

Higher Regional Court Karlsruhe Decision of September 14, 2022, 6 U 212/22

Summary

On the assessment of the FRAND issue in the context of the court of appeals' decision on a request for a temporary stay of execution.

Tenor

The defendant's request to suspend enforcement of the judgment of the District Court of Mannheim dated July 5, 2022, file no. 2 O 75/21, is dismissed.

Reasons

A.

- 1 The defendants seek interim suspension of enforcement of an order to cease and desist, destroy and recall, and to provide information and render accounts, based on patent infringement, which has been declared provisionally enforceable against individually determined security deposits totaling EUR [...] and is contested by the defendants' appeal.
- 2 The complaint is based on the German part of the European patent EP [...] (hereinafter: patent in suit) which is in force. A cross-license agreement of [...] with the companies of the defendant's group (hereinafter: [B.]) concerning the patent in suit and the other patents of the [...] portfolio of the plaintiff's group (hereinafter: [K.]) expired on [...]. The complaint is based on the fact that, beyond that date, the second defendant, with the support of the first defendant in the [B.] group, offers, distributes and imports from abroad smartphones of the "[B.]" brand compatible with the LTE (4G) and NR (5G) mobile communications standard (hereinafter: challenged embodiments) to private and commercial end customers in Germany.
- 3 The District Court stated analogously for the reasons of the conviction: The challenged embodiments implement the teaching of claim 1 of the patent in suit. The defendants could not raise any antitrust objections against the infringement claims justified to the extent awarded because [B.] had not shown (serious) willingness to license after [K.] had pointed out the (imminent) patent infringement. A stay of the legal dispute until the decision on the nullity action pending before the Federal Patent Court concerning the German part of the patent in suit was not required.
- 4 The defendants, in support of their request made when filing the grounds of appeal - to suspend the plaintiff's compulsory enforcement of the judgment of the District Court of Mannheim of July 5, 2022, file no. 2 O 75/21, if necessary against security, the amount of which is left to the discretion of the Senate, until the conclusion of the appellate instance - that the District Court, in the required summary examination, assumed in a manner that was no longer justifiable that the claims asserted could not be countered by the compulsory license objection under antitrust law; furthermore, it considered the elements of infringement to be fulfilled in a manifestly incorrect manner based on an interpretation of the patent in suit that was evidently erroneous in law. The plaintiff opposed the request.

B.

- 5 The admissible request to suspend enforcement is unsuccessful on the merits.
- 6 Pursuant to section 707 (1) sentence 1, section 719 (1) sentence 1 of the Code of Civil Procedure (ZPO), if an appeal is lodged against a judgment that has been declared provisionally enforceable, enforcement of the judgment may, on request, be suspended temporarily, in particular against or without the provision of security. The suspension of enforcement without provision of security primarily sought here is also subject to the restrictions under Section 707 (1) sentence 2 and Section 719 (1) of the Code of Civil Procedure (ZPO). Accordingly, it is only permissible if the debtor can credibly demonstrate that he is not in a position to provide security and that enforcement will result in a disadvantage that cannot be compensated. The plaintiff has not demonstrated this. In all other respects, and in particular also with the auxiliary request to temporarily suspend enforcement against provision of security, the request is unsuccessful because the Senate does not consider suspension of enforcement to be appropriate.
- 7 I. Within the framework of the discretionary decision to be made for this purpose, the court of appeal must weigh the conflicting interests of the creditor on the one hand and the debtor on the other (see only Federal Supreme

Court (BGH), SchiedsVZ 2018, 193 para. 2; Senate, GRUR-RR 2015, 326). In doing so, it must observe the value decision of the legislator, according to which the interests of the enforcement creditor are generally given priority. The provision of Section 709 sentence 1 Code of Civil Procedure (ZPO) states that the judgment debtor is generally 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 generally in cases in which - as here - the contested judgment is provisionally enforceable against the provision of security, a suspension of enforcement can only be considered in exceptional cases under special circumstances (Senate, InstGE 13, 256 [juris para. 4]; GRUR-RR 2010, 120; GRUR-RR 2015, 50). The creditor's interest may, moreover, be increased in individual cases by the fact that the creditor is in urgent need of enforcement or that further waiting would jeopardize or frustrate the realization of the claim to be enforced (Senate, decision of February 12, 2021 - 6 U 130/20, juris para. 35; BeckOK-ZPO/Ulrici, as of July 2022, Section 707 para. 20). The debtor's interest in discontinuation to be weighed against this is decisively shaped by the prospects of success of the main legal remedy to be secured and the disadvantages threatening the debtor if enforcement is not discontinued. Low prospects of success can compensate for a greater extent of the threatened disadvantages and vice versa (Ulrici, loc. cit. § 707 para. 19 with further references).

