



KATHER · AUGENSTEIN
RECHTSANWÄLTE

Higher Regional Court Karlsruhe

6 U 130/20

Decision dated 12 February 2021

[...]

Reasons for decision

I. The parties are in dispute about the preliminary stay of enforcement of a judgement of the first instance condemning the defendant for patent infringement.

The plaintiff is suing the defendant for alleged patent infringement for injunctive relief and rendering accounts and providing information and requests a declaration that the defendant is obliged to pay damages.

[...]

The plaintiff declared the patent in suit as essential to the standardisation organisation ETSI, of which it is a member, to the fourth generation mobile radio standard (hereinafter: (LTE) standard).

The patent in suit is the subject of a nullity action filed by the defendant on 14.10.2019 and pending before the Federal Patent Court under file number [...], which is available as annex [...].7. Furthermore, on the same day, a further nullity action was filed by the intervener [...], which is pending before the Federal Patent Court under file number [...] (Annex [...] 1). The nullity actions claim in particular that the subject-matter of the patent-in-suit goes beyond the content of the original application documents and is not patentable. Further pleadings of the parties in the nullity proceedings are available as annexes [...] 5, [...] 6 as well as [...] 28 and [...] 29.



The plaintiff is part of a group of companies which - according to its own statements - is one of the world's leading providers of telecommunications services, hardware and software products as well as services for the telecommunications industry with its seat in [...]. As part of this group of companies, the plaintiff is the owner of numerous other intellectual property rights, inter alia in the field of second (GSM), third (UMTS) and fourth (LTE) generation mobile telecommunications.

The defendant is a German manufacturer of passenger cars and commercial vehicles with its registered office in [...].

By its action, the plaintiff, according to its submissions in the statement of claim, attacks the defendant's motor vehicles which are either directly or indirectly manufactured by it (in part) in Germany or imported into Germany and offered or distributed throughout Germany and which implement one or more of the GSM/GPRS standard, UMTS standard, CDMA standard and/or LTE standard (as published by the standardisation organisations ETSI, 3GPP, TTA or 3GPP2) as well as components (for example "telematics control units", hereinafter "TCU"), wireless modules or other network access modules) of the [...], [...], [...], [...], [...], [...] / [...] or [...] or any of their affiliates.

The defendant obtains the TCUs from Tier 1 suppliers such as the interveners of the [...] Group. These TCUs contain a so-called Network Access Device ("NAD"), which the Tier 1 suppliers usually obtain from further suppliers (so-called Tier 2 suppliers). The NAD is used to connect the TCU, which also contains other functions, to mobile networks. This connection with mobile radio networks through the NAD takes place via a telecommunication chip that is installed in the NAD and performs the data transmission and radio tasks. The telecommunication chip regularly originates from other suppliers (so-called Tier 3 suppliers).



The aforementioned modules implemented in the attacked embodiments are capable of operating according to the LTE standard. The plaintiff is of the opinion that this is an infringement of the patent in suit.

The parties are conducting licensing negotiations on the plaintiff's patent portfolio, including for 2G, 3G and 4G standards, inter alia with regard to the patent in suit, which have not yet been concluded.

The negotiations were initiated with e-mails from the plaintiff on [d] and [d+62]. In these e-mails, the plaintiff referred to its patent portfolio, which was standard-essential for several mobile radio standards implemented in the attacked embodiments. The plaintiff submitted a list of its patents and patent applications declared as essential to the standard (including the patent in suit) to the defendant on [d+82] ([...] 12). The plaintiff supplemented the information by e-mail of [d+223] ([...] 15), which also contained a first licence offer, and e-mail of [d+251] ([...] 13). The defendant responded to the letters as can be seen from Annexes [...] -KAR 4 to [...] -KAR 9.

Subsequently, the defendant left the negotiations from [approx. d + 10 months] to [approx. d + 2 years 11 months] to its suppliers and did not participate in them. For the Tier 1 suppliers, the plaintiff developed [approx. d + 10 months] its own licence model ([...] 17), which it modified in [two years later] into a [...] licence model (hereinafter "[...]L") (e.g. [...] -KAR 9, [...] -KAR 9a, [...] -KAR 12a). The [...]L is structured to give Tier 1 suppliers access to the technology in such a way that they pay a royalty to the plaintiff for each connectivity unit sold and convey to any car manufacturer the right to install and sell the connectivity units in vehicles. The licence fee of EUR [...] for LTE functionality is calculated in exactly the same way as the licence fee which the plaintiff demands from the defendant (see below on the second licence offer of [d+1063]). In addition, a bilateral licence to the suppliers for research and development or other purposes as well as for the aftermarket (e.g. in case of retrofits) is intended.



