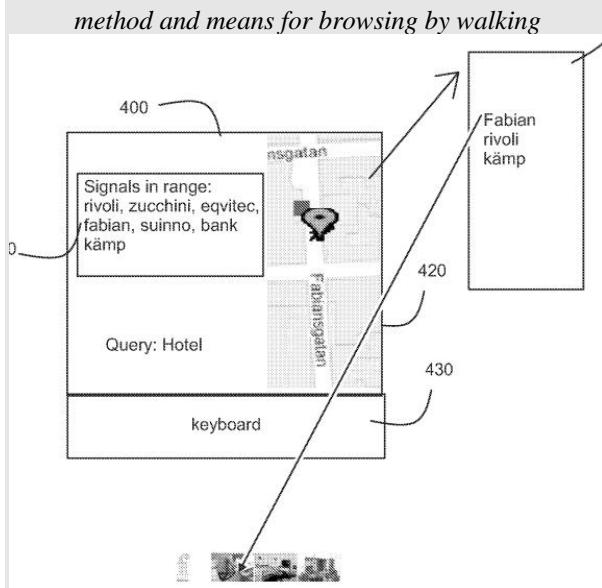


UPC CFI, Central Division, Paris Seat, 16 September 2024, Microsoft v Suinno - II



PATENT LAW – PROCEDURAL LAW

Confidential information (R. 262A RoP)

- as it is known only to a limited number of persons, its disclosure is liable to cause serious harm to the person who provided it or to third parties and the interests liable to be harmed by the disclosure of confidential information are, objectively, worthy of protection.

- does not lose its confidential nature due to the fact that it is contained in another document not mentioned in the application for confidentiality order.

Confidentiality obligation of members of confidentiality club

- is not extinguished by the fact that the same information is also present in another document submitted to the Court, even if not mentioned in the application for confidentiality order.

Not considered independent for purpose of a valid representation (Article 48(5) UPCA, R. 333 RoP)

- it is undebated that [...] is the respondent's managing director and main shareholder and that because of that he enjoys extensive administrative and financial powers within the body he represents.

42. The assessed lack of independence of [...] representative of the respondent, leads to the conclusion that the application for the confidentiality filed by the respondent on 9 April 2024 pursuant to [Rule 262A 'RoP'](#) must be declared inadmissible and, therefore, the [order issued by the judge-rapporteur on 26 June 2024](#) which granted the application must be set aside.

Source: [Unified Patent Court](#)

UPC Court of First Instance,
Central Division, Paris Seat, 16 September 2024
(Catalozzi, Zhilova, Samoud)

ORDER

of the Court of First Instance of the Unified Patent Court
Central division (Paris seat)
issued on 17 September 2024

concerning the Application [RoP 333](#) No.
App_42138/2024 lodged in the infringement action
UPC_CFI_164/2024

HEADNOTES:

KEYWORDS:

APPLICANT:

Microsoft Corporation - One Microsoft Way,
Redmond Washington 98052-6399, USA represented by
Tilman Müller-Stoy, Bardehle Pagenberg

RESPONDENT

Suinno Mobile & AI Technologies Licensing Oy -
Fabianinkatu 21, 00130 Helsinki, Finland.

represented by [...]

PATENT AT ISSUE:

European patent n° [EP 2 671 173](#)

PANEL:

Panel 2

Paolo Catalozzi Presiding judge and judge-rapporteur

Tatyana Zhilova Legally qualified judge

Wiem Samoud Technically qualified judge

DECIDING JUDGE:

This order has been issued by the panel

SUMMARY OF FACTS AND PARTIES' REQUESTS:

1. On 9 April 2024 the respondent, claimant in the infringement action (registered as No. ACT_18406/2024 UPC_CFI_164/2022), requested, pursuant to [Rule 262A of the Rules of Procedure](#) ('RoP'), that the [...] submitted as evidence in the main proceedings be kept secret from the defendant and the public, as they comprise business secrets [...].

2. By [order issued on 26 June 2024](#) the judge-rapporteur, after having heard the respondent, granted the request and ordered the access to [...] to be restricted to Microsoft attorneys and Microsoft directors who have a legitimate need to access these [...] for the purposes of the current proceedings.

3. On 11 July 2024 the applicant requested that this order to be reviewed and set aside by the panel and the application lodged pursuant to [Rule 262A 'RoP'](#) to be dismissed.

