UPC Court of Appeal, 9 January 2025, EOFlow v Insulet

fluid delivery device with transcutaneous access tool, insertion mechanism and blood glucose monitoring for use therewith

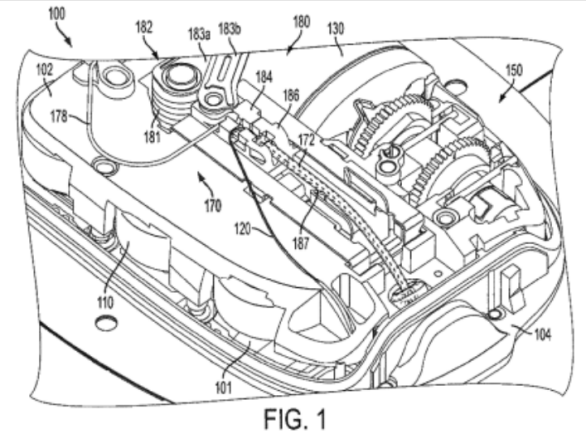

FIG. 1

PATENT LAW – PROCEDURAL LAW

No need to adjudicate appeal by EOFlow from a denied joinder of provisional measures request after the Milan Local Division and the Milan Central Division issued their final decision rejecting Insulet´s applications for provisional measures (R. 360 RoP)

- **R. 360 RoP applies not only when the action itself has become devoid of purpose, but also when the appeal has become devoid of purpose.** If the appellant has no legal interest in bringing appeal proceedings anymore, there is no reason to adjudicate on it. This means the appeal has become devoid of purpose in the meaning of **R. 360 RoP**.
- **To have a legal interest in bringing appeal proceedings the appeal must be likely, if successful, to procure an advantage for that party**.

23. Even if the Central Division Milan granted the application for provisional measures, EOFlow would have lost its legal interest in bringing the appeal. Once the Court of First Instance (CFI) issued a final decision, the proceedings before the CFI are closed and there is no longer a possibility of a joint hearing of the parallel actions before the CFI. Any error by the CFI in its decision denying a joint hearing can be rectified if the Court of Appeal orders that the proceedings be heard together on appeal.

24. EOFlow argues without success that if the CFI were to grant the application for provisional measures the establishment, on appeal, that a procedural error was made, can give rise to a successful application for suspensive effect **under R.223 RoP** against any final and binding decision in the proceedings for provisional measures or at least assist in such an application. Even if this were the case, EOFlow would still not derive an interest from this, as the application for provisional measures was not granted and therefore no request for suspensive effect has been made.

25. EOFlow´s argument that if the Court of Appeal finds that the CFI commited a procedural error this will be relevant to the balancing of interests under **R.211.3 RoP**, in particular with respect to the influence of third party interests, does not lead to a legal interest in a decision in these proceedings. In the event that a decision is based on a procedural error of the CFI and the proceedings before the CFI are concluded, the Court of Appeal rectifies this error in the appeal proceedings against the final decision.

26. Nor can a legal interest be established on the ground that the question of joining the two proceedings can become relevant in proceedings on the merits. The question of whether proceedings are to be heard together must be assessed on the basis of all the relevant circumstances of the specific case. It may therefore be assessed differently in the proceedings for provisional measures and in the proceedings on the merits.

Source: **Unified Patent Court**

UPC Court of Appeal,
9 January 2025
(Kalden, Simonsson, Rombach)
UPC_CoA_584/2024
APL_54646/2024
ORDER
of the Court of Appeal of the Unified Patent Court issued on 9 January 2025 concerning the need to adjudicate pursuant to R.360 RoP
HEADNOTES:
- **R.360 RoP** applies not only when the action itself has become devoid of purpose, but also when the appeal has become devoid of purpose.
KEYWORDS:
Need to adjudicate, cost decision
APPELLANT (AND APPLICANT AND DEFENDANT BEFORE THE COURT OF FIRST INSTANCE)
EOFlow Co., Ltd., Hwangsaeul-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea (hereinafter 'EOFlow')
represented by Rechtsanwalt Dr. Mirko Weinert
(HOYNG ROKH MONEGIER, Düsseldorf, Germany)
RESPONDENT IN THE APPEAL (AND RESPONDENT IN THE APPLICATION AND APPLICANT BEFORE THE COURT OF FIRST INSTANCE)
Insulet Corporation, Acton, United States of America (hereinafter Insulet)
represented by Rechtsanwälte Dr. Marc Grunwald and Dr. Frank Peterreins
(Peterreins Schley, Munich, Germany)
LANGUAGE OF THE PROCEEDINGS
English
PATENT AT ISSUE
EP 4 201 327
PANEL AND DECIDING JUDGES
Rian Kalden, presiding judge and legally qualified judge,
Ingeborg Simonsson, legally qualified judge,
Patricia Rombach, legally qualified judge and judge-rapporteur

IMPUGNED ORDER OF THE COURT OF FIRST INSTANCE

□ 24 September 2024, ORD 51234/2024, App 50666/2024, UPC_CFI_380/2024

□ in the main proceedings ACT_39640/2024, Milan Central Division

SUMMARY OF FACTS

1. On 3 July 2024 Insulet filed an application for provisional measures (App_39640/2024, UPC_CFI_380/2024) before the Central Division Milan against EOFlow for alleged infringement of the European patent with unitary effect 4 201 327 (patent in suit) by actions concerning insulin pumps labelled as 'EOPatch' and 'Glucomen Day pump' (attacked embodiments).