The defendant and some of its Tier 1/Tier 2 suppliers as well as the chip manufacturer [...] filed [approx. d+1000] complaints against the plaintiff with the EU Commission ([...]-KAR 1, [...] 8), in which they essentially criticised the plaintiff's unwillingness to conclude licence agreements with the suppliers on terms based on the suppliers' components. Confidential mediation took place between the parties and some of the suppliers. The EU Commission has not yet opened proceedings; most recently, the EU Commission sent a request for information to the parties ([...]-KAR 4a, [...]-KAR 20; [...] 9).

After the negotiations between the plaintiff and the suppliers did not lead to a licence being taken, the plaintiff submitted further claim charts to the defendant on [d+1063] (including on the patent-in-suit) and made a second licence offer to the defendant on its patent portfolio ([...] 14). The offer includes the right to have components for the licenced products manufactured by third parties (so-called have-maderights). The licence fee of EUR [...] per vehicle for LTE functionality is calculated on the basis of a value of automotive connectivity of EUR [...] and a share of the plaintiff in SEPs of [...] %, taking into account a total licence fee percentage of [...] %. The value of connectivity in the automotive sector is taken from a study by the consultancy [...], which put the willingness of consumers in Germany and the USA to pay a fee for connectivity at an average value of between EUR [...]-[...] (in Germany) and USD [...]-[...] (in the USA) (Annex [...] 16, OJ I 112 et seq.).

The defendant responded to this second licence offer as shown in Annex [...] -CAR 10. Then, after the action had been brought on [d+1134], the defendant made the plaintiff a subsequently rejected counter-offer ([...]-KAR 12, [...]-KAR 2), which provides for a licence fee of EUR [...] per vehicle, calculated using the top-down approach, in respect of products which, inter alia, implement the LTE standard. The reference value is the average purchase price of a TCU of the defendant ([...] EUR). As a percentage total licence charge



[...] % is taken into account (total licence charge EUR [...]) and the plaintiff's share of SEPs is quantified as [...] %.

After the oral proceedings, the defendant submitted a second counter-offer to the plaintiff on [d+1532], which was communicated in the written statement of [d+1532] ([...]-KAR 42). This provides for the determination of the licence fee by the plaintiff with the possibility of a subsequent judicial review pursuant to § 315 BGB.

In addition, the plaintiff joined the patent pool of [...] (hereinafter "[...]") in [c. d+930] (Annex intervenor [...] [...] 38), which represents various SEP holders vis-à-vis car manufacturers and offers them a pool licence agreement, the licence fee of which is USD [...] per LTE-capable vehicle ([...] 19, [...] CAR 5) in a top-down approach using average values from the mobile telephone industry. of USD [...] per LTE-capable vehicle ([...] 19, [...] -KAR 5) is calculated in a top-down approach using averages from the mobile industry with a total licence fee of USD [...]-. [...]. [...] has already concluded pool licence agreements with [...] (press release of 01.12.2017, [...] 18), [...] and [...] (press release of 25.04.2019, [...] KAR 06, [...] KAR-7) and other members of the [...] Group ([...], [...], [...], [...], [...] and [...], press release of 06.05.2019, [...] KAR 6, [...] KAR-7) as well as [...] (press release of 03.12.2019, [...] -KAR 6) concluded. The defendant has also been negotiating - so far unsuccessfully - with the [...] patent pool about taking a licence since at least [c. d+655] ([...]-K[...] 30).

In its judgement of 18 August 2020 - Case No. 2 O 34/19 - published in juris, to which reference is made in order to avoid repetition of the details, the Mannheim Regional Court essentially ordered in accordance with the request the defendant to cease and desist and to rendering accounts and providing information on the grounds of direct infringement of patent claim 1, and declared that the defendant is obliged to pay damages.



