



MILAN - CENTRAL DIVISION - FIRST INSTANCE

UPC_CFI_773/2025 and UPC_CFI 774/2025

COST DECISION

of the Court of First Instance of the Unified Patent Court

delivered on 15 October 2025

Headnote: **All costs relating to the enforcement do not fall within the scope of Rule 151 RoP. The wording of Rule 150 RoP does not allow for the compensation of costs incurred after the publication of the decision. The procedure for costs arises from the choice to separate the phase on the merits from the phase relating to costs, with a view to making cost settlement easier for the parties. However, the cost decision is always logically dependent on the merits phase and cannot include costs accrued after proceedings are terminated**

APPLICANT/S

INSULET Corporation (Applicant) - 100 Nagog *Represented by Marc Grunwald and*
Park - MA 01720 - Acton – US Massachusetts *Frank Perrerreins*

RESPONDENT/S

EOFLOW Co. Ltd. (Respondent) - 302Ho, HUMAX *Represented by Mirko Weinert and*
VILLAGE, 216 - 13595 - Hwangsaoul-ro, Bundang-gu, *Christopher Pierce in the revocation action*
Seongnam-si, Gyeonggi-do - KR

PATENT AT ISSUE

Patent no. *Proprietor/s*

EP4201327 **Insulet Corporation**

DECIDING JUDGE: judge-rapporteur (JR)

LANGUAGE OF PROCEEDINGS: English

Summary of facts

INSULET applied (App. 35196/2025) on 20 August 2025 for cost compensation against EOFLOW because of additional costs exceeding those already provisionally settled by the decision issued on 22 July 2025 within the revocation action and counterclaim for infringement under UPC_CFI 380 and 597/2024. The request for costs related to both the infringement action (Cost proceedings UPC_CFI 773/25) and the counterclaim for revocation (Cost proceedings UPC_CFI 774/25).

A cumulative decision for both actions is therefore applicable since the request relates to the same joint proceedings (claim for infringement/revocation and counterclaim for infringement).

INSULET requested:

- I. Respondent as the unsuccessful party bears the costs incurred by Applicant in the proceedings on the merits before the Central Division Milan (UPC_CFI_597/2024; UPC_CFI_787/2024; ACT_56003/2024) as set forth in the decision of the Central Division Milan dated 22 July 2025 (ORD_22491/2025);*
- II. The interim award of legal costs for Applicant in the amount of EUR 200,000.00 as set forth in the decision of the Central Division Milan dated 22 July 2025 (ORD_22491/2025) is deemed final and binding;*
- III. Further recoverable costs be fixed in the amount of EUR 197,587.50;*
- IV. Respondent shall pay the costs within a period to be set by the Court;*
- V. The cost decision is immediately enforceable.*

By Order of 4 September 2025, no. ORD_36135/2025 in ACT_56003/2024, the Judge-rapporteur gave EOFLOW the opportunity to comment in writing on the request.

EOFLOW observed (12 September 2025) that the additional costs claimed by INSULET were excessive and disproportionate.

In particular, the costs for representation exceeded recoverable costs under Rule 152.1 RoP and were to be reduced to a reasonable and proportionate amount, considering that the main proceedings were procedurally curtailed in significant respects since EOFLOW failed to provide the ordered security for costs and consequently, INSULET did not have to prepare for an oral hearing (OH) on validity. Secondly, the issues argued during the OH were driven by the same lines of argumentation already displayed in the PI case and in the main action.

EOFLOW further observed that some costs (namely EUR 33,540) were not recoverable since they occurred after the proceedings were terminated and were rather related to the enforcement phase.

22.07.2025	Analyze final judgment from the CD Milan; Internal discussion; Prepare enforcement	VF-SV	MBG	5,50	2.200,00
22.07.2025	Review and analyse decision on the merits; call with client; work on enforcement.	VF-SV	MAG	6,50	3.705,00
23.07.2025	Draft motion to enforce and letter of enforcement ofr EOFLOW.	VF-SV	MAG	6,50	3.705,00
24.07.2025	Revise; Internal discussion; Research; Support filing	VF-SV	MBG	9,00	3.600,00
24.07.2025	Work on enforcement, draft letter of enforcement and request to enforce entire decision.	VF-SV	MAG	9,50	5.415,00
28.07.2025	Work on enforcement; reporting order to enforce decision in main proceedings.	VF-SV	MAG	3,50	1.995,00
29.07.2025	Draft application for cost decision; Work with briefs from the proceedings	VF-SV	MBG	4,60	1.840,00
29.07.2025	Work on enforcement; anylsis of portion of decision re cost reimbursement, suggestions for client.	VF-SV	MAG	7,00	3.990,00
30.07.2025	Draft application for cost decision; Build and implement arguments re Menarini settlement	VF-SV	MBG	4,00	1.600,00
30.07.2025	Work on einforcement; communication re appeal cost decision.	VF-SV	MAG	2,50	1.425,00
31.07.2025	Draft application for cost decision; Analyze invoices and cost overviews	VF-SV	MBG	6,60	2.640,00
31.07.2025	Working on motion for cost fixation in main proceedings.	VF-SV	MAG	2,50	1.425,00

EOFLOW observed that the Court's decision of 22 July 2025 addressed the allocation of costs, applying it retrospectively to costs incurred in connection with the main proceedings. Costs incurred in preparing for enforcement did not fall, in EOFLOW's opinion, within the scope Rule 152.1.

