



UPC_CFI_525/2024 **Procedural Order** **of the Court of First Instance of the Unified Patent Court** **delivered on 18/12/2024**

HEADNOTES

1. An alleged patent infringement is a matter of tort, delict or quasi-delict in the meaning of Art. 7 sub (2) of the Brussels I recast Regulation. Thus, the UPC has jurisdiction also for claims based on personal (director) liability with regards to an alleged infringement of a European patent under Article 32 UPCA.
2. Whether the director of a company can be successfully sued before the UPC and held liable for the infringement of a patent is a question of the merits of the case which is not subject to the determination of jurisdiction and competence.

KEYWORDS

Art. 32(1)(a) UPCA, Art. 33 (1) (a) UPCA, Rule 19 RoP, preliminary objection

CLAIMANT

- | | | |
|----|--|-------------------------------------|
| 1) | Visibly Inc.
- 207 East Ohio Street #233 - 60611 -
Chicago, IL - US | Represented by Dr. Marc
Grunwald |
|----|--|-------------------------------------|

DEFENDANTS

- | | | |
|----|---|-------------------------|
| 1) | Easee B.V.
(Applicant) Singel 126, 1015AE Amsterdam,
Niederlande | Represented by Wim Maas |
| 2) | Yves Prevo
(Applicant) Singel 126, 1015AE Amsterdam,
Niederlande | Represented by Wim Maas |
| 3) | Easee Holding B.V.
(Applicant) Singel 126, 1015AE Amsterdam,
Niederlande | Represented by Wim Maas |

PATENT AT ISSUE

Patent no.

Proprietor/s

EP3918974

Visibly Inc.

DECIDING JUDGE

Dr. Schilling – Judge Rapporteur

LANGUAGE

English

SUBJECT

Preliminary Objection according to R. 19 RoP

SHORT SUMMARY OF THE STATEMENT OF CLAIM

Claimant is seeking an injunction against Defendants for offering and performing a method and for offering and supplying software from the patent in suit. The infringement action is based on the patent EP 3 918 974, which originated as a divisional application from the European patent application EP 2 967 316 filed on March 3, 2014. The grant of the patent-in-suit was published on December 13, 2023. The unitary effect of the patent-in-suit was registered in the Register for Unitary Patent Protection on December 19, 2023. The subject matter of the patent in suit is a method and a system for determining a corrective lenses prescription for a patient using a system comprising a patient terminal with a first computerized screen and a remote control device with a second computerized screen.

Claimant's action is directed against an online vision test that is transmitted to patients in the form of software ("App"), which it regards as being infringing the patent in suit.

Claimant sees Defendant 1) being liable for the alleged patent infringement based on the assertion that Defendant 1) provides the infringing method ("infringing embodiment") in the form of an online vision test to customers on the Internet via, inter alia, its German-language website www.easee.online/de.

Claimant regards Defendant 2) being personally liable to Claimant as managing director of Defendant 1) for the infringement of the patent in suit. It submitted copies of extracts from the commercial register of Easee B.V., Easee Health B.V. and Easee Holding B.V. It asserts that Defendant 2) was aware of the online vision test offered by Defendant 1), as it was the core product of Defendant 1). Defendant 2) would manage the business operations of Defendant 1) and therefore would also actively select the products and services offered on the market. Claimant referred to as a proof that Defendant 2) was the managing director of Defendant 1) to an current excerpt of the imprint from www.easee.online/de/impressum.

Claimant argued additionally (Statement of Claim, para 140):

"Taking into account the care required in trade, Defendant 2) could therefore have reasonably recognized that the online vision test offered infringed third-party property rights and could have prevented this. Alternatively, Defendant 2) should have organized its business operations in such a way that the fulfillment of this obligation is guaranteed by

responsible employees and thus no patent infringement occurs (see on managing director liability BGH judgment of 15.12.2015 -ZR 30/14 - Glasfasern [Glass Fibers] II). Defendant 2) did not comply with this organizational duty and thus culpably violated his duty arising from his position as guarantor to protect the absolute rights of others.”

Regarding the liability of Defendant 3) Claimant argued that Defendant 1) (Easee B.V.) and Easee Health B.V. were subsidiaries of Defendant 3) (Easee Holding B.V.). Defendant 1) provides online vision tests and offers e-health services, while Easee Health B.V. only serves to manage property rights. Both companies have only one shareholder, namely Defendant 3) and are therefore fully controlled by Defendant 3).