The defendant appeals against this judgement and continues to pursue its motion to dismiss the action in its entirety or, in the alternative, to stay the infringement proceedings until the final conclusion of the nullity proceedings. First of all, it seeks the preliminary stay of enforcement of the judgment under appeal.

Insofar as is of interest here, the defendant requests that, due to the urgency, without oral proceedings, the enforcement of the judgment under appeal be preliminary stayed - if necessary against the provision of security by the defendant, which is left to the discretion of the Senate; that the present proceedings be stayed pursuant to section 148 of the German Code of Civil Procedure (ZPO) and that the enforcement of the LGU (judgement of the Regional Court) be stayed until the ECJ has ruled in the context of the reference for a preliminary ruling of 26.11.2020 from the parallel proceedings Regional Court Düsseldorf (Case No. 4c O 17/19).

[...]

The application for interim suspension of enforcement is partially successful and leads to the preliminary stay of enforcement under point I.3 (injunction) of the operative part of the judgment under appeal against the provision of security. For the rest, it remains unsuccessful.

1. Pursuant to sections 719(1) sentence 1 and 707(1) sentence 1 of the Code of Civil Procedure, if an appeal is filed against a judgment that has been declared preliminary enforceable, enforcement of the judgment may be preliminary stayed against the provision of security. Within the framework of the discretionary decision to be made accordingly, the court must weigh the conflicting interests of the creditor on the one hand and the debtor on the other. In doing so, it must take into account the legislature's decision that the interests of the creditor in enforcement must always take precedence. The provision of section 709 sentence 1 of the Code of Civil Procedure (ZPO) states that



the enforcement debtor is usually already sufficiently protected by the security to be provided by the creditor prior to enforcement. It is therefore in line with established case law that in cases where the judgment under appeal is only preliminary enforceable against the provision of security, a stay of enforcement can only be considered in exceptional cases under special circumstances (cf. Senate, GRUR-RR 2015, 50 marginal no. 9 - Leiterbahnstrukturen; BeckRS 2016, 10660 marginal no. 15 (insow. not reprinted in NZKart 2016, 334)). This is also supported by the fact that the judgment under appeal is based on the conduct of comprehensive discovery proceedings with oral proceedings and therefore on proceedings with an increased guarantee of correctness, whereas the appeal proceedings cannot be anticipated for the question of the preliminary stay of enforcement, but only a summary examination can take place in the proceedings pursuant to sections 719, 707 ZPO.

The weight of the creditor's interest may be increased in individual cases by the fact that the creditor is urgently dependent on preliminary enforcement or that further waiting jeopardises or frustrates the realisation of the claim to be enforced, which can be considered in particular insofar as it concerns the stay of enforcement of a claim for injunctive relief which is thereby finally frustrated for the period concerned (BeckOK ZPO/Ulrici, 38th ed. 1.9.2020, ZPO § 707 marginal nos. 20, 20.1).

On the other hand, it is recognised that the interests of the debtor are given special weight and therefore a stay of enforcement can be considered if it can already be established at the time of the decision on the motion to discontinue in the summary examination required in the proceedings pursuant to Sections 719, 707 of the Code of Civil Procedure that the judgment under appeal is unlikely to be maintained or if the debtor can present and substantiate the risk of special damage that goes beyond the general enforcement effects (cf. Senate, GRUR-RR 2015, 50 marginal no. 10 - Leiterbahnstrukturen; OLG Düsseldorf, GRUR-RR 2010, 122 - prepaid telephone calls, mwN).



The summary examination to be carried out in the proceedings under sections 719, 707 of the Code of Civil Procedure as to whether the judgment under appeal is likely to be unsustainable must, at least as a rule, be limited to those factual findings and those legal considerations that are decisive for the decision at first instance. The decision to stay the proceedings must not anticipate the final decision to be made in the appeal proceedings on the basis of a comprehensive hearing and oral proceedings. If the findings or legal considerations in the judgment under appeal already prove to be unsustainable during the summary examination to be carried out, the enforcement of the judgment must regularly be stayed for the time being. This applies even if the judgement under appeal may prove to be correct in the result with other findings or on the basis of other legal considerations. In this case, the winning plaintiff can usually be expected to wait for the review of the alternative legal or factual reasoning in the appeal proceedings (Senate NZKart 2016, 334; GRUR-RR 2015, 50 marginal no. 11 - Leiterbahnstrukturen; GRUR-RR 2015, 326 marginal no. 15 - Mobiltelefone).

