



KATHER · AUGENSTEIN
RECHTSANWÄLTE

Regional Court Munich I

7 O 8818/19

Judgment of 10 September 2020

[...]

Reasons for decision

C)

The antitrust compulsory license objection raised by the defendant does not take effect due to lack of willingness to license. The defendant also cannot successfully rely on an antitrust compulsory license objection derived from its suppliers (the interveners).

I.

A patentee who has undertaken to a standardization organization to grant licenses for a standard essential patent (SEP) on FRAND terms may abuse its dominant position conferred by the SEP by bringing an infringement action if and to the extent that such action is suitable to prevent products conforming to the standard from entering or remaining available on the market (see ECJ GRUR 2015, 764 - Huawei Technologies/ZTE; Federal Court of Justice, "FCJ", GRUR 2020, 961 marginal no. 68 - FRAND objection). As a matter of principle, applications for injunctive relief, recall and removal of products or their destruction can be considered abusive (see FCJ GRUR 2020, 961 marginal 68 - FRAND objection with further details).

The Court of Justice of the European Union has further ruled on the FRAND license that the owner of an SEP standardized by a standardization organization, who has irrevocably committed itself to this organization to grant a license to any third party on FRAND terms, does not abuse its dominant position in the market by bringing an infringement action seeking an injunction concerning the infringement of the patent or to recall the products for the manufacture of which that patent has been used, if, first, the patent owner has informed the alleged infringer – before bringing the action of the infringement – of the alleged infringement of the patent, and in so doing has identified and indicated the patent in question and in what manner it is alleged to have been infringed, and secondly, after the alleged infringer has expressed its will to enter into a



license agreement under FRAND terms, the patent owner has made a concrete written license offer to the infringer under these terms and conditions, and in particular has indicated the license fee and the manner in which it is calculated, and this infringer while continuing to use the patent in question, does not respond to this offer with due care, in accordance with accepted business practices in the field concerned and in good faith, which must be determined on the basis of objective factors and implies, inter alia, that no delaying tactics are pursued (cf. ECJ *ibid*). Furthermore, the Court of Justice of the European Union has ruled that the owner of an SEP with FRAND declaration is in principle not prohibited from bringing an infringement action against the infringer of his patent for accounting for past acts of use in relation to the patent or for damages for these acts (ECJ *loc. cit.*).

The assertion of claims for injunction, recall and destruction by the patentee by way of an action can be considered abusive if the infringer has not (yet) declared his willingness to conclude a license agreement under certain reasonable conditions in a legally binding manner, but the patentee is to be blamed for not having made sufficient efforts to meet the special responsibility associated with the market-dominating position and to enable an infringer who is in principle willing to license to conclude a license agreement (FCJ *loc. cit.*).

However, the person who wants to use or has already used the patent and has brought patentable products onto the market, although he does not have a license, must be prepared to take a license to this patent on reasonable and non-discriminatory terms (FCJ, *loc. cit.* para. 70). Even the patentee with market power cannot force the license on anyone; the potential licensee can demand the conclusion of a license agreement, but the patent holder is dependent on enforcing claims for patent infringement against the person who uses the patent-compliant teaching but does not want to conclude a license agreement (see FCJ *loc. cit.* para. 82). The infringer must therefore clearly and unequivocally declare his willingness to conclude a license agreement with the patentee on reasonable and non-discriminatory terms and must also subsequently participate in the license agreement negotiations in a targeted manner , because "a willing licensee must be one willing to take a FRAND license on whatever terms are in fact FRAND" (FCJ *loc. cit.* para. 83).

The patent infringer may not delay the negotiations (ECJ *loc. cit.* para. 66, 71). Because differently than with contract negotiations, which a licensing-willing enterprise aims at before use admission, the interest of the infringer can be also - alone or in any case primarily - directed to hold the patentee up if possible up to the expiration of the patent



protection period of the patent in suit, because then no more condemnation for omission threatens it (see FCJ *ibid.*.)

