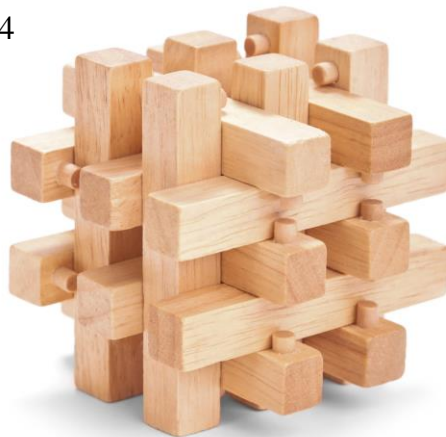# ALLEN & OVERY

Young EPLAW – 28 April 2014

Injunctions in the UPC

1

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Agenda

I. A challenging harmonization of different laws

II. An intent to favor permanent injunctions

III. Remaining uncertainties regarding preliminary injunctions

2

A challenging harmonization of different laws 1 2 3

A sensitive balance

Different national legal approaches

Different expectations depending on the field

Right to exclude

Healthy competition

3

A challenging harmonization of different laws 1 2 3

Example of the UPC Coalition Industry

Microsoft

DELL hp

Google

CISCO

BlackBerry

...

> *Our responses recommended that the Preparatory Committee incorporate guidance to the judiciary from the outset on the issues of bifurcation and injunctions when validity is raised, including when to issue a stay of an infringement action and when to issue injunctions.*
>
> *We noted that, without this guidance, the potential exists for a court to order an injunction prohibiting the importation and sale of goods even though the patent may ultimately be found invalid. This result unduly reduces competition, can increase the cost of products in the market and reduce product choices, all negatively impacting consumers.*
>
> UPC Coalition Industry
> Open letter dated 25 February 2014

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Agenda

I.   A challenging harmonization of different laws

II. **An intent to favor permanent injunctions**

III. Remaining uncertainties regarding preliminary injunctions

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An intent to favor permanent injunctions

1 2 3

Different national legal approaches

Compulsory if the patent is <u>found infringed</u> and there is a danger of <u>repetition</u>

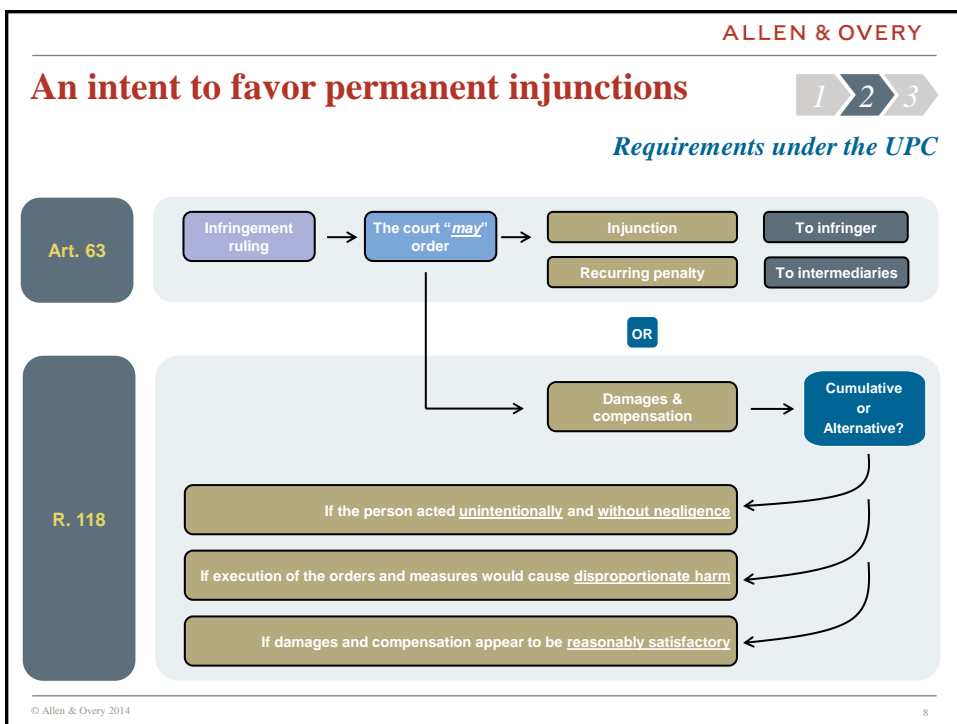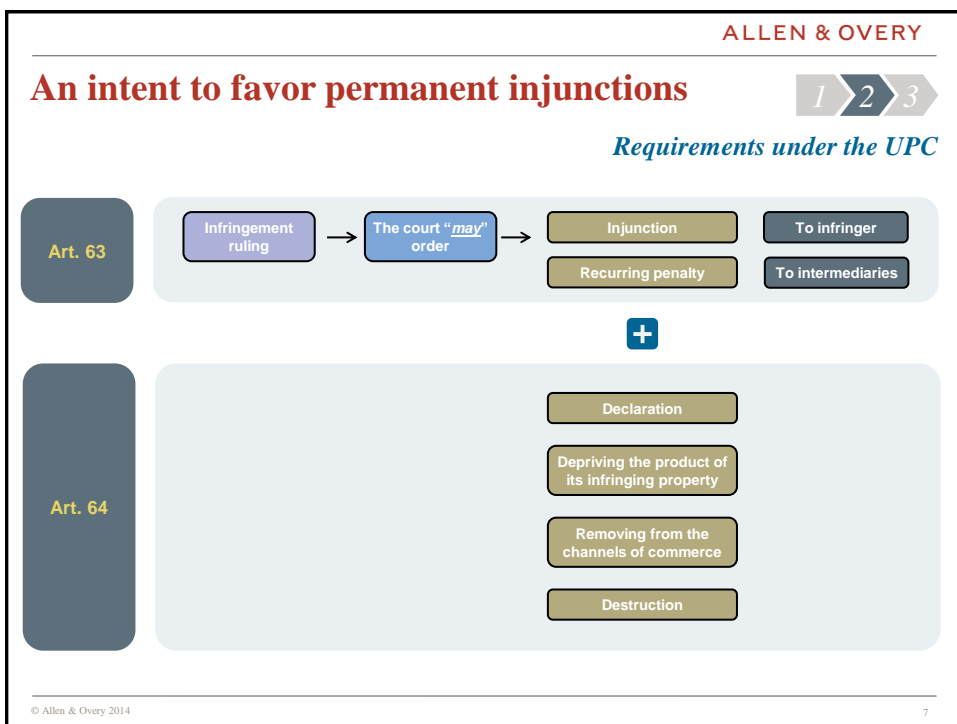Validity is assessed in separate proceedings

