



THE SEDONA CONFERENCE

Guidelines for the Efficient Resolution of Disputes before the Forthcoming Unified Patent Court in Europe

A Project of The Sedona Conference
Working Group on Patent Litigation
Best Practices (WG10)

November 2021 Project Charter



Table of Contents

I.	Introduction	2
II.	Background and History of the Establishment of the Unified Patent Court.....	3
III.	Patent Litigation in Europe after implementation of the UPC-system.....	4
	A. Filing and prosecution strategies under the UPC legal framework.....	4
	B. National patent litigation in parallel to UPC patent litigation.....	4
	C. The impact of the UPC-system on Licensing and Tech-transfer agreements.....	4
	D. Unitary patents: the need for FTO in EPC countries with few validated EP-Patents	4
IV.	Navigating the UPC Agreement and the Rules of Procedure	5
	A. Infringement/Scope of protection.....	5
	B. Fact-finding (inspection, seizure, etc.)	5
	C. Available remedies.....	5
	D. Defence possibilities for defendant	5
	E. Amending the patent in suit before the UPC.....	5
V.	Proceedings before the UPC	6
	A. Forum shopping among local and central divisions of the UPC	6
	B. Case management of UPC litigation.....	6
	C. Legal and technical judges	6
	D. Bifurcated vs. non-bifurcated proceedings	6
	E. The importance of the language aspect under the UPC system.....	6
VI.	Litigation Strategies.....	7
	A. Infringement action.....	7
	B. Revocation Action.....	7
	C. DNI-action	7
	D. Evidence proceedings	7
	E. Procedure for the determination of damages and compensation	7
	F. Cost fixation proceedings.....	7
	G. Provisional and protective measure	7
VII.	Enforcing a judgement of the UPC under the national procedural rules	8

Principles “At a Glance”

[TO BE DRAFTED]

I. Introduction

The Unified Patent Court system will be a completely new playing field for international patent litigation. The various courts scattered throughout Europe that are about to be established will decide infringement and validity of Unitary Patents and, during a transitional period, all other European Patents which have not been converted into Unitary Patents.

The three main instruments setting up and defining the details of this new system—the Agreement on a Unified Patent Court, the Statute of the Unified Patent Court, and the Rules of Procedure of the Unified Patent Court—will likely have to be applied in the first “real” cases for the very first time starting in 2022 or 2023.

Every aspect of patent litigation and civil procedure will be the subject of intense discussions in the first few years before there can be an established case law of any kind, including:

All stakeholders involved—patentees, defendants, practitioners and judges—will look for guidance in the relevant provisions, but also in the body of case law formed by national court practice and decisions. There will be a joint struggle to find the best way to litigate Unitary Patents before the new court, keeping in mind the potential competition from national courts for shorter, more effective and cheaper national procedures. This Sedona Working Group 10 Framework for Analysis for Developing Guidelines for the Efficient Resolution of Disputes Before the Forthcoming Unified Patent Court presents consensus, non-partisan Principles and Guidelines for litigation before the Unified Patent Court in Europe that if adopted in whole or in part will result in a more fair and efficient dispute resolution process to the benefit of all stakeholders.

This *Commentary* does not address

II. Background and History of the Establishment of the Unified Patent Court

- Key issue: Brief outline of history of UPC?
- Key issue: Brief discussion of German constitutional complaints?
- Key issue: What is the effect of Brexit?

III. Patent Litigation in Europe after implementation of the UPC-system

A. FILING AND PROSECUTION STRATEGIES UNDER THE UPC LEGAL FRAMEWORK

- Key issue: How to best prepare for the transitional period as patentee and implementer (i.e. potential defendant)??
- Key issue: How best to identify potential EPs for opting in or opting out of the UPC-system?
- Key issue: Advantages and disadvantages of filing EP-UE (EPs with unitary effect) and/or national patent/utility model rights?

B. NATIONAL PATENT LITIGATION IN PARALLEL TO UPC PATENT LITIGATION

- Key issue: Is there a need for parallel litigation and accordingly, for parallel EP-UE and national patent/utility model rights ?

C. THE IMPACT OF THE UPC-SYSTEM ON LICENSING AND TECH-TRANSFER AGREEMENTS

- Key issue: Necessity of conducting DD on all licensing and tech-transfer agreements?

D. UNITARY PATENTS: THE NEED FOR FTO IN EPC COUNTRIES WITH FEW VALIDATED EP-PATENTS

- Key issues: Necessity of “enlarged” FTO in order not to miss any EP-UEs?

IV. Navigating the UPC Agreement and the Rules of Procedure

A. INFRINGEMENT/SCOPE OF PROTECTION

- Approaches to claim construction – the need for harmonization

B. FACT-FINDING (INSPECTION, SEIZURE, ETC.)

- Key issue: What types of procedural /out-of-court possibilities exist for fact-finding (i.e. inspection, seizure, information claim, public prosecution?)
- Key issue: What types of confidentiality measures can be taken?

C. AVAILABLE REMEDIES

- Key issue: What types of remedies exist for the claimant?

D. DEFENCE POSSIBILITIES FOR DEFENDANT

- Key issue: What types of objections can a defendant raise (i.e. non-infringement, license rights, antitrust defence, revocation (counter-)action, prior use right, etc.)?

E. AMENDING THE PATENT IN SUIT BEFORE THE UPC

- Key issue: How can a EP-UE be amended before the UPC? Are there any risks involved?

V. Proceedings before the UPC

A. FORUM SHOPPING AMONG LOCAL AND CENTRAL DIVISIONS OF THE UPC

- Key issue: What are the advantages/disadvantages of bringing an action before a specific local or central division of the UPC?

B. CASE MANAGEMENT OF UPC LITIGATION

- Key issue: What types of pre-procedural steps have to be taken?
- Key issue: How to best deal with the front-loaded approach?

C. LEGAL AND TECHNICAL JUDGES

- Key issue: Influence of and incentive for the parties to request the for court to retain technical judge?

D. BIFURCATED VS. NON-BIFURCATED PROCEEDINGS

- Key issue: Advantages and disadvantages of the case being dealt with in a bifurcated or non-bifurcated manner.

E. THE IMPORTANCE OF THE LANGUAGE ASPECT UNDER THE UPC SYSTEM

- Key issue: If and how can the language of the proceedings be determined beforehand by the claimant and later influenced by the defendant?

VI. Litigation Strategies

A. INFRINGEMENT ACTION

- Key issue: How to best enforce the available remedies?

B. REVOCATION ACTION

- Key issue: Advantages and disadvantages of filing the revocation action as a counterclaim or (to the extent admissible) as an isolated action or (to the extent admissible) initiate EPO opposition proceedings?

C. DNI-ACTION

- Key issue: Under what circumstances might a (pre-emptive) DNI action be useful

D. EVIDENCE PROCEEDINGS

- Key issue: What types of evidence proceedings are available? When is it best to initiate them?

E. PROCEDURE FOR THE DETERMINATION OF DAMAGES AND COMPENSATION

- Key issue: How can damages be claimed (i.e. within the infringement proceedings or subsequently, in separate proceedings)?

F. COST FIXATION PROCEEDINGS

- Key issue: What types of costs and fees are reimbursable (and to which extent)?

G. PROVISIONAL AND PROTECTIVE MEASURE

- Key issue: What types of preliminary proceedings are available and under what circumstances?

VII. Enforcing a judgement of the UPC under the national procedural rules

- Key issue: What are the additional requirements for enforcing a UPC-judgment?
- Key issue: Are there any possibilities for the defendant to prevent subsequent enforcement?