

Düsseldorf District Court, 4c O 73/20



Date: June 29, 2021
Court: Düsseldorf District Court
Panel: 4c. Civil Chamber of the Düsseldorf District Court
Type of decision: Judgment
Reference number: 4c O 73/20
ECLI: ECLI:DE:LGD:2021:0629.4C.O73.20.00

Tenor:

I. The decision of the Chamber of December 14, 2020 is upheld with the proviso that item I. now reads as follows:

"The injunction defendants are prohibited by way of preliminary injunction, due to the particular urgency without prior oral hearing,

from initiating and/or continuing legal proceedings in the People's Republic of China requesting that the injunction plaintiff be prohibited,

a) from enforcing its patent rights in the Federal Republic of Germany against the injunction defendants in the proceedings on the merits pending before the Chamber under the court file numbers 4c O 49/20 / 4c O 57/20,

b) from enforcing any court decisions obtained by the injunction plaintiff in the proceedings referred to under I.1. a) above against the injunction defendants,

if it is not ensured that the injunction plaintiff is given the opportunity to comment in such proceedings before a decision is made."

II. 20% of the costs of the legal dispute shall be borne by the plaintiff in the injunction and 80% by the defendants in the injunction.

III. The judgment is provisionally enforceable with regard to item I. and the costs.

Facts of the Case

- The parties are in dispute about the existence of the prerequisites for the issuance of a preliminary injunction by which the injunction plaintiff wants to ward off potential preliminary legal protection measures sought by the injunction defendant in China - without being heard on its part. 2
- On July 31, 2020, the injunction plaintiff filed an action against the injunction defendants before the Düsseldorf District Court for infringement of the German part of EP A, which, according to the assertion of the injunction plaintiff, is supposed to be part of the H.265/MPEG-H High Efficiency Video Coding - HEVC standard (hereinafter: HEVC standard), and which is handled by the Chamber under file number 4c O 49/20. Under file number 4c O 57/20, the infringement of the German part of EP B, which is also alleged to be part of the HEVC standard, asserted by way of an extension of the action on September 3, 2020, is pending before the Chamber. In this context, the injunction plaintiff feared that the injunction defendants would attempt to obtain a court decision abroad, namely in the People's Republic of China, which would prevent the injunction plaintiff from enforcing its patent rights in Germany and from enforcing any decisions obtained in patent infringement proceedings (so-called "Anti-Suit Injunction"; hereinafter also: ASI). 3
- In a written statement dated December 11, 2020, the injunction plaintiff therefore requested the issuance of a preventive Anti-Anti-Suit Injunction (hereinafter also: AASI), the goal of which is to prevent the injunction defendants from obtaining an ex parte Anti-Suit Injunction, due to which the infringement proceedings pending before the Chamber could no longer be carried out without hindrance. 4
- On December 14, 2020, the Chamber issued the preliminary injunction against the injunction defendants by ruling in accordance with the request. Item I. of the operative part reads: 5
- "The respondents are prohibited by way of preliminary injunction, due to the particular urgency without prior oral hearing, 6
- from initiating and/or continuing legal proceedings abroad, in particular in the People's Republic of China, in which it is requested that the claimant be prohibited 7
- a) from enforcing its patent rights in the Federal Republic of Germany in court against the respondents, in particular in the proceedings on the merits pending before the Chamber under the court file numbers 4c O 49/20 / 4c O 57/20, 8
- b) from enforcing any court decisions obtained by the claimant in the proceedings referred to in I.1. a) above against the respondents, if it is not ensured that the claimant is given the opportunity to comment in such proceedings before a decision is made." 9
- The injunction order was served on the injunction defendants re 2), 3) and 4) on December 29, 2020. A copy of the injunction order was served on the injunction defendant re 1) on January 13, 2021. 10
- The injunction defendants filed an objection against this order by a written statement dated February 2, 2021. 11
- At the same time, parallel proceedings are pending before the Chamber against the same 12

injunction defendants by company C under Dutch law (file no. 4c O 74/20) and company D under Japanese law (file no. 4c O 75/20).

The injunction plaintiff is of the opinion that the requirements for the issuance of an Anti-Suit Injunction are met. There is a claim for an injunction because, in particular, there is a risk of a first offence. The reason for the injunction is based on urgency. 13