The summary examination is regularly limited to obvious errors that can be identified without a more in-depth examination. In this context, it is irrelevant whether fundamental considerations of the judgment under appeal prove to be unsustainable for reasons of substantive law, factual or procedural law according to this standard of review.

With regard to the review of whether the willingness to take a licence on FRAND terms can be inferred from a statement of the patent infringer, the aforementioned standard means that it is not sufficient for an obvious error that a letter cited for this purpose can possibly also be assessed differently than in the judgment under appeal. It is not the task of the summary examination to subject the correspondence submitted in the proceedings to a comprehensive evaluation detached from the evaluation in the judgment under appeal. Rather, an incorrect assessment must be obvious.



Similarly, the question of whether a (counter)offer realizes FRAND conditions cannot be the subject of the detailed examination to be made for the decision on the preliminary stay of enforcement. In this respect, too, the examination is not intended to anticipate the appeal proceedings and must therefore be limited to a summary examination. The assessment of the court of first instance as to whether an offered licence fee complies with FRAND conditions can therefore regularly only be examined as to whether the judgment under appeal was based on manifestly incorrect requirements or applies correctly identified requirements in a manifestly incorrect manner.

It further follows from the limited scope of examination that the Senate only examines the considerations of the judgement under appeal that are challenged as unsustainable in order to justify the preliminary stay of enforcement, but not whether the decision could prove to be incorrect for other reasons. Since the defendant and its interveners do not argue in support of the motion to stay that the Regional Court was wrong to find infringement of the patent in suit, this is not a matter for the decision on staying enforcement from the outset.

2. On the basis of these standards, the considerations on the basis of which the Regional Court did not allow the asserted objection of abuse under antitrust law (Article 102 TFEU, Sections 19, 20 ARC) to prevail against the claim for injunctive relief prove, on summary examination, to be obviously not sufficient in one decisive regard.

a) However, the Regional Court's legal starting point that the patent infringer must clearly and unambiguously express its willingness to take a licence on FRAND terms, whatever FRAND terms may actually look like, and that it must subsequently also purposefully cooperate in the licence agreement negotiations, cannot be objected to. This willingness (hereinafter also: qualified willingness to take a licence) must be unconditional. The Regional Court correctly understands the willingness to take a licence not as an isolated event that continues to exist unchangeably after its denial or affirmation at a certain



point in time. Rather, the infringer is obliged to cooperate seriously and purposefully in the licence agreement negotiations, whereby delaying tactics must be ruled out.

This legal starting point is in line with the case law of the Federal Court of Justice cited by the Regional Court in the decision FRAND-Einwand (GRUR 2020, 961 marginal no. 83) and corresponds to the more recent case law of the Senate (see judgment of 09.12.2020 - 6 U 103/19, juris).

b) Contrary to the defendant's view, the Regional Court did not systematically incorrectly examine the FRAND compliance of the defendant's counter-offers in the context of the willingness to take a licence. In particular, it did not justify the lack of willingness to take a licence with the FRAND-inconsistency of the counter-offers. Rather, the Regional Court only saw the willingness to take a licence, which had already been denied independently of this, as being decisively confirmed by the FRAND-inconsistency of the counter-offers that it had assumed.

The Regional Court left open whether a lack of qualified willingness to take a licence can be effectively made up for in the course of patent infringement litigation. From this legal point of view, it was imperative to look at the defendant's further conduct and to examine whether the qualified willingness to take a licence that had been missing until then resulted from it. On this basis, a qualified willingness to take a licence that was initially missing can in principle also result from a counter-offer by the licence seeker that complies with FRAND conditions. Conversely, however, a counter-offer that does not comply with such conditions is then also not suitable to establish a qualified willingness to take a licence that was missing until then and can therefore further confirm its absence.

c) However, even on summary examination, the considerations in the judgment under appeal regarding the defendant's counter-offer of [d+1532] are not capable of supporting



the conclusions of the Regional Court that this also did not result in the qualified willingness to take a licence that had been missing until then.

