



UPC_CFI_495/2023
Decision
of the Court of First Instance of the Unified Patent Court
issued on 13/12/2024

APPLICANT in App 61630/2024 – RESPONDENT in App 62436/2024

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PATENT AT ISSUE

<i>Patent no.</i>	<i>Proprietor/s</i>
EP3000239	ICPillar

DECIDING JUDGE

Presiding judge and Judge-rapporteur **Camille Lignières**

LANGUAGE OF PROCEEDINGS: English

DECISION

SUMMARY OF FACTS AND PROCEEDINGS

On 19 November 2024, ICPillar filed a withdrawal application pursuant to Rule 265 RoP in the proceedings registered under number UPC_CFI_495/2023.

On 22 November 2024, ARM’s entities filed an application to withdraw their counterclaims for revocation in the same proceedings.

ICPillar explains that parallel patent litigation between ICPillar and ARM (the “Parties”) was pending before the US District Court for the Western District of Texas, based on US Patents 8,924,899 and 9,367,657 which are US counterparts of the EP’239 asserted here before the UPC. During this U.S. proceedings, a private and confidential mediation occurred between the Parties on Wednesday 18 September 2024. Following this mediation, the Parties signed a confidential agreement in October 2024.

PARTIES’ REQUESTS

ICPillar requests the Court (In view of Rules 265, 370-9 (c) and 370.11 RoP) to:

- ACKNOWLEDGE the withdrawal of all ICPillar's claims and ARM's acceptance of such withdrawal in the proceedings registered under number UPC_CFI_495/2023
- ACKNOWLEDGE the withdrawal of all of ARM's claims and ICPillar's acceptance of such withdrawal in the proceedings registered under number UPC_CFI_495/2023
- ACKNOWLEDGE that each party bears the costs it paid for the proceedings registered under number UPC_CFI_495/2023

Therefore:

- ORDER the closure of the proceedings registered under number UPC_CFI_495/2023
- ORDER the inscription of this ruling to the Registry
- JUDGE that each party will bear its own legal costs and expenses
- CANCEL the interim conference
- ORDER, pursuant to Rule 370.9 RoP, the reimbursement to ICPillar of 60% of the legal fees it paid to the Court of First Instance of the Unified Patent Court (110 000€), being 66 600 euros by a bank transfer
- ORDER the reimbursement of the security of costs of the amount of 400 000 euros paid by ICPillar following the order of 21 May 2024 by a bank transfer

ARM entities request the Court:

- to declare the revocation proceedings (20604/2024) closed;
- that the decision to close the proceedings be entered on the register;
- to reimburse Defendants (Claimants in the revocation proceedings) for EUR 12,000;
- to acknowledge that each party bears its own costs for the proceeding.

FOUNDATIONS

Concerning the withdrawal requests:

Rule 265 states that:

"1. As long as there is no final decision in an action, a claimant may apply to withdraw his action. The Court shall decide the application after hearing the other party. The application to withdraw shall not be permitted if the other party has a legitimate interest in the action being decided by the Court.

2. If withdrawal is permitted, the Court shall:

- (a) give a decision declaring the proceedings closed;
- (b) order the decision to be entered on the register; and
- (c) issue a cost decision in accordance with Part 1, Chapter 5.

The withdrawal of an action by the claimant shall have no effect on any counterclaim in the action. The Court may however refer any counterclaim for revocation to the Central Division.”

In light of the parties’ applications, the Court sees no objection to permit the respective withdrawals in the present case.

Concerning the reimbursement of the Court fees:

Rule 370-9 (b) states that:

“In case of the withdrawal of an action [Rule 265] the party liable for the Court fees will be reimbursed by:

- (i) 60 % if the action is withdrawn before the closure of the written procedure
- (ii) 40 % if the action is withdrawn before the closure of the interim procedure
- (iii) 20 % if the action is withdrawn before the closure of the oral procedure”

Rule 370-9 (e) states that:

“In exceptional cases, having regard, in particular, to the stage of the proceedings and the procedural behaviour of the party, the Court may deny or decrease the reimbursement payable according to paragraph 9 (b) and (c) of the aforementioned provisions”.

