

Forum Shopping today

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- forum shopping between national jurisdictions
- the "playing field"
 - establishment of jurisdiction
 - place of business, art. 4 (1) Regulation (EU) No 1215/2012 ("Brussels I Regulation")
 - place of infringement, art. 7 (2) Brussels I Regulation (or respective national law, art. 6 (1) Brussels I Regulation)
 - lis pendens, art. 29 et sqq. Brussels I Regulation
 - the same cause of action between the same parties may not be brought in two courts of different Member States
 - · currently in particular relevant re. torpedo actions
 - exemption re. preliminary injunctions (ECJ decision C-616/10 -Solvay)

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- the "playing field" (cont'd)
 - "GAT" decision of ECJ (C-4/03 [2006] ECR I-6523)
 - exclusive jurisdiction pursuant to art. 24 (4) Brussels I Regulation also if invalidity is raised by way of a defence → "foreign" national court has to dismiss action regarding "foreign" patent
 - exemption: invalidity defence in preliminary injunction proceedings (ECJ decision C-616/10 - Solvay)
 - Does it make sense?
 - NL/DE: quick and cheap injunction + bifurcation in DE
 - · UK: quick nullity decision
 - torpedos

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Concurrent jurisdiction of national courts and UPC under art. 83 (1) UPCA re. "ordinary" EP

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Concurrent jurisdiction of national courts and UPC under art. 83 (1) UPCA re. "ordinary" EP

- concurrent jurisdiction
 - during a transitional period of seven years after the date of entry into force of the UPCA infringement or revocation actions may <u>also</u> be brought before national courts, art. 83 (1) UPCA
- pursuant to art. 83 (1) UPCA no "blocking effect" of the first action
 - national infringement action does not exclude a revocation action before the UPC and vice versa
 - national infringement action does not exclude later infringement action over the same patent before the UPC
 - that means: the alternative competence under art. 83 (1) UPCA allows to select among the two court systems on a case-bycase basis

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The "playing field" after establishment of the UPC-system

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International jurisdiction

- international jurisdiction of UPC governed by Brussels I Regulation and Lugano Convention
- int. jurisdiction of UPC parallel to establishment of int. jurisdiction of national courts
 - place of business
 art. 71 b (1) Brussels I Regulation (draft) in conjunction with art. 4 (1)
 Brussels I Regulation
 - place of infringement
 art. 71 b (1), (2) Brussels I Regulation (draft) in conjunction with art. 7
 (2) Brussels I Regulation
 - i.e. if international jurisdiction of national courts can be established, also UPC has jurisdiction and vice versa (the latter of course only re. certain national courts)

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Scope of concurrent jurisdiction of national courts under art. 83 (1) UPCA

ARTICLE 32 Competence of the Court

- 1. The Court shall have exclusive competence in respect of:
 - a) actions for actual or threatened infringements of patents and supplementary protection certificates and related defences, including counterclaims concerning licences;
 - actions for declarations of non-infringement of patents and supplementary protection certificates;
 - actions for provisional and protective measures and injunctions;
 - actions for revocation of patents and for declaration of invalidity of supplementary protection certificates;
 - e) counterclaims for revocation of patents and for declaration of invalidity of supplementary protection certificates;
 - actions for damages or compensation derived from the provisional protection conferred by a published European
 patent application;
 - g) 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;
 - h) actions for compensation for licences on the basis of Article 8 of Regulation (EU) No 1257/2012; and
 - i) actions concerning decisions of the European Patent Office in carrying out the tasks referred to in Article 9 of Regulation (EU) No 1257/2012.

ARTICLE 83 Transitional regime

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.

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Scope of concurrent jurisdiction of national courts under art. 83 (1) UPCA

- art. 83 (1) UPCA:
 - "action for infringement or for revocation"
- concurrent jurisdiction certainly in case of:
 - actions for actual or threatened infringements, art. 32 (1) lit. a UPCA
 - actions for revocation, art. 32 (1) lit. d UPCA
 - counterclaims for revocation, art. 32 Abs. (1) lit. e UPCA
- · concurrent jurisdiction not certain in case of:
 - actions for damages or compensation, art. 32 (1) lit. f UPCA
 - actions for provisional and protective measures and preliminary injunctions (including inspection proceedings), art. 32 (1) lit. c UPCA?
 - "pros" of concurrent jurisdiction (in line with the prevailing view):
 - distinction between infringement actions (injunction, information, destruction, etc.) and actions for damages seems arbitrary
 - principle of procedural economy → court will have to rule in each case on the same preliminary issues (infringement, objections, defences, etc.)
- reasonable interpretation:

"action for infringement " = any action by which legal **consequences of infringement** are asserted

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Lis pendens, art. 29 et sqq. Brussels I Regulation

- art. 29-32 Brussels I Regulation shall apply where proceedings are brought in UPC and in national court of UPC member state, art. 71c (2) Brussels I Regulation (draft)
- i.e. stay of proceedings/decline of jurisdiction pursuant to art. 29, 30 Brussels I Regulation also in relationship between UPC and national courts of UPC member states

