



## Spanish Commercial Courts have jurisdiction over debt recovery claims when such claims are related to unfair competition lawsuits

*Judgement 147/2018, of 8 March, of the Court of Appeals of Barcelona (Section 15)*

### Background

This case started when the company Integral filed a lawsuit against Laboratorios Liconsa before the Commercial Court number 3 of Barcelona.

In such lawsuit, two legal actions were jointly filed: one action claiming payment of unpaid invoices issued in consideration for certain projects made by Integral; and the other action was based on unfair competition practices supposedly committed by Liconsa by hiring the workers of Integral who were performing the projects from which the unpaid invoices derived.

In order to support the filing of both legal actions jointly, Integral argued that the projects, the non-payment of the invoices arising from such projects and the subsequent hiring of those employees of Integral who were performing the projects was all part of the unfair plan conceived by Liconsa. According to the plaintiff, such plan had two purposes: firstly, avoiding payment of the work done and, secondly, acquiring the know-how developed by Integral in connection with the projects. Integral argued that Liconsa would be taking advantage not only of the work done but also of the knowledge and training of the employees after their participation in the projects.

At first, the Commercial Court considered that filing these two legal actions in a joint manner was improperly done by the plaintiff and such Commercial Court declared itself without jurisdiction over the unpaid invoices claim.

According to the Commercial Court, pursuant to the provisions contained in the Spanish Code of Civil Procedure, the Courts having jurisdiction over debt recovery claims were only the Spanish Civil Courts.

### Position of the Court of Appeals

The judgement of the Commercial Court declaring itself without jurisdiction over the unpaid invoices claim, was appealed by Integral and the case came to the knowledge of the Court of Appeals. The Court of Appeals considered that the joint filing of both legal actions was correct and that, in this case, the Commercial Court had jurisdiction over the debt recovery claim. Consequently, the Court of Appeals declared that all court proceedings were null and ordered the restart of such proceedings.

According to the Court of Appeals, both legal actions were interdependent and derived from claims based on the same facts, because the implementation of the projects, subsequently unpaid, was one of the main reasons that led Liconsa to hire the employees of Integral. Considering the foregoing, the Court of Appeals considered that, in this case, it was necessary to make reasonable interpretation of the Code of Civil Procedure and, thus, allow both actions to be jointly filed. The Court of Appeals considered that requiring two different proceedings to prosecute the same facts would be unreasonable in this case and would constitute a breach of the plaintiff's right to effective legal protection.