



Regional Court Düsseldorf

4c O 81/17

Decision of 11 July 2018

Operative Part

1. The action is dismissed as currently unfounded.
2. The plaintiff is ordered to pay the costs of the proceedings, including those incurred by the intervener.
3. The decision shall be provisionally enforceable against security amounting to 120 % of the amount to be enforced in each case.
4. The amount in dispute is fixed at EUR 4,000,000.00.

Facts

The plaintiff asserts a claim for injunctive relief under the European Patent EP A (Annex K 1, submitted in a non-official German translation as Annex K 2; hereinafter referred to as 'Annex K 2'): The patent application was filed on March 10, 2000 (US B), October 22, 1999 (US C) and January 19, 2000 (US D) on the basis of three US priorities dated March 12, 1999 (US B), October 22, 1999 (US C) and January 19, 2000 (US D) and was published on August 23, 2006. The reference to the grant of the patent was published on 28 May 2008. The patent is in force. Excluded from the action are components of companies E and F, G, H, I, J, K, L, M or N.

The patent in suit concerns a multi-carrier modulation system and procedure. By written submission of 26 July 2016 (sets of exhibits HL 7), the defendant, together with its intervener O and P, which were also sued by the plaintiff in parallel proceedings, challenged the patent in suit by bringing an action for annulment (5 Ni 51/16 (EP)), which has not yet been decided. A further action for annulment brought by Q (5 Ni 50/16 (EP)) against the plaintiff's patent has also not yet been decided.



Claims 1, 7, 13 and 19 of the patent are as follows:

"1. A method of changing transmission parameters in a multicarrier transmitter which is adapted to transmit data-bearing DMT symbols and non-data-bearing DMT symbols, a non-data-bearing DMT symbol being transmitted after each N data-bearing DMT symbols, characterized by signalling a change in transmission parameters with a change in the phase of the non-data-bearing DMT symbol.

7. A method of changing reception parameters in a multicarrier receiver adapted to receive data-bearing DMT symbols and non-data-bearing DMT symbols, wherein a non-data-bearing DMT symbol is received after each N data-bearing DMT symbols, characterised by detecting a change in the phase of the non-data-bearing DMT symbol.

13. A multi-carrier transmitter adapted to transmit data-carrying DMT symbols and non-data-carrying DMT symbols, wherein a non-data-carrying DMT symbol is transmitted after each N data-carrying DMT symbol, comprising means for changing transmission parameters, characterised by signalling a change in transmission parameters with a change in phase of the non-data-carrying DMT symbol.

19. A multicarrier receiver adapted to receive data-carrying DMT symbols and non-data-carrying DMT symbols, wherein after each N data-carrying DMT symbols a non-data-carrying DMT symbol is received, comprising means for changing reception parameters, characterised by detecting a change in the phase of the non-data-carrying DMT symbol.

The drawings reproduced below in reduced form are taken from the patent in suit and explain its technical teaching by means of schematic diagrams on how execution examples work:

Figures 4 and 5 concern a normal, seamless and rate adaptive (NSRA) type change in transmission bit rate, whereas Figure 4 is the flowchart of the change in transmission bit rate by a receiver and Figure 5 is the corresponding flowchart of the change in transmission bit rate by a transmitter. In contrast, Figures 6 and 7 concern a fast, seamless and rate adaptive (FSRA) type change in transmission bit rate and Figure 6 is the flowchart of that change in transmission bit rate by the receiver and Figure 7 is the corresponding flowchart of that change in transmission bit rate by the transmitter.

In the Federal Republic of Germany, the defendant offers, among other things, 12 communication services in the fixed network sector. This includes the operation of DSL lines operated by the defendant in accordance with the ADSL2+ and VDSL2 standards (hereinafter referred to as "challenged proceedings"), in the course of which DSL modems



operated in accordance with the ADSL2+ and VDSL2 standards and offered by the defendant (hereinafter referred to as "challenged embodiments") are used as subscriber-side transceivers. On its website, for example, the defendant offers the "R", which is suitable for use with ADSL2+ and VDSL2 connections. The intervener O supplies the defendant with DSL transceivers and DSL boards, which are devices used in the respective network to maintain a service on the network in accordance with the ADSL2+ and VDSL standards relevant in the present case.

[...]

Grounds

The action is admissible, but currently unfounded.

[...]

II.

The action for injunction relief against the defendant does not succeed, because the defendant's objection to compulsory licensing under antitrust law is currently sustainable (Art. 102 TFEU), which is applicable in the present case.

[...]

2.

According to the case law of the European Court of Justice, the plaintiff has so far not sufficiently fulfilled its FRAND obligations resulting from the prohibition of abuse and discrimination under antitrust law, with the result that she is currently unable to enforce her injunctive relief which exists on the merits.

In the O /EE case (cf. ECJ decision), the ECJ set out requirements as to when the enforcement of the injunction claim (and also the recall claim) from a standard-essential patent (hereinafter referred to as "SEP"), which has been standardized by a standardization organization and whose holder has undertaken vis-à-vis this organization to grant FRAND licenses to any third party, does not constitute an abuse of a dominant market position within the meaning of Art. 102 TFEU.

Accordingly, the SEP holder must inform the alleged infringer (hereinafter: "infringer") of the patent infringement before asserting his injunction or recall claim (Guidelines and



para. 61 ECJ decision). To the extent that the infringer is in general prepared to license the SEP, the SEP holder must submit a concrete written offer to license the SEP on fair, reasonable and non-discriminatory terms and conditions, including a description of how the required license fees will be calculated (para. 63 ECJ decision). The infringer must react to this in good faith and in particular without delaying tactics (para. 65 ECJ decision). If he does not accept the SEP holder's offer, the infringer must submit a counter offer within a short period of time which complies with the FRAND requirements (para. 66 ECJ decision). If the SEP holder rejects this counter offer, the infringer will have to account for the use of the SEP and provide security for the payment of the license fees from this point on, this also applies to use in the past (para. 67 ECJ decision). However, the infringer may not be accused of abusive conduct by attacking the SEP's legal status or standard essentiality during the license negotiation or by reserving the right to do so later (para. 69 ECJ decision). The, by the European Court of Justice, explicitly designated patent law restrictions for injunctive relief and recourse also apply, in the general view, to the destruction claim (cf. Regional Court Düsseldorf, decision of 31 March 2016 - 4a O 126/14, BeckRS 2016, 08040 with further evidence).

In establishing these reciprocal and gradually to be fulfilled obligations, the ECJ clearly acted on the assumption of parties willing to license and in particular on the assumption of an infringer who is willing to license as soon as he was made aware of the use of the plaintiff's patent and who strives for a speedy licensing under FRAND conditions.

