

UPC and/or national courts during the transition period: where to litigate and what can you get?

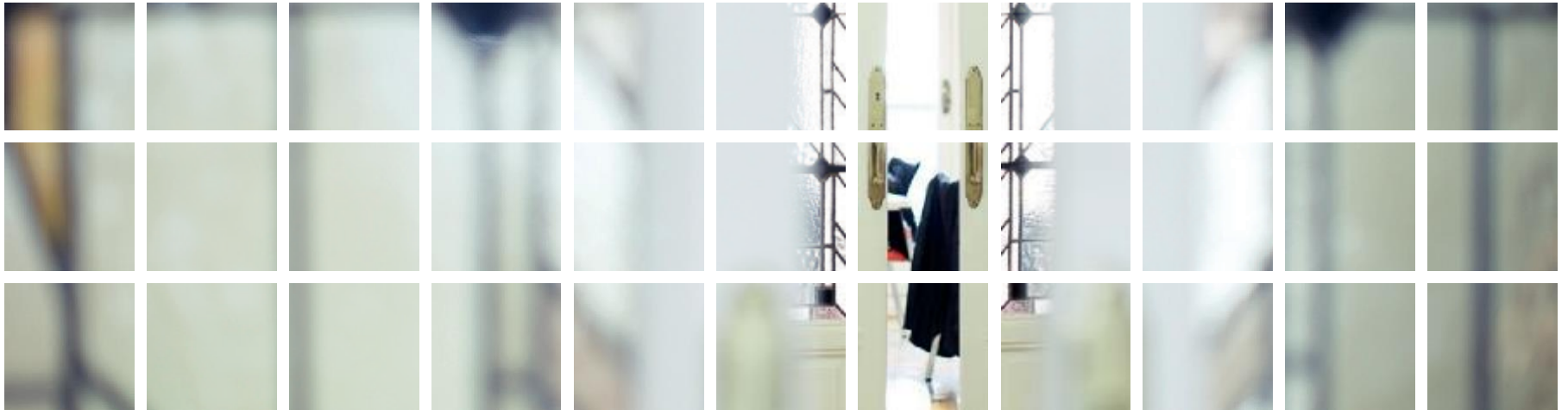
State of play of the Unified Patent Court ■ Sabine Agé ■ 16 February 2023





1 The UPC: exclusive competence, international jurisdiction and applicable law

2 Litigation options during the transition period: a few scenarios



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**The Unified Patent Court:
exclusive competence,
international jurisdiction and
applicable law**

The UPC: a court to litigate the UPs and the EPs (with a phasing in for the EPs)

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The UPC can hear cases on European Patents (EPs), Unitary patents (UPs) and SPCs applied on their basis (Art. 3 UPCA)

During a transitional phase of 7 years (Art. 83 UPCA):

- the patent owner can :
 - ◆ opt out from the exclusive jurisdiction of the UPC to keep litigating nationally
 - ◆ opt back in if no court proceedings ever filed before a national court
- national courts (together with the UPC) can also hear cases on EP patents





Split of competence between UPC and national courts during transition period?

Wording of Art. 83(1) UPCA unclear:

“1. During a transitional period of seven years after the date of entry into force of this Agreement, **an action for infringement or for revocation of a European patent** or an action for infringement or for declaration of invalidity of a supplementary protection certificate issued for a product protected by a European patent may still be brought before national courts or other competent national authorities.”



Other actions for which the UPC has “exclusive” competence (Art. 32 UPCA)

- **Actions for infringement***
- Actions for declaration of non infringement
- Actions for provisional and protective measures and injunctions
- **Actions (and counterclaims) for revocation***
- Actions for damages or compensation derived from the provisional protection conferred by a published EP application
- Actions relating to the use of the invention prior to the granting of the patent or to the right based on prior use of the invention
- Actions for compensation for licences on the basis of Article 8 of Regulation (EU) No 1257/2012
- Actions concerning decisions of the European Patent Office in carrying out the tasks referred to in Article 9 of Regulation (EU) No 1257/2012

* Only ones mentioned by Art. 83(1) UPCA



Territorial scope of the UPC decisions based on an EP: all designated CMS... if the parties have so requested

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- Art. 34 UPCA:
“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.”
- Art. 76 UPCA:
“1. The Court shall decide in accordance with the requests submitted by the parties and shall not award more than is requested.”



UPC material rules on infringement also applicable before national courts?

