

# CASE COMMENT

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## PATENT LAW: FIRST SUBSTANTIVE DECISION BY THE COURT OF APPEAL OF THE UNIFIED PATENT COURT SETS COURSE FOR CLAIM CONSTRUCTION AND PRELIMINARY INJUNCTIONS

On 26 February 2024, the Court of Appeal (CoA) of the Unified Patent Court (UPC) issued its first substantive decision in a dispute between NanoString Technologies as appellants, and 10x Genomics as respondents (decision accessible [here](#)). The decision under appeal, which had been issued by the UPC's Court of First Instance (CFI, Munich Local Division) on 19 September of last year, had made waves as it was the first to decide on an inter partes request for a preliminary injunction (decision available [here](#)). Just so, last week's CoA decision is sure to attract attention, not least because it reverses the CFI's grant of the injunction and provides guidance on claim construction, the standard for preliminary injunctions, and more.

The case concerns machines for the rapid quantification of proteins and DNA-sequences in biological materials and the asserted patent discloses a method that enables the simultaneous detection of a (much) larger number of analytes than had previously been possible. The CFI considered it sufficiently likely that the patent in suit was valid and infringed and issued a preliminary injunction. Of particular note in that decision was how the CFI balanced the parties' interests and assessed the proportionality of the requested measure. A discussion of that part of the CFI's decision can be found [here](#).

For its part, the CoA did not need to address proportionality or the balance of interest because it considered it "more likely than not" that the patent in suit will prove to be obvious. Its underlying reasoning is closely intertwined with the facts of the case: put briefly, the CoA accepted that the skilled person would be sufficiently incentivized to arrive at the claimed invention starting from a comparable method of analysis in the prior art. Of more general interest is the CoA's affirmation that although "[t]he patent claim is not only the starting point, but the decisive basis for determining the protective scope of a European patent" the "interpretation of a patent claim does not depend solely on the strict, literal meaning of the wording used. Rather, the description and the drawings must always be used as explanatory aids for the interpretation of the patent claim and not only to resolve any ambiguities in the patent claim". The CoA recited parts from the Protocol on the Interpretation of Article 69 European Patent Convention ([here](#)). It stated that, while the description and drawings of a patent must always be used as explanatory aids for the interpretation of the patent claims, the subject matter of the claim does not extend to what, on the basis of the description and drawings, "appears to be the subject-matter for which the patent proprietor seeks protection".

The CoA also articulated a general standard for the grant of provisional measures, including a preliminary injunction. It first concurred with the CFI that the threshold for the grant of such measures should not be too high, “in particular if delays ... would cause irreparable harm” to the patentee; but also not too low, to prevent unjustified harms to the defendant. It then held that the patentee must demonstrate with a “sufficient degree of certainty” that “the patent is valid and that his right is being infringed”, and that “[a] sufficient degree of certainty is lacking if the court considers it on the balance of probabilities more likely than not that the patent is not valid”. As that was the case in the proceedings at hand, the CFI’s decision was annulled.

Interestingly, both parties had requested a stay of the proceedings following a petition for bankruptcy filed by the defendants. In a parallel decision, the CoA rejected this request (available [here](#)). It held that, while Rule 311.1 of the UPC’s Rules of Procedure allow for a stay in the event a party is declared insolvent, the principles of procedural efficiency and a fair balance between the parties’ interests weigh against the stay in case the petition is filed “after the oral hearing had concluded and the legal dispute was ready for a decision”.

