

UPC_CFI_362/2025

Order
of the Court of First Instance of the Unified Patent Court
delivered on 30/10/2025

Preliminary Objection (R.19 RoP)

CLAIMANT

- 1) Sun Patent Trust
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35th Floor - 10022 - New York - US

Represented by
Caroline Levesque

DEFENDANTS

- 1) Vivo Mobile Communication Iberia SL
Calle Orense 58, Planta 12 C
28020 - Madrid – ES
- 2) Vivo Tech GmbH
Speditionstrasse 21
40221 - Düsseldorf – DE
- 3) Vivo Mobile Communication Co., Ltd.
No. 1, Vivo Road, Chang'an Town
523866 - Dongguan City, Guangdong - CN

Represented by
Dr Georg Andreas Rauh

PATENT AT ISSUE

<i>Patent no.</i>	<i>Proprietor</i>
EP3407524	SUN PATENT TRUST

COMPOSITION OF PANEL – FULL PANEL

Presiding judge & Judge-rapporteur	Camille Lignières
Legally qualified judge	Carine Gillet
Legally qualified judge	Andras Kupecz

LANGUAGE OF PROCEEDINGS: English

ORDER

Summary of facts and procedure

On 18 April 2025, SUN PATENT brought before the present Division an infringement action against VIVO.

On 26 August 2025, the judge rapporteur granted an extension of time under R. 9.3 RoP, ordering that a potential preliminary objection (PO) could be filed by 28 September 2025, and that the Statement of Defence (SoD) be filed by 28 November 2025.

On 29 September 2025 (28 September was a Sunday), VIVO filed a PO arguing primarily that the UPC lacks jurisdiction under R.19.1 (a) RoP, claiming that only a FRAND defence can be dealt with by the UPC, but that in this case, SUN PATENT requested a ruling on this issue as the main claim. In addition, VIVO contests the internal competence of the Paris Local Division under R. 19.1 (b) RoP.

VIVO asks the Court to:

- allow the objection and dismiss the action in its entirety, in the alternative partly, as inadmissible;
- decide on the preliminary objection according to R. 20.1 RoP as soon as practicable after the expiry of the period referred to in R. 19.5 RoP and not defer a decision on the preliminary objection until a decision in the main proceedings according to R. 20.2 RoP;

The stay request was dealt with by a preliminary order issued on 13 October 2025, which rejected the request. This order was confirmed by a review order issued by the panel on 28 October 2025.

SUN PATENT, in its comments of 21 October 2025, replies that the UPC has jurisdiction to rule over the FRAND aspects of the case, and the Paris Local Division is competent to hear the case, asking the Court to:

-Dismiss the Defendants' Preliminary objection.

-In the alternative, hold that the preliminary objection only affects A.II of Claim A in the SoC and that the Court has jurisdiction; and the LD is competent over all other claims of the Statement of Claim.

-Hold that the costs of the PO proceedings shall form part of the costs of the action and shall be borne by the Defendants.

Parties' arguments

VIVO seeks that the Court rule that the UPC is not competent, arguing:

-The Unified Patent Court does not have jurisdiction for the present action (R. 19.1(a) of the Rules of Procedure). This applies in any event to the extent the Claimant seeks a declaration in its main claim (claim A.II.) that the terms of its licence offer (Exhibit HRM 9.4) are FRAND and, in the alternative, seeks the determination of FRAND terms by the court. This is because the subject matter of this main request does not fall under the types of action exhaustively listed in the UPCA and therefore does not fall within the competence of the UPC. Since claim request A.II of the main claim is inadmissible, all claim requests that depend on claim request A.II., i.e. claim requests under A.III. of the main claim, are similarly inadmissible.

In addition, VIVO claims that the Paris Local Division would also not have internal jurisdiction under Art. 19.1(b) RoP.

SUN PATENT replies that:

The Defendants' objection rests solely on the basis that the Claimant has brought "*two independent principal claims, one of which – the determination of FRAND licence terms – lies outside the competence of the UPC*". Accordingly, the first issue the Court must decide is whether such FRAND determination constitutes an independent principal claim. On the contrary, there is only one principal claim, and that is claim A. The claim for relief in A.I to A.III flows from a single cause of action: an action for infringement of an SEP, which necessarily requires an assessment of the FRAND terms offered by the Claimant to obtain an injunction and other relief.