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- Art. 24 UPCA: EU Law (incl. EU Reg. 1257/2012 and 1260/2012 on UP), UPCA, EPC and international agreements regarding patents which bind all contracting members states, national law (in that order)
- Art. 25 & 26 UPCA: right to prevent the direct and indirect use of the invention (discretion in light of Art. 63 – “may”?)
- Art. 27 UPCA: exceptions incl. so called “Bolar exemption” and experimental use exemption
- Art. 28 UPCA: prior user rights in a contracting member state
- Art. 29 UPCA / Art. 6 EU Reg. 1257/2012: exhaustion in the EU subject to “legitimate grounds for the patent proprietor to oppose further commercialization of the product” (?)

International jurisdiction of the UPC

- Art. 31 UPCA:

“The international jurisdiction of the Court shall be established in accordance with Regulation (EU) No 1215/2012 or, where applicable, on the basis of the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (Lugano Convention).”

- Reg. No 1215/2012 as amended by Reg. 524/2014 (Reg. Brussels 1 recast):
 - ◆ Art. 71a(2) defines the UPC as a “Court common to several Member States”
 - ◆ Art. 71c(2) provides that the rules on lis pendens (Art. 29) and relatedness (Art. 30) apply when proceedings are brought in a common court and in a national court of a member state party to the agreement during the transitional period



Relevant CJUE case law

- Lis pendens requires same cause of action, between the same parties and the same subject matter (Tatry C-406/92)... the same rule of law and the same facts (Mærsk Olie & Gas A/S, C-39/02)
- If only some parties are the same in both actions, the second court seised to decline jurisdiction only to this extent (Tatry C-406/92)
- Infringement proceedings brought before separate national courts in respects of acts committed in their territory infringing the national part of the EP in force in this territory are not subject to the same rule of law ((Roche C -539/03)
- negative declaratory action must be deemed to have the same cause of action as an action for indemnity between the same parties (Nipponkoa Insurance Co (Europe) Ltd C452/12)

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**Litigation during the
transition period:
a few scenarios
(for not opted out EPs)**

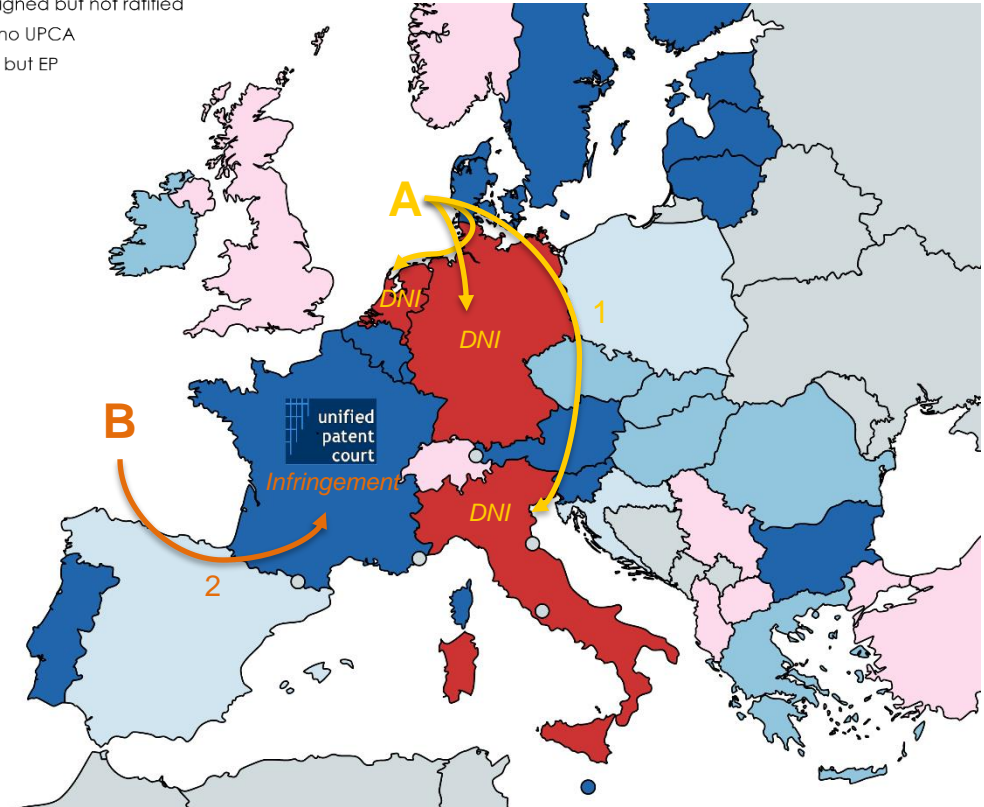
Scenario 1

1. Generic company (A) files an action for declaration of non-infringement of a European patent before **three national courts** against a patent holder (B).
2. B files an infringement action before the **UPC** covering all UPC countries.