Systematically ordered when the patent is <u>found infringed</u>, even if no revocation counterclaim was raised
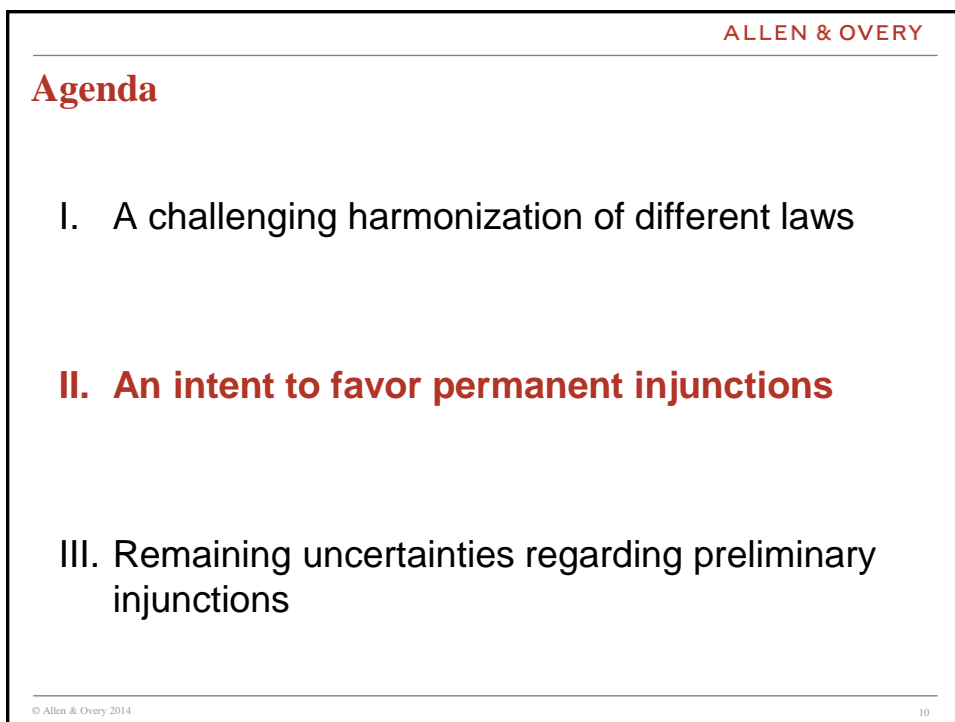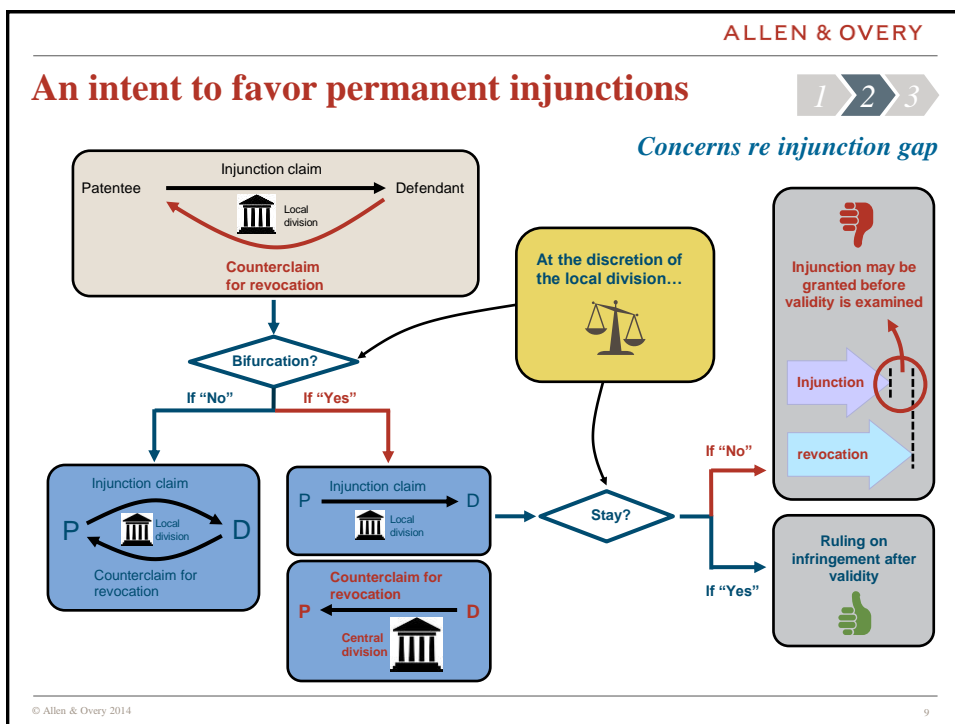
Systematically ordered when the patent is <u>found infringed</u>, even if no revocation counterclaim was raised