4. In the alternative, the applicant requested the following question to be referred to the Court of Justice of the European Union for preliminary ruling: "In order to comply and be compatible with Union law, shall the requirement of independence of representatives before the Unified Patent Court, as set out in [Article 48 \(5\) of the Agreement on a Unified Patent Court](#) ['UPCA'] and in Article 2.4.1 of the [Code of Conduct for Representatives before the Unified Patent Court](#) ['UPC'], be interpreted as meaning that a legal person cannot be validly represented before the Unified Patent Court by a person who is at the same time its managing director and main shareholder?"

5. In the further alternative, the applicant requested that the order to be amended to the effect that access to the [...] is granted to the following individuals: Prof. Dr. Tilman Müller-Stoy, lawyer, Bardehle Pagenberg; Nadine Westermeyer, lawyer, Bardehle Pagenberg; Julien Fréneaux, lawyer, Bardehle Pagenberg; Antje Weise, lawyer, Bardehle Pagenberg; Dr. Patrick Heckeler, patent attorney, Bardehle Pagenberg; Maximilian Vieweg, patent attorney, Bardehle Pagenberg; Nicholas Kim, Senior Corporate Counsel, IP Litigation, Microsoft Corporation; Lucky Vidmar, Head of IP and AI Litigation, Associate General Counsel, Microsoft Corporation; Cindy Randall, Deputy General Counsel, Head of Litigation, Microsoft Corporation; Jon Palmer, General Counsel, Microsoft Corporation.

6. In the utmost alternative the applicant requested that leave to appeal to be granted.

7. On 21 July 2024 the respondent, asked for written comments on the application, argued that the court order is correct and, therefore, the review is unnecessary.

8. The respondent noted that access to [...] should be limited to the individuals listed in the application and that if additional access is needed, the applicant should make a separate request.

9. The respondent requested that if referral to the Court of Justice takes place, it should be complemented with also the following question in the same preliminary ruling: “In European Union Law, does the party himself choose his attorney from the list of qualified representatives? Or does the counterparty choose the attorney of the party?”.

10. Lastly, the respondent objected to the request for leave for appeal should the Court order be maintained.

GROUND FOR THE ORDER

Need for confidentiality order.

11. The first ground of the panel review request raised by the applicant is that the requirements set for issuing a confidentiality order are not met.

12. In particular, the applicant argues that the respondent did not provide sufficient reasoning of why [...] contained therein – and which information specifically – need to be restricted, noting that the merely assertion that [...] comprise “*business secrets*” is not sufficient.

13. Furthermore, the applicant contests that [...] contain any business secrets worthy and in need of protection by a confidentiality order and this results either from a comparison of the unredacted and redacted [...] and from the fact that [...] which contains the confidential information [...] was submitted with the SoC without any restrictions.

14. The applicant adds that interests on respondent’s part (if any) could not outweigh applicants’ interests to have full and unrestricted access to [...] and the information contained therein.

15. The panel believes that this ground for reviewing the judge-rapporteur's order is not wellfounded.

16. [...] concern, respectively, a ‘*patent license agreement*’ and a ‘*patent purchase & licence agreement*’ concluded with two different companies. The respondent submitted these documents, together with the statement of claim, both in an unredacted

version and in a redacted one and asked for a confidentiality order with regard to them which was granted by the judge-rapporteur with the contested order.

17. Even if the information which the claimant deemed to be confidential are not clearly indicated in the redacted version with the usual way consisting of blacking or whitening out relevant passages, the comparison between the unredacted and the redacted versions of the [...] allow to identify this information, which are missing in the redacted versions. [...]

18. The claimant argued in its application for a confidentiality order that this information constitutes a business secret and, therefore, must be kept secret from the defendant.

19. The panel agrees with the claimant on this point and notes that considering this information as business secret is respectful of the provisions of the [Directive \(EU\) 2016/943](#), on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure, which considers as a trade secret any business information, that have a commercial value, actual or potential, where there is both a legitimate interest in keeping them confidential and a legitimate expectation that such confidentiality will be preserved. [Article 2 \(1\) of this Directive](#) expressly states that “‘Trade secret’ means information which meets all of the following requirements: (a) it is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question; (b) it has commercial value because it is secret; (c) it has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret”.

20. It is undeniable that, in the present case, [...] as they are information that are not generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question, and have or may have a commercial value, in that their disclosure is likely to undermine the business or financial interests of the persons lawfully controlling them and their strategic positions or ability to compete. Furthermore, the contracting parties agreed to keep [...] confidential, so expressing their will to maintain the relevant information secret.