Will the **UPC** stay the infringement proceedings pending the **three national decisions** on non-infringement?

Is a “carve out” possible before the UPC (see Art. 34 UPCA)?

- Targeted by the action
- UPCA ratified
- UPCA signed but not ratified
- EU but no UPCA
- Not EU, but EP



Scenario 2

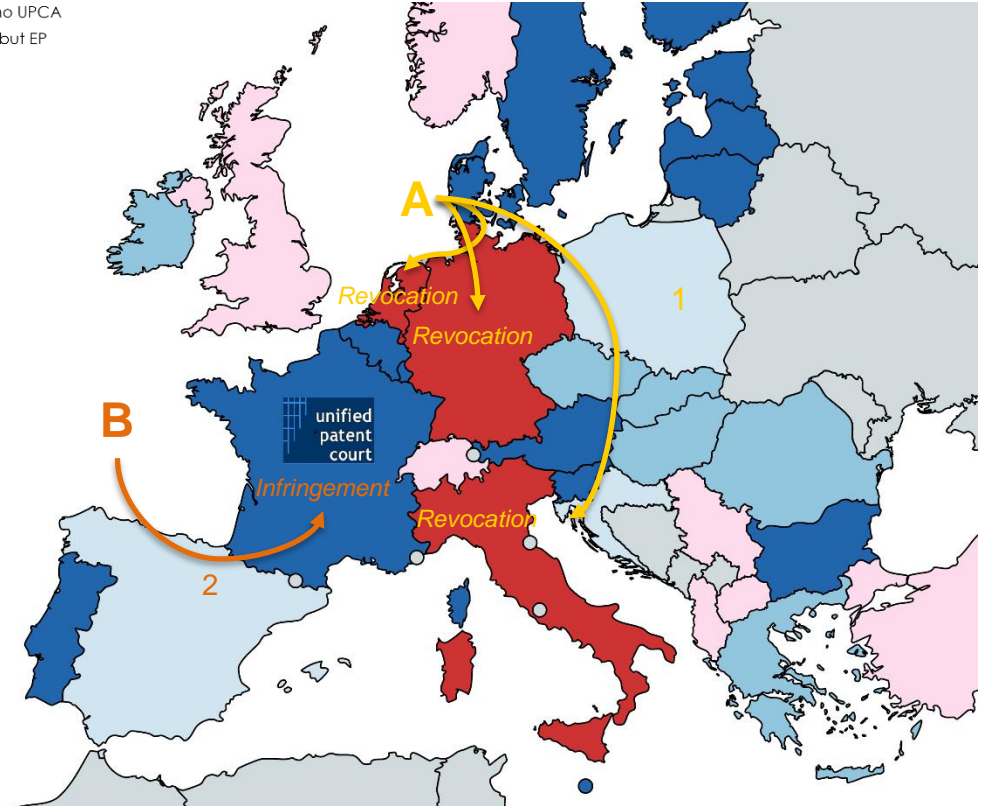
1. Generic company (A) files nullity actions before **three national courts** concerning an EP patent owned by B.
2. B responds by filing an infringement action before the **UPC**.

Will the **UPC** stay the infringement proceedings pending the **national decisions** on validity? Can A file a counterclaim for revocation before the **UPC**?

What would be the consequences if the **UPC** finds the patent infringed and orders a **UPC wide injunctions** but a **national court** (or the **UPC**) later finds the patent invalid (see rules 352 (security) and 354 (damages))?

