



Local Division Munich
UPC_CFI_498/2023

Procedural Order
of the Court of First Instance of the Unified Patent Court
issued on 14 August 2024

CLAIMANT:

NEC Corporation, 7-1 Shiba 5-chome Minato-ku, Tokyo 108-8001, Japan, represented by its President and Chief Executive Officer Mr. Takayuki Morita, *ibid*,

represented by: Dr. Müller, Dr. Henke, BARDEHLE PAGENBERG Partnership mbB
Patent attorneys, attorneys at law, Bohnenstraße 4, 20457 Hamburg.

DEFENDANTS:

1. **TCL Deutschland GmbH & Co. KG**, Am Seestern 4, 40547 Düsseldorf, represented by the general partner TCL Deutschland Verwaltungs GmbH, which in turn is represented by its managing directors, *ibid*,
2. **TCL Industrial Holdings Co., Ltd.**, 22/F, TCL Technology Building, 17 Huifeng 3rd Road, Huizhou, 516000 Guangdong, China, represented by its directors, *ibid*,
3. **TCT Mobile Germany GmbH**, Am Seestern 4, 40547 Düsseldorf, Germany, represented by its managing directors, *ibid*,
4. **TCT Mobile Europe SAS**, 55 Avenue des Champs Pierreux, 92000 Nanterre, France, represented by its directors, *ibid*,
5. **TCL Communication Technology Holdings Ltd.**, 5/F, Building 22E, Science Park East Avenue, Hong Kong Science Park, Shatin, Hong Kong, represented by its directors, *ibid*,
6. **TCL Operations Polska Sp. z o.o.**, ul. A. Mickiewicza 31/41 96-300 Żyrardów, Poland, represented by its managing directors, *ibid*,
7. **TCL Overseas Marketing Ltd.**, 13/F TCL Tower Tai Chung Road Tsuen Wan, New Territories, Hong Kong, represented by its directors, *ibid*.

Defendants 1), 2), 3), 4), 6) represented by: Dr. Nack, Dr. Gajec, Noerr
Partnerschaftsgesellschaft mbB, Brienner Str. 28,
80333 Munich, Germany.

PATENT AT ISSUE

European patent no° EP 3 057 321

PANEL/DIVISION

Panel 2 of the Local Division Munich

DECIDING JUDGE

This Order has been issued by the Presiding Judge Ulrike Voß as judge-rapporteur.

LANGUAGE OF THE PROCEEDINGS

English

SUBJECT-MATTER OF THE PROCEEDINGS

Patent infringement – Rule 262A RoP, Protection of confidential information.

SUMMARY OF FACTS AND REQUEST

Defendants 1), 3), 4) and 6) filed a confidentiality request (Rule 262A RoP) in a written submission dated on 10 July 2024 with respect to their FRAND Counterclaim and Statement of defence dated 8 July 2024. On the same day, the Court issued a Preliminary Order for the protection of the information referred to in the confidentiality request and provided the Claimant's representatives with an opportunity to comment. The Claimant's representatives made use of this opportunity by means of a written submission dated 25 July 2024.

Following a telephone call between the parties' representatives, Defendants 1), 3), 4) and 6) stated in a written submission dated 31 July 2024 that they and the Claimant had reached an understanding on principle terms for the applicable confidentiality club. In light of this, Defendants 1), 3), 4) and 6) have filed an amended Application for protection of confidential information pursuant to Rule 262A RoP.

By this amended Application they request:

1. [...]
2. the information outlined in the following table and marked in gray in the Brief ("Confidential Information") be treated confidentially, as further specified below:

Subject of the information	Margin Numbers/Annexes of the Brief
Information on the negotiations between the parties and between Defendants and Access Advance	• mn. 14, mn. 18, mn. 20-94; mn. 102-107; mn. 180-183; mn. 185; mn. 187-194; mn. 196 f.