IN SUN PATENT's view, VIVO's argument relies on the incorrect assertion that the Claimant has brought two independent claims before the Court: a claim for infringement within Article 32(1)(a) UPCA, and a separate claim for a FRAND determination, which is alleged does not fall within Article 32 UPCA.

According to the Claimant, it brought an action for patent infringement within Article 32(1)(a) UPCA, and given that EP524 is an SEP, the Court cannot grant relief before having determined that the Claimant has made a FRAND licence offer in accordance with the Claimant's FRAND obligations arising from its undertaking to ETSI and EU law, including following the method set by the CJEU in its decision *Huawei v. ZTE*, as applied by the UPC in *Panasonic v. OPPO* and *Huawei v. Netgear2*. This explains the structure of claim A and why it is broken down into subsections. A.II is not a claim in and of itself, and no relief is sought in A.II. The Claimant does not seek a declaration as to the licence terms which are FRAND, nor an unconditional claim for the conclusion of a FRAND licence (as Vivo suggest in para 29), nor seek any relief other than that which flows from infringement of a patent. SUN PATENT states that the relief sought is conditional on the Court resolving a legal and factual issue: whether the Claimant complied with its FRAND obligations by offering terms that meet FRAND requirements. This does not create a standalone claim, but it constitutes a condition precedent to the grant of relief for infringement of the SEP in suit.

Moreover, the Claimant argues that, in any event, UPC competence under Article 32(1)(a) encompasses a FRAND determination within an infringement action (A.II.2) and that in an action for infringement of an SEP, patent infringement and FRAND issues must be decided together to comply with EU competition law.

Such interpretation of Art 32(1)(a) is also consistent with the fact that, according to Art. 63 UPCA, the Court “may” grant an injunction, meaning that circumstances may lead the Court to consider whether an injunction may be granted. Such circumstances may be determining whether the patentee exhausted its rights, whether a licence already granted to the defendant covers the infringing acts and, for cases involving SEPs, whether the offer made by the patentee is FRAND and, if so, whether the defendant accepts to be bound by a license under those terms.

I) The competence of the UPC (R. 19.1 (a) RoP and Art. 32 UPCA) regarding the FRAND claims

The claims of the Statement of Claim (SoC), which are alleged as inadmissible due to the lack of competence of the UPC, are mentioned in part A.II as follows:

A.II [FRAND TERMS] To find that the terms on which the Claimant is willing to license European patent No. EP 3 407 524, as set out in HRM Exhibit No. 9.4 are FRAND. Alternatively, where the Court determines that adjustments are required to the terms on which the Claimant proposes to license European patent No. EP 3 407 524, in order to bring these terms into the FRAND range, to find those (adjusted) terms to be FRAND

According to VIVO, even if UPC LD Mannheim has already stated (para. 237 of the decision of the LD Mannheim in the case Panasonic v OPPO of 22 November 24) that Art. 32(1)(a) UPCA also extends to licences that do not yet exist, however, this was done in relation to counterclaims. Jurisdiction for actions brought by the patent proprietor is not stated in Panasonic v OPPO. Nothing else follows from the fact that the UPC must (incidentally) determine whether one or more licence offers are FRAND-compliant in the context of a possible FRAND objection.

GROUND

Art. 32.1 UPCA states that the Court shall have exclusive competence in respect of:

a) Actions for actual or threatened infringements of patents and supplementary protection certificates and related defences, including counterclaims concerning licences (...)

The contested A) part of the SoC is redacted as follows:

A. As the principal claim,

A.I [INFRINGEMENT] to hold that the Claimant has demonstrated that the Defendants infringe claims No. 1, 2, 5, 6, 7, 8, 11 and 12 of European patent No. EP 3 407 524 by offering, importing, exporting, using, placing on the market, in France and Germany, 4G+ compatible mobile phones and devices including but not limited to Vivo X200 Pro, Vivo X Fold3 Pro, Vivo X200, Vivo X100 Pro 5G, Vivo X90 Pro, Vivo X80 Pro 5G, Vivo X80 Lite 5G, Vivo X80 Lite, Vivo X60 Pro 5G, Vivo X51 5G, Vivo V50, Vivo V40 5G, Vivo V40 Lite 5G, Vivo V40 SE 5G, Vivo V40 SE 4G, Vivo V29 5G, Vivo V29 Lite 5G, Vivo V23 5G, Vivo V21 5G, Vivo Y76 5G, Vivo Y72 5G, Vivo Y70, Vivo Y55 5G, Vivo Y52 5G, Vivo Y36, Vivo Y35, Vivo Y33s, Vivo Y28s 5G, Vivo Y28, Vivo Y22s, Vivo Y21s, Vivo Y21, Vivo Y20s, Vivo Y17s, Vivo Y16, Vivo Y11s, Vivo Y01;

A.II [FRAND TERMS] To find that the terms on which the Claimant is willing to license European patent No. EP 3 407 524, as set out in HRM Exhibit No. 9.4 are FRAND. Alternatively, where the Court determines that adjustments are required to the terms on which the Claimant proposes to license European patent No. EP 3 407 524, in order to bring these terms into the FRAND range, to find those (adjusted) terms to be FRAND.

A.III In the event that the Defendants and each of them do not enter into a licence on such terms as the Court determines to be FRAND within a specified time period to be directed by the Court: [INJUNCTION] subject to a penalty to be determined by the Court for each case of infringement, an injunction to restrain the Defendants and each of them (whether acting by their directors, officers, employees, agents or otherwise howsoever) from infringing European patent No. EP 3 407 524 (Article 63 UPCA) in France and Germany. (...)

The court considers that it follows from reading the contested operative part of the Statement of Claim (SoC), that SUN PATENT's main claim consists primarily of an infringement action. Since this involves infringement of an essential patent, its request for an injunction and other corrective measures is conditional on the assumption that it has already made a FRAND offer to the defendant. Only in the event that a FRAND offer is not accepted, an injunction and corrective measures are requested.

The claimant has merely anticipated the so-called "FRAND defence" that the defendant is raising against this type of infringement action. This FRAND defence falls within the jurisdiction of the UPC, according to a consistent UPC CFI caselaw which indicates that the FRAND issue can be dealt with incidentally by the UPC, in view of several decisions issued by UPC local divisions, notably in PANASONIC /OPP cases. (UPC LD Mannheim, CFI 210/2023, decision of 22 November 2024, §237-240)

VIVO admits that infringement actions relating to an SEP and the issue of competition rules relating to the possible abuse of dominant position on the market of the patentee of the said "essential invention" to the implementation of a particular technology standard are intrinsic to the matter of finding an infringement and therefore to the question of future FRAND licences.

The court notes that the two issues are undoubtedly linked: the main issue is the infringement of an essential patent, whereas the question of the FRAND offer is only incidental or dependent on the main issue.

In the case at hand, SUN PATENT anticipated this incident and made it a condition of its application for an injunction against infringement. Thus, the question is whether the FRAND condition raised by the Claimant at the time of the SoC is admissible as it falls within or not within the scope of Art. 32.1 UPCA.

Against this background, in any event, the UPC has jurisdiction to hear the main infringement claim, including a claim for an injunction. Furthermore, a discussion of FRAND terms, at least as a defence raised by VIVO at the time of the statement of defence, will undoubtedly follow, as anticipated by both parties. In the present case, all facts and arguments relevant to the determination of FRAND terms, whether admissible or not, will have to be debated by the defendants.

In this context, the court considers that it is appropriate to rule on the admissibility of claim A.II in the main proceedings in accordance with Rule 20.2 RoP.

II) The competence of the Paris Local Division (R. 19.1 (b) and Art. 33 UPCA)

VIVO contests the territorial competence of the Paris LD in the case at hand, arguing that none of the defendants is domiciled in France, so that jurisdiction of the Paris Local Division cannot be established under Art. 33(1)(b) UPCA.

Regarding Art. 33. 1 (a), VIVO explains that:

-With regard to the alleged acts of infringement, the "Vivo Global Website" is allegedly operated by the defendant 1) and refers to the national websites, inter alia, for Germany and France. These websites are allegedly operated by defendant 3). However, it cannot be inferred from this that the

defendant 2) is responsible. The same applies to alleged redirects to sales pages. Allegedly, defendant 2) is responsible for the Dutch vivo website. However, this does not, already from the outset, constitute an act in relation to France.

