

CLIENT ALERT

Unified Patent Court: Protective Letters

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A pan-European preliminary injunction and a pan-European order to preserve evidence (*saisie*) are among the many new measures afforded by the Unified Patent Court (UPC). Such measures can have a tremendous impact, not only on proceedings before the UPC, but also on the business of a party targeted by such measures. Furthermore, where the possibility exists to temporarily lock a competitor out of the European market or force that competitor to grant access to confidential information, there also exists a very high risk that such measures could be applied for inappropriately.

The UPC Rules of Procedure therefore provide a means of defense for a party that fears that it will unjustly be confronted with, for instance, a provisional seizure of its stocks: the Protective letter. In this alert we look at what the purpose is of such a letter, how it has to be filed and, most importantly, what the effects of filing might be.

1. Who can file a Protective letter?

Rule 207 of the Rules of Procedure is the only rule that gives specific details concerning the “Protective letter”. Pursuant to this rule, any person who considers it likely that in the near future an application for provisional measures will be lodged against him as a defendant, may file a Protective Letter.

In our opinion this does not imply that a Protective letter can only be filed when such a person fears an application for provisional measures. Indeed, Rule 194, which deals with the examination by the UPC of an Application for preserving evidence (the *saisie*), states in its paragraph 6, that the party that has filed such an Application can withdraw it if the patent that is the subject of the Application is also the subject of a Protective letter. In other words, although Rule 207 only refers to Protective letters in relation to an application for provisional measures, Rule 194 confirms that the UPC will also take Protective letters into account when a *saisie* is applied for.

2. What information should be mentioned in a Protective letter?

In paragraph 2 of Rule 207 certain mandatory information is mentioned for inclusion in a Protective letter:

- a. The name of the party/parties that suspect that they will be confronted with provisional or other measures, as well as the name(s) of the lawyer or patent attorney that represents them.
- b. The name of the presumed applicant for provisional measures (or *saisie*).
- c. Postal and electronic addresses for service on the party/parties filing the Protective letter and the names of the persons authorized to accept service.
- d. Postal and, where available, electronic addresses for service on the presumed applicant for the measures targeted by the Protective letter and the names of the persons authorized to accept service if known.

- e. Where available, the number of the patent concerned, which seems to indicate that mentioning a patent number is not mandatory, but also that a Protective letter can only relate to one patent. Indeed, Rule 207 systematically refers to “patent” and not “patents.”
- f. Where applicable, information about any prior or pending proceedings referred to in Rule 13.1(h). This includes proceedings that relate to the patent concerned, whether before the UPC (including any action for revocation or a declaration of non-infringement pending before the central division and the date of any such action), the European Patent Office or any other court or authority.
- g. A statement that the letter is a Protective letter.

Paragraph 3 of Rule 207 confirms that the information mentioned above can be supplemented with the following information:

- a. An indication of the facts relied on to convince the UPC why the provisional measures should not be granted (or at least not without the author of the Protective letter having a chance to be heard). This may include a challenge to the facts expected to be relied on by the presumed applicant, including any infringement argument. Where applicable, an assertion may be made that the patent likely to be invoked is in fact invalid and the grounds for such an assertion should then also be included.
- b. Any available written evidence relied on by the author of the Protective letter.
- c. The legal arguments, including the reasons why any Application for provisional measures (or for a *saisie*, see Q1) should be rejected.

3. Where, when and in what language should a Protective letter be filed?

A Protective letter has to be filed with the Registry of the UPC. It should be filed in the language of the patent likely to be invoked. A question therefore arises concerning what language to use if that patent is unknown. The Rules of Procedure do not seem to answer this question. Statistically speaking, most patents that might be invoked will be in English, which is also the language that will be used in virtually all divisions of the UPC (see [UPC Alert: The Language Regime](#)). Therefore, to use English as the default language when filing the Protective letter is probably the most practical option. However, to be entirely safe, one might consider filing the Protective letter in English, French and German.