There is no legitimate interest in enforcing the claim for injunctive relief from a SEP against such an infringer. Instead, the two parties shall endeavour to conclude a FRAND-compliant license agreement by means of out-of-court negotiations first (Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040; decision of 13 July 2017, 4a O 154/15, para. 254 juris).

According to the general principles applicable in German civil proceedings, the SEP holder must, after raising the objection under antitrust law in the infringement proceedings, present and prove that he has fulfilled the obligations imposed by the ECJ so that he can assert the injunctive relief without abuse. If, in contrast, the obligations are to be fulfilled on the part of the infringer, the burden of proof for the fulfilment of the respective obligation lies on his side. Accordingly, the SEP holder is burdened with the burden of presentation and proof for the infringement notification and the submission of a FRAND offer; the patent user with the burden of presentation and proof for the licensing request, the FRAND counter offer, if necessary, as well as the accounting and provision of security (cf. Kühnen, loc.cit., Chapter E, para. 352 et seq.).

In the light of those principles, the Chamber is unable to find that the plaintiff has



sufficiently fulfilled her obligations. In detail:

a)

The infringement notice of the suing SEP holder against the sued patent user, which is required by the ECJ case law, has been submitted.

aa)

According to the ECJ decision and the procedure established therein, it is first incumbent on the patentee to inform the alleged infringer of the patent infringement alleged against him before asserting it in court and, in so doing, to name the SEP in question and indicate how it has supposedly been infringed. The patentee and subsequent plaintiff must therefore announce the judicial assertion of the injunctive relief (and, if applicable, the recall claim) and hear the infringer beforehand (para. 60 ECJ decision). The ECJ therefore requires the SEP holder to notify the infringer of an infringement as a precondition for the enforcement of the injunctive relief.

Since the notice of infringement must specify the SEP in question and the manner in which it has supposedly been infringed (cf. para. 61 ECJ decision), it is at least necessary to indicate the publication number of the patent, the form of execution challenged and the alleged act(s) of use (within the meaning of Sections 9 et seq. German Patent Law (PatG)) to the infringer (Higher Regional Court Düsseldorf, decision of 30 March 2017, docket no. I-15 U 66/15 juris; Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040; Kühnen, loc. cit., Chapter E, para. 328). The notice of infringement, on the contrary, does not require detailed (technical and/or legal) explanations of the infringement; the other part only needs to be enabled to examine the allegation of infringement (Kühnen, loc. cit., Chapter E, para. 328).

Contrary to the opinion of the Mannheim Regional Court, the notice of infringement therefore does not (yet) require any reference to the standard-essentiality of the asserted patent and/or the submission of claim charts (Mannheim Regional Court, decision of 29 January 2016, docket no. 7 O 66/15 juris). This is because the (substantive) requirements for the notice of infringement must not be so excessive that the patentee is obliged at this early stage of the dispute to give detailed reasons as to how the individual features of the patent claim are realised and to deduce his claims legally. It is initially the responsibility of the infringer to examine the content of the infringement allegation (cf. Kühnen, loc. cit., Chapter E, para. 328).

For the fulfilment of the FRAND obligations on the part of the SEP holder, it is irrelevant



whether the notice of infringement and/or the FRAND offer comes from the patent holder himself or from an affiliated group company, in particular if this is the parent company. In particular, when it comes to antitrust issues, it makes sense and is recognised that corporate groups should be regarded as a single entity. It also follows from this that the addressee of the notice of infringement does not necessarily need to be the company subsequently sued; in this regard it is generally sufficient to turn to the group parent company (Higher Regional Court Düsseldorf, decision of 30 March 2017, docket no. I-15 U 66/15 juris; Regional Court Düsseldorf, decision of 04 November 2015, docket no. 4a O 93/14 juris; Kühnen, loc. cit., Ch. E, para. 329).

The ECJ requires a notice of infringement before the judicial assertion (para. 61 ECJ decision). The notice of infringement may also be transmitted at the same time as the SEP holder's FRAND offer (Kühnen, loc.cit., Ch. E, para. 328). In such an approach, the licensing request actually envisaged between the infringement notification and the FRAND offer is skipped. It is true that the ECJ provides for reciprocal obligations to be fulfilled, which must be processed in a certain order. Nevertheless, it appears permissible for the SEP holder to transmit the infringement notification and the FRAND offer to the patent user at the same time. The SEP holder thus expresses that he assumes a willingness to license but, in any case, does not want to wait for the declaration of the will to license. This, however, is harmless for the fulfilment of his antitrust obligations. If the patent user is actually willing to license, such a procedure only saves time, but the patent user must be granted a longer reaction time to the offer, since he needs time for the examination of the infringement notification and the (FRAND) offer. If the patent user is actually not willing to license, it will only be at the expense of the SEP if he submits a license agreement offer that is actually not owed.

The SEP holder must present and, if necessary, prove (Kühnen, loc. cit., Ch. E, para. 334) that the infringer has received a notice of infringement which meets the requirements of the ECJ.

bb)

In the light of those principles, the plaintiff has fulfilled her obligations with regard to the notice of infringement. At the latest with the filing of the parallel action for damages, docket no. 4c O 6/16, and thus long before the filing of the action for injunctive relief concerning another subject matter of the dispute, she fully informed the defendant of the allegation of infringement and explained in detail why she regards the patent in suit as infringed. Contrary to the defendant's view, however, it is not important that a corresponding complaint be made before any action is brought, but merely that it be made before the action for injunctive relief is brought.



The procedure established by the European Court of Justice is intended to relieve the (first) license negotiations of the pressure exerted on the defendant by the judicial assertion of the right to injunctive relief directed into the future and by any judicial decision with possible serious (economic and business) consequences. Due to the shorter remaining period of the patent in suit, the damages proceedings are primarily concerned with claims for the past. In addition, the principle of the independence of individual proceedings, which is applicable under German Procedural Law, and the respective consequences of the differing times of *lis pendens* of several actions would be undermined if one would focus on the time at which the action for damages was brought, as the defendant argues.

b)

The defendant's declaration of willingness to license required at the next (second) stage of the licensing procedure is also existent.

aa)

In response to a notice of infringement from the SEP holder, the other party must express its intention to conclude a license agreement under FRAND conditions (ECJ, loc. cit., para. 63). Because the user is prohibited from delaying the conclusion of a license agreement by means of a delay tactic, he must - following the thought of the willing and honest licensee - react within a reasonable period of time to the infringement notice. The relevant deadline cannot be rigidly determined (different opinion probably Cordes/Gelhausen, Mitt. 2015, 426, 432: general deadline of one month). Rather, the circumstances of the individual case are decisive, whereby the reaction period may depend in particular on the degree of detail of the notice of infringement: An notice which - in a non-compulsory manner - contains extensive explanations and explanations on the details of the presumed infringement can, under certain circumstances, demand a quicker reaction from the addressee or his group companies, because their own audit effort may then be lower (cf. Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040). Even in the event that the SEP holder limits himself in his reference to stating what is absolutely necessary, a period of more than three months (cf. Regional Court Mannheim, WuW 2016, 86) or even five months (cf. Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4 a O 126/14, BeckRS 2016, 08040) - at least as a rule - is no longer appropriate. As a consequence, it can no longer reasonably be expected by the patentee to wait for a longer period of time and consequently he can bring an action directly in such a situation without having to fear that the bringing of an action as such will be regarded as abusive within the meaning of Art. 102 TFEU.