EOFLOW finally opposed the award of costs related to an expert's opinion on Italian law, because the proceedings were governed by UPC law, and Italian law did not play any role in the determination of the issues in dispute. Those costs were to be regarded as unnecessary and, subordinately, as disproportionate.

Grounds for the order

INSULET's application complies with the requirements of Rule 151: it was filed within one month of the decision date (22 July 2025) and contains the decision giving rise to costs as Exhibit 1, as well as the action number and amount of the expenses requested under Rule 151.d RoP¹. INSULET has stated that it did not know of any appeal being filed under Rule 151.1 c) RoP.

The application for a cost decision is admissible.

Pursuant to Art. 69 (1) UPCA and R. 152.1 RoP, INSULET is entitled to the recovery of reasonable and proportionate costs for representation in the proceedings on the merits. In line with Rule 152.2 RoP, the Administrative Committee of the Court has adopted a Scale of Ceilings for Recoverable Costs, which defines the maximum recoverable amounts based on the value of the dispute of the proceedings.

Pursuant to the Scale of Ceilings for Recoverable Costs and R. 152.2 RoP, the ceilings for recoverable representation costs are determined by reference to the value of the proceedings.

In the present case, the Court assigned separate values to two distinct actions: EUR 5 Mio for the Revocation Action and EUR 2.5 Mio for the Counterclaim for infringement. Both actions were fully adjudicated and resolved in Applicant's favour. Pursuant to the Scale of Ceilings for Recoverable Costs, the applicable ceilings are EUR 600,000.00 and EUR 400,000.00, respectively. This Court awarded Applicant EUR 200,000 as interim costs for the main case in its 22 July 2025 decision.

¹ Decision of 22 July 2025, ACT_56003/2024 UPC_CFI_597/2024 UPC_CFI_787/2024

The decision, also as to the provisional costs, has not been appealed and must be considered res judicata.

INSULET's request is within the ceiling of recoverable cost set by the Administrative Committee.

The application for a cost decision is partially well-founded.

In support of the representation expenses, the Applicant submitted a summary of the services presented by their representatives ("representatives") in the form of an invoice and payment sheets, proving that the expenses they were requesting have been invoiced and actually paid by INSULET Co.

Nevertheless, the JR excludes from the recoverable costs those that are unintelligible, since totally or partially redacted in the invoices (Exhibit 2). Particular reference is made to the costs for research (EUR 1,720.00) in the invoice n. 02500529 of 4 March 2025 and those in the invoice no. 202501429 of 2 June 2025, and in the invoice no. 202502059 of 4 August 2025.

Pursuant to Rule 156 RoP, the party requesting cost compensation must indicate exactly which cost item it is requesting payment for, in order to allow the judge to carry out the review provided for in Rule 156 RoP and Article 69 UPCA. The party must therefore make a choice: either submit the costs to the Court or keep them confidential and waive their payment. Obscured costs cannot be settled, even if they are only partly redacted, as it would be unclear which part of the costs is related to the proceedings and which part is not.

Expenses relating to the applicant's personal circumstances must also be excluded, such as '*File motion to reschedule interim conference due to conflicting hearing of Felix Glöckler. 15.04.2025 MAG 1,50 hrs at EUR 570,00 EUR 855,00*'. It is not clear why the losing party should pay for the personal schedule problems of one of the lawyers representing the counterparty. This cost item lacks proportion and reasonability.

All costs relating to the enforcement phase must also be excluded, given that such costs do not fall within the scope of Rule 151 RoP.

Enforcement costs are more appropriately placed in the enforcement phase, which, as is well known, falls outside the jurisdiction of the UPC.

Furthermore, apart from the consideration that Article 82.3 of the UPCA leaves all issues relating to enforcement to the singular national courts of the Contracting Member States, enforcement being regulated differently depending on the place where it is expected to take place, this Court considers that the wording of Rule 150 RoP does not allow for the compensation of costs incurred after the publication of the decision. The procedure for costs arises from the choice to separate the phase on the merits from the phase relating to costs, with a view to making cost settlement easier for the parties.