Rule 370-11 states that:

“The party seeking reimbursement under paragraphs 9 and 10 shall lodge a reasoned Application for reimbursement to the Court. The Court shall deal with the application without delay and if satisfied that the reimbursement is appropriate shall direct the Registrar to make the payment as soon as practicable”.

In the present case, the withdrawal of ICPillar is submitted before the closure of the written proceedings.

ICPillar submits that it has engaged 111.000 euros as fixed fees and value-based fees on the infringement action it has initiated and asks for the reimbursement of 60% of its fees, i.e. 66 600 euros. ARM submits that they have engaged 20.000 euros as fixed fees and value-based fees on the counterclaim for revocation they have initiated and asks for the reimbursement of 60% of their fees, i.e. 12.000 euros.

By e-mail dated December 4, 2024, the Judge-Rapporteur informed the Parties that the Court is considering the application in the present case of R. 370.9 (e), taking into account all the case management orders or measures already taken in this case, to reduce the reimbursement to be paid by the Court, so the Judge-Rapporteur invites the Parties to submit their written comments on this point by responding to this e-mail by December 11, 2024.

In their respective comments, the parties stated that, in their view, there was no reason to apply these provisions in that the applications had always been made in the interests of greater efficiency in accordance with the principles of the UPC procedure and that they had always been diligent in that as soon as they had been aware that an agreement was being prepared they had informed the Court.

The representatives added that, should the Court consider a reduction in the percentage of reimbursement justified, this could not be less than 50% (according to ARM) or 40% (according to ICPillar).

The Court notes that the following orders have been issued in the present case:

Withdrawal under R.265 RoP (Withdrawal of the action against one of the Defendants):

-**Order** delivered on 28 February 2024 -**Order no. 10125** in ACTION NUMBER: ACT_596432/2023 Related proceeding no. Application No.: 9933/2024 - Application Type: Request under R.265 RoP (Withdrawal of the action against one of the Defendants)

-**Order** delivered on 22 March 2024 -**Order no. ORD_13585/2024** in ACTION NUMBER: ACT_596432/2023 Related proceeding no. Application No.: 13343/2024 - Application Type: R.265 RoP Application.

Service:

-Alternative method under R. 275-1 RoP

-**Order** delivered on 12 February 2024 -**Order no. 7671** in ACTION NUMBER: ACT_596432/2023 Related proceeding no. Application No.: 5858/2024 - Application Type: R.275.1 RoP.

-Alternative method under R. 275-2 RoP

-**Order** delivered on 28 February 2024 -**Order no. 10136** in ACTION NUMBER: ACT_596432/2023.

-Alignment of the time limits (R.9.3 RoP):

-a case management meeting held online on 29 April 2024 organised by the JR with all the representatives of the parties for an agreement on the alignment of the time limits (R.9.3).

-**Order** delivered on 29 April 2024 -**Order no. ORD_23488/2024** in ACTION NUMBER: ACT_596432/2023 Related proceeding no. Application No.: 23252/2024 - Application Type: Extension of time limits Application R. 9.3 RoP.

Preliminary Objection on Paris LD competence (full panel):

-**Order** delivered on 11 April 2024 -**Order no. ORD_18817/2024** in ACTION NUMBER: ACT_596432/2023 Related proceeding no. Application no.: 9725/2024, Application no. 12326/2024 and Application no. 12563/2024 - Application Type: Preliminary objection.

