UPC CFI, Local Division Milan, 24 January 2025, Dainese v Alpinestars



PATENT LAW – PROCEDURAL LAW

Confidentiality club regime (R. 262A RoP)

(a) the number of persons included in the confidential club must not exceed the number necessary to ensure that the rights of the parties to the proceedings to an effective remedy and to a fair trial are respected, and must include at least one natural person from each party and their respective lawyers or other representatives; (b) the minimum content of the information contained in the exhibit No. 70 is nontechnical and does not require special expertise to understand. Those considerations suggest that the number of subjects admitted to the Club should be kept to a minimum. The Court therefore considers that the confidential club should include the following: As lawyers or other representatives from the defendant n. 1 and 6; [...] as natural person: [...]

Source: Unified Patent Court

UPC Court of First Instance, Local Division Milan, 24 January 2025 (Zana) UPC CFI 472/2024 Procedural Order of the Court of First Instance of the Unified Patent Court delivered on 24/01/2025 Order no. ORD 68844/2024 Dainese S.p.A - Plaintiff against Alpinestars S.p.A. Defendant 1 and against Alpinestars Research S.p.A. Defendant 2 and against Omnia Retail S.r.l. Defendant 3 and against Horizon Moto 95 - Maxxess Cergy Defendant 4 and against Zund.Stoff Augsburg/Ulrich Herpich E.K. Defendant 5 and against Motocard Bike S.I. Defendant 6 PATENT AT ISSUE Proprietor/s Patent no. Dainese S.p.A. EP4072364 EP3498117 Dainese S.p.A. [...] **DECIDING JUDGE**

DECIDING JUDGE Judge-rapporteur Alima 7:

Judge-rapporteur Alima Zana

COMPOSITION OF PANEL - FULL PANEL

Presiding judge Pierluigi Perrotti Judge-rapporteur Alima Zana Legally qualified judge Anna-Lena Klein Technically qualified judge Graham Ashley LANGUAGE OF PROCEEDINGS: English 1 SUMMARY OF FACTS

On 2 December 2024, Dainese spa (claimant in the main proceeding) has put forward information in its partial withdraw (App. 63772/2024), alleging its confidential nature. With regard to said information Dainese submitted an application for protection of confidential information under <u>R. 262A</u> using the dedicated workflow in the CMS(63878/2024) and uploading a redacted versions of their written submissions [...]

By orders filed on 4 December 2024 and 10 January 2025 the judge rapporteur invited the other

parties to comment the application.

On 17 January 2025 the defendant n.1 requested that:

- that the Claimant's application under Rule 262A is rejected.

- in alternative:

b) that the Claimant is ordered to provide a revised version of the redacted document, where only strictly sensitive information are redacted, and access to such document is granted to Defendant.

Same and identical claims were filed by the defendant n. 6, MOTOCARD BIKE, S.L.

The Defendant 2) specified to not have any interest in knowing

No other comments were filed by the other parties.

GROUNDS OF THE ORDER

1.2.General profiles

This ruling complies with:

- the principles of flexibility, proportionality and fairness set out in Preamble 2 of the P.o.R. and the need to protect confidential information.

-the <u>Rule n. 58 UPCA</u>, the <u>Rule N. 262A RoP</u>, the Directive (EU) 2016/943 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure;

- case law of the UPC on the protection of confidential information.

1.2. This order takes into account that:

--according to a non-strict construction in accordance with the purpose of the law, Article 58 UPCA must be interpreted as meaning that it extends protection not only to trade secrets but also to confidential information.

