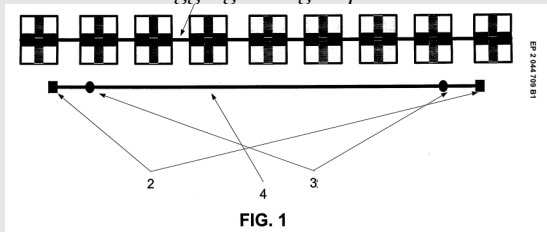


UPC Court of Appeal, 17 September 2024, Mala v Nokia

connectivity fault management (cfm) in networks with link aggregation group connections



PATENT LAW – PROCEDURAL LAW

LIS PENDENS – INTERNATIONAL JURISDICTION

During the transitional period of [Article 83 UPCA](#), the articles [29](#) to [32](#) and [71c](#) Brussels I recast apply where

- [proceedings are pending before the UPC and a national court, even if the proceedings before the national court were initiated prior to the transitional period.](#)

A court is to decline jurisdiction only if the proceedings involve the same cause of action and the same parties ([Articles 31 and 29](#) Brussels I recast)

- [Art. 31 of the Brussels I recast Regulation provides that where actions come within the exclusive jurisdiction of several courts, any court other than the court first seised shall decline jurisdiction in favour of that court.](#) Thus, [Art. 31](#) requires that the second court seised establish the jurisdiction of the first court itself, rather than wait for the first court to establish jurisdiction in accordance with [Art. 29](#). However, [Art. 31](#) does not depart from the general principle of [Art. 29](#), according to which a court is required to decline jurisdiction only if the proceedings involve the same cause of action and the same parties

A request for a stay pursuant to [Article 31](#) Brussels I recast

- [is to be regarded as a preliminary objection \(R. 19 RoP\)](#)

23. The Court of Appeal rejects Nokia Technology’s argument that Mala’s request for a stay of the proceedings pursuant to [Art. 30 of the Brussels I recast Regulation](#) does not constitute a preliminary objection within the meaning of [R. 19 RoP](#). [Art. 30 of the Brussels I recast Regulation](#) is contained in Chapter II of the Brussels I recast Regulation, which deals specifically with “*Jurisdiction*”. A stay pursuant to [Art. 30 of the Brussels I recast Regulation](#) is also closely related to the issues of establishing and declining jurisdiction which are governed by the other provisions of Chapter II and is an issue that generally needs to be decided at an early stage of the proceedings. Therefore,

the request for a stay pursuant to [Art. 30 of the Brussels I recast Regulation](#) is to be regarded as a preliminary objection within the meaning of [R. 19 RoP](#).

No need to refer a question on the interpretation of [Art. 71c\(2\)](#) or the applicability of [Art. 29 to 32 of the Brussels I recast Regulation](#) to the CJEU.

- [Whether or not the Court of Appeal’s interpretation of Art. 71c\(2\) is correct and Art. 29 to 32 of the Brussels I recast Regulation apply, the result is the same.](#)

As set out above, [Art. 29](#) to [32 of the Brussels I recast Regulation](#) do not require the Court to decline jurisdiction if these provisions apply. The outcome is the same if [Art. 29](#) to [32 of the Brussels I recast Regulation](#) do not apply, since there is no other ground for declining jurisdiction. If [Art. 30](#) does not apply, the Court must stay the proceedings pursuant to [R. 295\(m\) RoP](#) in the interests of the proper administration of justice for the reasons given in paragraphs 26 to 31.

33. Nor is there any need to refer a question of interpretation of [Art. 29](#) or [31 of the Brussels I recast Regulation](#) to the CJEU. For the reasons given above, in particular the case-law of the CJEU on the concept of the “*same parties*” and [recital 22 of Brussels I recast Regulation](#), there can be no reasonable doubt that Nokia Technology and Nokia Solutions are not the same party and that, therefore, [Art. 29](#) or 31 of the Brussels I recast Regulation do not require the Court to decline jurisdiction.

Source: [Unified Patent Court](#)

UPC Court of Appeal, 17 September 2024

(Grabinski, Blok, Germano)

APL_26889/2024

UPC_CoA_227/2024

ORDER

of the Court of Appeal of the Unified Patent Court
issued on 17 September 2024

HEADNOTE

1. In the light of the objective of [Art. 29](#) to [32](#) of the Brussels I recast Regulation, [Art. 71c\(2\)](#) of the Brussels I recast Regulation must be interpreted as meaning that the provisions apply where, during the transitional period of [Art. 83 UPCA](#), proceedings are pending before the UPC and a national court, even if the proceedings before the national court were initiated prior to the transitional period.

