



Local division Vienna
UPC_CFI_33/2024

procedural order
of the Court of First Instance of the Unified Patent Court, Vienna Local
Division
relating to European patent 2 643 717 granted on
30/07/2024

Guiding principle:

1. The legal interest required for the admissibility of the intervention is given if the intervener has a direct and present interest in the issuance of the Order or decision requested by the supported party.
2. Such a legal interest can in any case be affirmed if it is claimed that the product purchased by the intervener infringes the patent in dispute.
3. While Art 69 (4) EPC only provides for the provision of security for costs by the applicant, R 158 RoP extends the group of addressees of such an Order to "the parties" and thus also to an intervener if it is admitted.

Keywords:

Intervention; security for litigation costs

Plaintiff:

SWARCO Futurit Verkehrssignalsysteme GmbH, Manfred-Swarovsky-Straße 1, 7343Neutal,

represented by: Rechtsanwalt M Mag. Alexander Koller
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with: Patent attorney Werner Barger, BargerPiso& Partner
Patent Attorneys, Operngasse 4, 1010 Vienna

Defendant:

STRABAG Infrastructure & Safety Solutions GmbH, Ignaz-Köck-Straße 19,1210

Vienna both represented by: Patent attorney Dr Rainer Beetz
SONN Patentanwälte GmbH & Co KG, Riemergasse 14, 1010 Vienna

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Intervener:

Chainzone Technology (Foshan) Co, Ltd, Chainzone Tech. Industrial Park Taishan Bei Rd,
Sanshan Avenue, Nanhai District, Foshan City, Guangdong
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represented by: Patent attorney DI Bernhard Henhapel,
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STREITPATENT:

EUROPEAN PATENT 2 643 717

DECISION-MAKING BODY/CHAMBER:

Judicial body of the local division Vienna

PARTICIPATING JUDGES:

This Order was issued by the presiding judge and judge-rapporteur Dr Schober.

LANGUAGE OF THE PROCEEDINGS: German

SUBJECT: R. 314 RoP - Order relating to an application to intervene

BRIEF DESCRIPTION OF THE FACTS:

The plaintiff is suing the defendant for infringement of its European patent EP 2 643 717 B1.

The patent in suit relates to a colour and light-mixing collecting optic for outdoor imaging display panels for spotlights or signalling, consisting of an LED light source as well as a light guide rod arranged in front of it and a collecting lens.

In a public announcement dated 22 October 2022, the defendant received an order from ASFINAG to replace the existing prismatic traffic signs at the A12, VKP Kundl, RFB Innsbruck, AQ km 22, 525 and AQ km 23.007 with LED variable message signs by 14 April 2023 and otherwise by 31 August 2023 (enclosure K8).

The defendant subsequently installed LED variable message signs at the locations covered by the order, all of which it purchased from the Chinese manufacturer Chainzone (Foshan) Technology Co, Ltd (=applicant).

In a document dated 6 June 2024, Chainzone Technology (Foshan) Co. Ltd. filed an application to intervene pursuant to R 313 RoP.

None of the parties objected to the accession. However, the plaintiff requested

- to set the deadline for filing an application to intervene so that it ends on 31 July 2024 at the latest, so that it can still comment on the statement in intervention in its Reply;
- order Chainzone Technology (Foshan) Co. Ltd. to provide within 14 days, or possibly within a period to be determined by the court, appropriate security for the costs of the legal dispute and any other costs that the plaintiff may still incur in connection with the infringement proceedings in question in the amount of EUR 144,000 by depositing such security with the court or by providing a bank guarantee.

It argued that the intervener had already been informed in advance by the defendant about the content of the proceedings; it could therefore submit its statement in intervention within a short period of time, which would not disproportionately delay the proceedings. The intervener is domiciled in the People's Republic of China. China is neither a member state of the 1954 Hague Litigation Convention nor are there any bilateral agreements that would enable the enforcement of a (cost) judgement. It was therefore to be feared that the plaintiff would not be able to enforce the claim for reimbursement of legal costs to which it would be entitled under Art 69 UPCA in the event of a victory against the intervener. The amount of the requested security for legal costs is derived from the amounts that the intervener has paid to the applicant in accordance with the decision of the Administrative Committee on the ceilings for reimbursable costs.

The maximum amount of representation costs to be reimbursed for the proceedings at first instance and any appeal proceedings (i.e. EUR 56,000 each), as well as the court fees to be reimbursed for the proceedings at first instance and any appeal proceedings (i.e. EUR 11,000 each). In addition, the costs of the expert requested by the plaintiff would be estimated at EUR 10,000.

