



Local Division Munich

UPC_CFI_2/2023

App_15954/2024

Decision

**of the Court of First Instance of the Unified Patent Court concerning the
determination of costs for the first instance and the appeal instance**

issued on 24 February 2025

Guiding principles:

1. If the Court of Appeal has made a basic decision on costs pursuant to Rule 242.1 UPC RoP in the proceedings for an order for interim measures (summary proceedings), an application for the determination of costs pursuant to Rule 151 UPC RoP is also admissible following this decision.
2. If a party applies in summary proceedings to order the other party to pay the costs of the proceedings and the court of appeal grants this application, this order cannot be reinterpreted as an order for *provisional* reimbursement of costs in the subsequent cost assessment proceedings; rather, the costs must then be *finally* assessed on the basis of the cost assessment application.
3. After expiry of the one-month period applicable to the determination of costs (Rule 151 UPC RoP), no further costs may be claimed in excess of the application for determination of costs filed within the one-month period (Rule 151 (b) UPC RoP).

UPC_CFI_2/2023

Applicant in cost assessment proceedings

1. **Bruker Spatial Biology, Inc**, 530 Fairview Ave N, Seattle, WA 98109, USA
2. **Luxendo GmbH**, Im Breitspiel 2-4, 69126 Heidelberg, Germany
3. **Bruker Nederland B.V.**, Elisabethhof 15, 2353 EW Leiderdorp, Netherlands

- hereinafter referred to as the "Applicant" -

represented by: Oliver Jan Jüngst

Defendant in cost assessment proceedings

1. **10x Genomics, Inc.**, 6230 Stoneridge Mall Road - 94588-3260 - Pleasanton - USA
2. **NanoString Technologies Inc**, 530 Fairview Ave N - 98109 - Seattle (WA) - USA

- hereinafter referred to as the "defendant" -

represented by: Tilman Müller-Stoy

UPC_CFI_2/2023

Facts of the case

In proceedings UPC_CFI_2/2023, the applicants submitted an application on 14 August 2024 for the costs of the first instance and the appeal instance to be fixed.

The cost assessment proceedings were preceded by an application by the defendants for an Order for interim measures. After the application was successful at first instance, this was dismissed by the Court of Appeal in an Order dated 26 February 2024. Point 2 of the Court of Appeal's Order states:

The applicants [= defendants in the cost assessment proceedings] shall bear the costs of the proceedings.

After the Order was issued on 26 February 2024, the defendants applied for the appeal proceedings to be reopened.

In a document dated 26 March 2024, the applicants filed an application,

the one-month time limit for filing an application for the determination of costs pursuant to Rule

151.1 RoP (by analogy) by four weeks until after the conclusion of the insolvency proceedings that have been opened against the assets of the applicants in the USA under Chapter 11 of the U.S. Bankruptcy Code.

The judge-rapporteur issued the following order on 25 July 2024 after the defendants had submitted written comments:

A decision on the costs of the proceedings, including any applications for extensions of time limits submitted in this context, is not required until the resumption proceedings (App_22399/2024) have been concluded.

The application to reopen the appeal proceedings was rejected by Order dated 6 August 2024.

The applicants **submitted their application** on 14 August 2024,

to set costs in favour of the applicants in the amount of 337,431.50€ .

UPC_CFI_2/2023

The applicants have calculated the costs in accordance with the principles of the German Lawyers' Fees Act (RVG) as follows:

a) Rechtsanwaltskosten

1. Instanz

1,9-fache Verfahrensgebühr Nr. 3100, 1008 VV RVG*	47.479,10 EUR
1,2-fache Terminsgebühr Nr. 3104 VV RVG	29.986,80 EUR
Auslagen Nr. 7001 u. 7002 VV RVG	20,00 EUR
Zwischensumme	77.485,90 EUR