21. In any case, this information has to be classified as confidential according to the European Union Law (see, in particular, [CJEU 14 March 2017, case C-162/15 P, *Evonik Degussa v Commission*](#)), as it is known only to a limited number of persons, its disclosure is liable to cause serious harm to the person who provided it or to third parties and the interests liable to be harmed by the disclosure of confidential information are, objectively, worthy of protection.

22. It follows that this information, consisting of business secrets, has to be considered as confidential for the purpose of the application of [Rule 262A ‘RoP’](#).

23. Moreover, the respondent’s interest in keeping it secret outweighs applicants’ interest to have full and unrestricted access to it considering the importance of

this information for the claimant's competitiveness and its business strategy.

24. It must be added that a confidentiality order issued, pursuant to [Rule 262A 'RoP'](#), with regard to written evidence prohibits or limits access to certain information contained therein and requires those who have access to the evidence to keep this information confidential.

25. From the rationale of the relevant provision, which is to balance the right to the protection of confidential information with the right of access to evidence in civil proceedings, it follows that the obligation not to disclose confidential information incumbent on persons admitted to it does not allow them to disclose the same information outside the circle of these persons if learned from other written or oral pleadings submitted during the course of the proceedings. A different conclusion would be contrary to this rationale, as well to the principle of efficiency of the proceedings, requiring the parties to file multiple applications in case of use of the confidential information in different pleadings.

26. Applying this principle to the case at hand we must conclude, firstly, that the relevant confidential information contained in [...] does not lose its confidential nature due to the fact that it is contained in another document not mentioned in the application for confidentiality order.

27. Secondly, the obligation of confidentiality incumbent on persons admitted to the information contained in [...] is not extinguished by the fact that the same information is also present in another document submitted to the Court, even if not mentioned in the application for confidentiality order.

Lack of independence of the respondent's representative.

28. The applicant takes issue with the judge-rapporteur order to the extent that it rejected its objection of inadmissibility of the application raised on the grounds of a violation of [Rule 290 \(2\) 'RoP'](#) in relation to the non-compliance with the code of conduct by the claimant's representative, although he is also the claimant's director and main shareholder.

29. The applicant argues, in particular, that the judge-rapporteur erred in stating that the lack of independence should be assessed based on potential harm to the party represented, rather than in an absolute sense and that its possible violation cannot be asserted by the counterparty, which has no interest in such a finding, but only by the party for whose benefit such an obligation is placed.

30. The applicant points out that the concept of legal independence of a representative has to be interpreted in an "absolute sense", in line with the case-law of the Court of Justice.

31. The argument is well-founded.

32. The panel points out that according to [Article 48 \(5\) of the Unified Patent Court Agreement \('UPCA'\)](#) "Representatives of the parties shall enjoy the rights and immunities necessary for the independent exercise of their duties, including the privilege from disclosure in proceedings before the Court in respect of communications between a representative and the party

or any other person, under the conditions laid down in the Rules of Procedure, unless such privilege is expressly waived by the party concerned".

33. This provision appears to be modelled on a similar one found in [Article 19 \(5\) of the Statute of the Court of Justice of the European Union](#), which reads as follows: "Such agents, advisers and lawyers shall, when they appear before the Court, enjoy the rights and immunities necessary to the independent exercise of their duties, under conditions laid down in the Rules of Procedure".

34. The said Article 19 (5) is consistently interpreted as it requires that a party wanting to bring an action before the General Court or the Court of Justice must use the services of a third person authorised to practise before a court of a Member State or of a State which is a party to the Agreement on the European Economic Area and therefore is not permitted to act itself (see, CJEU 14 July 2022, case C-110/21 P, *Universität Bremen/ REA*; CJEU 24 March 2022, case C529/18 P, *PJ v EUIPO*; CJEU 6 April 2017, case C-464/16 P, *PITEE v Commission*; CJEU 4 December 2014, case C-259/14 P, *ADR Center v Commission*; CJEU 5 September 2013, case C-573/11, *ClientEarth v. Council of the EU*; CJEU 6 September 2012, cases C-422/11 P and C-423/11 P, *Prezes Urzędu Komunikacji Elektronicznej and Republic of Poland v Commission*; CJEU 29 September 2010, cases C-74/10 P and C-75/10 P, *EREF v Commission*).

35. This because the conception of the lawyer's role in the legal order of the European Union is that of collaborating in the administration of justice and of being required to provide, in full independence and in the overriding interests of that cause, such legal assistance as the client needs.

