

EIP

Emerging Practice Points from the UPC

Jurisdiction

Recent cases have shown that the UPC has a broad jurisdiction, perhaps wider than many had expected, both in terms of geographical and temporal reach.

The UPC has jurisdiction beyond the signatory states.

The UPC has jurisdiction to hear patent infringement claims in respect of all national designations of EP patents, including in respect of non-UPC states and even non-EU states, where at least one defendant is domiciled in a UPC state.

This approach was first set out in the decision of the Dusseldorf Local Division in Fujifilm v Kodak but has gained real traction following the decision from the CJEU in BSH v Electrolux[1]. In the Electrolux case, in a significant shift from the CJEU's previous decision in GAT v LuK[2], the CJEU held that a national court in which a defendant is domiciled has jurisdiction to determine an allegation of patent infringement where the patent was granted by another EU state and even where validity is contested.

This significant shift has been seized upon by many claimants before the UPC resulting in a string of decisions showing how the decision will be applied by the UPC: As the UPC is deemed to be a court of a Member State[3], so long as the proceedings are brought in the local division in which one of the defendants to an action is domiciled, that court will have jurisdiction to adjudicate on infringement issues related to European patents validated in non-UPC Countries.[4] This approach was followed by the Court of Appeal of the UPC in TGI Sport Suomi Oy and others v AIM Sport Development AG. In that case AIM had brought infringement proceedings in the Helsinki Local Division against a TGI Sport Suomi Oy, a company domiciled in Finland. AIM were granted leave to amend their case

(amongst other things) to add a UK group company as a Defendant in relation to alleged infringing activities in Germany and Spain, jointly with other defendants. TGI's appeal against that decision was unsuccessful.

The UPC has now issued a partial injunction for one amended^[5] patent covering the UK, as well a separate finding of invalidity for a different patent, on an inter partes basis only; see Fujifilm v Kodak.

The UPC has jurisdiction to deal with acts pre-dating its formation

Earlier this year, the case of Esko-Graphics Imaging GmbH v XSYS Germany GmbH highlighted that the UPC's jurisdiction extends both to:

- a. acts of use done by a defendant prior to 1 June 2023 (the entry into force of the UPCA), and
- b. acts which took place during a period when a patent was opted out of the of the UPC's exclusive jurisdiction where that opt-out is subsequently withdrawn.

Service on foreign defendants

Service on foreign defendants may prove slower than hoped by Claimants, as the Court of Appeal of the UPC has confirmed in Panasonic v Xiaomi that service on foreign defendants must follow the procedures prescribed by the Hague Service Convention, and that only once service under the Hague Service Convention has been attempted will the court considered authorising alternative service^[6]. Experience suggests that this is likely to cause delays in serving Chinese defendants in particular, where service under the Hague convention is often slow due to additional requirements imposed on parties by the Chinese and Hong Kong Central Authorities.

The Panasonic decision does provide some comfort for prospective claimants, as in that case the court split the claim against the Hong Kong entity and other Chinese entities from the original infringement action and allowed the original infringement action to continue and made an order for alternative service on the defendants in Hong Kong and China, ordering that the steps already taken constituted valid service. Such decisions on alternative service are however fact specific.

Extensions of time are rarely granted

Whilst some extensions were granted while systems were bedding in during the early months of the UPC, such as in Edwards Lifesciences v Meril[7], more recent decisions indicate that the UPC will only grant extensions of time in exceptional circumstances. Even when extensions are granted, any extensions are generally short.

Generally, successful applications will require evidence of the objective need for the extension and parties are obliged to submit a request for an extension as soon as it appears clear that it will not be possible to meet a deadline. In ITCiCo Spain SL v BMW AG the Paris Central Division refused an application for an extension to file a defence to a revocation action made the day before the deadline. The court found that the issues relied on by the applicant should have been apparent much earlier. The court's Order states that parties are 'expected to seek a solution in an appropriate time and act accordingly'. Failure to make an adequately evidenced application in good time can have serious consequences and in that case the defendant's patent was revoked by default.

Amendments should be made promptly

Should amendments to pleadings be necessary, parties are advised to make the application as soon as the change of circumstances or knowledge of new facts necessitates the amendments.

Esko-Graphics Imaging GmbH were refused permission to include a claim for infringement in the Netherlands having made such application 10 weeks after learning of the reinstatement of its patent in the Netherlands, even though the court was satisfied that the amendment would not unreasonably hinder the other party in the conduct of the action. The court found that in line with standard of diligence required, it should only have taken 4 weeks to get advice and to decide whether make amendments and therefore refused permission to make the amendment, as it could have been made earlier with reasonable diligence at an earlier stage.

Security for costs

The court has discretion to grant an order for security if the financial position of the other party gives rise to a legitimate and real concern that costs may not be recoverable or that a costs order may not be enforceable, or will only be so in an unduly burdensome way.[8]

The burden of proof lies with the applicant[9]. Once an applicant has presented credible reasons and facts it is for the opposing party “to challenge these reasons and facts in a substantiated manner, especially since that party will normally have knowledge and evidence of its financial situation. It is for the Claimant to argue that and why a security order would unduly interfere with [their rights]”: see Maxeon v Aiko.

It was thought that applications could be brought by any party as Rule 158 of the UPC Rules of Procedure provides that the court may order security for costs “following a reasoned request by one party”[10]. However, following the more recent Court of Appeal decisions in *Aortic Labs Srl v Emboline Inc* it is now understood that Article 69(4) of the UPCA imposes a limit on this broad rule and only defendants may be allowed to make applications for security for costs. Further, in cases where both parties are claimants and defendants for different parts of the case (e.g. where there has been a counterclaim for revocation), only the defendant in the initial claim can make an application for costs.

Independence of representatives – the rights of in-house counsel are limited

Each party requires a named representative, and this representative is required to be an independent third person. Whilst the Court of Appeal of the UPC held in *Suinno v Microsoft*[11] that this can be someone employed by a party, in many cases this might not be possible due to the requirements for independence and not someone with “extensive administrative and financial powers within the legal person”.

Specifically, in Suinno the Court of Appeal stated that a person with such powers, “whether as a result of holding a high-level management or administrative position or holding a significant amount of shares in the legal person”, would not be able to act as the “independent counsellor by serving the interests of his or her client in an unbiased manner without regard to his or her personal feelings or interests”.

This article was last updated on 4 August 2025.

[1] CURIA - BSH Hausgeräte GmbH v Electrolux AB

[2] CURIA - GAT v LuK

[3] Article 71a of the Recast Brussels Regulation.

[4], Alpinestars SPA v Dainese SPA. See also Mul-T Lock France v IMC, Creations, Synegenta v Sumi Agro, and Seoul Viosys v Laser Components.

[5] The amendments had not been requested at the UKIPO at the time of the decision. The amendments are therefore only effective inter partes.

[6] Panasonic Holdings Corporation v Xiaomi H.K. Limited (UPC CFI 330/2024, UPC CFI 332/2024 and UPC CFI 335/2024)

[7] UPC Exceptionally grants extension of time limit for preliminary objection; Extension of time limit for statement of defence

[8] Article 69(4) UPCA and Rule 158 RoP

[9] AYLO PREMIUM LTD v DISH Technologies L.L.C.

[10] See for example Aylo v Dish

[11] ORDER Suinno v Microsoft 2025_02_11, see paragraph 23