

Düsseldorf District Court 4c O 17/19

Date: 26.11.2020
Court: Düsseldorf District Court
Panel: 4c. Civil Chamber
Type of decision: Decision
Reference no: 4c O 17/19
ECLI: ECLI:DE:LGD:2020:1126.4C.O17.19.00

Tenor: I. The proceedings are suspended.
II. The following questions are referred to the Court of Justice of the European Union for a preliminary ruling:

A. Is there an obligation to license suppliers on a priority basis?

1. Can a company of a downstream economic level counter a patent infringement action for injunction by the owner of a patent, which is essential for a standard standardized by a standardization organization (SEP) and which has irrevocably committed itself to this organization to grant a license to any third party on FRAND terms, with the objection of abuse of a dominant position within the meaning of Art. 102 TFEU, if the standard for which the patent in suit is essential, or parts thereof, is already implemented in an upstream product purchased by the infringing defendant, whose willing suppliers are refused by the patent proprietor the grant of their own unrestricted license for all patent-relevant types of use on FRAND terms for products implementing the standard?

a) Does this apply in particular if it is customary in the relevant industry of the end product distributor that the property right situation for the patents used by the supplier part is clarified by way of licensing by the suppliers?

b) Is there licensing priority vis-à-vis suppliers at *each* stage of the supply chain or only vis-à-vis *the* supplier immediately upstream of the distributor of the end product at the end of the exploitation chain? Do the customs of business transactions decide here as well?

2. Does the prohibition of abuse under antitrust law require that the supplier be granted its own, unrestricted license for all patent-relevant types of use on FRAND terms for products implementing the standard in the sense that the end distributors (and, if applicable, the upstream purchasers), for their part, no longer require their own,

separate license from the SEP holder in order to avoid patent infringement in the event of intended use of the supplier part in question?

3. To the extent that the question referred for a preliminary ruling under 1. is answered in the negative: Does Article 102 TFEU impose specific qualitative, quantitative and/or other requirements on the criteria according to which the proprietor of a standard-essential patent decides which potential patent infringers at different levels of the same production and exploitation chain he is to bring an action for injunctive relief against?

B. Concretization of the requirements from the Court's decision in Huawei ./. ZTE (judgment of July 16, 2015, C170/13):

(1) Irrespective of the fact that the SEP holder and the SEP user have to fulfill their mutual duties to act (infringement notice, licensing request, FRAND license offer; license offer to the supplier to be licensed with priority) *before the* court, is it possible to make up for duties to act that were neglected in the pre-litigation phase by legally preserving them in the course of court proceedings?

2. Can a considerable request for licensing by the patent user only be assumed if, on the basis of a comprehensive assessment of all accompanying circumstances, the will and the willingness of the SEP user to conclude a license agreement with the SEP holder on FRAND terms clearly and unambiguously emerges, whatever these FRAND terms (which, in the absence of a license offer formulated at that time, are not yet foreseeable at all) may look like?

a) Does an infringer who remains silent for several months in response to the infringement notice thereby regularly indicate that he is not interested in taking a license, so that - despite a verbally formulated license request - there is no such request, with the consequence that the SEP holder's action for injunctive relief must be granted?

b) Can a lack of license request be inferred from license conditions which the SEP User has introduced with a counter-offer, with the consequence that the SEP Holder's injunction action is granted thereupon without prior examination of whether the SEP Holder's own license offer (which preceded the SEP User's counter-offer) complies with FRAND conditions at all?

c) Is such a conclusion prohibited in any case if those license conditions of the counteroffer from which a lack of license request is to be inferred are those for which it is neither obvious nor clarified by the highest courts that they cannot be reconciled with FRAND conditions?

Grounds:

I.

1 The plaintiff claims against the defendant for infringement of the German part of its European patent EP X (hereinafter: patent in suit) for injunction, provision of information and rendering of accounts as well as determination of the obligation to pay damages on the merits. The defendant and two of its interveners have filed nullity actions against the patent in suit with the Federal Patent Court, which have not yet been decided.

2 The patent in suit relates to a method for transmitting data in a telecommunications system which, according to the board's findings, is essential for the Long Term Evolution (LTE) standard. The LTE standard is a fourth generation mobile communications standard standardized by the association 3 GPP (3rd Generation Partnership Project), of which the European Telecommunication Standards Institute (ETSI) is a member, among others.