- 8 It is accordingly recognized that discontinuation of enforcement may be considered if it can already be determined at the time of the decision on the application for discontinuation during the summary examination required in the proceedings under Sections 707, 719 Code of Civil Procedure (ZPO) that the contested judgment is unlikely to stand (Senat, GRUR-RR 2015, 50; GRUR-RR 2015, 326; decision of 12. February 2021 - 6 U 130/20, juris para. 36), namely if the conviction is manifestly incorrect thereafter (see Senate, InstGE 13, 256 [juris para. 7]). The summary examination is regularly limited to obvious errors that can be identified without a more in-depth examination (Senate, decision of February 12, 2021 - 6 U 130/20, juris para. 38).
- 9 Further, the discontinuation of enforcement may be considered if the debtor can demonstrate and credibly prove the risk of special damage that goes beyond the general enforcement effects (cf. Senate, GRUR-RR 2015, 50; GRUR-RR 2015, 326; decision of August 29, 2016 - 6 U 57/16, juris para. 27, 40; decision of February 12, 2021 - 6 U 130/20, juris para. 36; Düsseldorf Higher Regional Court, InstGE 9, 173 [juris para. 2] with further references). This requires at least that the enforcement would lead to an extraordinary damage that cannot be made good or at least not with the help of the previously provided security (see Senate, decision of August 29, 2016 - 6 U 57/16, juris para. 41). Disadvantages that regularly accompany the enforcement of a title cannot regularly justify a suspension of compulsory enforcement (Senate, decision of 19 February 2014 - 6 U 162/13, juris para. 15). The discontinuation of the execution is not without further ado required because its consequences cannot be eliminated even if the appeal should be successful. The mere fact that enforcement would anticipate the outcome of the proceedings is not an irreparable disadvantage (Senate, decision of January 28, 2020 - 6 U 116/18, unpublished; cf. Senate, decision of August 29, 2016 - 6 U 57/16, juris para. 42 with further references). Moreover, even insofar as the threat of irreparable disadvantage speaks in favor of discontinuing enforcement, there must in any case not be a lack of prospects of success of the appeal (Senate, decision of January 28, 2020 - 6 U 116/18, unpublished; cf. Federal Supreme Court (BGH), SchiedsVZ 2018, 193 para. 2; MünchKommZPO/Götz, 6th ed., Code of Civil Procedure (ZPO) Section 707 para. 12; cf. on Section 719 (2) ZPO: Federal Supreme Court (BGH), NJW 2002, 1090; decision of October 11, 2016 - VIII ZR 203/16, juris para. 5 with further references).
- 10 II. taking these standards into account, the Senate exercises its discretion not to provisionally suspend enforcement in the case in question from the judgment challenged by the appeal (at least) against the provision of security.
 - 11 1. Such a palpable unlawfulness of the contested decision that the disadvantages of the defendant regularly associated with any such enforcement at least would have to be averted cannot be ascertained in the required summary examination.
 - 12 a) The final assessment of whether the determination of the scope of protection of the patent in suit, on which the District Court based the conviction, is correct, is to be reserved for the appellate decision pending after oral proceedings on the merits. The challenged decision, which is based on correct principles of patent interpretation, is - which is decisive here - not manifestly incorrect.
 - 13 aa) The patent in suit concerns the synchronization of a mobile station (UE) with a base station.
 - 14 For the background of the claimed invention, reference is first made to the presentation in the judgment under appeal (LGU 28 et seq.). Specifically, the patent in suit deals with the selection of preambles already transmitted in the prior art by the mobile stations as a synchronization signal in the random access method. These are selected from a set of (64) preambles specifically determined for each base station.

It is well known that certain "root sequences" (especially Zadoff-Chu sequences) are used as preambles. To specify these, two pieces of information are provided to the mobile units by the base station: The root sequence index (u0) parameter specifies a starting root sequence; the cyclic shift increment (Ncs) parameter specifies a shift interval according to which further sequences can be generated from a root sequence by cyclic shift. However, this information may not allow enough (64) preambles to be generated (namely if the shift interval is large). In this case, the mobile station must resort to another root sequence with a different root sequence index. For this purpose, it is advantageous if the mobile station itself can determine which is the logically "next" root sequence based on a predefined logical sequence. The choice of sequence may take into account that different Zadoff-Chu sequences have different characteristics for their purpose of distinguishing preambles well during synchronization and allowing accurate estimation of the round trip delay (RTD) corresponding to the signal propagation time. Such a logical sequence of root sequences can be formed according to the following (non-correlated, cf. Section [0007]) criteria: On the one hand, successive root sequences should have similar CM (cubic metric) values, hence similar signal amplitudes, because the transmit power and hence the suitability with respect to the cell size depends on them (Section [0005]). On the other hand, the root sequences should be sorted according to the suitability for (large) high mobility cells (section [0006]), which is associated with a maximum shift interval Ncs.

