

**ORDER**  
**of the Court of Appeal of the Unified Patent Court**  
**issued on 02 June 2025**  
**Appeal of a Preliminary objection (R. 19 RoP)**

HEADNOTES:

- As a provision of an international treaty concluded between States, Art. 32(1) UPCA shall be interpreted in accordance with the principles of customary international law, which are part of the EU legal order.
- The absence of any temporal limitation of the rules on competence under Art. 32(1) UPCA reflects the object and purpose of the Agreement which is to create a court common to the Contracting Member States integrated into their judicial system and to transfer (exclusive) competence to said court for those actions and counterclaims listed under Art. 32 (1) UPCA, in order to prevent the difficulties caused by a fragmented market for patents in Europe and the variations between national court systems.
- In the absence of any provision contrary thereto, these object and purpose of the UPCA do neither suggest nor imply any temporal limitation of the Court.
- Art. 3 UPCA does not address the temporal scope of application of the Agreement in relation to acts infringing the rights listed therein. It therefore leaves open whether acts having occurred before the entry into force are within the scope of application of the Agreement.
- During the transitional period set out under Art. 83 UPCA, and unless the patent has been opted out from the exclusive competence of the Court pursuant to Art. 83(3) UPCA, the (exclusive) competence of the UPC coexists with a parallel competence of national courts before which an action for infringement of a European patent may still be brought. Although it provides for a concurrent competence during the transitional period according to which the patent holder has the option to initiate infringement proceedings either before the UPC or before a national court, said option is limited to the choice of forum and does not provide, as a result of such a choice, for a partial or limited competence of the elected court, whether as to the subject matter (the patent infringement) of the action or as to the time period for which the chosen court is competent.
- The determination of the competence of the Court as of the date of lodging the action, including for acts of infringement that have occurred before the entry into force of the Agreement, does not contradict the principle of non-retroactivity of treaties under the principles of customary international law and Art. 28 of the Vienna Convention on the Law of Treaties done at Vienna on 23 May 1969 ("VCLT").
- In case of an effective withdrawal from an effective opt-out, the UPC is competent to decide on alleged acts of infringement which have occurred during the time period between the date of the opt-out and that of the withdrawal.

KEYWORDS:

Competence of the Court, Scope of application of the UPC Agreement, transitional regime, opt-out from the exclusive competence of the Court, withdrawal of an opt-out.

APPELLANTS (APPLICANTS/DEFENDANTS IN THE PROCEEDINGS BEFORE THE COURT OF FIRST INSTANCE)

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**3. XSYS Italia S.r.l.**, Corso Di Porta Nuova n. 46, 20121, Milan, Italy

(together hereafter “**XSYS**”)

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RESPONDENT (CLAIMANT IN THE PROCEEDINGS BEFORE THE COURT OF FIRST INSTANCE)

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(hereafter “**ESKO**”)

represented by attorneys-at-law Dr. Steffen Steininger, Verena Schmid, Katharina Bickel, Hogan Lovells International LLP, Munich, Germany, as well as patent attorneys Dr. Daniele Schiuma, Christian Haydn, Karsten Schmidt, Müller-Boré & Partner PartG mbB, Munich, Germany

PATENT AT ISSUE

EP 3 742 231

DECIDING PANEL

Panel 1a

Klaus Grabinski, President of the Court of Appeal

Peter Blok, legally qualified judge

Emmanuel Gougé, legally qualified judge and judge-rapporteur

LANGUAGE OF THE PROCEEDINGS

English

IMPUGNED ORDER OF THE COURT OF FIRST INSTANCE

☐ Order of the Court of First Instance of the Unified Patent Court, Munich Local Division, dated 10 February 2025

☐ Numbers attributed by the Court of First Instance:

UPC\_CFI\_483/2024

ACT\_46804/2024

DATE OF THE ORAL HEARING:

12 May 2025

FACTS AND REQUESTS OF THE PARTIES

1. ESKO is the proprietor of European patent 3 742 231 relating to a method of curing photo-curable printing plates (hereafter “the patent at issue”), which grant was published on 30 June 2021. On 12 May 2023, the patent at issue was opted-out from the exclusive competence of the Court in accordance with Art. 83(3) of the Agreement on a Unified Patent Court (hereafter “UPCA” or the “Agreement”) and R. 5 of the Rules of Procedure (hereafter “RoP”). On 26 August 2024, the opt-out was withdrawn following an application to withdraw lodged by ESKO pursuant to Art. 83(4) UPCA and R. 5.7 RoP.