The injunction plaintiff believes that the risk of a first offence results from the fact that it must expect the issuance of an ASI in favour of the injunction defendant in China at any time. This is because the prerequisites for an express court order under Chinese law (Art. 100, 101 CN-ZPO) are all met. There, it is not a matter of a certain temporal urgency of the facts, nor is it necessary that an action for the determination of license conditions has already been brought by the injunction defendants and therefore with a reversed caption in relation to the infringement proceedings. This could be done within 30 days after the decision on the ASI. In favour of the injunction plaintiff, a risk of a first offence must also be assumed, since the injunction defendants are free to file such an action in China in the future and to request an ASI immediately thereafter. It is already known from past proceedings such as X1, but also X2 or X3, that Chinese judicial practice is actually developing towards granting ASIs to SEP users. In addition - as proceedings before the Munich District Court I had shown - the injunction defendants, after issuing a Chinese ASI, would not comply with domestic decisions ordering them to withdraw the ASI request with effect for Germany. In the event of the issuance of an ASI, the injunction plaintiff would be exposed to considerable (financial) disadvantages if it nevertheless wanted to continue to pursue the infringement proceedings in Germany. In the event of an infringement of the ASI, even if it had no effect in Germany, the plaintiff would be exposed to fines in China, where the ASI continues to apply. These could amount to RMB 1 million per day each for the period of the infringement, if previous decisions are taken as a guide. Thus, if the injunction plaintiff were to continue the proceedings on the merits in violation of a Chinese Anti-Suit Injunction, it would incur penalties of several hundred million RMB. Assuming that the German proceedings in the first and second instance would each take about one year, the sum involved would be a good 700 million RMB (90 million euros). Therefore, a ban on legal action in China would most likely lead to the injunctive plaintiff having to terminate its proceedings on the merits and withdraw the actions. 14

With regard to the urgency in time required for the injunction reason, the injunction plaintiff claims that it first became aware on December 2, 2020, that there was the possibility of obtaining an Anti-Suit Injunction in China in favour of the injunction defendant without prior hearing or information of the injunction plaintiff (ex parte). It had been informed of this risk by one of its legal representatives, who had only become aware of this possibility on November 13, 2020 via the patent pool G. The injunction defendant had then been informed of the possibility of obtaining an Anti-Suit Injunction in China without prior hearing or information. The injunction plaintiff then decided to request for the preliminary injunction (Exhibit ES 9). 15

Any prior knowledge of ex-parte ASIs by the pool was not attributable to the injunction plaintiff. These are completely independent companies which are not legally independent and do not have any rights of representation, especially in civil proceedings. 16

Moreover, the patent pool G (hereinafter also: pool), of which the injunction plaintiff is indisputably a member, first learned of the issuance of ex parte ASIs on November 13, 2020 (see affidavit, Exhibit ES 8). The necessary urgency existed because the elapsed periods had each served to research and bring about legal certainty and G would not have had to seek more rapid clarification. The starting point for these findings and related research had been that G had become aware at the end of September 2020 that E had obtained an Anti-Suit Injunction against F (hereinafter also: F) without F having been involved in these proceedings. The procedure by way of ex-parte ASIs had only gradually developed in Chinese law in the months from August 2020. At the end of September, the pool deemed it necessary to engage a Chinese law firm and, after finding a suitably experienced law firm and conducting extensive conflict checks, finally instructed it. This had required a period of six weeks until the results were available.

Similarly, there was no imputation of knowledge via the parallel injunction plaintiff C, which had already known on October 21, 2020 that ex parte ASIs would be issued in China. C and the claimant were completely different and separate companies that had no connections under company law or organisationally. 17

The injunction plaintiff also did not need to have earlier knowledge of its own from media reports which had reported on the proceedings between E and F. The injunction plaintiff stated that these reports had revealed an ex parte decision. The injunction plaintiff declared itself ignorant of the fact that these reports would have revealed an ex parte decision. Moreover, these would not have been a valid basis for requesting a preliminary injunction. The patent proprietor also had no duty to constantly observe the developments of foreign legal systems in the sense of a duty to observe the law. 18

The injunction plaintiff requests that 19

the preliminary injunction of December 14, 2020 be upheld with the restrictions made at the hearing and that the opposition filed by the injunction defendant against it be rejected. 20

The injunction defendants request that 21

the preliminary injunction of the Düsseldorf District Court of December 14, 2020, file no. 4c O 73/20, be set aside and the request for a preliminary injunction of December 11, 2020 be rejected. 22

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They are of the opinion that the preliminary injunction was wrongly issued and should therefore be revoked. There is no abstract or concrete risk of a first offence that the injunction defendants will request an ASI to justify a claim for an injunction. In particular, the injunction plaintiff could not derive such a risk from cases of ASIs that had already been issued. This is because the facts there differ significantly from the present case in that there are no proceedings on the merits (reverse caption) pending in China, the protection of which the Chinese ASIs were intended to serve. Therefore, according to Chinese procedural law, the issuance of an ASI is out of the question. Accordingly, a pending proceeding on the merits is a prerequisite for a successful ASI, as is urgency in terms of time.