2. [Art. 31](#) of the Brussels I recast Regulation does not depart from the general principle of [Art. 29](#) of that Regulation, according to which a court is required to decline jurisdiction only if the proceedings involve the same cause of action and the same parties.

3. The request for a stay pursuant to [Art. 30](#) of the Brussels I recast Regulation is to be regarded as a preliminary objection within the meaning of [R. 19 RoP](#).

KEYWORDS

Appeal; Preliminary objection; Lis pendens and related actions; Stay of the proceedings

APPELLANT AND DEFENDANT IN THE MAIN PROCEEDINGS BEFORE THE COURT OF FIRST INSTANCE

MALA TECHNOLOGIES LTD.

41 Yosef Tzvi Street, 52312 Ramat Gan, Israel
hereinafter: Mala,

represented by attorney-at-law Dr Thomas Lynker (Taliens) and European patent attorney Dr. Thomas Kurig (Becker, Kurig & Partner)

RESPONDENT AND CLAIMANT IN THE MAIN PROCEEDINGS BEFORE THE COURT OF FIRST INSTANCE

NOKIA TECHNOLOGY GMBH

Carl-Theodor-Straße 6, 40213 Düsseldorf, Germany
Hereinafter: Nokia Technology

represented by attorneys-at-law Boris Kreye and Dr. Lars Hessmann (Bird & Bird) and European patent attorneys Dr. Christoph Walke and Lars Grannemann (Cohausz & Florack)

PATENT AT ISSUE

European patent [EP 2 044 709 B1](#)

PANEL AND DECIDING JUDGES

Panel 1c:

Klaus Grabinski, President of the Court of Appeal
Peter Blok, Legally qualified judge and judge-rapporteur
Emanuela Germano, Legally qualified judge

LANGUAGE OF THE PROCEEDINGS

English

IMPUGNED ORDER OF THE COURT OF FIRST INSTANCE

□ [Order of the Court of First Instance of the Unified Patent Court, Central Division \(Paris Seat\), dated 2 May 2024](#)

□ Reference numbers: App_8708/2024
UPC_CFI_484/2023 ORD_13023/2024

FACTS AND REQUESTS OF THE PARTIES

1. Mala is the proprietor of [European patent 2 044 709 B1](#) (hereinafter: the patent at issue) which has effect only in Germany.

2. On 29 April 2021, Nokia Solutions and Networks GmbH & Co. KG (hereinafter: Nokia Solutions) filed a revocation action against Mala with the German Federal Patent Court (docket no. 5 Ni 22/21 (EP), hereinafter: the German revocation action) requesting that the German part of the patent at issue be declared invalid.

3. On 18 July 2023, the German Federal Patent Court dismissed the German revocation action and upheld the patent at issue in its entirety. The full written decision of the German Federal Patent Court was served on the parties on 13 December 2023 (Mala) and 14 December 2023 (Nokia Solutions).

4. On 15 December 2023, Nokia Technology filed an action for the revocation of the patent at issue with the Court of First Instance of the Unified Patent Court, Central Division, Paris seat (UPC_CFI-484/2023 ACT_595045/2023).

5. On 15 January 2024, Nokia Solutions filed an appeal against the decision of the German Patent Court with the Federal Court of Justice (Bundesgerichtshof,

hereinafter: BGH)(docket number X 3 ZR 6/24). The deadline for Mala to respond to the appeal was 15 August 2024. A date for the oral hearing has not yet been set.

6. On 16 February 2024, Mala lodged a preliminary objection in the revocation action before the UPC. Mala requested that the Court:

I. allow the preliminary objection;

II. issue the decision on the preliminary objection in accordance with [R. 20.1 of the Rules of Procedure of the Unified Patent Court](#) (hereinafter: RoP);

III. decline its jurisdiction for the revocation action and reject the revocation action as inadmissible;

IV. on an auxiliary basis, and in the event that the Court does not decline its jurisdiction as requested in item III., stay the proceedings until a final decision of the BGH has been issued in the German revocation action;

V. stay the proceedings until a final decision on the preliminary objection has been issued;

VI. on an auxiliary basis, and in the event that the proceedings are not stayed as requested under V., extend by one month the deadline to lodge a defence to the revocation.