-Moreover, the Claimant's statements relating to the purchased products cannot establish jurisdiction either. If the Claimant has purchased the products in France and Italy, however, it did not purchase them from any of the three defendants. Nor does it claim that or how the defendants were specifically involved in these alleged sales activities.

Grounds

It is undisputed that none of the Defendants is located in France, so the criterion foreseen in Art. 33.1 b) is not met in the present case. It is also not contested that all Defendants belong to the worldwide group VIVO.

The Claimant based the internal competence of the Paris LD on the 1st criterion of Art. 33.1 (a) UPCA, which states:

"1. Without prejudice to paragraph 7 of this Article, actions referred to in Article 32(1)(a), (c), (f) and (g) shall be brought before:

(a) the local division hosted by the Contracting Member State where the actual or threatened infringement has occurred or may occur, or the regional division in which that Contracting Member State participates " (underlined by the Court)

The place "where the actual or threatened infringement has occurred or may occur" as referred to in Art. 33(1)(a) UPCA must be interpreted in the same way as the place "where the harmful event occurred or may occur" of Art. 7(2) of the Brussels I recast Regulation is interpreted in relation to alleged patent infringements (UPC CoA, order of 3 September 2024, UPC_CoA_188/2024, *Aylo/Dish*, *Headnotes1*).

In the case at hand, one alleged infringing product offered by VIVO group has been purchased by the Claimant on the online shop "Fnac.com", which is clearly dedicated to the French market (see SoC, para. 192; HRM Exhibit No. 7.12, pages 2 and 6). The offer and the delivery of VIVO's alleged infringing product have occurred in the French territory. (See UPC CoA, order of 3 September 2024, UPC_CoA_188/2024, *Aylo/Dish*, §13: " *Where the damage is allegedly caused via the internet, the likelihood of such damage may arise from the possibility of obtaining products and/or using services from an internet site accessible within the territory of the Contracting Member State where the European patent has effect.*")

All three defendants belong to the worldwide group VIVO, which manufactures and/or commercialises the alleged infringing product, in particular, concerning Defendant 2, the Claimant considers that it is the "Authorised European Representative" mentioned on the packaging of the alleged infringing product (HRM Exhibit No. 7.12). The respective liability of the defendants in the infringement acts will be examined at a further stage of the proceedings, in the decision on the merits. But, at this stage of the proceedings and as regards the question of jurisdiction, the Claimant has sufficiently demonstrated that its claim concerns alleged infringement acts concerning VIVO's products which occurred in France. Thus, the internal competence of the Paris Local Division under Article 33(1)(a) UPCA is justified in the present case.

Consequently, the main objection to dismissing the action in its entirety shall be rejected.

Concerning the alternative objection, the Court states that the admissibility of claim A.II in the Statement of Claim as regards Art. 32.1 UPCA shall be dealt with in the main proceedings, pursuant to Rule 20.2 RoP. The objection concerning the internal competence of the Paris Local Division shall also be rejected.

ORDER

For these grounds, the Court orders the following:

- The preliminary objection raised by VIVO is entirely rejected, specifying that the admissibility of claim A.II in the Statement of Claim as regards Art. 32.1 UPCA shall be dealt with in the main proceedings, pursuant to Rule 20.2 RoP,
- The costs will be taken into account in the main proceedings.
- An appeal may be brought against the present order within 15 calendar days of its notification to the unsuccessful party pursuant to Art. 73(2)(a) UPCA and Rule 220.2 RoP.

INSTRUCTIONS TO THE PARTIES AND TO THE REGISTRY (Rule 20(1), 3rd sentence RoP) concerning the next steps in the proceedings:

- The time period for lodging the Statement of Defence shall not be affected by the present decision.

Issued in Paris, on 30 October 2025.

C.Lignièrès, Judge rapporteur

C. Gillet, Legally qualified judge

A. Kupecz, Legally qualified judge

ORDER DETAILS

UPC number: UPC_CFI_362/2025

Action type: Infringement Action – Preliminary Objection R. 19 RoP

Date of issue: 30/10/2025