

Chapter 15

Regulation 542/2014 on jurisdiction

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I. Introduction

The question which arises logically is why a comprehensive agreement such as the UPC agreement that puts on the rails a fundamentally new and different court system in the area of patent law does not address the international jurisdiction of the new court in a systematic way. Instead, this chapter on the international jurisdiction of the UPC comes under the heading ‘Regulation 542/2014’¹ and that Regulation in turn relies heavily on the Brussels I Regulation,² That situation becomes a lot less peculiar if one realizes that all countries signing up to the UPC are Member States of the European Union, and therefore bound by the Brussels I Regulation, which prohibits Member States from concluding any new conventions dealing with jurisdiction or recognition or enforcement in relation to particular matters (maybe unless they all sign or sign alongside the EU).³ The UPC Agreement could therefore not deal with the international jurisdiction, but instead it had to refer on that point to the Brussels I Regulation.⁴ And Regulation

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¹ Regulation EU No 542/2014 of the European Parliament and of the Council of 15 May 2014 amending Regulation (EU) No 1215/2012 as regards the rules to be applied with respect to the Unified Patent Court and the Benelux Court of Justice OJ L 163/1 (29 May 2014).

² Regulation (EU) No 1215/2012 of the European Parliament and of the EU Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters OJ L 351 (20 December 2012) (Regulation 1215/2012).

³ Article 71 Brussels I Regulation. See e.g the Cape Town Convention on international interests in mobile equipment and its Protocol relating to aircraft equipment [2009] OL L121/3 , Convention on civil liability for bunker oil pollution damage [2002] OJ L256/7 and A. Dickinson and E. Lein (eds), *The Brussels I Regulation Recast*, OUP (2015), para. 17.24, p. 572. If the Member States sign on their own they arguably sign as trustees of the EU interest and are acting on behalf of the Community. See M. Cremona, ‘Member States as Trustees of the Community Interest: Participating in International Agreements on Behalf of the European Community’, Working Paper, EUI LAW, 2009/17.

⁴ Article 31 UPC Agreement.

542/2014 is then the tool that inserts the required additional provisions in the Brussels I Regulation.

And let us just remind ourselves why we need to deal with international jurisdiction. Every court needs to establish its international jurisdiction first. This is where it all starts and without international jurisdiction a court cannot hear the case. Before the Unified Patent Court can hear a case it has to establish that it has international jurisdiction to hear the case. Article 31 UPC Agreement imposes the Brussels I Regulation rules as the only rules by which the Unified Patent Court can establish its jurisdiction. That was also made clear by the change of the word 'jurisdiction' to the word 'competence' for the other elements contained in chapter VI. From Article 32 onwards one finds provisions on the internal distribution of labour inside the Unified Patent Court and its various local and regional divisions and aspects of subject matter jurisdiction. International jurisdiction is a separate matter and one that comes first. Only once international jurisdiction has been established can one turn to the competence of the court, which means on the one hand the subject matter jurisdiction of the court as a common patent court that will deal roughly speaking with the infringement and validity issues surrounding European Patents and European Patents with Unitary Effect and on the other hand the division of labour inside the Unitary Patent Court, its central, local and regional divisions.

With that in mind, let us turn to the new rules that Regulation 542/2014 did put in place.

II. The Insertion of a Common Court: A Mere Clarification in Article 71(a)

The European Union is quite used to deal with the jurisdiction of courts in civil and commercial matters,⁵ but in essence all that experience refers to national courts of single Member States.

⁵ See the various versions of the Brussels Convention and the Brussels I Regulation that eventually resulted in Regulation (EU) No 1215/2012 of the European Parliament and of the EU Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters OJ L 351 (20 December 2012) (Regulation 1215/2012).

The Benelux Court⁶ has been in existence for quite a number of years as a Court that is common to Belgium, the Netherlands and Luxembourg, but at least until now, it has never operated at first instance level.⁷ That removed the need to include it into the jurisdiction rules. So even if that picture may change for the Benelux Court, the Unified Patent Court is the one that does not fit the mold. The Unified Patent Court will be a (first instance) court that is common to a large number of Member States. On top of that, the Unified Patent Court will have local and regional divisions, which again at least potentially raises issues of jurisdiction. That is the issue addressed in what has become Article 71(a) Brussels I Regulation. The solution it adopts is rather simple. The UPC is considered to be a court of a Member State and that means that its jurisdiction can be dealt with under the rules of the Brussels I Regulation.