Moreover, the scope of the requested injunction was not justified; it did not only refer to possible acts of the injunction defendant in the People's Republic of China, even though the injunction plaintiff saw an abstract risk of a first offence in this respect at best. 24

Furthermore, there was no reason for an injunction, as the matter was not urgent. This is because - as is undisputed - neither the request for issuance of an ASI in China had been filed nor had such an ASI been issued in China. The injunction plaintiff's own conduct also did not indicate that it wanted to pursue its rights swiftly. Precisely because it emphasised that it was following international legal developments on patent enforcement, it should have been aware of media reports that reported ex parte proceedings as early as the end of August 2020. It was therefore not plausible that it only became aware of this at the beginning of December. The injunction plaintiff must also accept that C was aware of this procedure earlier, because all patent holders were licensors in G's patent pool and would appear as parallel plaintiffs in the complex of proceedings of interest here regarding allegedly HEVC-essential patents. It could be assumed that the SEP holders were in close contact with each other. Accordingly, the injunction plaintiff had to accept the hesitant behaviour of the pool itself. After all, the search for the conditions for the issuance of an ASI had involved simple legal questions that should not have taken several weeks to answer. 25

For the further submissions of the parties, reference is made to the documents on file together with the exhibits. 26

Reasons for decision 27

A. 28

The admissible opposition was unsuccessful and therefore had to be rejected. The preliminary injunction issued was to be confirmed to the extent stated, Sections 924, 935 et seq. Code of Civil Procedure (ZPO). 29

I. 30

The necessary entitlement to an injunction exists. The injunction plaintiff has made it sufficiently credible that the request for and continuation of proceedings for an Anti-Suit Injunction in the People's Republic of China, without having had the opportunity to comment before a decision, may violate its rights under Sections 823 (1) in conjunction with 1004 (1) sentence 1 of the German Civil Code (BGB) by analogy, so that it must be supported in preserving and enforcing its rights in the constellation of cases presented here by means of the claim for a judicial remedy. 31

1.	32
Sections 823 (1) in conjunction with 1004 (1) sentence 1 of the German Civil Code (BGB) by analogy enable a patent owner to protect its infringement proceedings pending before German courts and based on its patent right against a de facto prohibition of litigation. This can de facto be achieved by an injunction which has already been issued in a third country in favour of the alleged infringer or which may be issued in the immediate future, especially if the patent owner is not given the opportunity to comment.	33
a.	34
The issuance of the ASI feared by the injunction plaintiff without granting a hearing would unlawfully interfere with the allocative content of its patent right. According to generally accepted opinion, patents, as other rights, fall within the scope of Section 823 (1) of the German Civil Code (BGB) (see MüKo-BGB, Section 823, para. 282).	35
b.	36
This would also be an <u>unlawful encroachment</u> on a protected legal position within the meaning of Section 823 (1) of the German Civil Code (BGB).	37
aa.	38
Within the meaning of Section 1004 of the German Civil Code (BGB), an impairment of property is any actual state or process that contradicts the content of the property right (BeckOGK/Spohnheimer, German Civil Code (BGB), Section 1004, paras. 70 to 70.2). The property right not only gives its owner the authority to do with its property what it likes in practice, but also in law (BeckOGK/Spohnheimer, German Civil Code (BGB), Section 1004, para. 122). An owner does not have to accept being restricted from the outside in its possibilities of action as to how it wishes to proceed with its patent right. However, the injunction plaintiff would be exposed to exactly such a restriction if the injunction defendants were to obtain an ASI in China without first being given the opportunity to comment (ex parte).	39

By a requested/issued ASI without the possibility of a legal hearing, the patent owner is prevented from exercising - subject to its free decision - its exclusive right under Sections 9 et seq., 139 et seq. Patent Law (PatG) and thus in the broadest sense of its property right. It must even be stated that the patent right as an exclusive right (cf. Sec. 9 Patent Act) is de facto worthless if the patent owner is deprived of the possibility to enforce its exclusive right via the state's monopoly on the use of force in the form of ordinary court proceedings. This is precisely the case with an issued ASI. It is true that the injunction plaintiff would not be directly prevented from continuing to pursue patent infringement proceedings in Germany. Overall, the decision whether or not to comply with the foreign court order ultimately lies with the injunction plaintiff itself. However, in view of possible penalties for non-compliance with the ASI, which the injunction plaintiff assesses at RMB 1 million per day in accordance with ASIs already issued and unchallenged by the injunction defendants, it can be assumed that the injunction plaintiff will comply with an Anti-Suit Injunction. 40

Therefore, the proceedings before the Chamber would at least be indirectly affected by an ASI issued in China in favour of the injunction defendant. This applies equally in the event that the injunction plaintiff should also be prevented by a Chinese decision from taking counter-measures against an ASI, i.e. from taking action against an AAASI. 41

The fact that the injunctive plaintiff, in the sense of exercising its patent right, remains free, despite the issuance of an ASI, to make use of others than the injunction defendants or to grant licences to third parties, does not change the legal assessment of an ASI as an interference with legal property. This is because the exclusive right applies to anyone ("any third party"). This means that the exclusive right also includes the power of the patent owner to decide freely whether and, if so, against whom it enforces its exclusive right and against whom it does not. An ASI interferes with this right to a considerable extent, as it seeks to exclude certain addressees from the scope of application of patent law, at least temporarily. 42

bb. 43

The impairment of property would take place in an unlawful manner. There is no legal argument that an ASI issued in a foreign country - outside Europe - would be lawful in Germany, with the consequence that the injunction plaintiff should not be granted a preliminary injunction. 44