- 15 The patent in suit sets itself the task of providing an even more flexible arrangement of the root sequences (compared to the prior art), which takes into account both criteria underlying the (known) sorting (see section [0011]). For this purpose, claim 1 provides a device with a certain "search unit", the features of which can be structured in German translation as follows:
- 16 1. device (10, 20, 30), comprising:
- 17 1.1 a search unit (12, 22, 32) adapted to search a set of specific sequences comprising a set of root sequences and cyclic shifts thereof,
- 18 1.2 wherein the search unit (12, 22, 32) is designed
- 19 1.2.1 to start from a root sequence index specifying a root sequence of ordered root sequences,
- 20 1.2.2 Include available cyclic shifts of the root sequence and
- 21 1.2.3 Continue with a next root sequence if necessary to fill the block,
- 22 1.2.4 wherein said search unit (12, 22, 32) is further adapted to interpret said root sequences in a cyclic manner
- 23 1.3 and wherein said ordered root sequences are obtained by ordering sequences of a predetermined length and number according to cubic metrics of each of said sequences and a size of a high mobility cell supporting each of said sequences, said ordering comprising:
- 24 1.3.1 Splitting the sequences into a first set with values of cubic metric below a predetermined threshold and a second set with values of cubic metric above the threshold,
- 25 1.3.2 forming two or more subsets of the sequences in the first set and two or more subsets of the sequences in the second set according to supported cell sizes, wherein the subsets are arranged such that supported cell sizes of the sequences increase between subsets of the first set and decrease between subsets of the second set or vice versa; and
- 26 1.3.3 Order the sequences in each subset according to their values of cubic metric, ordering the sequences of adjacent subsets with alternating decreasing and increasing values of cubic metric.
- 27 As the District Court comprehensibly states, the solution taught by the patent in suit thus proposes, in essence, three ordering steps to be combined in order to sort the root sequences into different groups with homogeneous properties and to avoid, as far as possible, "jumps" (with respect to the properties identified for suitability as preambles during synchronization) between the individual sequences.
- 28 bb) The defendants justify their request for discontinuance without success on the basis of the District Court's interpretation of the patent, according to which feature 1.3.3 does not require that, when ordering the sequences

in each subset according to their values of cubic metric, the CM values are considered in a specific decimal place range or that a specific sorting algorithm is followed.

- 29 (1) The District Court interpreted this feature analogously to the effect that it is sufficient if - as the District Court is convinced happened in the specification of the LTE and NR standards - the sequence is selected in such a way that, when rounding the respective CM values to the ninth decimal place, the ratio of the thus rounded CM value of each root sequence to the likewise rounded CM value of a root sequence arranged before it within the same subgroup is always less than or equal to 1 (to realize the claim part "with [...] decreasing [...] values of cubic metrics") or always greater than or equal to 1 (for the realization of the claim part "ordered with [...] increasing [...] values of cubic metrics"). Based on this, the District Court considered irrelevant the defendant's objection that an arrangement of the root sequences selected there deviating from the standard would (only) result if their CM values were rounded to at least ten decimal places. The appeal, on the other hand, says that, according to the patent, it is decisive that the order given in the claim clearly determines the next root sequence and thus an order that can be generated according to the claim. This precludes rounding the actually available exact CM values to decide on the order of the root sequences and thus arbitrarily ordering them according to the criterion of mere similarity of the CM values.
- 30 (2) On the basis of the required summary examination, the Senate is not able to recognize that the District Court has answered the question of patent interpretation in question in a clearly erroneous manner.
- 31 (a) This applies in particular to the objection of the appeal that the District Court, contrary to the teaching of the claim, gives room for arbitrariness in the ordering of the root sequences.
- 32 The appeal starts from the premise that the order of the root sequences (sorted according to feature 1.3) must be unambiguous for the participants of the random access procedure, for the implementation of which the patent in suit provides the claimed order theory. For this purpose, it refers to the first-instance submission according to which the use of different orders (by base station on the one hand and mobile station on the other hand), in which the respective next root sequence differs between base station and mobile station, would lead to considerable problems in carrying out the random access procedure. This may be true and is not disputed by the contested decision.
- 33 From this, the appeal first wants to conclude, *mutatis mutandis*, that an order in the sense of the claim is only given if it is a clearly predetermined (and reproducible) result of an algorithm following only the specifications of feature 1.3.3. From this, in turn, it wants to deduce that the order specifications, in particular of feature 1.3.3, must be exactly observed and thus, in particular, may not be made dependent on roundings in the generation of the order, which are not determined in this feature and thus may be carried out in different (not determined) ways and, consequently, possibly with different order results.
- 34 However, this reasoning could only be followed if one were to take as a basis - as the appeal apparently does - the further premise that the teaching of the patent in suit not only permits, but virtually requires, that the various communication participants (in particular a mobile station) can determine the order of the root sequences themselves by being able - without "knowing" the order result in advance - to order them themselves on the basis of the allegedly prescribed algorithm. Thus, the appeal states that the "technical ordering doctrine" of the patent in suit should be implementable both by centrally providing a uniform ordering for all communication participants and by the communication participants generating the ordering independently of each other. However, this is at least not to be inferred from the teaching of the claim with such clarity that the interpretation of the District Court would prove to be evidently erroneous. Rather, in the determination of the scope of protection, which is ultimately left to the appeal decision, it must be seriously considered that the patent in suit, according to the wording of the claim and the description, may not be limited to the fact that the mobile phone subscribers themselves can build up the order (which is to be unambiguously determined) by their own logical operations.
- 35 (b) Under these circumstances, the interpretation of feature 1.3.3 found by the District Court does not reveal a manifest error for other reasons either. This applies namely insofar as the District Court considered it sufficient if the condition of feature 1.3.3 is fulfilled (only) for roundings of the CM values and under admission of any sequence in case of identity of these roundings, even if the sequences are thus placed in such an order

that within a subset for which decreasing CM values are provided, the exact (unrounded) CM value exceeds that of the preceding sequence for individual sequences, or vice versa.