The content of the licensing request must not be subject to high requirements (cf. also Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040): It is sufficient for the license seeker to make an informal and blanket statement clearly expressing his willingness to license; even conclusive action may be sufficient, depending on the individual case. In particular, at this stage of the licensing procedure, the license seeker does not (yet) have to make any comments on the content of the license he wishes to obtain; a simple request for licensing is sufficient, since the SEP holder must submit a corresponding offer.

bb)

The application of the above principles to the individual case shows that the defendant has sufficiently expressed her willingness to license. In any event, at the time the action was brought there was a (implied) declaration of readiness to license.

After the defendant had been informed for the first time of a total of seven concrete patents by letter of 6 October 2015 from the plaintiff's representatives - without the patent in suit being included - and at the same time had been requested to declare, in accordance with the ECJ procedure, whether it was prepared to enter into FRAND license negotiations, the defendant declared, by letter of 19 October 2015, its willingness to take a license under FRAND conditions. At the same time, she called on the plaintiff to designate, if necessary, further patents for which she considered it necessary to obtain a license. By the statement of claim of 27 January 2016 in the damages proceedings, docket no. 4c O 6/16, the defendant was informed of the patent in the present case. By letter of U(U) of 25 March 2016, also addressed to Z, the plaintiff sent the defendant the first license offer of the same date concerning the patent in suit. In the event that the defendant did not accept the license offer, it was given a deadline to submit a counter offer until 29 April 2016, which was finally extended until 10 June 2016. In a letter dated 9 June 2016 (cf. Annex K 58 /K 58a), the defendant finally submitted a counter offer to the plaintiff (cf. Annex K 57 /K 57a) and provided security.

Accordingly, there are no doubts as to the compliance with the (temporal) requirements regarding the defendant's willingness to license, even if explicitly no declarations of willingness to license were made for the patent in suit. By already declaring its general willingness to license (with regard to other patents) and by also submitting the counter offer requested by the plaintiff and providing security, the defendant has sufficiently indicated that there is also an interest in concluding a license regarding the patent in suit. The plaintiff does not call this into question either.



cc)

Contrary to the plaintiff's view, no circumstances came to light in the subsequent period which would give rise to the assumption that the defendant's willingness to license had ceased again in the meantime. The defendant has consistently expressed its desire to conclude a license agreement on FRAND terms.

For example, the defendant has already confirmed the seriousness of its willingness to license by submitting a counter offer to the plaintiff in the parallel proceedings 4c O 6/16 by means of a pleading dated 9 June 2016 and providing security. It remains to be seen whether the counter offer of the defendant is FRAND, since the plaintiff is obliged to perform in advance. Deviations by the defendant from the FRAND principles would at most be considerable if the serious and final refusal to conclude a license agreement on FRAND terms could be inferred from them (cf. Higher Regional Court Düsseldorf, decision of 31 March 2017, docket no. I-15 U 66/15; also Kühnen, loc.cit. E, para. 315). This is not the case here.

Questioning the plaintiff's entitlement to assert claims for the past in parallel proceedings, docket no. 4c O 6/16, does not mean that the plaintiff's willingness to license no longer exists, since contesting the active legitimation is a permissible procedural and legal mean if the plaintiff's entitlement cannot inevitably be inferred for the defendant from its statements (cf. also Higher Regional Court Düsseldorf, Order of 18 July 2017, I-2 U 23/17).

The same applies to the fact that the defendant brought an action against the plaintiff before the Irish High Court in Dublin seeking a declaration that the offer made by U on 25 March 2016 was not a FRAND offer and that the counter offer made by the defendant on 9 June 2016 complied with the FRAND conditions. Irrespective of the fact that the Irish proceedings are of no significance for the dispute in this case due to the fact that the current (third) license offer is not the subject of the proceedings, the initiation of the Irish proceedings shows precisely that the defendant is interested in a license on FRAND terms.

Therefore, it cannot be established that the defendant has infringed its obligations to cooperate in such a way that she can be regarded as unwilling to license, or respectively that her declaration of readiness to license cannot be regarded as not effective.

3.

It cannot be established that the plaintiff's license offer(s) meets the requirements for a FRAND-compliant license offer.



a)

If – as it is the case here - there is a notice of infringement by the patentee and a request for licensing (declaration of readiness to license) by the infringer, then, according to the standards established by the ECJ, the SEP holder's duties include "submitting a concrete written license offer under FRAND conditions and, in particular, indicating the license fee and the method of its calculation" (para. 63 ECJ decision). Thus, in addition to the substantive and formal requirements for a FRAND-compliant license offer, the ECJ also determines the point of time at which the SEP holder must submit his license agreement offer to the patent infringer. It is the SEP holder's responsibility to submit an FRAND-compliant license agreement offer to the patent user before the action is filed.

aa)

The ECJ requires from the SEP holder "before filing the action" (or "before the judicial assertion of the SEP") not only an indication to the infringer that the SEP has been infringed, but also (if the infringer is willing to license) the submission of a FRAND-compliant offer and an indication of the method of calculating the required license fee. This is already apparent from the first guiding principle, first indent of the ECJ decision. According to this, the prerequisite for the assertion of the injunctive relief claim is that the SEP holder "before filing the action, on the one hand, has informed the alleged infringer of the patent infringement alleged against him (...) and, on the other hand, after the alleged infringer has expressed his intention to conclude a license agreement under FRAND conditions, submits a concrete written license offer under these conditions to the infringer (...)". The same can also be found in the grounds of the decision: the words "before the judicial assertion" in para. 61 of the ECJ decision also refer to the obligation to submit an offer and to state reasons. This time limit is related to the notice of infringement by means of the words "on the other hand"; by reference to the introductory words "on the one hand" in para. 63 of the ECJ decision they relate also to the obligation to submit a FRAND offer.