(1) 45

For the positive determination of the unlawfulness of the interference, it does not depend on the question whether an ASI could be lawfully issued under the foreign legal system. This is because there is no general principle according to which conduct that is permissible in a third country must also be deemed lawful in Germany by itself (see LG München I, Judgment of October 2, 2019, file no. 21 O 9333/19, BecksRS, para. 64; confirmed in: OLG Munich, GRUR 2020, 379). Rather, it is decisive whether there are rules in the German application of the law on the basis of which the ASIs must be recognised extensively in the Federal Republic of Germany and, as a consequence, domestic counter-measures (such as the AASI requested here) would be inadmissible. In its decision of January 10, 1996 (OLG Düsseldorf, NJW 1996, 1760), the Düsseldorf Appeals Court already made fundamental comments on the recognition of ASIs and 46

stated that the issuance of ASIs always means, at least indirectly, that a prohibition on conducting proceedings is pronounced and that another court is de facto deprived of the competence to decide on its own jurisdiction in a network of different, substantively related disputes between the same parties and, if necessary, to deny it in favour of another court (cf. also ECJ 2004, juris, para. 27). Since a legal construct such as the ASI is unknown to the legal system in force in the Federal Republic of Germany, it is necessary to require a legal basis for the recognition of an ASI in Germany which justifies the interference into German jurisdiction, i.e. German sovereign rights. Likewise, the handling of foreign ASIs can be determined by means of a negative provision, from which it follows that such pronouncements are unlawful and therefore cannot be taken into account in Germany. This is the case with intra-European disputes. For dealing with ASIs, it follows from the Brussels I Regulation and the principle of mutual trust that no court of an EU member state may issue a court order that cuts off another court in another EU member state from examining its jurisdiction. In this respect, it is an essential part of the principle of mutual trust that the rules of jurisdiction, which are common to all courts of the contracting or member states, can be interpreted and applied by each of these courts with the same expertise and that the examination of the jurisdiction of a court by the court of another contracting or member state is not permitted (Federal Supreme Court (BGH), NJW 2020, 399 with reference to ECJ loc. cit.).

However, these considerations cannot be applied to third countries outside the European Union, because these are not included in the scope of European law. In particular, Member State courts do not have to place comparable trust in the administration of justice in third state courts. Moreover, it is not part of the regulatory objective of the Brussels Regulation to ensure orderly international legal relations beyond the circle of Member States (Geimer/Schütze Int. Rechtsverkehr/E. Peiffer/M. Peiffer, 61st EL January 2021, Regulation (EC) 1215/2012 Art. 25 para. 290). 47

(2) 48

Since the present case is a constellation with reference to a non-European third country, the legal relationship between the Federal Republic of Germany and this country, namely the People's Republic of China, is relevant for the domestic handling of ASIs. In this relationship, however, no corresponding legal standardisation can be seen, nor has it been cited by the parties. Chinese case law is therefore - from a German perspective - not entitled to make binding pronouncements on facts that apply in Germany and thereby at least indirectly influence the continuation of pending legal disputes. 49

c. 50

In view of the legal situation of foreign ASIs in the context of FRAND disputes as explained above, the entitlement to justice in case constellations involving standard-essential patents requires an AASI to be awarded to the patent owner. 51

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The general entitlement to justice under Article 47 (1) EU Charter, Article 2 (1), Article 101 (1) sentence 2, Article 103 (1) GG, Article 6 MRK in conjunction with Article 20 (3) GG aims at effective legal protection. Article 20 (3) of the Basic Law aims at effective legal protection. It guarantees the right of access to the courts, a fundamentally comprehensive examination of the subject matter of the dispute in factual and legal terms in a formal procedure, and a binding decision by a court within a reasonable time (see Federal Constitutional Court (BVerfGE) 54, 277; Maunz/Dürig/Grzeszick, 93rd EL October 2020, GG, Article 20, para. 133). In addition to mere access to courts, the entitlement to justice also includes the citizen's claim to actually effective judicial review, i.e., to effective legal protection (Federal Constitutional Court (BVerfGE) 53, 115; Papier in: Isensee/Kirchhof, Handbuch des Staatsrechts, 3rd ed. 2010, Section 176, para. 18). The general entitlement to justice presupposes that the individual asserts the violation of a subjective right granted to it by the legal system. In this context, such a subjective right usually arises from ordinary law, but may also follow from the Constitution (Voßkuhle/Kaiser, JuS 2014, 312). From the principle of the rule of law in the Basic Law, the guarantee of effective legal protection is also to be derived for civil-law disputes in the substantive sense. This must enable a fundamentally comprehensive factual and legal examination of the subject matter of the dispute and a binding decision by a judge (Federal Constitutional Court (BVerfGE) loc. cit.). This requires that the legal process to be followed must neither be excluded nor made more difficult in an unreasonable manner that can no longer be justified on factual grounds (Federal Constitutional Court (BVerfG), 1 BvR 1819/00, juris, para. 9).