Litigation during the transition period: a few scenarios

- Targeted by the action
- UPCA ratified
- UPCA signed but not ratified
- EU but no UPCA
- Not EU, but EP



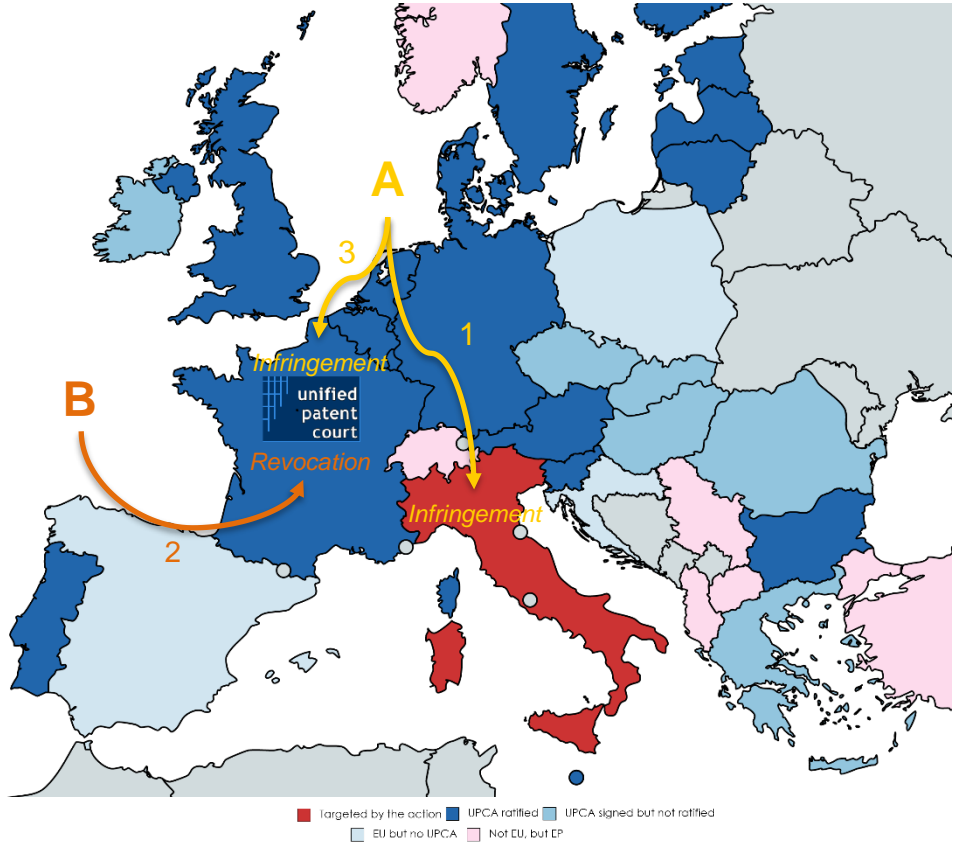
We do IP. Scenario 3

1. The patent holder (A) files infringement action against generic company (B) in Italy for infringement in Italy.
2. B files a central revocation action before the UPC.

Does the Italian court have to stay the infringement proceedings pending the nullity action before the UPC?

Can the Italian Court rule on the validity of the Italian designation of the patent or take it into consideration by way of a defence against infringement?

Can A file an infringement action before the UPC covering all other UPC member states than Italia?



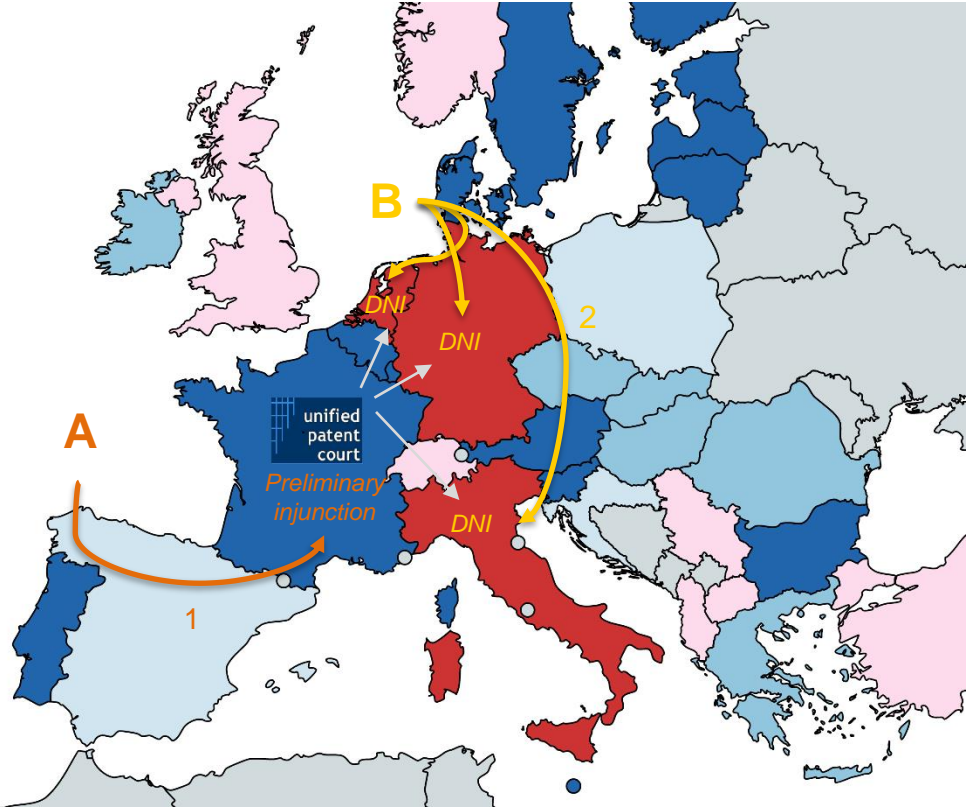
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Scenario 4