If the patent infringer is not willing to license, the Federal Court of Justice has ruled that, contrary to previous opinion (e.g. Werner in: Busse/Keukenschrijver, Patentgesetz, 9th ed. 2020, § 139 marginal no. 232 - intended for publication), it can be left undecided whether the offer of the patent owner (in terms of content) corresponds to FRAND conditions (FCJ *loc.cit.* marginal no. 82, 101).

II.

According to these principles, the plaintiff has not abused its dominant position, which was assumed by the chamber in favour of the defendant.

It is true that the first prerequisite for the court to subject the defendant's compulsory license objection and thus the plaintiff's offer to a substantive examination is fulfilled, because the defendant has submitted a counteroffer that is not at all unacceptable and has furthermore settled and provided security (see ECJ *loc. cit.* nos. 66, 67; point IV.1.c of the Notes on the handling of the compulsory license objection under antitrust law according to *Huawei v. ZTE* within the Munich proceedings in patent disputes, as of February 2020).

In the opinion of the Chamber, the defendant lacked the second prerequisite, namely the necessary qualified willingness to take a licence, both in the period prior to the filing and extension of this action by claims for injunction, recall and destruction and in the period thereafter.

The Chamber is not able to establish that the defendant was and is outwardly recognizably willing to enter into a licence agreement with the plaintiff on "whatever terms are in fact FRAND". In any case, the Defendant did not submit a clear declaration of willingness to take a licence in time. Rather, in the opinion of the Chamber, the defendant was wrong to take the view that it was not they, but their suppliers, who should be licensed directly. This assumption and the conduct derived from it do not appear justified in individual cases (see section 1 below). After the extension of the lawsuit by the claims for injunction, recall and destruction relevant here, the defendant made its own counter-offer and it can therefore be assumed that it was willing to conclude a licence agreement with the plaintiff at the conditions formulated therein (which were considerably more favourable for it). This behaviour does not mean that the defendant's initially given (own) unwillingness to take a licence is completely "cured". First of all, this



declaration was not made in time and secondly, the defendant still lacks the necessary willingness to conclude a licence agreement with the plaintiff on "whatever terms are in fact FRAND". The Chamber cannot derive such a willingness from the defendant's counter-offer or from the other circumstances (see section 2 below).

1.

The statements and the conduct of the defendants prior to the submission of their counteroffer do not justify the assumption of a sufficient willingness to take a licence. There is no clear declaration of readiness to agree on a licence by the defendant.

a)

It can be assumed in favour of the defendant that the plaintiff only made a (sufficiently concrete) accusation of infringement against the defendant with its letter of May 20, 2019 (Exhibit K14) and the "claim charts" transmitted therein, which concern, among other things, the patent in suit. Even in the period following thereafter the defendant did not show itself to be willing to take a licence (until the defendant's counteroffer of December 17, 2019).

aa)

The defendant's letter dated June 7, 2019 (Exhibit K16) does not contain an adequate declaration of willingness to take a licence. The content and character of the letter are therefore not binding.

By this letter, the defendant merely responded to the plaintiff's letter of 20 May 2019 by stating that it, the defendant, was generally prepared to take licences on used patents, but that it still had questions in particular as to whether a direct licence was offered to the plaintiff or whether A. was the only option (Exhibit K16). If the former is the case, the defendant assumes that a license for the suppliers is possible. Furthermore, it would examine the "claim charts".

bb)

The letter dated July 23, 2019 (Exhibit K19) likewise does not contain a declaration of readiness to take a licence by the defendant. The defendant's reference that its suppliers are to be licensed is not sufficient for such a declaration. Moreover, the Defendant did not name its suppliers.



In this letter, the Defendant's attorneys provide legal counsel and request that the Plaintiff make a FRAND offer, explain and disclose whether and which licenses the Plaintiff has entered into for its portfolio, particularly regarding Defendant's connectivity suppliers. The letter concludes that plaintiff would be in breach of FRAND obligations if it did not license the Defendant's connectivity suppliers.

cc)

Finally, in its letter dated September 18, 2019 (Exhibit K21), the defendant does not declare a willingness to license.