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The patent is a subjective right in the aforementioned sense that enjoys the protection of Article 14 of the Basic Law. It is an exclusive right (Benkard, PatG, 11th ed., Section 9, para. 4), which grants the owner an exclusive right of use and provides rights of prohibition against third parties (Schulte, PatG, 10th ed., Section 6, para. 12). This power to use the patent solely in accordance with its will includes the right to bring such ordinary legal proceedings which are necessary to protect the patent and to put an effective stop to patent infringements.

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bb.

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An entitlement to enforce one's rights by means of the general entitlement to justice follows from the special relationship existing between the parties, namely that of an owner of an SEP and a possible patent user and licence seeker. For this relationship, the ECJ in its decision "H" (Judgment of July 16, 2015, GRUR 2015, 764) defined the maxim that if, in response to an infringement notice of an SEP holder, the potential patent user expresses a licensing request to conclude a licence agreement on FRAND terms, the licence offer made by the patent owner must be responded to with diligence in accordance with the accepted commercial practices in the field and in good faith, which implies that no delaying tactics are pursued (cf. ECJ, loc. cit. para. 65). The same applies according to the case law of the Federal Supreme Court (BGH) (GRUR 2020, 961 - FRAND-Einwand; GRUR 2021, 585 - FRAND-Einwand II). According to this case law, the infringer must subsequently participate in the licensing negotiations in a targeted manner after expressing his intention to license and may not pursue delaying tactics. Both decisions make it clear that the mutual obligation to engage in a constructive exchange plays a central role. This means that both parties must cooperate in negotiations to conclude a licence agreement and neither side is entitled to torpedo the negotiations, which would easily be the case in the case of the request and issue of an ASI, especially if the patent owner is not granted a legal hearing.

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From the relationship, which is characterised by mutual cooperation to conclude a licence agreement without delay and without self-induced obstacles, it also follows that the licence seeker is obliged to declare upon enquiry whether it intends to request an ASI. This makes it clear to the patent owner that the licence seeker is indeed interested in taking a licence and does not intend to significantly delay or even torpedo the constructive negotiations conducted in good faith. 57

This applies in particular if there is sufficient evidence in the individual case that the alleged patent infringer could successfully request an ASI abroad and that such an ASI would also be issued in its favour. Otherwise, there would be an equally unjustified excessive proliferation of the entitlement to justice and a softening of the substantive requirements for a claim. 58

The above legal opinion does not contradict the established and clearly defined case law on the risk of a first offence. Accordingly, there must be tangible indications that a patent infringement is imminent according to all the circumstances. In addition, the conduct in question must be unlawful at the time of the threatened commission and the specific act of infringement must be so concrete that it can be reliably assessed for all elements of the offence whether they will be realised (Federal Supreme Court (BGH), WRP 2016, 1351 - Stirnlampe). With regard to the entry of a generic product on the market, it is further recognised that even the economic interest of a generic producer to start with the inclusion in the Lauer-Taxe shortly before the expiry of the patent protection does not constitute a risk of a first offence, if - due to the publication of the Lauer-Taxe at scheduled fixed intervals - a possible patent infringement can no longer be remedied by a preliminary injunction applied for only after inclusion in the Taxe has taken place and the generic drug manufacturer has furthermore not declared its willingness to enter into a declaration of commitment in response to a pre-court warning (OLG Düsseldorf, Mitt. 2006, 426; Kühnen, Handbuch der Patentverletzung, 13th ed, Chap. D, para. 495). Nor is a risk of a first offence established by the fact that the generic company is in possession of a marketing authorisation under pharmaceutical law prior to the expiry of the patent protection, provided that the marketing authorisation does not lapse in the event of non-use and pre-court warning letters were unsuccessful (cf. OLG Düsseldorf, GRUR-RR 2013, 241 - HIV-Medikament). In the factual constellations described above, a risk of a first offence was always denied. 59

The facts of the case at hand, however, are not comparable to those that dealt with the existence or non-existence of a risk of a first offence. In this respect, the Chamber does not agree with the opinion of LG München I (judgement of February 25, 2021, file no. 7 O 14276/20, Exhibit ES 11) that in factual constellations involving the request and issue of ASIs, a moderate temporal advance in favour of the patent owner must always be assumed for effective legal protection. Rather, the "special relationship" of an SEP owner and at the same time licensor with a potential patent user and licence seeker described above justifies the assumption that the patent owner is to be protected via entitlement to justice, so that other standards must be applied. 60

cc. 61

Based on these prerequisites, the injunction plaintiff's entitlement to justice would 62

not have been sufficiently protected here without the issuance of the preliminary injunction by the Chamber, because the prerequisites for a successful ASI request in favour of the injunction defendants existed and such a procedure was not expressly ruled out by the injunction defendants - even when asked by the Chamber. The intended enforcement of their patent rights by way of infringement proceedings pending before the Chamber (Case No. 4c O 49/20 and 4c O 57/20) would have been jeopardized. 62

