

## Costs orders at UPC

Two recent decisions highlight procedural points to be aware of when seeking costs.

### **VusionGroup SA (formerly SES-imagotag SA) v Hanshow Germany GmbH & Ors**

**(UPC\_CFI\_292/2023; UPC\_COA\_1/2024)**

#### **Court of Appeal Order dated 29 July 2024 (ORD\_38645/2024)[1]**

VusionGroup had applied for provisional measures against Hanshow. The request was refused by Munich local division and VusionGroup was ordered to pay the costs[2]. VusionGroup appealed the order. The Court of Appeal dismissed the appeal and ordered VusionGroup to pay the costs of the appeal[3]. Hanshow filed an application for the costs of the appeal with the Court of Appeal.

#### **Decision**

The Court of Appeal made clear that the application for costs should have been made to the Court of First Instance even though it relates to the costs of the appeal proceedings. The reason is that determination of costs is a separate procedure set out in Rule 150 et seq. of the RoP with an appeal route provided by Rules 157 and 221. This procedure applies also to costs of an appeal – there is no separate procedure.

Further, Hanshow must make a separate application to the CFI for costs of the appeal proceedings even though it already has an application ongoing at CFI for the first instance costs. The time limit for making such an application is within one month of notification of the decision.

As this was the first time this had arisen the Court ordered that the date of submission of the application to the Court of Appeal should be deemed as the date of submission to CFI. However, for practical reasons Hanshow would have to resubmit the application in the

**Stäubli Tec-Systems GmbH v Konrad & Anor (UPC\_CFI\_372/2023)**

**Order dated 16 May 2024 (ORD\_29883/2024)[4]**

In this decision of Paris Central Division the claimant was ordered to pay the costs of the revocation proceedings even though it had been successful as the defendants surrendered the patent.

The parties had been corresponding pre-action. The claimant had flagged up certain prior art. The defendants disputed the relevance of the art but offered a licence. The claimant filed revocation proceedings which asserted further prior art. In the response, having seen the new art, the defendants accepted its relevance and surrendered the patent.

The parties requested the CFI to close the proceedings in accordance with Rule 360 RoP but disputed who should bear the costs.

The Court noted that for a settlement before the end of the written procedure the claimant was due a refund of 60% court fees. The Court set the amount in dispute at 500,000 euro meaning the upper limit of reimbursable costs is 56,000 euro.

Article 69(2) of the UPC Agreement provides that in exceptional circumstances costs may be apportioned equitably. The claimant could have informed the defendants of the new prior art before filing the action. If they had done so revocation proceedings might not have been needed. In light of this, the Court decided it was not fair to impose the procedural costs on the defendants and ordered the claimant to pay the costs.

[1] <https://www.unified-patent-court.org/en/node/955>

[2] <https://www.unified-patent-court.org/en/node/522> reported [https://eip.com//knowledge\\_hub/article/upc\\_declines\\_to\\_grant\\_provisional\\_injunction/](https://eip.com//knowledge_hub/article/upc_declines_to_grant_provisional_injunction/)

[3] [https://www.unified\\_patent\\_court.org/en/node/717](https://www.unified_patent_court.org/en/node/717)

[4] [https://www.unified\\_patent\\_court.org/en/node/815](https://www.unified_patent_court.org/en/node/815)