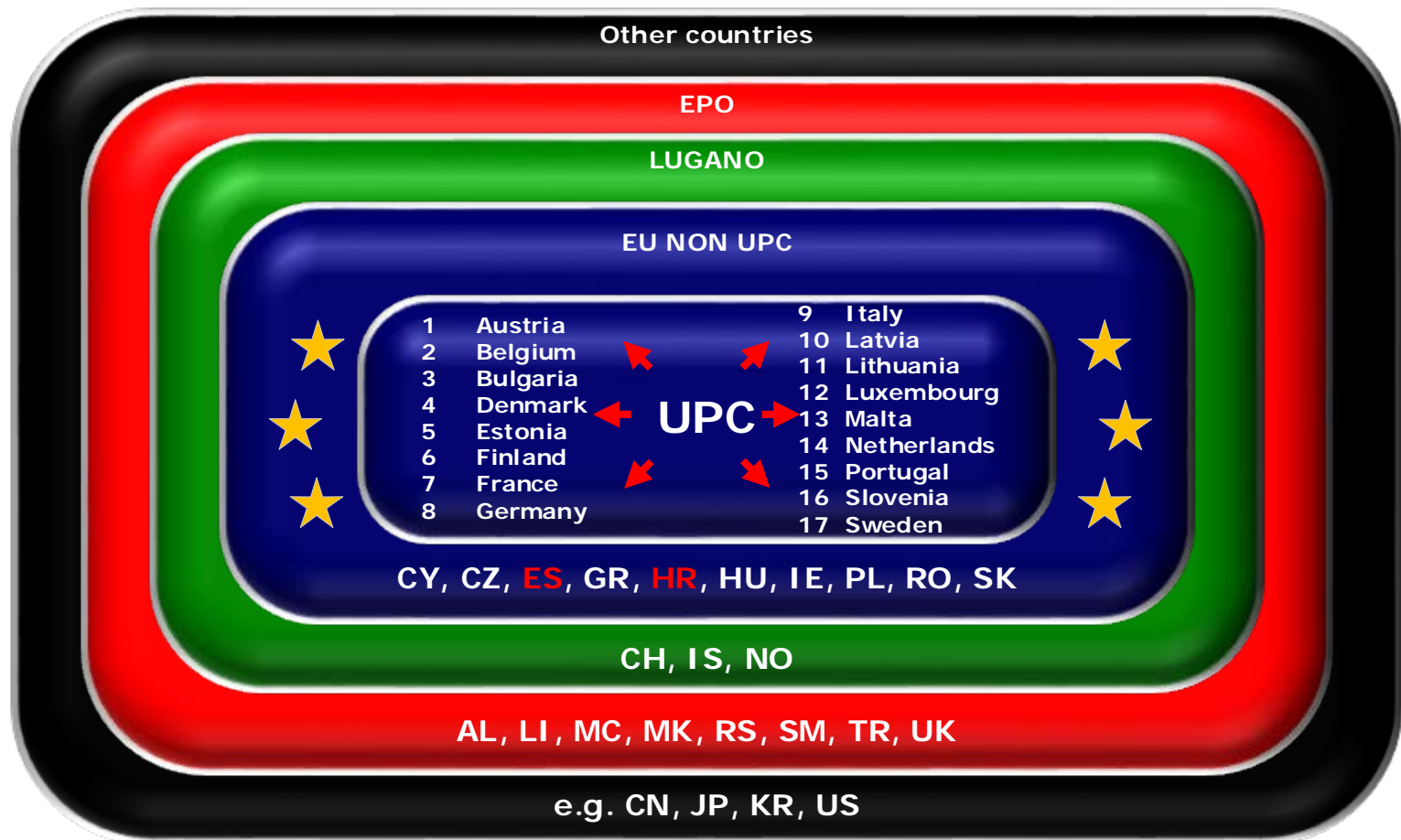
"In application of Article 31.1 VCLT, taking into account the ordinary meaning to be given to the terms of the treaty in their context and in the light of its object and purpose, the wording of Article 83(4) UPCA is clear and unambiguous as it states that the withdrawal is possible "unless an action has already been brought before a national court (...)". As the interpretation is unambiguous there is no need to further interpretation based on Article 32(a) VCLT. The wording does not provide any limitation or restriction to the effect that it would only apply to previous national proceedings that have been initiated during the transitional regime after 1 June 2023, as the Claimant/Applicant argues."

20/10/2023	AIM Sport Vision v. Supponsor	UPC_CFI_214/20 23	ORD_572699/2023 and ORD_581208/2023	Prelimina ry objection	Court of First Instance - Helsinki (FI) Local Division	English
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UPC and non-UPC countries (gear-up period and permanent)



What is a “Contracting Member State” during gear-up period? **Ireland is not yet a UPC “CMS”**

“9. In the Application for preliminary injunction and other provisional measures, Abbott requested a preliminary injunction “for the Contracting Member States in which the patent is in force”...

10.... Only countries that have not only signed but also ratified the UPCA are Contracting Member States. ‘Contracting Member State’ is defined in the UPCA as a Member State of the European Union party to the Agreement. Art. 84.2 UPCA provides that the Agreement shall be subject to ratification in accordance with the respective constitutional requirements of the Member States. It follows that a Member State who signed can only be regarded as a Contracting Member State after ratification.

11. Ireland therefore is not a Contracting Member State and thus cannot be considered to be covered by Abbott’s request for a preliminary injunction. The Court of First Instance therefore awarded more than was requested for, which is contrary to Art. 76 UPCA.”

19/08/2024	Sibio v. Abbott	UPC_CoA_388/2024	ORD_47551/2024	Generic Order	Court of Appeal - Luxembourg (LU)	English
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Art. 24 (4) Brussels I Regulation

"The following courts of a Member State shall have exclusive jurisdiction, regardless of the domicile of the parties:

...

*(4) in **proceedings concerned with the registration or validity of patents**, trade marks, designs, or other similar rights required to be deposited or registered, **irrespective of whether the issue is raised by way of an action or as a defence**, the courts of the Member State in which the **deposit or registration has been applied for**, has taken place or is under the terms of an instrument of the Union or an international convention deemed to have taken place."*

EU Member States

Opinion CJEU AG Nicholas Emiliou, 5 September 2024, C-339-22 BSH Hausgeräte v. Electrolux

“(1) Article 24(4) of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters

*must be interpreted as meaning that where the courts of a Member State are seised of proceedings concerned with the infringement of a **patent registered in another Member State**, and an invalidity defence is raised by the alleged infringer, **those courts have no jurisdiction to adjudicate the validity issue.**”*

If endorsed by the CJEU, this opinion confirms that **UPC has jurisdiction to adjudicate the infringement (but not the validity) of a European Patent with respect to EU-non-UPC countries** (CY, CZ, ES, GR, HR, HU, IE, PL, RO, SK)

EP-Non-EU country (UK, Turkey...)

Opinion CJEU AG Nicholas Emiliou, 5 September 2024, C-339-22 BSH
Hausgeräte v. Electrolux

“Article 24(4) of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters

*must be interpreted as meaning that **that provision does not apply in respect of the validity of a patent registered in a third State.** However, the courts of the Member States, where they have jurisdiction under another rule of that regulation, **are entitled to not adjudicate on that issue.**”*

If endorsed by the CJEU, this opinion means that the **UPC has jurisdiction to decide on both validity and infringement of a European patent for EP-non-EU countries** (AL, LI, MC, MK, RS, SM, TR, UK).

Alternatively, the UPC may also decide on infringement and decline to decide on validity.

Pierre Véron

Thank you



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