Claimant asserted that this would result in the Defendant 3) being liable for the actions of the Defendant 1). Defendant 1) was a vicarious agent who is bound by the instructions of Defendant 3). Defendant 3) would provide an internationally uniform strategy for the sale of the infringing embodiment. The distribution of the infringing embodiment would be centrally organized by Defendant 3), and it was the only product that customers can purchase from Defendants. One of the reasons for this would be that a standardized eye test in the respective national language would always be provided for inquiries about the products. Claimant therefore sees Defendant 3) being legally responsible for the conduct of its subsidiaries.

PRELIMINARY OBJECTION DEFENDANTS 2) AND 3)

Defendants 2) and 3) filed a preliminary objection according to R. 19(1) RoP dated October 28, 2024.

They argue that Claimant did not substantiate why the UPC would have jurisdiction in relation to Defendant 2) and Defendant 3) on the basis of Article 32 UPCA.

They state that Defendant 2), Mr. Prevoo, was a natural person and the director and shareholder of the company [REDACTED] [REDACTED] [REDACTED] [REDACTED] is the director of both Defendants 1) and 3), and not Mr. Prevoo personally.

As follows from the SoC, the claims against Defendant 2) and 3) would arise out of an alleged personal or director liability for the allegedly infringing actions of Defendant 1). These claims were clearly not based on patent infringement but on unlawful act (tort). With respect to Defendant 2) it is explicitly acknowledged that he did not commit any infringing acts, but that Defendant 2) should instead be held liable as a managing director for the infringing acts allegedly committed by Defendant 1). The Claimant also acknowledged that the Defendant 3) does not commit any infringing acts itself. It was only argued by the Claimant that Defendant 3) assumes liability for the actions of Defendant 1).

Defendants 2) and 3) are of the opinion that claims based on personal (director) liability and unlawful act/tort are not matters for which the UPC has competence under Article 32 UPCA. For this reason, the UPC lacks jurisdiction to hear the claims against Defendants 2) and 3).

Jurisdiction against Defendants 2) and 3) could also not be construed on the basis of the intermediary injunction provision of Article 63 (1) UPCA, in connection with Article 32 UPCA. The UPCA, The Rules of Procedure nor its travaux préparatoires express the intent to have the UPC decide the delicate civil and corporate law implications of assuming liability of one legal entity for the infringement committed by another legal entity. This should be left over to the national civil courts of the Member States.

As neither Defendant 1) nor Defendants 2) and 3) are residing or based in Germany the competence of the Local Division Hamburg cannot be based on Article 33 (1) (b) UPCA.

Defendants 2) and 3) request:

The Court to dismiss, insofar as Defendant 2 and 3 is concerned, the Statement of Claim as inadmissible as the UPC lacks jurisdiction and the Hamburg Local Division lacks competence to hear the claims against Defendant 2 and 3.

Claimant requests,

I. The Preliminary objection filed by Defendants according to R. 19(1) RoP dated October 28, 2024 is rejected.

II. Defendants bear the costs of the Preliminary objection proceedings.

In the alternative:

The Preliminary objection is to be dealt with in the main proceedings.

With its response 11 November 2024 Claimant argues that the UPC has international jurisdiction in respect of an infringement action where the patent in suit relied on by Claimant has effect in at least one Contracting Member State and the damage may occur in that particular Contracting Member State. Since Claimant has presented detailed arguments, why Defendant 2) (Statement of claim, marg. no. 138 et seqq.) and Defendant 3) (loc. cit., marg. no. 142 et seqq.) infringe the patent in suit on German territory, jurisdiction of the UPC and, thus, of the Local Division Hamburg would be given.

Art. 33 (1) (a) UPCA must be interpreted in the same way as the place where “the harmful event occurred or may occur” according to Art. 7(2) Brussels Regulation in view of the patent in suit.

Defendants do not specifically challenge or dispute the element of territorial connection to the Local Division Hamburg, but their argumentation is ultimately based only on the fact that since Defendants 2) and 3) would allegedly not infringe the patent in suit, there would also be no connection to the Court seized. However, the allegation that no acts of infringement were committed would be irrelevant when assessing the territorial competence. Additionally, Art. 33(1)(a) UPCA would be applicable to intermediaries, as well.

Claimant presented additional screenshots from Defendant 1)’s website and excerpts from the annual financial statement of Defendant 1). It argues that it would be impossible for Defendant 2) to have been falsely advertised as managing director for four years without realizing or changing it. This would apply even more since Defendant 2) was found liable as managing director in the patent infringement proceedings before the District Court Düsseldorf (4a O 53/19) for infringement of EP 1 269 588 B1 by decision of July 28, 2020 (Exhibit PS 1/PS 1a).

Additionally, Defendant 2) must also be regarded as an accomplice or accessory to Defendant 1). There was a joint plan of action to offer the patent-infringing online vision test in Germany and to make it available to customers there.