3 On September 17, 2014, the applicant's parent company and original applicant for the patent-in-suit, X, notified ETSI of the application for the patent-in-suit and stated that it considered the patent-in-suit to be essential to the LTE standard. At the same time, it issued a FRAND declaration to ETSI, in which it undertook to grant licenses to third parties on terms that are fair, reasonable and non-discriminatory (hereinafter: FRAND).

4 The defendant, which is domiciled in X, is a manufacturer of passenger cars and commercial vehicles, which are advertised and marketed under the brand name X, among others. In addition, it offers various mobility and financial services. Among other things, the defendant's vehicles are fitted with so-called TCUs (Telematics Control Units), which enable the vehicles (Connected Cars) to be connected to the Internet, in particular via the LTE network. In this respect, the users of the vehicles can use Internet-based services such as music/data streaming and/or have their vehicles supplied with updates by the defendant (over the air) without having to visit a workshop. The TCUs are also absolutely essential for the registration and sale and purchase of the vehicles, as these modules are used to provide the emergency call function (eCall) required by law.

5 The TCUs are not manufactured by the defendant itself, but in a multi-stage production chain. The defendant procures the TCUs ready for installation from its direct suppliers (so-called Tier1 suppliers). The Tier1 suppliers in turn procure the NADs (Network Access Devices) required for the manufacture of the TCUs from further suppliers (Tier2 suppliers). The chips required for the NADs are in turn obtained by the Tier2 suppliers from suppliers (Tier3 suppliers).

6 The plaintiff first drew the defendant's attention to the infringement of, inter alia, the patent-in-suit in March 2016. Defendant responded to this by letter dated June 10, 2016. By dates of November 9, 2016 and February 27, 2019, Plaintiff offered Defendant a license to, inter alia, the patent-in-suit and filed suit for infringement of the patent-in-suit in March 2019. On May 19, 2019, and June 10, 2020, Defendant sent Plaintiff a counteroffer. In response to licensing requests from Tier1 and Tier2 suppliers of the defendant, a contractual arrangement called the Tier1 Model was offered to the Tier1 suppliers pre-court, dated May 17, 2017. Under the Tier1 model, Tier1 suppliers are to convey to their customers a license to the plaintiff's portfolio, i.e., Tier1 suppliers are to pay for a license granted only to automotive manufacturers. The so-called CVVCL (Connected Vehicle Value Chain License Model), which is dated July 27, 2019, supplements the Tier1 model by providing that suppliers shall be granted their own limited license for research and development and for the production of a connected

car, but shall otherwise broker a license to their customers, whereby they shall in turn be entitled to produce a TCU via a so-called "have-made" right brokered (back) to them by the automaker.

7 After the hearing before the Board on September 3, 2020, Applicant submitted another license offer ("Automotive License Agreement", "ALA" license offer) to the Tier1 suppliers XXXXXXX, providing for its own unrestricted license to manufacture and distribute TCUs for the Tier1 suppliers, as well as a license to the automotive manufacturer customer and any other customers of the suppliers. X also received the same offer. The license-seeking Tier2 supplier Z was not offered a license by the plaintiff.

8 The applicant is of the opinion that it, as the holder of an SEP, is free to decide at which stage of a complex production and supply chain licenses are granted on FRAND terms. In this respect, there is no obligation to license suppliers as a matter of priority. Efficiency aspects and the value of the technology must be taken into account when selecting licensees. Also, licensing at an upstream production stage does not lead to exhaustion with the consequence that subsequent participants cannot benefit from a corresponding license. The owner of an SEP must also be able to establish his own, non-discriminatory licensing practice - also independently of any existing industry practice. This is also not precluded by the prohibition of abuse of a dominant position following from Art. 102 AUEV, which concerns the holders of standard-essential patents. Not every stage of a multi-stage production chain is entitled to its own, complete license, since - taking into account the antitrust obligations incumbent on the owner of a standard-essential patent - it is sufficient if and as long as the individual stages are each given access to the standardized technology. Furthermore, the defendant was not willing to license, since it had always referred to licensing by its suppliers.

