

Kluwer Patent Blog

UPC: Another preliminary injunction for 10x Genomics

Jonathan Santman (Brinkhof) · Friday, June 7th, 2024

On 30 April 2024, the UPC's Local Division Düsseldorf handed down a [new chapter](#) in the 10x Genomics saga. This time the case is not against NanoString (see [this post](#) on the lost appeal) but against the US-based company Curio (see [this post](#) on the earlier language appeal in this case).

The central issue before the Local Division Düsseldorf is whether a preliminary injunction should be imposed against Curio based on one of 10x Genomics' patents, EP 2 697 391 B1 (the "Patent"). The Patent relates to mapping biological material such as tissues, more specifically locating nucleotides therein (the building blocks of DNA and RNA, among other things). The Patent describes that in many research methods, location-related information is lost because the sample loses its original structure during execution of that method. As a result, those methods basically do not allow eventually indicating *where* in the original sample the detected RNA/DNA was located. The aim of the Patent is to be able to display that location in the original sample.

Curio markets a product that allegedly applies the Patent's technical teachings. 10x Genomics seeks preliminary injunctive relief. On 30 April 2024, the Local Division Düsseldorf handed down its order, which is discussed below.

Standing to sue

Curio unsuccessfully disputed that 10x Genomics was entitled to bring an action on the basis of the Patent. According to the Local Division, it is in principle up to the applicant to prove that he is entitled to assert the patent. If the applicant shows that he is registered as patent proprietor in the national registers of the relevant Contracting Member States (as 10x Genomics did in this case), there is a rebuttable presumption that he has standing to sue. Curio was unable to rebut this presumption.

Claim construction

With regard to claim construction, the order contains a number of notable considerations. The reader of the order does not need sophisticated analytical techniques to recognize that the order is laced with the German *couleur locale*.

The Local Division firstly reiterates that the claims of the patent are paramount to claim construction, but that they must always be interpreted in light of the description and drawings (referring inter alia to UPC_CoA_335/2023, Order of February 26, 2024 in conjunction with Order of March 11, 2024). This is nothing controversial.

One issue that may be more controversial is whether the prosecution file may be taken into account in construing the claims. According to the court, Art. 24(1)(c) UPCA in conjunction with Art. 69 EPC conclusively determines which documents are to be used for interpreting the patent claims determining the protective scope, namely the patent description and the patent drawings. Since the prosecution file is not mentioned in Art. 69 EPC, it does not by law constitute admissible material for interpretation, according to the court. It may at best be indicative of how a person skilled in the art would understand the relevant feature. This judgment is consistent with the earlier judgment of this local division (UPC_CFI_452/2023 (LD Düsseldorf), Order of April 9, 2023). However, it remains to be seen whether this finding – which in substance seems mostly based on the German doctrine – will survive the test of time. The Court of Appeal did unfortunately not yet provide guidance on this topic in any of the previous cases before it (see [this post](#)).

Infringement

The court concludes that it is sufficiently certain that Curio infringes one of the Patent's claims. Curio has indicated in promotional materials that its technology is based on a detection technique described in scientific publications. For infringement, 10x Genomics relied on these publications. According to the court, it may be assumed that the publications provide a relevant description of Curio's product – unless Curio can explain that its product works differently, which it could not.

As to infringing acts, 10x Genomics also relied on evidence it gathered by having a person (posing as a potential customer, perhaps?) engage in a video call with a Curio manager. The court left open whether evidence gathered in such a way could be used in UPC proceedings, because Curio did not dispute the facts that could be proven with this evidence.

Validity

Considering the submissions of Curio, the local division is satisfied with the “sufficient certainty” of the validity of the Patent required under Art. 62(4) UPCA and R. 211.2 RoP. Such “sufficient certainty” is lacking if the court considers it to be more likely than not that the Patent is not valid (the court refers to UPC_CoA_335/2023, Order of February 26, 2024 and UPC_CFI_452/2023 (LD Düsseldorf), Order of April 9, 2024). The court notes that it is not necessary for the patent to have already survived a validity proceeding. However, if it has, that may be a strong indication of sufficiently certain validity.

The court rules that, on summary examination, Curio's arguments do not have the potential to give rise to significant doubts as to the validity of the claim that was found to be infringed.

Necessity PI measures and balancing of interest

A provisional injunction is imposed only when necessary (R. 206 (2) RoP). The court notes that, according to the Rules of Procedure, both temporal and substantive circumstances are relevant for the necessity of ordering provisional measures.