A court common to several Member States does after all for each of the Member States concerned the work of a national court, so it makes sense to treat it as such for the purposes of the Brussels I Regulation.⁸ It does however mean that in a system with national, regional and central divisions a defendant may de facto have to defend the case in a location that is not his domicile or the Member State designated by the Regulation on that basis or on the basis of the rule in Article 7(2), ie the place where the tort/infringement takes place.⁹ The most obvious example is that of a defendant domiciled in a Member State where there is no national division of the UPC. Being sued in the court of its domicile will therefore in practice mean having the defend the case in a country where the regional division of the UPC that covers the Member State concerned is established. Article 71(a) and the clarification it provides then gives at least

⁶ Verdrag betreffende de instelling en het statuut van een Benelux-gerechtshof (Treaty establishing a Benelux Court and its Statute) 31st March 1965, [1973] Belgisch Staatsblad – Moniteur belge 14062. The Court has been operational since 1974.

⁷ The Benelux Court issues preliminary rulings at the request of national courts, for example concerning the Benelux Trade Mark. Negotiations are ongoing to allow the public direct access to the court in trade mark matters. See the enabling Protocol ‘Protocol tot wijziging van het Verdrag van 31 maart 1965 betreffende de instelling en het statuut van een Benelux-Gerechtshof, ondertekend te Luxemburg op 15 oktober 2012’, Tractatenblad 2013, nr 12. Further changes to the relevant Benelux texts on intellectual property are still required before the system can be put into action.

⁸ P. Torremans, ‘An International Perspective I: A View from Private International Law’, in J. Pila and Ch. Wadlow (eds), *The Unitary EU Patent System*, Volume 19 Studies of Oxford Institute of European and Comparative Law, Hart/Bloomsbury (2014)161-178, at 165-166.

⁹ P. De Miguel Asensio, ‘Regulation 542/2014 and the International Jurisdiction of the Unified Patent Court’, 45(8) (2014) IIC 868, at 873-874.

predictability to the defendant.¹⁰ That may well be fair to a defendant of a Member State of the UPC Agreement, as it is a predictable allocation of a court and even inside a country the court dealing with the matter may be a fair distance away from the place of residence of the defendant, but one should not forget that the UPC may also take jurisdiction on the basis of Article 7 Brussels I Regulation, eg because the harmful event occurs in the territory covered by the UPC Agreement, even if the defendant is resident in an EU Member State that did not sign the UPC Agreement or in a State party to the Lugano Convention. Article 31 UPC does refer to the Lugano Convention, but that convention has not been amended in the same way as the Brussels I Regulation. This is regrettable as it seriously undermines the element of predictability and legal certainty, especially for citizens of Norway, Iceland and Switzerland. It is hard for them to realise that they may well be sued in the UPC.¹¹

III. The New Rules on International Jurisdiction: Article 71b

Paragraph 1

Paragraph 1 of the Article 71b that is inserted in the Brussels I Regulation contains the straightforward rule that flows from the application of the Brussels I system to the UPC. In a situation where the Brussels I Regulation gives jurisdiction to the courts of a Member State that is party to the UPC Agreement and where the subject matter of the case falls inside the scope of the subject matter covered by the UPC Agreement¹² that jurisdiction is transferred from the national court to the Unified Patent Court.

This works well if the Brussels I jurisdiction is based on the domicile of the defendant in the Member State concerned, in application of the basic rule found in Article 4 Brussels I Regulation. And persons so domiciled can also be sued in the courts of the place where the

¹⁰ A. Miglio, 'The Jurisdiction of the Unified Patent Court: A Model for the Application of the Brussels Ia Regulation?', in A. Trunk and N. Hatzimihail (eds), *EU Civil Procedure Law and Third Countries: Which Way Forward?*, Nomos (2021) 71-94.

¹¹ P. De Miguel Asensio, 'Regulation 542/2014 and the International Jurisdiction of the Unified Patent Court', 45(8) (2014) IIC 868, at 873-874.

¹² What the agreement calls the 'competence' of the court.

harmful event occurred or may occur, in application of Article 7(2) Brussels I Regulation.¹³ Article 8(1) that allows the claimant to bring multiple defendants before a single court if certain circumstances are met can also be applied easily in principle, even if its exact interpretation may turn out to be problematic.¹⁴ A domicile in a Member State remains the *conditio sine qua non*, unless the ground for exclusive jurisdiction in Article 24(4) applies, ie, in cases dealing with the validity of the patent. Article 24(4) does not create problems at this stage.