2. Nature of information

2.2. The Court observes that:

This document is confidential:

(i) is not generally known and is not available to third parties;

• (ii) has undoubtedly of an economic value,

• (iii) is protected by appropriate confidentiality measures

(see Milan Local Division, 1 October 2024, Order no. ORD_54120/2024 UPC number: UPC_CFI_400/2024, Related proceeding no. Application No.: 40442/2024)

3.THE CONFIDENTIAL CLUB

3.1. Dainese's request for confidentiality is modulated by a request for complete refusal of access. Defendant n. 1 and 6 request that access to the unredacted version [__] be granted at least to the following persons:

3.2. The Court recalls the case law of the UPC on this respect and in particular:

• Where an application for protection is successful, access to the confidential information must be limited. At least one natural person must have access for each party to the proceedings. If there is more than one defendant and therefore more than one party, each of them is entitled to nominate a natural person ("one natural person from each party"), see <u>Munich Local</u> <u>Division, 14 January 2025</u>, UPC_CFI_145/2024 UPC_CFI_146/2024 UPC_CFI_147/2024 UPC_CFI_148/2024);

 according to the wording of the law, access must be granted to all lawyers or other representatives of these parties to the proceedings. There is no numerical limit.
("), see <u>Munich Local Division, 14 January 2025,</u> <u>UPC CFI 145/2024</u> UPC_CFI_146/2024
UPC_CFI_147/2024 UPC_CFI_148/2024);

• "), see <u>Munich Local Division, 14 January 2025</u>, UPC_CFI_145/2024 UPC_CFI_146/2024 UPC_CFI_147/2024 UPC_CFI_148/2024);

• "When deciding the application of the defendants to grant protection for the allegedly confidential information, the court has to weigh the right of a party to have unlimited access to the documents contained in the file, which guarantees its fundamental right to be heard, against the interest of the opposing party to have its confidential information protected. Both fundamental principles have to be balanced against each other on the instant facts of the particular case" (Düsseldorf Local Division App_6761/2024 related to the main proceeding ACT_578607/20239);

• "<u>R. 262A.6 RoP</u> establishes with all desirable clarity as a ground rule of paramount importance that at least one natural person from each party and the respective lawyers or other representatives are to be granted access in order to ensure a fair trial. The provision therefore reflects the spirit of the trade secret directive, which also demands for access of at least:

-one natural person from each of the parties

(The protection of classified information is ensured by the fact that authorised parties are also subject to a confidentiality order with penalties for non-compliance (UPC_CFI_355/2023 (LD Düsseldorf), Order of 27 March 2024, ORD 7096/2024, Fuji-film v. Kodak, Dusseldorf 23 December 2024, App. 57498/2024, ACT 36426/2024)

-their respective representatives

in order to guarantee the fundamental right to a fair trial (see recital 25 and Art. 9 (2) of the trade secrets

directive). This has been an express decision by the Member States of the European Union which is to be respected by the UPC (<u>Art. 20</u>, <u>24(1)(a) UPCA</u>)" (Düsseldorf Local Division App_6761/2024 related to the main proceeding ACT_578607/20239);

The Court notes that the last rule, which is designed to protect the principle of the adversarial process, may be derogated:

A) with parties' consent;;

B) in the event of interference of the patent system with the antitrust system: the Community system expressly allows that access is not granted to natural persons but only to their advisers (see EUROPEAN COMMISSION COMMUNICATION *Communication* the on protection of confidential information by national courts in proceedings concerning the private enforcement of EU competition law' (2020/C 242/01, para. 61 (see Milan Local Division 6 may 2024, Order no. ORD 23384/2024 in ACTION NUMBER: ACT_549585/2023, related proceeding no. Application No. 21554/2024).

3.3. The case at hand

In this case, there is no Agreement between the parties ((Dainese on one hand and Defendants n. 1 and n., 6 on other hand) and there is no antitrust case.

Therefore, defendants no. 1 and 6 have a right of access to confidential information.

In the light of the considerations set out in paragraph n. 3.2 above, the Court, balancing the competing interests, notes that:

(a) the number of persons included in the confidential club must not exceed the number necessary to ensure that the rights of the parties to the proceedings to an effective remedy and to a fair trial are respected, and must include at least one natural person from each party and their respective lawyers or other representatives

(b) the minimum content of the information contained in the exhibit No. 70 is non-technical and does not require special expertise to understand.

