



LISBON – LOCAL DIVISION

UPC_CFI_757/2024

ACT_63643/2024

DECISION
of the Court of First Instance of the Unified Patent Court
Local Division in Lisbon
delivered on 4 April 2025

CLAIMANT

TELEFONAKTIEBOLAGET LM ERICSSON

21 Torshamnsgatan, Kista, 164 83 Stockholm, Sweden.

represented by Mr. Wim Maas

DEFENDANTS

1. ASUSTEK COMPUTER INC

15, Lide Road, Beitou Dist., Taipei City 112019, Taiwan.

2. DIGITAL RIVER IRELAND LTD.

Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin 1, Ireland

represented by Mr. Alexander Wilson

PATENT AT ISSUE:

EUROPEAN PATENT NO EP 2 819 131 B1

PANEL/DECIDING JUDGES:

Presiding judge and Judge-rapporteur: Rute Lopes

Legally qualified judge: Sam Granata

Legally qualified judge: Petri Rinkinen

LANGUAGE OF THE PROCEEDINGS:

English

SUBJECT OF THE PROCEEDINGS

Withdrawal Infringement action against one Defendant – R. 311.3 RoP

SUMMARY OF FACTS AND PROCEEDINGS:

- 1 On November 29, 2024, TELEFONAKTIEBOLAGET LM ERICSSON (hereinafter “Ericsson”) lodged an infringement action against ASUSTEK COMPUTER INC. (hereinafter “AsusTek”) and Digital River Ireland LTD (hereinafter “Digital River”) at the Lisbon Local Division of the Unified Patent Court concerning EP 2 819 131 B1. In the Infringement Proceedings, Ericsson seeks compensation for the damages it has suffered as a consequence of AsusTek and Digital River infringing the Patent.
- 2 Defendant AsusTek was served on January 16, 2025, and Defendant Digital River was served on February 17, 2025.
- 3 On February 20, 2025, the Defendants filed a Generic Application (App_8855/2025) requesting proceedings to be stayed according to R. 295, 311, and 9 RoP, grounding their request on the circumstance that Digital River was undergoing insolvency proceedings in Ireland, and therefore the infringement proceedings should be stayed for three months from the date of the final winding up order.
- 4 On March 3, 2025, at the request of the JR, the Defendants lodged at the CMS the decision of the Irish Court dated February 24, 2025, which ordered that Digital River be wound up by the Court.
- 5 Following Digital River’s insolvency, on March 10, 2025, Ericsson filed this Application for leave to withdraw the action against Digital River.

ORDER SOUGHT BY THE PARTIES

- 6 The Applicant requests:
 1. Leave to withdraw the Infringement Proceedings against Digital River Ireland, pursuant to R. 311.3 RoP.
 2. That Digital River bears its own costs.
- 7 In its response, the Defendants request that the Court:
 1. Gives a Decision declaring the proceedings against Digital River Ireland closed.
 2. Orders Ericsson to bear the costs incurred by Digital River Ireland in connection with the Infringement Proceedings pursuant to R. 265.2(c) RoP and makes an interim order of costs pursuant to R. 150.2 in the sum of €3,800 to be paid within 14 days;

3. Directs Ericsson to file an Amended Statement of Claim in the Infringement proceedings;
4. Orders a stay of the Infringement Proceedings pursuant to the Defendants' prior Application for a stay of the proceedings (App_8855/2025) further to R. 295 and R. 311.1 RoP, between: February 20, 2025 (the date of the Defendants' Stay Application); and the date of service of Ericsson's Amended Statement of Claim in the Infringement Proceedings;
5. Orders that the time allowed for the Defendant(s) to file a Statement of Defence and any Counterclaim for Revocation under R. 23 RoP shall recommence and run for a period of 2 calendar months from the date of service of Ericsson's amended Statement of Claim in the Infringement Proceedings.

GROUNDINGS OF THE ORDER

1. Withdrawal

- 8 According to R. 265 RoP, a claimant may apply to withdraw an action as long as there is no final decision.
- 9 And pursuant to Rule 311.3 RoP, the claimant may withdraw the action against an insolvent defendant, as provided in Rule 265. Such withdrawal shall not prejudice the action against other parties.
- 10 Both parties agree on the withdrawal.
- 11 On this basis, the withdrawal of the action against Defendant Digital River is allowed, and the main action will continue against Defendant AsusTek only.