But is there a full transfer or does the UPC simply benefit from the same jurisdiction? By using the words ‘a common court shall have jurisdiction’, Article 71b seems to suggest that the UPC, as the common court will merely also have jurisdiction. This is not the intended conclusion though. The UPC Agreement clearly works on the basis that the jurisdiction of the national courts will be transferred to the Unified Patent Court and that the national courts lose their jurisdiction. It might have been better to spell this out *expressis verbis*. Now one should come to that conclusion from the use of the word ‘would’ later on, ie the national court would have had jurisdiction earlier on, but does no longer have it. Especially in relation to Article 24(4) there can only be one court with exclusive validity jurisdiction and the UPC Agreement clearly sees the Unified Patent Court in that role. But that can only happen if the Brussels I Regulation grants it exclusive jurisdiction. This is clearly intended, but it would have been clearer to spell it out at the level of the Brussels I Regulation.¹⁵

This lack of clarity is even more regrettable in as far as the seven year transition period is concerned. During that period Article 83(1) UPC Agreement accepts that parties will be able to bring cases before both the national courts and before the Unified Patent Court. This

¹³ For a detailed analysis of the application to intellectual property cases of the jurisdiction rules of the Brussels I Regulation see JJ Fawcett & P Torremans, *Intellectual Property and Private International Law* (Oxford: OUP, 2nd edn 2011) ch 5.

¹⁴ Compare the evolution between Case C-539/03 *Roche Nederland BV et al v Frederick Primus and Milton Goldenberg* [2006] ECR I-6535, Case C-145/10 *Eva-Maria Painer v Standard Verlags GmbH et al.* [2011] ECDR 6 and Case C-616/10 *Solvay SA/Honeywell et al* (12 July 2012). And see P Torremans, *Intellectual Property Puts Article 6(1) Brussels I Regulation to the Test*, CREATE Working Paper No 8 <<http://www.create.ac.uk/wp-content/uploads/2013/09/CREATE-Working-Paper-No-8-v1.0.pdf>>.

¹⁵ P. Torremans, ‘An International Perspective I: A View from Private International Law’, in J. Pila and Ch. Wadlow (eds), *The Unitary EU Patent System*, Volume 19 Studies of Oxford Institute of European and Comparative Law, Hart/Bloomsbury (2014)161-178, at 167-169.

concurrent jurisdiction should ideally be spelled out in the Brussels I Regulation. Admittedly the current wording of Article 71b leaves this possibility open, but this is clearly not intended. The plan was not to leave it open and to again amend the Brussels I Regulation at the end of the seven year transition period. The UPC Agreement cannot allocate international jurisdiction and article 83 can therefore not change the international jurisdiction rules.¹⁶ Any allocation of international jurisdiction has to be done at the level of the Brussels I Regulation. One has to accept therefore that it was the will of the legislature to leave the option of concurrent jurisdiction open in the Brussels I Regulation and that the language of article 71 merely adds an option in front of the UPC. Otherwise article 83(1) UPC makes no sense. But at the same time, article 83(1) cannot close the concurrent jurisdiction door after 7 years. That has to be done at the level of the Brussels I Regulation. Unless one takes article 83(1) as an agreement between Brussels I member states that does not allocate jurisdiction, as that would not be possible, and treats it as an additional agreement that merely instructs member states to abandon the concurrent jurisdiction option after seven years. That would avoid the need for a modification of the text of the Brussels I Regulation, but such an interpretation stretches the wording of article 71 Brussels I Regulation and of article 8(1) UPC Agreement.

What makes the situation worse is that during the transition period there will be two courts with exclusive jurisdiction under Article 24(4) as a result of article 83(1) UPC agreement. Exclusive jurisdiction means that the jurisdiction of the court excludes the jurisdiction of any other court. But how is that supposed to work vis-à-vis another court with exclusive jurisdiction? Simply leaving Article 24(4) as it is does not lead to a solution, but this point will be discussed in more detail in the next chapter.

Far less controversial, but maybe unexpected, is the fact that Article 25 Brussels I Regulation may also apply. Parties to a licence agreement may agree that any infringement case amongst them will be brought before the Unified Patent Court.¹⁷ This may be particularly useful during the seven year transition period, as it provides predictability and certainty.¹⁸

¹⁶ P. De Miguel Asensio, 'Regulation 542/2014 and the International Jurisdiction of the Unified Patent Court', 45(8) (2014) IIC 868, at 870-871.

