



**Order of the Court of First Instance  
of the Unified Patent Court in the proceedings for the adoption of  
provisional measures**

**UPC\_CFI\_249/2023**

**ACT\_550921/2023**

**ORD\_577734/2023**

**concerning EP 3 763 331**

**issued on: 19/12/2023**

Guiding principles:

1. Rule 360 of the Rules of Procedure (disposal of the main action) shall apply mutatis mutandis to applications for the adoption of provisional measures.
2. Rule 118.5 of the Rules of Procedure (Basic Decision on Costs) shall apply mutatis mutandis to applications for the adoption of provisional measures.
3. A basic decision on costs pursuant to Rule 118.5 of the Rules of Procedure may be followed by cost assessment proceedings pursuant to Rule 151 of the Rules of Procedure.

Keywords:

Application for the adoption of provisional measures; settlement; basic decision on costs; cost assessment procedure

Date of receipt of the application: 18/07/2023

**Meril GmbH**  
Bornheimer Straße 135-137 - 53119 - Bonn - DE

Written procedure served on  
07/08/2023

**Meril Life Sciences Pvt Ltd.**  
M1- M2, Meril Park, Survey No 135/2/B & 174/2,  
Muktanand Marg, Chala, - 396 191 - Vapi - IN

Written procedure served on  
07/08/2023

Applicant

1) **Edwards Lifesciences Corporation**  
1 Edwards Way - 92614 - Irvine - US

Represented by:  
Boris Kreye

defendant

1) **Meril GmbH**  
Bornheimer Straße 135-137 - 53119 -  
Bonn - DE

Represented by:  
Andreas von Falck

2) **Meril Life Sciences Pvt Ltd.**  
M1- M2, Meril Park, Survey No 135/2/B  
& 174/2, Muktanand Marg, Chala, - 396  
191 - Vapi - IN

Represented by:  
Andreas von Falck

PATENT IN DISPUTE

*Patent no.*

*Owner*

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**EP3763331**

Edwards Lifesciences Corporation

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## DECIDING JUDGES

### COMPOSITION OF THE PANEL - COMPLETE COMPOSITION

Presiding judge	
and judge-rapporteur	<b>Matthias Zigann</b>
Legally qualified judge	<b>Tobias Pichlmaier</b>
Legally qualified judge	<b>Margot Kokke</b>
Technically qualified judge	<b>Elisabetta Papa</b>

This order was issued by the above-mentioned ruling body.

### LANGUAGE OF THE PROCEEDINGS:

German

### SUBJECT OF THE CASE:

Application for the adoption of provisional measures  
Here: Application by the applicant pursuant to Rule 360 of the Rules of Procedure

### APPLICATIONS BY THE PARTIES

The applicant applies in the proceedings for the adoption of provisional measures:

*I. the judicial determination of the termination of the main proceedings in accordance with Rule 360 of the Rules of Procedure by issuing an order terminating the proceedings,*

*II. order the defendants to pay the costs of the dispute and other costs of the proceedings incurred by the applicant up to a maximum of EUR 200,000 (in words: two hundred thousand euros),*

*in the alternative,  
set aside the costs of the legal dispute.*

*III. The decision on costs shall be accompanied by an order for immediate enforcement,*

*in the alternative,  
the applicant in the event of an order for the provision of security in favour of the  
The defendants are authorised to provide this by means of a bank or savings bank  
guarantee,*

*in the alternative,  
the applicant is granted leave to suspend provisional enforcement on account of  
the  
costs against security.*

*IV. A certified copy shall be attached to the order for the purpose of enforcement.*

The defendants request:

*order the applicant to pay the costs of the proceedings, including the costs incurred by and in connection with the filing of protective letters relating to the patent in suit, after the proceedings have been discontinued pursuant to Rule 360 of the Rules of Procedure.*

#### BRIEF PRESENTATION OF THE FACTS

On 19 June 2023, the applicant issued a warning to the defendants for infringement of European patent 3 763 331 relating to a crimping device for crimping stent-based valve prostheses, in particular heart valve prostheses. In a letter dated 30 June 2023, the applicant informed the defendants that the application for the grant of unitary effect for the patent in suit had been withdrawn and that the patent in suit would now be enforced as a conventional European patent. The last pre-litigation deadline expired unsuccessfully on 13 July 2023.

On 18 July 2023, the applicant applied to the Munich local division of the Unified Patent Court for the adoption of provisional measures. The defendants filed an opposition against this on 25/08/2023 with 107 pages of documents and 49 annexes. A date for the oral hearing was set for 10 October 2023. In a document dated 11/09/2023, the applicant replied to the objection with 69 pages of written submissions and 5 annexes. In a document dated 25 September 2023, the defendants submitted a declaration of discontinuance and undertaking (Annex HL 13b) within the period granted to them to comment. The applicant accepted this declaration in a document dated 29/09/2023.

During a video conference on 2 October 2023, both parties agreed that the proceedings were now concluded in accordance with Rule 360 of the Code of Procedure and that there was no longer any need for an oral hearing. However, the parties still disagree on the question of who is to bear the costs.

