

Order: ORD_16663/2024
Application: App_14299/2024
Action: ACT_582093/2023

UPC_CFI_380/2023
Procedural Order
of the Court of First Instance of the Unified Patent Court
delivered on 20 August 2024

HEADNOTES:

During the written procedure, Article 33(10) UPCA and Rule 295(a) RoP give the Court a possibility to stay proceedings relating to a patent which is also the subject of opposition proceedings before the EPO, if a rapid decision may be expected from the EPO. Rule 118.2(b) RoP, which includes an obligation to stay proceedings in certain situations, only apply during the oral procedure. This follows from the title of Rule 118 (“Decision on the merits”) and the fact that it is placed in the Chapter of the RoP governing the oral procedure.

An application to stay proceedings based on Article 33(3) (b) UPCA, may be dismissed if submitted before the local or regional division when no one has proposed bifurcation.

KEYWORDS:

Request for stay, Article 33(10) UPCA, Rule 295 RoP, Rule 118.2(2) RoP.

REFERENCE CODE ECLI: -

APPLICANTS/DEFENDANTS

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- 2) **MERIL GMBH** - Bornheimer Strasse 135 – 137 - D – 53119 - Bonn – DE
- 3) **SMIS INTERNATIONAL OÜ** - Harju maakond, Tallinn, Kesklinna linnaosa, Kaarli pst 9-1a - 10119 - Tallinn – EE
- 4) **SORMEDICA, UAB** - V. Kuzmos str. 28 - LT-08431 - Vilnius – LT

- 5) **INTERLUX, UAB** - Aviečių g. 16 - LT-08418 - Vilnius – LT
- 6) **VAB-LOGISTIK, UAB** - Laisvės pr. 60 - LT-05120 - Vilnius – LT

Represented by Andreas von Falck, Alexander Klicznik, Kerstin Jonen, Roman Wurtenberger, Lars-Fabian Blume, Friederike Rohn and Beatrice Wilden

RESPONDENT/CLAIMANT

- 1) **EDWARDS LIFESCIENCES CORPORATION** - One Edwards Way - 92614 - Irvine, California – US

Represented by Jens Olsson, Siddharth Kusumakar and Tessa Waldron

PATENT AT ISSUE

EP3769722

PANEL

Presiding judge & judge-rapporteur	Stefan Johansson
Legally qualified judge	Kai Härmand
Legally qualified judge	Mélanie Bessaud
Technically qualified judge	Stefan Wilhelm

DECIDING JUDGE

This Order has been issued by the Panel

LANGUAGE OF THE PROCEEDINGS

English

SUBJECT-MATTER OF THE PROCEEDINGS

Infringement action

STATEMENT OF THE FORMS OF ORDER SOUGHT BY THE PARTIES

1. The Defendants have requested:
 - a. that the main proceedings be stayed pending a decision by the Opposition Division of the European Patent Office on the validity of the patent in suit, or
 - b. in the event that the Regional Division refers the counterclaim for revocation to the Central Division, that the main proceedings be stayed pending a decision by the Central Division of the Court on the counterclaim for revocation of the patent in suit, or'

- c. in the alternative, postpone the decision on the request to stay the present proceedings until Claimant has commented on the substance on the validity attacks brought forward (1) in the notice of opposition and (2) in the counterclaim for revocation.
2. The Claimant has requested that the application to stay the proceedings be dismissed.

GROUNDS

Main request

3. The Defendants main request for stay is based on the fact that that an opposition is pending at the European Patent Office (EPO) on the validity of the patent in suit, and that there is – according to the Defendants – a high likelihood that the relevant claims of the patent will be held to be invalid by the EPO. As the legal basis for this request, the Defendants have referred to Rule 295(g) and Rule 118.2(b) RoP, but in their last submission they also mention Rule 295(m) RoP.
4. Rule 295 describe a number of situations when the Court may order a stay of proceedings. According to Rule 295(g), the Court may stay proceedings pursuant to Rule 118. Rule 118 has the title “Decision on the merits” and is placed in the Chapter governing the Oral procedure. The relevant parts of Rule 118.2 reads as follows in the English version:

If, while there are infringement proceedings before a local or regional division, a revocation action is pending between the same parties before the central division or an opposition is pending before the European Patent Office, the local or regional division:

[...]

