

No. APP_26544/2024 UPC_CFI_100/2024

ORDER

of the President of the Court of First Instance in the proceedings before the Local Division DÜSSELDORF

pursuant to R. 323 RoP (language of the proceedings) issued on 18/06/2024

APPLICANTS (DEFENDANTS IN THE MAIN PROCEEDINGS):

- Google Ireland Ltd
 Gordon House, Barrow Street 4 D04 V4X7 Dublin 4
 Ireland
- Google Commerce Ltd
 Gordon House, Barrow Street D04 E5W5 Dublin 4
 Ireland

Represented by: Marcus Grosch (Quinn emanuel)

RESPONDENT (CLAIMANT IN THE MAIN PROCEEDINGS):

Ona Patents SL Carrer de Calàbria 149 En. 1 - 08015 – Barcelona Spain

Represented by: Christof Augenstein (Kather Augenstein)

<u>PATENT AT ISSUE:</u> Patent n° EP 2263098.

SUMMARY OF FACTS - SUBJECT - MATTER OF THE PROCEEDINGS:

By a statement of claim filed on 14 March 2024, Ona Patents SL. brought an infringement action against Google Ireland Ltd. and Google Commerce Ltd. (hereinafter collectively referred to as "Google") based on EP 2263098 entitled *"Positioning of mobile objects based on mutually transmitted signals"* before the Local Division Düsseldorf.

By a generic procedural application dated 10 May 2024, the abovementioned defendants, referring to R. 323 RoP, requested that the language of proceedings be changed from German to English (hereinafter the "Application"). The Application was forwarded by the Judge-rapporteur to the President of the Court of First Instance of the UPC pursuant R. 323.1. RoP.

By an order dated 14 May 2024, the Claimant in the main action (No. ACT_11921/2024 UPC_CFI_100/2024) was therefore invited, in accordance with R. 323.2 RoP, to state within 10 days its position on the admissibility of the Application and on the use of the language in which the patent was granted (namely English) as language of the proceedings.

Ona Patents SL submitted its written comments on the Application on 27 May 2024.

The panel of the LD Düsseldorf has been consulted according to R. 323.3 RoP.

INDICATION OF THE PARTIES' REQUESTS:

Google requests the Court to order, pursuant to Art. 49 para. 5 UPCA in conjunction with R. 323.1 RoP, that English be used as the language of the proceedings.

Ona Patents SL requests the court to reject the Application to change the language of the proceedings.

POINTS AT ISSUE:

In support of the request, Google states that the Defendants unsuccessfully worked out of Court towards a solution according to R. 321.1 RoP and argues that the Application shall be granted for the following reasons:

- The requirement of fairness and the necessary balancing of interests when considering all the relevant circumstances of the present case claim in favor of

changing the language of the proceedings to English. As part of the items to be considered pursuant to Art. 49 (5) UPCA, the positions of the parties must be taken into account *"in particular the position of the defendant"* which is decisive when the outcome of the balancing of interests is the same – which is not the case here;

- All significant circumstances call in favor of using English, namely the location of the Defendants both based in Ireland, the absence of any disadvantage incurred by Ona Patents in the event of the requested change, the absence of consequences for the course of the proceedings and for the Division itself. The language in which the patent was granted plays an important role for all parties involved, in particular for the legal assessment and for the interpretation and determination of the scope of the patent claims. Moreover English is the language most frequently used in the relevant field of technology;
- Even if Ona Patents did not file the patent in suit, it deliberately decided to acquire the property rights which are granted in English and therefore could expect that it will have to conduct proceedings in this language;
- An English version of the application is already available and with regard to the annexes KAP 05 (classification of features) and KAP 08 (judgement of the Tribunal judiciaire de Paris), a translation can be dispensed with as requested by the plaintiff. Should the local division nevertheless deem a translation of these annexes to be necessary, the corresponding costs would have to be borne by Ona Patents.