The hearing of 10 October 2023 was cancelled by order of the presiding judge (and judge-rapporteur) of 2 October 2023 and the question of the award of costs was referred to the full panel for decision (Rules 102.1, 156.2 VerFO).

#### DISPUTED POINTS

The applicant is of the opinion that the principle should be applied within the framework of Art. 69 (1) UPCA, according to which the decision on costs is made at the court's reasonable discretion, taking into account the state of the case and the dispute to date. In doing so, the court makes a prognostic decision on the admissibility and merits of the application at the time of the event giving rise to the settlement. Accordingly, the defendants would have to bear the costs of the proceedings, as the application for provisional measures was admissible and well-founded. Irrespective of this, however, the defendants would also have to bear the costs of the proceedings because they had voluntarily and arbitrarily brought about the final event, the submission of the cease-and-desist declaration, at such a late point in time. In a

In such a case, the decision on costs must generally be in favour of the party who voluntarily assumed the role of the unsuccessful party.

Reference is made to the extensive written submissions for further details.

The defendants, on the other hand, are of the opinion that the applicant must bear the costs, as the application for provisional measures was partially inadmissible and completely unfounded from the outset. The defendants had expressly issued the declaration to cease and desist without recognising any legal obligation and without recognising any obligation to bear costs (cf.

Annex HL 13a). By doing so, they had not voluntarily placed themselves in the role of the loser, but had chosen a way to end the proceedings without incurring costs. They had thus clearly and unambiguously indicated that the submission of the declaration of discontinuance and undertaking was not made because the plaintiff's legal position, which in their view was incorrect, had been accepted.

Reference is made to the extensive written submissions for further details.

#### REASONS FOR THE ORDER

##### 1. Decision-making authority

The decision in accordance with Rule 360 of the Rules of Procedure must normally be made by the adjudicating body. According to Rule 156.2 of the Rules of Procedure, the judge-rapporteur must normally make a decision on costs. Due to the precautionary submission of the question of costs by the judge-rapporteur to the panel, the panel must decide on both points uniformly.

##### 2. Settlement of the main matter

If the court finds that an action has become devoid of purpose and that the main action has been disposed of, it may, in accordance with Rule 360 of the Rules of Procedure, "dismiss" („abweisen“) the action at any time on the application of a party or of its own motion by order after the parties have been granted a hearing. The wording "abweisen" in the German language version is unfortunate compared to the English (dispose of the action) and French (mettre fin à l'instance) language versions. The intention of the Rules of Procedure to open up the possibility of bringing proceedings to a conclusion without a decision on the merits, which they no longer require, is more accurately expressed by the German verb "abtragen". At the same time, this avoids the inaccurate impression that the defendant party would have prevailed by virtue of the "rejection".

This provision must be applied accordingly to applications for the adoption of provisional measures. This is because there is an unintended loophole in this respect; the consequences of the settlement of proceedings concerning the adoption of provisional measures are not expressly regulated in the Rules of Procedure.

In the present case, both parties rightly agree that the requirements of the provision are met. No further comments are therefore necessary. The finding must be made (point 1) and the proceedings concerning the application for provisional measures must be dismissed or discontinued (point 2).

### 3. Assumption of costs

a. According to Art. 69 (1) UPCA, the costs of the proceedings and other costs of the successful party, insofar as they are reasonable and appropriate, are generally borne by the unsuccessful party up to an upper limit determined in accordance with the Rules of Procedure, unless there are equitable grounds to the contrary. If a party is only partially successful or if there are exceptional circumstances, the court may order that the costs be apportioned on an equitable basis or that the parties bear their own costs in accordance with Article 69(2) UPCA. A party who has caused unnecessary costs to the court or another party shall bear these costs in accordance with paragraph 3. In the Rules of Procedure, the obligation to decide on costs on the merits is laid down in Rule 118.5 of the Rules of Procedure for proceedings on the merits. There is no corresponding provision for interim proceedings. Therefore, Rule 118.5 of the Rules of Procedure must be applied accordingly. A basic decision on costs may be followed by cost assessment proceedings in accordance with Rule 151 of the Rules of Procedure.

b. In the present case, the settlement and removal are based on exceptional circumstances, namely the settlement of the legal dispute due to the submission of the declaration of discontinuance and undertaking by the defendants on 25 September 2023 and its acceptance by the plaintiff.

Under the circumstances of the present proceedings, it would be unfair to order the applicant to pay the costs incurred. Although the defendants have issued the declaration of discontinuance and undertaking "without recognising any legal obligation". However, this does not mean that the fact that they have effectively placed themselves in the position of the losing party in this respect and the time at which this occurred must be disregarded. On the contrary, these two circumstances must be taken into account.

