

# Regional Court of Munich I

Ref.: 7 O 14276/20

[Seal]

## IN THE NAME OF THE PEOPLE

In the legal dispute

- 1) **InterDigital Technology Corporation**, legally represented by its Board of Directors, 200 Bellevue Parkway, Suite 300, Wilmington, DE 19809-3727, United States of America  
- Plaintiff -
- 2) **InterDigital Patent Holdings, Inc.**, legally represented by the Board of Directors, 200 Bellevue Parkway, Suite 300, Wilmington, DE 19809-3727, United States of America  
- Plaintiff -

Attorney of record for 1 and 2:

Rechtsanwälte [=lawyers] **Arnold & Ruess**, Königsallee 59a, 40215 Düsseldorf, Ref.: AR01187/20

against

- 1) **Xiaomi Communications Co. Ltd.**, represented by its President Chuan Wang, Room 019, 9/F, Building 6, 33 Xi'erqi Middle Road, Haidian District, Beijing, People`s Republic of China  
- Respondent -

Other foreign delivery address for service:

9/F, Chinas Resources Colorful City Shopping Center phase II, 68 Qinghe Middle Road, Haidian District, Beijing, People`s Republic of China

- 2) **Xiaomi Home Commercial Co., Ltd.**, represented by its President Bin Lin, Room 801, 8/F, 2nd Science & Technology Convention Center, 546 Luoyu Road, East Lake High-tech Development Zone, Wuhan, People`s Republic of China  
- Respondent -

Other foreign delivery address for service:

No. 001, 1st Floor, No. 66, Jiufeng 1st Road, Donghu New Technology Development Zone, Wuhan, People`s Republic of China

- 3) **Beijing Xiaomi Mobile Software Co., Ltd.** , represented by its President Chuan Wang, Room 018, 8/F, Building 6, 33 Xi`erqi Middle Road, Haidian District, Beijing, People`s Republic of China  
- Respondent -

Other foreign delivery address for service:

Room 01, 9/F, Chinas Resources Colorful City Shopping Center phase II, 68 Qinghe Middle Road, Haidian District, Beijing, People`s Republic of China

- 4) **Xiaomi Corporation**, legally represented by its Director Jun Lei, Bin Lin, Shouzi Chew, c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands  
- Respondent -

Domestic delivery address for service:

c/o branch office of the Respondent to 4): Xiaomi Technology Germany GmbH, Elisabethstr. 11, 40217 Düsseldorf, Germany

Other domestic delivery address for service:

c/o branch office of the Respondent to 4): Xiaomi Technology Germany GmbH, Auf der Trift 12, 56290 Beltheim, Germany

Other foreign delivery address for service:

Rainbow City Office Building 68, Qinghe Middle St., Haidian District, Beijing - 100085, People`s Republic of China

Other foreign delivery address for service:

Level 54, Hopewell Centre, 183 Queen`s Road East, Hong Kong, Special Administrative Region of the People`s Republic of China

Agents to 1 - 4:

Rechtsanwälte [=lawyers] **Hogan Lovells International LLP**, Kennedydamm 24, 40476 Düsseldorf, Germany  
Ref: AVF/ACL/DR/1195096

regarding an preliminary injunction  
here: "anti anti-suit injunction" (AASI)

the Regional Court of Munich I - 7<sup>th</sup> Civil Chamber - by the Presiding Judge at the Regional Court Dr. Zigann, the Judge at the Regional Court Dr. Werner and the Judge at the Regional Court Dr. Schacht, M.A. on the basis of the oral proceedings held on January 28, 2021, has issued the following

## Final judgement

1. The preliminary injunction issued by the Regional Court of Munich I on November 09, 2020 is confirmed.
2. The Respondents shall also be jointly and severally liable for the further costs of the legal dispute.
3. The motions for orders for contempt of court will be decided separately by an order passed by the office.
4. The judgment is provisionally enforceable.

## Facts

Plaintiff 1) is a research and development company for telecommunications services with its registered office in Wilmington, Delaware, USA. It is part of the InterDigital Group (hereinafter referred to as "InterDigital" unless a specific company within the group is involved), whose parent company is InterDigital, Inc. with the same registered office. It is the owner of numerous intellectual property rights in Germany (Exhibit AR1) and worldwide, including in the field of second (GSM), third (UMTS), fourth (LTE) and fifth (5G) generation mobile telecommunications (Exhibits AR 1 and AR2). According to its claim, it licenses them to all interested companies on FRAND terms. It was significantly involved in the development of the corresponding mobile communications standards.

Plaintiff 2), which also has its registered office in Wilmington, Delaware, USA, also belongs to the InterDigital Group and is also the owner of numerous such property rights in Germany (Exhibit AR 17).

The Respondents belong to the Xiaomi Group (hereinafter, insofar as it is not relevant to a specific company from the group: "Xiaomi"). The Xiaomi Group is a Chinese electronics manufacturer and, as of the beginning of 2020, the world's third largest manufacturer of smartphones. The Respondents 1) to 3) with their registered office in China, the Respondent 2) in Wuhan, are each indirect wholly-owned subsidiaries of the fourth respondent in the action, which is domiciled in the Cayman Islands and also has a branch office in Düsseldorf and Beltheim, respectively, through Xiaomi Technology Germany GmbH. In addition, Respondent 4) also has two delivery addresses in China (Beijing and Hong Kong).

According to the allegations of the Plaintiffs, InterDigital has been trying unsuccessfully for seven years to reach an agreement with Xiaomi on the conclusion of a FRAND license over its SEP portfolio concerning 3G and 4G technology. Most recently, InterDigital unsuccessfully submitted a license offer in February 2020.