*The first instance proceedings*

2. On 27 August 2024, ESKO brought an action for infringement of the patent at issue against XSYS before the Munich Local Division (hereafter the “Munich LD”) of the Court of First Instance in relation to acts which are alleged to have taken place before and after the entry into force of the UPCA on 01<sup>st</sup> June 2023 as well as before and after the withdrawal of the opt-out of the patent in dispute. ESKO requested inter alia XSYS to be prohibited from infringing the patent in dispute (ACT\_46804/2024, UPC\_CFI\_483/2024, hereafter the “infringement action”).
3. On 10 October 2024, XSYS lodged a Preliminary objection concerning the jurisdiction and competence of the Court under R. 19.1 (a) RoP (App\_55619/2024, hereafter the “Preliminary objection”). XSYS raised that, according to Art. 32(1) (a) and (f) UPCA, the UPC has no competence to decide on an infringement action concerning acts which occurred before the entry into force of the Agreement on 01 June 2023 as well as between the date of entry into force of the Agreement and the date of withdrawal of the opt-out and that the action should thus be declared inadmissible concerning said periods.
4. On 15 January 2025, the President of the Court of First Instance ordered the change of the language of proceedings from German to English, following an application filed by XSYS under R. 323 RoP (ORD\_68820/2024, App\_65942/2024).
5. On 10 February 2025, the Munich LD rejected the Preliminary objection and granted leave to appeal (ORD\_6847/2025, hereafter the “impugned order”).
6. The Local Division found that the UPC has jurisdiction over the action pursuant to Art. 32(1)(a) UPCA, Art. 2(g), Art. 3(c) UPCA, without temporal limitation.
7. It considered that during the transitional period, the delimitation of the UPC’s competence pursuant to Art. 32(1)(a) UPCA in relation to the national court shall be established by reference as to whether or not the European patent which infringement is alleged has been opted out from the exclusive jurisdiction of the UPC. Considering that, following the withdrawal of the opt-out on 26 August 2024, there was again a concurrent jurisdiction between the national court and the UPC, ESKO could decide to bring the action for infringement before the UPC.

8. It further considered that the UPC has competence over the entire period asserted in the action, both for claims for (alleged) acts of use before 01 June 2023 (entry into force of the UPCA) and before 26 August 2024 (withdrawal from the opt-out) and that said competence is without prejudice to the determination of the applicable law to acts that have taken place before 01 June 2023 or 26 August 2024, since jurisdiction and competence are distinct from the applicable law and must be assessed separately.

