



Order: ORD_16070/2024
Application: App_10381/2024
Action: ACT_953/2024

UPC_CFI_9/2024
Order
of the Court of First Instance of the Unified Patent Court
delivered on 29 October 2024

APPLICANT/DEFENDANT

Sioen NV, Fabriekstraat 23 - 8850 - Ardoorie - BE

Represented by Véronique Pede and Antonin Lambrecht

RESPONDENT/CLAIMANT

TEXPORT Handelsgesellschaft mbH, Franz Sauer Straße 30 - 5020 - Salzburg - AT

Represented by Thomas Adocker, Michael Babeluk and Martin Babeluk

PATENT AT ISSUE

EP2186428

DECIDING JUDGE

This order has been issued by the judge-rapporteur/presiding judge Stefan Johansson

COMPOSITION OF FULL PANEL

Presiding judge and judge-rapporteur	Stefan Johansson
Legally qualified judge	Kai Härmand
Legally qualified judge	Alima Zana

LANGUAGE OF THE PROCEEDINGS

English

SUBJECT-MATTER

Preliminary objection

BACKGROUND (facts not specifically contested, cf. Rule 172.1 RoP)

This case concerns an alleged infringement of EP2186428 (the Patent), which relate to a "Tissue construction for protective clothing". The Patent is in force as a European patent in many states, including Belgium, Portugal and Latvia. The Patent is not subject to an opt out from the competence of the Unified Patent Court (UPC).

The proprietor of the Patent is Mr [REDACTED]. He is the managing director/CEO of Texport Handelsgesellschaft mbH (TEXPORT), which is an Austrian company that manufacture fire-fighting and work safety clothing. Mr [REDACTED] also owns 26 % of Texport Holding GmbH, which is the company that owns 100 % of TEXPORT.

On 1 June 2023, Mr [REDACTED] representative, who also is one of the representatives of TEXPORT in this case, sent a warning letter to Sioen NV (SIOEN), alleging that SIOEN's product "868 - Twin" delivered in Latvia infringed the Patent. SIOEN is a Belgian company that manufactures and distributes, *inter-alia*, fire-fighting clothing.

After some correspondence between Mr [REDACTED] and SIOEN, through their representatives, SIOEN filed (in September 2023) an action for a declaration of non-infringement of the Patent against Mr [REDACTED] at the Nederlandstalige Ondernemingsrechtbank Brussel (the Belgian Court). SIOEN requested the national Court to declare, *inter alia*, that SIOEN did not infringe the Patent in any State where the Patent was validated, at least the Belgian and the Latvian part of the Patent, by the manufacture, offering, placing on the market, stocking, importing, exporting or using in any other manner its product currently known as "868 – Twin".

In January 2024, TEXPORT initiated infringement proceedings against SIOEN at the Nordic-Baltic Regional Division of the Unified Patent Court. In this proceeding, TEXPORT alleges, *inter alia*, that TEXPORT is the exclusive licensee of the Patent and that SIOEN is infringing the Patent in at least Latvia by manufacturing, offering and placing on the market, importing, storing, supplying or offering to supply or using the product "868 - Twin" in at least Latvia, and that SIOEN is infringing the Patent – or at least aids and abets such infringements – in at least Portugal, by offering and offering to supply the product "NOMEX SIOEN modelo RSB LX" in at least Portugal.

In February 2024, SIOEN initiated a revocation action against the Belgian part of the Patent at the Belgian Court.

In the Belgian proceedings, the Belgian Court recently has declared that it has jurisdiction with respect to the claims filed concerning the Belgian part of the Patent, but that it does not have jurisdiction in respect of the claims filed concerning the other member states where the European patent is in force. This decision is not yet final. The oral hearing at the Belgian Court is scheduled for June 10, 2025.