Subsequently, the following events occurred:

**June 09, 2020**

Xiaomi filed a lawsuit against InterDigital seeking a declaratory judgment for a reasonable global portfolio royalty in the Intermediate People's Court in Wuhan, People's Republic of China, with the following citing of the parties (Exhibit AR 11):

*Xiaomi Communications Co. Ltd. China (1)*

*Xiaomi Home Commercial Co. Ltd. China (2)*

*Beijing Xiaomi Mobile Software Co. Ltd. China (3)*

*v.*

*InterDigital Inc. USA (1)*

*InterDigital Holdings Inc. USA (2)*

and the following motions (see Annex AR 29 p. 12):

*"Xiaomi respectfully requests the Court to:*

- 1. Determine the global royalty rates or the range for the licensing of all standard essential patents ("SEPs") and patent applications in Respondents' 3G, 4G patent portfolios that Respondents hold or have the right to license in accordance with "Fair, Reasonable and Nondiscriminatory ("FRAND") principle;*
- 2. Order Respondents to bear the litigation costs and the just and proper expenses incurred by Plaintiffs as a result of these proceedings, which are RMB 800,000 (tentatively calculated to the date of filing this complaint)"*

**28. July 2020**

Xiaomi informed InterDigital by phone about the filing of the lawsuit. Further details were not given.

**July 29, 2020**

InterDigital filed a patent infringement suit against Xiaomi in the High Court in New Delhi, India, coupled with an application for a preliminary injunction to expeditiously enjoin alleged continuing patent infringements, with the following citing of the parties (Exhibit AR9):

*InterDigital Technology Corp. USA (1)*

*InterDigital Inc. USA (2)*

*InterDigital Holdings Inc. USA (3)*

v.

*Xiaomi Corp. China (1)*

*Xiaomi Mobile Software Co. Ltd. China (2)*

*Xiaomi Communications Co. Ltd. China (3)*

*Beijing Xiaomi Technology Co. Ltd. China (4)*

*Xiaomi Singapore PTE Ltd. Singapore (5)*

*Xiaomi Technology India Pvt Ltd. Indien (6)*

*Xiaomi Communications and Logistics India Pvt Ltd. Indien (7)*

*Xiaomi Financial Services India Pvt Ltd. Indien (8)*

and the following motions (see Annex AR 29:

*„134. In light of the above facts and circumstances, it is therefore humbly prayed that this Hon'ble Court may be pleased to pass:*

*(i) A decree of permanent injunction restraining the Respondents, their directors, employees, officers, servants, agents, associate and group companies and all others acting for and on their behalf from manufacturing, selling, offering for sale, assembling, distributing, advertising, exporting, importing and using or in any other manner, directly or indirectly, dealing in their devices as stated in aforementioned paragraphs 27-29 or any product that infringes the subject matter of Indian patent numbers IN 262910, IN 295912, IN 298719, IN 313036, IN 320182, or any of them, or any other patents as the Plaintiff may add in the present proceedings which are found to be infringing, with the leave of this Hon'ble Court.*

*(ii) A decree for damages, both compensatory and punitive, as may be ascertained in the present suit to be paid by the Respondents on account of infringement of Indian patent numbers IN 262910, IN 295912, IN 298719, IN 313036, IN 320182, or any of them, or any other patents as the Plaintiff may add in the present proceedings which are found to be infringing, with the leave of this Hon'ble Court, and their mala fide conduct, to the Plaintiff;*

(iii) An order for rendition of accounts of profits illegally earned by the Respondents on account of use of the Plaintiff's invention covered by the Indian patent numbers IN 262910, IN 295912, IN 298719, IN 313036, IN 320182, or any of them, or any other patents as the Plaintiff may add in the present proceedings, which are found to be infringing, with the leave of this Hon'ble Court and a decree for the amount so found in favour of the Plaintiff;

(iv) An order for delivery up of all stocks of the impugned products in possession of the Respondents, and their distributors, which infringe the subject matter of Indian patent numbers IN 262910, IN 295912, IN 298719, IN 313036, IN 320182, or any of them, or any other patents as the Plaintiff may add in the present proceedings which are found to be infringing, with the leave of this Hon'ble Court to the representatives of the Plaintiff for the purposes of destruction;

(v) In the event that the Respondents elect to take a license to Plaintiff's SEPs on the FRAND terms and conditions as determined by this Hon'ble Court, in lieu of the permanent injunction and other relief as prayed in paragraphs (i) to (iv) above:

a. A decree declaring the terms listed on the Plaintiff's website

<https://www.interdigital.com/rate-disclosure> as on the date of filing of the present proceedings, including a royalty of 0.4% with an average selling price (ASP) floor of USD 50 and an ASP cap of USD 100, for 3G devices and a royalty of 0.5% with an ASP floor of USD 50 and an ASP cap of USD 200 for 4G devices, for a license to Plaintiff's worldwide portfolio of 3G and 4G SEPs to be consistent with FRAND requirements;

b. In the alternative a decree declaring that the terms and conditions in Plaintiff's February 2020 offer to the Respondents for a license to Plaintiff's worldwide portfolio of 3G and 4G SEPs to be consistent with FRAND requirements;

c. In the alternative a decree for declaration of FRAND terms for the licensing of the Plaintiff's 3G and 4G SEPs and a declaration that such terms are consistent with FRAND requirements;

(vi) An order for disclosure by the Respondents of particulars of all their assets, including disclosure of sales of all cellular devices manufactured and sold by the Respondents which implement the 3G and 4G standards, in the form of an affidavit as well as an interim disclosure of the period of infringement along with sales made and the net selling price;

(vi) An order for costs in the proceedings, including legal costs and fees of the Plaintiff's representatives in the proceedings; and

*Any further orders as this Hon'ble Court deems fit and proper in the facts and circumstances of this case."*

this combined with an motion for a temporary injunction:

*„32. In light of the above, it is most respectfully prayed before this Hon'ble Court that it may be pleased to pass the following reliefs in favour of the Plaintiff:*

*(i) An order of temporary injunction restraining the Respondents, their associate and group companies, their directors, employees, officers, servants, agents and all others acting for and on their behalf from using, making, selling, distributing, advertising, exporting, importing and offering for sale, or in any other manner, directly or indirectly, dealing in devices REDMI NOTE 8 ; REDMI K20 PRO ; Mi A3 ; REDMI NOTE 7 PRO ; REDMI NOTE 8 PRO or any device that infringes the subject matter of Indian patent nos. 262910, 295912, 298719, 313036 and 320182 or any other patent that the Plaintiff may additionally add to these proceedings upon seeking leave of this Hon'ble Court,; or*

*(ii) In lieu of an order of temporary injunction as prayed in paragraph (i) above, an order directing the Respondents to pay a security of an amount equal to 0.5% of the sales price, with a maximum security of USD 1.00 per unit, for each device including REDMI NOTE 8 ; REDMI K20 PRO ; Mi A3 ; REDMI NOTE 7 PRO ; REDMI NOTE 8 PRO or any device that infringes the subject matter of Indian patent nos. 262910, 295912, 298719, 313036 and 320182, or any of them, or any other patent that the Plaintiff may additionally add to these proceedings upon seeking leave of this Hon'ble Court, sold by the Respondents; and*

*(iii) An order for disclosure by the Respondents of particulars of all their assets, including disclosure of*

*(a) quantities of sales in India and through exports of; and*

*(b) revenues of sales in India and through exports of; and*

*(c) prices of individual devices including but not limited to REDMI NOTE 8 ; REDMI K20 PRO ; Mi A3 ; REDMI NOTE 7 PRO ; REDMI NOTE 8 PRO; on a yearly basis, since the year of commencement of operations of the Respondents in India which implement the 4G and 3G standards and to the practice of which the Plaintiffs' suit patents are essential, along with a sworn affidavit verifying the authenticity of such disclosure;*

*Any other order(s) as this Hon'ble Court may deem fit in the facts and circumstances of the present proceedings."*

**August 04, 2020**

Xiaomi filed an application for a Behaviour Conservation Order (Anti-Suit Injunction = ASI) against InterDigital in the Intermediate People's Court in Wuhan, People's Republic of China, with the citing of the parties reproduced above.

**August 10/12, 2020**

The Intermediate People's Court in Wuhan sent by e-mail documents concerning - undisputedly - the declaratory action and - disputedly - the application for an ASI to InterDigital (Exhibit AR 10).

**September 23, 2020**

The Intermediate People's Court in Wuhan issued the following ASI (Exhibit AR11, attachment to Exhibit HL8):

- i. From the date of service of this decision, the respondent Inter Digital, Inc., Inter Digital Holdings, Inc. and their affiliates shall immediately withdraw or suspend the temporary injunction they filed against the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi Home Commercial Co., Ltd., Beijing Xiaomi Mobile Software Co. and their affiliates in the district court of Delhi in India regarding the 3G and 4G SEPs involved in the current case.
- ii. From the date of service of this decision, the respondent Inter Digital, Inc., Inter Digital Holdings, Inc. and their affiliates shall immediately withdraw or suspend the permanent injunction they filed against the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi Home Commercial Co., Ltd., Beijing Xiaomi Mobile Software Co. and their affiliates in the district court of Delhi in India regarding the 3G and 4G SEPs involved in the current case.
- iii. The respondent Inter Digital, Inc., Inter Digital Holdings, Inc. and their affiliates shall not, during the pendency of this case, apply for temporary or permanent injunctions in the courts of China or other countries and regions against the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi Home Commercial Co., Ltd., Beijing Xiaomi Mobile Software Co. and their affiliates, regarding the 3G and 4G SEPs involved in the current case.
- iv. The respondent Inter Digital, Inc., Inter Digital Holdings, Inc. and their affiliates shall not, during the pendency of this case, apply for enforcing the temporary or permanent injunctions they obtained or may obtain in the courts of China or other countries and regions against the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi Home Commercial Co., Ltd., Beijing Xiaomi Mobile Software Co. and their affiliates, regarding the 3G and 4G SEPs involved in the current case.

- v. The respondent Inter Digital, Inc., Inter Digital Holdings, Inc. and their affiliates shall not, during the pendency of this case, apply for determining the SEP royalties or resolving relevant SEP disputes with the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi Home Commercial Co., Ltd., Beijing Xiaomi Mobile Software Co. and their affiliates in the courts of China or other countries and regions, regarding the 3G and 4G SEPs involved in the current case.
  
- vi. The funds of RMB 10 million provided by the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi's Home Co., Ltd. and Beijing Xiaomi Mobile Software Co. as the guarantee for the application for the injunction in this case shall be frozen.
  
- vii. All other claims of the applicant Xiaomi Communication Technology Co., Ltd., Xiaomi's Home Co., Ltd. and Beijing Xiaomi Mobile Software Co. in the application for injunctions are dismissed.

If the respondent, Inter Digital, Inc. and Inter Digital Holdings, Inc. violate this Court decision, the respondent shall be fined RMB 1,000,000 per day for its violation and the fine is cumulative on a daily basis.

**September 23, 2020**

Bloggers reported on "IP Economy" about the Chinese ASI's decree.

**September 25, 2020**

The Intermediate People's Court in Wuhan mailed a copy of the September 23, 2020 ASI to the following four individuals who were deemed by the Chinese court to be appropriate recipients on InterDigital's part (Exhibit HL8 Page 8 No. 12):

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**September 26, 2020**

████████████████████ Vice President and Global Head of Litigation of InterDigital Inc. since June 08, 2020, became aware of the blogger reports dated September 23, 2020, and the emails dated September 25, 2020 (Exhibit AR 2).