Those considerations suggest that the number of subjects admitted to the Club should be kept to a minimum.

The Court therefore considers that the confidential club should include the following:

As lawyers or other representatives from the defendant n. 1 and 6; [...] as natural person: [...]

4. THE LANGUAGE OF THE EXHIBIT N. 70

As regards the production of Annex No. 70 in an original language other than that of the proceedings, namely French, it does not appear that that choice prejudiced the rights of defence of defendant No. 1 and n. 6, whose counsels have been authorised by the order of 10 January 2025 to examine the unredacted version: in fact, they intervened in the main proceedings and demonstrated knowledge of the content of the document itself, in a language other than that of the proceedings. In any event, the applicant is ordered to produce an unredacted

and a redacted version in English, as following, pursuant rule 7, para. 2, ROP^{1} .

5. LEAVE TO APPEAL

Since the questions decided upon in the case at hand are far from being well settled in the newly established Unified Patent Court, the Court grants the leave to appeal.

6.SUSPENSIVE EFFECT

So as not to create a fait accompli, the Court decides not to grant access for the persons named by Alpinestars and Motocard Bike, S.L before the time period for bringing an appeal and an appropriate time period to bring an application for suspensive effect before the Court of Appeal before it has elapsed.

Indee, pursuant to <u>Section 354 of the RoP</u>, decisions and orders of the Court are directly enforceable from the date of their notification and an appeal, pursuant to <u>Section 74 of the UPCA</u>, has no suspensive effect unless the Court of Appeal decides otherwise. However, these provisions do not prevent the Court of First Instance from deciding that an action should be enforced at a future date. This gives Dainese sufficient time to appeal and request suspensive effect, pursuant to <u>Article</u> 223 of the RoP.

ORDER

I Dainese is invited to lodge a redacted and an unredacted version of exhibit n. 70 in English language until the 29 the of January 2025;

II. Dainese Confidential Documents), i.e.

are classified as confidential;

III access to the unredacted version of

[]]

shall be restricted from Defendant'1 side and from Defendant' 6 side exclusively to the followjng persons:

III. the other defendants (n. 2,3 and 5 are excluded from the access of the unredacted version of

[]] IV. information classified as confidential shall not be used or disclosed outside of these court proceedings, except to the extent that it has come to the knowledge of the receiving party outside of these proceedings, provided that the receiving party has obtained it on a non-confidential basis from a source other than the defendant or its affiliates, provided that such source is not bound by a confidentiality Agreement with or other obligation of secrecy with the defendant or its affiliates. V. The foregoing persons shall also be under an obligation to the claimant to maintain the confidentiality of the information contained in the unredacted versions of the foregoing documents. The obligation of confidentiality shall continue to apply after the termination of these proceedings;

VI. in the event of a breach of this order the Court may impose a penalty pursuant to Rule No. 354(3) R.o.P. against the defendant n. 1 and the defendant n., 6. VII. leave to appeal is granted; VIII. the costs relating this proceeding will be settled together with the costs of the main proceedings. Issued in Milan on 24 January 2025 NAMES AND SIGNATURES Alima Zana Alima Order no. ORD_68844/2024 in ACTION NUMBER: ACT_45469/2024 UPC number: UPC_CFI_472/2024 Action type: Infringement Action Related proceeding no. Application No.: 63878/2024 Application Type: APPLICATION ROP262A

necessary to provide a formal certification by the translator as to the accuracy of such translation unless the accuracy is challenged by a party or such certification is ordered by the Court or required by these Rules

¹ Rule 7 – Language of written pleadings and written evidence 1. Written pleadings and other documents, including written evidence, shall be lodged in the language of the proceedings unless the Court or these Rules otherwise provide. 2. Where these Rules or the Court require a pleading or other document to be translated it shall not be