- 36 (aa) Insofar as the District Court considers any order of the sequences to be in accordance with the characteristics when the (rounded) CM values are equal, no palpable error of interpretation is discernible. Even the appeal leaves open how the order must be with the same values. The District Court solved this question of interpretation at least justifiably, taking into account that the claim does not explicitly address the case of identity. If it may not matter that the protected device can deduce the order itself by abstract rules in a clearly determined way (see above (a)), the skilled person may be guided by the fact that the order of the sequences with the same CM value is irrelevant for the functioning of the synchronization by preambles and in this respect any order can be determined.
- 37 (bb) The patent interpretation made by the District Court is also not palpably incorrect with regard to the admission of an order according to CM values rounded (to nine decimal places), which may lead to a different order than would result from a comparison of the exact CM values.
- 38 The fact that the decision whether to round at all or to what degree influences the result of the order may not contradict the teaching of the patent in suit. This does not prevent a guarantee that all network participants use the same order, at least if the patent in suit may not require that each of these participants can generate the order itself according to the abstract rules of features 1.3.1 to 1.3.3, but may, for example, allow the storage of an ordered sequence once determined for all participants (see above (a)).
- 39 Furthermore, the appeal directly links the objection to the wording of feature 1.3.3 that an increasing or decreasing order - which is required without restriction according to the wording - only exists if this condition is fulfilled according to the (available) exact values, because otherwise precisely this specification of the order parameter specified by the claim would be ignored. In this respect, the mere linguistic wording of the features may argue in favor of the narrow interpretation demanded by the appeal. However, it is not obvious that this is to be preferred over the District Court's broader reasoning, which is carefully justified by taking into account the technical sense of the orientation to the CM values. In particular, the District Court (LGU 38) referred to the noteworthy aspect that the ordering step according to feature 1.3.3 as shown in the description (section [0043]) has the effect that successive sequences within a subgroup have approximately the same CM value, which has the advantage that they can be transmitted with almost the same maximum average transmission power. In view of this effect intended according to the invention, it may not be appropriate, according to the expert understanding of the claim, to select an order exactly mapping the CM values, but it is sufficient if, by means of an essentially, albeit with rounding errors following the CM values guarantees that practically relevant jumps with regard to the maximum average transmit power between successive sequences within the same subset are avoided.
- 40 In its decision, the District Court also did not disregard, contrary to the defendant's view, the fact (described by the appeal as undisputed) that distinctive CM values existed in the standardization process (standardization proposal R1-081044, Exhibit [...] 11; in the LGU "TS proposal [...] 11"). Obviously, it did not consider this circumstance relevant for the decision only due to the patent interpretation found and therefore did not deal with it in more detail. The legal assessment of the District Court on which this is based at least does not reveal any palpable error. The fact that more precise CM values were known when the standard implemented by the challenged embodiments was developed, on the basis of which the condition of the arrangement of the root sequences within a subgroup sorted according to descending or ascending CM values would no longer be observed, is also irrelevant to the question of whether the challenged embodiments fall within the scope of protection of the patent in suit, given the patent interpretation found by the District Court.
- 41 b) The assessment of the defendant's objection under antitrust law against the claims in the action also does not reveal any infringement of the law requiring the temporary suspension of enforcement upon the required summary review.
- 42 The District Court relied on the fact that the defendant was not willing to grant a license according to the standards applicable in this respect in the sense that the enforcement of the claim could be abusive within the meaning of Article 102 TFEU or Sections 19, 20 GWB. In this respect, it is not the task of the summary examination required under Sections 707, 719 Code of Civil Procedure (ZPO) to subject the correspondence

submitted in the proceedings or, in general, the exchanges on the licensing issue resulting from the factual submissions of the parties to a comprehensive assessment detached from the assessment in the contested judgment. Rather, an incorrect assessment must be obvious (see Senate, decision of February 12, 2021 - 6 U 130/20, juris para. 39). This is lacking here.

