



Higher Regional Court Düsseldorf

I-15 U 35/16

Order of 09 May 2016

[...]

Grounds

1.

[...]

In the field of patent law, there is also the special feature that the term of the patent and thus the injunctive relief it mediates is limited in time, which is why any postponement of the enforcement can lead to the injunctive relief claim running completely empty if the property right expires promptly (Federal Court of Justice (BGH), GRUR 2000, 862 - Spannvorrichtung; Senat, I-15 U 66/15, order of 13 January 2016 = NZKart 2016, 139 with further evidence).

[...]

2.

b)

The Regional Court did not make any manifest error with regard to the assessment of the defendant's objection to compulsory licensing under antitrust law.

The Regional Court applied the criteria set out by the ECJ in its decision *Huawei Technologies ./. ZTE* (docket no. C 170/13, order of 16 July 2015 as amended by the order of correction of 15 December 2015, GRUR 2015, 764 - *Huawei Technologies/ZTE*) concerning the interpretation of Art. 102 TFEU on the question of under which circumstance a holder of a standard essential patent with a dominant position within the market who has undertaken vis-à-vis a standardisation organisation to grant a license on FRAND terms to any third party abuses his dominant market position when filing a patent infringement action for injunctive relief, recall or destruction in an acceptable manner in regard to the



result as well as the statement of grounds. Even if this should not be the case with regard to every partial argument used by the Regional Court, it has in any case provided a justifiable, supporting and detailed reasoning on all points relevant for the decision.

According to the cited case law of the ECJ, an abuse of a dominant market position within the meaning of Art. 102 TFEU is not to be assumed if

1. the holder of the standard essential patent has informed the alleged infringer of the alleged patent infringement before filing the action,
2. the holder of the standard essential patent, after the alleged infringer has expressed his intention to conclude a license agreement on FRAND conditions, has submitted a concrete written license offer on these conditions and, in particular, has indicated the license fee and the method of its calculation to the alleged infringer,
3. the infringer, while continuing to use the patent in question, does not respond to this offer with care,
4. the patent infringer, who does not accept the offer made to him, does not make the holder of the standard essential patent a concrete counter offer in writing within a short period of time which meets FRAND conditions,
5. or, if the patent infringer uses the standard essential patent, he does not provide adequate security or a statement of account, including past acts of use, from the time when the patent holder has rejected his counter offer

aa)

The assumption of the Regional Court that the defendant could not successfully rely on a delay of the required notice of infringement in the present individual case (cf. number 1 of the above-mentioned principles of the European Court of Justice) is not obviously erroneous.

In particular, the Regional Court has dealt in detail with the stipulation of the European Court of Justice, which demanded an infringement report "before filing the action". In this respect, it assumed that an infringement notice was generally late after the filing of the action but before the service of the action if the advance payment for the court fees had already been paid at the time of receipt of the infringement notice. As an exception, the delay does not prevent the assertion of the injunctive relief here, because it is a "transitional case" (scil.: filing of an action before the cited ECJ judgment and also before the Opinion of Advocate General Wathelet).



Even if the aforementioned case-law of the European Court of Justice had to be observed *ex tunc*, this does not mean that the relevant principles also cover "old cases". In any case, it could not be inferred from the above-mentioned ECJ judgment that an effective catch-up of the notice of infringement was only possible after withdrawal of the already pending infringement action. In any case, it must be possible in individual cases to catch up in the current proceedings.

The fundamental considerations of the Regional Court are not unjustifiable in their entirety. The defendant rightly points out that the courts of the member states must also apply the interpretation of Union law to legal disputes that arose before the respective preliminary decision was issued (cf. Federal Constitutional Court, NJW 2010, 3422), so that a differentiation between transitional and new cases is probably inadmissible. Also, there should not be any room for the plaintiff's protection of legitimate expectations, which was considered by the Regional Court, with regard to the earlier national supreme court decisions (cf. BGH, GRUR 2009, 694 - Orange Book Standard).

[...]