(1) 63

In the People's Republic of China, civil procedure rules are in place that are indeed applied by Chinese courts in judicial practice and on which the issuance of ASIs can be based. 64

The injunction plaintiff explained the legal situation in Articles 100 and 101 of the Chinese Code of Civil Procedure (CN-ZPO). These have the following wording (cf. Annex ES 12a): 65

Article 100 66

The People's Court may, at the request of the opposing party, order the preservation of a party's property, impose certain acts on the party or prohibit certain acts if the enforcement of a judgment may be impeded by its act or the party may suffer other damage; if the party does not make a request, the People's Court may also, if necessary, order a preservation measure to be taken. 67

If a People's Court has decided to take a conservation measure, it may order the claimant to provide security; if the claimant does not provide security, the request shall be rejected. 68

After accepting a request, the People's Court must make a decision within forty-eight hours in urgent cases; if a conservation measure is ordered, enforcement must begin immediately. 69

Article 101 70

On the grounds of urgency, a request for a maintenance measure may be made to the People's Court of the town where the property to be maintained is kept, the place of residence of the respondent or the People's Court having jurisdiction over the case, before filing an action or requesting arbitration, if failure to request the maintenance measure will result in irreparable prejudice to rights and interests. The claimant shall furnish security; if the claimant fails to furnish security, the request shall be rejected. 71

After accepting a request, the People's Court must make a decision within forty-eight hours; if a maintenance measure is ordered, enforcement must begin immediately. 72

If the claimant does not file an action or request arbitration in accordance with law within 30 days after the People's Court takes the maintenance measure, the People's Court shall revoke the maintenance measure. 73

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According to the injunction plaintiff - with reference to the affidavit of lawyer J, who works in China (Exhibit ES 14) - these provisions allow the issuing of protective measures and only require, as a special case, a particular urgency in terms of time if the court has to make a decision within 48 hours. In other respects, however, the concept of urgency was understood in the sense of possible irreparable damage. Article 7 of the Rules of Application (cf. Exhibit ES 12b) would also speak against the requirement of urgency, as it would indeed list factors to be taken into account when processing protective orders in intellectual property matters. However, there would have been no mention of urgency in terms of time or hurry. Court decisions already handed down in this regard would show that the Chinese courts recognise and apply these application provisions without additionally requiring urgency. In addition, it follows from Article 101 that a proceeding on the merits does not have to be pending when requesting an ASI, but that it can be filed within the next 30 days. This was confirmed by an opinion of the Supreme People's Court, which in particular discussed the X4 case, where no FRAND assessment proceedings were pending (see Exhibit ES 19).

Against these views, the injunction defendants also argue, with reference to an affidavit (Exhibit VP 3), a different understanding of these legal provisions, according to which measures pursuant to Article 100 CN-CPO are very much subject to the urgency requirement and, in principle, the pendency of proceedings on the merits is required for the request for ASIs. Art. 101 CN-ZPO was not applicable to the constellation of ASIs at all, but referred to protective measures for already existing claims that were to be enforced later by way of proceedings on the merits. In the complexes of disputes concerning the determination of FRAND fees, there was no claim that could be secured by an ASI without the commencement of the proceedings on the merits.

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However, for the purposes of the present decision, it can be left open how the Chinese procedural rules are actually applied in their broad scope. In any case, it does not seem impossible that the injunction defendants could successfully request the issuance of an ASI and at least simultaneously file a declaratory action for the determination of FRAND licence fees. Even the injunction defendants do not exclude this possibility. In this respect, the parties' discussion about the "correct" application of the law shows that the mere existence of these provisions does not constitute a generally valid statement about their application and that the Chamber is therefore unable to conclude that an ASI request would be denied success from the outset.

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(2)

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ASIs issued in the recent past also show that the corporate group of the injunction defendants has already resorted to this legal construct several times in order to comprehensively protect its interests in China and thereby bring other foreign court proceedings to a standstill. In particular, the following decisions have been issued:

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The decision of September 23, 2020 before the Wuhan District Court (Wuhan Intermediate Court), submitted as Exhibit ES 4 to the court file, concerns the proceedings E./F. At first instance, which was confirmed at second instance, an ASI had been issued in favour of E - respectively the companies affiliated with the injunction defendants here.

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The purpose of this was to prevent F from pursuing its infringement action pending in India with a reversed caption under July 29, 2020. At the time of the request for the ASI (August 4, 2020), an action by E for the determination of a global FRAND rate for the licensing of the 3G/4G mobile communications standard in China had been pending since June 9, 2020, although it may be disputed in this respect whether E's action was effectively served on F before the ASI was issued.

