
Kluwer Patent Blog

The UPC – a tale of multiple divisions

Gregory Bacon (Bristows) · Friday, November 17th, 2023

This is the first of a new series of monthly posts on the UPC from Bristows, in which our UPC experts will be providing their commentary and insights on the development and themes arising from the cases being brought in the UPC. In our first post, we reflect on what has been one of the most fascinating questions for UPC enthusiasts – how will different divisions decide cases, and where would it be best to bring proceedings (or worst to defend proceedings)? Rather than focus on the minute details of the individual cases, the following is a broad reflection of life so far in the UPC.

The mantra of the UPC as a whole, and also of the judges that have been appointed to the new court in the build-up to 1 June 2023, was that the court would adopt a unified approach notwithstanding its many first instance divisions, applying law in a harmonised manner, and that existing national approaches would not control proceedings in this autonomous multi-national tribunal. But that does not mean that national ingredients would not flavour the UPC stew, at least until the Court of Appeal and the various first instance divisions set down a consistent body of case law which could be expected to be followed in future cases (even if the concept of binding precedent as applied in certain common law jurisdictions might not apply).

These are early days, and the volume of decisions is still rather limited, but there are already some interesting features that deserve comment.

First, we start with the observation that certain first instance divisions have hitherto been much more popular than others. With the early stats showing that the Munich Local Division is currently the fore-runner in popularity, and together with cases before other Local Divisions located in Germany (and thus with a majority of judges drawn from the German judicial system), there are already a number of decisions and consequential orders (where not appended to the decision itself) which can at least be said to be informed by the experience of hearing cases in the German infringement courts.

Second, it is interesting to compare and contrast cases across the multiple divisions as not all cases will be brought in Local Divisions based in Germany, and the approaches taken previously in German national litigation may not be those adopted in the end across the UPC.

So what has caught our attention thus far?

Quality of judgments

There was never any real concern over the quality of decision-making once the judicial appointments were announced, given the experience and high reputation of the various legally and technically qualified judges appointed to the UPC. What has been a pleasant revelation is the quality and depth of reasoning of the written decisions themselves. The two preliminary injunction decisions in the *10x Genomics v Nanostrings* action[1] are a case in point – over 100 pages of reasoning in the case of the first PI application[2] (that was granted). This was always a critical point. For parties and their advisers to make sense of the new system, predictability is going to be key. Therefore understanding why the judges are deciding cases in particular ways, based on the written decisions in similar cases, is a significant benefit. One plea that we hope the UPC has already heard and is taking into account, is that early availability of decisions and orders will be of significant assistance to parties and their advisors considering instituting proceedings before the UPC and is very much appreciated. We note that the UPC appears to be making strides in this area, with many decisions and orders now available on the UPC website. It does seem that the process of anonymisation has been holding up timely publication, and hopefully this will improve as the UPC becomes more familiar with and streamlines the process.

Welcoming business to the Divisions

It is crass to speak of the different Divisions competing for business. However, there are signs that all first instance divisions want to be welcoming to parties litigating case before them. We can reflect that the divisions are fixing hearings and issuing judgments in a timely manner, particularly when one considers the length of some of the judgments. Of course, it was to be expected that the various divisions would have plenty of capacity at the outset, but nevertheless the divisions are demonstrating an enthusiasm to resolve applications before them. A second point of note was the decision of the President of the Court of First Instance in the *Plant-E Knowledge v Arkyme*[3] case in the Local Division of The Hague, where the President allowed the defendant's application to amend the language of proceedings from Dutch to English under Rule 323 RoP. Noting that "*both parties had a good command of English, which is one of their working languages and also the language in which the parties prior to the infringement action have been concluded*", and that the defendant had been sued "*in a language that they did not master*", the President allowed the application notwithstanding resistance from the claimant and the fact that both parties were able to instruct native Dutch-speakers as representatives for the application in question. Although the approach adopted will not be determinative of all future such applications, it does suggest a degree of levelling the playing field may be seen in the future, with parties encouraged to use a language common to both parties, limiting one potential inconvenience to defendants to being sued in a first instance division that otherwise might not be to their liking. It also potentially widens the pool of judges who can be assigned to actions before the Local Divisions, if English (which for better or worse is often the *lingua franca* in IP) will be used in a larger number of cases, broadening the cross-fertilisation of ideas and approaches amongst the judicial panels. On the latter point, so too will having a broader pool of authorised representatives acting before the various Local Divisions.

Differences in approach?