REASONS FOR THE ORDER:

The intervener's motion to intervene is admissible on the condition that the intervener deposits a security for costs in the amount of EUR 134,000 with the Unified Patent Court by 20 August 2024 (for details on the required procedure, see <https://www.unified-patent-court.org/en/court/payments> item 3 "Deposit of security for costs").

1.

Pursuant to R. 314.2 RoP, an application to intervene must be filed before the conclusion of the written procedure.

The intervener has complied with this requirement. It submitted its application before filing the Reply in the infringement proceedings.

2.

The intervener has a legal interest in the outcome of the proceedings (R. 313.1 RoP).

a)

Such a legal interest exists if the intervener has a direct and present interest in the issuance of the Order or decision requested by the supported party. An interest merely relating to the grounds for the action is not sufficient. A distinction must be made between potential interveners who have a direct interest in the decision on the specific application of the supported party and those who can only demonstrate an indirect interest in the outcome of the legal dispute. If the position of the intervener is merely similar to that of one of the parties, this is not sufficient for a legal interest (UPC_CoA_404/2024, Order of 10 January 2024, App_584498/2023, para. 10; UPC_CFI_363/2023, Order of 22 April 2024, ORD_5343/2024).

b)

Based on these principles, the intervener has a sufficient legal interest in the outcome of the legal dispute.

The plaintiff claims that the defendant **u s e d** the intervener's LED variable message signs as part of the order from ASFINAG, which infringes its European patent EP 2 643 717 B1. The intervener therefore has a legal interest in having the objection of infringement against its product, which was also ultimately raised against it, dismissed.

Moreover, neither party raised any objections to the requested intervention.

c)

Pursuant to Art 69 (1) UPCA, the costs of the legal proceedings and other costs of the

The costs of the successful party are borne by the unsuccessful party up to an upper limit determined in accordance with the Rules of Procedure, provided there are no equitable grounds to the contrary. The standard therefore determines the content of the decision on costs, namely by whom and to what extent the costs of the legal dispute and the other costs of the unsuccessful party are to be borne. While Art 69 (4) EPC only provides for the provision of a security for costs by the applicant, R 158 RoP extends the group of addressees of such an Order to "the parties" and thus also to the intervener if it is admitted.

The plaintiff correctly points out that, despite an existing legal interest of the intervener, enforcement of the decision of the Vienna local division of the Unified Patent Court in the People's Republic of China is not possible due to the lack of a corresponding agreement; this also applies to the legal costs. The well-founded application for the provision of a procedural security, because in the event of winning the case it would not be able to recover its procedural costs from the intervener by way of execution, was therefore to be granted after weighing up the interests, which is in favour of the plaintiff due to the risk of enforcement.

The amount of the security for legal costs is based on the table of upper limits for reimbursable costs of the Administrative Committee (AC/10/24042023_D) resulting from the amount in dispute and the related court fee table of the Administrative Committee (AC/05/08072022_D) for both the proceedings at first instance and any appeal proceedings. The parties have already been informed in the procedural order of 21 June 2024 that the allocation of a technically qualified judge with appropriate qualifications and experience in the field of technology (classification IPC: G02B 6/00 20060101AFI20211101BHEP) has been requested. The involvement of an expert is therefore not currently envisaged, which means that the security for legal costs estimated by the plaintiff is not required.

ORDER:

1. The intervention of **Chainzone Technology (Foshan) Co. Ltd** in the lawsuit ACT_4261/2024, UPC_CFI_33/2024 on the side of the defendant is admitted on the condition that a security for costs in the amount of **EUR 134,000** is deposited with the Unified Patent Court by **20 August 2024** (for details on the required procedure, see https://www.unified-patent-court.org/en/court/payments_item_3 "deposit of security for costs").
2. The parties to the proceedings are hereby informed of the admissibility of the application to intervene.
3. The intervener has the opportunity to submit a statement in intervention **by 20 August 2024**.
4. In the interest of effective conduct of the proceedings, the defendant's representatives are instructed to forward the previous documents of both parties, including the documents and evidence submitted, to the intervener.

Note: Pursuant to Art 73 UPCA and R 220.2 RoP, an appeal may be lodged against the Order to provide security within 15 days of service.

Pursuant to R 158.5 RoP, the court may issue a default judgement pursuant to R 355 RoP if the intervener fails to provide adequate security within the time limit set.

Issued in Vienna on 30 July 2024 NAMES

AND SIGNATURES

Walter
Schober
Presiding judge Dr Schober

Digitally signed by
Walter Schober
Date: 2024.07.30
21:17:15 +02'00'