**September 29, 2020**

InterDigital filed an application for an anti anti-suit injunction (AASI) against Xiaomi in the High Court in New Delhi with the following wording (Exhibits AR12 and HL8):

- (i) Grant an injunction against the Defendant Nos. 1. – 8 in the present proceedings, restraining them from pursuing or enforcing the anti-suit injunction order dated September 23, 2020 passed by the Wuhan Intermediate People's Court until the final disposal of the present proceedings;
- (ii) Direct the Defendants and their affiliates to immediately withdraw the suit filed by them for 'determination of global royalty rates or the range for the licensing of all standard essential patents ("SEPs") and patent applications of the Plaintiffs' 3G, 4G patent portfolios on FRAND terms, being Case No.: (2020) E 01 Zhi Min Chu No. 169.1 before the Wuhan Intermediate People's Court;
- (iii) Direct the Defendants and their affiliates to immediately withdraw their claim in the suit before the Wuhan Intermediate People's Court, Case No.: (2020) E 01 Zhi Min Chu No. 169.1 seeking an anti-suit injunction against the Plaintiffs restraining them from pursuing their claim for injunctive relief for their 3G, 4G SEPs against the Defendants;
- (iv) Impose heavy costs upon the Defendants for their above-mentioned *mala fide* activities, being at least equivalent to

the costs that are likely to be imposed on the Plaintiffs before the Wuhan Intermediate People's Court

*And pass any other order as this Hon'ble Court may deem fit in the facts and circumstances of the present proceedings.*

**September 29, 2020**

InterDigital filed a petition for reconsideration in the Intermediate People's Court in Wuhan.

**September 30, October 5 and 6, 2020**

Oral hearing on the application for an AASI before the High Court in New Delhi.

**October 6, 2020**

The High Court in New Delhi issued the following (interim) "ad interim relief injunction" (Exhibits HL1 p. 7-8 no. 8):

*"In order to ensure that the situation is not precipitated, there shall be an ad interim injunction, in terms of prayer (i) in para 33 of the application, till the pronouncement of the judgment on 9th October, 2020 at 10:30 a.m."*

**October 9, 2020**

The New Delhi High Court issued the following (final) "ad interim relief injunction" (Exhibits AR13, AR26, HL1 pp. 8-9 no. 9):

*Pending hearing and decision of the present application, the respondents shall be restrained from enforcing, against the plaintiff, the order, dated 23rd September 2020, passed by the Wuhan Intermediate People`s Court, in the anti-suit injunction application, preferred by the respondents before it.*

**October 14, 2020**

Attorneys from InterDigital completed a technical analysis of patent families for the selection of a German patent-in-suit (Exhibit AR 2).

**October 16, 2020**

Oral hearing on the application for reconsideration before the Intermediate People's Court in Wuhan. In this context, InterDigital was given access - (disputedly) for the first time - to the notice of motion dated August 4, 2020 (Annex AR 2). The decision was issued on December 4, 2020.

**October 30, 2020**

Plaintiff 1) applied to the Regional Court of Munich I for the issuance of the following temporary injunction (pp. 1/30):

*The respondents are prohibited from pursuing the Anti-Suit Injunction of the Wuhan Intermediate People's Court, Hubei Province, People's Republic of China of September 23, 2020 (Case No. (2020) E 01 Zhi Min Chu 169 Zhi Yi) or from taking any other judicial or administrative action to directly or indirectly prohibit the plaintiff or other affiliated companies of the InterDigital Group from bringing patent infringement proceedings arising out of their standard-essential*

*patents in Germany, whereby this cease-and-desist obligation also includes, in particular,*

- the order to withdraw the application for an Anti-Suit Injunction of August 4, 2020 in the proceedings with case number (2020) E 01 Zhi Min Chu 169 Zhi Yi before the Wuhan Intermediate People's Court, Hubei Province, People's Republic of China within a period of 24 hours after service of this order or to take other procedurally appropriate means to finally revoke the Anti-Suit Injunction of September 23, 2020 with effect for the Federal Republic of Germany;*
- the prohibition to continue this Anti-Suit Injunction Procedure except for the purpose of withdrawal of the application or other declaration for the purpose of final revocation with effect for the Federal Republic of Germany;*
- the prohibition of the applicant or other affiliated companies of the InterDigital Group from being indirectly prohibited from conducting patent infringement proceedings arising from their standard-essential patents in Germany by means of a court or official order directed to the prohibition of the present proceedings; the Respondents being subject to orders for contempt of the court in case of any breach of these court orders.*

In the statement of grounds, the Plaintiffs in the injunction submitted, among other things, with regard to request number III of the Indian proceedings (statement of motion dated October 30, 2020, p. 19, no. 44):

*A corresponding pronouncement by the court would have ended the encroachment on the patent rights of the applicants worldwide, i.e. it would also have neutralized the prohibitions of the Wuhan court directed at Germany.*

With regard to the "ad interim injunction" of the Indian court, they submitted the following (application dated October 30, 2020 p. 20 no. 47-49):

*However, as presently understood, the prohibition of enforcement under clause (i) pronounced by the High Court is territorially limited to India and relates only to the proceedings there; moreover, it is merely provisional and also limited in time to the duration of the Indian proceedings only....*

*The territorially and temporally limited prohibition of enforcement does not resolve the continuing prohibitive effect that the ASI continues to have with respect to other countries. For Germany in particular, the ASI still has full prohibitive effect to the detriment of the applicant.*

*A further oral hearing also on the ... request concerning the obligation to withdraw the ASI request is scheduled for November 25, 2020.*

*However, the course of proceedings in the Indian proceedings to date has shown that these may take longer than expected, so that there is no reasonable certainty that a further decision will be issued promptly on November 25.*

### **November 3, 2020**

The Regional Court of Munich I issued the following interim order (pp. 45/48):

*The (partial) issuance of the requested preliminary injunction (motion dated 10/30/2020) is conditioned upon the applicant*

*1) withdrawing the parallel application for an injunction to the High Court of New Delhi, India (Annex AR12), insofar as it relates to the Federal Republic of Germany;*

*2) making the withdrawal credible;*

*3) and further making a prima facie case that the Indian injunction proceedings under Indian law are thereby terminated as far as the Federal Republic of Germany is concerned.*

In the reasons, the court held out the prospect that, insofar as the Indian application is partially withdrawn with respect to the Federal Republic of Germany, the requested preliminary injunction may be granted insofar as the injunction Plaintiff 1) itself is affected.