aa) The Regional Court, which left open whether the offer was still made in time from the point of view of the willingness to take a licence or could be made up for, stated that it contained a reservation by which the defendant shifted the dispute of the parties as to which level of the value chain the licence offers had to be based on (inter alia with regard to the amount of the licence fee) to later proceedings. In contrast to contractual negotiations with a company willingness to take a licence prior to the commencement of use, such a reservation could be aimed at delaying the patent proprietor as far as possible until the expiry of the term of protection of the patent in suit, especially if the infringement notice had already been issued several years ago, as was the case here, because the patent proprietor would then no longer be threatened with an order to cease and desist. In the case of a third party determination, the patent proprietor could not enforce his claim for injunctive relief until a determination had been made, which would also allow the patent infringer to drag out the proceedings (LG Düsseldorf, judgement of. 31.03.2016 - 4a O 126/14 marginal no. 286 - juris; LG Düsseldorf, final judgement of. 31.03.2016, 4a O 73/14 marginal no. 231 f. - juris). If the SEP proprietor agrees to a judicial review of the licence fee pursuant to section 315 (3) BGB, this is binding for him, whereas the patent infringer may refuse payment of a - from his point of view - inequitable performance until it is determined by a judgement (Würdinger in MüKO BGB, 8th ed., Section 315 marginal no. 45; Stadler in Jauernig BGB, 17th ed., marginal no. 11, both with references to the state of opinion).

In addition, the Regional Court relies on the fact that a willingness to take a licence can only be inferred from a counter-offer if it defines a concrete licence rate or at least implies a licence fee determined in time. In this regard, it refers to the decision Huawei v. ZTE of the ECJ (GRUR 2015, 764).



bb) These considerations alone cannot justify the assumption that the counter-offer of [d+1532] did not express a qualified willingness to take a licence.

(1) As a rule, with a contractual offer which leaves the determination of the licence fee to the SEP holder's equitable discretion pursuant to Section 315 (3) BGB, the infringer sufficiently expresses that he is willing to take a licence which, at least with regard to the amount of the licence fees, complies with FRAND terms, however such a licence fee may look.

In general, it cannot be reproached against a patent infringer in this context either as an expression of unwillingness to take a licence that he/she sticks to his/her view of what FRAND-compliant terms should look like and therefore it can be assumed that he/she will not accept the licence fee determined by the SEP holder, but will have it reviewed by the courts and argue for his own ideas in this context. Such behaviour does not regularly quere the willingness to take a licence on FRAND terms, whatever such terms may be, but confirms it, because at the end of the judicial review of the performance determination the SEP holder will either be awarded the remuneration determined by him or, in the case of its inequity, an equitable remuneration determined by the court. In the absence of any indication to the contrary, it must regularly be assumed that a licence offer with such a right to determine performance is seriously meant and that the infringer is willing to pay the licence fees awarded.

The fact that disputes about the amount of FRAND-compliant royalties, if a licence agreement with a right to determine performance in favour of the patent proprietor is only concluded during a patent infringement dispute, are shifted to a later legal dispute, is inherent in the right to determine performance if the amount of what is to be considered FRAND-compliant is disputed between the parties. This circumstance does not, in itself, easily call into question the willingness of the patent infringer to enter into a licence agreement with a FRAND-compliant royalty, whatever it may actually be. At



any rate, as a rule - and the Regional Court did not find anything for a factual constellation deviating from this in the dispute to be decided here - it is not contrary to the interests of the patent proprietor, the patent infringement proceedings initiated by the patent proprietor as plaintiff to be relieved of the issue raised by the opponent's FRAND objection of the exact calculation of a licence amount in accordance with FRAND, but rather it is in the patent proprietor's interest to obtain a decision on the issue of whether the attacked embodiment falls within the scope of protection of the patent in suit as soon as possible, prompted by the patent proprietor's action.

Contrary to what the Regional Court may think, an offer by the patent infringer with a right to determine performance in favour of the patent proprietor cannot in principle serve to stall the patent proprietor as far as possible until the expiry of the IP right in order to obtain a more favourable negotiating position thereafter without the threat of injunctive relief. If a licence agreement is concluded with a right to determine performance pursuant to Section 315 (3) of the German Civil Code (Bürgerliches Gesetzbuch - BGB), it is clear at the end of any legal dispute about the fairness of the determined licence fee whether the SEP holder will be awarded the determined remuneration or, in the case of its unfairness, a remuneration determined by the court.