This letter is related to the plaintiff's letter dated August 8, 2019, in which plaintiff responds to the defendant's letter dated July 23, 2019 (see above) within 16 days and declares that it will submit an individual offer to the defendant, for which purpose plaintiff still requires specific information from the defendant, as stated in the letter (Exhibit K20). In this letter, the defendant then stated - approximately six weeks later - that it will not provide the information mentioned by the plaintiff because it is not obliged to do so. In addition, the defendant expresses its opinion on the legal situation and its discrimination before referring to its suppliers as the better contacts for the licence.

Thus, the Chamber is convinced that the defendant does not behave like a party willing to take a license, but refuses to provide the necessary information (requested by the plaintiff and required for the conclusion of a license agreement). It may be that the defendant is not legally obliged to provide information about its suppliers. According to the parallel assessment in the case of non-compulsory licenses, this behaviour of the defendant does not correspond to that of a party willing to take a license. This is because parties negotiating a licence agreement would, according to the Chamber's experience, provide the relevant information. Moreover, the defendant does not show any serious and purposeful participation in the license negotiations. It delays them and stalls the plaintiff without doing everything necessary to reach the conclusion of the (yet allegedly desired) licence agreement. Replying to the plaintiff's letter only after barely six weeks constitutes hesitant behaviour. An answer of this content could - in the opinion of the Chamber - have been given by the defendant within a much shorter time. Nothing concrete has been presented or is evident as to why it took so long.

b)



The impression of the already established unwillingness to take a licence is further reinforced when the Chamber considers all of the defendant's conduct and statements since A. approached the defendant.

aa)

This rests crucially on an evaluation of the entire defendant behaviour regarding the intended licensing.

(A)

When assessing the willingness of a patent infringer to take a licence who raises a compulsory license objection under antitrust law, not only those circumstances must be taken into account which occurred after the specific notice of infringement, but the entire behaviour with regard to the intended licensing must be taken into account. This is because a potential licensor who would be willing to grant licenses outside the compulsory license area would also take a longer period of time into consideration in order to assess whether the party with whom he is negotiating the conclusion of a license is sufficiently willing to license. The parallel assessment in the private autonomous area is relevant because it is basically not relevant for the assessment of a license seeker's willingness to license whether he is, for example, seeking or relying on an exploitation license of his/her own accord because a standard essential patent is concerned.

Furthermore, in the case of larger portfolios or worldwide disputes, it may be purely a matter of chance whether the patentee first makes the accusation of infringement for the patent in suit or the patent user first makes the declaration of willingness to license. In this respect, the steps prescribed by the European Court of Justice must generally be followed in the order described. Exceptions may be made in individual cases if the conduct of the parties gives rise to this and a purely formalistic view of the individual steps does not seem appropriate.

bb)

One such occasion is the behaviour of the parties here.

In any event, the plaintiff has been a member of A. since the second half of 2017. Since then, it has been attempting, first through A. and later directly since May 2019, to conclude a license agreement with the defendant for its rights in A.'s patent pool. However, the defendant has not reacted to any of A.'s attempts in a way that would allow



the Chamber to conclude a timely and clear statement of willingness to take a licence from the defendant.

After A. had already contacted Defendant in 2016 and a personal meeting took place between the defendant and A. on September 8, 2016, in which A. explained the licensors participating in the Platform as well as the license model, A. submitted the then standard licence agreement to Defendant following the conclusion of a corresponding non-disclosure agreement following this meeting.