#### *The appeal*

9. On 20 February 2025, XSYS brought an appeal against the impugned order.
10. XSYS requests the Preliminary objection to be allowed pursuant to R. 19.1(a) RoP and the infringement action to be dismissed to the extent it relates to the time on or before the date of the effective date of the withdrawal of the opt-out. Alternatively, XSYS requests the proceedings to be stayed in order to ask the CJEU to give preliminary rulings on the interpretation and application of the UPCA.
11. The grounds of the appeal can be summarized as follows:
- the UPC lacks competence *ratione temporis* pursuant to Art. 32(1)(a) UPCA for alleged acts of use for the time before the UPCA entered into force on 01 June 2023, as the UPCA does not have retroactive effect pursuant to the general principle of non-retroactivity of treaties and the Vienna Convention on the Law of Treaties done at Vienna on 23 May 1969 (hereafter “VCLT”);
  - according to the International Law Commission (hereinafter “ILC”), the issue of time plays a prominent role in the context of clauses dealing with jurisdiction or competence;
  - it is further supported by Art. 28 (non-retroactivity of treaties) and 31 (general rule of interpretation) VCLT as interpreted by the European Court of Human Rights (hereafter “ECtHR”) as well as the Court of Justice of the European Union (hereafter “CJEU”);
  - according to Art. 28 VCLT, in case of doubt, a treaty cannot have retroactive effect: the provisions of a treaty can exceptionally only be applied to facts or situations that occurred before the entry into force of the treaty if the treaty indicates a corresponding intention on the part of the contracting states;
  - comparable principles can be found in the area of international dispute resolution, such as the North American Free Trade Agreement (hereinafter: “NAFTA”), according to which arbitral tribunals have consistently declared themselves to have competence only over events that occurred after the entry into force of the NAFTA;
  - the non-retroactive effect of the UPCA follows from the link between procedure and substance which commands that an international tribunal’s competence *ratione temporis* is limited to the time after the treaty establishing the tribunal enters into force;
  - neither the provisions of the Protocol to the UPCA on provisional application, nor the interpretation of Art. 3(c), 32 (1)(f) and Art. 83(4) UPCA suggest that the Contracting Member States (hereafter “CMS”) intended to provide for retroactive effect of the UPCA;
  - the lack of competence of the Court in relation to acts of alleged infringement committed prior to the entry into of the UPCA further arises out of the absence of power of the Court under Art. 56 UPCA (“The general powers of the Court”) : the lack of distinction between the substantive claim and its procedural enforcement means that the UPC must already examine, in the context of competence pursuant to Art. 32(1)(a) UPCA, whether the powers pursuant to Art. 56 et seq. UPCA cover the “actual or threatened infringement of patents” asserted in the infringement action. Furthermore, Art. 56 UPCA contains an

exhaustive list of the powers of the UPC and does not provide for any powers in relation to acts of use to which national patent law is applicable;

- the UPC lacks competence *ratione temporis* for the duration of the opt-out until its withdrawal on 26 August 2024 pursuant to Art. 32(1)(a) and 83(4) UPCA, since both the opt-out and its withdrawal have an *ex-nunc* not a retroactive effect;
- if the Court of Appeal disagrees with XSYS' interpretation of EU law, it requests the Court of Appeal to stay the infringement action and refer the following questions to the CJEU pursuant to Art. 21 UPCA and Art. 267 TFEU:
  - (i) "Does EU law require the interpretation and application of the UPCA in line with those rules of the VCLT which form part of customary international law, e.g. Articles 28 and 31 VCLT?"
  - (ii) Do the principles of customary international law enshrined in Article 28 VCLT and Article 31 VCLT, which form part of the EU legal order, require Article 32(1)(a) UPCA to be interpreted as meaning that the UPC has no competence for actions for infringement under Article 32(1)(a) UPCA that relate to alleged acts of use that occurred before the UPCA entered into force on 1 June 2023?"

12. ESKO responded to the appeal, requesting that the Court of Appeal dismiss the appeal, reject the Preliminary objection, the main request and all auxiliary requests, and that XSYS bear the costs of the appeal proceedings. The arguments can be summarized as follows:

- the Court has competence for infringing acts committed prior to the entry into force of the UPCA;
- Art. 3(c) UPCA on scope of application provides for comprehensive applicability of the UPCA for European patents that have not yet lapsed before the entry into force of the UPCA (or are granted after that date);
- the determination of the competence of the Court for acts committed prior to 01 June 2023 does not raise any retroactive effect and, as a result, cannot lead to any breach of Art. 28 VCLT on non-retroactivity of treaties;
- Art. 28 VCLT addresses issues of substantive law and does not extend to procedural rules, including rules on the determination of the competence of the court, which may be amended without raising any issue of retroactivity;
- in any event, Art. 28 VCLT does not prevent the possibility of retroactive effect of a treaty if such is the intent of the parties to the treaty;
- the reference made by XSYS to the practice of other international courts cannot be transferred to the UPC: unlike these courts, the UPC is a common court replacing the competent national courts of the CMS with regard to a specific legal area for which, subject to transitional provisions, the CMS give exclusive competence to the UPC;
- the competence of the UPC for acts committed prior to 01 June 2023 is consistent with EU law and the underlying public interest behind the creation of the UPC, namely the creation of a harmonized (substantive) patent law with a uniform legal framework and a uniform level of protection;
- the Court of Appeal of the UPC has already established that the provisions of the UPCA apply to infringing acts that occurred before 1 June 2023 (order dated 16 January 2025, APL\_4000/2024, UPC\_CoA\_30/2024, *Fives vs. REEL*);
- there is no lack of competence due to alleged lack of powers under Art. 56 et seq. UPCA, as the substantive law applicable to an alleged infringement is to be clearly distinguished from the jurisdiction to hear the case and, anyhow, in the context of a Preliminary objection it can be left open whether the UPC has powers pursuant to Art. 56 et seq. UPCA for infringing acts occurred before the entry into force of the UPC;

- the Court is also competent for the time period between the opt-out and its withdrawal;
- XSYS auxiliary request for a stay of proceedings pursuant to R. 266.5 sentence 1 RoP in conjunction with Art. 267 TFEU is to be rejected.

## GROUND

### *Admissibility*

13. The Preliminary objection is admissible.
14. According to R. 19.1 RoP, within one month of service of the Statement of claim, the defendant may lodge a Preliminary objection concerning (a) the jurisdiction and competence of the Court.
15. The fact that the Preliminary objection is only made with respect to certain time periods, namely the time before the entry into force of the UPC Agreement on 01 June 2023 on the one hand, and the time between the opt-out of the patent at issue on 01 June 2023 and the withdrawal from this opt-out on 26 August 2024 on the other hand, does not put the admissibility of the preliminary objection into question.
16. As already rightly found by the Munich LD, a temporary lack of jurisdiction and competence can also be the subject-matter of a Preliminary objection under R. 19.1(a) RoP.

### *Preliminary objection unfounded*

17. The Preliminary objection is however unfounded and shall be dismissed for the following reasons.

### *Applicable provisions*

18. The competence of the UPC as to the subject-matter is set out in Art. 32 UPCA, under Chapter VI ("International jurisdiction and competence") of Part I ("General and institutional provisions"), which provides for exclusive competence of the Court in respect of the actions and counterclaims listed under (a) to (i) of para (1), which includes actions for actual or threatened infringements of patents (Art. 32(1)(a) UPCA) such as the infringement action in relation to which the Preliminary objection under this appeal was lodged. According to Art. 32(2) UPCA, the national courts of the CMS shall remain competent for actions relating to patents which do not come within the exclusive competence of the Court.
19. A "patent", within the meaning of Art. 32 UPCA, means a European patent and/or a European patent with unitary effect (Art. 2 (g) UPCA).
20. The competence of the Court, under Art. 32 UPCA, shall apply within the scope of application of the Agreement, as defined under Art. 3 UPCA according to which the UPCA shall apply to any "European patent which has not yet lapsed at the date of entry into force of this Agreement, without prejudice to Article 83" (Art 3(c) UPCA).

21. In this appeal, it is (rightly) undisputed between the parties that the Court has (exclusive) competence as far as the action relates to an action for an infringement of a patent (Art. 32(1)(a) UPCA) as defined under Art. 2(g) UPCA.
22. The matter in dispute in this appeal from an order of the Court of First Instance on a Preliminary objection under R. 19.1(a) RoP is whether the competence of the Court applies to acts of infringement committed before the entry into force of the UPCA as well as before the effective date of withdrawal of the opt-out of the patent at issue from the exclusive competence of the Court. It is not about the determination of the applicable law.

