

EIP

Error in Defendant not Fatal to Revocation Claim

Juul Labs International, Inc. v. NJOY Netherlands B.V. (UPC_CoA_433/2023, UPC_CoA_435/2023, UPC_CoA_436/2023, UPC_CoA_437/2023, UPC_CoA_438/2023)[1]

Orders of 3 April 2024 (ORD_598223/2023, ORD_598225/2023, ORD_598224/2023, ORD_598226/2023, ORD_598227/2023)[2]

NJOY Netherlands B.V. brought revocation actions at the Paris Central Division of the UPC against five patents, EP 3 498 115, EP 3 504 990, EP 3 504 989, EP 3 504 991, EP 3 430 921. In the Statements for Revocation in all cases, the defendant was identified in the heading and one of the first paragraphs as “Juul Labs, Inc.”. The defendant was stated in each case to be registered as the sole proprietor of the patent at issue.

The defendant raised a preliminary objection that “Juul Labs, Inc.” (which does exist as a company) is not in fact the proprietor of the European patents, correctly recorded at the European patent office as “Juul Labs International, Inc.”, and therefore the Central Division of the UPC was not competent to hear the action. The claimant countered that this was simply a clerical error and that the intended defendant was evidently the registered proprietor of the patents at issue. This is also clear from the statements of revocation which indicate that the revocation action is directed at the patent proprietor. The claimant requested that the name of the defendant be rectified.

The judge-rapporteur rejected the preliminary objection and ordered the Registry to rectify the name of the defendant to read “Juul Labs International, Inc.” Permission to appeal was granted.

Accordingly, Juul appealed and requested that the Court of Appeal:

- i) set aside the orders of the Court of First Instance, and
- ii) issue an order rejecting the revocation actions as inadmissible.

The Court of Appeal, in a panel composed of three legally qualified judges and excluding any technically qualified judges (justified on the basis that the appeal was of a procedural nature involving no technical issues) rejected the appeal. The Court of Appeal ruled that:

If the claimant has not correctly named the defendant in the statement initiating the proceedings, the Court may allow the claimant to rectify the error. The request can be granted if the defendant is not unreasonably prejudiced by the incorrect statement of name and its rectification. As a rule, there will be no unreasonable prejudice if, despite the incorrect statement of name, it must have been clear to the defendant and to the Court, based on the circumstances of the case, that the claimant intended the statement for revocation to be directed against the defendant.

Since the correct defendant had a very similar name and same address as the wrongly identified defendant, and it was clear from the content of the statements for revocation that NJOY intended the statements to be directed against the registered proprietor of the patents at issue, the Court of Appeal ruled that in this case a rectification could be allowed. It made no difference that there is also a legal entity named Juul Labs, Inc.

However, clearly in the case of a revocation action there is no real doubt as to the identity of the defendant as it should correspond to the proprietor of the patent. In an infringement action, it may be much harder in practice to successfully argue for rectification of a wrongly named party.

The Court of Appeal declined to order costs in respect of the appeal as a separate matter, but held that a decision on costs should be made at the end of the whole proceedings.

[1] Appeals from first instance cases UPC_CFI_312/2023, UPC_CFI_314/2023, UPC_CFI_315/2023, UPC_CFI_316/2023 and UPC_CFI_330/2023

[2] <https://www.unified-patent-court.org/en/node/651>, <https://www.unified-patent-court.org/en/node/638>, <https://www.unified-patent-court.org/en/node/629>, <https://www.unified-patent-court.org/en/node/652>, <https://www.unified-patent-court.org/en/node/643>