Kluwer Patent Blog

UPC grants 10x Genomics preliminary injunction, NanoString appeals

Kluwer Patent blogger · Wednesday, September 20th, 2023

UPDATE: The Unified Patent Court granted US biotech company 10x Genomics a preliminary injunction against rival NanoString. It was the UPC's first PI in a case were an oral hearing was held with both parties. NanoString has announced it will appeal the order in the UPC Court of Appeal in Luxembourg.

Earlier, an ex parte PI order was granted by the UPC Local Division Dusseldorf in June 2023 (ORD_ 541204/2023, in the case of myStromer AG v Revolt Zycling AG),

The order in the 10x Genomics case was issued yesterday by Presiding Judge Matthias Zigann at the Munich local division of the UPC. The panel included three other judges: Tobias Pichlmaier, András Kupecz and Eric Enderlin (TQJ). The oral hearings were held on 5 and 6 September, as described among others by FOSS Patents.



As 10x Genomics announced on its website: '10x Genomics, Inc. (Nasdaq: TXG), a leader in single cell and spatial biology, announced today that the European Unified Patent Court ("UPC") issued a preliminary injunction against NanoString Technologies, Inc. (Nasdaq: NSTG) for infringing European Patent 4 108 782 B1 ("the EP 782 patent," docket No 459746/2023). The preliminary injunction, issued by a panel of four judges with both legal and technical expertise, prevents NanoString from selling or providing services using its CosMx Spatial Molecular Imager (SMI) instruments and CosMx reagents for RNA detection in all 17 countries of the UPC.

(...) The injunction on the EP 782 patent requires that NanoString stop selling or providing services using the CosMx SMI instruments as well as CosMx reagents for RNA detection in Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovenia and Sweden.

(...) In a separate case before the UPC, 10x also requested a preliminary injunction against the CosMx Spatial Molecular Imager (SMI) instruments and CosMx reagents for RNA detection for

1

infringing European Patent 2 794 928 B1 ("the EP 928 patent," docket No 459996/2023), which is in effect in France and the Netherlands in addition to Germany. The UPC held a hearing on this request today and announced that it expected to issue a decision on October 10, 2023."

NanoString will go to UPC Court of Appeal in Luxembourg

NanoString is disappointed and has announced it will appeal the order in the UPC Court of Appeal in Luxembourg. In a press release, it stated: 'We are confident in our belief that we do not infringe the asserted patents, and that the patents will ultimately be found to be invalid. We also respectfully believe the court erred by failing to adequately consider evidence demonstrating that the patents asserted by 10x were funded by a grant of over \$19 million from the National Institutes of Health that required open and non-exclusive licensing to promote the public interest.

NanoString remains steadfast in our commitment to defend the scientific community's access to our products and researchers' scientific freedom to select the platforms that best advance their research. Importantly, today's ruling does not impact NanoString's legal ability to market or sell CosMx SMI products for protein detection in the European Union, nor does it impact the lawful selling of any NanoString CosMx SMI products in the United States, the United Kingdom or the rest of the world outside of the EU member states participating in the UPC system.

We believe that 10x Genomics has resorted to the courts and is misusing non-final court rulings as part of its commercial strategy to eliminate competition in the spatial transcriptomics market to the detriment of the public good.'

Comments

The case of 10x Genomics and NanoString has been discussed on various platforms. DLA Piper made a summary of the hearings, with six take aways, including points such as 'it seems that the UPC will handle PI cases with the pace that we know from national (e.g. German) proceedings', 'Parties can expect the panel to give quite a detailed introduction to the case and respective relevant questions at the beginning of the hearing', 'the question of validity will not be ignored by the UPC' and 'the panel phrased a preliminary opinion (...). If losing the case is similarly detrimental for both sides respectively, it might follow from the Enforcement directive that the court should lean towards the plaintiff in this case.'

Carpmaels & Ransford described in detail the various steps in the procedure, in which a discussion of **novelty** of the claims was conducted. 'This is very interesting as it seems to go beyond the intention of the UPC Agreement (...).' Some more quotes from the article:

'The court again referred to the Bundespatentgericht's preliminary opinion (...), asking in particular the defendants to comment on the BPatG's opinion and why they thought it was incorrect'

'References were also made to opinions by experts on the invention and the prior art, but the court stated that it was the quality of the argument, not who made it, which mattered – given that two judges on its panel had a background in biotechnology. This is also a highly relevant aspect as it is the first time that weight has been put on expert evidence in the UPC.'



'(...) There was further debate about which standard the UPC should be applying when considering validity under Rule 211(2) RoP. The applicants argued for a 'balance of probabilities' approach and so a standard that is significantly lower than that applied in German courts which look at validity "beyond reasonable doubt" in provisional measures (...).'

'The chair also commented in his preliminary remarks on the need to weigh up the parties' interests. (...) until now only very few cross-border PI requests were brought in Europe, such that balancing the interests of the parties in a 300 million-people market is an exercise that has not been done often by EU courts.'

'(...) the applicants filed an amended claim set as an auxiliary request. (...) The court did not decide on admissibility but noted that a second hearing would be required if the auxiliary request was held admissible and needed to be discussed in substance.'

Managing IP pointed out the UPC's PI 'is the second injunction 10x has obtained from a court in Germany against NanoString so far this year. The Munich Regional Court issued an anti-anti-suit injunction against NanoString in April (...). The order forced NanoString to withdraw an anti-suit injunction it had filed at the US District Court for the District of Delaware.'

This report was updated on 20 September 2023 to include NanoString's announcement it will challenge the UPC's decision.

Kluwer IP Law

The 2022 Future Ready Lawyer survey showed that 79% of lawyers think that the importance of

To make sure you do not miss out on regular updates from the Kluwer Patent Blog, please subscribe here.

legal technology will increase for next year. With Kluwer IP Law you can navigate the increasingly global practice of IP law with specialized, local and cross-border information and tools from every preferred location. Are you, as an IP professional, ready for the future?

Learn how Kluwer IP Law can support you.



Drive change with Kluwer IP Law. The master resource for Intellectual Property rights and registration.





2022 SURVEY REPORT The Wolters Kluwer Future Ready Lawyer Leading change

This entry was posted on Wednesday, September 20th, 2023 at 4:13 pm and is filed under European Union, UPC

You can follow any responses to this entry through the Comments (RSS) feed. You can leave a response, or trackback from your own site.