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UPC's extraterritorial jurisdiction resulting from Regulation (EU) ? 542/2014 amending "Brussels I (Recast)" Regulation ? 1215/2012

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On 10 January 2015, Regulation (EU) ? 542/2014 of 15 May 2014 entered into force simultaneously with Regulation (EU) ? 1215/2012, the so-called "Brussels I (recast)" Regulation.

The main purpose of Regulation ? 542/2014 is to ensure compliance with the Brussels I Regulation (recast) of two treaties relating to international courts: the Agreement on a Unified Patent Court and the Protocol to the 1965 Benelux Treaty on the Benelux Court of justice.

It creates rules giving jurisdiction to these courts vis-à-vis defendants domiciled outside the European Union, but it goes further: it confers upon these courts an entirely new long-arm jurisdiction that deserves attention.

1. The main legal purpose of Regulation ? 542/2014: to ensure compliance with the Brussels I Regulation of two treaties relating to international courts: the Unified Patent Court Agreement and the Protocol to the 1965 Benelux Treaty on the Benelux Court of justice

The Unified Patent Court Agreement signed on 19 February 2013 by 25 EU Member States created a "*court common to the Contracting Member States*", which should start operating late in 2016 or in early 2017.

Shortly before, the Protocol signed on 15 October 2012 by Belgium, Luxembourg and The Netherlands provided that the Benelux Court of Justice should receive additional jurisdiction to settle disputes between private parties.

Two “*courts common to several Member States*” were set up.

Therefore, it was necessary to amend the Brussels I Regulation to take account of this new court category.

Three changes were needed:

- to clarify that “*courts common to several Member States*” are “*courts*” within the meaning of Regulation ? 1215/2012: this is the main purpose of Article 71a of Regulation ? 542/2014;
- to lay down rules on *lis pendens* and related actions for cases brought before the courts common to several Member States: this is the main purpose of Article 71c of Regulation ? 1215/2012, which provides that Articles 29 to 32 of the Brussels I Regulation shall apply to parallel actions brought before the Unified Patent Court, on the one hand, and before a court of a Member State not party to the Unified Patent Court Agreement, on the other hand;
- to clarify the operation of the rules of recognition and enforcement of the judgment handed down by “*courts common to several Member States*”: this is the main purpose of Article 71d of Regulation ? 1215/2012.

2. Rules of international jurisdiction of “*courts common to several Member States*”

As explained in the sixth recital of Regulation ? 542/2014: “*As courts common to several Member States, the Unified Patent Court and the Benelux Court of Justice cannot, unlike a court of one Member State, exercise jurisdiction on the basis of national law with respect to defendants not domiciled in a Member State.*”

To put it in another way, if a Dutch court can exercise its international jurisdiction vis-à-vis a defendant domiciled outside the European Union (for example, a Chinese, Japanese, or US company), this is on the basis of Dutch international private law, not on the basis of the European Union’s international private law.

However, when the Unified Patent Court enters into force, it will not be able to rely as easily on national law.

This is the reason why Regulation ? 542/2014 amended Regulation ? 1215/2012 with a new Article 71b that includes three paragraphs.

The first paragraph does not call for any particular comment and merely confirms that a common court has jurisdiction when a national court of a Member States party to the Unified Patent Court Agreement would have been in one of the situations referred to by the Regulation.

The second paragraph removes the condition of domicile of the defendant as a basis for jurisdiction, vis-à-vis defendants not domiciled in a EU Member State: it provides that chapter II “Jurisdiction” of the Brussels I Regulation shall apply regardless of the defendant’s domicile.

For an infringement action, this new rule may not bring much practical change as such an action may already be brought before a court of the place of infringement under Article 7 (2) of the Brussels I Regulation (recast).

The third and last paragraph of Article 71b introduces a major legal innovation by creating a “*long-arm jurisdiction*”:

“(3) where a common court has jurisdiction over a defendant under point 2 in a dispute relating to an infringement of a European patent giving rise to damage within the Union, that court may also exercise jurisdiction in relation to damage arising outside the Union from such an infringement.

Such jurisdiction may only be established if property belonging to the defendant is located in any Member State party to the instrument establishing the common court and the dispute has a sufficient connection with any such Member State.”

When the Unified Patent Court is seized with a case of patent infringement occurring on the territory of the European Union, this article gives this court additional jurisdiction to decide also on the damage arising outside the Union from such an infringement: this means that, when a European patent covers not only EU Member States, but also other countries, like Turkey, the Unified Patent Court will be permitted to assess damages arising from an infringement in Turkey.

Such jurisdiction may only be established if property belonging to the defendant is located in a Member State party to the instrument establishing the common court and if the dispute has a sufficient connection with any such Member State.

This is the first example of “*in rem*” (“*asset-based*”) jurisdiction in the European Union’s private law.

It is beyond the scope of this brief introduction to trace the history and the extent of this jurisdiction; however, the Unified Patent Court may well have to build a case law on this difficult topic with a view to clarifying a very complex text.

On 12 February 2015 Kluwer IP Law hosted a webinar held by Pierre Véron on this topic. Please click [here](#) to view this webinar.

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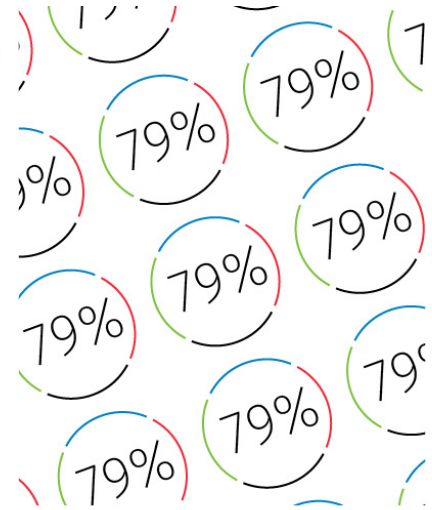
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