However, on summary examination it is not excluded that in individual cases a licence offer by the patent infringer with the right to determine performance in favour of the patent proprietor may, due to the circumstances, for example if it is made untimely, exceptionally not be regarded as an expression of the required willingness to take a licence but as part of a delaying tactic with the consequence that the SEP proprietor does not behave abusively under cartel law if it does not accept this offer and asserts or maintains a claim for injunctive relief.

Admittedly, it is in line with the case law of the Senate that a willingness to take a licence can still be made up for in the ongoing legal dispute and is also in principle still relevant



in this case (Senate, GRUR 2020, 166 marginal no. 106 - Datenpaketverarbeitung). According to this case law, however, it must also be excluded that the infringer's late fulfilment of its obligations is an expression of delaying tactics (Senate, loc. cit., para. 116).

The possibility of an exception in individual cases does not, at least not on summary examination, contradict the decisions Huawei ./. ZTE of the ECJ (GRUR 2015, 764) and Orange-Book-Standard of the BGH (BGHZ 180, 312 = GRUR 2009, 694). Both decisions do not obviously rule out the possibility of assessing a licence agreement offer by the infringer with a right to determine performance pursuant to Section 315 (3) BGB in favour of the patent proprietor as an expression of delaying tactics in an individual case.

(2) According to these requirements, the considerations of the Regional Court are not sufficient to assume that the counter-offer of 10 June 2020, despite the right to determine performance in favour of the patent proprietor provided for therein, does not exceptionally express a qualified willingness to take a licence.

The Regional Court expressly left open whether the counter-offer was still timely from the point of view of willingness to take a licence. It did not draw the conceivable conclusion from the aforementioned late date of the counter-offer that a willingness to take a licence had been expressed untimely. For the summary examination in the context of the preliminary stay of enforcement as to whether the considerations of the Regional Court are viable, it must therefore be assumed that the counter-offer of [d+1532] was made in due time and is therefore admissible.

The remaining decisive consideration of the Regional Court, namely that the conclusion of the offered licence agreement with a right to determine performance in favour of the plaintiff would shift the dispute between the parties to another legal dispute, as explained, is obviously not sufficient in itself to assume a lack of willingness to take a licence on the part of the defendant despite the counter-offer of [d+1532].



The Regional Court's additional consideration that an offer without a concrete licence sentence is not sufficient is also obviously not sufficient for the denial of a qualified willingness to take a licence. It can be left open whether, according to the principles of the decision Huawei ./. ZTE of the ECJ (GRUR 2015, 764), the patent infringer can fulfil its obligation to make a counter-offer by (exclusively) making an offer with a right to determine performance in favour of the SEP holder, or only by (also) making a counter-offer with a specific licence rate that satisfies FRAND conditions. The Regional Court left open whether the defendant is obliged to make a FRAND-compliant counter-offer. In any case, the fact that a licence offer does not contain a concrete licence rate but a right to determine performance in favour of the patent proprietor does not prevent the expression of a qualified willingness to take a licence.

3. If the considerations of the Regional Court thus prove to be obviously unsustainable in a decisive point, the balancing of interests leads, as is regularly the case, to a preliminary stay of enforcement of the injunction against the provision of security.

The denial of the willingness to take a licence also with regard to the counter-offer of [d+1532] is the sole consideration supporting the judgement of the Regional Court on this point of the irrelevance of the FRAND objection.

As stated, it is not relevant whether the Regional Court's assumption that the defendant was not sufficiently willing to take a licence could be upheld in the result with other considerations. Whether exceptions to this principle are possible if an alternative justification is clearly evident does not need to be decided in the dispute (Senat, NZKart 2016, 334, 337 - DVD-Software; GRUR-RR 2015, 50 marginal no. 12 - Leiterbahnstrukturen). In principle, obligations of the infringer can be made during the pending litigation (Senate, GRUR 2020, 166 marginal no. 108 et seq. - Datenpaketverarbeitung). An untimely offer is not obvious. This is at least contradicted by the fact that until the FRAND



objection decision of the Federal Court of Justice (GRUR 2020, 961), the case law of the courts of instance did not impose any special requirements on the willingness to take a licence, but it was merely understood in the sense of a request for a licence.