In addition, a decision of the British High Court of Justice of October 26, 2020 (Annex ES 7) prohibited E from requesting an ASI in China (AASI). The starting point for this decision was, *inter alia*, the ASI of October 23, 2020 in favour of E against F. It was concluded from this that E has the potential inclination to file such a request in the present case as well (cf. Exhibit ES7a, p. 4 et seq.; file p. 82 GA). 80

What these decisions have in common is that at the time of the request for ASIs in China, legal disputes initiated by E were already pending, or at least had been set in motion, the protection of which the ASI - according to the E Group - was intended to serve. There were thus at least two litigation relationships between the respective parties, each of which was subject to different jurisdictions and ultimately aimed at determining the FRAND compliance of a (worldwide) licence rate. Ms J, the Chinese lawyer referred to by the injunction plaintiff (see Exhibit ES 14), herself states that the previous decisions only dealt with constellations in which proceedings on the merits were pending. The legal dispute here differs from this. There is neither an ASI already issued in favour of the injunction defendants nor a request by the injunction defendants directed solely to this end. 81

In view of the fact that the injunction defendants, as licence seekers, may not torpedo the licence negotiations conducted by the parties and that, moreover, the injunction defendants did not distance themselves from such action throughout the proceedings up to the end of the oral proceedings, the Chamber's order was rightly made. The written statements of the injunction defendants consistently referred to not wanting to proceed in this way at present. However, even when expressly asked by the Chamber, they did not clearly speak out against the plan for an ASI procedure. Nor did they indicate the reason why they were unable to make such a declaration. The Chamber thus has no factual evidence that could diminish their willingness in principle to obtain the issuance of an ASI. 82

Finally, the Chamber cannot see that the injunction defendants could have a legitimate interest in the issuance of an ASI. The possibility to obtain an ASI is a legal protection possibility that is standardised in China and that may be used in principle. However, its lawful extension to the territory of the Federal Republic of Germany lacks a legal basis, as has already been shown. The injunction defendants can therefore have no interest in this that is worth protecting. 83

2. 84

The Chamber's statement in the preliminary injunction order had to be limited in scope. 85

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The original pronouncement of the Chamber provided that the injunction defendants should not initiate and/or continue legal proceedings abroad, in particular in the People's Republic of China. This scope was no longer justified after the oral proceedings had been held. The injunction defendants criticised that the injunction plaintiff had formulated the AASI request in such a way that it referred to all its patent rights as well as the entire foreign country, although no infringement proceedings were pending at all in this breadth and there were also no FRAND high level proceedings to be feared. The injunction plaintiff did not raise any objections to this, even after the Chamber had pointed it out at the oral proceedings.

II.

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A reason for injunction exists. The Chamber was able to establish the urgency of the matter.

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The claimant does not need to be in a "particular hurry" in preparing the proceedings and obtaining the means of establishing prima facie evidence. It does not have to act as quickly as possible, but only needs to request the court if it a) has reliable knowledge of all the facts that make legal action in interim relief proceedings promising, and if it b) can make the relevant facts credible in such a way that a successful outcome is foreseeable. The claimant does not need to take any risk in pursuing the legal action. It may prepare itself for every possible procedural situation that may arise according to the circumstances, so that - however the respondents may engage and defend themselves - it is equipped to respond successfully and to be able to present the necessary means of prima facie evidence. As a matter of principle, the claimant cannot be instructed to conduct subsequent investigations only during ongoing proceedings, if necessary, and to procure means of prima facie evidence subsequently, if necessary. Every measure that the claimant undertakes to clarify and/or establish the facts relevant to the decision has the actual presumption of meaningfulness in itself, which is why it cannot in principle justify a lack of urgency, even if it should prove to be unnecessary in retrospect in view of the respondents statement in the preliminary injunction proceedings (which was not yet foreseeable for the claimant before the commencement of the court proceedings). The only measures to be treated differently are those which, viewed ex ante, make no sense whatsoever, even for reasons of procedural prudence, but only cost useless time in the legal prosecution. As soon as the claimant knows the alleged facts of the infringement, it must investigate them, take the necessary clarification measures and ensure that they are made credible. Here, too, it may not act dilatorily. Rather, it must take the necessary steps in a determined manner and bring them to a conclusion. As soon as the claimant has all the knowledge and means of substantiation that reliably enable a promising prosecution, it must file the request for an injunction within one month (see OLG Düsseldorf, GRUR RS 2021, 2572 - Cinacalcet with reference to OLG Düsseldorf, GRUR-RR 2013, 236, 238 - Flupirtin-Maleat and Kühnen, op. cit., Chapter G, para. 143).