2. Instanz

2,2-fache Verfahrensgebühr Nr. 3100, 1008 VV RVG*	54.975,80 EUR
1,2-fache Terminsgebühr Nr. 3104 VV RVG	29.986,80 EUR
Auslagen Nr. 7001 u. 7002 VV RVG	20,00 EUR
Zwischensumme	84.982,60 EUR

Wiederaufnahmeverfahren**

0,5-fache Verfahrensgebühr Nr. 3500 VV RVG*	12.494,50 EUR
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Gesamt Rechtsanwaltskosten: 174.963,00 EUR

b) Patentanwaltskosten

1. Instanz

1,9-fache Verfahrensgebühr Nr. 3100, 1008 VV RVG*	47.479,10 EUR
1,2-fache Terminsgebühr Nr. 3104 VV RVG	29.986,80 EUR
Auslagen Nr. 7001 u. 7002 VV RVG	20,00 EUR
Zwischensumme	77.485,90 EUR

2. Instanz

2,2-fache Verfahrensgebühr Nr. 3100, 1008 VV RVG*	54.975,80 EUR
1,2-fache Terminsgebühr Nr. 3104 VV RVG	29.986,80 EUR
Auslagen Nr. 7001 u. 7002 VV RVG	20,00 EUR
Zwischensumme	84.982,60 EUR

Gesamt Patentanwaltskosten: 162.468,50 EUR

* Die Basis-Verfahrensgebühren wurden um jeweils eine 0,6-fache Erhö­hungsgebühr ergänzt wegen der Vertretung von insgesamt drei Auftraggebern (2x Erhöhung um 0,3-fachen Gebührensatz gem. Nr. 1008 VV RVG).

** Für das Wiederaufnahmeverfahren legen wir analog Nr. 3500 VV RVG eine 0,5-fache Gebühr für eine sofortige Beschwerde zugrunde.

GESAMT VERTRETUNGSKOSTEN: 337.431,50 EUR

UPC_CFI_2/2023

The applicants have argued that this calculation is a suitable basis for a preliminary cost calculation according to the case law of the Düsseldorf local division (UPC_CFI_452/2023).

In a document dated 9 April 2024, the defendants requested that the following findings be made:

- I. The initiation of proceedings for the determination of costs following proceedings concerning an Order for interim measures is inadmissible.
- II. In the alternative: The time limit for initiating proceedings for the determination of costs cannot be extended.

The defendants are of the opinion that, according to the provisions of the UPCA and the UPC RoP, cost assessment proceedings are only admissible following proceedings on the merits. Only a provisional reimbursement of costs is possible in proceedings for the Order of interim measures; however, this has not been applied for.

The defendants are further of the opinion the application for the determination of costs in question here - assuming it is admissible - was filed too late. According to the non-extendable one-month period stipulated in Rule 151 UPC RoP, the application had to be filed by 26 March 2024, as the Order of the Court of Appeal dated 26 February 2024. However, the application was not actually filed until 14 August 2024.

On 03/12/2024, the judge-rapporteur ordered the following:

1. The one-month period for filing an application for the determination of costs pursuant to Rule 151.1 UPC RoP (analogous) is extended to the date "four weeks after the conclusion of the insolvency proceedings opened under Chapter 11 of the U.S. Bankruptcy Code against the assets of the applicants in the USA" (Rule 9.3 UPC RoP).
2. Applicants are requested to notify the date specified in item 1 (four weeks after the conclusion of the insolvency proceedings) within three days for the purposes of the cost assessment proceedings.

UPC_CFI_2/2023

3. The applicants are also requested to state whether the application for cost fixing dated 14 August 2024 was submitted within the retroactively extended deadline in accordance with section 1."

The applicants then informed the court on 6 December 2024 that the Chapter 11 proceedings had not yet been concluded. However, the applicants had an interest in the prompt continuation of the cost assessment proceedings. For this reason, the preliminary claim for reimbursement of costs had already been quantified in the document dated 14 August 2024.