7. Nokia Technology opposed the preliminary objection. Nokia Technology requested that the Court:

I. reject the preliminary objection;

II. reject Mala's request to stay the proceedings until a final decision has been issued by the BGH;

III. in the alternative, separate and stay the proceedings regarding the German part of the [patent at issue](#);

IV. in the further alternative, deal with the preliminary objection in the main proceedings;

V. in the further alternative, hear the parties in a hearing before a decision on the preliminary objection is taken;

VI. reject Mala's request to stay the proceedings until a final decision has been issued on the preliminary objection;

VII. reject Mala's request to extend the deadline for lodging a statement of defence by one month.

8. In [its order dated 2 May 2024](#) (hereinafter: the impugned order), the Court of First Instance:

I. rejected the preliminary objection;

II. rejected Mala's request to stay the proceedings until the preliminary objection is decided;

III. rejected Mala's request to stay the proceedings until a final decision is issued by the BGH;

IV. rejected Mala's request to extend the deadline for lodging a defence to the revocation.

The reasoning of the Court of First Instance can be summarised as follows:

- [Art. 29 to 32 of Regulation \(EU\) No 1215/2012](#) of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) as amended by Regulation (EU) No 542/2014 of the European Parliament and of the Council of 15 May 2014 (hereinafter: Brussels I Recast Regulation) are not directly applicable to the Unified Patent Court (hereinafter: UPC). Instead, the scope and 4 manner of application of [Art. 29 to 32 of the Brussels](#)

I recast Regulation are determined by [Art. 71a](#) to [71d of the Brussels I recast Regulation](#);

- A literal application of [Art. 71c\(2\) of the Brussels I recast Regulation](#) suggests that [Art. 29](#) to [32 of the Brussels I recast Regulation](#) do not apply in this case, because the proceedings before the BGH were brought prior to the beginning of the transitional period of [Art. 83 of the Agreement on a Unified Patent Court](#) (hereinafter: UPCA), rather than during it; - [Art. 71c\(2\) of the Brussels I recast Regulation](#) is not applicable by analogy. Based on the clear and unambiguous wording of the provision, it can be assumed that the legislators of the UPCA considered the principle of sovereignty of each national and international jurisdiction. Furthermore, the interests of claimants filing revocation actions before and after the entry into force of the UPCA are distinct. Only after the entry into force of the UPCA can a claimant make a choice between the UPC and a national court;

- There is no legal basis for staying the revocation proceedings pending the proceedings before the BGH. [Art. 30 of the Brussels I recast Regulation](#) is not applicable. The preconditions for applying [Art. 33\(10\) UPCA](#) and [R. 295 RoP](#) are clearly not met. There is neither an imminent decision expected from the EPO nor is the BGH expected to deliver a decision rapidly.

9. Mala lodged an appeal against [the impugned order](#). In its statement of appeal Mala requests that the Court of Appeal:

I. revoke [the impugned order](#);

II. allow the preliminary objection;

III. decline jurisdiction for the revocation action and reject the revocation action as inadmissible; on an auxiliary basis (i.e. in the event that the Court does not decline its jurisdiction for the revocation action), stay the revocation proceedings until a final decision is issued by the BGH in the German revocation action;

IV. stay the first instance revocation proceedings until a final decision on the preliminary objection has been issued;

V. further, in the event that the Court of Appeal does not find that [Art. 71a](#) to [71c of the Brussels I Reg recast](#) are applicable in the case at hand, request the Court of Justice of the European Union (hereinafter: CJEU) to give a ruling on the question of

- whether [Art. 71c of the Brussels I recast Regulation](#) applies where proceedings are brought in the UPC during the transitional period referred to in [Art. 83 UPCA](#) and parallel national proceedings have been brought in a court of a Member State party to the UPCA prior to the beginning of such transitional period, and,

- if not, whether [Art. 72b \(2\) of the Brussels I recast Regulation](#) provides for a general application of [Art. 29 et seq. of the Brussels I recast Regulation](#) where proceedings are brought in the UPC during the transitional period referred to in [Art. 83 UPCA](#) and parallel national proceedings have been brought in a court of a Member State party to the UPCA before the start of such a transitional period;