REQUESTS

The Applicant (SIOEN) has requested the Court

- I. to declare itself without jurisdiction according to Article 31 UPCA jo. Articles 71c(2) jo. 31(1) jo. 24(4) Brussels I Regulation 1215/2012 (recast) jo. Article 34 UPCA;
 - II. in subsidiary order, to stay the proceedings until the Belgian national court first seised with proceedings presently pending at the Nederlandstalige Ondernemingsrechtbank Brussel (the Belgian Court) under case number A/23/04124, establishes its jurisdiction in a final judgment and then declare itself without jurisdiction according to Article 31 UPCA jo. Articles 71c(2) jo. 29(1) or at least 30(1) Brussels I Regulation 1215/2012 (recast) jo. Rule 295(I) Rules of Procedure;
 - III. in more subsidiary order, to declare itself without jurisdiction and competence for Latvia according to Article 31 UPCA jo. Articles 71c(2) jo. 31(1) jo. 24(4) Brussels I Regulation 1215/2012 (recast);
 - IV. in more subsidiary order, to declare itself without jurisdiction for Belgium according to Article 31 UPCA jo. Articles 71c(2) jo. 31(1) jo. 24(4) Brussels I Regulation 1215/2012 (recast);
 - V. in most subsidiary order, declare Claimant's claim inadmissible;
- and
- VI. declare Claimant liable for all costs, including Defendant's fees and costs.

The Respondent (TEXPORT) has requested the Court

- to dismiss the application.

THE PARTIES' ARGUMENTS MAY BE SUMMARISED AS FOLLOWS

SIOEN

Article 31 UPCA refer to Regulation (EU) No 1215/2012, i.e. the Brussels I recast Regulation. Article 71c(2) of this Regulation provides that its Articles 29 to 32 shall apply where, during the transitional period referred to in Article 83 of the UPC Agreement, proceedings are brought in the Unified Patent Court and in a court of a Member State party to the UPC Agreement. Article 31(1) of the Brussels I recast Regulation stipulates that “[w]here actions come within the exclusive jurisdiction of several courts, any court other than the court first seised shall decline jurisdiction in favour of that court”. After the transitional period, the UPC would have exclusive competence in the present matter. Defendant also notes that the title of Article 32 UPCA contains the word “exclusive”. In light hereof, for application of the above cited Article 31, the UPC should be regarded as having exclusive jurisdiction. On the other hand, Article 24(4) of the Brussels I recast Regulation provides for exclusive jurisdiction of the national courts as regards the validity of a European patent. This applies irrespective of whether the issue is raised by way of an action or a plea in objection. In the application for a declaration of non-infringement before the Belgian national court, SIOEN made

an explicit reservation to claim the nullity of the (Belgian part) of the Patent. Such a claim for nullity has also been filed on 26 February 2024. In these circumstances, where for purposes of Article 31 of the Regulation both the Belgian national court and the UPC have exclusive jurisdiction and the Belgian national court is the court first seised, it is to the UPC to decline jurisdiction. This is even more so since Article 34 UPCA provides that “*Decisions of the Court shall cover, in the case of a European patent, the territory of those Contracting Member States for which the European patent has effect*”. Given the pending national proceedings in Belgium, including nullity proceedings for the Belgian part of the Patent, the Decision of UPC cannot cover Belgium where the Patent has also been validated. The proceedings in Belgium and at the UPC involve the same cause of action and the same parties. Therefore, the Court shall declare itself without jurisdiction according to Article 31 UPCA.

SIOEN’S action for a declaration of non-infringement pending before the Belgian national court and TEXPORT’S action for infringement on the same Patent by the same allegedly infringing products pending before the UPC, have the same cause of action and the same subject-matter (infringement and non-infringement are the mirror image of each other). The proceedings also involve the same parties, since there is such a degree of identity between the interests of Mr ██████████ and TEXPORT that a judgment delivered against one of them would have the force of *res judicata* as against the other. Therefore, the Court shall at least stay the proceedings until the Belgian national court first seised has established its jurisdiction in a final judgment, and then declare itself without jurisdiction according to Article 31 UPCA.