With submission dated 12 December 2024 in App_65749/2024 the Defendants additionally request with regard to the preliminary objection,

II. Permit Easee to disregard the additional legal arguments presented in Claimant’s Reply to Preliminary Objection as inadmissible;

They claim that Claimant provided additional legal grounds for the infringing acts of Defendant 2 and 3 in their Reply to PO, which it had not included in its SoC. Claimant failed to include the legal grounds it referenced in its Reply to PO when drafting the SoC. The additional legal grounds in Reply to PO shall be disregarded and is inadmissible.

GRUNDS FOR THE ORDER

The admissible preliminary objection is to be rejected. The UPC has jurisdiction over the dispute as a whole and the Hamburg Local Division is competent to hear the infringement action brought by the Claimant. Whether or not Defendants 2) and 3) – if the Court would in the end find an infringement of the patent in suit – can be deemed liable is a question of the merits of the case, which is not subject to the determination of jurisdiction and competence.

1.

According to the case-law of the UPC Court of Appeal (Court of Appeal, Order of September 03, 2024, CoA_188/2024) the UPC is a common court within the meaning of Art. 71a (1) of the Brussels I recast Regulation, Art. 71a (2) (a) of the Brussels I recast Regulation. Therefore, the UPC has jurisdiction where the courts of a Contracting Member State would have jurisdiction under the Brussels I recast Regulation in an action within the meaning of Art. 32(1) UPCA, Art. 71b (1) of the Brussels I recast Regulation.

a)

Under Art. 7 sub (2) of the Brussels I recast Regulation, the courts of a Contracting Member State would have jurisdiction in an infringement action within the meaning of Art. 32(1)(a) UPCA against a person domiciled in an EU Member State where the harmful event occurred or may occur in that Contracting Member State. Art 7 sub (2) Brussels I recast Regulation covers “matters relating to tort, delict or quasi-delict”. Contrary to the Defendants position the Court of Appeal acknowledged that an alleged patent infringement is a matter of tort, delict or quasi-delict. Thus, the UPC has jurisdiction also for claims based on personal (director) liability with regards to an alleged infringement of a European patent under Article 32 UPCA based on tort law or comparable rules within the UPCA.

b)

The Court of Appeals ordered that in the light of the case-law, Art. 7(2) in conjunction with Art. 71b (1) of the Brussels I recast Regulation must be interpreted as meaning that the UPC has international jurisdiction in respect of an infringement action where the European patent relied on by the claimant has effect in at least one Contracting Member State and the alleged damage may occur in that particular Contracting Member State. Where the damage is allegedly caused via the internet, the likelihood of such damage may arise from the possibility of obtaining products and/or using services from an internet site accessible within the territory of the Contracting Member State where the European patent has effect.

c)

Claimant has sufficiently stated in its Statement of Claim that these criteria are present in the case in question and that therefore the UPC has jurisdiction in this case pursuant to Art. 7(2) in conjunction with Art. 71b (1) of the Brussels I recast Regulation.

aa)

Claimant relies on a European patent that has unitary effect. It stated that the alleged damage may occur in a particular Contracting Member State, namely Germany, as the service would be provided by Defendant 1) in Germany via its German website. Where, as in the present case, the

damage within the meaning of Art. 7 (2) of the Brussels I recast Regulation is allegedly caused via the Internet, the likelihood of such damage arises from the possibility of using services from a website accessible within the territory of the Contracting Member State in which the European patent has effect, even if the server is located outside that territory (comp. Court of Appeal, Order of September 03, 2024, CoA_188/2024). The likelihood of damage in the present case arises from the accessibility of Defendants 1)'s website through which it provides users in the Contracting Member States an eye test which, according to the Claimant, relates to an essential element of the patented invention and is suitable and intended for putting the invention into practice.

bb)

Claimant regards Defendant 2) being personally liable to Claimant as managing director of Defendant 1) and based this allegation on submitted copies of extracts from the commercial register of Easee B.V., Easee Health B.V. and Easee Holding B.V. and an excerpt of the imprint of Defendant 1)'s homepage. Claimant further asserted that Defendant 2) was aware of the online vision test offered by Defendant 1) as it was the core product of Defendant 1), and that he would manage the business operations of Defendant 1) and therefore actively selects the products and services offered on the market.

(1) Even in the light of the fact that the Defendants disputed this presentation of facts, stating that the Defendant 2) is the director and shareholder of the company ██████████ ██████████ B.V. ██████████ who - not Defendant 2) personally – is the director of both Defendants 1) and 3), the Claimant's assertion is still sufficient to establish jurisdiction of the UPC. The legal assessment whether the Defendant 2) as director of the company that is registered as a director of both Defendants 1) and 3) can be seen as Defendant 1)'s factual director, is an assessment that belongs to the decision on the merits of the case. This structuring of governing power within Defendants 1), 2) and 3) does not prevent the Defendant 2) from being subject to the jurisdiction of the case by the UPC, when his involvement in an infringement action is claimed. As stated above, contrary to the Defendants position an alleged patent infringement is a matter of tort, delict or quasi-delict, and therefore part of the jurisdiction of the UPC with regards to an alleged infringement of a European patent.