¹⁷ Parties are free not to treat the case as contractual for example when the licensee allegedly goes beyond what is allowed in the licence contract.

¹⁸ P. Torremans, 'An International Perspective I: A View from Private International Law', in J. Pila and Ch. Wadlow (eds), *The Unitary EU Patent System*, Volume 19 Studies of Oxford Institute of European and Comparative Law, Hart/Bloomsbury (2014)161-178, at 169.

Paragraph 2

The logical conclusion is that Article 71b has now dealt with the international jurisdiction of the UPC over defendants that are domiciled in a Member State of the EU,¹⁹ irrespective of whether they participate in the UPC, but in terms of substantive patent law that leaves open a large gap. Plenty of parties that are not domiciled in a member State, but in a third state, are involved in patent litigation in Europe. More importantly, their activities in the EU may give rise to legal disputes that need to be brought before a court. The Brussels I Regulation has traditionally left the issue of jurisdiction over a defendant that is not domiciled in a Member State to the national private international laws of each member State. During the 2012 recasting exercise of the Brussels I Regulation a proposal to extend the Brussels I harmonised jurisdiction rules to those defendants domiciled in a third state was rejected. That leaves us with the problem that a common court cannot derive its jurisdiction from (various) national laws on private international law. There was therefore a need for a harmonized rule if the court was to have jurisdiction over defendants domiciled in a third state and that was seen as desirable, if not essential, from a substantive patent law point of view.

Paragraph 2 of the new article 71b sets out therefore to deal with the situation where a defendant is domiciled in a third state and where the existing rules in the Brussels I Regulation do not grant the UPC jurisdiction over such a defendant. The solution is simple. One is to disregard the domicile issue and apply the Brussels I jurisdiction rules regardless of domicile. The provision states that this is to be done ‘as appropriate’.²⁰ What is intended here is probably the fact that article 4 simply cannot be applied in a sensible way, as it is based entirely on the domicile (in a Member State) of a defendant. Giving jurisdiction to a third state by disregarding the domicile in a Member State requirement does not make sense and is therefore not appropriate. It is submitted that one should not try and look for a further discretion in applying the other jurisdiction rules in these circumstances. The intended solution is simply to apply the existing

¹⁹ Or a signatory state to the Lugano convention. P. De Miguel Asensio, ‘Regulation 542/2014 and the International Jurisdiction of the Unified Patent Court’, 45(8) (2014) IIC 868, at 875.

²⁰ A. Miglio, ‘The Jurisdiction of the Unified Patent Court: A Model for the Application of the Brussels Ia Regulation?’, in A. Trunk and N. Hatzimihail (eds), *EU Civil Procedure Law and Third Countries: Which Way Forward?*, Nomos (2021) 71-94.

rules on jurisdiction regardless of domicile.²¹

The non-expert reader might find it very hard though to extract that simple message from the text. And applying Articles 7 and 8 Brussels I Regulation as mere subject matter jurisdiction is not without its risks. They have been designed to apply with the added safeguard that the defendant is domiciled in a Member State, which guaranteed a strong link between the case and the Brussels I territory. Removing that safeguard without replacing it can give the Unified Patent Court jurisdiction over defendants whose links with the Brussels I territory are extremely weak. Territorial patents are ideally suited to locate some damage in the jurisdiction and it is relatively easy to blame for example a foreign (parent) company for it. One may not succeed in substantive law, but harassing defendants by obliging them to defend the case becomes relatively easy.²²

It would be far clearer for the user of the system and from a legal perspective much more elegant, clear and safe to provide Article 7 specific language. That could read as follows:

In disputes concerned with the infringements of intellectual property rights over which a court common to several member states exercises subject matter jurisdiction, a person may be sued in the common court if the alleged infringement occurs or may occur in any of the member states concerned, unless the alleged infringer has not acted in any of the member states concerned and his or her activity cannot reasonably be seen as having been directed to that state.

In disputes concerned with a contractual obligation that comes within the subject matter jurisdiction of a court common to several member states, a person may be sued in the common court if the obligation in question is to be performed in any of the member states concerned.²³

²¹ P. De Miguel Asensio, 'Regulation 542/2014 and the International Jurisdiction of the Unified Patent Court', 45(8) (2014) IIC 868, at 875..