The defendants were given the opportunity to comment on this. In a document dated 20 December 2024, the defendants stated that they were still of the opinion that the cost assessment proceedings were only admissible following the main proceedings. In any case, the application for the determination of costs had not been made in due time. According to the applicants' submission, Bruker Corporation had already completed the takeover of the assets of NanoString Technologies Inc. including the subsidiaries on 6 May 2024; upon completion of the transaction, the automatic stay of the legal disputes under

§ Section 362 of the U.S. Bankruptcy Code cancelled. With the abolition of the "automatic stay", the basis for the "application for extension of the deadline" of 26 March 2024 also ceased to exist. Even if the Chapter 11 proceedings have not yet formally ended until all companies of the NanoString Group have been integrated into the Bruker Group or liquidated, the end of the "automatic stay" the relevant end of the effects of the Chapter 11 proceedings on the UPC proceedings here. The application for the implementation of cost assessment proceedings must therefore be filed by 3 June 2024 must be filed. If the court considers a cost assessment procedure to be admissible and does not that the application for the assessment of costs is time-barred, this application should in any case be considered final with regard to the amount of costs to be reimbursed.

Reference is made to the documents exchanged between the parties for further details of the facts and the dispute.

Reasons

The applicants' application for determination of costs is admissible and well-founded.

1. **Admissibility of an application for the determination of costs in proceedings for the ordering of interim measures**

Pursuant to Rule 150.1 UPC RoP, an award of costs may be the subject of separate proceedings following a decision on the merits. Pursuant to Rule 118.5 UPC RoP, the court decides on *the merits* [therefore referred to here as the *basic decision on costs*] on the obligation to bear the costs of the proceedings pursuant to Article 69 UPCA. According to the case law of the Düsseldorf local division cited by the opponents of the application, such a basic decision on costs under Rule 118.5 UPC RoP is only provided for in proceedings on the merits, but not in proceedings for an for interim measures.

Whether a basic decision on costs is also possible in proceedings for the Order of provisional measures does not ultimately need to be decided here. However, it should be noted neither the UPCA nor the UPC RoP Rules expressly exclude a basic decision on costs in the context of proceedings for the ordering of provisional measures. While Rule 118 UPC RoP referred by the Düsseldorf local division the proceedings before the Court of First Instance, the provisions in Part 4 of the UPC RoP apply to the Court of Appeal. In this respect, the wording of Rule 242.1 UPC RoP does not contain any express restriction to the effect that the Court of Appeal can only make a decision on costs in a decision on the merits, but not in summary proceedings. The same does not follow from Art. 69 UPCA either.

With regard to the application for the determination of costs at issue here, it is therefore decisive that the Court of Appeal made a basic decision on costs on 26 February 2024 in the proceedings for the ordering of provisional measures. Accordingly, the defendants here must bear the costs of the proceedings; the Court of Appeal did not merely refer to the "costs of the proceedings" as the costs of the proceedings.

costs of the appeal proceedings, as the basic decision on costs made by the local division would otherwise continue to apply, which cannot have been the intention of the court of appeal, which decided differently on the merits and dismissed the application for interim measures. The "costs of the proceedings" also clearly do not refer to the costs of the proceedings on the merits, as these have not even been concluded at first instance.

If the Court of Appeal has made a basic decision on costs in the proceedings for an order for interim measures - as in the present case - an application for the determination of costs based on this decision is also admissible in the proceedings for an for interim measures pursuant to Rule 150.1 UPC RoP.

The application for determination of costs must be with the Court of First Instance. The legal basis for this are Rules 150 et seq. UPC RoP. The applicants have submitted such an application in accordance with Rule 151 UPC RoP.

2. Compliance with the time limit under Rule 151 UPC RoP

The applicants' application for the determination of costs was also filed in due time.