	• Annexes DF 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17
Information on the Counterclaim II and what is FRAND in the present case	• Request 9. a) - f) • mn. 2-6; mn. 108-125; mn. 203223; mn. 235 f.; mn. 251; mn. 257261; m-264 f.; mn. 274 f.; mn. 294; mn. 296-303; mn. 308; mn. 319; mn. 321 • Annexes DF 19, 20, 21, 55

3. access to the Confidential Information is limited to the following persons:

a) Plaintiff's following employees:

- [...]

b) Plaintiff's legal representatives in the present proceedings, including Plaintiff's legal representatives' not legally qualified team members, assistants and staff;

4. the persons under 3.

a) keep any and all Confidential Information confidential,

b) do not use any Confidential Information outside of the present proceedings,

c) implement adequate confidentiality measures to ensure that only the designated persons referred to under 3. have access to the Confidential Information, in particular by applying adequate physical and electronical access restrictions vice versa third persons;

5. also anyone else who receives the Confidential Information by virtue of their involvement in this litigation (as a party, intervener, lawyer, witness, expert, court employee or other participant) must treat it confidentially and may not use or disclose it outside of the present legal proceedings, unless this person has obtained knowledge of the Confidential Information outside of this legal dispute and without violating their confidentiality obligations;

6. the obligation to maintain confidentiality continues to apply after the conclusion of the present proceedings;

7. [...]

8. in each event of culpable violation of the confidentiality obligations laid out above, the court may impose a penalty in the amount of up to EUR 250,000 and enforce this penalty immediately;

9. [...]

By Preliminary Order of 6 August 2024, the Court issued notes on the amended Application of 31 July 2024 and gave the parties the opportunity to comment. Both parties made use of this opportunity in their written submissions dated 12 August 2024.

For the sake of completeness, the details of the orders as well as the facts and arguments contained in the parties' written submissions are hereby included by way of reference.

GROUND OF THE ORDER

1.

Art. 9(1) and (2)(a) of Directive (EU) 2016/943 provides that, in judicial proceedings, access to documents submitted by the parties or third parties containing trade secrets or alleged trade secrets may, upon request, be restricted in whole or in part to a limited number of persons. The protection of confidential information is provided for in Article 58 of the UPCA and implemented in Rule 262A of the Rules of Procedure of the Unified Patent Court (see UPC_CFI_54/2023 (LD Hamburg), Order of 3 November 2023, ORD_577703/2023 - Avago Technologies International v. Tesla Germany; UPC_CFI_463/2023 (LD Düsseldorf), Order of 11 March 2024, ORD_8550/2024 - 10x Genomics v. Curio Bioscience; UPC_CFI_402/2023 (LD Munich), Order of 9 August 2024, ORD_38165/2024 - Abbott Diabetes Care v. Dexcom Inc.).

2.

The formal requirements of R. 262A.2 and .3 RoP were complied with. The representatives of the Claimant were also heard before the confidentiality order was issued, as required by R. 262A.4 RoP.

3.

In response to the Court's notice in the Preliminary Order of 6 August 2024, the Claimant stated that it did not maintain its concerns regarding the classification as confidential of all the information mentioned in the confidentiality request. It must therefore be assumed that the information outlined in the table above and marked in grey in the FRAND Counterclaim and Statement of defence dated 8 July 2024 is worthy of protection. This information is to be treated confidential. They must not be used outside of the present proceedings.

4.

With regard to the group of authorised persons that is concerned, the Mannheim Local Division has rightly pointed out that there is normally no reason to limit the access of the representatives of the Claimant to a certain number or even to UPC representatives and their internal assistants, who must also be named (UPC_CFI_471/2023 (LD Mannheim), Order of 3 July 2024, ORD_33986/2024 - Aylo Freesites v. DISH).

However, it cannot be ignored that R. 262A.6 RoP requires that the number of persons having access to the confidential information shall not be greater than it is necessary to ensure that the rights of the parties to the proceedings to an effective remedy and to a fair trial are

respected. This requirement also applies to the parties' representatives. Therefore, the number of representatives granted access to the confidential information should not be "unlimited" or "indeterminable". Nor should the latter be the case, as effective protection of confidential information also requires clear accountability. It must be clear who is obliged to maintain confidentiality and who can be held responsible and legally liable in the event of a breach of the confidentiality order (see UPC_CFI_140/2024 (LD Düsseldorf), Order of 8 August 2024, ORD_42284/2024 - 10x Genomics v. Curio Bioscience; UPC_CFI_402/2023 (LD Munich), Order of 9 August 2024, ORD_38165/2024 - Abbott Diabetes Care v. Dexcom Inc.).