²² P. Torremans, 'An International Perspective I: A View from Private International Law', in J. Pila and Ch. Wadlow (eds), *The Unitary EU Patent System*, Volume 19 Studies of Oxford Institute of European and Comparative Law, Hart/Bloomsbury (2014)161-178, at 169-172.

²³ Based on Articles 2:201 and 2:202 of the CLIP Principles; see European Max Planck Group on Conflict of Laws in Intellectual Property (CLIP), *Conflict of Laws in Intellectual Property: The CLIP*

Paragraph one clearly states what the mechanism is, ie place of infringement without domicile, but quite importantly it also builds in a safeguard mechanism to replace the one that was removed by dropping the domicile requirement. It is after all not desirable for the common court to have jurisdiction over a foreign defendant that did not act or direct action in or towards the jurisdiction, such as a manufacturer of a patented product based in a country where there is no patent protecting the product whose independent distributor imports the product in the member states (where a patent is in force). But as the safeguard applies cumulatively, any foreign parent company that directs the operations of subsidiaries, etc. will be caught without the need to rely on article 8(1).²⁴

Article 8(1) Brussels I Regulation makes it possible to bring multiple defendants before a single court and it can, of course, also be extended to defendants that are not domiciled in a Member State, but its application in patent cases (and in intellectual property cases in general) is a mess.²⁵ *Roche Nederland*²⁶ was unduly strict and without saying so the CJEU has been backtracking ever since. There was the *Freeport* case and then the *Painer*²⁷ and *Solvay* cases.²⁸ These latter two are simply not compatible with the strict *Roche Nederland* approach.²⁹ One can leave it to the CJEU to sort out the mess and hope the court will continue with the de facto more flexible approach in *Solvay* and *Painer*. It is at least encouraging to see that Article 33(1)(b) UPC Agreement has very different language to offer:

An action may be brought against multiple defendants only where the defendants have a commercial relationship and where the action relates to the same alleged infringement.

Principles and Commentary (Oxford: OUP, 2013) ('CLIP Principles') 69-84. (The author is a member of CLIP.)

²⁴ For a complete explanation of the approach that is proposed and of the safeguard mechanism, see the CLIP Principles.

²⁵ A detailed analysis would lead too far here; see instead Torremans (n 21).

²⁶ Case C-539/03 *Roche Nederland BV et al v Frederick Primus and Milton Goldenberg* [2006] ECR I-6535.

²⁷ Case C-145/10 *Eva-Maria Painer v Standard Verlags GmbH et al* [2011] ECDR 6.

²⁸ Case C-616/10 *Solvay SA/Honeywell et al* ECLI:EU:C:2012:445 ..

²⁹ P. Torremans, 'Intellectual Property puts Art.6(1) Brussels I Regulation to the Test' 2014(1) Intellectual Property Quarterly., 1-12.

But before one gets excited and sees in here a new and more appropriate approach to the issue of multiple defendants one has to remind oneself that this provision cannot operate at international jurisdiction level, where Article 31 refers uniquely to the Brussels I Regulation, and its Article 8(1), as interpreted by the Court of Justice of the European Union. The new UPC Agreement provision therefore only operates at the competence level, i.e. once the Unified Patent Court already has jurisdiction over each of the defendants on the basis of one of more other Brussels I jurisdiction rules (not necessarily the same rule for each defendant though). That is clear for the private international law experts, but it may not be wise to leave both versions in existence side by side, without any clarification for the non-private international law expert as to which one applies when. Be that as it may, there will be little scope for Article 8(1) if the defendant is not domiciled in a Member State. There will very rarely be a defendant that one would want to join to the case before the Unified Patent Court, but that cannot be brought before the court on the basis of Article 7(2) if the domicile safeguard no longer applies. Any defendant against whom one has a realistic chance of success will at least contribute to the act causing the damage or be at least partially responsible for the damage. And once the jurisdiction point has been handled by Article 7(2) Brussels I Regulation the competence provision in Article 33(1)(b) will enable the claimant to centralize the claim against multiple defendants before a single division of the court.³⁰

Finally, there is a sentence in paragraph 2 of article 71b Brussels I Regulation that deals in a very broad way with provisional and protective measures, Of course, the UPC will be able to issue such measures when it has jurisdiction to deal with the substance of the case, but this provision allows parties to make an application for such measures even if the courts of other Member States have jurisdiction as to the substance of the case. Article 35 Brussels I Regulation is extended to cover all these scenarios.³¹ This gives the Unified Patent Court an appropriately wide power to issue provisional measures, to assist the foreign court and the parties. Jurisdiction is the issue here and hence the concept that one can make an application for provisional measures. The rules of substantive law will then apply to the question whether the court will in practice grant such measures and how far-reaching they will be.