If Mr ██████████ and TEXPORT are not considered to be the same parties, i.e. to have identical and indissociable interests, they have at the very least similar and related interests since all other factors of the action are the same: same Patent, same infringement, same alleged infringer. Therefore, the Court shall at least stay the proceedings based on Article 30(1) of the Regulation, and declare itself without jurisdiction when the Belgian national court has established its jurisdiction.

Since Latvia was explicitly mentioned in the first warning letter of Proprietor that resulted in the declaratory action before the Belgian national court first seised, the UPC has no jurisdiction or competence for Latvia and must decline competence for the infringement action of the Claimant.

Given proceedings were rightfully started by SIOEN in Belgium prior to the UPC Proceedings, the Court can at least not claim jurisdiction for Belgium.

TEXPORT’S exclusive license is not registered with any patent office and, therefore, not opposable against third parties, such as SIOEN. Furthermore, TEXPORT has not shown that Mr ██████████ was given prior notice, as required by Article 47.2 UPCA. For these reasons, TEXPORT has not the necessary standing and its claim is inadmissible.

TEXPORT

Article 31 UPCA cannot be violated in this case as its primary condition of two competent courts is not met. Article 83(1) UPCA, which gives the national courts parallel jurisdiction in some areas during the transitional period, does not refer to declarations for non-infringement. Therefore, the Belgian Court does not have jurisdiction. Furthermore, it’s not the “same parties” involved in these two proceedings and the subject matter in dispute in Belgium only refer to one product, while the UPC proceedings is broader and refer to more products. In any case, the national Belgian courts can only have jurisdiction for the Belgian part of the respective European Patent and therefore

only for infringements happening in Belgium. The competence of the UPC in regard to all other countries than Belgium and in regard to all infringing acts that took place outside of Belgium cannot be affected by the action for a declaration of non-infringement initiated by the Defendants before the Belgian national court.

Article 29 of the Regulation is applicable in proceedings involving the same cause of action and the same parties. The proceedings before the UPC involve infringing acts in Latvia and in Portugal. Therefore, the cause of action and the subject-matter is different to the proceedings before the Belgian national court which is necessarily restricted to a (non-)infringement of the Belgian part of the European Patent. Furthermore, the nature of infringement claims are entirely different to those in a proceeding on a declaration of non-infringement, and include cease and desist, destruction, removal from the market, rendering of accounts, information, payment (in particular adequate licence fee/damages). Furthermore, it is obvious that there are not the “same parties” involved. Even if licensor and licensee are contractual partners, they still remain different entities with different interests. Mr ██████ owns just 26% of the parent company of TEXTPORT, which means that 74% are in the hands of other shareholders who may well have different interests than Mr ██████ as patent proprietor.

Article 30(1) of the Regulation gives the Court a possibility to stay proceedings (“may stay”). Since the Belgian Court can only deal with the question of (non-)infringement of the Belgian part of the European patent in question, while TEXTPORT in the UPC refers to infringing acts set in Latvia and in Portugal, there is no risk of irreconcilable judgments at all and no reason to stay.

It is irrelevant if Latvia was mentioned in the warning letter, since the Belgian Court has no jurisdiction over infringements of the Latvian part of the Patent.

Since the Belgian Court does not have any competence to issue a declaration of non-infringement (see above), the UPC has competence to issue a decision that also covers Belgium.

An exclusive licensee may initiate proceedings against an infringer, even if the licence is not registered in the patent registers. Mr ██████ was given prior notice and has confirmed that TEXTPORT has the right to bring the action before the Unified Patent Court.

GROUNDS FOR THE ORDER

According to Article 71c(2) of the Brussels I recast Regulation, Articles 29 to 32 of the Regulation shall apply where, during the transitional period referred to in Article 83 of the UPC Agreement (UPCA), proceedings are brought in the Unified Patent Court and in a court of a Member State party to the UPC Agreement.

