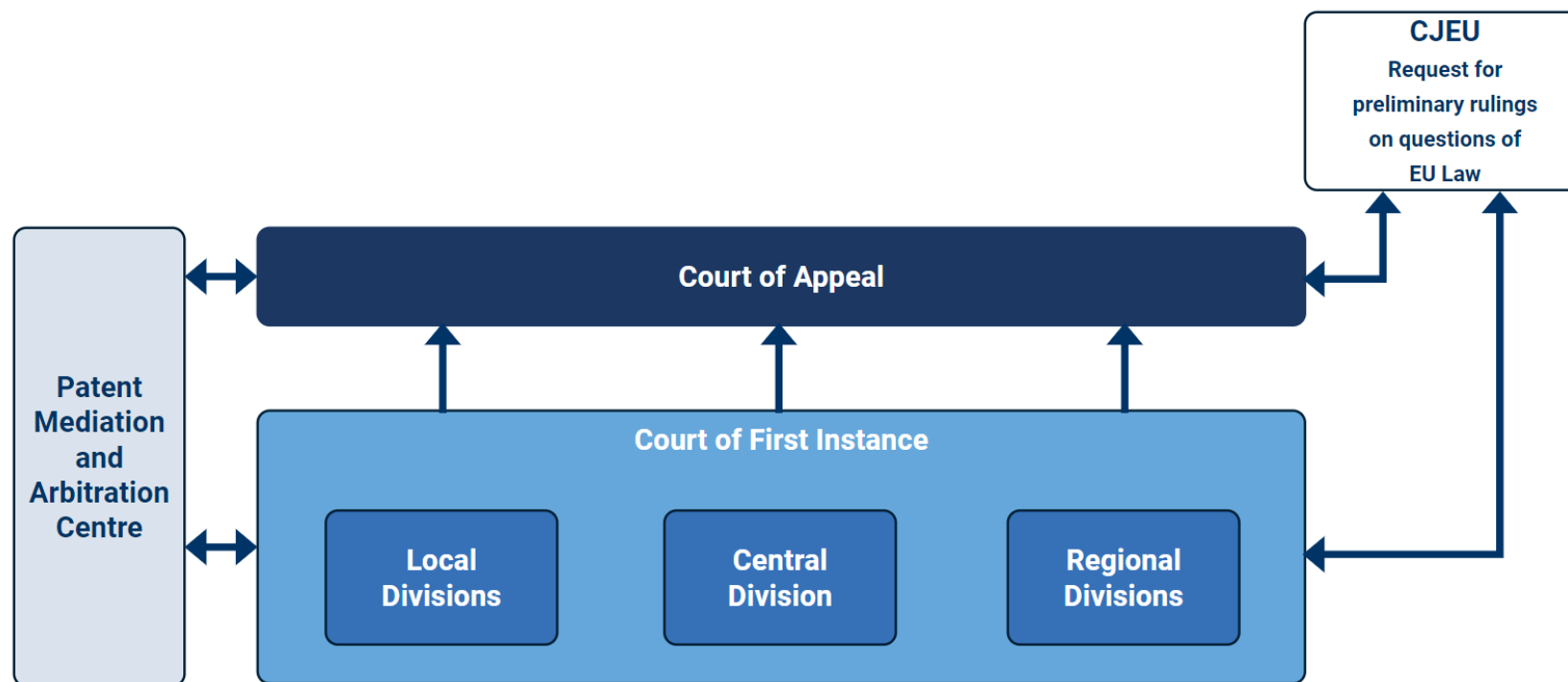


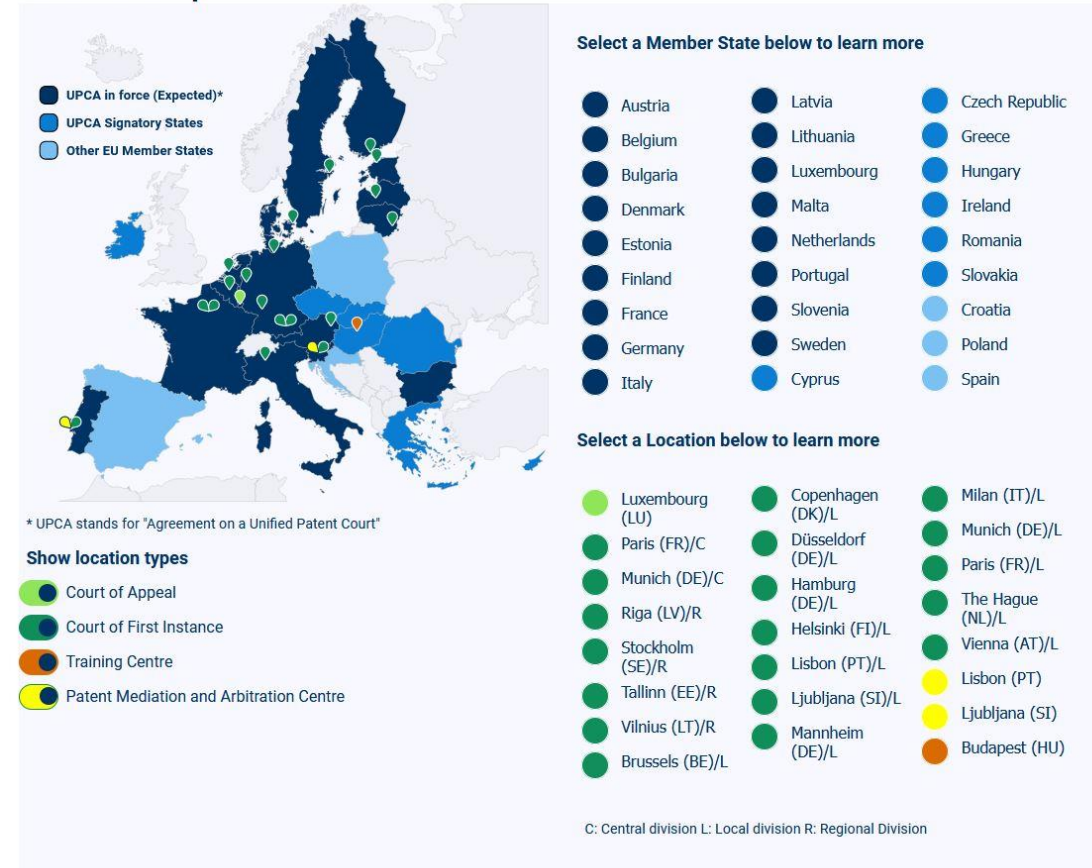


The Unified Patent Court (UPC)

Speakers : Dr. *Klaus Grabinski* (President of the CoA); Dr. *Peter Tochtermann* (Presiding Judge, CFI - LD Mannheim)



Locations Map



Central Division

- **Panel of 3 judges**
 - **2 legally qualified judges** from different CMS
 - **1 technically qualified judge**

Local/Regional Division

- **Panel of 3 or 4 judges**
 - **3 legally qualified judges** partly from and partly not from the CMS hosting the Local Division or from the CMS that share a Regional Division
- and, most of the time,**
- **1 technically qualified judge**
(to be allocated when a counterclaim for revocation has been filed which has not been referred to the central division for decision [bifurcation] or upon request of a party or on initiative of the panel).

Court of Appeal

- **Panel of 5 judges**
 - **3 legally qualified judges**
 - **2 technically qualified judges**

- **The UPC has exclusive competence in respect of**, Art. 32 UPCA:
 - Actions for actual or threatened infringement of EPs and SPCs and related defences, including counterclaims concerning licences,
 - Actions for declarations of non-infringement of EPs and SPCs
 - Actions for provisional and protective measures and injunctions
 - Actions and counterclaims for revocation of EPs and for declaration of invalidity of SPCs
 - Actions for damages or compensation derived from provisional protection conferred by a EP application
 - Actions relating to the use of the invention prior to the granting of an EP or to the right based on prior use of the invention
 - Actions for compensation for licences on the basis of Art. 8 Reg. 1257/2012
 - Actions concerning decisions of the EPO in carrying out the tasks referred to in Art. 9 Reg. 1257/2012

Central Division

- **Actions for declaration of non-infringement**, Art. 33 (4) UPCA
- **Actions for revocation of patents or declaration of invalidity of SPCs**
- **Actions concerning decisions of the EPO in carrying out the tasks referred to in Art. 9 Reg. 1257/2012**, Art. 33(9) UPCA

Local- / Regional Division

place of actual or
threatened
infringement
or
place of business of
defendant (in a
CMS)

- **Actions for actual or threatened infringements of patents and SPCs and related defences, including counterclaims concerning licences**, Art. 33 (1) UPCA
- **Actions for provisional and protective measures and injunctions**, Art. 33 (1) UPCA
- **Actions for damages or compensation derived from the provisional protection conferred by a published European patent application**, Art. 33 (1) UPCA
- **Counterclaim for revocation – Discretion to or not to bifurcate**
Art. 33 (3) UPCA