However, the cost decision is always logically dependent on the merits phase and cannot include costs accrued after proceedings are terminated. Costs must always relate to the case on the merits (LD Düsseldorf, UPC_CFI 16/24 ,*Kosten des Rechtsstreits sind solche, die in dem konkret anhängigen*

bzw. in Rede stehenden Verfahren (tatsächlich) entstanden sind. Hierzu zählen insbesondere die in R. 151 lit. d) VerFO aufgezählten Kosten. Als sonstige Kosten sind solche zu begreifen, die zwar nicht in dem anhängigen Verfahren entstanden sind, die jedoch unmittelbar und eng mit dem betreffenden Verfahren zusammenhängen (vgl. UPC_CFI_696/2024 (LK München, Panel 2), Entscheidung v. 19.03.2025 – MSG Maschinenbau v. EJP Maschinenbau; UPC_CFI_363/2023 (LK Düsseldorf), Anordnung v. 14.04.2024 – Seoul Viosys v. expert).

Finally, a cost item relating to an expert opinion on Italian law (EUR 700) must also be excluded, since no issues relating to the law of that country arose during the entire proceedings.

This brings the total recoverable costs to the sum of EUR 360,772.

Not all these costs are proportionate in the opinion of the JR.

It should be noted here that proportionality (see *LD Düsseldorf in UPC_CFI UPC_CFI_16/2024, UPC_CFI_121/2025, UPC_CFI_124/2025, UPC_CFI_626/2024*) focuses on the amount of the costs and not on their necessity. Necessary and reasonable costs might be disproportionate in their actual amount. In particular, they might be disproportionate to the value in dispute, the importance of the case, the degree of difficulty and complexity of the legal and factual issues relevant to the decision.

To this extent, a distinction must be made between the costs incurred up to April 2025 and those incurred thereafter. On 11 April 2025, this Court imposed a security on EOFLOW of EUR 500,000, to be paid by 2 May 2025.

On 30 April 2025, the Court of Appeal (UPC_CoA_768/2024 APL_64374/2024) reversed the decision of this Court, issued a PI, clarifying many of the issues at the heart of the dispute, including the interpretation of the patent claims.

These factors undoubtedly marked a turning point in the proceedings, resulting in EOFLOW's unwillingness to carry on the revocation and to pay the security. EOFLOW also willingly omitted to appeal the Order of 11 April 2025.

As a result, all activities carried out since 4 May 2025 have been less complex, as the outcome of the judgment became far more predictable. This does not exclude the need to carry out defensive activities, but it has a significant impact on the commitment required until the conclusion of the proceedings.

In the Court's view, the degree of difficulty of the case was significantly reduced from May onwards, as the default decision on the revocation action appeared inevitable, and some of the disputed interpretations of the patent claims also appeared clarified at least by the CoA.

It is undeniable, according to EOFLOW that the subsequent phase of the proceedings was a repetition of all arguments already submitted in the interim phase and before the Court of Appeal.

And, as already pointed out in the decision on the merits, almost 90% of the arguments presented before the Court of Appeal overlap substantially with those presented in the interim phase and during the written phase (claim construction, novelty, inventive step).

To avoid overcompensation and the violation of the principles of proportionality and reasonableness laid down in Rule 151 RoP, the judge may therefore also take into consideration, under the benchmark of proportionality, the fact that The interim conference itself concluded with only EOFLOW's statement that they did not want to pay the security, and the OH (and its preparation) dealt solely with the issue of infringement, which was never a significant issue in the proceedings, given that it was almost undisputed that EOFLOW's embodiment included all features of the patent.

The JR must also take into account that EOFLOW insisted on having an oral hearing on the infringement action (in which it was the defendant), which nevertheless made it necessary to prepare the OH, which reflects on the proportionality of all costs paid by the applicant.

A fair balance between the assessment of the complexity of the case resulting from the events of April 2025 and the necessary preparation of the OH leads to an equitable reduction of the costs invoices starting from 2 May 2025 (in relation to only those cost items deemed reasonable) by 30%, thereby reducing the cost compensation from the requested EUR 156,662.00 to EUR 109,663.40.

This brings the total amount of recoverable cost to EUR 313,773.40.

From this sum, the provisional amount of EUR 200,000 must be deducted, since that was already granted as a provision in the first instance decision and is *res judicata*.

The JR therefore awards INSULET an additional EUR 113,773.40 as proceedings costs.

FOR THESE REASONS

Having regard to Rule 156(2) and (3) of the Rules of Procedure of the UPC,

The Court holds the interim award of legal costs for Applicant of EUR 200,000.00 as outlined in the decision of the Central Division Milan dated 22 July 2025 (ORD_22491/2025) as final and binding.

The Court orders EOFLOW co. Ltd to pay to INSULET an additional EUR 113,773.40 within three weeks starting from the date of this cost decision.

Milan, 15 October 2025.

Judge-rapporteur

Andrea Postiglione

Under Rule 157 RoP, the decision of the judge-rapporteur as to costs only may be appealed to the Court of Appeal in accordance with Rule 221 RoP.