### **November 5, 2020**

Plaintiff 2) joined the injunction proceedings. Both specified the previous application to the effect that the Plaintiff 2) in the injunction was meant to be one of the further "affiliated companies of the InterDigital Group" in the Federal Republic of Germany (pp. 49/52).

### **November 6, 2020**

Oral hearing on Xiaomi's appeal against the "ad interim injunction" before the Court of Appeal in New Delhi. InterDigital made the following statement regarding the scope of the applications filed (Exhibit AR20 no. 4):

*I would like to make clear to the court that InterDigital is not asking the court to do anything in an anti-anti-suit injunction order with an extraterritorial effect. InterDigital is hereby merely seeking to protect its rights under Indian law to pursue its prayers for relief in its plaint and its application for an interim injunction with respect to its Indian patents. Our requested relief in the anti-anti-suit injunction proceedings, whether at this stage or with respect to the other relief requested, shall be understood to be limited to application in India only.*

In German:

*I would like to make clear to the court that InterDigital is not asking the court to do anything in an anti-anti-suit injunction order with an extraterritorial effect. InterDigital is hereby merely seeking to protect its rights under Indian law to*

*pursue its prayers for relief in its plaint and its application for an interim injunction with respect to its Indian patents. Our requested relief in the anti-anti-suit injunction proceedings, whether at this stage or with respect to the other relief requested, shall be understood to be limited to application in India only.*

**November 6, 2020**

Decision on Xiaomi's appeal against the "ad interim injunction" before the Court of Appeal in New Delhi (see Exhibit AR 29 p. 22):

*"4. We are of the view that this request can be made by counsel for the appellants before the learned Single Judge on the next date of hearing. The sequence of hearing and disposal of the applications, and any other pending application, may be decided by the learned Single Judge. The learned Single Judge is requested to hear the applications as early as possible and racticable.*

*5. With these observations, this appeal is hereby disposed of."*

**November 9, 2020**

The Regional Court of Munich I issued the following temporary injunction by way of order without prior hearing of the respondents (pp. 56/62):

1. *The respondents are hereby ordered by way of interim injunction, subject to a fine of up to two hundred and fifty thousand Euros or to six months' imprisonment - imprisonment also in the event that the fine cannot be recovered -, the imprisonment or substitute imprisonment to be served on an authorized representative of the respective respondent, for each infringement in each case, to cease and desist from,*

*pursuing the Anti-Suit Injunction of the Wuhan Intermediate People's Court, Hubei Province, People's Republic of China, dated September 23, 2020 (Case No. (2020) E 01 Zhi Min Chu 169 Zhi Yi) or from taking any other judicial or administrative action to directly or indirectly prohibit the applicants from bringing patent infringement proceedings arising from their standard-essential patents in the Federal Republic of Germany,*

*whereby this cease and desist obligation also includes in particular,*

*– the order to withdraw the application for an Anti-Suit Injunction dated August 4, 2020 in the proceedings with case number (2020) E 01 Zhi Min Chu 169 Zhi Yi before the Wuhan Intermediate People's Court, Hubei Province, People's Republic*

*of China within a period of 24 hours after service of this order to that extent with effect for the Federal Republic of Germany or to take other procedurally appropriate means to finally revoke the Anti-Suit Injunction dated September 23, 2020 with effect for the Federal Republic of Germany;*

*– the prohibition to continue that anti-suit injunction proceeding except for the purpose of withdrawing the application or making any other declaration for the purpose of final revocation with effect in the Federal Republic of Germany;*

*– the prohibition to indirectly prohibit the applicants by a court or official order directed to the prohibition of the present proceedings from conducting patent infringement proceedings based on their standard-essential patents in the Federal Republic of Germany.*

2. *The respondents have to pay the costs of the proceedings.*

3. *The amount in dispute is set at €1,000,000.00.*

4. *With the decision shall be served:*

- The statement of application dated October 30, 2020 including exhibits*
- The decision dated November 3, 2020*
- The Plaintiffs' submissions dated Nov. 5, 2020 and Nov. 6, 2020, each with attachments*

#### **November 10, 2020**

InterDigital withdrew application no. II. before the New Delhi High Court by filing a brief (Exhibit HL1 p.9 no.11).

#### **November 11, 2020**

Service of the temporary restraining order of November 9, 2020 on the legal representatives of the Plaintiffs (at pp. 56/62).

#### **November 18, 2020**

Service of the temporary restraining order of November 9, 2020, from party to party on Respondent 4) through its branch office in Beltheim (pp. 56/62).

**November 18/19, 2020**

██████████, Legal Counsel of Respondent 4), informed Respondents 1) to 3) in writing and by e-mail of the execution of the preliminary injunction of the Regional Court of Munich I of November 9, 2020 against Respondent 4) (Exhibits HL 3a, 3b).

**November 18, 2020**

InterDigital submitted a translation of the preliminary injunction issued by the Regional Court of Munich I on November 9, 2020 in the Indian proceedings (Exhibit AR25). Xiaomi received copies.