VI. stay the UPC revocation proceedings until the CJEU has issued its ruling as referred to in item V.

Mala's grounds of appeal can be summarised as follows:

- The Court of First Instance interpreted [Art. 71a](#) to [71c of the Brussels I recast Regulation](#) wrongly and therefore wrongly concluded that [Art. 29](#) to [32 Of the Brussels I recast Regulation](#) are not applicable to the UPC revocation action;

- [Art. 29](#) to [32 of the Brussels I recast Regulation](#) are applicable pursuant to [Art. 71c\(2\) of the Brussels I recast Regulation](#). The reference to the transitional period was included in [Art. 71c\(2\)](#) for the sole purpose of ensuring that [Art. 29](#) to [32](#) would cease to be applicable after the end of the transitional period. There is no reason why a scenario where national proceedings are initiated before the transitional period should be dealt with differently than national proceedings brought after 1 June 2023;

- The applicability of [Art. 29](#) to [32 of the Brussels I recast Regulation](#) follows from [Art. 71a](#) to [71b of the Brussels I recast Regulation](#). These provisions must be interpreted to (also) cover the time before the transitional period, as otherwise the UPC would have no international jurisdiction at all. [Art. 71b\(2\) of the Brussels I recast Regulation](#) clearly and unambiguously states that the entire Chapter II of the Brussels I recast Regulation is to apply where the defendant is domiciled outside a Member State;

- [Art. 71c of the Brussels I recast Regulation](#) must be applied by analogy. It is the express intention of the regulation to avoid parallel decisions of a national court and the UPC that might contradict each other;

- The UPC must decline its jurisdiction in favour of the BGH according to [Art. 31\(1\) of the Brussels I recast Regulation](#). Both the German national courts and the UPC have "exclusive" jurisdiction within the meaning of this provision. [Art. 31\(1\) of the Brussels I recast Regulation](#) does not require that the cause of action and the parties are the same;

- If the Court of Appeal holds that [Art. 31\(1\) of the Brussels I recast Regulation](#) does not apply, the UPC must decline jurisdiction pursuant to [Art. 29\(3\) of the Brussels I recast Regulation](#). The German revocation action and the UPC revocation action involve the same cause of action. They both concern the assessment of the validity of the [patent at issue](#) on the basis of the same legal and factual arguments. Both revocation actions relate only to the German part of the [patent at issue](#). National parts that were automatically validated in 2019 are not relevant. The UPCA only applies to European patents that have not lapsed at the date of entry into force according to [Art. 3\(c\) UPCA](#). The revocation actions also involve the same parties. The claimants are both subsidiaries of Nokia Corp. and thus under the full control of the same company. Both companies pursue the same legal and economic interests;

- In the event that the Court of Appeal finds that the requirements of [Art. 29 of the Brussels I recast Regulation](#) are not met, the UPC revocation proceedings must be stayed pursuant to [Art. 30 of the Brussels I recast Regulation](#). There is a risk of irreconcilable judgements since the two revocations actions are based on the same arguments;

- In the event the Court of Appeal intends to deny the applicability of [Art. 29](#) to [32 of the Brussels I recast Regulation](#), it must refer the question of how to interpret [Art. 71a](#) to [71c](#) to the CJEU.

10. Nokia Technology responded to the appeal requesting that the Court:

I. dismiss Mala's appeal;

II. reject Mala's request to stay the proceedings until a final decision has been issued by the BGH;

III. in the alternative, separate and stay the proceedings against the German part of the [patent at issue](#);

IV. reject Mala's request that the Court of Appeal stay the revocation proceedings and request the Court of Justice of the European Union to give a ruling;

V. in the alternative, stay the preliminary objection proceedings in accordance with [R. 295 \(m\) RoP](#) until the Court of First Instance has issued a decision on the merits;

VI. reject Mala's request to stay the revocation proceedings until a final decision has been issued on the preliminary objection. Nokia Technology's response to the appeal can be summarised as follows:

- [Art. 29](#) to [32 of the Brussels I recast Regulation](#) do not apply via [Art. 71c\(2\)](#). The requirements of [Art. 71c\(2\) of the Brussels I recast Regulation](#) are not met, since the German revocation action was filed before the entry into force of the UPCA;

- The applicability of [Art. 29](#) to [32 of the Brussels I recast Regulation](#) cannot be inferred from [Art. 71a](#) or [71b of the Brussels I recast Regulation](#). [Art. 71c of the Brussels I recast Regulation](#) is *lex specialis* to these more general provisions. The question of international jurisdiction must be considered separately from the question of conflicting *lis pendens*.