It is too early to identify any clear differences in approach between the Divisions. The only real example to date is on the issue of access to the pleadings. Readers will be aware that decisions and orders shall be published by the UPC under Rule 262(1)(a) RoP, and the court is publishing these on the UPC website even if not on the day of the decision or order. However, due to a change in the draft Rules of Procedure prior to their adoption, the pleadings and evidence are not automatically made available to the public, and a third party must make a reasoned request for

access under Rule 262(1)(b) RoP. The first two such applications, made to the Munich Local Division and the Central Division (Paris), were denied, the one being requested on the basis of allowing a third party to form an opinion on the validity of the patent in question[4], and the other for educational and training purposes[5]. Neither ground was held to be sufficient reason for having access to the pleadings. In contrast, the Nordic-Baltic Regional Division granted a third party access to the pleadings filed in the *Ocado v AutoStore* case filed there[6]. The third party had sought access to the pleadings filed before the Regional Division, as well as the pleadings filed in the parallel proceedings in other divisions, on the basis of a broader public interest in the information being made public, particularly in light of the parallel proceedings. We understand that for the time being, the pleadings have not been made public as an appeal with a request for a stay of the order at first instance has been filed, and we await with interest how the Court of Appeal will decide as between the two differing approaches taken to date, which no doubt reflect at least in part the background and experience of the various judges involved in the first instance decisions.

Multiple parallel cases

This was an interesting feature of the *Ocado v AutoStore* litigation. Before the parties settled their dispute, Ocado had filed three infringement claims against various AutoStore parties at the Local Divisions in Milan[7] and Düsseldorf[8], and at the Nordic-Baltic Regional Division (these are the cases referred to above in relation to applications for access to the file). It could well be that tactical considerations were at play, particularly with a new court and the possibility to obtain different outcomes depending on forum. However, it was an illustration that the rules on jurisdiction and competence do mean that the UPC may not always be the ‘one-stop shop’ that the proponents of the UPC have used to support its creation. Similarly, and very recently we are aware that a second dispute is now pending in two separate divisions of the UPC. In the ongoing dispute between Meril and Edwards, there are infringement proceedings pending before the Local Division in Munich relating to EP 3 646 825[9], in which a counterclaim for nullity has been filed by certain Meril parties. In parallel, a different party in the Meril group has subsequently filed a revocation action in the Central Division (Paris section) against the very same patent. Although Edwards have sought to have the Central Division nullity action dismissed by way of Preliminary Objection under Rule 19 RoP, that objection was itself dismissed by the Central Division and the nullity action deemed admissible, with the Central Division taking a very narrow approach as to what constituted the same party[10]. At present, we do not know how the UPC will manage the two nullity actions to ensure that there are not conflicting decisions on validity, and therefore which Division, and thus which judges (and by extension which national experiences they bring), will adjudicate that part of the dispute. The Amgen and Sanofi dispute is another case where proceedings are pending in multiple UPC fora, this time before the Central Division (Paris) in relation to Sanofi’s revocation claim and before the Munich Local Division on infringement and a second party’s counterclaim for revocation (Regeneron). All of which may provide the opportunity to observe how different divisions may handle cases on the same or similar facts, and the extent to which the approaches become harmonised, such that the choice of forum perhaps becomes less important.

Looking forward

The above reflects the first 5 months of this precocious new system, and it will be fascinating to follow developments on this theme as the UPC grows. It is a theme we will likely be returning to again as the UPC approaches its first birthday and beyond, as undoubtedly the photo album capturing the UPC’s short life will undoubtedly be fuller and richer as time progresses.

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- [1] Case Number: UPC_CFI_2/2023
 - [2] Decision reference: ACT_459746/2023
 - [3] Case Number: UPC_CFI_239/2023, Decision reference: ACT_574494/2023
 - [4] *Amgen v Sanofi-Aventis*, Case number: UPC_CFI_1/2023, Order reference: ORD_550152/2023
 - [5] *Astellas v Healios*, Case number: UPC_CFI_75/2023, Order reference: ORD_552745/2023
 - [6] Case Number: UPC_CFI_11/2023, Order reference: ORD_543819/2023
 - [7] Case number: UPC_CFI_57/2023
 - [8] Case number: UPC_CFI_4/2023
 - [9] Case number: UPC_CFI_15/2023
 - [10] Case number: UPC_CFI_255/2023

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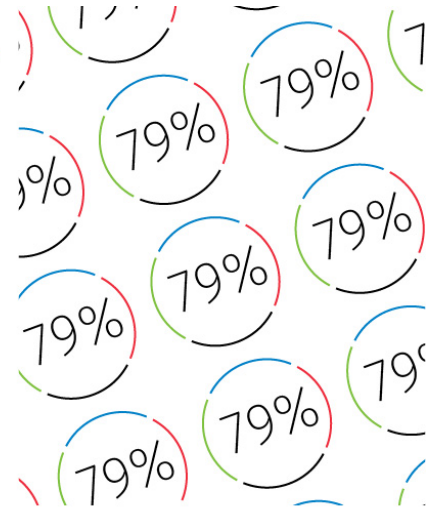
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