- 43 aa) Without success, the discontinuation request asserts that the District Court wrongly unilaterally assesses the conduct of the infringing party in the license negotiations without taking into account that the SEP holder must also be willing to continue to be licensed and that it has a duty to actively promote the license negotiations.
- 44 It must be conceded to the appeal that the considerations made by the Supreme Court on the question of assessing the infringer's willingness to license are initially based on the consideration that there is a mutual willingness to license and an obligation to engage in a constructive exchange (see BGHZ 227, 305 para. 59, 65 - FRAND Objection II) and that the infringer's willingness to license is only an upstream question in the examination under antitrust law, which ultimately asks whether the patent owner is abusing its (assumed) dominant position. Furthermore, it correctly points out that the assertion of legal claims may be abusive in particular if the infringer has not (yet) agreed to conclude a license agreement on certain reasonable terms, but the patent owner is to be blamed for not having made sufficient efforts to meet the special responsibility associated with the dominant position and to make it possible for an infringer who is in principle willing to license to conclude a license agreement on reasonable terms (BGHZ 225, 269 para. 72 - FRAND Objection I).
- 45 However, the District Court has presented the legal standards for assessing the infringer's willingness to license which are consistent with these considerations, as formulated in the case law of the Senate (most recently GRUR 2022, 1145, 1149 et seq.), and has based the contested judgment on them. It also explained in detail and in a comprehensible manner its assessment that [B.] was not willing to license (in the required manner). In doing so, it also took into account that the requirements for the conduct of the patent owner and the conduct of the user of the invention are mutually dependent (Senate, GRUR 2022, 1145, 1150). Furthermore, in accordance with the case law of the Senate (GRUR 2022, 1145, 1151), the District Court pointed out that it does not completely relieve the license seeker of his obligation to participate in the negotiation process if a license offer of the patent owner obviously does not comply with FRAND terms and assumed the latter in favor of the defendant (LGU 56, 60). The objection that the District Court decided without taking into account the conduct on the part of the plaintiff and its significance for the requirements to be imposed on the infringer cannot be accepted, at least on summary examination. The license seeker is only completely released from the obligation to react and thus also from the obligation to name all obvious objections at the same time if an offer is contrary to FRAND to such an extent that, when objectively evaluated, it appears not to be meant seriously and thus as a refusal to conclude a license agreement on FRAND terms. However, it is not sufficient in all cases that a single clause of an offer is obviously contrary to FRAND, even if the entire offer may not appear to be contrary to FRAND as a result, but rather it depends on an overall assessment of all the circumstances at hand (Senate, GRUR 2022, 1145, 1151). Whether a final consideration of the mutual, in particular also the plaintiff's conduct, will lead in the result to a different assessment of the defendant's willingness to license or at least of the abusiveness of the enforcement of the claim, remains reserved for the decision on appeal.
- 46 bb) Nor is a manifest error of the contested decision discernible insofar as the discontinuation petition complains that the District Court failed to take into account that [K.] and [B.], with a view to the intended cross-licensing in the present case, each negotiated in the role of both the SEP holder and the license seeker and that [K.] did not meet the requirements of a patent user.
- 47 It appears to be unclear at present whether and, if so, what significance this circumstance of cross-licensing, which may be required or sought, has for the question of whether one of the negotiating parties is prepared to take a license to the patent in suit on FRAND terms within the meaning of the more recent case law of the Federal Supreme Court cited above. In this case, this fundamental decision must be reserved for the appellate decision, if any.
- 48 According to established principles, the decisive factor is the outwardly expressed intention of the user seeking a license to the patent in suit to conclude a license agreement on FRAND terms, whatever FRAND terms may actually be (see BGHZ 225, 269 para. 83 - FRAND-Einwand I; Senat, GRUR 2022, 1145, 1150). Accordingly, [B.] may not be in a position to condition its willingness to take a license to [K.'s] patents on the agreement of a cross-license and [K.'s] willingness in this respect. Even on summary examination, it is not obvious that - as the

defendants believe - the District Court misjudged the fact that a cross-licensing agreement existed between the parties in its assessment in a way that is relevant to the decision. In any event, the District Court derived its view that [B.'s] counter-offers did not comply with the FRAND conditions in a manner that was not manifestly erroneous from, among other things, the terms of the license previously agreed between the parties and District Court findings on the market conditions at the time and their further development. It is also not obvious that the license agreement, which is limited in time until July 1, 2021, has the legal effect that [B.'s] will to license is (essentially) to be assessed only on the basis of the efforts [B.] has made after that date to promote purposeful negotiations for a new license, and that the District Court's decision - ultimately based on an overall assessment of the conduct displayed up to the end of the oral proceedings - would be manifestly erroneous in this respect.

- 49 cc) The defendants wrongly consider the provisional suspension of the execution to be required with regard to an allegedly obvious error on the part of the District Court in not taking [K.'s] conduct into account or taking it into account incorrectly. In this respect, too, there is no tangible incorrectness in the contested decision that can be discerned on summary examination.
- 50 It is questionable whether the appeal will obviously succeed with the objection that the draft described by the District Court as a "concrete license offer", which was attached to the [...] offer of [...] (Exhibit [...]K[...] 16) submitted by [K.] as Annex A ("Patent License Agreement") together with Appendix A ("Patent License Agreement Terms and Conditions"), is not an acceptable license offer as a mere annex of an offer for alternative dispute resolution. This mere formal classification may not be relevant. The conditions for the denial of an abuse of market power exist in particular in a case which is characterized by the fact that the patent proprietor, after the patent infringer has expressed his intention to conclude a license agreement on FRAND terms, has submitted a concrete license offer to the patent infringer on such terms and, in particular, has indicated the license fee as well as the manner of its calculation and the patent infringer, although he continues to use the protected technical teaching, does not respond to this offer, has made a specific offer of a license on such terms, indicating in particular the license fee and the manner in which it is to be calculated, and the infringer, although continuing to use the protected technical teaching, does not respond to that offer with diligence, in accordance with accepted business practices and in accordance with the requirements of good faith (cf. ECJ, GRUR 2015, 764 para. 71 - Huawei/ZTE; BGHZ 227, 305 para. 64 - FRAND-Einwand II). However, the District Court already denied the defendant's willingness to license and did not require it to react to the plaintiff's offer of [...] (e.g. by submitting a counter-offer) in a way that would correspond to a diligent conduct of the patent user especially in the case of a license offer of the patent owner on FRAND terms. Insofar as the District Court based its denial of the defendant's willingness to license in particular on a reaction of [B.] to the "license offer" which - in its view - indicated a delaying tactic, it does not seem unreasonable, at least, to consider it, together with the District Court, as an indication of the lack of willingness to license whether, when and in which way [B.] raised constructive objections against the design of the license conditions put up for discussion by the plaintiff with the [...] offer. Such exchanges to promote the conclusion of a contract are to be expected to demonstrate at least the will to license, possibly independent of whether - as the District Court (LGU 56) furthermore even thinks - the licensing conditions pointed out by the patent owner were formally clothed in the shape of a contractual offer aimed at acceptance and accessible to such.
- 51 Whether the correctness of this assessment of the District Court is challenged in the result by the submission of the appeal that the [K.] [B.] had made further license offers, each directed at a cross-license, in particular on the same day ([...]) with a separate e-mail (Exhibit [...] (cart) 33), which, as an alternative to a flat license fee, provided for the same per-unit license fee as Option 2 of the draft annexed to the mediation and [...] offer, and [B.] responded to this by e-mail of the same day (Exhibit [...] (cart) 34), can only be assessed after a more detailed examination in the appeal proceedings and comprehensive discussion with the parties. The same applies in particular to the question of whether - as the appeal suggests - [B.'s] failure to deal with the draft license agreement in the annex to the [...] offer considered by the District Court does not indicate any conduct on [B.'s] part aimed at delay, if only because, according to the assessment of the appeal, the parties are otherwise said to have exchanged views primarily on the terms of a (cross-) license, which, moreover, according to the plaintiff's proposal (dating from the same day) were to contain a [...] clause.
- 52 In the required summary review, it is also not to be found that the District Court - as the defendants suggest - failed to take into account that [K.'s] license offers from [...], [...] and [...] were all already obviously FRAND-violating because they provided for the granting of a [...] to [B.]'s portfolio or did not even begin to explain the calculation of