Article 83.1 UPCA provide that “[d]uring 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 or an action for infringement or for declaration of invalidity of a supplementary protection certificate issued for a product protected by a European patent may still be brought before national courts or other competent national authorities.”

Although actions for a declaration of non-infringement are not explicitly mentioned in Article 83.1 UPCA, it is – according to the Court – obvious that the parallel jurisdiction during the transitional period provided for in Article 83.1 also include such actions. An action for a declaration of non-

infringement is, after all, the mirror of an action for infringement (cf. e.g. ECJ, 6 December 1994, C-406/92, ECLI:EU:C:1994:400, *Tatry*).

Articles 29 and 31 of the Brussels I recast Regulation

Articles 29 and 31 of the Brussels I recast Regulation are only applicable if the two proceedings involve the same parties. This means that the parties to the two actions have to be identical, or that there is such a degree of identity between their interests that a judgment delivered against one of them would have the force of *res judicata* as against the other. (See e.g. the UPC CoA Order on 17 September 2024 in Case UPC_CoA_227/2024).

In this case, it is clear that the parties to the parallel proceedings are not the same. Mr [REDACTED] is not the same legal entity as TEXTPORT and their interests are not indissociable. Accordingly, there is not such a degree of identity between their interests that a judgment delivered against one of them would have the force of *res judicata* as against the other.

Therefore, Articles 29 and 31 of the Brussels I recast Regulation cannot serve as the basis for staying or dismissing the case initiated by TEXTPORT at the UPC.

Article 30 of the Brussels I recast Regulation

Where related actions are pending in the courts of different Member States, any court other than the court first seised may – according to Article 30.1 of the Brussels I recast Regulation – stay its proceedings. According to Article 30.2, the Court may even decline jurisdiction, if the court first seised has jurisdiction over the actions in question and its law permits the consolidation thereof.

In this case, the Belgian court has – in a decision that is not yet final – declared that it has jurisdiction with respect to the claims filed concerning the Belgian part of the Patent, but that it does not have jurisdiction in respect of the claims filed concerning the other member states where the European patent is in force. In the case before the UPC, TEXTPORT refers to alleged infringements in Latvia and Portugal. Accordingly, SIOEN has not shown that it is possible to apply Article 30.2. Furthermore, the oral hearing at the UPC has been scheduled for February 2025, while the oral hearing at the Belgian Court is scheduled for June 2025. The fact that SIOEN has initiated a revocation action in Belgium, concerning the Belgian part of the Patent, after TEXTPORT initiated this infringement proceeding at the UPC, is not in itself a reason to stay the proceedings. The UPC has no information on the alleged grounds for revocation, and cannot assess its likelihood of success. For all these reasons, the Court finds that there are not sufficient reasons for staying the UPC proceedings based on Article 30 of the Brussels I recast Regulation. The fact that a final decision by the UPC may include remedies also covering Belgium does not lead to a different conclusion.

Legal standing

At the interim conference, both parties agreed that SIOEN'S request V (concerning TEXTPORT'S right to initiate these proceedings), shall be referred to the main proceedings. The Court is of the same opinion (cf. UPC CoA Order on 3 September 2024 in Case UPC_CoA_188/2024).

Appeal

According to Rule 21.1 RoP, an order rejecting the Preliminary objection may only be appealed pursuant to Rule 220.2. This means that the order may only be appealed together with the appeal against the decision on the merits, unless leave of appeal is granted. In this case, the Court finds that it is sufficient that the order can be appealed together with the appeal against the decision on the merits.

ORDER

1. SIOEN's requests I–IV are dismissed.
2. SIOEN's request V shall be dealt with in the main proceeding.
3. The costs shall be dealt with in the main proceeding.
4. This order may only be appealed together with the appeal against the decision on the merits.

Done and delivered in Stockholm on 29 October 2024.

Digitally signed
Stefan Erik by Stefan Erik
Johansson
Date: 2024.10.29
17:36:44 +01'00'

Stefan Johansson