³⁰ Art 33(1) does not expressly extend the application of its paragraph (b) to defendants that are not domiciled in a Member State, but this is clearly intended. The paragraph on defendants that are not domiciled in a Member State merely adds the option to sue them before the central division, without excluding anything.

³¹ A. Dickinson and E. Lein (eds), *The Brussels I Regulation Recast*, OUP (2015), chapter 12,

Paragraph 3

Paragraph 3 was always intended to add to the basis on which jurisdiction can be taken, but what was proposed in the draft Regulation was very different from what made into the Regulation that was in the end adopted.³² The starting point of the provision in the Regulation is now very clearly that this is not an independent ground of jurisdiction. The rule instead covers a scenario where the common court does already have jurisdiction on the basis of paragraph 2. The subject matter involved is the infringement of a European Patent, for the simple reason that such a patent may also be in existence (and can therefore also be infringed by the same activity) in a number of what are for paragraph 2 third states. In such a case damage inside the EU may be coupled with damage outside the EU in a third state. It may make sense for the common court to deal also with that latter damage and to avoid the need for there to be additional litigation in the third state. Article 7(2) Brussels I Regulation, even if applied without the domicile requirement as a result of paragraph 2, may not have covered damage in a third state and paragraph 3 serves a useful purpose on this point.³³

Useful as it may be for the claimant and in some cases no doubt for both parties to be able to bring the whole case in front of a single (common court), this remains a form of long-arm jurisdiction and involves therefore certain risks. One cannot predict whether foreign states will recognize and enforce these judgments, but it is interesting to see that a couple of safeguards have been put in place to weed out the cases with a very weak link with the UPC where the link with the jurisdiction would have been unduly weak. Jurisdiction may only be established if property belonging to the defendant is located in any Member State party to the instrument establishing the common court and the dispute has a sufficient connection with any such Member State. Recital 7 of the Regulation mentions that the judge who is deciding whether or not such a sufficient connection is present in a particular case can take into account the factor that the claimant has its domicile in the state concerned or the factor that evidence is available there. There is also a suggestion that one should look at the value of the property in that state.

³² P. Torremans, 'An International Perspective I: A View from Private International Law', in J. Pila and Ch. Wadlow (eds), *The Unitary EU Patent System*, Volume 19 Studies of Oxford Institute of European and Comparative Law, Hart/Bloomsbury (2014)161-178, at 173-174.

³³ P. Véron, 'Extent of the long-arm jurisdiction conferred upon the unified patent court by Art. 71(b)(3) of the Brussels I Regulation as amended by Regulation 542/2014 of may 15, 2014: Turkish delight and a bit of Swiss chocolate for the unified patent Court', 27 (2015), issue 9, 588-596.

That may make sense if the system prefers to see the judgment enforced in that state, but the use of property as a basis for jurisdiction remains nevertheless questionable. The property involved does after all not have to be related to the allegedly infringing activity. It is then hard to see how such property links the case to the UPC and its contracting states.³⁴ This rule merely seems an attempt to offer a court with pan-European jurisdiction and to make the rules that are designed for a patent with unitary effect also fit in all scenarios for European patents. That is a laudable aim, but maybe one should have left the property basis for jurisdiction to one side and instead have required that the long arm subject matter was ancillary to damage resulting from the infringement inside the UPC zone.

IV. Article 71c: *Lis Pendens*

For obvious reasons having two courts dealing with the same or a related issue between the same parties is not an ideal solution. Article 29 to 32 of the Brussels I Regulation address that issue, known in private international law as *lis pendens*. When the proceedings involve the same cause of action and the same parties the court first seized will hear the case and all the other courts will stay their proceedings (as the case is pending elsewhere, hence *lis pendens*).³⁵ If the actions are merely related, the obligation to stay is turned into an option to stay. Any court other than the court first seized may stay its proceedings in these circumstances.³⁶ And the first seized *lis pendens* rule is also applied to the scenario where several courts have exclusive jurisdiction.³⁷ Article 71c then merely expands that standard system to scenarios that involve the UPC.