This was followed by further telephone calls, exchanges of e-mails and another meeting in early April 2017, at which a planned joint workshop to address the defendants' concerns was also discussed. After the meeting, A. sent an e-mail on April 10, 2017, requesting confirmation of such a workshop and several proposed dates for it. The Defendant replied on April 13, 2017, that this would be agreed upon internally and that A. would then be approached with a (date) proposal (Exhibit K8). After the defendant did not make any statement, A. asked on April 26, 2017. Thereupon, the defendant replied on April 27, 2017, stating that there was no interest in such a workshop (Exhibit K9). In a similar vein, the defendant stated that although there was a will in principle to take a licence where required, one did not want to torpedo the efforts of the suppliers to obtain their own licences. In December 2017, A. then informed the defendant that BMW had taken a licence (Exhibit K10). On January 8, 2018, A. submitted the current licence agreement offer to the defendant and explained it (Exhibit K11). By e-mail dated March 1, 2018, the defendant pointed out that A. was obliged to license the suppliers directly. No statement of willingness to take a licence was given. When A. asked on the same day which suppliers were concerned, the defendant did not reply. Several inquiries from A. were also unsuccessful (several e-mails, attachment K12). By e-mail dated February 11, 2019, A. informed the defendant of news and explained in detail why its offer was FRAND (Attachment K13); provided a list of patents declared by the A. members as standard essential and explained them; provided information on the past release payment and explained the usage-dependent per-unit licences and why their amount was FRAND. In addition, A. also offered the defendant an optional most-favoured-treatment clause. Finally, A. offered the defendant to inspect the license agreement with BMW after the conclusion of an NDA. To all this, the defendant did not (initially) react.

On May 31, 2019, A. turned to the defendant and pointed out in a further e-mail dated June 3, 2019, that four additional patent holders had joined the A. Pool (Exhibit K15). By e-mail of the same day, A. offered a joint meeting. On June 3, 2019, the defendant informed A. that it would not take a license, but that its suppliers would have to obtain a license. After



the conclusion of a non-disclosure agreement, the defendant received the license agreements of BMW and Audi for inspection. However, a willingness to take a license was not declared.

2.

The counter-offer of December 17, 2019 (Exhibit B-KAR19) submitted by the defendant in response to the plaintiff's license offer of October 22, 2019 (Exhibit B-KAR4) does not cure the defendant's established unwillingness to take a license.

a)

According to the specific circumstances of the individual case, the counteroffer was not submitted in a timely manner, taking into account all interests involved. It remains open whether the defendant's counteroffer, which was submitted eight weeks later, can still be a timely response to the plaintiff's offer of October 22, 2019.

On the one hand, it is in principle possible and corresponds to the general understanding of civil procedure that parties can also make up for duties and obligations after the action has been filed (OLG Karlsruhe GRUR 2020, 166 marginal no. 111). The decisive point in time for the assessment of whether the prerequisites for a decision on the merits of the case are met and for the admissibility and merits of a lawsuit as well as for the enforcement of objections is the conclusion of the last oral hearings. Therefore, according to Section III. of the Notes on the Handling of the Antitrust Law Compulsory License Objection under *Huawei v. ZTE* within the Munich Procedure in Patent Litigation, as of February 2020, individual deficiencies can be remedied in the ongoing proceedings, in particular between the two dates, by observing statutory or judicial deadlines. On the other hand, however, the fundamental ability to remedy omitted actions must not prevent the legitimate judicial enforcement of a claim, because otherwise the patent infringer would be given the opportunity to hinder or at least delay the infringement proceedings (OLG Karlsruhe loc. cit. marginal 116; cf. Werner in: Busse/Keukenschrijver, Patent Act, 9th ed. 2020, § 139 marginal no. 233 - intended for publication). If a previously unwilling patent infringer changes its mind and is now willing to take a licence later on, the more time elapses, the higher the demands on its declarations of willingness to take a licence become.

In the specific individual case, the Chamber is convinced that the defendant's counteroffer was aimed at precisely this delay. Because it submitted it with the request to the plaintiff to suspend the current infringement procedures (Exhibit B-KAR19).



Although, the defendant justifies this with the principally justified objection that the negotiations should be conducted without the pressure of the ongoing infringement proceedings and possible injunctive relief, in the concrete individual case, however, this objection is not justified due to the previously given massive unwillingness of the defendant to take a licence. For it is precisely the behaviour of the defendant that shows that only the ongoing infringement proceedings and the associated risk of injunctive relief led the defendant to consider taking a licence (for itself) at all.

b)

Irrespective of this, the counteroffer does not include the defendant's willingness to enter into a licence agreement with the plaintiff on "whatever terms are in fact FRAND".