2. Costs

- 12 R. 265.2 RoP provides that if the withdrawal is permitted, the Court shall issue a cost Decision in accordance with Part 1, Chapter 5 (R. 150 – 157 RoP).
- 13 Parties do not agree on the costs award, as both consider that the other party should bear the costs.
- 14 Art. 69(1) UPCA provides the general principle that the losing party must bear the successful party's costs, which comprise reasonable and proportionate legal costs and other expenses incurred by the successful party. Where exceptional circumstances occur, equity may provide differently, or the Court may order that each party bears its own costs.
- 15 The Court notes that the specific circumstances of this withdrawal should be taken into consideration, as this case involves only a partial withdrawal at a very early stage of the proceedings and that the main action will continue. Furthermore, this request for

withdrawal has its grounds on Digital River's insolvency. Although not required by law, the Court acknowledges that the delay in the proceedings due to the insolvency would likely serve no purpose to Ericsson in the case of a successful Decision in the main action. In that regard, the Court considers that the withdrawal was due to circumstances over which none of the parties has control and has no reason to conclude any of the parties is an unsuccessful party.

16 Consequently, the Court finds that the principles of fairness and equity require that both Ericsson and Digital River bear their own costs in relation to these withdrawal proceedings.

3. Effect of the withdrawal on the main case workflow

Amendment of the Statement of Claim

17 Defendants request that the Court direct Ericsson to file an Amended Statement of Claim in the Infringement proceedings.

18 The Court acknowledges the following:

- The main action was lodged against both Defendants.
- It is a partial withdrawal; therefore, the proceedings will not be closed (as stated under R. 265.2(a) RoP).
- The Defendants did not oppose the withdrawal, provided that the case is managed in a manner that is fair and equitable to all parties.
- For most of the allegations in the Statement of Claim, it is irrelevant that Digital River is no longer a party to the action. However, concerning the pleadings regarding specific acts of infringement, doubts may arise regarding the interpretation of the acts imputed to each party. This difficulty, however, is limited to those pleadings and therefore does not entail any particular complexity.

19 In that regard, in 10 days, the Claimant must amend the Statement of Claim to exclude Digital River from its pleadings.

Stay of proceedings / Extension of time period

20 Defendants request that the Court order a stay of the infringement proceedings pursuant to the Defendants' prior Application for a stay of the proceedings (UPC App_8855/2025, UPC_CFI_757/2024), between 20 February 2025 (the date of the Defendants' Application for a stay) and the date of service of Ericsson's amended Statement of Claim in the infringement proceedings.

21 As the Claimant has withdrawn the infringement action against Digital River, the Court finds that the request for a stay is no longer relevant and should therefore not be addressed in itself, but only to the extent that it affects the time allowed for the Defendant to file a Statement of Defence.

- 22 In this regard, the Court also takes into consideration that, upon a reasoned request by a party, the Court may extend, even retrospectively, a time period referred to in these Rules or imposed by the Court – Rule 9.3(a) RoP.
- 23 This provision confers discretionary powers on the Court to modify the deadlines set, either by the rules or by the Court. However, the request for an extension for the deadline should only be granted in circumstances that justify such an extension, given the principles of proportionality, flexibility, fairness, and equity, without unduly compromising the principle of ensuring expeditious decisions (see UPC CFI 255/2023 CD Paris, order of 10 November 2023, par.11; UPC CFI 502/2023 LD Munich, order of 9 April 2024, par. 5).
- 24 Considering the principles mentioned above, the Court finds that, according to R. 311.1 RoP, in principle, the main action would have been stayed had it not been for the withdrawal against the insolvent party. In that regard, Defendant AsusTek could legitimately consider that the main action would be stayed, at least until a Court Decision regarding withdrawal was made.
- 25 The defendant requests that two months be granted to lodge the Statement of Defence, from the date of service of Ericsson’s amended Statement of Claim in the Infringement Proceedings. The request is acceptable, as only 24 days passed since January 16 (date of service) and February 20. Therefore, in light of the reasons above provided and R. 23 RoP, the requested period complies with the law and the principles of proportionality, flexibility and fairness that govern the Court.
- 26 It should thus be granted.

ORDER

1. The withdrawal of the action against Digital River Ireland Ltd. is allowed. The main action will continue against AsusTek Computer Inc.
2. Both Ericsson and Digital River shall bear their own costs in relation to these withdrawal proceedings.
3. This Decision is to be entered on the register.
4. The Claimant is to lodge an amended Statement of Claim in 10 days.
5. The remaining Defendant, AsusTek, is to lodge the Statement of Defence within 2 months of the date of service of the amended Statement of Claim.

INFORMATION ABOUT APPEAL

An appeal against the Decision on withdrawal may be lodged at the Court of Appeal, by any party that has been unsuccessful, in whole or in part, in its submissions, within two months of the date of its notification (Art. 73(1) UPCA, R. 220.1(b), 224.1(a) RoP).

RUTE LOPES PRESIDENT AND JUDGE RAPPORTEUR	
PETRI RINKINEN LEGALLY QUALIFIED JUDGE	
SAMUEL GRANATA LEGALLY QUALIFIED JUDGE	
REGISTRY CLERK	

ORDER DETAILS

UPC number: UPC_CFI_757/2024

Main Action: ACT_63643/2024.

Application for leave to withdraw an action (RoP265): 11625/2025