Against this background, the Court has granted access to the representatives named as the Claimant's representatives in the statement of claim. In order not to restrict the Claimant's right to choose its legal representatives, the Court has granted these representatives the right to share the relevant information with their team working on the case. If the Claimant's representatives who have access to the confidential information make use of this possibility to share this information with other members of their team, it is their responsibility to ensure that their team maintains the confidentiality of the information. In the event of a culpable breach of the confidentiality obligations, the representatives who have been granted access to the information would therefore be liable. This also applies to a breach of confidentiality by their team members to whom they have granted access (see UPC_CFI_140/2024 (LD Düsseldorf), Order of 8 August 2024, ORD_42284/2024 - 10x Genomics v. Curio Bioscience; UPC_CFI_402/2023 (LD Munich), Order of 9 August 2024, ORD_38165/2024 - Abbott Diabetes Care v. Dexcom Inc.).

5.

The parties agree that eight persons on the Claimant's side should have access to the confidential information. In the present case, the Court does not see any reason why the size of the group should be limited. The present order therefore takes account of the parties' consent on this point. As the Defendants have not objected to the eight persons named by the Claimant, they are granted access to the confidential information in the order set out below.

6.

In its submission of 12 August 2024, the Claimant explicitly stated that it maintains its objection that it must have the opportunity to consult external experts. Consequently, the Claimant requests that it may appoint a maximum of four (4) external experts in the course of the proceedings, who are granted access to the confidential information and whom Claimant is free to choose. However, this request has not been granted.

It is true that it can be agreed that the Claimant generally has the right to consult external experts. It is also true that, in principle, it is entirely up to the party to decide how many experts it wishes to engage and who they are. However, this does not mean that all external experts selected by the party must automatically have access to confidential information. Reference should be made to what has already been said under point 4.

R. 262A.6 RoP requires that the number of persons having access to the confidential information shall not be greater than it is necessary to ensure that the rights of the parties to the proceedings to an effective remedy and to a fair trial are respected. This requirement also applies to the external experts. Therefore, the number of experts granted access to the confidential information should not be "unlimited" or "indeterminable". Nor should the latter be the case, as effective protection of confidential information also requires clear accountability. It must be clear who is obliged to maintain confidentiality and who can be held responsible

and legally liable in the event of a breach of the confidentiality order. Granting access 'in advance' is not appropriate. External experts must always be known by name; in any case, they must be identifiable.

These requirements are currently not met. On the basis of the current facts, it can be assumed that the Claimant has not yet engaged an external expert. It is not clear whether and if so when it will do so. Consequently, neither the names nor the number of external experts are currently known. Based on the submissions made so far, it is also not clear that and why (a maximum of) 4 external experts need to be granted access to the confidential information. Finally, in the absence of external experts, the Defendants 1), 3), 4), and 6) cannot at this stage be given the opportunity to comment on specific individuals.

Once the Claimant has actually appointed external experts who will need access to the confidential information, it may wish to specify this so that the present order can be supplemented if necessary.

7.

The same applies to the Claimants' preliminary remarks in its submission of 12 August 2024. No decision has yet been taken on Access Advance's application of 9 August 2024 for admission as an intervener. Access Advance is therefore not yet involved in the proceedings and no decision on its right of access can be made in the present order.

If the admissibility of the intervention is established, an extension of the present order may be made subsequently upon request.

8.

As the Court has already stated in the Preliminary Order of 6 August 2024, a confidentiality order concerns only the confidential information covered by the order to which the persons with access rights are granted access by virtue of the order in the present proceedings. In contrast, information of which an access authorised person already had prior knowledge is not covered by an order.