the fees for the license and the grant-back license and, moreover, did not contain a [...] clause with respect to the unlicensed patents. In any event, the District Court assessed [B.]'s response by name in light of the plaintiff's draft license agreement annexed to the [...] offer of [...], finding without manifest error that it did not provide for a "free" [B.](re)license. The District Court also expressly assumed that the plaintiff may not have submitted a license offer that complied with the FRAND conditions. In accordance with the case law of the Senate (GRUR 2022, 1145, 1151), it did not see this as an obstacle to denying the patent user's willingness to license on the grounds that the patent user had not fulfilled its obligation, which is not completely suspended even in this case, to participate in the negotiation process and, in particular, to communicate the reasons why, in its opinion, the offer obviously does not comply with FRAND conditions. In this respect, the District Court dealt precisely with whether and in what way [B.] raised objections to [K.] regarding the exclusion of a possible contribution of [B.]'s patent portfolio, the calculation of fees and the question of a [...] clause (for example, implicitly through counter-offers). In this respect, contrary to the defendant's view, it is also not to be found as obvious that the District Court misjudged an alleged "refusal" of the plaintiff in particular with regard to a [...] clause and a consideration of the [B.] portfolio in terms of value.

- 53 dd) Finally, the appeal is also not evidently well-founded insofar as the discontinuation request asserts that the District Court misjudged [B.]'s considerable efforts to reach a consensual solution by interpreting them as an expression of a delaying strategy and concludes on the basis of an erroneous finding of fact that [B.]'s counteroffers by [...] and [...] do not comply with FRAND conditions. Whether the patent user is willing to license in the sense that this can justify an abuse objection is a question of the individual case, which has to be assessed under an overall assessment of all circumstances (see BGHZ 227, 305 para. 78, 96 - FRAND objection II). The fact that this overall assessment, in particular of [B.]'s entire conduct, must necessarily lead to a result that deviates from the contested judgment and that the District Court's decision would be manifestly wrong is not apparent from a summary examination in the present case. Whether a different decision could also be justified on the same factual basis is just as irrelevant for the decision to be made here as the question of whether the Senate would have reached the same decision on this basis.
- 54 This applies in particular insofar as the District Court did not unreasonably consider, among other things, the extent to which [B.]'s counteroffers appear to be an expression not of a willingness to license but rather of an intention to delay due to a failure to comply with the FRAND corridor. In particular, the District Court did not justify a lack of willingness to license (solely) on the basis of the FRAND infringement of the counteroffers. Rather, in the overall view, it saw a lack of interest in a (speedy) license, which in its view was already shown by the hesitant objection to the plaintiff's offer, as being decisively confirmed by the FRAND-incompatibility of the counteroffers that it assumed (see also Senate, decision of February 12, 2021 - 6 U 130/20, juris para. 45 f).
- 55 In this context, the District Court's assessment of the aforementioned counter-offers in the context of the summary review indicated here also does not reveal any error, particularly since the assessment of the court of first instance as to whether an offered license fee complies with FRAND conditions can regularly only be reviewed in the proceedings under sections 707, 719 of the Code of Civil Procedure (ZPO) as to whether the contested judgment was based on manifestly incorrect requirements or applies correctly identified requirements in a manifestly incorrect manner (see Senate, Decision of February 12, 2021 - 6 U 130/20, juris, para. 40). The District Court first dealt with the [...] offer and [B.]'s counteroffer, each dated June 11, 2021, and found them to be non-compliant with FRAND. The motion to discontinue is based without success on the fact that the District Court then also assessed the further counter-offers of [...] and [...] submitted after the action was filed as not complying with the FRAND conditions.
- 56 The District Court criticized the counter-offer of [...] because the offered lump-sum license payment of just under US\$ [...] and thus an increase of approximately [...] % compared to the license fee for the [K.] portfolio from [...] of US\$ [...] lagged noticeably behind the development of [B.]'s sales figures and sales prices. The arguments raised by the appeal against the underlying considerations of the District Court. The objections raised are at least not valid on summary examination. They concern in particular partly marginal (supposed) deviations in the estimation of the sales price development. Furthermore, the appeal takes up, inter alia, the defendant's assertions regarding [K.]'s ideas of the sales figures at the time of the conclusion of the license agreement of [...], which the District Court (LGU 59) did not follow after addressing the defendant's submission and, in particular, [B.]'s emails of August 16, 2018 (Exhibit [...] - K[...] 17) and [K.]'s of August 28, 2018 (Exhibit [...] (kart) 14). Whether the District Court's considerations in this regard prove to be viable will only be assessed after final examination with the decision on the appeal.