9 The defendant is of the opinion that it follows from Article 102 TFEU and from the FRAND declaration made by the plaintiff or its legal predecessor vis-à-vis ETSI that an SEP holder must offer each license seeker willing to license its own unrestricted license for all types of use of the SEP relevant under patent law. Priority must therefore be given to license-seeking suppliers, which is also in line with standard practice in the automotive industry. Rules from other industries are not transferable, because in the automotive industry it is customary and efficient for vehicle manufacturers to obtain the components of their suppliers free of third-party rights. It is not sufficient if the supplier is only given access to the protected technology, for example via so-called "have-made" rights working upwards in a supply chain. For in this respect, a supplier cannot act independently in economic terms, since it is dependent on the (contractual under the law of obligations) contractual loyalty of its customer vis-à-vis the SEP holder. Therefore, it (the defendant) is entitled to its own antitrust defense as well as the antitrust defense raised by its suppliers as interveners.

10 According to the interveners, the applicant violated its obligation under antitrust law to offer such a license on FRAND terms to anyone seeking its own unrestricted license on FRAND terms. They themselves were willing to be licensed and approached the applicant with a request to make a FRAND license offer. The Tier1 and CVVCL models do not meet the applicant's antitrust obligation because the intervenors, as suppliers, were not granted their own unrestricted license. The development of the free market for TCUs was not possible with the said models. For the most part, no license offer had been made to the Tier 2 suppliers seeking a license. The defendant is also entitled (by inference) to the objection to compulsory licensing under antitrust law, since it is abusive within the meaning of Article 102 TFEU if the plaintiff refuses to grant a license to its SEP portfolio to customers at an upstream stage in the production chain, but at the same time sues companies at the final stage of the same production chain for injunctive relief on the grounds of patent infringement.

This applies a fortiori because licensing of the upstream production stage no longer makes it possible to make use of the final stage in the case of comprehensive contractual regulation.

II.

11 The Board's decision on the action depends on the answers to the questions formulated in the decision formula regarding the application of the prohibition of abuse under antitrust law.

A.

12 The plaintiff is in principle entitled to the asserted claims for patent infringement against the defendant, in particular the claim for injunctive relief under Art. 64 EPC, Sec. 139 (1) Patent Act.

13 The automobiles (connected cars) manufactured and sold by the defendant are indisputably LTE-capable via the connectivity modules (TCUs) installed in them and therefore (also) operate according to the LTE standard commonly used in Germany. Due to the standard essentiality of the patent-in-suit for the LTE standard, this automatically leads to the use of the patent-in-suit by the defendant or its customers. The use is unlawful.

14 In the present case, there is no reason to stay the litigation pursuant to Section 148 of the German Code of Civil Procedure (stay due to anticipatory effect) due to the nullity actions brought against the patent in suit before the Federal Patent Court. The Board was not able to establish a sufficient probability that the patent in suit will not prove to be legally valid.

B.

15 However, the enforcement of the claim for injunctive relief could be prevented by the antitrust objection to compulsory licensing raised by the defendant and its interveners (suppliers) pursuant to § 242 BGB in conjunction with Art. 102 TFEU. Art. 102 TFEU. This would be the case if the plaintiff's assertion of the cease-and-desist claim against the defendant were to be regarded as an abuse of its indisputably dominant position on the licensing market.

1.

16 In Case X (judgment of July 16, 2015, C-170/13; hereinafter: ECJ judgment), the Court of Justice has already ruled that the user of a standard-essential patent who is claimed for injunctive relief may defend himself with the antitrust compulsory license defense, irrespective of whether he denies the use of the patent or not, and irrespective of the fact that he has already started using the SEP before a license has been granted.

2.

17 In the present case, it is necessary to apply the principles of the Court of Justice in a case which is characterized by the fact that the technical teaching of the SEP is already fully realized in such components (semiconductor chips, NADs, TCUs) which are supplied in a multi-stage chain to the distributor of the end product (passenger car) confronted with the injunction action of the SEP holder, which raises the question of whether, and if so under which circumstances and with which legal consequences, the SEP holder abuses its dominant position within the meaning of Art. 102 TFEU if it brings an injunction action for patent infringement against the distributor of the end product without first accepting the licensing request of its suppliers using the patent. Article 102 TFEU if it brings an action for an injunction against the distributor of the end product for patent infringement without first having complied with the licensing request of its patent-using suppliers. This is the subject of the questions referred under II. part A. of the order formula.

