

Kluwer Patent Blog

Abbott Diabetes Care Inc. v Sibio Technology Limited

Gregory Bacon, Aida Tohala (Bristows) · Friday, June 21st, 2024

Introduction

On 19 June 2024, The Hague Local Division handed down a [judgment](#) in a dispute brought by Abbott Diabetes Care Inc. (“**Abbott**”) against Sibio Technology Limited and Umedwings Netherlands BV (together “**Sibio**”). Abbott sought to obtain a preliminary injunction (as well as certain other provisional measures) against Sibio, relying on its patent EP 2 713 879 (“**EP 879**”) to a continuous glucose monitoring (“**CGM**”) device. EP 879 is in force in Germany, France, the Netherlands and Ireland, as well as the UK. The decision raises some interesting points, including (i) whether the assessment of an application for provisional measures including a PI is merited where the alleged infringer proactively offers undertakings not to infringe ahead of the hearing; and (ii) the territorial remit of the UPC’s jurisdiction.

Background

Abbott sells a CGM device across Europe which it says practises the invention of EP 879. Sibio entered Europe with a device alleged to infringe at the end of 2023. In September 2023, a related company in the same group as Sibio filed a protective letter. Although initially opted out of the UPC, the opt out for EP 879 was withdrawn in mid-March 2024 and Abbott filed its application for provisional measures shortly thereafter on 20 March 2024. Pursuant to R207.8 RoP, the protective letter was provided to Abbott, who decided not to withdraw its application.

Abbott requested a comprehensive set of remedies ranging from a PI against dealing in its allegedly infringing advice, delivery up and a penalty for non-compliance, to what amounts to a request for information whereby Sibio would have had to provide information relating to matters as the distribution channels of the contested devices and parties involved in their production/distribution.

Perhaps somewhat unusually, Sibio did not rely on the defence set out in its protective letter, and did not contest validity or infringement. Instead, Sibio’s defence to the request for provisional measures rested solely on the argument that the application was pointless since it had unilaterally offered a cease-and-desist declaration including undertakings to withdraw its device from Germany, France and the Netherlands. Sibio also complained about the lack of a warning letter from Abbott ahead of filing, and requested that Abbott pay their fees as a result.

The oral hearing took place on 22 May 2024, with the decision issued 1 month later.

Decision and discussion

Did Sibio's undertakings mean there was no need for a PI decision by the Court?

The Court rejected Sibio's arguments on this point, finding that the conditions for a PI as per R. 211 RoP were met. Importantly, Sibio's undertakings were not given much value since Abbott demonstrated that it was able to purchase the contested device and have it delivered in Germany and the Netherlands, even after the undertakings were given. The Court was also swayed by the lack of commitment as to penalty in the event of breach. The impact of this being that Abbott would have had to bring proceedings should a breach of the undertakings occur. Further the Court noted that if Sibio has indeed left the relevant markets, they should not have any legitimate interest in opposing the PI sought. At the oral hearing, Sibio also argued that Abbott should have acted sooner as it apparently was aware of Sibio's device since October 2023. However, the submission failed to gain traction, the Court instead somewhat ironically pointing out that Sibio was inexcusably late in pleading this argument.

The Court's competence over Ireland

The Court determined that Abbott's request was for an order extending to Ireland based on the statement in its application that the Patent is in force "*in Contracting Member States of Germany, France, The Netherlands and also Ireland*", when viewed in light of the order sought (which referred to "Contracting Member States"). The Court noted that Ireland signed the UPCA "*and therefore [is a] Contracting Member State*" even though it has not yet ratified the UPCA. Sibio did not challenge the point. Therefore, the Court decided that it did have competence over Ireland in view of Art. 31 UPCA and, particularly, Arts. 71, 71a and 71b of the Brussels Regulation (Brussels Regulation 1215/2012 as amended by EU Regulation 542/2014).