2. On 8 July 2024 Insulet filed an application for provisional measures before the Local Division Milan (ACT_40442/2024, UPC_CFI_400/2024) against A. Menarini Diagnostics s.r.l. (hereinafter Menarini) for alleged infringement of the patent in suit by actions concerning the attacked embodiments.

3. EOFlow requested before the Central Division Milan to order that the parallel actions UPC_CFI_380/2024, pending with the Central Division Milan, and UPC_CFI_400/2024, pending with the Local Division Milan be heard together by the Local Division Milan (R.340.1 RoP).

4. By order of 4 September 2024 the judge-rapporteur denied the joinder-request. With the order of 24 September, after panel review pursuant to R. 333 RoP requested by EOFlow, the panel confirmed the order of the judge-rapporteur.

5. EOFlow appealed this order with Statement of appeal and grounds of appeal lodged on 4 October 2024.

6. By order issued on 9 October 2024 (ORD_55415/2024) the Court of Appeal rejected EOFlow´s request for expedition of the appeal.

7. The oral hearings at the Local Division Milan (UPC_CFI_400/2024) against Menarini and at the Central Division Milan (UPC_CFI_380) against EOFlow took place on 15 and 16 October 2024 respectively.

8. By order issued on 5 November 2023 the judge-rapporteur of the Court of Appeal informed the parties that it has to be considered whether there is no longer any need to adjudicate pursuant to R.360 RoP.

9. The parties commented with pleadings lodged on 19 November 2024.

10. By order issued on 22 November 2024 (ORD_56716/2024) the Milan Central Division rejected the application for a preliminary injunction against EOFlow as well as the ancillary requests. It ordered that Insulet is required to bear the costs of the proceedings.

11. By order issued on 22 November 2024 (ORD_56587/2024) the Milan Local Division rejected the application for a preliminary injunction against Menarini as well as the ancillary requests.

12. Insulet appealed both orders of 22 November 2024 (APL_64374/2024, UPC_CoA_768/2024 and APL_64383/2024, UPC_CoA_769/2024)

PARTIES' REQUESTS

13. EOFlow requests that the impugned order be set aside (I.) and order that the parallel action "currently pending" before the Central Division Milan, and action UPC_CFI_400/2024, "pending" before the Local Division Milan, are joined at the level of the Local Division Milan (II.) and in the alternative to II. to order that the action is referred back to the Court of First Instance for decision.

14. Insulet requests that the Court of Appeal rejects the appeal and orders EOFlow to bear the costs of the appeal.

PARTIES' SUBMISSIONS

15. EOFlow´s submissions can be summarised as follows:

- Concerning the request to set aside the order (request I) it is established case law of the Court of Justice of the European Union (while not directly applicable on the UPCA and RoP) that "an applicant´s interest in bringing proceedings must continue until the final decision, failing which there will be no need to adjudicate". Consequently, the existence of the interest of an appellant in bringing an appeal presupposes that that appeal must be capable, if successful, of procuring an advantage for that appellant.
- Establishing that a procedural error was made can give rise to a successful application for suspensive effect under R.223 RoP against any final and binding decision in the proceedings for provisional measures or at least assist in such an application.
- Furthermore, establishing a procedural error by the Court of First Instance will be relevant to the balancing of interests according to R.211.3 RoP, in particular with respect to the influence of third party interests.
- After appeal against the final order the case will be heard in proceedings before the Court of Appeal. The present case could be continued in proceedings on the merits, too. EOFlow therefore has a continued legitimate interest in having decided whether this case and the parallel infringement case brought by Insulet against Menarini shall be heard together.
- Therefore, the request to set aside the impugned order cannot be void until any order in the proceedings for provisional measures has become final and binding with no further appeal possible.
- There is no need to rule on the costs in the present case. Any cost decision regarding the first instance should by made by the Court of First Instance.