18 The referring court takes the following view of the questions raised:

a)

19 In view of the fact that the FRAND declaration, apart from the expressed wish of the license seeker, does not contain any restrictive conditions, it obliges the SEP holder vis-à-vis anyone to grant him a license on FRAND terms. The grant of the license must not merely grant any access to the standardized market, but it must grant the license seeker a participation in the standardized technology to such an extent that he is enabled to compete freely on all product markets considered by him now and in the future.

20 There is a public interest in preserving free competition both in a market already weakened by the qualification of a right as standard essential and in other markets potentially affected by the exploitation of the right and/or still under development. The choice of who the SEP holder offers a license to in its SEP portfolio determines who can participate in competition in product markets downstream from the technology market. The licensing practice of an SEP holder is therefore a significant shaping factor for the level in a production chain at which a free market can emerge on competitive terms. This is shown by the facts of the case at hand. With their own unrestricted license to the plaintiff's SEP, the suppliers seeking the license are in a position to independently and legally securely further develop, manufacture and sell TCUs and the necessary components for them to any automobile manufacturer. Only with this license can the suppliers further develop the patented technology for uses outside the automotive industry and open up new markets. If, on the other hand, they are only entitled to a limited right derived from the automakers, this significantly hinders the research, development and sale of TCUs and their components. This is because with derived rights, suppliers can only manufacture TCUs and their components within the scope of the instructions issued to them by third parties and sell them to the contractually intended buyers. They would be prevented from entering the market independently of the respective customer, which would result in an unjustified restriction of their economic activities.

21 It cannot be argued against a separate, fully-fledged license claim of the suppliers that even then there is still a need for the SEP holder to grant a separate license to the further manufacturers. It is true that even unlimited licensing does not result in exhaustion outside the EU and of process claims, and exhaustion also does not occur if the claim has device features that are not yet present in the component distributed by the licensed supplier.

22 It should be noted, however, that as a result of the confidence-building promise given by the SEP holder, licensing must take place on FRAND terms. This requires that provisions are made in the license agreement which lead to the exhaustion of patent rights in the event that the license is exercised. According to its purpose, the FRAND declaration serves to enable everyone to participate fairly and without discrimination in the economic exploitation of the standardized technology in the product market. If the exploitation of the technical standard also takes place outside the EU or if, for example, process claims are involved, the FRAND declaration of the SEP holder must also be congruent with this by conveying to any interested party a licensing claim which is geographically unlimited and/or includes the exhaustion of process claims. Accordingly, the manufacturer of patent-using precursor products can demand a FRAND license from any SEP holder, which allows him to distribute his products without restrictions and thus releases any user of the invention

at a later stage of exploitation from having to seek a license from the SEP holder for his part (Kühnen, GRUR 2019, 665, 670 f.).

23 The limitations of the exhaustion principle in substantive and territorial terms can therefore be overcome by including clauses in the license agreement that lead to comprehensive exhaustion irrespective of territory and also with regard to any procedural claims. For example, the contractual granting of a limited right to sublicense can be useful. In view of the fact that the licensed TCUs and NADs are intended precisely to establish a mobile radio connection in accordance with the 2G to 4G standards, an SEP holder can therefore be expected to grant a license that enables this intended use by both the supplier and its customer.

24 This applies all the more when the practices in the industry served by the exploitation chain are included in the consideration. In the automotive industry, it is standard practice for car manufacturers to obtain their products from suppliers free of third-party rights. This takes account of the fact that each level is responsible for the legal conformity of the technical solution that it develops itself and therefore knows best. Since up to 30,000 components are installed in an automobile, it would mean a considerable effort for an automobile manufacturer to check whether the technical solutions installed in his vehicle and supplied by third parties make use of the property rights of third parties. The problem becomes all the more acute the more complex the supplier part is and the further the respective technology is removed from the actual field of activity of the automobile manufacturer, as is the case with the TCUs and NADs in question here. The supplier who chooses a particular technical solution within the tiered supply chain is in the best position to check whether this solution infringes the property rights of third parties. In addition, the suppliers invest considerable expenditure in the research and development of new innovations and in this respect are independent of the end product customers in their activities and require for these activities the economic and legal freedom which can only be guaranteed with an unrestricted license in their favor.