On a permanent basis there is the situation where proceedings are brought in the Unified Patent Court and in the national courts of an EU Member State that is not a party to the UPC Agreement.

On a temporary basis there is the situation where proceedings are brought in the Unified Patent Court and in the national courts of a Member State that is a party to the UPC Agreement during the transition period that is referred to in Article 83(1) of the Unified Court Agreement.

³⁴ P. De Miguel Asensio, 'Regulation 542/2014 and the International Jurisdiction of the Unified Patent Court', 45(8) (2014) IIC 868, at 879-883.

³⁵ Article 29 Brussels I Regulation.

³⁶ Article 30 Brussels I Regulation.

³⁷ Article 31 Brussels I Regulation.

The latter solves the conflicting jurisdiction issues that were raised earlier, but it does so by treating article 83(1) UPC Agreement as a jurisdiction rule, which it arguably is not allowed to be.

And even if we leave that issue to one side and accept the ‘practical’ solution the fundamental question whether this solution is suitable remains. European patents with unitary effect are not really problematic, but issues arise in relation to standard European patents. Article 34 UPC Agreement stipulates that a decision of the UPC will in these cases cover the territory of all those Member States for which the European Patent has effect. It is not clear how that rule can be a private international law rule, but the clear intention seems to be to treat it as one, in the same way as Article 83(1). That means then that a first claim in a national court will trigger the *lis pendens* rule and stop the case from being dealt with by the UPC. That may well force the parties down the line of country by country litigation and rule out the single court solution in front of the UPC. Maybe that is not the best solution. Let us take an example that is entirely realistic and that involves the patent law complication that negative declarations and infringement actions are seen to involve the same cause of action. The potential defendant in a (common court) infringement case can after all bring a national negative declaration case by way of a first pre-emptive strike (potentially in combination with a validity claim, potentially in a torpedo jurisdiction). Article 29 Brussels I Regulation does then prevent the rightholder from bringing an infringement case in the common court, unless one wants to go down the wobbly route of arguing that the wider scope of the possible UPC case relegates this scenario to the related cases provision which then sees the UPC refuse to stay on the basis of its potential wider coverage whilst brushing the potential for a contradictory outcome in relation to one denomination of the European Patent (because of Article 34 UPC) under the carpet. . That seems unlikely to happen, but does it then make sense to rely simply on the court first seized rule? Does one not, by paying lip service to Article 83(1) UPC Agreement, deny the rightholder the option to enforce its rights effectively by means of a single action? The defendant can effectively force the rightholder down the national country by country enforcement route as the holder of a supposedly valid right cannot sue on validity grounds. The question that needs to be asked here is whether a preference for the common court instead of the court first seized does not make more sense.³⁸

³⁸ P. Torremans, ‘An International Perspective I: A View from Private International Law’, in J. Pila and Ch. Wadlow (eds), *The Unitary EU Patent System*, Volume 19 Studies of Oxford Institute of European and Comparative Law, Hart/Bloomsbury (2014)161-178, at 174-177, where further examples can be found.

V. Recognition and Enforcement

Regulation 542/2014 leaves it to the provisions of the UPC Agreement to deal with the recognition and enforcement of a judgment given by the UPC in a Member State that is party to the agreement. But not all EU Member States will become parties to the UPC Agreement. There will therefore in practice be judgments from those Member States that did not join and judgments from the Unified Patent Court. Each of these may require recognition and enforcement in the other area. The Regulation then applies the standard Brussels I Regulation mechanism.³⁹ This does not give rise to major problems and is acceptable as a workable solution.

VI. Conclusion

One could summarise matters by stating that Regulation 542/2014 simply expands the scope of the Brussels I Regulation to the UPC and patent litigation involving parties who are not domiciled in the EU. Things are unfortunately not that straightforward and especially in relation to standard European Patents and defendants that are not domiciled in the EU problems arise.

Both from a private international law and from a substantive patent law perspective one sees imperfections that may hinder the smooth operation of the system and that may render it more difficult for both the UPC and the national courts to do justice to the parties in this complex patent law area. This is clearly something that will need to be looked at again in the future.

And burying it all the way down in Article 71 of the Brussels I Regulation is also not the best way to draw the attention of the patent lawyers to the private international law aspects of the new system.

³⁹ Article 71d regulation 542/2014.