Rule 207.1 states that a Protective letter can be filed when an Application for provisional (or other, see Q1 above) measures is expected “in the near future”. Rule 207.9 adds to this that if no Application is lodged within 6 months of the date of receipt of the Protective letter, then the latter will be removed from the register. Such removal can be prevented by paying an extension fee of 100 EUR prior to the end of the current 6 month period. Additional 6 month extensions can be obtained upon payment of additional 100 EUR renewal fees. As far as the timing is concerned; the only relevant element therefore seems to be that the Protective letter be filed prior to the application for provisional and/or *saisie* measures. Even if such measures have already be applied for, if they have not yet been granted a Protective letter can still be useful. Indeed, Rule 207.5(d) states that where an Application for provisional measures has already been lodged, the Registry shall inform the panel or the single judge dealing with the Application about the filing of the Protective letter. It is then up to the judges to decide if they take the Protective letter into account.

4. What happens once the Protective letter is filed?

The Registry shall as soon as practicable examine whether the information mentioned in Q2 above has been included in the Protective letter. If such is not the case, then the Registry shall as soon as practicable invite the author of the Protective letter to correct the deficiencies within 14 days of service of such notification. If these requirements have been complied with, the Registry shall as soon as practicable:

- a. Record the date of receipt and assign a number to the Protective letter.
- b. Record the Protective letter in the register (once the applicant for provisional measures has received a copy of the Protective letter, see Q5 below).
- c. Provide details of the Protective letter to all divisions of the UPC.

We assume that the Registry will not proceed with the above steps until the filing fee of 200 EUR has been paid (Rule 207.4). Rule 207.10 combined with Rule 15.2 indeed confirms that the Protective letter shall not be deemed to have been filed until the fixed fee for filing a Protective letter has been paid.

5. Is the UPC required to hear the author of the Protective letter?

Rule 207 does not really explain what the judges of the UPC are to do with a Protective letter. However, Rule 209 (that deals with the examination of the Application for provisional measures), does provide a clue as to what the impact of a Protective letter might be. More specifically, Rule 209.2(d) states that when the UPC exercises its discretion to hear the applicant of the measures or even the party targeted by the measures, it should in particular take into account any Protective letter. Rule 209.2(d) further specifies that the UPC should consider summoning parties to an oral hearing if a relevant Protective letter has been filed by the defendant.

It should be noted that Rule 194 contains a similar mechanism for when the UPC has to evaluate an application to preserve evidence (*saisie*). However, Rule 194.2 does not contain a point (d) regarding Protective letters. In our opinion, this does not imply that filing a Protective letter when one expects a *saisie* would be of no use. Indeed, pursuant to Rule 207.5(c), the Registry shall as soon as practicable provide details of the Protective letter to all divisions of the UPC. As the judges will have been informed about the details, one cannot but assume that they will be taken into account when an application to preserve evidence is evaluated. The informed judge may consequently invite the author of the Protective letter to share his arguments in writing or orally (Rule 194.1(a) or (b)) or may even simply deny the application to preserve evidence.

6. Will the Protective letter be made available to the applicant of the measures targeted by the letter? Will it be made available to the public?

Protective letters will not be made publicly available until an Application for provisional measures has been filed and the applicant for such measures has received a copy of the Protective letter from the Registry. The applicant will receive a copy of the Protective letter as soon as practicable after the Registry has itself received the Application for provisional measures. In any event, the applicant will only receive its copy of the Protective letter after the panel or the judge appointed under Rule 208 has received a copy of the Protective letter together with a copy of the Application for provisional measures (Rule 207.7).

Rule 207.7 and Rule 194.6 (dealing with the *saisie*) seem to imply that the applicant for measures to preserve evidence will not receive a copy of the protective letter. Indeed, Rule 194.6 states that the applicant for such measures will be informed only of the existence of such a letter, not of its contents. Once so informed, the applicant for a *saisie* may still withdraw his application.

In the event of such withdrawal the applicant may request that the UPC order the application and its contents to remain confidential.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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