

# EIP



## UPC Court of Appeal Overturns Helsinki on Opt Out Withdrawal

### **AIM Sport v Supponor UPC\_CoA\_489/2023 and UPC\_CoA\_500/2023**

### **Decision of 12 November 2024 (ORD 598488/2023 & ORD 598489/2023)**

AIM Sport had brought both provisional injunction and infringement proceedings against Supponor in the UPC local division in Helsinki. As we reported, both these actions were dismissed because the local division considered it lacked jurisdiction, because the purported withdrawal of the opt out of the patent was invalid due to earlier German national proceedings relating to the same patent which had been commenced in 2020.

Opt out is governed by Article 83(3) of the UPC Agreement:

Unless an action has already been brought before the Court, a proprietor of or an applicant for a European patent granted or applied for prior to the end of the transitional period ... shall have the possibility to opt out from the exclusive competence of the Court.

And withdrawal of opt out is governed by Article 83(4) of the UPC Agreement:

Unless an action has already been brought before a national court, proprietors of or applicants for European patents ... who made use of the opt-out in accordance with [Art 83(3)] shall be entitled to withdraw their opt-out at any moment.

The determinative question was whether in Article 83(4) “already been brought before a national court” refers only to actions commenced during the transitional period, i.e. after 1 June 2023 when the UPC Agreement came into force, or would apply also to actions commenced before 1 June 2023, as in the case at hand.

The first instance court took the latter view, and accordingly held that Article 83(4) precluded withdrawal of opt out of the patent, so that the UPC had no jurisdiction over the patent.

On appeal, the Court of Appeal took the opposite view. According to the judgment, considering the wording, structure, object and purpose of Art. 83 UPCA as a whole, Article 83(4) is to be understood as referring only to an action brought before a national court during the transitional regime, and not one already pending at 1 June 2023.

Accordingly, the Court of Appeal considered that the UPC does have jurisdiction over the patent, and remitted the cases back to the same panel of the first instance Court for further adjudication.

The first instance reasoning seems more compelling in this case, and the Court of Appeal judgment lacks a convincing justification. However, the question is a difficult one to decide, since the purpose of the restriction in Article 83(4) is unclear (whereas it is evident that the restriction in Article 83(3) is to prevent the abuse of making use the UPC system and then opting out of it). The appeal ruling is likely the final word on this issue, and therefore the circumstances in which a patentee cannot validly withdraw an opt out have been significantly narrowed.