Not compulsory

But only refused if the effects are <u>grossly disproportionate</u>

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3

29/04/2014

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Remaining uncertainties regarding PIs

1 > 2 > 3

Different national legal approaches

🇩🇪	a) Sufficiently certain validity and infringement b) Urgency c) Balance of interests
🇬🇧	a) There should not be serious issues to be tried b) Concrete, strong & tangible evidence that a PI is needed c) Balance of convenience
🇳🇱	a) Validity and infringement are sufficiently certain b) Urgency c) Balance of interests (but it hardly ever prevents a PI)
🇫🇷	a) Imminent threat or actual acts of infringement b) Reasonably available evidences make the infringement likely c) Proportionality of the measures requested

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Remaining uncertainties regarding PIs

1 > 2 > 3

Requirements for PI under the UPC

Art. 62 + R. 211(2) — The court "*may*" order if "*sufficient degree of certainty*" that: → The applicant is entitled / The patent is valid / The rights are/will imminently be infringed

+

Art. 62 + R. 211(3) — The court "*shall*" in the exercise of its discretion: → Weight up the interests of the parties / In particular, the potential harm resulting from the granting or refusal of the PI

+

R. 212 + R. 207 — Ex parte provisional measures? → Where any delay is likely to cause irreparable harm — Protective Letter?

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Remaining uncertainties regarding PIs

1 *2* *3*

Proceedings before the UPC

Who is subject to a PI?
– Any alleged infringer
– Any intermediary whose services are used

When may a PI be ordered?
– Before the proceedings on the merits
– After the start of the proceedings on the merits

Who will be seized?
– Before proceedings on the merits, the division is chosen by the claimant
– During proceedings on the merits, the case is forwarded to the seized panel
– In case of emergency, a single judge may rule the case

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Remaining uncertainties regarding PIs

1 *2* *3*

Remaining concerns and uncertainties

Will local & regional divisions be more patent-friendly to attract litigation?

When will patentees be liable to compensate any injury caused by a later revoked PI?

How will the "interests of parties" and "sufficient degree of certainty" be appreciated to grant a PI?

Will the UPC system as it stands really attract Patent-trolls?

Will the conditions to order compensation instead of permanent injunctions be cumulative or alternative?

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Questions?

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