(2) However, the Defendant's objection has reflections in the scientific literature as it is discussed whether the director of a company can be sued before the UPC and held liable for the infringement of a patent or not (comp. Koukounis/Hülsewig Einheitspatent-HdB/Hülsewig/Kau, 1. Aufl. 2024, Kap. 2 Rn. 70). The Munich local division recently decided in favor of the UPCA covering liability of intermediaries and directors (UPC_CFI_390/2023 - ACT_583273/2023). Despite the fact, that the Defendants criticized the latter as clearly wrong, the Judge-Rapporteur deems this question as a question of material law, thus reserved for a decision on the merits, and not as a question of the procedural law covering jurisdiction.

cc) Regarding Defendant 3) Claimant asserted that it would be liable for the actions of the Defendant 1) as it is the single-shareholder mother-company, as Defendant 1) is bound by the instructions of Defendant 3), and as Defendant 3) would provide an internationally uniform strategy for the sale of the infringing embodiment. The Defendants did not explicitly dispute this allegation, but argued that Claimant acknowledged that the Defendant 3) does not commit any infringing acts itself, and instead only assumed liability of Defendant 3) for the actions of Defendant 1). Even though the liability of a mother-company cannot - due to the legal independence - automatically be assumed, the Claimant's undisputed assertion of the binding influence of Defendant 3) on Defendant 1) is a sufficient assertion to establish jurisdiction of the UPC, as well.

d)

The issue whether the patent has been infringed and whether that infringement may be attributed to the defendant falls within the scope of the examination of the substance of the action by the court having jurisdiction (Court of Appeal, Order of September 03, 2024, CoA_188/2024). Neither the identification of the place where the harmful event occurred nor a conclusive argumentation relating to the conditions of Art. 26 UPCA, which is required for granting the claims in the infringement action, are decisive for the establishment of jurisdiction pursuant to Art. 7(2) of the Brussels I recast Regulation (Court of Appeal, Order of September 03, 2024, CoA_188/2024). The same applies for any liability of intermediaries or directors in the light of Art. 63 UPCA. The finding of an actual liability of Defendants 2) and/or 3) are therefore subject of the final decision of the Court.

2.

The competence of the Hamburg Local Division follows Art. 33 (1) lit. a UPCA. Claimant stated that the alleged damage may occur in that particular Contracting Member State, namely Germany, as the service would be provided by Defendant 1) in Germany via its German website. Defendants 2) and 3) did not dispute the offering of the service in question in Germany, which the Claimant sees as infringing its patent in suit. That neither Defendant 1) nor Defendants 2) or 3) are residing or based in Germany is relevant for the scope of Art. 33 (1) lit. b UPCA, but not for Art. 33 (1) lit. a UPCA. The place “where the actual or threatened infringement has occurred or may occur” as referred to in Art. 33(1)(a) UPCA must be interpreted in the same way as the place “where the harmful event occurred or may occur” of Art. 7(2) of the Brussels I recast Regulation is interpreted in relation to alleged patent infringements (Court of Appeal, Order of September 03, 2024, CoA_188/2024).

3.

The question whether the Claimant presented additional legal arguments in its Reply to Preliminary Objection and whether these are admissible or not, is not relevant for the rejection of the preliminary objection. The present assessment is not based on the facts and circumstances which were presented by the Claimant in its Reply.

4.

Rule 19 RoP does not offer an isolated cost decision for this type of application. The costs are costs of the main proceeding.

5.

Leave to appeal has not been requested.

ORDER

The preliminary objection is dismissed.

INFORMATION ABOUT APPEAL

An order of the judge-rapporteur rejecting the Preliminary objection may only be appealed pursuant to Rule 220.2. According to this Rule the order may be either the subject of an appeal together with the appeal against the decision or may be appealed with the leave of the Court of First Instance within 15 days of service of the Court’s decision to that effect. In the event of a refusal of the Court of First Instance to grant leave within 15 days of the order of one of its panels a request

for a discretionary review to the Court of Appeal may be made within 15 calendar days from the end of that period.

ORDER DETAILS

Order no. ORD_60677/2024 in ACTION NUMBER: ACT_51510/2024


UPC number: UPC_CFI_525/2024

Action type: Infringement Action

Related proceeding no. Application No.: 58871/2024

Application Type: Preliminary objection

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