According to national civil procedural law, the principle of the relevance of the time of the conclusion of the last oral factual hearing applies (cf. only Sec. 296a Civil Procedure Code (ZPO)). For example, it is possible to set a time limit required under substantive law (e.g. under the German Civil Code) until the end of the oral factual hearing; likewise, the failure to set a time limit required under substantive law *per se* may prove to be harmless if the conduct of the defendant in the proceedings leads to the conclusion that the setting of a time limit would have remained fruitless (cf. e.g. BGH, NZBau 2003, 1 with further evidence). This implies that developments in the meantime, after the action has been brought, can in principle be taken into account. This procedural argument also does not conflict with the substantive-law basis of Art. 102 TFEU: The purpose of the prohibition of abuse of a dominant market position is ultimately to force the SEP holder to act in accordance with antitrust law on the license market. However, if, on the one hand, the SEP holder complies with the relevant obligations until the end of the oral proceedings, while the infringer does not (any longer) comply with the obligations applicable to him, there is no longer any basis for dismissing the action as (currently) unfounded. If, on the other hand, the defendant declares his willingness to license only during the trial or submits a FRAND counter offer for the first time (which is not precluded by the procedural right to delay), it would hardly be acceptable to nevertheless condemn the defendant to cease and desist.

This alone gives rise to a critical question as to whether a schematic subdivision of the legal dispute into the period before and after the filing of the action is appropriate,



irrespective of which party takes which concrete measure for the first time after the filing of the action (cf. also Kühnen, loc.cit., Part E. para. 296).

[...]

bb)

The detailed and well-founded assumption of the Regional Court that the defendant's declaration of readiness to license was in any event made too late also does not reveal any manifest error of law.

With reference to the model of a patent user seeking to obtain licensing as soon as possible, which characterizes the relevant case-law of the European Court of Justice, the Regional Court in any case justifiably assumed that the readiness to license must be declared without any delay tactics after the infringement has been reported. There is no objection regarding the premise of the Regional Court that the reasonable time for the declaration of readiness for licensing depends on the circumstances of the respective individual case (in particular on the content of the notice of infringement). On the basis of a reaction time of the defendant of more than 5 months, which is undisputed in the present case, it is by no means unacceptable that the Regional Court classified such a period as harmful. In this respect, the Regional Court also did not ignore the fact that the plaintiff remains obliged to grant the defendant a license to the patent in suit under FRAND conditions.

[...]

The defendant misjudges her obligations if she thinks she is allowed to take care of more important matters (such as the review of the plaintiff's security of legal costs) after the action is brought. The fact that an action has been brought does not alter the temporal requirements of substantive law for her (the defendant's) obligations. In general, the judicial time limit regime does not mean that the parties are now allowed (even) more time to fulfil their material obligations.

[...]

ee)

The statements of the Regional Court on the objection of a "patent ambush" are also not manifestly defective in law. The Regional Court has justifiably assumed, by stating relevant case law and literature, that the legal consequence of a possible patent ambush does not go beyond the SEP holder's obligation to license the SEP under FRAND



conditions.

In addition, it has acceptably justified why in the present case a possible patent ambush could not result in a free license because it could not be established that without a deception of the standardization organization another solution would have been standardized or that no standardization would have been carried out at all.

ff)

The judgment of the Regional Court does not contain any manifest error of law with regard to the question whether the objection under antitrust law raised by the intervener in its own right (its justification in the person of the intervener itself once assumed) can act in favour of the defendant without the defendant itself having to comply with the procedure.

It remains a completely unresolved legal question as to whether and under what conditions a SEP holder, in the event that he claims injunctive relief from the supplier of an attacked embodiment, is obliged (in advance, exclusively or cumulatively?) to (also) carry out the procedure prescribed by the ECJ in relation to the manufacturer (cf. regarding the constellation that the distribution partner of the manufacturer will be sued, e.g. Higher Regional Court Karlsruhe, GRUR 2015, 326; against the assumption of a principle that in the case of patent-infringing components of a device, the SEP holder must act exclusively (or first) against the manufacturer of these components and not against the distributor of the entire device: Regional Court Mannheim, BeckRS 2016, 06527).

The Regional Court came to the conclusion that, in any event, due to the circumstances of the specific individual case, it was no longer necessary for the plaintiff to notify the intervener of the infringement. The Regional Court also concluded, on detailed grounds, that the plaintiff had submitted a FRAND license offer to the intervener, whereas the intervener had not satisfied her obligation to submit a FRAND counter offer. In any event, there are no manifest errors of law in that regard, so that, in view of the complexity of the relevant issues of fact and of law, no provisional discontinuation of compulsory enforcement is necessary by summary examination.

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