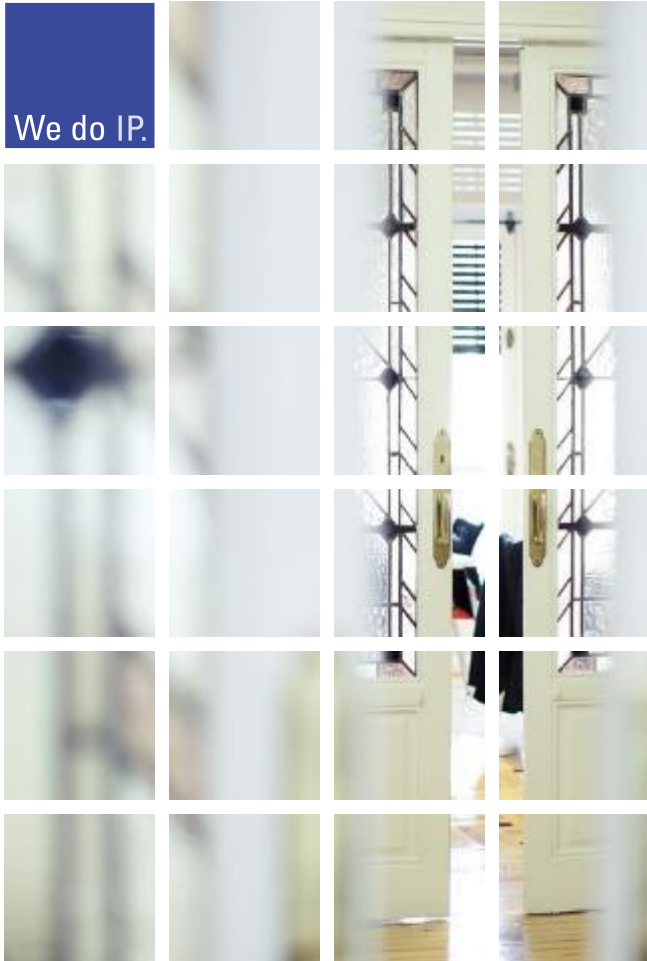
1. Patent holder (A) files a UPC wide preliminary injunction action before the **UPC** against B.
2. B files a series of non-infringement actions before **national courts**.

Would the **UPC** wide preliminary injunction action block the actions for declaration of non-infringement?

If the patent holder gets the preliminary injunction, where should he start the action on the merits (rule 213)?



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Any question?



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Partner

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- Sabine has dedicated herself to patent litigation for more than 25 years.
- She is particularly involved in matters with cross-border aspects implying multiple parallel foreign litigations.
- She developed particular expertise in matters relating to standard-essential patents in the electronics and telecommunications areas. She is also active in the fields of chemistry, automotive and gaming industry, as well as in biotech, pharmacy, chemistry and medical devices,
- She is active in many professional national and international associations, former secretary and still an active advisory board member of European Patent Lawyers Association (EPLAW), a regular speaker in conferences and a lecturer on patent litigation in various university courses.



OFFICE

Paris



ADMISSION

1994



LANGUAGES

French, English



FOCUS

Aerospace, automotive & marine, arbitration & mediation, biotechnology & biologics, chemicals electronics, computers, software & semiconductors Industrial equipment & manufacturing, medical devices, patents, pharmaceuticals, retail & consumer goods, unfair competition & trade secrets



“Sabine Agé is lauded as an “excellent strategist” who is well versed in handling cross-border patent litigations.”

Chambers & Partners – France 2022



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