This aspect of the decision is notable for several reasons. Firstly, by finding that Ireland is a Contracting Member State by virtue of being a UPCA signatory, the Court seems to merge the statuses of UPCA Signatory State with UPCA Contracting State. This apparent "promotion" bestowed upon Ireland may be critiqued by some as undermining the constitutional process applicable in Ireland whereby ratification is required for the UPCA to come into force there. (Certainly, the Irish population may wonder why they need to vote in a referendum (the date of which is awaited) if The Hague Local Division deems it to already have competence over Ireland.) Moreover, the current state of affairs might be less than appealing to countries like Ireland who now appear to be subject to the UPC's determination on permissible economic activities within their jurisdiction without the benefit of itself being able to actively participate in the system, with the missed opportunity to benefit from the related economic boost that might bring. One might query if this was the intended effect of the decision because from this angle, such Signatory States appear to be worse off than non-Signatory States over which the UPC is yet to rule it has competence. It also leads to the reasonable enquiry as to which other parts of the UPCA extend to Signatory States on the basis that they are already a UPCA Contracting State, including Art. 33(1) on claims against defendants outside the territory of the Contracting Member States, Art. 36 on financial contributions from the Contracting Member States, Art. 48(1) on Authorised Representatives, Art. 65 on revocation of patents, and Art. 83 on enforcement in Contracting Member States.

This finding is further curious when viewed in light of the different outcome in a parallel case ([UPC_CFI_131/2024](#)) between the same parties heard on the same date, in which Abbott asserted a

different CGM patent against Sibio. In that case, Sibio *did* challenge the Court's competence over Ireland (no reasons are provided in the judgment and the authors do not have access to the pleadings) and after Sibio's defence, Abbott said it had not meant to include Ireland. In that case, Court held there was thus no need to decide competence regarding Ireland. Therefore, we have the same Court in one case finding that it did have competence over a UPCA Signatory State yet to ratify the UCPA; whereas a lack of engagement with the answer in another case between the same parties concerning the same technology. On the one hand, there doesn't seem to be anything particularly objectionable about a Court only possibly providing that which it is asked for. On the other hand, some might say that the question of a Court's competence over a country is of such a fundamental nature such that it ought not to be affected by what the parties ask for or object to.

The second notable aspect of the jurisdiction angle of the decision relates to how the Court distinguished the UK. It was satisfied that Ireland is a Contracting Member State by virtue of it having signed the UPCA. However, as for the UK, the Court held that it understood the application not to relate to the UK since the UK was no longer a Contracting Member State (despite, this author notes, having done the very same thing for which Ireland was deemed to be a Contracting Member State and subsequently ratified the UPCA). Perhaps one should not get too pedantic and view the Court's reasoning through the lens of political reality, assuming that what it probably meant is that although the UK is a UPCA signatory like Ireland, the UK cannot be a Contracting Member State in view of Brexit and its withdrawal of the ratification by deposit of a Note Verbale in July 2020. The Court did not say it does not have competence over the UK for that reason, merely that the application before it does not appear to ask for it. This leaves open the possibility for a future finding on competence regarding the UK, should the question be asked, including some of the additional UPCA Articles referred to above.

Form of the order granted

The Court broadly agreed to grant the order sought, most significantly ordering the grant of a PI (although in relation to the contested device specifically only, as opposed to any other potentially infringing device in the abstract) and delivery up. Abbott's request for an information type remedy was rejected as the Court held that there was insufficient interest in it and since Sibio's declaration already provides for it. Finally, the main other divergence between request and order granted was in relation to quantum of penalty for failure to comply. Whereas Abbott had asked for a recurring penalty of a quarter of a million Euros for each violation of the order, the Hague Division ordered a more modest sum of €10,000. That being the case, it did agree with a maximum daily penalty of €100,000 for each day of continuing violation.

Concluding remark

Ultimately, the Court granted the PI and approved an order in broadly the form sought. As can be seen above, the jurisdiction questions which this decision raises are not insignificant. Based on the facts at hand, specifically Sibio's apparent lack of intention to deal in the contested device in the relevant designated Contracting Member States, it seems unlikely that an appeal will be sought in this case. Therefore, we will have to wait for the same issues to arise in another case before these questions are explored further.

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

Kluwer IP Law

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

79% of the lawyers think that the importance of legal technology will increase for next year.

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 Friday, June 21st, 2024 at 10:00 am and is filed under [Injunction](#), [UPC](#). You can follow any responses to this entry through the [Comments \(RSS\)](#) feed. Both comments and pings are currently closed.