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Measured against these principles, the request for the AASI was urgent. This was because in response to the preliminary injunction issued against F, the injunction plaintiff only became aware of the legal requirements for the issuance of an ASI in China in December 2020. In this regard, the injunction plaintiff made a credible statement in the

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affidavit of Mr K (see Exhibit ES 9) that it had been informed by its legal representative on December 2, 2020 that it is also possible to issue ASIs ex parte in China. The legal representative itself only became aware of this on November 13, 2020. The request for the issuance of an AASI was received by the court on December 11, 2020. A hesitant pursuit of its rights cannot be seen in this chronological sequence. There were less than two weeks between the injunction plaintiff becoming aware of the order and the filing of the request for an AASI, which is such a short period of time that the injunction plaintiff cannot be said to have acted hesitantly (cf. OLG Düsseldorf, loc. cit.). Nor can any conduct detrimental to urgency be seen in the time between the injunction plaintiff's legal representative gaining knowledge (November 13, 2020, which in this respect coincides with the first knowledge of the pool) and its forwarding to it. According to the case law of the OLG Düsseldorf, it is not decisive whether it would have been possible for the injunction plaintiff to accelerate individual measures, in this case the period between its lawyers becoming aware of the matter until it became aware of it itself. The relevant question is rather whether the infringed party has behaved in such a negligent and hesitant manner in the prosecution of its claims for patent infringement that from an objective point of view it must be concluded that the infringed party is not interested in a speedy enforcement of its rights, which is why it does not appear appropriate to allow it to seek interim relief (OLG Düsseldorf, loc. cit.). The Chamber is not able to draw this conclusion of particularly negligent behaviour here, since it only concerns a period of just under 20 days, which in turn was followed by swift action on the part of the injunction plaintiff (see above).

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The injunction plaintiff would also not have had to know in reaction to the Anti-Enforcement Injunction of August 28, 2020 in the L proceedings (Exhibit ES 2) that ASIs are issued ex parte. How the injunction plaintiff was supposed to have this certain knowledge, the injunction defendants have not comprehensibly explained. However, this certain knowledge would be necessary in order to link urgency to it, because the claimant is generally allowed to obtain the greatest possible certainty in preliminary injunction proceedings in order to pursue what it considers to be a certain path for its legal prosecution (see OLG Düsseldorf, GRUR -RR 2013, 236 - Flupirtin-Maleat). This cannot be inferred from the injunction plaintiff's own submission; even from Mr. K's affidavit it only follows that the issuance of the AEI was known. Even if this should also concern information about the ex parte action, this does not mean a compelling conclusion that this is also possible in other case constellations. It could have been a case-by-case decision which, moreover, concerned the special case of a foreign court decision that had already been issued. The injunction plaintiff did not have to take it as a reason to act immediately.

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Insofar as the injunction defendants also refer to "extensive reporting" on the ex parte approach of Chinese courts, this claim is not substantiated and made credible (cf. p. 443 in the Exhibit). The injunction plaintiff's knowledge of such media reports also does not result from its own submissions. For it itself refers at most to a well-known report with regard to the E./F. proceedings. However, since this document, submitted as Exhibit ES 6 to the file, only dates from November 2020, it does not follow that it was already known in August 2020.

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Doubts as to the urgency also do not arise if the G Pool's knowledge of November 13, 2020 is taken as a basis with regard to the E./F. proceedings and its conduct is

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included in the assessment. The Chamber does not see any hesitation on the part of the Pool. G became aware of ASI E./F at the end of September and took this decision as an opportunity to obtain further information about the approach of Chinese courts in summary proceedings. In this regard, the injunction plaintiff, made credible by the affidavit ES 8, comprehensibly claimed that after the decision to ask a Chinese law firm for legal advice, a corresponding law firm first had to be found, which involved effort. Furthermore, a comprehensive conflict check had been necessary before the actual assignment. These procedures were not disputed by the respondents and were necessary for the patent pool to be certain about the legal proceedings. It did not have to rely on mere preliminary assessments or findings for a preliminary injunction request (see OLG Düsseldorf, loc. cit. - headnote 4). Therefore, also at this point the ASI in the L proceedings does not lead to a different assessment of urgency.

Finally, the urgency here is not precluded by any imputation of knowledge by C (cf. proceedings ref. 4c O 74/20). There, an AASI decision was issued in October 2020 precisely because C was concerned that an ASI could be issued ex parte. Even if such attribution were to be made across corporate boundaries simply because they were SEP owners participating in the same patent pool, less than two months had elapsed before the AASI was requested here. Moreover, this was a time that the injunction plaintiff actively used to obtain further legal information for its own protection. This information reached the injunction plaintiff on 2 December 2020 via its legal representatives on November 13, 2020. Accordingly, no period of time can be ascertained in which the injunction plaintiff did not take care of the enforcement of its rights and the preparatory measures required for this.

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B.

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The procedural ancillary decisions are based on a corresponding application of Sections 91 (1), 269 (3) Code of Civil Procedure (ZPO).

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Amount in dispute: 500.000,- Euro

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