In the German patent infringement proceedings, the relevant time of the "judicial assertion" in this respect is the filing of the claim together with payment of the advance on costs, even if service has not yet taken place (cf. Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040; decision of 13 July 2017, docket no. 4a O 154/15 juris; Kühnen, loc. cit., Chapter E, para. 336). This is because with the payment of the cost advance the complaint is inevitably brought on the way and the plaintiff has no longer any influence on the temporal process.



bb)

There is controversy in the case law and in the literature as to whether and, if so, under what conditions the SEP holder can submit a FRAND-compliant license offer while the court proceedings are ongoing and thus carry out his duties.

It is rightly undisputed that the SEP holder can make up for lost time at any rate to the extent that he can withdraw the action and resubmit it if he has fulfilled his antitrust obligations in the meantime. In general, a successfully raised antitrust compulsory license objection does not lead to a permanent material loss of rights for the SEP holder. Rather, if the objection is accepted, the action must be dismissed as "currently unfounded" (Weber/Dahm, GRUR-Prax 2017, 67). Therefore, a fortiori, in the case of a delayed fulfilment of the obligations because of the non-fulfilment of the obligations prior to the judicial obligations, there is no material loss of rights. Subsequently, a fortiori, there is no material loss of rights in the event of a delay, because the obligations were not fulfilled prior to the judicial assertion (Kühnen, loc. cit., Chapter E, para. 357). A general, out-of-court catching up possibility is thus given.

The Mannheim Regional Court (decision of 1 July 2016, docket no. 7 O 209/15 juris) rejects the fundamental possibility of a license offer being made up for or rectified in the course of proceedings on the grounds that such actions by the patentee to make up for a license offer are not suitable for "fulfilling the intention [of the European Court of Justice] to be able to conduct the negotiations unencumbered by the filing of an action for injunctive relief, recall, removal and destruction". On the contrary, it is now recognised in the Düsseldorf (instance) case-law that catching up is still possible with effect for the ongoing process - at least in individual cases (Regional Court Düsseldorf, decision of 13 July 2017, docket no. 4a O 154/15 juris). The Higher Regional Court of Düsseldorf assumes that the declarations requested by the SEP holder may be made at a later date because a failure to do so may in principle lead neither to a material nor to a procedural preclusion (Higher Regional Court of Düsseldorf, decision of 17 November 2016, docket no. I-15 U 66/15; decision of 9 May 2016, docket no. I-15 U 35/16; for a catch-up in any case in transitional cases: Higher Regional Court Karlsruhe, decision of 31 May 2016, docket no. 6 U 55/16 juris). Kühnen also permits catching up during the trial, but points out that due to the procedural delay rules, a delayed offer may not or is not allowed to be taken into account (Kühnen, loc. cit., Chapter E, para. 354 et seq.).

The starting point for any non-consideration is the possible violation of the SEP holder's procedural support obligation.

The question of whether the notice of infringement and the FRAND offer can be made up



for after the judicial assertion or not is not expressly dealt with by the ECJ decision. However, the sense and purpose of the system devised by the ECJ would be undermined if one were to allow an unlimited catch-up period. The European Court of Justice's stipulation of the offer "before the judicial assertion" would be completely undermined if a catch-up is permitted without restriction, in particular until the end of the oral hearing before the infringement court. If one were to allow the SEP holder to make up for his pre-litigation unfulfilled obligations in the course of the proceedings without sanction and without restriction, the guiding principle of the ECJ's decision, to be able to conduct negotiations unencumbered by a pending case and to have all the information available during the proceedings that would allow an assessment to be made as to whether the license agreement offer submitted is FRAND-compliant or not, would be missed (Regional Court Mannheim, decision of 1 July 2016, docket no. 7 O 209/15 juris). The ECJ's balanced system should enable the parties to negotiate at eye level without the pressure of injunction proceedings.

Even though the infringer can reject a license agreement offer that does not comply with FRAND even during the proceedings and defend himself with the compulsory license objection under antitrust law, an ongoing injunction action still has a negative effect on his negotiating position. Due to the uncertainty as to whether the objection will be upheld - in particular, what level of license fees is regarded by the infringement court as (still) FRAND - even an infringer who is willing to license must fear that he will ultimately be sentenced to cease and desist if he does not yield to just about reasonable royalty claims. This could tempt him to accept higher royalties during an ongoing infringement proceeding than at the stage prior to the assertion in court. In addition, the patent user is under time pressure during the negotiations in order to be able to introduce the (interim) results of the negotiations into the process in good time. This is usually to the detriment of the patent infringer: If the SEP holder has fulfilled his obligations, the infringer must, under the time pressure of an impending injunction title, examine the SEP holder's license agreement offer, make a counter offer and prepare the settlement and security deposit if he does not wish to accept the offer (Regional Court Düsseldorf, decision of 13 July 2017, docket no. 4a O 154/15 juris).

Insofar as it is pointed out that, even in the case of the possibility of catching up, the filing of an action contrary to antitrust law does not have to remain sanction-free, as there is a threat of punishment by the antitrust authorities (Higher Regional Court Düsseldorf, order of 9 Mai 2016, docket no. I-15 U 35/16 juris), this does not change the fact that the conduct would remain sanction-free in the injunction proceedings if one would allow catching up without restrictions. The threat of sanctions at a different level does not allow the infringement court, at least not without further ado, to soften the system prescribed by



the ECJ. If the pressure from the antitrust authorities was sufficient, the system devised by the ECJ would probably not have been necessary (Regional Court Düsseldorf, decision of 13 July 2017, docket no. 4a O 154/15 juris).

Another indication against unrestricted catching up may be the fact that the ECJ clarified in the Order of Correction of 15 December 2015 that the words "before filing the action" refer both to the notice of infringement and to the FRAND offer and the explanation of the required license fee, thus underlining the importance of this temporal requirement.

For the above mentioned reasons, however, the Chamber does not consider it necessary to deny the suing patentee in total, i.e. without exception, the possibility of subsequent improvement. Rather, the SEP holder must be allowed to catch up in the individual case - observing the limits of the procedural delay provisions - since it must be possible for the SEP holder to respond to - justified - objections of the infringer and, if necessary, to modify his offer. If this is done in good time in the course of proceedings, the other party has sufficient time to react. Moreover, an absolute denial of the possibility of rectification would run counter to process economy, since the patentee would always be forced to withdraw the action and bring a new action after submitting a modified offer. However, this approach is not in the interest of either the plaintiff or the defendant.

cc)

In the light of those principles, it is questionable whether the plaintiff's third license offer from February 2018 is to be taken into account at all in the context of the FRAND examination.