- [Art. 71b\(2\) of the Brussels I recast Regulation](#) only applies if the defendant is not domiciled in a Member State and the regulation does not otherwise confer jurisdiction. In this case, the UPC has jurisdiction on the basis of [Art. 71b\(1\) of the Brussels I recast Regulation](#);

- [Art. 71c\(2\) of the Brussels I recast Regulation](#) cannot be applied by analogy. There is neither an unintentional regulatory gap nor a similarity of interests. For the sake of legal certainty, there must be a clear point in time at which a claimant may lodge a revocation action with the UPC without the risk that an old case will block a UPC decision;

- The requirements of [Art. 31 of the Brussels I recast Regulation](#) are not met. There is no parallel exclusive jurisdiction within the meaning of [Art. 31 of the Brussels I recast Regulation](#) during the transitional period. The requirements of [Art. 29](#) of the same cause of action and the same parties apply also in the context of [Art. 31](#). These requirements are not met;

- The requirements of [Art. 29 of the Brussels I recast Regulation](#) are not met. The actions do not concern the same cause of action, since the UPC action encompasses other national parts of the [patent at issue](#), even if these parts have lapsed. The UPC action also includes additional grounds for revocation (new prior art and new arguments relating to added matter and insufficiency of

disclosure) and involves auxiliary requests. The actions do not involve the same parties. Nokia Technology and Nokia Solutions are separate legal entities. A mere group affiliation is not sufficient to consider two companies a single party within the meaning of [Art. 29 of the Brussels I recast Regulation](#);

- A request for a stay is not permitted in the context of a preliminary objection. A stay would unduly restrict Nokia Technology's right to challenge the validity of the patent in suit. There is no risk of irreconcilable decisions. The proceedings at the BGH are still at a very early stage. It is unlikely that the BGH will set a date for an oral hearing before the end of 2025. A judgement cannot be expected before 2026;

- The Court of Appeal should not refer the question of interpretation of [Art. 71a](#) to [71c of the Brussels I recast Regulation](#) to the CJEU. The correct interpretation of these provisions is obvious. In addition, the interpretation is not relevant to the case, since the requirements of [Art. 29](#) to [32 of the Brussels I recast Regulation](#) are not met;

- If the Court of Appeal has doubts on the interpretation of [Art. 71a](#) to [71d of the Brussels I recast Regulation](#), it should, for reasons of procedural economy, stay the preliminary objection proceedings, pending the revocation action. If the Court of First Instance dismisses the revocation action for other reasons, a referral to the CJEU is not necessary.

11. In the [order of 21 June 2024](#), the judge-rapporteur of the Court of Appeal declared inadmissible Mala's request to stay the first instance revocation proceedings until a final decision on the preliminary objection has been issued.

GROUNDS FOR THE ORDER

The applicability of Art. 29 to 32 of the Brussels I recast Regulation

12. [Art. 29](#) to [32 of the Brussels I recast Regulation](#) are aimed at minimising the possibility of parallel proceedings before the courts of different Member States and avoiding conflicts between decisions which might result therefrom ([recital 21 of Regulation \(EU\) No 1215/2012](#); recital 8 of Regulation (EU) No 542/2014; moreover, in respect of the similar provisions of the Brussels Convention, [ECJ 9 December 2003, C-116/02, ECLI:EU:C:2003:657, Gasser/Missat](#), paragraph 41). They should offer a clear and effective mechanism for resolving cases of *lis pendens* and related actions ([recital 21 of Regulation \(EU\) No 1215/2012](#)). It follows that [Art. 29 of the Brussels I recast Regulation](#) must be interpreted broadly so as to cover, in principle, all situations of *lis pendens* before courts in Member States, irrespective of the parties' domicile ([Gasser/Missat](#), cited above, paragraph 41).

13. In the light of this objective of [Art. 29](#) to [32 of the Brussels I recast Regulation](#), [Art. 71c\(2\) of the Brussels I recast Regulation](#) must be interpreted as meaning that the provisions apply where, during the transitional period of [Art. 83 UPCA](#), proceedings are pending before the UPC and a national court, even if the proceedings before the national court were initiated prior to the transitional period. A different interpretation

would have the consequence that there would be no mechanism for resolving cases of lis pendens and related actions before the UPC and a national court where the proceedings before the national court commenced before the transitional period. This would not be in line with the express purpose of the provisions.