The Chamber is unable take such content from the counter-offer and the accompanying e-mail (Exhibit B-KAR19). In particular the per-unit license fee offered by the defendant corresponds to only a fraction of the plaintiff's offer or the amount which the plaintiff receives via A. from the defendant's competitors due to the choice of a deviating reference value, and thus concerns such a clearly lower amount compared to the amount demanded by the plaintiff that the rejection of this counter-offer by the plaintiff had to be a necessary consequence.

In addition, the defendant's other conduct does not indicate its intention to enter into a license agreement with the plaintiff on "whatever terms are in fact FRAND". In particular, following the rejection of the counter-offer by the plaintiff on December 31, 2019 (Exhibit B-KAR20), the defendant did not make any further efforts to conclude a licence agreement with plaintiff.

c)

All in all, the Chamber is not convinced that the defendant is materially willing to take a licence, even though its licensing request can formally be inferred from the counter-offer.

III.

In order to justify its willingness to take licence - derived from the suppliers - the defendant cannot refer to the behaviour of its interveners. In this context, it can remain undecided whether the interveners have a qualified willingness to take a licence. Even if this were to be assumed, the defendant cannot successfully assert this circumstance for legal reasons.



Contrary to the opinion of the defendant, the willingness to take a licence is not to be evaluated uniformly for them (i.e. to consider the defendant together with its suppliers), but rather the behaviour of the defendant alone is important in the procedural relationship with the plaintiff (see below, point 1.). Furthermore, it is not abusive or discriminatory if the plaintiff first tried to reach an agreement on a licence with the defendant alone (see point 2. below).

1.

Through its counter-offer, the defendant admitted, in the Chamber's understanding, that it was the correct party and the correct addressee of the plaintiff's offer to enter into a licence agreement for the challenged products.

2.

Irrespective of this, the plaintiff did not act in an abusive or discriminatory manner if it initially only sought a license agreement with the defendant as the manufacturer of the end product.

a)

The plaintiff is in principle willing to enter into a corresponding license agreement with the defendant's suppliers and has also entered into such an agreement in the course of these legal proceedings, which is why it has withdrawn part of the original complaint.

b)

Furthermore, the plaintiff does not have to agree to the defendant's objection to license the suppliers from normative aspects.

Such a licensing practice may well have been in line with previous habits and customs in the (German) automotive industry and the defendant's classic business model. However, the plaintiff is not obliged to respect these circumstances and to engage in this practice. This is because to the extent that the defendant's products move from the area of classic automotive engineering more and more into the area of mobile communications, the defendant must respect the practice and customs in the mobile communications industry and in this market. If it is common practice here that (also) the end product manufacturers are licensed, the defendant must generally accept this against itself.



c)

Irrespective of this, the plaintiff is not obliged to grant a licence to the suppliers. It must only grant them access to the standards affected by its SEPs.

aa)

In this respect, the following legal framework applies:

(A)

A patent user can raise a derived compulsory license objection in patent infringement litigation if the SEP holder would have been obliged to license the patent user's suppliers. This objection does not apply if the patent user itself would have had the opportunity to conclude a licence agreement that sufficiently addresses exhaustion and licensing in the value chain. In particular, it is not applicable if the patent user has submitted a counter-offer for the entire portfolio and thus conceded to have been the correct addressee of the offer (see section IV.4.b of the Notes on the handling of the antitrust compulsory license objection according to Huawei v. ZTE within the Munich proceedings in patent litigation, as of February 2020).

(B)

By submitting an ETSI declaration, a SEP holder does indeed undertake to license third parties under FRAND conditions.

The SEP holder is not obliged to license interested parties at all levels (Borghetti/Nikolic/Petit, FRAND Licensing Levels under EU Law, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3532469, last accessed on 1.9.2020; Martinez, GRURInt 2019, 633; objecting: Kühnen, GRUR 2019, 665; BeckOKPatR-Wilhelmi, PatG, § 24 marginal no. 111). No such obligation arises from EU antitrust law, nor does it follow from patent law or contract law in connection with the ETSI declaration.

(AA)

EU antitrust law does not force SEP holders to license at all levels.