The plaintiff only submitted its third and - after express clarification in the oral hearing of 8 May 2018 - only valid license offer with the replica and thus 5 months after filing the injunction actions. It should be noted here that the second license offer submitted in the context of the action for damages dates from March 2017 and that this license offer has since been extensively discussed between the parties. In view of the fact that the action for injunctive relief to be decided here was filed 'only' in September 2017, thus 6 months after the submission of the second license offer, there is neither an apparent reason why the plaintiff did not submit a modified (third) license offer to the defendant prior to the filing of the injunctive relief action. Nor has the plaintiff put forward any arguments in that regard. In this respect, there is much to suggest that the plaintiff may be charged with a breach of its obligation to speed up litigation, with the result that the third license offer would not be the basis for the FRAND examination.

As a result, however, it can remain to be seen whether the plaintiff's third license offer



was (still) made on time, since this offer, as well as the previous second license offer - as will be explained below - does not meet the requirements for a FRAND-compliant offer.

b)

In addition to the temporal requirements discussed above, the offer must contain FRAND conditions (FRAND = fair, reasonable and non-discriminatory).

aa)

It is contested whether the infringement court must only examine the existence of a FRAND offer summarily in the sense of a negative evidence check (Regional Court Mannheim, WuW 2016, 86 para. 221) or whether it must in fact determine whether an offer is FRAND (Higher Regional Court Düsseldorf, decision of 17 November 2016 - I-15 U 66/15 – para. 13 juris; Higher Regional Court Karlsruhe, decision of 31 May 2016 - 6 U 55/16 – para. 30 juris - Dekodiervorrichtung). But even if one demands an actual judicial finding and not only an evidence check, there is at least a judicial discretion (Higher Regional Court Karlsruhe, decision of 31 May 2016 - 6 U 55/16 – para. 32 juris - Dekodiervorrichtung). For example, there is not a certain level of license fees which is FRAND, but a range of non-exploitative fees (Higher Regional Court Düsseldorf, decision of 17 November 2016 - I-15 U 66/15 – para. 13 juris).

Ultimately, the necessary depth of the court's examination can be left open, because here a FRAND offer is not available because it is not fair and non-discriminatory.

bb)

In terms of content, the SEP holder's offer should be fair, reasonable and non-discriminatory (= FRAND) (para. 63 ECJ decision). This includes requirements on the absolute level of license fees, which must be fair and reasonable (cf. aaa), and on the relative level of license fees compared with other licensees which have to be non-discriminatory (cf. bbb). Besides the amount of the license fees, the same applies to the other content of the offer (cf. ccc).

aaa)

The offer must not be exploitative, but must be "fair, reasonable". There is no abuse of a dominant market position if the patentee offers contractual terms which would have come about in this way even without his dominant market position.



bbb)

In addition to the requirement of "fair, reasonable", which refers to the amount of license fees per se, the license agreement offer must also be non-discriminatory. A company with a dominant market position must, in accordance with the principle of non-discrimination, grant the same prices and other commercial conditions to trading partners in the same situation. However, this only applies to comparable situations - there is therefore no obligation for schematic equal treatment. A difference of treatment shall be permissible where objectively justified. The burden of presentation and proof of unjustified unequal treatment (discrimination) lies with the infringer, with a secondary burden of proof on the SEP holder. This includes information on the other licensees and the terms agreed with them, which the SEP holder must present. If there is unequal treatment, the SEP holder is obliged to present and prove the justification.

ccc)

The offer must also be FRAND in relation to the other contractual conditions, such as the scope of the licensed rights and the territorial scope. When it comes to the question of whether a portfolio license - possibly worldwide - meets FRAND requirements, the customary practice in the industry is particularly relevant. If, in the relevant market, worldwide group license agreements are usually concluded for entire portfolios of property rights, a corresponding contractual offer does not violate FRAND, unless the circumstances of the individual case make a deviation appear necessary, e.g. if the infringer is only active on a geographical market (cf. Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040, para. 220).

cc)

Finally, the ECJ decision places (rather) formal requirements on the offer to be made by the SEP holder in addition to the time and content requirements discussed above: On the one hand, the offer must be concrete and in writing. On the other hand, the way in which the required license fee is calculated must be stated (1. guiding principle, 1. indent and para. 63 ECJ decision), whereby the latter can also be done in an accompanying letter or the like, provided that it is sent at the same time as the offer (Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040, para. 252; Higher Regional Court Düsseldorf, order of 17 November 2016 - I-15 U 66/15 – para. 12, juris; Kühnen, loc. cit., Chapter E, para. 308 / footnote 458).



dd)

The ECJ does not only require as “method of calculation” the indication of the amount of the license fee and its calculation but also the SEP holder has to explain in a comprehensible and clear way why the amount of the license fee is FRAND (Higher Regional Court Düsseldorf, order of 17 November 2016 – I 15 U 66/15 = BeckRS 2016, 21067, para. 19; Regional Court Mannheim, decision of 08 January 2016 - 7 O 96/14, para. 76 juris; Regional Court Mannheim, decision of 17 November 2016 - 7 O 19/16 = BeckRS 2016, 108197 para. 58; Kühnen, loc. cit., Chapter E, para. 309).

aaa)

The information to be provided by the SEP holder on the "method of calculation" regarding the offer corresponds in terms of content to what he, as plaintiff in infringement proceedings, must present in order to sufficiently demonstrate the FRAND conformity of his offer to the court. In particular, it is necessary to present license agreements that have already been concluded and on relevant court decisions.

bbb)

The method of license fee calculation does not necessarily require a strict mathematical derivation. If this is possible in a concrete case, it is necessary and regularly sufficient to demonstrate the acceptance of the required (standard) license rates on the market by means of license agreements already concluded (Regional Court Düsseldorf, decision 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040, para. 253). If the SEP holder has already concluded license agreements concerning the disputed property right or a portfolio containing this right, he must give a concrete account of these agreements (Kühnen, loc.cit., Chapter E, para. 310). This is the only way for the infringer to determine whether the offer is actually non-discriminatory. Otherwise, the infringer usually has no possibility of gaining knowledge of license fees paid by other companies. License agreements that have already been concluded can often prove the acceptance of the required license fees on the market and thus that they are fair and reasonable (Fair / Reasonable) (cf. Regional Court Düsseldorf, decision of 31 March 2016, docket no. 4a O 126/14, BeckRS 2016, 08040, para. 219 with further evidence). Whether the submission of other license agreements alone is sufficient to demonstrate the reasonableness of the license fees depends on the individual case and in particular on the number of license agreements concluded. If there is a sufficient number of license agreements and acceptance on the market (e.g. market share of the products licensed at a certain fee level), no further information on the appropriateness of the license fee level will normally be required.