16. Insulet´s submissions can be summarised as follows:

- The case at hand has become devoid of purpose. Even under the premise that a procedural error was made, the underlying case would not give rise to an application for suspensive effect in case an appeal against a provisional measure has been filed. In fact, representatives of EOFlow even acted as co-counsel for Menarini (and vice versa), i.e. EOFlow was actually involved and heard in the parallel PI proceedings against Menarini.
- Given that the oral hearings have already taken place before the Milan Local Division and the Milan Central Division, granting EOFlow´s request would require the entire preliminary injunction proceedings to be

retried, which is the exact opposite of the principles of preliminary injunction proceedings, namely to obtain a timely decsion.
- However, although no other infringement proceedings are pending between the parties currently, the underlying legal issue may arise again in further course of the proceedings. Both in potential appeal proceedings following a preliminary injunction and in main proceedings, it cannot be ruled out that EOFlow will again attempt the same – unfounded but time-consuming and costly – procedural maneuvres of joinder and parallel intervention. This can be prevented by a decision in the underlying case.
- Insulet leaves it to the Court´s discretion how it intends to proceed in the present case.
- When concluding that an action has become devoid of purpose and proceedings are disposed by way of an order, a decision on costs is required, since EOFlow filed the present appeal and currently no (infringement) proceedings on the merits are pending in which a decision of costs could be made.
- The matter is unrelated to proceedings on the merits, and thus, EOFlow has to bear the costs regardless of which party wins on the merits.
- Insulet is to be considered as the successful party and a decision on costs is to be made in accordance with **Art. 69 (1) UPCA**. The application arguably became devoid of purpose when both proceedings, which should have been dealt with together according to EOFlow´s motion in a joint oral hearing before the Milan Local Division, were in fact conducted separately. As a result, EOFlow should bear the costs of the proceedings on account of the late filing of its appeal. Furthermore, based on a summary examination of the prospects of the appeal at the time of the event giving rise to the action becoming devoid, EOFlow is to be considered as the unsucessfull party, as the appeal was and still is unfounded.

REASONS

17. The Court of Appeal disposes of the appeal by way of order pursuant to **R.360 RoP**.

Applicability of R.360 RoP to the appeal 1

8. According to **R.360 RoP** the Court may at any time, on the application of a party or its own motion, after giving the parties an opportunity to be heard, dispose of the action by way of order if the Court finds that an action has become devoid of purpose and that there is no longer any need to adjudicate on it.

19. **R.360 RoP** applies not only when the action itself has become devoid of purpose, but also when the appeal has become devoid of purpose. If the appellant has no legal interest in bringing appeal proceedings anymore, there is no reason to adjudicate on it. This means the appeal has become devoid of purpose in the meaning of **R.360 RoP**.

No interest in bringing appeal proceedings

20. The appeal has become devoid of purpose.

21. To have a legal interest in bringing appeal proceedings the appeal must be likely, if successful, to procure an advantage for that party.

22. After the Milan Local Division and the Milan Central Division issued their final decision rejecting Insulet´s applications for provisional measures in favour of EOFlow and Menarini respectively, it is obvious that it has not detrimentally affected EOFlow that the Central Division Milan denied the request to order that the parallel applications be heard together by the Local Division Milan.

23. Even if the Central Division Milan granted the application for provisional measures, EOFlow would have lost its legal interest in bringing the appeal. Once the Court of First Instance (CFI) issued a final decision, the proceedings before the CFI are closed and there is no longer a possibility of a joint hearing of the parallel actions before the CFI. Any error by the CFI in its decision denying a joint hearing can be rectified if the Court of Appeal orders that the proceedings be heard together on appeal.

24. EOFlow argues without success that if the CFI were to grant the application for provisional measures the establishment, on appeal, that a procedural error was made, can give rise to a successful application for suspensive effect **under R.223 RoP** against any final and binding decision in the proceedings for provisional measures or at least assist in such an application. Even if this were the case, EOFlow would still not derive an interest from this, as the application for provisional measures was not granted and therefore no request for suspensive effect has been made.

25. EOFlow´s argument that if the Court of Appeal finds that the CFI commited a procedural error this will be relevant to the balancing of interests under **R.211.3 RoP**, in particular with respect to the influence of third party interests, does not lead to a legal interest in a decision in these proceedings. In the event that a decision is based on a procedural error of the CFI and the proceedings before the CFI are concluded, the Court of Appeal rectifies this error in the appeal proceedings against the final decision.

26. Nor can a legal interest be established on the ground that the question of joining the two proceedings can become relevant in proceedings on the merits. The question of whether proceedings are to be heard together must be assessed on the basis of all the relevant circumstances of the specific case. It may therefore be assessed differently in the proceedings for provisional measures and in the proceedings on the merits.

Cost decision

27. Insulet´s request for a cost order will be denied. No decision on the reimbursement of legal costs will be made in this order since this order is not a final order or decision concluding an action (see **Court of Appeal, order 16 September 2024 – ICPillar v. SVF Holdco, ORD 50692/2024, APL 33746/2024, UPC CoA 301/2024**, par. 41).

ORDER

The Court of Appeal

I. disposes of the appeal UPC_CoA_584/2024, APL_54646/2024.

II. rejects Insulet´s request for a cost decision.

Issued on 9 January 2025

Rian Kalden, presiding judge and legally qualified judge
Ingeborg Simonsson, legally qualified judge
Patricia Rombach, legally qualified judge and judge-rapporteur

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