Irrespective of the question of whether the applicant's application was fully admissible and justified at the time of the final event, the defendants could have submitted the declaration of discontinuance and undertaking in a much more cost-saving manner by shortly before the expiry of the last pre-litigation deadline of 13 July 2023 set in the warning letter. They have not explained why they did not submit the cease-and-desist declaration and declaration of commitment, which they do not consider to be owed, at this point in time. In the context of a warning letter, they are free to formulate a cease-and-desist declaration independently. In this respect, the proposal of the person issuing the warning letter does not need to be accepted. The fact that the defendants were aware of this possibility is evident from the fact that the cease-and-desist declaration and declaration of obligation now submitted differs from the text proposed by the applicant. The events surrounding the application for unitary protection for the injunction patent, which was initially filed and later withdrawn due to the "Malta problem", did not constitute an obstacle in this respect. This is because the applicant always kept the defendants up to date in this respect.

If the defendants had already submitted the declaration to cease and desist on 13 July 2023, the costs that are now to be decided on the merits would not have been incurred. Because

In the absence of any evidence to the contrary, it must be assumed that the applicant would also have accepted this declaration despite the textual deviations from the declaration proposed by itself and would have refrained from filing an application for provisional measures. Consequently, the defendants have caused the applicant unnecessary costs in the form of the costs of the legal dispute and the applicant's other costs.

The behaviour of the defendants up to the submission of the declaration of discontinuance and undertaking on 25 September 2023 does not require any other assessment. The defendants initially submitted a very extensive objection on 25 August 2023 with 107 pages and 49 attachments. The applicant had to respond to this just as extensively. A date for the oral hearing was set for 10/10/2023. The court arranged for simultaneous interpreters to be commissioned for this date. Against this background, the submission of the declaration of discontinuance and undertaking came as a complete surprise to all other parties involved. Up to this point, the applicant and the court had incurred considerable costs. Considerable work had already been done in preparation for the hearing.

In this respect, it is equitable to order the defendant to pay all the costs, irrespective of the prospects of success of the application for provisional measures.

#### 4. Value in dispute

The value in dispute was to be set at € 1,500,000.00, as proposed by the plaintiff, because the defendants have not objected to this and the Chamber has no deviating or better findings on the value in dispute (see Section I.3 of the Guidelines for the Determination of Court Fees and the Upper Limit for Recoverable Costs).

#### 5. Amount of costs to be borne

With an amount in dispute of € 1,500,000.00, the upper limit for reimbursable costs (representation costs) is € 200,000.00 (Art. 1 of the decision of the Administrative Committee of 24 April 2023 on the table of upper limits for reimbursable costs).

As a specific amount to be reimbursed has not yet been stated and it has not been argued that the costs incurred by the applicant certainly exceed this limit, only the obligation to reimburse on the merits can be established at present. The applications going beyond this must therefore be rejected as currently premature.

#### 6. Admission of the appeal

The appeal is admissible under Rule 220.2 of the Rules of Procedure because the question of the corresponding application of Rules 360 and 118.5 of the Rules of Procedure to completed applications for provisional measures was decided for the first time in the present case.

ORDER

1. At the request of the defendant, it is determined that the application for provisional measures has become irrelevant due to the submission of the declaration of discontinuance and undertaking by the defendants on 25 September 2023 and that the proceedings have thus been terminated.
2. The proceedings concerning the application for provisional measures are therefore dismissed.
3. The defendants are to bear the costs of the legal dispute as well as the other costs of the applicant up to a maximum of € 200,000.00 (in words: two hundred thousand euros).
4. In all other respects, the applications of the applicant are dismissed as currently premature and the applications of the defendants are dismissed as unfounded.
5. The amount in dispute is set at € 1,500,000.00.
6. The appeal is authorised.

INSTRUCTIONS TO THE PARTIES

1. On the basis of the present basic decision on costs, the applicant may initiate separate cost assessment proceedings within one month in accordance with Rule 151 of the Rules of Procedure.
2. Alternatively, the parties can also reach an out-of-court agreement on an amount to be reimbursed.

<p>Dr Zigann Presiding judge and judge-rapporteur</p>	<p>Matthias ZIGANN</p>  <p>Digitally signed by Matthias ZIGANN Date: 2023.12.19 08:55:25 +01'00'</p>
<p>Pichlmaier legally qualified judge</p>	<p>Tobias Günther Pichlmaier</p>  <p>Digitally signed by Tobias Günther Pichlmaier Date: 2023.12.19 11:25:50 +01'00'</p>
<p>Coke legally qualified judge</p>	<p>Margot Elsa KOKKE</p>  <p>Digitally signed by Margot Elsa KOKKE Date: 2023.12.19 18:28:56 +07'00'</p>
<p>Dad technically qualified judge</p>	<p>Elisabetta Papa</p>  <p>Firmato digitalmente da Elisabetta Papa Data: 2023.12.19 12:02:24 +01'00'</p>

DETAILS OF THE ORDER

Order no. ORD\_577734/2023 UPC  
number: UPC\_CFI\_249/2023  
Type of process: Rule 360 application  
No. of the associated procedure ACT 550921/2023  
Type of application: Application for provisional measures

INFORMATION ABOUT THE APPOINTMENT

Both parties may appeal against this order within 15 days of its notification (Art. 73(2)(b)(ii) UPCA, R. 220.2, 354.4 RP).