**November 19, 2020**

Request for public service on the Respondents 1) to 4), which was later withdrawn with regard to Respondent 4) - due to reservations of the court (file note of Nov. 26, 2020, p. 69) (pp. 65/68; 70/71).

**November 23, 2020**

InterDigital filed a written application in the Indian AASI proceeding (Exhibit AR 27):

*27. In light of the above, it is prayed that this Hon'ble Court be pleased to allow the Plaintiffs' prayer for relief, as prayed for in paragraph 33 (i), 33 (iii) and 33 (iv) of I.A 8772 of 2020.*

*28. With respect to prayer 33 (iii), it is prayed that the Respondents be directed to withdraw the anti-suit injunction insofar as it applies to India within 24 hours from an order of this Court, and report to this Court the steps they have taken in Wuhan in compliance, within 72 hours of the order.*

*29. With respect to prayer 33 (iv), it is prayed that the Respondents be directed to deposit a sum, or take such other steps as ordered by this Hon'ble Court to compensate the Plaintiffs with an amount equivalent to the fine imposed upon the Plaintiffs, should the Wuhan Court impose such fine.*

**November 30, 2020**

Upon request, the Regional Court of Munich I ordered public service of the temporary restraining order of November 9, 2020 with respect to the Respondents 1) to 3) (pp. 80/83).

**December 3, 2020**

As a precautionary measure, the Plaintiffs sought additional foreign service of the preliminary injunction on Respondents 1) to 3) in China.

**December 4, 2020**

The Intermediate People's Court in Wuhan upheld the ASI on the application for reconsideration by InterDigital (Exhibit AR ZV 7).

**December 4, 2020**

The Plaintiffs filed an application for an injunction against Respondent 4) (pp. 1/4 OM booklet).

**December 7, 2020 until January 13, 2021**

Execution of the public service to Respondents 1) to 3) (p. 83).

**December 11, 2020**

The Plaintiffs submitted translations of all documents sent to the Respondents 1) to 3) within the scope of the requested foreign service.

**December 22/23, 2020**

Respondent 4) filed an objection to the temporary restraining order of November 9, 2020 (pp. 109/133) and applied for temporary suspension of enforcement (pp. 149/151; pp. 8/13 OM booklet).

**December 24, 2020**

InterDigital stated in a brief in the Indian AASI proceedings (Exhibit AR 28 p. 25 no. 77):

*77. Keeping in mind that it had become crucial to clarify that the Plaintiffs' request for an anti-anti-suit-injunction was limited only to their ability to enforce their patents in the present suit, a statement was made before the Hon'ble Division Bench on November 05, 2020 by the Plaintiffs' counsel that the scope of all reliefs sought in the AASI in India were limited to India only. However, at no point of time was the argument ever made to this Hon'ble Court that the Plaintiffs sought an extra-territorial application of the relief sought in paragraph 33 of IA 8772 of 2020. The entire line of argument, as recorded in the order of October 09, 2020 as well as the application IA 8772 of 2020 and the written submissions filed prior to and after October 09, 2020 make it clear that they were focused on the Plaintiffs' right to press the claim for infringement for their Indian SEPs.*

**January 14, 2021**

The Plaintiffs filed an application for an order of measures for breach of the court orders against the Respondents 1) to 3) (pp. 183/186).

**January 21, 2021**

Respondents 1) to 3) also filed an objection to the preliminary injunction of November 9, 2020 (pp. 194/218).

**January 26, 2021**

Respondents 1) to 3) applied for temporary suspension of enforcement of the preliminary injunction of November 9, 2020 (pp. 250/253).

**January 28, 2021**

Oral proceedings before the Regional Court of Munich I, conducted as a public video conference, on the opposition and the applications for temporary suspension of execution and the application for an injunction against Respondent 4) (protocol, pp. 263/266). In order to reduce the risk of infection, the oral proceedings were prepared on the same day with the consent of both parties by means of a non-public video preliminary meeting as a discussion meeting (file note, pp. 267/270).

**January 28, 2021**

The Regional Court of Munich I dismissed the applications for temporary suspension of enforcement of the preliminary injunction of November 10, 2020 by order (p. 266 no. 2).

**Respondents 1) to 3) argue** that the temporary injunction should be revoked against them because it was not executed within the time limit for execution. The public service were ineffective because the necessary requirements were not met. The translations required for the requested foreign service had not been submitted in time.

The preliminary injunction was also not enforceable with respect to Respondent 4) because it obliged it to perform an impossible act. Respondent 4) was neither directly nor indirectly involved in the Chinese proceedings (cf. Exhibit HLZV 3) and had nothing to do with it (see Exhibit HL ZV3). Furthermore, it was also not operationally active. It had been established as a foreign company for legal reasons and was at the top of the group structure in order to be able to hold shares in other companies. However, it did not interfere in the business of the other Group companies. Finally, it could also not dispose of the "imposed enrichment" due to the reference to "affiliates" in the Chinese ASI. This was made credible by the affidavit of ■■■■■ according to Exhibit HL ZV3. The contents of this affidavit refer to the entire Chinese proceedings and not only to the explicitly named main proceedings.

The activity of the Respondent 4) as such was affected. [REDACTED] had recently telephoned [REDACTED]. [REDACTED] had expressly stated that Respondent 4) had not initiated the main proceedings or the ASI application in China. This was also what was meant by the information in HL ZV3. This had been explicitly discussed, which [REDACTED] assured by way of attorney's assurance.

In addition, the preliminary injunction would have to be lifted at least in part pursuant to Section 927 (1) of the German Code of Civil Procedure (ZPO) because Respondent 4) had done what it could to comply with it by means of the letter and the e-mail of November 18, 2020 (Exhibits HL 3a, 3b) and therefore assumed that the reason for the preliminary injunction had thus been settled with respect to them.