The same applies to the forecasts of [B.]'s sales figures for the period from [...] - based by the District Court mainly on the second half of 2021 - and the criticism of this made by the appeal with reference to the defendant's oral presentation on the further trend. Nor is it sufficiently foreseeable that the submission on the more recent development of the sales figures supplemented at first instance after the conclusion of the oral proceedings will lead to a different assessment in the appeal proceedings, for example in accordance with Section 531 (2) of the Code of Civil Procedure (ZPO).

- 57 The District Court did not base its decision on the counter-offer of [...] because it was not presented to the court (and was not even submitted to the plaintiff) until after the conclusion of the oral proceedings at first instance. The appeal raises no objections to this treatment by the District Court, which is evidently correct pursuant to § 296a Code of Civil Procedure (ZPO), nor to the fact that the District Court exercised the discretion granted to it pursuant to § 156 (1) Code of Civil Procedure (ZPO) to refrain from reopening the oral proceedings.
- 58 The appeal merely states that even if the District Court had "justifiably rejected" the counter-offer of [...] and the latest sales figures from [...] as late pursuant to Section 296a Code of Civil Procedure (ZPO), this submission would in any case have to be taken into account in the appeal pursuant to Section 531 (2) Code of Civil Procedure (ZPO). That [B.'s] - late - counter-offer will lead to the fact that [B.'s] willingness to license will have to be affirmed in an appeal decision which may have to be made on a corresponding new factual basis, is at least not already recognizable upon summary examination in view of the aspects addressed by the District Court in its auxiliary considerations.
59. 2. In the absence of success of the appeal, which can already be expected on summary review, the interest of the plaintiff in enforcement outweighs the opposing interest of the defendant in the case at issue, which the law generally gives priority to. Such far-reaching and beyond the consequences of any (in particular injunction) enforcement and, moreover, serious irreversible disadvantages of the enforcement for the defendants on the one hand that they outweigh the considerable enforcement interest of the plaintiff on the other hand are not to be expected.
- 60 a) Without success, the defendants claim that the plaintiff's interest in enforcement results solely from the goal of obtaining patent license fees.
- 61 When weighing the interests pursuant to Sections 707 and 719 of the Code of Civil Procedure (ZPO) in the context of a request for temporary suspension of enforcement of an injunction based on patent infringement, it may have to be taken into account if the plaintiff is a patent exploitation company which neither manufactures its own products of the type in question nor is in any other way a market participant in the market for offering such products. Such a plaintiff does not protect its own market position on the market for the devices protected by the patent by means of the asserted injunctive relief. He has no significant interest in the actual omission of the manufacture and supply of patent-compliant devices; on the contrary, from his point of view, the greatest possible market diversity is desirable in order to achieve the highest possible sales of protected products. The defendant's sales, which continue to be made possible with the cessation of execution, are then not at the expense of the plaintiff's market share, unlike in the normal case. If - which is to be verified in the course of the appeal proceedings - the asserted claim for injunctive relief exists and is enforceable, the continued deliveries give rise to claims for damages by the patent owner, which the latter can enforce in the usual manner, especially since the security to be fixed in the course of a discontinuation of enforcement protects it to a large extent against the risk of a deterioration in the defendant's ability to pay (see Senate, GRUR-RR 2010, 120, 122; GRUR-RR 2015, 326, 329 f). In such special circumstances, the interest situation may already justify a provisional suspension of enforcement against security if the appeal is not without prospect of success on the basis of a summary examination because it is likely that the injunctive relief will be opposed by objections of the defendant based, for example, on an abuse of a dominant position (see Senate, GRUR-RR 2010, 120, 121 f). However, it must not be lost sight of the fact that the patent owner is obliged to license to all market participants and persons interested in market access. For these, in particular for those who have already taken a license and pay the license fees, it can be of considerable importance that the patent owner prevents the market participation (market entry) of another company with the help of the injunctive relief resulting from the standard

essential patent, because the license fees are costs that are included in the calculation of the price and can significantly influence competition on the downstream product market.