The high security set for the preliminary enforceability of the injunction does not justify putting aside the defendant's interests in not being subjected to enforcement of a judgment that proves to be unsustainable for this purpose upon summary examination.

The same applies to the plaintiff's fear that other patent infringers might refrain from taking a licence in the event of a preliminary stay of enforcement because they would no longer have to expect a successful court claim for an injunction. It can be left undecided whether the plaintiff's cited interest in deterring other patent infringers can take on any significance at all compared to the defendant's interest in avoiding the enforcement of an injunction on an unsustainable basis. In any case, this deterrence interest is not of decisive importance, especially since the stay of enforcement is based precisely on the fact that the defendant offered the plaintiff a licence offer with a right to determine performance in its favour.

The fact that the defendant may have been using the defendant's patents without royalty payments since 2006 also does not justify allowing enforcement of the injunction, the grounds for which prove to be unsustainable on summary examination.

Insofar as the plaintiff believes that it is prohibitive to sue for royalties in national court proceedings worldwide, it overlooks the fact that the defendant's counter-offer with the right to determine performance in its favour makes it unnecessary to conduct a multitude of national proceedings.

4. In contrast, the motion to stay is not well-founded with regard to the order to provide information and render accounts. In this respect, the order is neither evidently erroneous



in law, nor does the balancing of interests show that a stay of enforcement would be necessary.

a) The patent proprietor is entitled to providing information and rendering accounts even if the patent infringer can successfully invoke a FRAND objection against the asserted injunctive relief. In this case, the information on the cost price and the profit is not omitted without further ado.

The latter already follows from the fact that the claim for damages in this case is not limited to the amount that would result according to the licence analogy, but the infringer can at most counter the claim for damages of the patent proprietor with a counterclaim for damages of his own, which is based on the non-fulfilment of his claim for the conclusion of a licence agreement on reasonable and non-discriminatory terms and by virtue of which he can demand to be placed in the position he would be in if the patent proprietor had fulfilled this claim without delay (cf. BGH, GRUR 2020, 961 marginal no. 110 f. - FRAND objection). Even if the patent proprietor does not fulfil its negotiating obligations, this does not necessarily give rise to such a claim for damages, because the breach of negotiating obligations is not necessarily accompanied by the refusal to take a licence that complies with FRAND criteria in terms of content (Senate, GRUR 2020, 166 marginal no. 138 - Datenpaketverarbeitung). However, even if there is a countervailing claim for damages by the patent infringer against the patent proprietor due to refusal to conclude a licence agreement on FRAND terms in violation of antitrust law and therefore the patent proprietor's claim for damages would be limited to the amount of the FRAND licence fee in the future, cost and profit information must in principle be regarded as necessary and reasonable (Senate, GRUR 2020, 166 marginal no. 139 - Datenpaketverarbeitung; a.A. OLG Düsseldorf GRUR-RS 2019, 6087 = GRUR 2019, 725 Ls, juris marginal no. 231 - Improving Handover).



From its legal point of view, the Regional Court consequently did not make any findings on the existence of the prerequisites for a substantive limitation of the claim for providing information and rendering accounts. It is also not clear that the plaintiff would have breached its obligations with regard to a willingness to take a licence expressed in the counter-offer of [d+1532]. A fortiori, it is not clear that a possible breach would be accompanied by the refusal of a licence agreement on FRAND terms and, at the same time, a constellation would exist in which cost and profit information would not be necessary or reasonable. Whether the conditions for a restriction of rendering accounts exist must therefore be left to clarification in the appeal proceedings. In addition, a possible restriction can in any case be considered at the earliest from the point in time at which the defendant's willingness to take a licence can be assumed.

b) Insofar as the defendant asserts that providing information and rendering accounts is disproportionate with regard to the expected damages due to the effort involved, this is not sufficiently substantiated. Moreover, it does not show that it had already invoked this at first instance.

c) Insofar as the defendants and their interveners raise further objections against the judgment under appeal in the later supplementary grounds of appeal, it is not apparent that they also base their application for temporary suspension of enforcement on this. In any case, it is not shown and not apparent that these objections constitute an obvious error of the judgment under appeal.