Ona Patents SL. states that the Application must be rejected for the following reasons:

- It is primarily inadmissible pursuant to R. 4.1 RoP because it was filed using a R. 9 RoP *"generic procedural application"* in the Case Management System (hereinafter "CMS") while a dedicated workflow is provided under the designation *"Application by a single party to use the language in which the patent was granted as language of the proceedings";*
- Google fails to substantiate any violation of the requirements of fairness and expediency due to the language currently used, Ona Patents is a medium-sized startup company which got prepared to conduct its proceedings in German;
- The parties are involved in parallel proceedings with a technically comparable patent infringement at stake before the Regional Court of Munich, in which the same legal representatives are contributing;
- As regards the size of the parties in relation to each other, the Google group has an extensive legal department with years of expertise in patent disputes, which has been structured to conduct proceedings in German in particular before the UPC, and rely on a German lawyer to handle its defence;

- The Applicants do not deserve more protection solely because of their position in the proceedings as defendants. Such approach would be contrary to the required case-bycase assessment and to the aim of the UPCA to protect the interests of small and medium-sized enterprises in particular;
- The registered office of Google targeting notably the German market is not relevant in the present case;
- As regards the field of technology, all parties are already dealing with documents in English in the context of parallel proceedings conducted in German;
- The Claimant can choose the language in which he wants to file its action and the change pursuant to R. 323.1 RoP in conjunction with Art. Art. 49(5) UPCA is a systematic exception to this general principle for reasons of fairness;
- The choice of the language of the patent can not bind the plaintiff to use this language in the present infringement action, at the time of the application the language regime of the UPC was not foreseeable and it was not the choice of the legislator to standardize the language of the patent as language of the proceedings.

Further facts and arguments as raised by the parties will be addressed below if relevant to the outcome of this order.

GROUNDS FOR THE ORDER:

1- Admissibility of the Application

Ona Patents first argues that the Application is inadmissible because it was submitted in the form of a R. 9 RoP *"generic procedural application"* in the case management system of the Court which provides a dedicated *"R. 323 workflow"* to be used for this purpose.

According to R. 4.1 RoP, "written pleadings and other documents shall be signed and lodged at the Registry or relevant sub-registry in electronic form. Parties shall make use of the official forms available online. The receipt of documents shall be confirmed by the automatic issue of an electronic receipt, which shall indicate the date and local time of receipt".

Pursuant to R. 9 RoP – "Powers of the Court", "1. The Court may, at any stage of the proceedings, of its own motion or on a reasoned request by a party, make a procedural order such as to order a party to take any step, answer any question or provide any clarification or evidence, within time periods to be specified".

The R. 9 workflow allows the parties to submit their requests in the course of the proceedings and the Court to take any decision relating to the management of the case. As does the *"R. 323 RoP"* entitled *"Application by a single party to use the language in which the patent was granted as language of the proceedings",* it provides the user with an electronic form, which is an *"official"* one within the meaning of the abovementioned R. 4.1. RoP.

The Application shall thus be declared admissible.

2- Merits of the Application

According to Art. 49(1) UPCA, the language of the proceedings before a local division must be an official language of its hosting Member State or alternately the other language designated pursuant to Art. 49 (2). It is further provided by R. 323 RoP that "1. If a party wishes to use the language in which the patent was granted as language of the proceedings, in accordance with Article 49(5) of the Agreement (...) The President, having consulted [the other parties and] the panel of the division, may order that the language in which the patent was granted shall be the language of the proceedings and may make the order conditional on specific translation or interpretation arrangements".

Regarding the criteria that may be considered to decide on the Application, Art. 49 (5) UPCA specifies that "(...) the President of the Court of First Instance may, on grounds of fairness and taking into account all relevant circumstances, including the position of parties, in particular the position of the defendant, decide on the use of the language in which the patent was granted as language of proceedings. In this case the President of the Court of First Instance shall assess the need for specific translation and interpretation arrangements".

It has furthermore been stated that Art. 49 (5) UPCA must be interpreted in such a way that the decision on whether or not to change the language of the proceedings to the language in which the patent was granted must be determined considering the respective interests at stake, without requiring it to constitute a disproportionate disadvantage (UPC CFI 225/2023 LD The Hague, order of 18 October 2023, UPC CFI 373/2023 LD Düsseldorf, order of 16 January 2024, UPC CFI 410/2023 LD Mannheim, order of 15 April 2024).