25 There are no efficiency reasons against an obligation to license suppliers on a priority basis. It is generally recognized that efficiency advantages are in principle suitable to justify the anti-competitive behavior of a dominant company. In this respect, technical improvements to increase quality and reduce costs in manufacturing or distribution are to be regarded as an efficiency advantage as an indispensable conduct (cf. Communication from the Commission on the EU's handling of standard-essential patents of November 29, 2017 COM (2017)). In this context, the efficiency benefits must outweigh any negative effects on the affected markets and the conduct must not eliminate effective competition. This cannot be established in the present case. The fact that licensing is made easier for the plaintiff because it can more easily identify the end-product manufacturers than their suppliers is already not true in factual terms, because the number of suppliers is far smaller than that of the automobile manufacturers. From the point of view of efficiency, only licensing of the baseband chip producers would be appropriate, of which there are no more than ten manufacturers worldwide. Apart from this, any simplification of licensing does not represent a justifiable efficiency advantage in the sense described above.

26 The level of transaction costs and the risk of double payment when concluding several license agreements for the same subject matter of the license also do not stand in the way of an obligation to license suppliers on a priority basis. Both can be reliably countered by contractual arrangements.

27 Therefore, an SEP holder's interest in committing to a particular licensing program may not be without regard to an SEP holder's antitrust obligations. It follows that while an SEP holder may preferentially solicit end-manufacturers of a particular product to take a license, it may not ignore or reject a supplier's legitimate license requests/offers. If any interested third party is to be granted a license on FRAND terms, this then includes those suppliers who require a license for their business operations. Furthermore, a corresponding licensing program on the part of the plaintiff, with which end product manufacturers have been licensed, cannot be established. In the past, the plaintiff concluded a contract with an automobile manufacturer, which no longer exists today. Furthermore, there is a license agreement with intervenor X and another automobile manufacturer which does not relate to the present 4G patent portfolio. Patent Pool X, of which the plaintiff is a member, has so far concluded license agreements with three automobile manufacturers and refuses to license the suppliers. In contrast, X, also a member of the Avanci Pool, recently entered into an unrestricted license agreement with Tier2 supplier X, which resulted in substantial withdrawal of a claim by X against the defendant here. Subsequently, the Respondent also entered into a license agreement with X. Further X pool members are in license agreement negotiations with different Tier1 and Tier2 suppliers.

28 A licensing obligation of a supplier seeking a license does not lead to a disadvantage of the SEP holder with regard to the remuneration for the use of the invention. This is because the license fee is not linked to the profit that the respective licensee actually generates with the licensed invention, but only the profit that appears to be achievable from the point of view of the parties with the use of the invention is decisive. In this respect - irrespective of the level of licensing - the SEP holder is to participate appropriately via the FRAND license in that profit which is generated at the end of the chain of exploitation based on the division of labor with the sale of the patent-compliant end product. This means that if the SEP holder is obliged to license the supplier, the license that corresponds to the economic value of the SEP is already due at the upstream exploitation stage. The manufacturer must therefore accept that license which the SEP holder could otherwise claim from the distributor of the end product without exploitation abuse. In this respect, the orientation towards the third-party exploitation profit may contradict the handling in normal cases of licensing. However, this is characterized by the fact that it is at the free discretion of the patent owner at which stage of exploitation of the use of the invention he grants a right of use. The SEP holder is not in such a situation, since he is legally obliged to grant a license to anyone who requests a license. However, this coercion must not lead to the exclusion of the SEP holder from sharing in the proceeds of the use of the invention at the final stage of the value creation or to his participation being unduly impeded (Kühnen, GRUR 2019, 665, 670 et seq.).

29 The right of each supplier to demand an unrestricted FRAND license for itself exists in principle and unconditionally after all, so that the demand for a FRAND license is an act of permissible exercise of rights which, in the event of a refusal by the SEP holder, involves the abuse of a dominant position, on which both the claimed infringer at the end of the exploitation chain and the supplying license seeker can rely.

b)

30 If such abuse is to be denied and if the plaintiff is therefore justified in bringing legal action against the defendant in the present case, further questions arise that are relevant to the decision.