#### *Autonomous Interpretation*

23. As a provision of an international treaty concluded between States, Art. 32(1) UPCA shall be interpreted in accordance with the principles of customary international law, which are part of the EU legal order (CJEU, Case C-15/17 *Bosphorus Queen Shipping Ltd Corp v Rajavartiola*, ECLI:EU: C:2018:557, para 67), reflected under Art. 31 VCLT on a general rule of interpretation which provides for an autonomous interpretation of international treaties: “a treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty and in the light of its object and purpose”. It means that guidance should be sought in the wording of the provision, with reference to other Articles of the Agreement, and bearing in mind the legal context, including any applicable European Union law (UPC\_CoA\_30/2024, APL\_4000/2024, 16 January 2025, in *Fives v Reel*, para 43).
24. The wording of Art. 32(1) UPCA does not provide for any temporal limitation of the exclusive competence of the Court concerning the acts of alleged infringements, whether acts have taken place before or after the entry into force of the UPCA (UPC\_CoA\_30/2024, APL\_4000/2024, 16 January 2025, in *Fives v Reel*, para 82).
25. Furthermore, the absence of any temporal limitation of the rules on competence under Art. 32(1) UPCA reflects the object and purpose of the Agreement which is to create a court common to the CMS integrated into the CMS judicial systems and to transfer (exclusive) competence to said court for those actions and counterclaims listed under Art. 32 (1) UPCA, in order to prevent the difficulties caused by a fragmented market for patents in Europe and the variations between national court systems (UPCA, Preamble, Recital 2).
26. According to Art. 1 UPCA, the object of the Agreement is to establish a Unified Patent Court for the settlement of disputes relating to European patents and European patents with unitary effect (para 1) which shall be a court common to the Contracting Member States and thus subject to the same obligations under Union law as any national court of the Contracting Member States (para 2). Said common court with exclusive competence in respect of European patents (UPCA, preamble, Recital 7) forms part of each Member State judicial system and is one of its courts. As such, and in the absence of any provision contrary thereto, these object and purpose do neither suggest nor imply any temporal limitation of the Court.
27. Regarding the scope of application of the UPCA (Art. 3 UPCA), there is no further indication of a temporal limitation of the competence of the Court to acts occurring after the entry into force of the UPCA (UPC\_CoA\_30/2024, APL\_4000/2024, 16 January 2025, in *Fives v Reel*, para 82). Art. 3 UPCA defines the substantial scope of application of the UPCA by providing a list of rights to which the UPCA applies, including European patents that have not yet lapsed at the date of entry into force of the Agreement or was granted

after that date, without prejudice to Art. 83 UPCA. Art. 3 UPCA does not address the temporal scope of application of the Agreement in relation to acts infringing these rights. It therefore leaves open whether acts having occurred before the entry into force are within the scope of application of the UPCA.

#### *The transitional regime*

28. During the transitional period set forth under Art. 83 UPCA, the exclusive competence of the UPC is however limited by the parallel competence of national courts of the Contracting Members States (Art. 83(1) UPCA) as well as by the possibility for patent holders, subject to certain conditions, to opt-out their patent(s) from the exclusive competence of the Court (Art. 83(3) UPCA) and to withdraw said opt-out at any moment (Art. 83(4) UPCA).
29. According to Art. 83(1) UPCA, during a transitional period of seven years after the date of entry into force of this Agreement, an action for infringement or for revocation of a European patent [...] may still be brought before national courts or other competent national authorities.
30. According to Art. 83(3) UPCA, 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.
31. It follows from these provisions that, during the transitional period set out therein, and unless the patent has been opted out from the exclusive competence of the Court pursuant to Art. 83(3) UPCA, the (exclusive) competence of the UPC coexists with a parallel competence of national courts before which an action for infringement of a European patent may still be brought. Although it provides for a concurrent competence during the transitional period according to which the patent holder has the option to initiate infringement proceedings either before the UPC or before a national court, said option is limited to the choice of forum and does not provide, as a result of such a choice, for a partial or limited competence of the elected court, whether as to the subject matter (the patent infringement) of the action or as to the time period for which the chosen court is competent.
32. That understanding is further in line with Art. 71c (2) of EU Regulation 1215/2012 (hereafter “Brussels Ia Regulation”) which explicitly refers to its Art. 29 to 32 Brussels Ia Regulation on *lis pendens* and related actions to be applied when proceedings are brought in the UPC and in a court of a CMS during the transitional period referred to under Art. 83 UPCA. This provision organises for the concurrent competence of the courts during the transitional period and does not give an exclusive competence to national courts, during said period, on actions for infringement of a European patent that occurred prior to the entry into force of the Agreement. It follows therefrom that the concurrent jurisdiction of the UPC and the national court during the transitional period also applies to infringements that occurred prior to the entry into force of the Agreement.