With the applications (i) and (iii) of the Indian proceedings, the case was currently pending twice, see Sec. 261 (3) No. 1 of the Code of Civil Procedure, whereby the Indian proceedings were commenced prior to the proceedings before the court. In support of this, the Respondents 1) to 4) submit the private expert opinion of Dipak Misra, Former Chief Justice of India, of December 22, 2020, Exhibits HL2, HL2a, as well as his supplementary private expert opinion dated January 14, 2020, Exhibits HL6a, HL6b. The Plaintiffs also lacked a need for legal protection because they were not parties to the Chinese proceedings.

The issuance of the preliminary injunction was also not urgent. According to the reasons for the ASI and the Reconsideration Decision, the injunction Plaintiffs had hidden themselves in August 2020 and had not participated in the proceedings prior to the issuance of the ASI. In any case, the Respondents understood the statements of the Chinese court to mean that the attempts of the Chinese court to contact and serve them referred not only to the main proceedings, but also to the ASI proceedings.

Moreover, the measures ordered by the court inadmissibly prejudged the merits of the case and thereby violate the fundamental rights of the Respondents, because the requirement of practical concordance was not observed, in that they were burdened with more than was necessary for the provisional preservation of the (presumed) legal position of the Plaintiffs.

**The Respondents request that:**

- 1) the preliminary injunction of the Regional Court of Munich I of November 9, 2020 is set aside and the applications for its issuance are dismissed with costs;
- 2) the compulsory enforcement of the preliminary injunction issued by the Regional Court of Munich I of November 9, 2020 is discontinued for the time being.

**The Plaintiffs request:**

- 1) The preliminary injunction issued by the Regional Court of Munich I on November 9, 2020 is confirmed.
- 2) The Respondents to the injunction are also ordered to pay the further costs of the proceedings.

**The Plaintiffs** claim that the injunction was executed in due time against all four respondents in the injunction. Even if the order for public service on the 1st to 3rd injunction respondents were ineffective, they still filed an application for (additional) foreign service by legal assistance within the enforcement period and submitted the necessary translations in good time.

With regard to the Indian proceedings, there was no double lis pendens and there was also no lack of need for legal protection. Any deviating legal assessment in this respect in the statement of grounds for the application was based on misinformation or an initial misunderstanding on the part of the German legal representatives of the Plaintiffs with regard to the scope of the applications filed in India. It was correct that, according to the wording, the requests I. and III. filed in India had a cross-border element and, in part, also a final element. However, against the background of the grounds for the application and the further statements of the applicants in the Indian proceedings, these applications were to be interpreted to the effect that legal protection was sought only for the territory of India. This limited interpretation of the applications was confirmed by the court decision of the High Court in New Delhi and the private opinion of A. K. Sikri, Former Judge Supreme Court of India, of January 25, 2021 (Exhibit AR29), as well as his supplementary private opinion of January 27, 2021 (Exhibit AR31). Even if one were to see this differently, the applicants in the Indian proceedings had, by their additional statements, created a situation in which they could no longer successfully pursue the part of the Indian applications relating to the territory of the Federal Republic of Germany. This, too, was substantiated by the private expert opinion and the supplementary private expert opinion. It were also to be noted that Plaintiff 2) was not a party to the Indian proceedings.

The urgency period of one month from knowledge of the act and the perpetrator, which is practiced in the district of the Higher Regional Court of Munich in industrial property proceedings, was not applicable to the present applications for an injunction based on an infringement of property. Since the Plaintiffs, as owners of standard-essential patents, were confronted with an ASI with worldwide validity for the first time, although concrete active proceedings were only underway in India at that time, they should have been allowed to wait

until their attorneys had completed a technical analysis of the patent families for the selection of a German patent-in-suit, even if the time limit had applied. In any case, they should have been allowed to wait for the outcome of the Reconsideration proceedings in Wuhan (on Dec. 4, 2020) before applying for the issuance of an AASI in each of a number of states. In any case, they should have been allowed to wait for the Reconsideration hearing date (on Oct. 16, 2020), at which time they would also have had access to the statement of grounds for the application for the first time.

In addition, the ASI was issued in a unilateral procedure (ex parte) without prior hearing of the Plaintiffs (see Exhibit AR ZV 7, page 9 no. 2). The Indian decision (cf. Exhibit AR 26, page 7, no. 12) also made it credible that the Plaintiffs were not informed of the ASI application by Xiaomi in the Indian proceedings in the period from August 17, 2020 to September 29, 2020. [REDACTED], additionally submitted that on February 27, 2021, she corresponded with the Chinese lawyers of the Plaintiffs by telephone or by e-mail (cf. minutes correction request of Feb. 4, 2021). Thereafter, there had been no attempts by the Chinese court to contact or serve the applicant in relation to the ASI proceedings (prior to the issuance of the ASI), but only in relation to the main proceedings. The ASI had been requested as an ex parte order and granted as an ex parte order.

Plaintiffs 1) and 2) had the right to sue because they had been addressed in the Chinese ASI as "and their affiliates."

Respondent 4) was able to be a respondent party because it was also protected by the Chinese ASI as "and its affiliates" and the ASI had been applied for in response to the Indian proceedings in which Respondent 4) had been co-respondent. Respondents 1) to 3) were completely controlled by Respondent 4). In this respect, Respondent 4) should at least have influenced the Respondents 1) and 3), the applicants in the Chinese proceedings, in order to achieve a withdrawal of the ASI or, in any case, should have declared to the Chinese court that neither it nor the other Xiaomi companies consider Respondent 4) to be affected by the ASI, with the consequence that a patent infringement action against Respondent 4) would not be considered an infringement of the Chinese ASI. The motions and the preliminary injunction issued by the Regional Court of Munich I were also to be interpreted in this sense. The Plaintiffs oppose and deny any knowledge of the fact that Respondent 4) cannot interfere with the other group companies and cannot dispose of the "imposed enrichment" consisting in the inclusion under the protective umbrella of ASI by the wording "and their affiliates". According to the wording, HL ZV3 only refers to the Chinese main proceedings and not to the ASI proceedings. Due to the participation of Respondent 4) in the Indian proceedings, the entire submission regarding Exhibit HL ZV3 is contested and any knowledge thereof denied.

