

UPC: Long-arm jurisdiction and hot procedural topics

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Brussels, 28 April 2025

Long-arm jurisdiction

Recent case law & post BSH-strategy

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Fujifilm vs. Kodak

Local Divisions Düsseldorf & Mannheim



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Local Division Düsseldorf – Fujifilm vs. Kodak

- Legal dispute re printing plates precursors
- Three defendants, **domiciled in Germany**, one of which is contract manufacturer of attacked products for a UK entity
- Defendants objected that UPC **lacks int. jurisdiction** and has **no competence** to decide on infringement in the **UK**
(= non-CMS), arguing inter alia that decisions of the UPC only cover the territory of CMS for which the EP has effect (cf. Art. 34 UPCA)
- Claimant argued that int. jurisdiction follows from the **place of domicile** (Art. 4 of the Brussel Ia Regulation, Art. 31 UPCA) and that UPCA refers to scenarios where the UPC applies law of a non-CMS (Art. 24(2) UPCA)

Local Division Düsseldorf – Fujifilm vs. Kodak

- According to LD, the UPC has jurisdiction to hear the infringement action in **respect of the UK part** of the patent in suit, even if defendant has filed a counterclaim for revocation.
- However, LD held that the German part of the patent in suit is **invalid**.
- Although the LD stated that it cannot decide on validity of the UK part of the patent in suit, it “**assumed** that the grounds for invalidity [...] **also apply to the UK part of the patent in suit** [...].”
- Therefore, infringement action cannot be successful.
- LD has jurisdiction to issue a PI depending on the validity of the UK part of the patent in suit, but requirements are not met

Local Division Helsinki – AIM Sport vs. Supponor

- Application for leave to change claim or amend case/pleading based on R. 263 RoP, inter alia to extend the infringement case to Spain
- LD Helsinki accepted the adding of Spain
 - ◆ Reasoning related to the admissibility of the change in the light of Rule 263 RoP
 - ◆ In this context, LD stated that “if adding permanent injunction concerning Spain would not be accepted, AIM Sport could initiate new proceedings **in the UPC** or other courts.”



BSH vs. Electrolux

Court of Justice of the European Union

CJEU – BSH vs. Electrolux

- Facts
 - ◆ BSH alleges infringement by Electrolux of all the national counterparts of EP1434512 (including UK and TR) before the Swedish Court
 - ◆ Electrolux argues inadmissibility of the claims relating to infringements of the national parts of EP512 other than the SE part
 - ◆ Application of Art. 4(1) and 24(4) Brussels I (recast) Regulation
- Solution
 - ◆ The court of the EU MS in which the defendant is domiciled has jurisdiction to rule on acts of infringement of one or more foreign patents that he may have committed abroad.

CJEU – BSH vs. Electrolux

Competence of the EU MS of the domicile of the defendant:

	Patent issued by a EU MS	Patent issued by a third State (non EU)	
Infringement action	YES	YES	
Revocation claim raised as a defense	NO	<i>Lugano Convention</i> NO	<i>No bilateral convention with equivalent of Art 24(4)</i> YES (inter partes effect)

Objectives:

- Legal certainty: “making the rules of jurisdiction highly predictable“ (§46)
- Concentration of claims and overall compensation: appropriate to enable the patent holder "to concentrate all of its infringement claims and to obtain overall compensation in a single forum, thus avoiding, inter alia, the risk of divergent decisions." (§49)



Post BSH Decisions

Local Divisions Mannheim, Paris & Milan

Local Division Mannheim – Hurom vs. NUC

- Decision by CJEU after hearing
- LD Mannheim **separated proceedings** re. non-CMS (Poland, Spain, Turkey and UK)
- Jurisdiction over acts committed before 1 June 2023 (all national parts were still in force, however)
- Jurisdiction \neq applicable law, to be determined as follows:

acts before entry into force	ongoing acts continued until & after entry into force	acts after entry into force
National laws	UPCA	UPCA

Same for Fujifilm vs. Kodak, however LDM further held that UPC has **no jurisdiction** with regard to those national parts of CMS which have **lapsed before 1 June 2023**

Local Division Paris – Mul-T-Lock vs. IMC Créations

EP Patent (with unitary effect)	Infringement action	Revocation counterclaim*
ES part	Yes: long-arm jurisdiction + BSH	No: Art 24(4) Brussels I Bis
CH part	Yes: long-arm jurisdiction + BSH	No: Lugano Convention
UK part	Yes: long-arm jurisdiction + BSH	Yes: BSH

*No revocation counterclaim had been raised by Mul-T-Lock at the date of the decision.

Local Division Milan – AlpineStars vs. Dainese

- “if the defendant is domiciled in Italy, the Milan LD jurisdiction is ‘universal’”
- Long-arm jurisdiction post BSH limited to EP patents?