[...]

e) It is not obviously erroneous that the Regional Court did not stay the proceedings and refer questions to the ECJ for a preliminary ruling in order to clarify the criteria of the willingness to take a licence. The submission is in principle within the discretion of a court not of last instance. Even if a review of the decision of the court of first instance



not to submit would be possible within the scope of the decision pursuant to §§ 719, 707 ZPO for discretionary errors, such errors would not be present in the case in dispute.

It is irrelevant whether courts of non-final instance are obliged to make a reference if they deliberately wish to deviate from an interpretation of Union law by the ECJ (cf. in this regard Streinz/Ehricke, 3rd ed.) From the legal point of view of the Regional Court, there was no reason to do so because there was no such deliberate deviation. If this is relevant at all, this legal position is also not clearly erroneous. As explained, the Regional Court did not base the lack of willingness to take a licence on the lack of FRAND compliance of the counter-offer. It thus did not deviate from any requirements of the decision Huawei ./. ZTE decision of the ECJ (GRUR 2015, 764). As already decided by the Senate elsewhere (judgment of 09.12.2020 - 6 U 103/19, juris), the legal starting point of the Regional Court, that the infringer must be willing to take a licence throughout and may not engage in delaying tactics, also does not deviate from the decision Huawei ./. ZTE.

The further question of whether an SEP holder must be able to enable all links in a supply chain to enter into a licence agreement with their own right of use and whether the manufacturer of the end product can successfully raise a FRAND objection against the SEP holder based on this was already irrelevant from the point of view of the Regional Court. Therefore, a reduction of the right to make a submission is therefore out of the question from the very beginning.

[...]

5. A security deposit in the amount of € [...] is necessary but also sufficient to secure the plaintiff. The preconditions for an interim suspension without a security deposit have neither been asserted nor made credible.



a) For the assessment of the security deposit, the Senate first took as a basis the difference between the number of units subject to licensing as of 3 February 2020 ([...], cf. Exhibit [...] -KAR 36) and as of 27 June 2019 ([...], cf. Exhibit [...] -KAR 14), which amounts to [...] units for a period of [...] days. On this basis, [...] units subject to licensing per year are calculated as a rough guide. Multiplied by the licence rate offered by the plaintiff in the amount of € [...] per LTE-capable vehicle, this results in annual payments of € [...], which, based on the required rough estimate, correspond to the plaintiff's minimum economic interest with regard to the injunctive relief. This is because the plaintiff is ultimately concerned with licensing its property right at what it considers to be a reasonable price and not with excluding the defendant or its suppliers from using the property rights in order to be able to use the technology alone.

It is true that a portion of the reported sales is accounted for by licenced products, for which lower licence rates are called than for LTE-capable units. However, it is to be expected that such shares will become less and less important in terms of numbers in the future due to technical progress and upcoming network shutdowns, as already confirmed by a comparison of the figures from Annex [...] -KAR 14 and [...] -KAR 36, which shows the largest increase in LTE-capable units. Against this background, it appears justified to multiply all units by the licence rate for LTE-capable units considered by the plaintiff to be FRAND in order to estimate the plaintiff's need for security.

The fact that the figures communicated by the defendant concern worldwide sales does not justify a reduction. The defendant itself argues that in the event of enforcement of the injunctive relief it would be forced to accept the plaintiff's licence offer, which has as its object a worldwide portfolio licence. A worldwide portfolio licence is, moreover, customary. The defendant itself provides for such a licence in its counter-offer and has provided security on this basis. It is therefore justified not to narrow the plaintiff's economic interest in enforcing its injunctive relief to the receipt of royalties in Germany



alone. In addition, the defendant has manufacturing capacities in Germany in which obviously not only vehicles intended for the German market are manufactured.

The Senate has set five years as the period to be covered by the security deposit. This takes into account the possibility that the legal dispute may not be legally concluded before a decision of the ECJ in the reference for a preliminary ruling of the Regional Court of Düsseldorf of 26 November 2020 (4c O 17/19) and before the clarification of the conclusions resulting therefrom, if necessary in appeal proceedings. This results in a sum of € [...].

The amount of the fixed security deposit is based on a security surcharge, which in particular takes into account a possible increase in the number of LTE-capable vehicles in the next 5 years and the risk of previously undisclosed sales. Should it become apparent in the future that the security deposit is not sufficient, it could be increased upon request.

[...]