EIP

A Late Challenge: PI refused for alleged VAR infringement

Ballinno B.V. v UEFA, Kinexon GmbH and Kinexon Sports & Media GmbH
UPC_CFI_151/2024

Order of 3 June 2024 ORD_39782/2024[1]

Whilst thoughts of Euro '24 may be starting to slip into the past (thankfully for the English, and even more thankfully if you are Scottish), this recently published judgment from the Hamburg local division of the UPC shows that shortly before the tournament began, a preliminary injunction was refused which would otherwise have prevented the use at Euro '24 of the automated offside technology.

Deciding if a player is offside in football requires determining the precise moment when a player kicks a ball. With the advent of video assistant referees ("VAR") in football, automated means for detecting that moment have been developed, as part of suite of technologies designed to improve refereeing accuracy. The Claimant in the case (Ballinno B.V.) is the owner of a patent covering one such technology. The Claimant brought proceedings for an injunction, including a preliminary injunction ("PI"), against UEFA (the organisers of Euro '24) and the companies (Kinexon GmbH and Kinexon Sports & Media GmbH, together "Kinexon") supplying UEFA with such automated means. However, that injunction was refused, as the Claimant had not shown sufficient urgency in pursuing its claim.

The Claimant[2] first sent a warning letter to Kinexon on 17 October 2023. Kinexon responded, denying infringement, on 19 November. A second warning letter was then sent on 26 February 2024, including a draft application for seeking a PI at the UPC. This prompted Kinexon to file a protective letter on 4 March 2024. The Claimant then brought

proceedings on 18 April 2024 against Kinexon and UEFA (who had not previously been contacted by the Claimant).

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In considering the Claimant's application for a PI, the court first considered the urgency of the matter. Whilst there is no explicit requirement in the UPC Agreement that the preliminary injunction must be urgent[3], the Court shall nevertheless consider the urgency of the action whilst exercising its discretion[4] and shall have regard to unreasonable delay in seeking provisional measures[5]. The court made clear that

"The temporal urgency required for the ordering of provisional measures is only lacking if the infringed party has behaved in such a negligent and hesitant manner in the pursuit of its claims that, from an objective perspective, it must be concluded that the infringed party is not interested in promptly enforcing its rights".

The court went on to state that because an applicant may be ordered to submit all reasonably available evidence to establish its entitlement to a PI, and that the time allowed for doing so may be short in urgent cases, a party need only apply to the court for a PI once it is able to substantiate its case. However,

"the Applicant must not delay proceedings unnecessarily. As soon as it has knowledge of the alleged infringement, it must investigate it, take the necessary measures to clarify it and obtain the documents required to support its claims. In doing so, it must diligently initiate and complete the required steps at each stage. As soon as the Applicant has all the knowledge and documents that reliably enable a promising legal action, it must file the application for the ordering of provisional measures within one month".

The Court held that the Claimant had not shown sufficient urgency. The Claimant first became aware of the Defendants' product in September 2023, and by a press release on 4 December 2023 that it would be used at EURO '24. Further, by mid-October the Claimant knew that the Defendants' product utilised an accelerometer. This was important as the Claimant's patent requires the detection of sound to determine when a ball is kicked and so the Claimant knew that a key question was whether the Defendants' accelerometer also detected sound. However, in the following months the Claimant took no steps to find this out, whether by asking the Defendant, identifying the type of accelerometer used, obtaining a sample, or via judicial means. In February 2024, the Claimant found a video on YouTube which it claimed supported its case, but this video had been available for over a year, since 30 November 2022; even allowing for limited resources, the court struggled to comprehend why the Claimant was not able to find this earlier.

The Claimant instructed an expert in March 2024 to support its claim, but this did not

"revive the urgency", and the fact that the Claimant did not take steps until February 2024 to clarify and support its case, despite being aware of the alleged infringement well before then, meant the Claimant's request for a PI lacked the necessary urgency.

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This wasn't the only reason the application was dismissed, as the court was also not convinced the Defendant's product infringed the patent. The patent required not only the detection of sound but also a comparison of the detected sound with a predetermined signal of a ball being kicked. The Court did not need to decide whether the Defendants' accelerometer detected sound as the Claimant provided no evidence of there being a comparison of such a sound (even if detected) in the manner claimed, instead relying on only theoretical considerations in an expert report. In contrast, the Defendants provided evidence against this. Consequently, the assertion of infringement was not considered sufficiently credible by the court.

As a result, the request for a PI was refused. The Claimant was ordered to pay the Defendants' costs, including the costs of filing the protective letter.

The statements made by the court in this case, acknowledging that a patent owner needs time to prepare its case before applying for a PI, and that urgency is only lacking if the patent owner is so hesitant that it appears that it is not interested in prompt enforcement, might suggest that there is some leniency in determining if a claimant acted quickly enough. Nevertheless, the fact that a three month period of seeming inactivity was sufficient to prevent a PI being granted emphasises the need for patentees to take timely and appropriate action as soon as they become aware of a possible infringement.

[1] https://www.unified-patent-court.org/en/node/898

[2] The original patent owner was Intuit B.V. and it was Intuit who first contacted Kinexon, with the patent later being assigned to Ballinno B.V. Although only Ballino B.V. was a party to this case, for simplicity, both are referred to here as "the Claimant".

[3] Art. 62(2) UPCA and RoP 211(3)

[4] Rule 209(2)(b) RoP

[5] Rule 211(4) RoP