36. It follows that, according to the cited case-law, the requirement of independence of a lawyer implies that a party cannot properly be represented before the Courts of European Union by a lawyer that is employed or financial dependent by the client or who has, within the represented body, extensive administrative and financial powers (see specifically, on this latter point, CJEU 5 September 2013, case C-573/11, *ClientEarth v. Council of the EU*; CJEU 29 September 2010, cases C-74/10 P and C-75/10 P, *EREF v Commission*).

37. This does not mean that in-house lawyers cannot validly represent the client in court, where permitted by national legal systems, but merely excludes that this category of lawyers can represent the client before the Courts of European Union (see CJEU 14 September 2010, case C550/07 P, *Akzo Nobel Chemicals and Akros Chemicals*; CJEU 18 May 1982, case C-155/79, *AM & S v Commission*, which distinguish the two categories of lawyers for the purpose of a different regime regarding communications with the client with reference to the Commission's investigative powers in antitrust proceedings).

38. The forementioned Court of Justice case-law on the interpretation of Article 19(5) of its Statute is not binding for the national judges (and 'UPC' judges) as it is established with regard to a legal provision which

regards exclusively the proceedings before the Courts of European Union and, therefore, is not applicable to Member States.

39. However, the substantially identical wording of this provision and the one in [Article 48 \(5\) 'UPCA'](#) suggests that the States which have signed the 'UPCA' intended to incorporate the Court of Justice's interpretation of the [Art. 19\(5\) of its Statute](#) on the requirement of independency of the representative.

40. In the present case, it is undebated that [...] is the respondent's managing director and main shareholder and that because of that he enjoys extensive administrative and financial powers within the body he represents.

41. Therefore, he cannot be considered as independent for the purpose of a valid representation of his client in the current proceedings.

Conclusions.

42. The assessed lack of independence of [...] representative of the respondent, leads to the conclusion that the application for the confidentiality filed by the respondent on 9 April 2024 pursuant to [Rule 262A 'RoP'](#) must be declared inadmissible and, therefore, the [order issued by the judge-rapporteur on 26 June 2024](#) which granted the application must be set aside.

43. However, those admitted to the confidentiality ring remain under the obligation not to disclose the confidential information (that means, the one deleted in the redacted versions of [...]).

44. Indeed, the inadmissibility of the respondent's application does not affect the confidential nature of the information, as it stems from a procedural issue. [...] lack of representative power means not only that he could not file the application pursuant to [Rule 262A 'RoP'](#), but also that he could not submit the documents containing the confidential information; hence, the applicant would not have had the opportunity to access to these documents.

45. The persons admitted to the confidential information are specifically identified as mentioned in the application at hand, as the respondent did not raise any objection to them.

Leave to appeal.

46. In consideration of the novelty of the issue addressed, of its importance in the outcome of the proceedings and of the need for a consistent interpretation of the notion of independency of the representative before 'UPC', for an assessment of the consequences of the lack thereof and for possible ways, if any, to regularize an invalid representation, it is appropriate to grant leave to appeal to this order.

ORDER

For these grounds the panel:

- sets aside [the order issued by the judge-rapporteur on 26 June 2024](#);
- declares the application filed on 9 April 2024 by Suinno Mobile & AI Technologies Licensing Oy pursuant to [Rule 262A 'RoP'](#) inadmissible;
- orders that the persons admitted to are obliged not to disclose the confidential information present therein;

- identifies the persons admitted to in the following ones: Prof. Dr. Tilman Müller-Stoy, lawyer, Bardehle Pagenberg; Nadine Westermeyer, lawyer, Bardehle Pagenberg; Julien Fréneaux, lawyer, Bardehle Pagenberg; Antje Weise, lawyer, Bardehle Pagenberg; Dr. Patrick Heckeler, patent attorney, Bardehle Pagenberg; Maximilian Vieweg, patent attorney, Bardehle Pagenberg; Nicholas Kim, Senior Corporate Counsel, IP Litigation, Microsoft Corporation; Lucky Vidmar, Head of IP and AI Litigation, Associate General Counsel, Microsoft Corporation; Cindy Randall, Deputy General Counsel, Head of Litigation, Microsoft Corporation; Jon Palmer, General Counsel, Microsoft Corporation.

- grants leave to appeal.

Issued on 16 September 2024

The Presiding judge and judge-rapporteur Paolo Catalozzi

The legally qualified judge Tatyana Zhilova

The technical qualified judge Wiem Samoud

ORDER DETAILS

Order no. ORD_41174/2024 in ACTION NUMBER: ACT_18406/2024

UPC number: UPC_CFI_164/2024

Action type: Infringement Action

Related proceeding no. Application No.: 40799/2024

Application Type: APPLICATION_ROP_333