31 According to the case law of the Court of Justice in Huawei v. ZTE, before the owner of an SEP asserts his claim for an injunction or recall, he must in a first step point

out the patent infringement to the alleged infringer (Guiding Principles and para. 61 of the ECJ judgment). In response to this infringement notice, the patent user must then ask for a license at the second stage. If this is done, the SEP proprietor must make him a concrete written offer to license the SEP on fair, reasonable and non-discriminatory terms and conditions, also setting out the way in which the requested royalties are calculated (para. 63 of the ECJ judgment). In the fourth stage, the infringer must respond to this offer in good faith and in particular without delaying tactics (para. 65 of the ECJ judgment). If the infringer does not accept the SEP holder's offer, it must submit a counter-license offer within a short period of time which complies with the FRAND requirements (para. 66 of the ECJ judgment). If the SEP holder rejects this counter-offer, the infringer must account for the use of the SEP from that point in time and provide security for the payment of the royalties, which also applies to past use (para. 67 of the ECJ judgment).

32 The Court of Justice thus makes it clear that the steps described - notice of infringement, request for licensing and submission of a FRAND-compliant licensing offer - must take place before the injunctive relief is sought in court. The question therefore arises - which is predominantly answered in the affirmative in German case law - as to whether it is possible to make good the infringement during the ongoing legal dispute. The issue is of significance in the dispute against the background that the plaintiff did not make various contract offers to the Tier 1 suppliers until well after the action had been filed. In this context, the Board is aware that the contract offers did not concern the defendant itself, but its interveners. However, the enforcement of an injunction has the same consequences for the interveners as for the defendant: both are no longer able to sell their products. If the defendant can no longer sell automobiles, the suppliers are also no longer able to sell their products to the defendant. In this respect, it cannot make any difference whether the steps taken in Huawei . / . ZTE were not complied with vis-à-vis the defendant or vis-à-vis the interveners.

33 In the Board's view, it is in principle possible to make up for lost time in the process, which will be justified in more detail for the necessity of a FRAND-compliant license offer. The question of whether a license offer is FRAND in an individual case (which the Board understands in the sense of freedom from exploitation and discrimination in accordance with Article 102 TFEU) often raises difficult and largely unresolved questions of assessment, the treatment of which is practically impossible for the parties to predict by the court. Without an SEP holder being reproached, it often only becomes apparent in the legal dispute whether and for what reason the previous offer is inadequate. Insofar as the SEP holder is prepared to make improvements, the discussion in question should sensibly take place in the ongoing litigation. The situation is similar if the patent proprietor has fulfilled its pre-court duty to give notice of infringement and, after waiting without result for a reasonable period of time for the infringer to provide explanations, has filed an action. If the infringer then declares its willingness to license in the lawsuit and if catch-up ability were denied, this would have the consequence that the court would have to order the infringer to cease and desist, which would make it practically impossible for the infringer (under the pressure of an enforceable cease and desist order) to conduct fair FRAND negotiations with the SEP holder.

34 Furthermore, the requirements to be placed on the licensing request or the conduct of the license seeker after the infringement notice of the SEP holder are relevant for the present legal dispute. The Board is of the opinion that no excessive requirements are to be placed on the request for licensing. The request for licensing can be made in a blanket manner as well as informally and thus also implicitly, whereby the conduct in question must clearly indicate to the opponent the will to take up the license. Statements on the content of the license are not required; on the contrary, they can be harmful if they give the SEP holder the impression that a license can only be taken under certain conditions which are not FRAND and to which the SEP holder therefore does not have to agree. Whether the license seeker subsequently shows himself to be willing to take a license is not relevant for the

assessment of the existence of a request for licensing at the time of its expression. Rather, the further conduct of the license seeker is to be assessed only when evaluating the SEP holder's offer after it has been made.