If persons other than those referred to in II. above lawfully obtain knowledge of confidential information as a result of their involvement in the legal proceedings, e. g. as court employee, or by accident or mistake, such persons shall also be obliged to maintain confidentiality.

As regards the receipt of confidential information outside the proceedings, there is no justification for distinguishing between the persons named in request no. 3 and the persons named in request no. 5.

9.

Request 4c) is not to be granted. The Court already pointed this out in the Preliminary Order of 6 August 2024. There is no apparent legal basis for imposing specific measures to maintain confidentiality. Persons subject to confidentiality obligations are free to decide on the specific measures to be taken to protect confidential information. It is only important that the objective of confidentiality is achieved and that the protection of confidential information is guaranteed. It is up to the person concerned to decide how this is to be achieved.

ORDER

- I. The information outlined in the following table and marked in gray in the FRAND Counterclaim and Statement of defence dated 8 July 2024 of the Defendants 1), 3), 4) und 6) is classified as confidential:

Subject of the information	Margin Numbers/Annexes of the Brief
Information on the negotiations between the parties and between Defendants and Access Advance	• mn. 14, mn. 18, mn. 20-94; mn. 102-107; mn. 180-183; mn. 185; mn. 187-194; mn. 196 f. • Annexes DF 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17
Information on the Counterclaim II and what is FRAND in the present case	• Request 9. a) - f) • mn. 2-6; mn. 108-125; mn. 203223; mn. 235 f.; mn. 251; mn. 257261; m-264 f.; mn. 274 f.; mn. 294; mn. 296-303; mn. 308; mn. 319; mn. 321 • Annexes DF 19, 20, 21, 55

- II. Access to the information classified as confidential under I. shall be restricted, on part of the Claimant to the following persons only:

1) the following employees of the Claimant:

- [...].

2) the following representatives of the Claimant:

- Attorneys-at-law **Dr Tilmann Müller** and **Dr Volkmar Henke**;
- Patent attorney **Dr Georg Anetsberger**

and their teams, actively involved in these proceedings, including other attorneys-at-law, patent attorneys and support staff.

- III. The information referred to in I. shall be treated as confidential by the Claimant's representatives, their teams and the employees referred to in paragraph II. Such information 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 claimant or its affiliates, provided that such source

is not bound by a confidentiality agreement with or other obligation of secrecy with the claimants or its affiliates.

This obligation shall also apply to the Claimant.

The foregoing persons shall also be under an obligation to the Claimants to maintain the confidentiality of the information contained in the unredacted versions of the foregoing documents.

This obligation of confidentiality shall continue to apply after the termination of these proceedings.

- IV. The information referred to under I. shall also be treated as confidential by any person not referred to under II. who obtains knowledge of it as a result of his or her involvement in the present proceedings. Such information 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 claimant or its affiliates, provided that such source is not bound by a confidentiality agreement with or other obligation of secrecy with the claimants or its affiliates.
- V. In the event of a culpable breach of this order, the court may, at request of the Defendants 1), 3), 4) or 6), impose a penalty payment of up to EUR 250.000,00 for each violation. The specific amount of a penalty is determined by the circumstances of the individual breach.
- VI. If the Claimant's representatives named in II. 2) make use of the possibility of giving other members of their team access to information classified as confidential, it is their responsibility to ensure that their team maintains the confidentiality of the information. In the event of a culpable breach of the confidentiality obligations, Dr Tilmann Müller, Dr Volkmar Henke and Dr Georg Anetsberger would therefore be liable. This also applies to any breach of the duty of confidentiality by any member of their team to whom they have granted access.
- VII. All further requests of the parties are hereby rejected.
- VIII. The persons named under II. shall be granted access to the information and/or documents named under I. 15 days after service of this order.

DETAILS OF THE ORDER

Order no. ORD_41184/2024 in ACTION NUMBER: ACT_596658/2023

UPC number: UPC_CFI_498/2023

Action type: Infringement Action

Related proceeding no. Application No.: 40654/2024

Application Type: APPLICATION_ROP262A

14 August 2024

Ulrike Voß
Presiding Judge