



Central Division Paris Seat

Decision
of the Court of First Instance of the Unified Patent Court
Central Division (Paris Seat)
delivered on 27/07/2025
lodged in the application
No. ACT_6395/2025 - UPC_CFI_101/2025
No. App_9161/2025 UPC_CFI_101/2025

HEADNOTE:

1. An application for a cost decision according to R. 150 RoP regarding a preliminary objection is admissible when as result of the preliminary objection, a Division of the Unified Patent Court declines jurisdiction and refers the case to another Division.
2. In such a case of a separate cost decision, the ceiling for recoverable costs is significantly lower than the ceiling for recoverable costs of the full proceeding.

KEYWORDS:

ceiling for recoverable costs; application for a cost decision, preliminary objection

CLAIMANT

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RESPONDENT

Photon Wave Co., Ltd.

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Represented by Andreas Oser, Peter Kleim Prüfer & Partner Sohnckestraße 12 - 81479 - München - DE

PATENT AT ISSUE: EP 2661892

DECIDING JUDGE: This decision has been issued by the legally qualified judge and judge rapporteur Maximilian Haedicke

SUMMARY OF FACTS

I.

On 8 December 2023, Seoul Viosys brought an infringement action based on its patent EP3404726 against Laser Components before the Paris Local Division (ACT_588685/2023).

By an order dated 12 February 2024, the judge-rapporteur declared the request for intervention, introduced by Laser Components against its supplier Photon Wave, admissible.

On 18 March 2024, Laser Components filed a statement of defense without challenging the validity of the patent.

On 18 March 2024, Photon Wave also filed a statement of defense requesting, inter alia, to be entitled to bring - independently of the defendant Laser Components - an independent counterclaim seeking a declaration of invalidity, or, alternatively, to be entitled to bring a counterclaim for a declaration of invalidity in accordance with Article 33(4) of the UPCA before the Paris Local Division, with a period of two months be granted to do so.

By order dated 6 May 2024, the Paris Local Division ruled that Photon Wave failed to lodge a statement for revocation of the patent within the prescribed time limit, and rejected its respective request for an extension.

II.

Then, Photon Wave introduced a statement for revocation against the patent before the Paris Central Division (ACT_28074/2024); Photon Wave requested the Paris Local Division to stay the infringement action pending the revocation action.

By order dated 24 July 2024, the Paris Local Division dismissed the request for stay.

III.

In the framework of the revocation action filed before the Paris Central Division, Seoul Viosys filed a Preliminary objection (App_45571/2024, UPC_CFI_238/2024)., requesting, inter alia, to transfer the revocation action filed by Photon Wave and registered under No. ACT_28074/2024 from the Central Division of the First Instance Court to the Paris Local Division.

With application No. App_51441/2024, Seoul Viosys submitted a legal expert report written by [REDACTED] which inter alia turned on the competency of the Central/Local division and Art. 33 (4) UPCA.

By order dated 6 January 2025, the judge rapporteur, inter alia,

- (i) rejected the main request made by Photon Wave (i.e that the Central Division declares itself competent to hear the case),
- (ii) ordered the transfer of the revocation action introduced by Photon Wave, to the Paris Local Division,
- (iii) specified that “Photon Wave shall bear 80% of the legal costs of the preliminary objection proceedings incurred by Seoul Viosys”.

IV.

By submitting an application for a cost decision dated 6 February 2025 (No. ACT_6395/2025), Seoul Viosys requested the Paris Central Division to:

- order Photon Wave to pay Seoul Viosys EUR 44,800 as a compensation for costs of representation incurred in relation to the Preliminary Objection proceedings (App_45571/2024, UPC_CFI_238/2024),
- order Photon Wave to pay Seoul Viosys EUR 6,720 as a compensation for costs of expert incurred in relation to the Preliminary Objection proceedings (App_45571/2024, UPC_CFI_238/2024).

To support its request, Seoul Viosys states that it had to bear both representation costs and experts costs related to the [REDACTED] [REDACTED] [REDACTED] on the interpretation of Article 33(4) UPCA. Seoul Viosys details its representation costs, especially since Photon Wave changed its initial requests, which led to additional work for Seoul Viosys.

Regarding the estimated value of the revocation action (EUR 500,000), Seoul Viosys declares to be entitled to recover representation costs up to EUR 56,000. Considering the order dated 6 January 2025, Seoul Viosys requests to recover up to 80 per cent of this amount - or alternatively EUR 30,400 if the Court set the value of the action to EUR 250,000.

Seoul Viosys further stated that the order of the Paris Local Division dated 30 April 2025 (ORD_13202/2025), which granted Seoul Viosys EUR 14,000 for the costs incurred, shall have no bearing on the Paris Central Division's decision on the Application.

V.

On 24 February 2025 (App_9161/2025), Photon Wave submitted a generic procedural application. Photon Wave requested the Court to take into account comments on the application for a cost decision.

Photon Wave requests:

1. To declare the application for a cost decision filed by the defendant on 6 February 2025 inadmissible.

In the alternative,

2. to declare the requested recoverable costs as not being reasonable and proportionate.