The presentation of the manner in which the FRAND-compliant license fees have been calculated on the basis of license agreements that have already been concluded has priority. It is easier and more certain to establish the FRAND moderation by means of the result of various actual license agreements which have already been concluded than by means of the presentation of the individual factors which could or should play a more or less important role in license agreement negotiations and which the infringer and the court would first have to "assemble" into a license fee amount.

In order to be able to justify the level of license fees, the SEP holder must, in principle, present all essential license agreements - otherwise there is always the risk that only those agreements will be presented which support the required level of license fees. Even freedom from discrimination can only be verified if information is provided on all license agreements.

ccc)

In addition to the license agreements already concluded, the SEP holder must also submit any court decisions dealing with the license agreements concluded in order to prove the manner in which the required license fees are calculated. In any case, court decisions or indications as to the appropriateness of the proposed licensing conditions must be taken into account as neutral legal and expert opinions. The infringer has a legitimate interest in such decisions, while it is for the SEP holder to make such relevant aspects transparent.

At least if no license agreements or an insufficient number of license agreements have been concluded, the SEP holder must also submit other decisions on the infringement and validity of the property rights to be licensed.

Whether additional information is required in addition to the license agreements already concluded and, if applicable, court decisions depends on whether FRAND compliance can already be proven with the submitted agreements. This primarily depends on the number and, if applicable, scope of the license agreements concluded.

If this is not the case, the SEP holder must provide evidence of the appropriate level of license fees by submitting comparable license agreements known to him (preferably in the same or a comparable technical area). Further clarification of the portfolio and its impact on the level of fees is also required if the patent is not licensed individually. What needs to be put forward in concrete terms is a case-by-case issue - ultimately the SEP holder has to explain how he has set the license fees and why the level set is appropriate.



dd)

The above-mentioned time specifications for the submission of the offer also apply to the presentation of the method of calculating the license fees (so expressly: Regional Court Mannheim, decision of 01 July 2016 - 7 O 209/15 – para. 119 juris = BeckRS 2016, 18389). Only when the infringer has received this information an offer exists that he must sufficiently examine regarding its FRAND compliance and to which he must respond to in accordance with the requirements of the ECJ.

c)

The plaintiff's license offers are not FRAND, although it may be left open whether the second or third offer is specifically relevant.

aa)

The defendant is already discriminated against without objective justification:

aaa)

A difference in treatment which constitutes discrimination in the sense of antitrust law exists not only if the patentee with a dominant market position grants special or preferential contractual conditions to individual licensees, which it refuses to other licensees, but also if it selectively enforces its prohibition rights from the SEP. Such selective enforcement is to be assumed if the patentee brings infringement proceedings against individual competitors in order to force them into a license agreement, while leaving other competitors free to use its property rights. In its de facto consequence, such a process strategy means nothing other than that some of the competitors are granted a license for free, while the other part has to pay a license fee (cf. Kühnen, loc.cit., Chapter E., para. 243).

However, not every selective enforcement of the rights by filing an infringement action or by objectively failing to file an infringement action for a certain period of time constitutes an abuse of the position as SEP holder contrary to antitrust law. Rather, such an abuse presupposes that the spared competitors are known to the proprietor of the property right as infringers or unknown as a result of a breach of the obligation to observe the market and against whom the patentee can be reasonably expected to take action under all the circumstances - including, for example, the scope of the acts of use and the legal protection possibilities in the country of persecution (cf. Kühnen, loc. cit., Chapter E, para. 243). In the interest of the equal treatment required by antitrust law, the reasonableness threshold should not, of course, be set too high (cf. Regional Court



Düsseldorf, decision of 30 November 2006, docket no. 4b O 508/05 - juris). However, it must be taken into account that the patentee, especially in the initial phase of establishing the standard, has limited financial and personnel resources and may therefore be unable, even with good will, to act simultaneously against a large number of infringers appearing on the market.

Here it may well make sense and be justified to concentrate one's forces and initially enforce prohibition rights against strong infringers, not least in the expectation that smaller infringers will give in out of court after judicial clarification has taken place (cf. Kühnen, loc.cit., Chapter E, para. 243).

bbb)

The plaintiff's conduct is not FRAND-compliant because it discriminates against the defendant through its (procedural) strategy of selective enforcement vis-à-vis other companies. The plaintiff's conduct, the bringing of infringement actions against the defendant and its two main competitors and the failure to bring infringement actions against the other competitors or suppliers constitutes discrimination.

It is true that the fact that the plaintiff initially only brought infringement actions against the three largest national network operators should not in itself be objectionable, since it would not be reasonable for the plaintiff, for financial and personnel reasons, to sue a large number of large (commercial) companies at the same time. In this respect, it seems understandable to sue the largest network operators first. However, the chosen litigation strategy does not relieve the plaintiff, from an antitrust law point of view, from taking action against the initially spared companies - possibly after the conclusion of the proceedings here - and in any event from requesting them to conclude a license agreement at this point in time. Such action could also be expected of the plaintiff, since neither circumstances are apparent nor are put forward which could justify action alone against the companies currently being sued. It must also be taken into account that the patent in suit has only a limited remaining term and that any action taken after the conclusion of the proceedings in this case is clearly ruled out due to the expiration of the patent protection. In that regard, the plaintiff should be required at this stage to initiate the FRAND procedure regarding the defendant's other competitors by means of the delivery of a notice of infringement. The plaintiff did not submit that she had informed the companies that had not yet been sued of an infringement in this way.

In so far as the plaintiff relies on the fact that the excluded companies are investors of the plaintiff or mandates of its local agents in order to justify non-discrimination, those constellations cannot justify the exemption of the companies. In so far as the plaintiff



relies on the investor status of certain excluded companies, she has already not substantiated which companies are to participate in the plaintiff with what amounts, and what they pay for the use of the protected teaching in return. However, such a submission was the responsibility of the plaintiff, who was burdened with the burden of presentation and proof in this respect, since the defendant had legitimately denied the investor status with unknowingness within the meaning of Section 138 (4) German Civil Procedure Code (ZPO) and in this respect it cannot be determined whether the excluded companies pay any financial consideration at all for the de facto granting of a license.