14. This interpretation is confirmed by the wording of the heading of Section 9 of the Brussels I recast Regulation. According to this wording, [Art. 29 to 32](#) govern cases of lis pendens (in German: *Anhängigkeit*, in French: *litispendance*), i.e. situations in which an action is pending at another court. It is clear that such situations may arise in relation to UPC actions where a parallel case is brought before a national court during the transitional period, but also where such a case was already pending before a national court when the transitional period entered into force. Against this background, the wording of [Art. 71c\(2\)](#) and [recital 9 of the Brussels I recast Regulation](#) that proceedings ‘are brought’ during the transitional period, must be interpreted as also covering a case in which proceedings have been brought before a national court and are still pending during the transitional period.

15. Nokia Technology’s argument that the use of the terms ‘are brought’ in [Art. 71c\(2\)](#) and [recital 9 of the Brussels I recast Regulation](#) was a deliberate choice of the EU legislature must be rejected. The Court of Appeal does not share the view of the Court of First Instance that the EU legislature wished to apply the principle of sovereignty to parallel proceedings pending before the UPC and a national court. There is no indication that this was the intention. On the contrary, the cited objective of [Art. 29 to 32 of the Brussels I recast Regulation](#) makes it clear that the EU legislature intended to restrict sovereignty in this respect. For the same reasons, the Court of Appeal rejects Nokia Technology’s argument that the legislature wished to ensure a clear point in time at which a claimant may lodge an action with the UPC without running the risk that an old case will block a UPC decision.

16. Applying this interpretation of [Art. 71c\(2\) of the Brussels I recast Regulation](#) to the case, it is clear that [Art. 29 to 32 of the Brussels I recast Regulation](#) are applicable. The transitional period of [Art. 83 UPCA](#) applies and cases are pending before a national court and the UPC.

[Art. 29 of the Brussels I recast Regulation](#)

17. [Art. 29 of the Brussels I recast Regulation](#) applies where proceedings involving the same cause of action and between the same parties are brought before different courts.

18. In accordance with settled case-law of the CJEU, [Art. 29 of the Brussels I recast Regulation](#) (and the identical provision of Art. 21 of the Brussels Convention) must be interpreted as follows:

- The terms used in [Art. 29](#) in order to determine whether a situation of lis pendens arises must be regarded as autonomous concepts of EU law ([ECJ 6 December 1994, C-406/92, ECLI:EU:C:1994:400, Tatry](#), paragraph 30);

- [Art. 29](#) is intended to prevent parallel proceedings before the courts of different Member States and to avoid conflicts between decisions which might result therefrom. Those rules are therefore designed to preclude, in so far as is possible and from the outset, the possibility of a situation arising such as that referred to in [Art. 45\(1\)\(c\) of the Brussels I recast Regulation](#), that is to say the non-recognition of a judgment on account of its irreconcilability with a judgment given in a dispute between the same parties in the Member State in which recognition is sought ([Tatry](#), paragraph 32);

- In the light of the wording of Art. 29 and the objective set out above, that article must be understood as requiring, as a condition of the obligation of the second court seised to decline jurisdiction, that the parties to the two actions be identical ([Tatry](#), paragraph 33);

- This interpretation of [Art. 29](#) may result in fragmenting the proceedings. However, [Art. 30](#) mitigates that disadvantage. That article allows the second court seised to stay proceedings or to decline jurisdiction on the grounds that the actions are related, if the conditions set out there are satisfied ([Tatry](#), paragraph 35);

- There may be such a degree of identity between the interests of two entities that a judgment delivered against one of them would have the force of res judicata as against the other. That would be the case, inter alia, where an insurer, by virtue of its right of subrogation, brings or defends an action in the name of its insured without the latter being in a position to influence the proceedings. In such a situation, insurer and insured must be considered to be one and the same party for the purposes of the application of [Art. 29 of the Brussels I recast Regulation](#). On the other hand, application of [Art. 29](#) cannot have the effect of precluding the insurer and its insured, where their interests diverge, from asserting their respective interests before the courts as against the other parties concerned. Therefore, [Art. 29](#) is not applicable in such a case, unless it is established that, with regard to the subject-matter of the two disputes, the interests of the insurer are identical to and indissociable from those of its insured ([ECJ 19 May 1998, C351, ECLI:EU:C:1998:242, Drouot](#), paragraph 19).