The application for the determination of costs was to be filed within one month of the decision of the court of appeal (Rule 151 UPC RoP). The decision of the Court of Appeal is dated 26 February 2024. Although the petitioners did not file an application for the determination of costs by 26 March 2024, they did file an application for an extension of the deadline for the determination of costs on 26 March 2024. The judge-rapporteur granted this application on 3 December 2024 after the defendants had taken a position and the retrial had been concluded and, in accordance with Rule 151 UPC RoP (by analogy), postponed the one-month period for filing an application for the fixing of costs to the application date.

"four weeks after the conclusion of the insolvency proceedings opened under Chapter 11 of the U.S. Bankruptcy Code against the assets of the defendants in the USA"

extended (Rule 9.3 UPC RoP). This decision of the judge-rapporteur remained uncontested.

The proceedings under Chapter 11 of the U.S. Bankruptcy Code had not yet been concluded on 14 August 2024, the date on which the defendants' application for the determination of costs was filed. Insofar as the defendants argued in their document dated 20 December 2024 that the automatic stay under section 362 of the U.S. Bankruptcy Code had been lifted, this does not correspond to the judge-rapporteur's order of 3 December 2024; according to the order of 3 December 2024, the conclusion of the insolvency proceedings under Chapter 11 of the U.S. Bankruptcy Code over the defendants' assets in the USA is decisive. The application opponents themselves assume that this was not yet the case on 20 December 2024 ("Even if the Chapter 11 proceedings may not yet be formally concluded...").

3. Amount of the costs claimed

The respondents have not raised any objections to the amount of the costs claimed.

4. Final determination of costs for the proceedings for an for interim measures

The determination of costs made here for the summary proceedings is final.

the applicants assume from the documents submitted in the cost assessment proceedings dated 14 August 2024 and 6 December 2024 that the subject of these cost assessment proceedings is only a *provisional* reimbursement of costs, it must be noted that an application for provisional reimbursement of costs was not made in the summary proceedings. The application in the cost determination proceedings is also for the determination of costs and not for the determination of provisional costs.

According to Art. 76 para. 1 UPCA, the court decides in accordance with the applications submitted by the parties and may not award more than is requested. Consequently, the court may also not award something qualitatively different from what is requested (e.g. a *provisional* instead of a *final* award of costs).

The applicants did not apply to the Court of First Instance or the Court of Appeal for provisional reimbursement of costs in the summary proceedings. The Court of Appeal therefore did not award a provisional reimbursement of costs. Instead, the appeal requested that the applicants be ordered to pay the costs of the proceedings in accordance with Rule 242 (1) UPC RoP. At first instance, the applicants filed an objection requesting that the other party be ordered to pay the costs of the proceedings. The Court of Appeal therefore ordered a final and not a provisional reimbursement of costs.

If a party applies in summary proceedings to order the other party to pay the costs of the proceedings and the court of appeal grants this application, this order cannot be reinterpreted as an order for *provisional* reimbursement of costs in the subsequent cost assessment proceedings.

The judge-rapporteur must assess the costs in the cost assessment proceedings on the basis of and within the scope of the cost assessment application. After expiry of the one-month period applicable to the application for the determination of costs (Rule 151 UPC RoP), no further costs may be claimed in addition to the application for the determination of costs filed within the one-month period. This follows from the wording of Rule 151 (b) UPC RoP and the purpose of the time limit stipulated therein to preclude further applications after the expiry of the time limit.

UPC_CFI_2/2023

For the reasons set out above, the judge-rapporteur hereby gives the following opinion

Decision

1. The defendants must reimburse the applicants for the costs of the proceedings for interim measures at first instance and on appeal in the amount of € 337,431.50 by 31 March 2025.
2. The applications filed by the defendants in the document dated 9 April 2024 are rejected.

INFORMATION ON THE APPEAL

An appeal against this decision may only be lodged with the Court of Appeal in accordance with Rule 221.

INFORMATION ON ENFORCEMENT:

A certified copy of the enforceable decision shall be issued by the Deputy Registrar at the application of the enforcing party.

Munich, 24 February 2025

Pichlmaier judge-
rapporteur