From the outset, the plaintiff 's argument that recourse to the exempted companies fails because those companies are clients of their agents is a priori unfounded. Here, too, the plaintiff leaves a merely blanket assertion, without specifying which companies are to be the mandates of the litigators. Even if this blanket assertion was correct, the client nature would not preclude action against these companies. Thus, it would be possible for the plaintiff to sue the respective companies by mandating other representatives, so that the local court representatives would not have any professional problems. The fact that this was intended was not asserted, even despite reference in the oral proceedings.

ccc)

Finally, the (procedural) strategic conduct of the plaintiff also constitutes discrimination in so far as the plaintiff did not submit a license offer to the intervener O despite an undisputed request for licensing and instead filed a selective action against the defendant here. The intervener O supplies DSL transceivers and DSL boards, devices which are used in the respective network in order to maintain a service in the network in accordance with the relevant standards ADSL2+ and VDSL, to the fixed network providers operating in Germany and therefore also to the defendant. It cannot be understood why the plaintiff intends to grant a license to the defendant but not to its supplier. The plaintiff has not provided any statement of reasons for that conduct.

bb)

The plaintiff 's license offers are also not FRAND because they are not fair and reasonable.

aaa)

The issue of exhaustion is not adequately addressed.

(1)

Exhaustion in the sense of patent law means that the exclusive rights of the patentee are



dissipated. This means that the subject matter of the patentable invention can be marketed, offered and used by any third party. All these acts are no longer subject to the prohibition right of the patent. In contrast to other areas of law, the objection of exhaustion in patent law is taken into account from a general legal point of view, since there is no express statutory regulation. The objection of consumption (exhaustion) is well-founded if the patentee himself or a third party acting with his consent has placed the patented product or the direct product of a patented process on the market in one of the contracting states of the European Union (Mes in Kommentar Patentgesetz, 4. Ed. 2015, Sec. 9, para. 78 with further evidence).

The consequence of the generally accepted idea of exhaustion is that license offers must in principle take into account a possible objection to exhaustion in order to be FRAND. For such an offer is only "fair and reasonable" if the patentee does not submit to the potential licensee any conditions which result in the exploitation of the dominant market position (cf. Higher Regional Court Düsseldorf, decision of 17 November 2016, docket no. 15 U 66/15 - juris). The inclusion of the exhaustion and thus at the same time value-added issue is particularly necessary in cases where - as is the case here - multi-level distribution and service chains are common.

(2)

Clause 5.5(e) does not meet these requirements. It reads as follows (German translation, Annex K(kart)1a):

"Licensee shall have the right to request a reasonable reduction of the exemption fee under 5.3 and/or the current royalty under 5.4 to the extent that the rights to the licensed patents granted under this Agreement are exhausted or licensed to Licensee. If T and Licensee are unable to agree on such reduction, such reduction shall be determined by competent courts in accordance with 8.2. The Licensee shall bear the burden of proving its entitlement to reasonable remuneration."

This clause is not fair simply because it contains indeterminate legal terms without connecting facts and imposes on the licensee the burden of presentation and proof for a reasonable reduction of the license fee. This exposes the licensee from the outset to an unreasonable risk of loss in the event of a legal dispute. The licensee must present the existence of exhaustion as such and, if necessary, prove it in order to achieve a reduction of the license rate. At first sight, this rule appears to correspond to the general distribution of the burden of presentation and proof of the principle of exhaustion, which has been formulated as an objection. In practice, however, it will often be difficult for the licensee to prove this. The facts leading to exhaustion are internal data relating to the licensor's



company. Only they are aware with which companies license agreements regarding which products have been concluded. It is in fact impossible for the licensee to acquire such well-founded knowledge that would sufficiently substantiate written submissions that could succeed in the context of a legal dispute. This result does not change even if a secondary burden of disclosure is imposed on the licensor. The prerequisite for the licensor's duty to comply with this is (at least) that the licensee obtains knowledge of further license agreements that the licensor has concluded and which the licensor could present as a lump sum in court proceedings. Only this statement would trigger the secondary burden of disclosure of the licensor. However, even this mere acquisition of knowledge is likely to depend largely on chance, if not be completely excluded, since in the field of standard essential licenses it is likely to be customary to agree upon a confidentiality clause in such license agreements, which prohibits the contracting parties from notifying others of the conclusion of a license agreement.

With regard to the amount of the reduction to be applied, there is a further risk that the licensee will not be able to enforce such a reduction at all without legal action. The term "reasonable" used in this respect in the clause of the license offer is an indefinite legal term. Admittedly, it is in principle permissible for a court to fill in this indefinite legal term, taking into account the individual case, in particular to quantify "appropriateness" here. However, the risk for the licensee under this arrangement is that the licensor may not consider a reduction proposed by the court to be appropriate and may thus force the licensee into legal proceedings which at the same time entail a considerable cost risk. This risk exists all the more because neither the clause cited above nor other passages of the license offer provide indications or criteria on which the degree of reduction could be based. The fact that there is a certain likelihood that an out-of-court settlement without complications will not be reached is not at least due to the present legal dispute, in which the different views of the parties regarding the "correct" is dimensioning. Moreover, it is not appropriate for the licensee to leave the determination of the appropriateness to the court because during the course of legal proceedings he would have practically no choice but to continue to pay the previous license rate, subject to reservation if necessary, because there is insufficient legal certainty for a reduced license payment.

The foregoing explanations cause that the problem of double licensing is only inadequately taken into account. The plaintiff would, on the basis of the clause set out above, be in a position to require licenses from the respective manufacturers for the network components and, in addition, licenses from the network operators for the sale of corresponding components in order to carry out the procedure in accordance with the invention. She would thus receive license fees for the devices on several occasions, irrespective of whether exhaustion of the device also leads to exhaustion of the procedure



according to the invention. Exactly this contradicts the principles of the exhaustion theory of patent law (see above).

The plaintiff is aware of the problem of double licensing which is not only theoretical. The plaintiff is aware of the fact that the defendant uses components from other manufacturers for the provision of DSL services (for example M chips), which in turn may already have been licensed from the plaintiff's site. That awareness on the part of the plaintiff is reflected in the head of claims in the present action as the right to injunctive relief was specifically excluded from proceedings or devices carried out with components of, among others, M, in order to circumvent the taking of evidence as deemed necessary by the Chamber in parallel proceedings for the determination of damages.

In the light of the foregoing, the plaintiff's license offer of 13 March 2017 (second license offer) is a fortiori not FRAND, since it does not contain any rules on the problem of exhaustion.

bbb)

The plaintiff's license offer also does not satisfy the requirements of a FRAND-compliant offer because it contains a clause ('Release Royalty') which contains a final settlement for (payment) claims for the past since 1 March 2008 without offering the possibility of an exception and/or reimbursement.