In summary, Photon Wave argues:

- Rules 150 and 151 RoP require a decision on the merits, whereas the order 55072/2024 is entitled "procedural order" and not "decision". The "procedural order" did not end the proceedings in the first instance.
- The Local Division issued a decision on the revocation action on 24 January 2025. Hence, the Central Division is not competent for a cost decision.
- If the preliminary objection is considered as separate proceedings which justify a separate cost decision, the value of such "separate proceedings" cannot be the same as the value of the total proceedings of the first instance but must be lower, as the preliminary objection in the present case deals only with the question which division is competent.
- Seoul Viosys did not substantiate the claimed value of EUR 500,000 of the proceedings.
- Photon Wave contests the claimed amount of recoverable costs.
- The costs for the expert have not arisen in the revocation proceedings.
- Legal questions can be clarified by the Court on its own, an external legal opinion is not necessary.

VI.

With order of 19 June 2025, the Court invited both parties to submit additional comments. In their submissions, the parties further explained their positions

GROUNDS FOR THE DECISION:

The application for a cost decision is admissible and partly well founded.

I. Principles

The Local Division Düsseldorf has recently issued a decision, which outlines the basic principles regarding applications for cost decisions (UPC_CFI_355/2023; UPC_CFI_186/2025 LD Düsseldorf, decision of 9 July 2025, mn. 19 et seq.; Fujifilm v. Kodak). The Central Division concurs with the reasoning and cites the principles as explained by the Düsseldorf Local Division in the following.

19. According to Art. 69(1) UPCA, reasonable and proportionate legal costs and other expenses incurred by the successful party shall, as a general rule, be borne by the unsuccessful party, unless equity requires otherwise, up to a ceiling in accordance with the Rules of procedure.

20. For representation costs, this principle is specified in R. 152.1 and .2 RoP to the effect that the applicant shall be entitled to recover reasonable and proportionate costs for representation, whereby the Administrative Committee shall adopt a scale of ceilings for recoverable costs by reference to the value in dispute. Regarding expert costs, R. 153 RoP stipulates that the compensation for costs of experts of the parties exceeding the expenses referred to in R. 180.1 RoP shall be based on the rates that are customary in the respective sector, with due regard to the required expertise, the complexity of the issue and the time spent by the expert for the services.

21. The costs of the legal dispute are those that have actually been incurred in the specific pending or disputed proceedings. These include the costs listed in R. 151(d) RoP, in particular. Other costs are those that have not been incurred in the pending proceedings, but which are directly and closely related to them (see UPC_CFI_696/2024 (LD Munich, Panel 2), Decision of 19 March 2025 – MSG Maschinenbau v EJP Maschinenbau; UPC_CFI_363/2023 (LD Düsseldorf, Decision of 14 April 2025 – Seoul Viosys v expert; UPC_CFI_16/2024, Decision of 22 April 2025, mn. 16 – Ortovox v Mammut).

22. To be eligible for reimbursement, the costs in question must be cumulative reasonable and appropriate, which is always a matter of individual assessment. These criteria are intended to safeguard the objectives set out in Art. 3 and 14 of the Directive 2004/28, namely to ensure a high level of protection for European patents and to prevent an injured party from being deterred from taking legal action to enforce its rights. They also aim to ensure that the measures, procedures and remedies necessary for the enforcement of intellectual property rights are not unnecessarily costly (ECJU, 28 April 2022 – C-531/200 – NovaText/Ruprecht-Karls-Universität Heidelberg; ECJU, 28 April 2022 – 559/20 – Koch Media/Funke; ECJW, 28 July 2016 – C-57/15 – United Video Properties/Telenet; UPC_CFI_16/2024 (LD Düsseldorf), Decision of 22 April 2025, mn. 17 – Ortovox v Mammut). This also applies for the legal defence.

23. Taking this into account, “reasonable” essentially means “necessary”. From the perspective of a reasonable and rational party, the decisive factor is whether the measure that incurred the costs was objectively necessary and appropriate for achieving the legitimate object of the proceedings.

Therefore, the measure must be relevant to the pursuit or defence of legal rights (UPC_CFI_16/2024 (LD Düsseldorf), Decision of 22 April 2025, mn. 18 – Ortovox v Mammut).

24. The focus of appropriateness is primarily on the amount of costs incurred. The costs incurred by the necessary measure must not be disproportionate. In particular, they must not exceed the value in dispute, the significance of the case, the difficulty and complexity of the relevant legal and factual issues, and the measure's prospects of success. An ex ante assessment is also appropriate here (UPC_CFI_696/2024 (LD Munich, Panel 2), Decision of 19 March 2025, mn. 18 – 22 – MSG Maschinenbau v EJP Maschinenbau; see also UPC_CFI_363/2023 (LD Düsseldorf), Decision of 14 April 2025 – Seoul Viosys v expert; UPC_CFI_16/2024 (LD Düsseldorf), Decision of 22 April 2025, mn. 19 – Ortovox v Mammut).