Central Division (i) if Defendant has its place of business outside the territory of the CMSs or (ii) if the CMS does not host a local and does not participate in a regional division, Art. 33 (1) UPCA
Parties may agree to bring actions before the division of their choice, including the Central Division ,
Art. 33 (7) UPCA

- **Brussels Ia Regulation** [Regulation (EU) No 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters]
- **Amended by Regulation (EU) No 542/2014** of 15 May 2014 amending Regulation No 1215/2012 as regards the rules to be applied with respect to the Unified Patent Court and the Benelux Court of Justice
 - by **inserting Articles 71a to 71d** in Chapter VII of the Brussels Ia Regulation

- **The UPC is a “court common to several Member States”**, Art. 71a Brussels Ia Reg
- As such **the UPC has exclusive jurisdiction**
 - **where the court of the CMS would have jurisdiction in European patent matters**
 - **if the UPCA had not transferred that competence to the UPC**, Art. 71a Brussels Ia Reg.

- **Before entry into force of the UPCA**
 - **Actions for the infringement of European patents (EPs) on the merits are filed EU Member State by EU Member State since**
 - **only the courts of the Member State (MS) for which the EP gives protection have jurisdiction to **decide on the validity of the EP**, Art. 24(4) Brussels Ia Reg. (CJEU in Gat/LUK).**

- **After entry into force of the UPCA**
 - actions for the infringement of a European patent (EP) can be filed for all UPC-Contracting MS before the UPC since
 - the UPC - as a court common to the UPC-CMS - has jurisdiction on the validity of the EP with regard to all UPC-CMS, Art. 71b(1), 24(4) Brussels Ia Reg.
 - provided the EP has not been opted out.

Transitional period

- The transitional period will last at least 7 years after the date of entry into force of the UPCA.
- During the transitional period EPs (bundle patents) and application for a EP may be opted out from the exclusive competence of the UPC unless an action has already been brought before the **UPC**, Art. 83(3) UPCA.

EPs (bundle patents)

opted-out

- The UPC has no jurisdiction on actions concerning a EP (bundle patent) or an application for a EP that has been opted out, Art. 83(3) UPCA.

not opted-out

- During the transitional period actions for infringement or revocation of a EP or for invalidity of a SPC may still be brought before national courts of the CMS, Art. 83(1) UPCA.

Unitary patents

- **From entering into force of the UPCA the UPC has exclusive jurisdiction on European patents with unitary effect (Unitary patents).**

EPs (bundle patents) and EP applications

- **may be opted out from the exclusive competence of the court**
- **unless an action has already been brought before the UPC, Art. 83(3) UPCA.**

Sunrise period

- **It is since 1 March 2023 possible to lodge an application to opt out with the Registry after Germany deposited its instrument of ratification of the UPCA in February.**
- **Entry into force of the UPCA will be on 1 June 2023.**
- **Application to opt out that have been accepted by the Registry before entry into force of the UPCA are treated as entered on the register on the date of entry into force of the UPCA.**

- **Stages of proceedings of an EP infringement action**
 - **Written procedure**
 - Front loaded (all relevant facts and evidence relied on have to be submitted.)
 - Deadlines for written submissions
 - **Interim procedure**
 - Preparation of oral hearing
 - Exploration of possibilities to settle the case
 - **Oral procedure**
 - Preliminary introduction to the case by the judges possible
 - Pleadings of the parties
 - Time limits may be set in advance
 - Hearing of witnesses and experts. Judges and parties may put questions.
 - Endeavour to complete the oral hearing in one day.

– **Further procedural aspects:**

▪ **Pretrial procedures**

- No pretrial discovery US style available
- Order to preserve evidence (e.g. by detailed description or seizure of the allegedly infringing product) or to inspect premises
- Provisional and protective measures (preliminary injunctions, etc.)

▪ **Experts**

- Party experts or court appointed experts
- Examination in oral hearing by the judges and the party representatives

▪ **Permanent injunction**

- When infringement has been found and upon request of the claimant permanent injunction will be granted
- No Ebay test US style but injunctions have to be **proportionate**, Art. 3(2) ED.