By an order dated 17 April 2024, to which both parties refer, the UPC Court of Appeal (hereinafter "CofA") ruled that when deciding on a request to change the language of the proceedings to the language of the patent for reasons of fairness, all relevant circumstances must be taken into account. These circumstances should primarily relate to the specific case, such as the language most commonly used in the relevant technology, and to the position of the parties, including their nationality, domicile, respective size, and how they could be

affected by the requested change, respectively (UPC_CofA_101/2024, Apl_12116/2024, para. 22-25).

In the event that the result of the balancing of interests is the same in the context of this overall assessment, the CofA found that the emphasis given *"in particular"* to the position of the defendant under Art. 49 (5) UPCA is justified by the flexibility afforded to the claimant which frequently has the choice of where to file its action – since any local or regional division in which an infringement is actually threatened or taking place is competent – and can generally choose the most convenient timeframe to draft its statement of claim while the defendant is directly bound by strict deadlines.

Based on the above, it follows that the position of the defendant (s) is the decisive factor if both parties are in a comparable situation.

In the same decision, the CofA also held that "for a claimant, having had the choice of language of the patent, with the ensuing possibility that the claimant/patentee may have to conduct legal proceedings in that language, as a general rule and absent specific relevant circumstances pointing in another direction, the language of the patent as the language of the proceedings cannot be considered to be unfair in respect of the claimant" (para. 34).

In the present case, it is not disputed that English is the language commonly used in the relevant field of technology in question, which is reflected by the prior art cited. Against this background, the Claimant has submitted several annexes along with its statement in the main proceedings, without providing the respective translation pursuant to R. 13.1 (q) RoP.

As the Claimant has its registered offices in Spain and English is obviously the corporate language of the Defendants operating worldwide and both located in Ireland, it can be inferred that English is a convenient language for Google and a "neutral" working language for Ona Patents whose website is only available in English, as rightly highlighted by the Application.

As regards the situation of the Defendants, Google is indisputably equipped to handle and coordinate international patents disputes that are assigned to an experienced legal department and in particular to a German patent attorney. Without disregarding the abovementioned statement following which the language skills of the representatives cannot compensate the situation of the parties themselves in this respect, the existence of considerable means remains a relevant factor to be taken into account in the balancing of interests.

Considering Ona Patents – claiming to be a medium-size company founded in 2023 – the choice to file its action in German is made in the context of parallel disputes between the same parties before the Regional Court of Munich involving technically comparable issues. Ona Patents also raises that its main contact person is able to discuss and approve its representative written submissions in German, being indeed fluent in this language.

It appears from these circumstances that Ona Patents had relevant reasons to file its infringement action in German although the language of the patent and relating technology is English, namely the language skills of the contact person likely to follow-up the proceedings on its behalf and the existence of parallel proceedings handled in German with limited internal resources compared to those that can be mobilized by Google.

It results in substance from the above that the requested change would represent a significant inconvenience for Ona Patents, while being in contrast a slight advantage in favor of the Defendants.

These specific relevant circumstances allow to deviate from the general rule defined by the CofA in the abovementioned decision, according to which the language of the patent as the language of the proceedings, cannot be considered to be unfair in respect of the claimant.

Consequently, the outcome of balancing of the respective interests with regard to all relevant aspects of the case, leads the Court to reject the Application to change the language of the proceedings to the language in which the patent was granted.

FOR THESE GROUNDS

- 1- The Application to change the language of the proceedings to the language in which the patent at issue has been granted, is dismissed.
- 2- The present order shall not be conditional on specific translation or interpretation arrangements.
- 3- An appeal may be brought against the present order within 15 calendar days of its notification to the Applicants pursuant Art. 73. 2 (a) UPCA and R.220 (c) RoP.

INSTRUCTIONS TO THE PARTIES AND TO THE REGISTRY:

The next step is for the Applicant to file the Statement of defence within the time period as set by the Judge-rapporteur.

ORDER Issued on 18 June 2024

NAME AND SIGNATURE

Florence Butin President of the UPC Court of First Instance