#### *Competence and applicable law*

33. The determination of the competence of the Court does not require that applicable law is addressed.



34. As rightly pointed out by the Court of First Instance, jurisdiction and applicable law are separate aspects that must be assessed separately from each other. The question of whether the substantive law of Art. 25 et seq. UPCA and the measures, procedures and remedies as laid down under Art. 56 UPCA are applicable in relation to acts having occurred before the entry into force of the UPCA is to be decided at a later stage and is not one to be addressed at the stage of a Preliminary objection.

#### *Retroactivity*

35. The determination of the competence of the Court as of the date of lodging the action, on 27 August 2024, including for acts of infringement that have occurred before the entry into force of the UPCA, does not contradict the principle of non-retroactivity of treaties under the principles of customary international law and Art. 28 VCLT according to which, unless a different intention appears from the treaty or is otherwise established, its provisions do not bind a party in relation to any act or fact which took place or any situation which ceased to exist before the date of the entry into force of the treaty with respect to that party.
36. At the time of deciding on the competence of the Court, the Court has applied the relevant applicable provisions on the competence of the Court, namely Art. 32 UPCA, applicable at that date, which does not raise a question of retroactivity.
37. Even if retroactivity were assumed in favour of XSYS with regard to those infringements that occurred prior to the date of entry into force of the UPCA, it would not be incompatible with Art. 28 VCLT since it appears from the Agreement that the Court shall have competence on infringement also in respect of acts having occurred prior to the entry into force of the Agreement, as indicated above.

#### *No referral to the CJEU*

38. It follows therefrom that there is no reason for a referral to the CJEU under Art. 267 of the Treaty on the functioning of the European Union (hereafter “TFEU”), since even an interpretation of the principles of customary international law enshrined in Art. 28 and 31 VCLT that is most favourable to the XSYS would not lead to an assessment according to which this provision might be infringed.
39. As a consequence, the request for a referral for a preliminary ruling (R. 266.1 RoP) and for a stay of the proceedings (R. 266.5 RoP) shall be rejected.

#### *Withdrawal of an opt-out*

40. According to Art. 83(4) UPCA, unless an action has already been brought before a national court, the proprietor of an European patent who made use of the opt-out in accordance with Art. 83(3) shall be entitled to withdraw its opt-out at any moment, in which case the withdrawal of the opt-out shall take effect upon its entry into the register.
41. When deciding to withdraw the opt-out, the patent proprietor chooses to bring the patent back under the (exclusive) competence of the Court. The provisions on withdrawal do not provide for a partial or limited withdrawal: either the patent is opted-out, in which case the patent is entirely out of the exclusive competence of the Court or, if the opt-out is no longer in force, the patent is entirely under the exclusive

competence of the UPC, without any limitation, without prejudice to the parallel competence of national courts during the transitional period under Art. 83(1) UPCA.

42. A different approach would lead to a fragmented system, contrary to the object and purpose of the Agreement.
43. Consequently, the Court is competent to decide on alleged acts of infringement which have occurred during the time period between the effective date of the opt-out (which, in the event of an op-out filed before 1<sup>st</sup> June 2023, is the date of entry into force of the UPCA) and that of the withdrawal.

*Costs*

44. This order does not conclude the action. The Local Division shall decide which party shall bear the costs of the proceedings, including these appeal proceedings.

ORDER

The appeal is dismissed.

This order was issued on 02 June 2025

Klaus Grabinski, President of the Court of Appeal

Peter Blok, legally qualified judge

Emmanuel Gougé, legally qualified judge and Judge-rapporteur