- 62 Moreover, as the District Court has already stated, the plaintiff cannot be compared to a (pure) patent exploitation company because, according to its uncontradicted submission, it (not only) develops intellectual property rights itself, but also continues to even have its own economic interest in the market for terminal devices due to the licensing of its trademark "[K.]" for smartphones. Nothing to the contrary can be inferred from the defendant's unsubstantiated assessment in the application for discontinuance that the plaintiff's group of companies is "practically only present on the market with its own products in the field of network equipment".
- 63 The fact that the plaintiff also justifies its complaint with the fact that it could not conduct any research without license income does not justify the conclusion that it merely wants to use the injunctive relief as a means of exerting pressure to enforce high license claims. The plaintiff may, however, also assert its exclusive right against the patent users - who, on summary examination, have so far not been evidently willing to license - for the motive of persuading them to take a license that the plaintiff considers appropriate or at least to secure the value of its patent portfolio. Such motives may not constitute a significant interest of the plaintiff for the purposes of the balancing of interests required here (see also Senate, decision of February 12, 2021 - 6 U 130/20, juris para. 66). However, such a means-purpose relationship is also approved by the legal system (see Senate, GRUR-RR 2010, 120, 122) and thus at least not an illegitimate objective that would devalue the interest in defending the position that the plaintiff has as a trademark licensor on the market for patented devices, which is also given in the present case. Moreover, even if the plaintiff merely exploits a patent pool, this does not in itself, i.e. irrespective of the success of the appeal to be expected upon summary examination, mean that the weighing of interests within the scope of Sections 707, 719 Code of Civil Procedure (ZPO) must be to the detriment of the SEP plaintiff (cf. Senate, decision of August 29, 2016 - 6 U 57/16, juris para. 43 with further references; cf. Düsseldorf Higher Regional Court, decision of July 20, 2021 - 15 U 39/21, juris para. 43 with further references).
- 64b) In contrast, the defendants claim - factually comprehensible in approach - a substantial interest in avoiding the disadvantages to be feared in the event of enforcement, which in financial losses and very considerable damage to the company's image. Enforcement of the injunction, which is based on an infringement of a patent that is essential for the LTE and NR standard, would irrevocably block [B.]'s access to the German market with regard to all of its cell phones. In view of the dynamics of market shares described by the defendant and, moreover, known to the Senate in its official capacity, which are distributed above all among a number of major cell phone manufacturers that have successively joined or been ousted (again) within a few years, it cannot be denied that the (temporary) enforcement of the injunction could potentially have a lasting adverse effect on the market position of a (moreover still rather young) smartphone brand in Germany - over and above the loss of sales that would occur during the enforcement.
- 65 c) In the concrete weighing of the interests of both parties, the plaintiff's interest in the execution outweighs the defendant's interest in its termination.
- 66 In this context, it must first be noted that the cessation of the prohibited infringing acts, including the resulting economic losses, namely losses in sales, is one of the disadvantages regularly associated with enforcement and to be accepted by the debtor in the case of a claim for injunctive relief due to patent infringement. It is therefore not sufficient for a cessation of enforcement because it is in this respect the normal consequence of practically any enforcement of an injunction. The danger of a special damage, which clearly exceeds the general enforcement effects, is in principle only to be affirmed if extraordinary, practically irreparable disadvantages are threatened, as in the case of a threatened destruction of the defendant's existence by the enforcement. In this respect, no special features apply to the field of patent law. In particular, the aforementioned also applies in principle in the case of enforcement of a standard-essential patent (cf. Düsseldorf Higher Regional Court, decision of July 20, 2021 - 15 U 39/21, juris para. 41 with further references), although possibly with special features for the case - not present here - of an injunction of a pure patent exploitation company (see above). However, the general assertion that there is a risk of irreparable damage to customer relationships is insufficient for this purpose (cf. Düsseldorf Higher Regional Court, decision of July 20, 2021 - 15 U 39/21, juris para. 42). The fact that the discontinuation of the supply with and in particular a recall of products classified as patent-infringing may lead to a loss of confidence among the debtor's customers is an inevitable consequence of the fulfillment of the claim. The disadvantages threatening the defendant for its business relations in the event of enforcement of the claim before the enforcement order has become final also do not in principle

go beyond what can regularly be expected in the event of provisional enforcement from a corresponding non-final title (Düsseldorf Higher Regional Court, decision of December 18, 2014 - 2 U 62/14, juris para. 20)

67 The defendants, following on from the above-mentioned touching of their interests, claim that the loss of reputation and market share associated with an interruption in sales can hardly be reliably quantified in subsequent recourse proceedings under Section 717 (2) of the Code of Civil Procedure (ZPO). This may also be true in principle. However, it is not evident that the quantification and liquidation of such damages would be practically impossible, at least to such an extent that such a part of the damage would remain uncompensated, which would appear as an extraordinary hardship of the enforcement and would outweigh the interest of the plaintiff to prevent an irreversible disregard of its exclusive right for the period of a discontinuation of the enforcement. Furthermore, it must be taken into account that, according to the defendants, [B.'s] market shares were below [...] % until [...] and were still [...] %. According to this, the defendants are in any case not threatened by the loss of an outstanding market position built up over the long term. Moreover, in view of the volatile market conditions and the increases at [B.] within a few years, there is also nothing to prevent the defendants from regaining lost market shares in the short term in the event of a change in the contested decision. Moreover, it is not apparent that the market shares in Germany at issue here would pose an existential threat to the defendants in view of the sales opportunities that also exist abroad. Apart from that, the defendants do not explain how they reacted to the condemnation, i.e. whether they continue to offer and market the challenged embodiments in Germany, or whether they have already stopped distribution, so that the associated loss of reputation could in any case no longer be fundamentally prevented by a cessation of enforcement. Since the defendants, who have to demonstrate and substantiate the risk of special enforcement damages (cf. only Senate, GRUR-RR 2015, 326, 328 with further references), do not present any evidence on their current market behavior, it is no longer relevant to the submission in this regard in the response to the motion that [B.] has actually ceased distribution in Germany and has not resumed after the plaintiff's provisional waiver of enforcement.