Clause 5.3 of the license agreement offer (Annexes K (Kart) 1 / K (Kart) 1a) reads as follows:

"License fee in respect of the exemption from previous obligations. As a condition precedent for the Licensee's parties to obtain the indemnification defined in paragraph 4.1, Licensee shall make a one-time payment to T (the "Indemnity Fee"), calculated on the basis of the License Fee Rate multiplied by the total revenue from the Participant Fees for the period from March 1, 2008 to the Effective Date, to T."

In the present case, such a clause is not fair from the point of view of understandable license agreement parties and is therefore also not comprehensible. In the parallel damages proceedings 4c O 6/16, the parties also dispute, in particular, whether the plaintiff has been actively legitimised in the past for claims which arose before she was entered in the register. In this context, extensive taking of evidence is necessary in parallel proceedings, as the defendant contested, inter alia, the transfer of the patent and the assignment of the claims for damages to the respective assignee. However, upon completion of the license offer submitted, the defendant would have to pay license fees for this period regardless of whether the plaintiff is entitled to assert the claims at all as



of March 2008.

This circumstance alone is not comprehensible because the defendant is exposed to the risk that the claims have not been effectively assigned to the plaintiff and that accordingly a payment cannot be granted a debt discharging character. This means that the defendant would continue to owe the actual beneficiary compensation for the past and at the same time would bear the risk of not receiving from the plaintiff the amount paid or of having to conduct a legal dispute about the refund first. Reasonable contracting parties would waive a corresponding clause in this case or at least provide for a mechanism which would waive the plaintiff's claim to remuneration for the past in the event that the Chamber or the appellate court should come to the conclusion in the parallel proceedings that the plaintiff is not actively legitimated for these claims.

Insofar as the plaintiff claims in general terms that the license offer contains a guarantee declaration, it is not clear what content this declaration should have. A reference to a specific clause and its explanation is missing.

Even the conclusion of settlement license agreements cannot eliminate the currently justified uncertainty about the plaintiff's right to assert claims for the past. As can be inferred from the documents submitted by the plaintiff, the plaintiff's entitlement was at no time in dispute between the parties of the settlement license agreements, with the result that the conclusion of the agreements cannot constitute an indication of that entitlement. The same applies, moreover, to the assertion that the uncertainties as to the legitimacy were taken into account when the license fee was fixed. The plaintiff has not specifically set out how she determined the amount of the uncertainty, nor what factors she took into account. However, under the general rules, the SEP holder is required to demonstrate and provide evidence that his offer is FRAND-compliant. As far as the attributes fair & reasonable are concerned, the plaintiff must therefore either prove that the settlement licenses used are free of abuse (and can therefore be transferred directly) or, although they were obtained under abuse of power, the license offer takes into account sufficient deductions in favour of the infringer which make the license offered free of exploitation (cf. Kühnen, loc.cit., Chapter E, para. 352).

ccc)

The fact that the defendant's wholesale business is excluded from the plaintiff's license offer discriminates unreasonably against the defendant.

Clause 2.1(a) of the license offer states, inter alia, as in the previous offers, the scope of the license offered:



"The license granted pursuant to this Section 2.1.a(1) shall cover only the activities of the licensee parties with commercial and noncommercial end users, i.e. it shall not cover the wholesale activities of the licensee parties.

This means that the defendant's business area which concerns the provision of wholesale DSL services to large customers is excluded from licensing. The defendant enables large customers to access the DSL infrastructure and DSL network components used by the defendant. This will enable large customers to also offer DSL services to potential end customers.

To the extent that the plaintiff defends herself, with regard to that form of the license offer, only by the fact that she is at liberty to conclude license agreements at which distribution level and to what extent, that argument does not lead to the offer being assessed as FRAND-compliant.

It is true that a patentee must be allowed to freely choose the distribution level at which he intends to conclude license agreements. The principle of contractual private autonomy also applies to the patentee, according to which he can choose his contractual partner. Here, however, the case is different. The plaintiff, as the owner of a standard essential patent, who has also undertaken to grant licenses, must grant the defendant market access on fair terms. For the defendant as network operator, this market does not only include the market of end customers. Rather, according to the defendant's submission, a significant part of its turnover as a network operator is based on transactions with third party providers of quality services, thus precisely with large customers to whom it makes its network infrastructure available. This business area as part of the DSL business must therefore be taken into account in determining whether market entry is fair and must not be effectively cut off from the defendant by refusing to offer a license. In addition, it must be taken into account that the defendant's whole sale business has not been excluded from the subject-matter of the action for injunctive relief, with the result that the defendant is exposed to the risk of losing part of its business without even having the possibility of averting this risk by concluding a license agreement. Without the inclusion of the whole sale business in a license agreement with the plaintiff, the defendant also runs the considerable risk of becoming liable to pay damages to its large customers. This is because the defendant will no longer be able to provide its customers with DSL services once the contract is concluded, as this would then be unlawful. At the same time, however, this would constitute a breach of contractual obligations in relation to the customers, since the provision of DSL services is an owed performance.



4.

The successfully raised compulsory license objection leads to the (provisional) dismissal of the action for injunctive relief. The plaintiff's right to injunctive relief under Article 64 EPC, in conjunction with Article 64 (1) (c) EPC is not affected. Sec. 139 (1) PatG is thus to be dismissed as currently unfounded. As explained above, the defendant successfully raised the antitrust compulsory license objection. The plaintiff did not fulfil the requirements resulting from the ECJ decision.

As long as this is not the case, the right to an injunction is not enforceable (para. 52 and 73 of the ECJ decision). If, however, the plaintiff fulfils its obligations, while the defendant does not behave in accordance with FRAND, these claims can be enforced again (Higher Regional Court Karlsruhe, Mitt. 2016, 321 - Informationsaufzeichnungsmedium; Kühnen, loc. cit., Chapter E, para. 300).

Since the license offer cannot be regarded as FRAND-compliant on the basis of the points set out above and since abusive conduct under antitrust law can be established in this respect, it is no longer decisive whether the plaintiff has chosen a FRAND-compliant reference value (turnover or unit license) in its license offer and has sufficiently demonstrated the basis for calculating the required license fee. For the same reason, no decision needs be taken on the issues raised by the parties that exceed these points of discussion.

Likewise, it is no longer necessary to decide whether the counter offer of the defendant is FRAND-compliant and whether the defendant, for its part, has acted like a willing licensee by accounting and depositing license fees (cf. Higher Regional Court Düsseldorf, decision of 30 March 2017, docket no. I-15 U 66/15 juris).

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