Regarding the temporal urgency, the court seems to apply a rather low urgency threshold: urgency is only lacking if the infringed party has behaved in such a negligent and hesitant manner in the pursuit of its claims that, from an objective perspective, it must be concluded that the infringed party is not interested in promptly enforcing its rights, which is why it does not appear appropriate to allow it to claim provisional legal protection (cf. also UPC_CFI 2/2023 (LD Munich), Order of September 19, 2023; UPC_CFI_452/2024 (LD Düsseldorf), Order of April 9, 2024). The applicant

only needs to apply to the court if they have reliable knowledge of all the facts that make legal action in the proceedings for provisional measures promising and if they can substantiate these facts. In principle, the applicant cannot be instructed to carry out any necessary subsequent investigations only during ongoing proceedings. However, as soon as it has knowledge of the alleged infringement, it must investigate it, take the necessary measures to clarify it and obtain the documents required to support its claims. The court indicates that, as soon as the applicant has all the knowledge and documents that reliably enable a promising legal action, it must file the application for the ordering of provisional measures within one month (UPC_CFI_452/2023 (LD Düsseldorf), Order of April 9, 2024).

Interesting is that the court notes that a patentee has no general obligation to observe the market. However, a patentee that is willfully blind to the infringement can be assumed not to be interested in promptly enforcing its rights, and thus forfeit its right to a preliminary injunction.

The court concludes that 10x Genomics has treated the matter with the necessary urgency.

From a substantive perspective the ordering of preliminary measures is also necessary according to the court. Waiting for a judgment on the merits would lead to damages for 10x Genomics. Both parties have the same target customers and thus, they are each other's competitors. This is also confirmed by commercial statements made by Curio, in which they contrast their product with that of 10x Genomics.

If no preliminary injunction is imposed, Curio can continue to build (sustainable) customer relationships. By their very nature, the products are not easily interchangeable, as they are resources for scientific research and in long-term projects, the means of measurement must remain the same. Waiting until a judgment on the merits will lead to customers stocking up on the infringing products *en masse* before a judgment on the merits can be issued. This pleads in favor of a preliminary injunction. The court also takes into account the fact that the potential damage caused by waiting for a decision on the merits is not limited and cannot be easily determined.

The court concludes that the measures are also necessary from a substantive perspective. The balancing of interests also weighs in favor of 10x Genomics; Curio has not been able to substantiate that an injunction could lead to bankruptcy, or that certain research projects would be jeopardized.

The court rules that only a preliminary injunction serves 10x Genomics' interest in the effective enforcement of its patent. Curio's interest in continuing distribution must yield to this.

Injunction, security and other requests

In view of the above, the court awarded the preliminary injunction against Curio. The court notes that preliminary injunctions should in general be made subject to the provision of a security (ex R. 211.5 RoP), unless the specifics of the case dictate otherwise. The court sets the amount of the security to the value of the case (€ 2 million).

10x Genomics requested an order for Curio to provide security for the legal costs. The court dismisses this request because it regards R. 158 RoP only applicable in main proceedings. Curio's request for compensation of reputational damages is dismissed too.

No final award of costs is deemed necessary because main proceedings are still to follow, but the

court does order an interim award of costs ex R. 211 RoP. The parties had agreed on € 200k, which is what the court assumes. As the amount of awarded costs is based on the proportion of success or failure, and for both parties half of the requests were successful, both parties must reimburse half of that amount (both € 100k).

The Court of Appeal overturned the previous preliminary injunction in the 10x Genomics v NanoString case because it was not convinced of the validity of the patent. It will be interesting to see whether this injunction will survive a possible appeal. In particular, the author is curious to know whether the Court of Appeal will endorse the (relatively low) urgency hurdle applied in this case by the Court of First Instance and/or factors in urgency considerations from other recent PI cases (such as [this one](#)), and whether the Court of Appeal takes the opportunity this time to clarify the use of the prosecution history when construing the claims.

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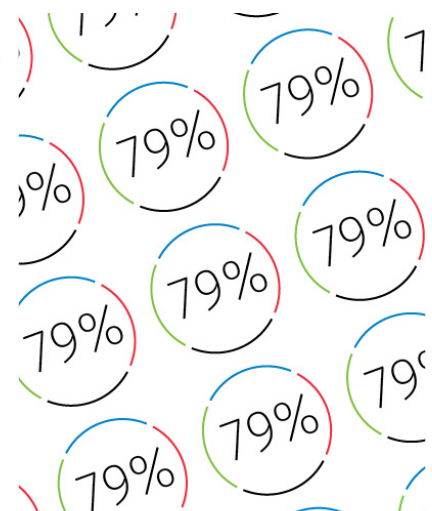
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