(b) may stay the infringement proceedings pending a decision in the revocation procedure or a decision of the European Patent Office and shall stay the infringement proceedings if it is of the view that there is a high likelihood that the relevant claims of the patent will be held to be invalid on any ground by the final decision in the revocation proceedings or of the European Patent Office where such decision of the European Patent Office may be expected to be given rapidly.

5. The German and French version of this Rule 118.2(b) RoP contain a semicolon – instead of an “and” – between the two different parts of this provision (“may stay” and “shall stay”), which means that the first part (“may stay”) potentially could be interpreted as allowing a stay of proceedings also in cases where a decision of the European Patent Office is not expected to be given rapidly (cf. Article 33[10] UPCA).
6. However, this difference between the language versions is irrelevant in this case, since the title of Rule 118 (“Decision on the merits”) and the fact that it is placed in the Chapter governing the Oral procedure, makes it clear that this provision only apply during the oral procedure. Therefore, it cannot be used as the legal basis for staying proceedings during the written procedure.
7. Instead, it is primarily Article 33(10) UPCA and Rule 295(a) RoP that govern the possibility to stay proceedings when an opposition is pending at the EPO. According to these provisions, the Court may stay proceedings relating to a patent which is also the subject of opposition proceedings before the EPO when a rapid decision may be expected from the EPO.

8. In this case, the notice of opposition against the grant of the patent in suit was filed by a third party (J A Kemp) on March 7, 2024, and, as raised by the Claimant in the response to the request for stay of the proceedings, it can reasonably be assumed that a future decision by the Opposition Division will be subject to an appeal (which could be expected to add another 18–24 months until we have a final decision by the EPO). Therefore, it is obvious that a final decision cannot be expected rapidly.
9. In their last submission, the Defendants have also mentioned Rule 295(m) RoP, which provides that proceedings also may be stayed “in any other case where the proper administration of justice so requires”. The Claimant has not been invited to comment on this last submission, because it is unnecessary.
10. Since Rule 295(m) RoP is very general, it could – at least in theory – also be applied in certain situations where an opposition is pending at the EPO.
11. However, when considering whether to apply this provision in such a situation, the Court must take into account the existence of the more specific provisions in Article 33(10) UPCA and Rule 295(a) RoP. The Court must also respect the fundamental right to an effective legal remedy and a fair and public hearing within a reasonable time, and shall ensure that the final oral hearing will normally take place within one year (UPC_CoA_22/2024, 2024.05.28).
12. For these reasons, the Court will normally not stay proceedings when a final decision by the EPO is not expected to be given rapidly. This main rule applies even if there is a high likelihood that the relevant claims of the patent will be held to be invalid (as argued by the Defendants).
13. In this case, it shall also be taken into account that the Defendants have submitted counterclaims for revocation. Therefore, the UPC can be expected to also decide whether and/or to what extent the patent is valid before the ongoing procedure at the EPO is finalised.
14. Against this background, the Court finds that these proceedings shall not be stayed pursuant Rule 295(m) RoP.
15. As a consequence, there is no reason to postpone the decision on the request to stay the present proceedings pending further comments on the validity attacks.

Auxiliary request

16. A decision to stay the proceedings in accordance with the auxiliary request, which is based on Article 33(3) UPCA, can only be made if the Regional Division decides to bifurcate the proceedings and refer the revocation counterclaim to the Central Division of the UPC. In the present case, bifurcation has not been suggested by either party and the Court has no intention to bifurcate on its own initiative. Therefore, this request shall be dismissed too. The submission of unnecessary applications shall be discouraged. However, the Court notes that the Defendants may raise this question again when they are given an opportunity to comment on

how to proceed with respect to the application of Article 33(3) UPCA, in accordance with Rule 37 RoP.

ORDER

17. The request to stay the proceedings is dismissed.

INFORMATION ABOUT APPEAL

Leave to appeal is granted. The present order may be appealed within 15 days of service of this Order which shall be regarded as the Court's decision to that effect (Art. 73.2(b)(ii) UPCA, rules 220.2 and 224.1(b) RoP).

Stockholm, 20 August 2024.

Stefan Johansson
Presiding judge and judge rapporteur

Kai Härmand
Legally qualified judge

Mélanie Bessaud
Legally qualified judge

Stefan Wilhelm
Technically qualified judge