▪ **Award of damages**

- 3 ways of calculation (lost profits, return of infringer's profits, royalties)
- No punitive damages

Central Division

- **Language in which the patent concerned was granted**, Art. 49 (6) UPC

Local/Regional Division

- **Official language(s) of the CMS hosting the LD or the official language(s) designated by CMS sharing a RD**, Art. 49 (1) UPCA
- **CMS may designate one or more of the official EPO languages**, Art. 49 (2) UPCA
- **Parties may agree on the language in which the patent was granted subject to approval by the panel**, Art. 49 (3) UPCA
- **With the agreement of the parties the panel may decide on the language in which the patent was granted**, Art. 49 (4) UPCA
- **At the request of one party and after having heard the other parties, the Co1st I President may decide on the language in which the patent was granted**, Art. 49(5) UPCA

Court of Appeal

- **Language of proceedings before the Co1stI**, Art. 50 (1) UPC
- **Parties may agree on the language in which the patent was granted**, Art. 50 (2) UPCA
- **Exceptionally the CoA may decide on another official language of a CMS**, Art. 50 (3) UPCA.

- **Preliminary remedies**
 - Order to preserve evidence and inspect premises
 - Freezing order
 - Order to produce information
 - Provisional and protective measures (preliminary injunctions, etc.)
- **Permanent injunction**
 - When infringement has been found and upon request of the claimant permanent injunction will be granted
 - No Ebay test US style but injunctions have to be **proportionate**, Art. 3(2) ED.
 - Declaration of infringement
- **Destruction of infringing goods and/or materials and implements**
- **Recalling products from channels of commerce**
- **Removal of products from channels of commerce**
- **Rendering of accounts/information on infringing acts**
- **Publication of decision**
- **Award of damages**
 - 3 ways of calculation (lost profits, return of infringer's profits, royalties)
 - No punitive damages

Ground rule

Looser will have to pay the costs!

Article 69 UPCA – Legal Costs :

1. Reasonable and proportionate legal costs and other expenses incurred by the successful party shall, as a general rule, be borne by the unsuccessful party, unless equity requires otherwise, up to a ceiling set in accordance with the Rules of Procedure.

2. Where a party succeeds only in part or in exceptional circumstances, the Court may order that costs be apportioned equitably or that the parties bear their own costs.

3. A party should bear any unnecessary costs it has caused the Court or another party.

4. At the request of the defendant, the Court may order the applicant to provide adequate security for the legal costs and other expenses incurred by the defendant which the applicant may be liable to bear, in particular in the cases referred to in Articles 59 to 62.

Court Fees

Will have to be paid **in advance**
at the time of lodging the relevant pleading or
application (see R. 371 RoP)!

Exception:
urgent matters, such as
preliminary injunctions (see R. 371.3 RoP)

Article 70 UPCA – Court Fees:

- 1. Parties to proceedings before the Court shall pay court fees.*
- 2. Court fees shall be paid in advance, unless the Rules of Procedure provide otherwise. Any party which has not paid a prescribed court fee may be excluded from further participation in the proceedings.*

Court Fees

Rule 370 RoP is the central provision dealing with costs

Court Fees

Elements of the court fee

1. Fixed court fee
- +
2. Value-based court fee (where applicable)

Procedures/actions	Fixed fee
Infringement action [R. 15]	11,000 €
Counterclaim for infringement [R. 53]	11,000 €
Action for declaration of non-infringement [R. 70]	11,000 €
Action for compensation for license of right [R. 80.2]	11,000 €
Application to determine damages [R. 132]	3,000 €

Rule 370.2 RoP – Court Fees:

2. A fixed fee shall be paid in accordance with Section I (fixed fees) of the table of fees for the following actions at the Court of First Instance:

(a) Infringement action [Rule 15],

(b) Counterclaim for infringement [Rule 53],

(c) Action for declaration of non-infringement [Rule 70],

(d) Action for compensation for licence of right [Rule 80.3],

(e) Application to determine damages [Rule 132]

Value of action	Additional value-based fee
Up to and including 500,000 €	0 €
Up to and including 750,000 €	2,500 €
Up to and including 1,000,000 €	4,000 €
Up to and including 1,500,000 €	8,000 €
Up to and including 2,000,000 €	13,000 €
...	...
more than 50,000,000 €	325,000 €

Rule 370.3 RoP – Court Fees:

3. In addition to the fixed fee a value-based fee shall be paid in accordance with Section II (value-based fees) of the table of fees for those actions at the Court of First Instance set out in paragraph 2, which exceed a value of 500,000 EUR.