Setting the dates:

-**Order** delivered on 5 June 2024 -**Order no. ORD_33243/2024** in ACTION NUMBER: ACT_596432/2023

Security Costs (R.158.1 RoP):

-**Order granting Security Costs request** issued by the full panel on 21 May 2024 -**Order no. ORD_23494/2024** Related proceeding: Application no. 22767/2024 Application Type: Application for Security for costs (R. 158.1 RoP)

-**Order** delivered on 30 May 2024 -**Order no. ORD_31769/2024** in ACTION NUMBER: ACT_596432/2023 Related proceeding Application no. 31590/2024 Application Type: Application for leave to appeal R.220.2 RoP

-Order of the Court of Appeal of the Unified Patent Court issued on 16 September 2024 concerning security for costs (UPC Court of Appeal UPC_CoA_301/2024 APL_33746/2024)

Extension of the time limits (R.9 RoP):

-Order delivered on 30 September 2024 on a joint application **-Order no. ORD_53938/2024** in ACTION NUMBER: ACT_596432/2023 Related proceeding no. Application No.: 53433/2024

Stay of proceedings:

-Order delivered on 16 October 2024 on Stay request **-Order no. ORD_56337/2024** in ACTION NUMBER: ACT_596432/2023UPC -Related proceeding no. Application No.: 56183/2024)

Statements already exchanged in the Written procedure

Statement of claim (22 December 2023)

Statement of defence and Counterclaim for revocation (26 April 2024)

Reply to the Statement of defence, Defence to the counterclaim, Application to amend the patent (2 July 2024)

Rejoinder to the Reply to the Statement of defence, Reply to the Defence to the counterclaim, Defence to the application to amend the patent (2 September 2024).

In addition, the Technically qualified judge allocated to the panel has provided a preliminary written note of 28 pages (=30 hours) on the validity issue in June 2024 (after the SoD and CC for revocation), as requested by the Judge-Rapporteur pursuant to R. 34.2 RoP.

Lastly, the Court notes that the withdrawal applications were lodged a few days before the date of the interim conference scheduled for 2 December 2024.

Although the procedural behaviour of the parties has been fair and diligent enough, taking into account the late stage of the proceedings and all the work already done by the Court in this case, it is justified to set the refund of the Court fees at 40% (instead of 60% set as the principle in R. 370.9 b) ii RoP) in accordance with R. 370.9 (e) RoP.

Concerning the application for the reimbursement of the security for costs:

By order dated of 21 May 2024, ICPillar was ordered to provide security for costs and other expenses pursuant to Rule 158.1 RoP to the amount of 400.000 euros.

ICPillar asks the Court of the First Instance of the UPC to order the reimbursement of the security for costs paid in July 2024.

The Court sees no objection to granting full reimbursement of the security for costs in the context of a final withdrawal of the pending proceedings UPC_495/2023 in its entirety (main action and Counterclaim).

DECISION

The Court orders that:

1. The withdrawal of ICPillar's infringement claim as regards all defendants is permitted.
2. The withdrawal of ARM's counterclaim for revocation as regards the Claimant is permitted.

3. The proceedings in UPC_CFI_495/2023 ACT_596432/2023 are closed and the oral hearing scheduled for January 17, 2025 is cancelled.
4. The security deposit (granted in the Order of 21 May 2024 -no. ORD_23494/2024) shall be returned in full.
5. Each party shall bear its own costs.
6. The Court fees shall be reimbursed by the Court to the parties by 40% pursuant to R. 370.9 (b) and (e) RoP, i.e. the amount of 44,400 euros to ICPillar and the amount of 8,000 euros to ARM.
7. This decision is to be entered on the register.

Issued in Paris, 13 December 2024.

C. Lignières, Presiding judge and Judge-rapporteur

C. Gillet, Legally qualified judge

P. Rinkinen, Legally qualified judge

A. Perronace, Technically qualified judge

M. Brasseur, Clerk

DECISION DETAILS

Decision no. ORD_64845/2024 in ACTION NUMBER: ACT_596432/2023

UPC number: UPC_CFI_495/2023

Action type: Infringement Action

Related proceeding no. Applications No.61630/2024 and No.62436/2024

Application Type: Application for leave to withdraw an action (RoP265)