19. It follows from the case-law set out above that the requirements of [Art. 29 of the Brussels I recast Regulation](#) are not met in the present case. The parties to the parallel proceedings are not the same. Nokia Solutions is not the same legal entity as Nokia Technology and their interests are not indissociable. There is not such a degree of identity between their interests that a judgment delivered against one of them would have the force of res judicata as against the other.

[Art. 31 of the Brussels I recast Regulation](#)

20. [Art. 31 of the Brussels I recast Regulation](#) provides that where actions come within the exclusive jurisdiction of several courts, any court other than the court first seised shall decline jurisdiction in favour of that court. Thus, [Art. 31](#) requires that the second court seised establish the jurisdiction of the first court itself, rather than wait for the first court to establish jurisdiction in accordance with [Art. 29](#). However, [Art. 31](#) does not

depart from the general principle of [Art. 29](#), according to which a court is required to decline jurisdiction only if the proceedings involve the same cause of action and the same parties.

21. This interpretation is confirmed by [recital 22 to the Brussels I recast Regulation](#), which clarifies the application of [Art. 31](#) in situations where the exclusive jurisdiction of the second court seised results from a choice-of-court agreement. It expressly describes this situation as a case in which a court not designated in an exclusive choice-of-court agreement has been seised of proceedings and the designated court is seised subsequently of proceedings “*involving the same cause of action and between the same parties*”.

22. It follows that [Art. 31 of the Brussels I recast Regulation](#) does not apply in this case, since the parties to the proceedings in the German revocation action are not the same as the parties to the proceedings before the UPC (see above, paragraphs 17 to 19).

[Art. 30 of the Brussels I recast Regulation](#)

23. The Court of Appeal rejects Nokia Technology’s argument that Mala’s request for a stay of the proceedings pursuant to [Art. 30 of the Brussels I recast Regulation](#) does not constitute a preliminary objection within the meaning of [R. 19 RoP](#). [Art. 30 of the Brussels I recast Regulation](#) is contained in Chapter II of the Brussels I recast Regulation, which deals specifically with “*Jurisdiction*”. A stay pursuant to [Art. 30 of the Brussels I recast Regulation](#) is also closely related to the issues of establishing and declining jurisdiction which are governed by the other provisions of Chapter II and is an issue that generally needs to be decided at an early stage of the proceedings. Therefore, the request for a stay pursuant to [Art. 30 of the Brussels I recast Regulation](#) is to be regarded as a preliminary objection within the meaning of [R. 19 RoP](#).

24. Pursuant to [Art. 30 of the Brussels I recast Regulation](#), the UPC may stay proceedings where a related action is pending in a national court. The objective of this provision is to minimise the possibility of parallel proceedings before different courts ([recital 21 of Regulation \(EU\) No 1215/2012](#)) and to improve coordination of the exercise of judicial functions within the European Union and to avoid conflicting and contradictory decisions, even where the separate enforcement of each of them is not precluded (see [Tatry](#), paragraphs 52, 53 and 55).

25. In the light of this objective, a request for a stay of a revocation action pending parallel proceedings before a national court must be distinguished from a request for a stay pending opposition proceedings. The Convention on the Grant of European Patents (European Patent Convention) and the UPCA expressly allow third parties to challenge the validity of a patent in both opposition and revocation proceedings and allow them to initiate revocation proceedings while opposition proceedings concerning the same patent are pending. On the other hand, it follows from the Brussels I recast Regulation that parallel proceedings between different courts in related actions must be minimised. Therefore, the principles for staying revocation cases pending

opposition proceedings, which the Court of Appeal set out in its order of 28 May 2024 ([UPC CoA 22/2024](#), [APL 3507/2024](#), [App 24693/2024](#), [App 21545/2024](#), [Carrier vs Bitzer](#)), cannot be applied unconditionally to parallel revocation actions before the UPC and a national court.

26. Having regard to the stated objective of [Art. 30 of the Brussels I recast Regulation](#) and the following combination of circumstances, the UPC proceedings must be stayed pending the German revocation action.

27. First, the cause of action of the two proceedings is almost identical. Both concern the revocation of the German part of the [patent at issue](#). Moreover, all grounds for revocation at 1 issue in the German revocation action are also at issue in the UPC proceedings. The UPC proceedings involve only a limited number of additional arguments and auxiliary requests.