Procedures/actions	Fixed Fee
Revocation action [R. 46]	20,000 €
Counterclaim for revocation [R. 26]	same fee as the infringement action subject to a fee limit of 20,000 €
Application for provisional measures [R. 206.5]	11,000 €
Action against a decision of the European Patent Office [R. 88.3, 97.2]	1,000 €
Application to preserve evidence [R. 192.5]	350 €
Application for an order for inspection [R. 199.2]	350 €
Application for an order to freeze assets [R. 200.2]	1,000 €
Filing a protective letter [R. 207.4]	200 €
Application to prolong the period of a protective letter kept on the register [R. 207.9]	100 €
Application for re-establishment of rights [R. 320.2]	350 €
Application to review a case management order [R. 333.3]	300 €
Application to set aside decision by default [R. 356.2]	1,000 €

Who will determine the value?

The judges!

And how?

Rule 370.6 RoP – Court Fees:

6. The assessment of the value of the relevant action in paragraphs 3 and 5 shall reflect the objective interest pursued by the filing party at the time of filing the action. In deciding on the value, the Court may in particular take into account the guidelines laid down in a decision of the Administrative Committee for this purpose.

Value shall reflect the **objective interest pursued by the filing party**

During Interim Procedure – judge-rapporteur shall (R. 104 RoP):

- (j) decide the value of the proceeding for the purpose of applying the scale of ceilings for recoverable costs (Rule 152.3);
- (k) order the parties to submit, in advance of the decision at the oral hearing, a preliminary estimate of the legal costs that they will seek to recover.

Discount for SMEs with less than 50 employees and a yearly revenue of less than € 10 mio :
60 %

In case of withdrawal or settlement, fees are reduced:

- Until end of written procedure – 60% reduction
- Until end of interim procedure – 40% reduction
- Until end of the oral hearing – 20% reduction

Advance payment of fees:

Fixed fee + value-based portion as reflected in claimant's/applicant's assessment

→ If this assessment is later found to be incorrect, the judge-rapporteur determines value and payment is due 10 days after service of that decision (R. 371.4 RoP)

What is the consequence of not paying the fees?

Rule 16.3-5 RoP

- Invite Claimant to pay fee within 14 days of service of such notification
- Inform Claimant that decision by default may be given, if fee is not paid
- If the claimant fails to correct the deficiencies or pay the fee, the Registry shall inform a judge of the division who may reject the action as inadmissible by a decision by default. The judge may give the claimant an opportunity to be heard beforehand

Recoverable costs (lawyers etc.)

- Reasonable and proportionate costs and expenses have to be reimbursed
- What is reimbursed are the actual costs, not only statutory fees (unlike DE)
- Ceilings for reimbursable costs depending on value of the proceedings
- Ceiling may be raised or lowered at equity upon request

Value of action	Recoverable costs
Up to and including 250,000 €	Up to 38,000 €
Up to and including 500,000 €	Up to 56,000 €
Up to and including 1,000,000 €	Up to 112,000 €
Up to and including 2,000,000 €	Up to 200,000 €
Up to and including 4,000,000 €	Up to 400,000 €
...	...
more than 50,000,000 €	Up to 2,000,000 €

Further reimbursable costs:

- Costs incurred with translations
- Costs of technical experts (R. 181, 180 RoP)
- Costs of witness statements (R. 180 RoP)

Security for costs possible (Rules 158, 159 RoP)

Procedure for cost decision (R. 150 et seqq. RoP):

- Separate procedure after decision on the merits
- Judge-rapporteur to decide
- Only appealable where leave to appeal is granted

Rule 150 – Separate proceedings for cost decision

1. A cost decision may be the subject of *separate proceedings following a decision on the merits and, if applicable, a decision for the determination of damages. The cost decision shall cover costs incurred in the proceedings by the Court such as costs for simultaneous interpretation and costs incurred pursuant to Rules 173, 180.1, 185.7, 188 and 201 and, subject to the Rules 152 to 156, the costs of the successful party including Court fees paid by that party [Rule 151(d)]. Costs for interpretation and translation which is necessary for the judges of the Court in order to conduct the case in the language of proceedings are borne solely by the Court.* 2. The Court may order an interim award of costs to the successful party in the decision on the merits [Rule 119] or in a decision for the determination of damages, subject to any conditions that the Court may decide.





Unified Patent Court
Einheitliches Patentgericht
Juridiction unifiée du brevet

Thank you for your attention