35 According to a view represented in the literature (Kühnen, Handbuch der Patentverletzung, 13th ed., Chap. E Rdn. 393 f.), the request for a license demanded from the infringer is only intended to ensure that the SEP holder only undergoes the trouble of a substantiated FRAND license offer where the infringer has requested it. Any elaborations on the content of the license are not required. They can only be detrimental if they must give the patentee the impression, on reasonable assessment, that a willingness to take a license, despite a verbal request, exists *conclusively and immovably* only on very specific, non-negotiable conditions, which are *obviously* not FRAND and to which the IP right holder therefore obviously does not have to agree. Under such circumstances, the verbal request to grant a license actually contains the serious and final refusal to enter into a use agreement on FRAND terms, which renders any FRAND license offer by the patent proprietor superfluous from the outset (because it would be futile).

36 Since the more detailed license conditions have not yet been formulated at this point in time, because they are only to be specified in the next step by the SEP holder with its license offer, the assumption that the infringer verbally expresses a license request, but is in fact finally not at all prepared to take a license, is subject to strict requirements. In fact, by such behavior the infringer waives the submission of a license offer owed by the SEP holder, which - as always in the case of a waiver of a legal position favorable to the declaring party - can only be assumed under very special circumstances. Caution is required, above all, if the circumstances on which the assumption of a willingness to take up a license, which in reality does not exist in contradiction to the submitted declaration, is to be based are those whose justification has not yet been clarified in case law and on which, therefore, different opinions are possible in principle.

37 If the patent proprietor has actually taken the expressed license request, even if it may have been "insufficient" in the sense mentioned, as a reason to make a license offer to the infringer, the license request has fulfilled its intended purpose, and it must be examined - progressively in the usual procedure - whether the license offer of the patent proprietor corresponds to the FRAND conditions promised and owed by him. The question of the infringer's willingness to license then arises again only with regard to the infringer's reaction to the license offer: If it is un-FRAND, the willingness to license is irrelevant. If, on the other hand, the license offer is FRAND, the infringer's willingness to license is relevant to the decision. It is missing if (and only if) the infringer rejects the FRAND-compliant license offer of the patent proprietor or if he does not counter such an offer with a counter-offer that meets FRAND requirements. If the patent proprietor makes a FRAND license offer in response to an expressed license request of the infringer, this offer - and only this offer! - is the touchstone for determining whether the infringer is willing to accept the license or not. For it is the patent proprietor who has to honor his confidence-building FRAND promise by a license offer corresponding to these conditions, whereas the infringer has to prove his willingness to license only by accepting such an offer or by formulating other FRAND conditions.

38 It is therefore necessary to distinguish between the infringer's basic (general) willingness to take a FRAND license and his will to enter into concrete license terms that have been found to be FRAND (concrete willingness to license). At the level of the license request, only his general will to become a licensee is significant and must be verified. His

concrete willingness to license stands in contrast, is only at issue once the patent holder's license offer has been identified as FRAND.

39 The Board therefore does not follow the opinion (LG München, judgment of September 10, 2020, 7 O 8818/19; LG Mannheim, judgment of August 18, 2020, 2 O 34/19) that, in the context of the examination of the will of the patent infringer to conclude a license agreement on FRAND terms, the counter-offer must also be taken into account and, in particular, the license fee offered therein must be used as a measure of the license seeker's willingness to license.

III.

40 The Board is aware that it is not obliged to make a reference under Article 267(3) TFEU. However, in exercising its discretion pursuant to Article 267 (2) TFEU, the Board took into account in particular that Article 102 TFEU allows for several interpretations that are equally possible for a knowledgeable jurist and that the questions relevant for the decision were not already subject to an interpretation by the Court of Justice, in particular that they were not conclusively answered by the "Huawei/ZTE" decision.

41 Moreover, the answer to the questions posed has far-reaching significance. In Europe, and in particular in Germany, a large number of patent infringement suits are currently being brought on the basis of standard-essential patents, in which a more or less complex value chain consisting of a large number of suppliers stands behind the alleged patent infringer. The antitrust requirements to be imposed on the SEP holder in such cases, in particular to what extent or to whom it must grant FRAND licenses, are currently disputed. The European Commission has also issued requests and demands for information to the parties involved following complaints from the defendants and some suppliers. Only a decision by the Court of Justice can bring final clarity. The submission of the questions on the interpretation of Art. 102 TFEU already by a court of first instance leads to a timely clarification by the Court of Justice, which is in the interest of all parties involved.