The patent holder is in principle allowed to choose the licensing level. To the extent that the European Court of Justice emphasizes that the owner of an SEP may prevent the market access of products (see ECJ in para. 52) and that the FRAND declaration may raise a legitimate expectation of third parties that they will be granted a FRAND licence (see



ECJ in para. 53), this does not lead to a different result. The access of a product to the market does not necessarily require a licence in favour of the supplier, but only a legal possibility of use, such as a licence in the value chain, which provides the suppliers (or buyers) with a permission to use ("have-made rights").

The Court of Justice of the European Union also does not deal with the level of the value chain at which a legitimate expectation of a FRAND licence arises (on the question of legitimate expectations with regard to licensing in the supply chain Borghetti/Nikolic/Petit, *ibid.* p. 8/11). According to the Chamber 's understanding, the ECJ (simply) did not consider the questions arising in connection with licensing in the supply chain in its decision.

(BB)

Nor does patent law specify at what level in the value chain a licence must be granted.

In this respect, it should be noted in the case of patent portfolios that component manufacturers do not necessarily always use all the patents, and that therefore exhaustion of all patents does not occur at their level in the case of portfolio licensing. Apart from considerations of more efficient handling of the licence rate, especially with regard to exhaustion, this speaks in favour of licensing at the level of the manufacturers of the final product (Borghetti/Nikolic/Petit *ibid.* p. 14/19).

(CC)

Also the contract law in connection with the ETSI declaration does not oblige to grant a licence to every willing licensee.

It defines:

"6.1 When an ESSENTIAL IPR relating to a particular STANDARD or TECHNICAL SPECIFICATION is brought to the attention of ETSI, the Director-General of ETSI shall immediately request the owner to give within three months an irrevocable undertaking in writing that it is prepared to grant irrevocable licenses on fair, reasonable and non-discriminatory ("FRAND") terms and conditions under such IPR to at least the following extent:

- MANUFACTURE, including the right to make or have made customized components and sub-systems to the licensee's own design for use in MANUFACTURE;



- sell, lease, or otherwise dispose of EQUIPMENT so MANUFACTURED;
- repair, use, or operate EQUIPMENT; and
- use METHODS.

The above undertaking may be made subject to the condition that those who seek licences agree to reciprocate."

According to the applicable French law (McGuire in: Busse/Keukenschrijver, 9th ed. 2020, § 24 marginal 110 - intended for publication), it must be interpreted as obliging the SEP holder only to negotiate with license seekers with the aim of concluding a FRAND licence "in good faith" (Borghetti/Nikolic/Petitibid. p. 26).

Under French law, its clauses are to be understood first according to the common will of the parties, alternatively according to the understanding of a reasonable person in the same situation ("personne raisonnable placée dans la même situation"), Art. 1188 Code Civil :

The ETSI statement in clause 6.1 refers to 'equipment', i.e. (clause 14.5) systems or devices that are fully compliant with the standard. In this respect, it is questionable whether "equipment" refers to the final product or also components. There is a controversy about the understanding of the term "equipment" and the practice of licensing, so that the court cannot see a clear common will. The fact that ETSI - unlike other standard-setting organizations such as IEEE - has not specifically adapted the declaration to the Licence-to-all approach speaks in favour of a narrower understanding of "equipment" only in relation to terminal equipment (Borghetti/Nikolic/Petitibid. p. 29). In any case, however, the interpretation according to the understanding of a reasonable contracting party makes it clear that the declaration only intends to impose an obligation to grant a license to all terminal equipment manufacturers. This is because not all components always fully comply with the standard and the components are explicitly addressed elsewhere in the ETSI declaration. The ETSI declaration therefore does not focus on suppliers, but on terminal equipment manufacturers (see Borghetti/Nikolic/Petitibid. p. 31).

(DD)

Nothing else follows from the decision of the EU Commission AT.39985 marginal no. 63.

The EU Commission is merely interpreting the ETSI declaration here. However, how the EU Commission understands the ETSI declaration is not ultimately binding. In any case,



the Chamber is unable to recognize that the passage referred to was written with an awareness of the problem concerning the value chain.