Discussion

Recent case law & post BSH-strategy

Hot procedural topics

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Hot procedural topics

1. Urgency in Pls
2. Service in China
3. Security for costs
4. Front-loaded nature of the UPC

Urgency in PIs

Daniel Down, Powell Gilbert

- **Legislative basis:** An applicant's delay in seeking provisional measures is a **key criterion** taken into account by the Court when deciding whether to grant the application (Art. 62 UPCA, Rs. 211.3, 4 RoP), alongside other **cumulative factors** (LD Lisbon, *Ericsson v ASUS*). The Court shall also take into account the **urgency of the action** (R. 209.2 RoP, CoA in *Biolitec v Light Guide Optics*).
- **Purpose:** To ensure patentees acts promptly in light of the **exceptional nature** of PI proceedings, and to **adequately protect their rights / avoid further damage** resulting from delays in resolving a case on the merits.
- **What constitutes “unreasonable delay”?** **Conflicting case law** to date.
- **Burden:** An applicant whose conduct subjectively indicates a lack of urgency cannot expect assistance through issuance of a PI, but the converse is not true (LD Munich, *Häfele v Kunststoff*)
- **Best practice for applicants applying UPC case law:**
 - ◆ Demonstrate conduct which, as a whole, justifies the conclusion that the enforcement of your rights is **urgent**
 - ◆ As soon as a party has knowledge of alleged infringement (or threat thereof), **investigate it**, take the necessary measures to **clarify it** and **obtain the documents** required to support the claims (knowledge of acts in non-UPC member states is irrelevant).
 - ◆ Act **promptly** and **diligently**, but a party only needs to apply to the Court upon obtaining reliable knowledge of **all the facts** which substantiate the action in a **credible** manner.
 - ◆ Explain to the Court when you first became aware of the infringement, otherwise the Court may solely rely on the date of the alleged infringement (LD Lisbon, *Ericsson v ASUS*).

Hot procedural topics

One month?

- LD Düsseldorf, 9 April 2024, *Ortovox v Mammut*, UPC_CFI_452/2023

Two months?

- LD Munich, 21 May 2024, *Dyson v SharkNinja*, UPC_CFI_443/2023
- LD Munich, 27 August 2024, *Scandit v Hand Held Products*, UPC_CFI_74/2024
- LD Munich, 27 August 2024, *Syngenta v Sumi Agro*, UPC_CFI_201/2024

No fixed deadline?

- LD Hamburg, *Ballinno v UEFA*, 3 June 2024, UPC_CFI_151/2024
- LD Hague, *Amycel v [Redacted]*, 31 July 2024, UPC_CFI_195/2024
- LD Düsseldorf, 31 October 2024, *Valeo v Magna*, UPC_CFI_347/2024

Time begins to run when an applicant has all the knowledge and documents that reliably enable a credible and promising legal action.

Temporal urgency will be lacking where an applicant “has been so negligent and hesitant in pursuing its claims that, from an objective point of view, it must be concluded that they have no interest in the prompt enforcement of their rights.” In such circumstances, it won't be appropriate to order provisional measures.

Consistent practice yet to be established by the CoA.

Service in China

Hot procedural topics

Felix Beck, ARNOLD RUESS

- **UPC Court of Appeal:** Defendants domiciled in China or Hong Kong must generally be served with a statement of claim in accordance with the Hague Service Convention. **Service in China or Hong Kong must be attempted at least once** before service by other means or at an alternative place can be permitted (CoA, 29 July 2024, UPC_CoA_69/2024 – NEC v. TCL).
- **R.271.5(a) RoP**, which allows serving a statement of claim at any place where the defendant has a permanent or temporary place of business, **only applies to defendants having their statutory seat, central administration or principal place of business within the UPC territory**. Nor can service be substituted by service on a subsidiary of the defendant registered in the UPC territory (CoA, 5 August 2024, UPC_CoA_86/2024 – Panasonic v. Xiaomi; UPC_CoA_183/2024 – Deadalus Prime v. Xiaomi).
- **Chinese Ministry of Justice provides an online system** that allows foreign courts to make service requests without having to send hardcopies (<https://www.ilcc.online>). It appears that several UPC divisions have begun to use this system in late 2024. However, it is unclear whether service in China has ever been successful in a UPC case.
- Article 15 Hague Service Convention: **Judgment may be given after six months even if no certificate of service has been received** despite reasonable efforts to obtain the same. The CoA has hinted towards this option (Deadalus v Xiaomi, para. 42), and the LD Munich used it in *air up v. Guangzhou Aiyon Yanwu Technology* (9 December 2024, UPC_CFI_508/2023).
- **What is the point in enforcing a service procedure that routinely fails?** It provides a general six-month standstill to the benefit of Chinese defendants, who gain additional time to prepare their defense and nullity attacks – especially if they have already received the statement of claim through their subsidiaries or co-defendants.