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Lis pendens – some examples

Basic facts underlying the examples addressed in the following slides:

plaintiff owns "ordinary" EP (without unitary effect) in DE, NL, F

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Lis pendens – some examples

Plaintiff brings action before the Dusseldorf district court accusing defendant A to infringe the German part of its EP and prevails. Thereupon plaintiff initiates

- a) infringement action before the UPC against **defendant A** aiming to be granted another title for the other UPC member states (NL, F) based on the same EP.
- b) infringement action before the UPC against defendant B based on the same patent.

national infringement action before the Dusseldorf district court

UPC infringement action

constellation a):

constellation b):

controversial: application of lis pendens rule, art. 29 Brussels I Regulation?

admissible: proceedings are not between the same parties + no "blocking effect" of first action

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Lis pendens – some examples

Potential infringing party with its place of business in Belgium brings an action for declaration of non-infringement regarding the D, NL and F parts of the EP before a national court in Brussels. Thereupon patent owner initiates infringement proceedings before the local division in Munich.

action for declaration of non-infringement in Belgium ("torpedo")

questionable whether action for declaration of non-infringement is covered by the concurrent jurisdiction under art. 83 (1) UPCA ("action for infringement")

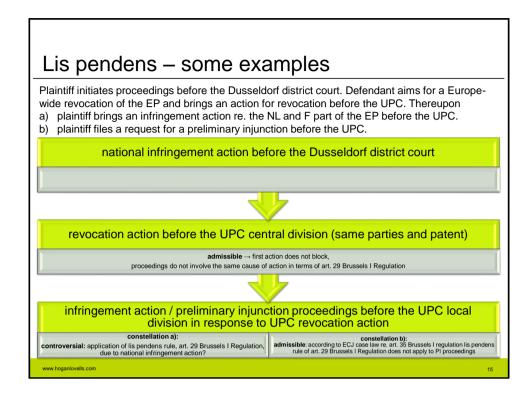


UPC infringement action before the local division in Munich

UPC must stay the proceedings in accordance with art. 29 Brussels I Regulation since both proceedings involve the "same cause of action"

UPC according to ECJ case law may not deny application of art. 29 Brussels I Regulation due to manifest lack of jurisdiction of the national Belgian court

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Does it make sense to bring proceedings in national courts?

- applicable law
 - national courts will not apply UPCA but national law (controversial)
 - art. 56 et sqq. UPCA regulates "powers of the Court" (= only the UPC)
 - application of UPC by national courts probably "anti-integrative"
 - see also interpretive note of preparatory committee (http://www.unified-patent-court.org/news)
 - national law may be beneficial for plaintiff
 - injunctions → discretion before UPC (art. 63 (1) UPCA) vs. no discretion in DE/NL
 - preservation of evidence → use of preserved evidence limited to "the case" (rule 196 (2)) vs. no such limitation in FR/DE
 - · no disclosure before UPC vs. disclosure in UK

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Does it make sense to bring proceedings in national courts?

- · bifurcation vs. counterclaim for revocation
 - bifurcation pursuant to art. 33 (3) lit. (b) UPCA will probably be limited to exceptional cases
 - German bifurcation may, therefore, be beneficial for plaintiff (even if defendant brings revocation action in central division of UPC)
- · costs
 - costs before UPC not yet predictable
 - however probably higher than costs of one "national" action in NL/DE

Conclusion

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- art. 83 (1) UPCA entails great flexibility for plaintiff re. "ordinary" EPs during transitional period → more room for forum shopping than in current system
- proceedings before national courts may be beneficial for plaintiff
- role of art. 29-32 Brussels I Regulation will probably become more important

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Benjamin Schröer has been a lawyer in Hogan Lovells' Munich office since 2008. He is a senior associate and is a member of our intellectual property law group. His focus is on patent law where he advises and represents clients in litigation matters (infringement and nully proceedings) and the negotiation of license and cooperation agreements. Benjamin has appeared before most major German district courts and appeals courts in infringement proceedings and before the German patent court in nullity proceedings.

He studied law at the Ludwig-Maximilians-University in Munich and spent part of his legal training with Clayton Utz, Sydney. As a stipendiary of the German Research Foundation Benjamin was a member of the IP doctorate program of the University of Bayreuth where he wrote his doctoral thesis about certain aspects of unfair competition law.

Benjamin is a member of the German Association for Intellectual Property (GRUR) and of the Association of Experts on Intellectual Property (VPP).

Representative experience

- Representation of BlackBerry (Research In Motion) in infringement and nullity proceedings against Nokia
- Representation of world leading automotive supplier in infringement and nullity proceedings against competitor
- Representation of Texas Instruments Inc. in high profile patent infringement and nullity proceedings against a patent licensing company relating to telecommunication standards
- Representation of BOBST S.A. in several infringement proceedings relating to products in the area of mechanical engineering
- Representation of ZOLL Medical Corp. regarding patent infringement proceedings relating to medical devices
- Representation of market leader in eye tracking technology in infringement and nullity proceedings against competitor



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