II. Application in the present case

1. Admissibility

Photon Wave asserts that Rules 150 and 151 RoP require a decision on the merits, whereas the order 55072/2024 regarding the preliminary objection is entitled “procedural order” and not “decision”. Photon Wave further asserts that the “procedural order” did not end the proceedings in the first instance.

While Rules 150 and 151 RoP speak of a “decision” and not of a “procedural order”, the issue of whether or not a separate cost decision can be issued with regard to a preliminary objection is to be decided considering material criteria. An application for a separate cost decision regarding a preliminary objection is admissible if the proceeding is closed so that no further actions will have to be taken in this proceeding. Generally, this will be the case when a decision or an order ends the proceeding in the first instance.

However, in this case an order (Order of 6 January 2025) ended the proceeding before this Division, by allowing the preliminary objection. This Division declined jurisdiction and ordered the transfer of the revocation action to the Paris Local Division. Hence no further actions will have to be taken in this proceeding before the Paris Central Division. The proceeding regarding the preliminary objection is closed.

Moreover, this judge rapporteur takes into account the final order dated 6 January 2025 in which this Division decided that “Photon Wave shall bear 80% of the legal costs of the preliminary objection proceedings incurred by Seoul Viosys”. This final order has to be understood as deciding that the proceedings are closed at least insofar as allowing for a cost decision.

Further, with procedural order dated 30 April 2025 the judge rapporteur in an application for a cost decision regarding the revocation action before the Paris Local Division (ORD_13202/2025, ACT_28074/2024, UPC_CFI 165/2025) stated that the costs of the preliminary objection before the Central Division and the revocation action before the Paris Local Division are to be treated separately. The proceedings that took place before the Paris Central Division were not taken into account by the Paris Local Division in their cost order.

If the Paris Central Division considered, as requested by Photon Wave, the application for a cost decision regarding the preliminary objection inadmissible, the costs of the preliminary objection could not be recovered at all by Seoul Viosys. This would contradict the principle of Art. 69 UPCA according to which reasonable and proportionate legal costs and other expenses incurred by the successful party shall, as a general rule, be borne by the unsuccessful party.

2. Value of the proceeding

In its Statement for revocation, Photon Wave requests the value of the action to be set at EUR 250,000. Seoul Viosys disputes this valuation and requests the value of the action to be instead set at EUR 500,000.

This Court considers it to be appropriate to set the value of litigation for the revocation proceedings at EUR 500,000, similar to the decision of the Paris Local Division in the revocation action (order the Paris Local Division issued at 30 April 2025 (ORD_13202/2025, ACT_28074/20, UPC_CFI_165/2025)). Similarly, in the infringement action, after hearing the parties in the interim conference, the value was set at EUR 500,000 (order of 17 February 2025 ORD_598577/2023, ACT_588685/2023 UPC_CFI_440/2023, page 3).

3. Value of preliminary objection proceedings

The Court agrees with Photon Wave's argument that the value of a preliminary objection cannot be the same as the value of the total proceedings of the first instance but must be lower.

The Court's order of 6 January 2025 specifies that "Photon Wave shall bear 80% of the legal costs of the preliminary objection proceedings incurred by Seoul Viosys". This means that 80% of the value of the preliminary objection is to be borne by Photon Wave, but it does not say that the value of litigation of the preliminary objection is 80 per cent of the value of litigation of the full revocation action.

The preparation for preliminary objection proceedings does not require time-consuming consideration of technical issues, as it focuses merely on legal issues. The Court therefore considers that in the current case the value of preliminary objection proceedings is one quarter of the value of a revocation action.

4. Expert costs

With regard to the claimant's request for reimbursement of expert costs, the Court does not consider the costs incurred as a result of engaging [REDACTED] on the interpretation of Article 33(4) UPCA, totaling EUR 6,720, as eligible for reimbursement. The team of representatives would have been able to consider the issues raised by the revocation action, and in particular, the issue of the interpretation of Article 33 UPCA, and on that basis prepare adequately and appropriately file their submissions.

5. Recoverable costs

This leads to the following calculation:

- Starting point is the value of the revocation action (EUR 500,000).
- According to the Decision of the Administrative Committee of 24 April 2025, on the scale of recoverable costs ceilings Seoul Viosys is entitled to recover representation costs up to a ceiling of EUR 56,000.
- In this preliminary objection proceeding only one quarter of these representation costs may be claimed. Therefore, the ceiling for representation costs is EUR 14,000.
- Following the order of 6 January 2025, Seoul Viosys may to recover 80 % of this amount.
- This results in recoverable costs of **EUR 11,200**


Order

1. Photon Wave shall reimburse Seoul Viosys for costs totaling EUR 11,200.
2. Reimbursement shall be made within three weeks of this decision being served.
3. In all other respects, the application for a cost decision is dismissed.

Issued on 27 July 2025

Maximilian Haedicke, Legally qualified judge and judge rapporteur

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This order can be appealed according to R. 221 RoP.

Order no. ORD_29348/2025 in ACTION NUMBER: ACT_28074/2024

UPC number: UPC_CFI_101/2025

Action type: Revocation Action

Related proceeding no. Not provided Not provided

Not provided Not provided