Security for costs

Saskia Mertsching, Bardehle Pagenberg

- **Claimant and defendant** may be ordered to provide security for costs/ can be “Applicant” within the meaning of Art. 69(4) UPCA (LD Düsseldorf, UPC_CFI_140/2024, ACT_15774/2024, order of Dec. 03, 2024 - *10x Genomics ./ Curio Bioscience*; LD Munich UPC_CFI_628/2024, ACT_58638/2024, order of 16 April 2025 - *AorticLab ./ Emboline*)
- Test: **Financial position of the other party** that may give rise to a legitimate and real concern that a possible cost order might not be recoverable, and likelihood that a possible cost order by the UPC may not, or in an unduly burdensome way, be enforceable (CoA, UPC_CoA_217/2024, order of September 17, 2024 - *Audi ./ NST*)
 - ◆ **Actual possibility to serve under the Hague convention:** “*With regard to a country that fails to fulfil its obligations under the Hague Service Convention, it has to be assumed that an order for reimbursement of costs by the UPC may not be enforceable in this country or just in an unduly burdensome way*” (LD Munich, UPC_CFI_425/2024, ACT_42211/202, order of March 19, 2025 - *Chint New Energy Technology, Astronergy Europe et al. ./ JingAo Solar Co - BUT* decision to the contrary in parallel proceedings: LD Hamburg, UPC_CFI_429/2024, order of April 02, 2025 - *Chint New Energy Technology, Astronergy Europe et al. ./ JingAo Solar Co*)
 - ◆ **Acknowledgment of possible insolvency:** “*Anyone who claims that he would be driven into insolvency in case of an injunction to desist, confirms that his financial position gives rise to a legitimate and real concern that a possible order for costs may not be recoverable*” (LD Munich UPC_CFI_628/2024, ACT_58638/2024, order of 16 April 2025 - *AorticLab ./ Emboline*)
- **New or changed facts** allow an amendment of an order for security for costs; an application for an increase of an ordered security must be understood as an application to amend the first security order (CD Paris, UPC_CFI_164/2024, ACT_18406/2024, App_61655/2024, order of December 27, 2024 - *Suinno Mobile & AI Technologies Licensing ./ Microsoft Corporation*)

Hot procedural topics

“Front-loaded” principles

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- Speed and efficiency one of the key objectives of the UPC (1 year from filing to hearing)
- Parties shall lay down their cases “*as early as possible*”. Initial pleadings shall contain facts, evidence (where available), “*one or more grounds of revocation*” = “**front-loaded**” nature of the **UPC proceedings**.
- However, no strict deadlines. R 9(2) RoP the Court “**may** disregard” late-filed facts and evidence.
- Emergence of strict approach on **new grounds of revocation**. New prior art documents and attacks brought after the initial pleadings are likely to be rejected, unless they can be construed as reactions to the other party's defences or claim amendments.
 - ◆ Is a leave to amend the case needed? Conflicting positions.
 - ◆ Is this really balanced and (always) necessary?
- The approach towards **new arguments is more tolerant**, and implies a balancing exercise.
- New submissions may be filed also before the COA: **R. 222(1) RoP**. Gives discretion to the COA on whether to consider those documents or not. Could the case law on R. 222(1) RoP offer guiding principles?
- Need to take into consideration the individual circumstances of the case.

Strict approach on new grounds of revocation

- CD Paris, 29 July 2024, BITZER v. Carrier, UPC_CFI_263/2023.
- RD Nordic-Baltic, 7 October 2024, Abbott v. Dexcom, UPC_CFI_430/2023.
- RD Nordic-Baltic, 10 December 2024, Edwards v. Meril, UPC_CFI_380/2023.
- CD Paris, 11 December 2024, Dexcom v. Abbott, UPC_CFI_395/2023.
- LD Milan, 17 December 2024, Oerlikon v. Himson, ORD_598537/2023.

Necessity of a leave?

- CD Paris, 22 January 2025, NJOY v VMR, UPC_CFI_310/2023 **(YES)**
- LD Milan, 11 April 2025, EOFLOW v. Insulet, UPC_CFI_597/2024 **(NO)**

More tolerant approach towards new arguments/facts

- CoA, 18 September 2024, Volkswagen v. NST.
- CoA, 21 November 2024, OrthoApnea/Vivisol v. Individual respondent.
- CD Paris, 5 November 2024, NJOY v. Juul.
- LD Düsseldorf, 31 October 2024, SodaStream v. Aarke.

R. 222(1) RoP (took into account document submitted only late in the first instance proceedings, dismissed claim anyhow).

- CoA, 25 September 2024, Mammut v. Ortovox, UPC_CoA_182/2024.

Thank you!

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