28. Nokia Technology’s submission that the [patent at issue](#) has been in force in a number of UPCA Member States from 11 March 2019 to 11 June 2019 due to automatic validations does not lead to a different assessment. It can be left open whether the UPC has competence in respect of those lapsed parts of the [patent at issue](#) in the light of [Art. 3\(c\) UPCA](#). Nokia Technology did not present any interest in a rapid decision on the validity of these parts of the [patent at issue](#) which could outweigh the interests of procedural efficiency and the coordination of the exercise of judicial functions within the European Union. In response to a question by the Court of Appeal at the oral hearing, it acknowledged that no claim for damages relating to those parts of the patent has been made by the proprietor.

29. Second, the parties to the German revocation action and the UPC revocation action are closely related. Nokia Technology and Nokia Solutions are part of the same group of companies and have the same parent company, Nokia Corp. Therefore, the parties are in a position to coordinate the initiation of proceedings and their submissions in the proceedings.

30. Third, the German revocation action is at a more advanced stage than the UPC proceedings. In the German revocation action there is already a first instance decision. The German revocation action is currently pending before the court of last instance. The UPC proceedings, on the other hand, are at the first stage of the first instance proceedings. Therefore, on the one hand, waiting for a final decision in the German revocation action does not require an excessively long stay. On the other hand, a stay may avoid the costs of conducting the largest part of the UPC proceedings if the parties settle the case on the basis of the BGH decision.

31. For the reasons given above in paragraph 28, Nokia Technology’s auxiliary request to separate the proceedings against the German part of the [patent at issue](#) and to limit the stay to that part must be rejected. **No referral to the CJEU**

32. There is no need to refer a question on the interpretation of [Art. 71c\(2\)](#) or the applicability of [Art. 29 to 32 of the Brussels I recast Regulation](#) to the CJEU. Whether or not the Court of Appeal’s

interpretation of [Art. 71c\(2\)](#) is correct and [Art. 29](#) to [32 of the Brussels I recast Regulation](#) apply, the result is the same. As set out above, [Art. 29](#) to [32 of the Brussels I recast Regulation](#) do not require the Court to decline jurisdiction if these provisions apply. The outcome is the same if [Art. 29](#) to [32 of the Brussels I recast Regulation](#) do not apply, since there is no other ground for declining jurisdiction. If [Art. 30](#) does not apply, the Court must stay the proceedings pursuant to [R. 295\(m\) RoP](#) in the interests of the proper administration of justice for the reasons given in paragraphs 26 to 31.

33. Nor is there any need to refer a question of interpretation of [Art. 29](#) or [31 of the Brussels I recast Regulation](#) to the CJEU. For the reasons given above, in particular the case-law of the CJEU on the concept of the “*same parties*” and [recital 22 of Brussels I recast Regulation](#), there can be no reasonable doubt that Nokia Technology and Nokia Solutions are not the same party and that, therefore, [Art. 29](#) or 31 of the Brussels I recast Regulation do not require the Court to decline jurisdiction.

Conclusion

34. Mala’s complaint against the Court of First Instance’s finding that [Art. 29](#) to [32 of the Brussels I recast Regulation](#) are not applicable is well founded. However, [Art. 29](#) and [31 of the Brussels I recast Regulation](#) do not require that the Court decline jurisdiction in this case, since the German revocation action and the UPC proceedings do not involve the same parties. The Court of First Instance was therefore right to reject Mala’s main request to decline jurisdiction. Mala’s auxiliary request to stay the UPC proceedings pending the German revocation action must be granted. The Court of Appeal must therefore set aside the Court of First Instance’s order, in so far as it rejects the stay, and substitute it by an order granting the stay.

ORDER

- [The impugned order](#) is set aside in so far as it rejects the request for a stay until a final decision is delivered by the BGH in the German revocation proceedings;
- The appeal is rejected in so far as it relates to other parts of [the impugned order](#);
- A stay of the revocation proceedings before the UPC is ordered until such time as the BGH has given a final decision in the German revocation proceedings or those proceedings are otherwise concluded.

This order was issued on 17 September 2024.

Klaus Grabinski President of the Court of Appeal
Peter Blok Legally qualified judge and judge-rapporteur
Emanuela Germano Legally qualified judge