In the Communication of the European Commission, Guidelines on the applicability of Article 101 of the Treaty on the Functioning of the European Union to horizontal cooperation agreements (2011/C 11/01), para. 285, the Commission clearly does not address the situation of the value chain. In the German version ("Dritten"), the lack of awareness in this respect becomes even clearer compared to the English version ("all third parties"), whereby the emphasis is added by the Chamber,

[...]

in contrast the English version

"In order to ensure effective access to the standard, the IPR policy would need to require participants wishing to have their IPR included in the standard to provide an irrevocable commitment in writing to offer to license their essential IPR to all third parties on fair, reasonable and non-discriminatory terms ('FRAND commitment');

(in addition to recital 285 of the Horizontal Guidelines, see Borghetti/Nikolic/Petitibid. p. 39).

The Commission Communication of April 19, 2016, Priorities in ICT Standardization for the Digital Single Market, COM(2016) 176 final p. 13 below, does not identify licensing in the value chain as a significant problem area. Nor does the Board see any indication that the Commission is addressing this situation in its Communication on the handling of essential standard patents in the European Union of November 29, 2017 COM(2017) 712, p. 1.

(EE)

Now, all this does not lead – according to the understanding of the Chamber – to the interveners being completely deprived of their rights.

As suppliers to the defendant, they do not have a claim to a licence (themselves), but they are entitled to legally secure access to the standardized technology. However, this claim does not work in favour of the defendants in the context of the antitrust compulsory license objection raised in this case.



In addition, the defendant can easily have its suppliers manufacture LTE-standard-compliant supply parts in the future by way of so-called extended workbench constellations and thus grant them legally secure access to the technology (licensed by the defendant). The Chamber is convinced that there is no reason for concern about unacceptable legal uncertainty. On the contrary, the European Commission's Notice of 18 December 1978 on the assessment of subcontracting agreements pursuant to Article 85(1) of the Treaty establishing the European Economic Community (Official Journal No. C 1/2 of 3 January 1979), which is still valid, provides an antitrust law provision on the basis of which the defendant could ensure with the necessary legal certainty the supply of standard-compliant products by its suppliers on the basis of a (future) license agreement concluded by it. In particular, point 2 of this announcement shows that the licensing of the terminal equipment manufacturer in connection with contractual arrangements for the provision of an extended workbench by the suppliers is not objectionable in the light of Art. 101 TFEU (formerly Art. 85 EC Treaty) even if it concerns singular proprietary powers of a final-product manufacturer. The fundamental permissibility of a production of patent-using supply parts without direct licensing at the supplier level is presupposed in this respect as a contractual arrangement that is naturally, in principle, possible.

Whether something different applies with regard to the intervener's products which are not intended for installation in motor vehicles of the defendant may be left undecided. This is because a violation of any existing obligation to license in this respect cannot be to the detriment of the defendant.

[...]

E.

Nor does the Chamber stay the proceedings in accordance with Section 148 of the Code of Civil Procedure in order to pursue the referral procedure for a preliminary ruling under Article 267(2) TFEU, suggested by the German Federal Antitrust Office in its letter of 24 June 2020 to the Chamber in the proceedings before the Mannheim Regional Court between Nokia Solutions and Networks Oy and Daimler AG (Case No 2 O 34/19) and requested by the interveners C.1 and C.2.



This discretionary decision of the Chamber is based on the following considerations:

I.

As a court of first instance, the Chamber is not a court of last instance and for these reasons alone is in principle entitled, but not obliged, to refer questions of interpretation to the Court of Justice of the European Union.

II.

In the necessary balancing of interests, the interest of the patent owner in enforcing the patent granted to them has priority. Otherwise, the protection of the patent-in-suit against unlawful patent infringement would practically be revoked for the duration of the stay.

On the other hand, the plaintiff is willing to license suppliers of the defendant in principle. It has already successfully concluded a licence agreement with a supplier willing to take a licence, which is why it has partially withdrawn the action.

III.

Moreover, according to the Chamber's understanding, by submitting its counter-offer the defendant concedes that it is the correct contracting party to conclude a licence agreement with the plaintiff, so that the objections of the interveners and thus the questions referred for a preliminary ruling are not decisive.

[...]