In order to supplement the facts of the case, reference is made to the pleadings submitted together with the exhibits, the notes made in the file and the minutes of the hearings of January 28, 2021 (pp. 263/266).

After the conclusion of the oral proceedings, the Plaintiffs filed the brief of February 24, 2021.

## Reasons for decision

The preliminary injunction is to be confirmed because the existence of a reason for the injunction and a claim for injunctive relief still remain credible. The pending proceedings in India and China do not preclude the denial of another *lis pendens* or the affirmation of a need for legal protection. The preliminary injunction was also executed in due time against all four respondents.

A separate decision on orders for measures due to a breach of the court orders will be issued by the office. In this respect, the debtors will be granted a further period in which to submit pleas.

### A. Jurisdiction

The Munich I District Court has international, local and subject-matter jurisdiction. Functionally, the Patent Litigation Chamber is called upon to decide.

- I. The subject-matter jurisdiction results from Sec. 143 of the German Patent Law. An application for an interim injunction (hereinafter: AASI) directed against the application and/or enforcement of an anti-suit injunction (hereinafter: ASI) issued or to be issued by a foreign court is a patent litigation matter insofar as the ASI is intended to prevent patent infringement actions or applications for the issuance of an AASI (LG [=Regional Court] Munich I BeckRS 2019, 25536 margin numbers 40-42). Application for, obtaining and enforcement of such ASIs, if they are made with the aim of preventing the enforcement of injunctive claims for patent infringement in Germany, otherwise unlawfully interfere with the property-like legal position of the Plaintiffs in their patents validated in the Federal Republic of Germany and therefore constitute unlawful acts within the meaning of Sec. 823 (1) of the German Civil Code (OLG [=Higher Regional Court] Munich GRUR 2020, 379), which are (also) committed on the territory of the Federal Republic of Germany and thus also in the OLG district of Munich, so that the local jurisdiction and with it also the international jurisdiction of the Regional Court of Munich I results from Secs. 937, 32 of the German Code of Civil

Procedure (ZPO) in conjunction with Sec. 38 No. 1 of the Bavarian Regulation on Judicial Competences in the Area of the State Ministry of Justice (BayGZVJu). Apart from that, the Respondents to the injunction have entered an appearance in these proceedings without any objection, Secs. 937, 39 ZPO.

- II. This also results in the functional competence of the Patent Litigation Chamber, which, moreover, would also follow independently of this from the fact that the applications have already been orally heard before the Patent Litigation Chamber (No. 12.1 GVP 2021 of LG Munich I).

## **B. Compliance with the enforcement period**

The enforcement period of Secs. 936, 928, 929 (2) of the German Code of Civil Procedure was observed with respect to all four respondents.

- I. The preliminary injunction issued by the Regional Court of Munich I on November 9, 2020 was served on the Plaintiffs' legal representatives on November 11, 2020. The enforcement period therefore ended at the end of December 11, 2020.
- II. The preliminary injunction of the Regional Court of Munich I was served on Respondent 4) via its domestic branch office on November 18, 2020 in an effective and timely manner, Secs. 21, 192 of the German Code of Civil Procedure. As there is no dispute about this, no further comments are necessary.
- III. However, the time limit for enforcement was also observed with respect to Respondents 1) to 3).
  1. This follows in any case from the filing of the application for foreign service on December 3, 2020 and the timely provision of the translations required for this purpose on December 11, 2020. This is because the enforcement period prescribed by law does not mean that enforcement must be effected within the period, i.e. that enforcement must be completed. Rather, it is sufficient that the obligee has applied for the compulsory enforcement measure in due time to the competent enforcement body and that the compulsory enforcement has been initiated thereupon, even if only after expiry of the deadline, without delays for which the creditor is responsible, which also applies accordingly in the case of necessary foreign service by way of legal assistance (*Mayer in BeckOK ZPO, Vorwerk/Wolf 39<sup>th</sup> edition, as of: Dec. 1, 2020, § 929 marginal no. 18, with further references*). It is no longer relevant whether the service initiated by way of legal

assistance will ultimately be successful in the specific case due to the opposition filed. The requests were (nevertheless) partially (further delivery attempt to Respondent 4) at the address in Hong Kong) sent out on January 19, 2021 (p. 180). By February 24, 2021, no acknowledgement of receipt or confirmation of service had reached the files. It is likewise irrelevant in this respect whether or not the route of foreign service via a request for legal assistance addressed to Chinese authorities currently promises any success at all.

2. However, compliance with the enforcement period also follows - alternatively - from the application for public service pursuant to Sec. 185 No. 3 of the German Code of Civil Procedure filed in due time on November 20, 2020, because its requirements were met both at the time of the application and at the time of the grant on November 30, 2020, and execution in the period from December 7, 12 [sic] to January 13, 2021 (see *Mayer* in BeckOK ZPO, Vorwerk/Wolf 39<sup>th</sup> edition, as of December 1, 2020, § 929 marginal no. 18 at the end with further references). Foreign service of a letter rogatory addressed to Chinese authorities currently does not promise success or sufficiently fast success in patent litigation, in particular regarding preliminary injunctions directed against a Chinese ASI.

- a. Pursuant to Sec. 185 (3) No. 2 of the German Code of Civil Procedure, service may be effected by public notice (public service) if service abroad is not possible or does not promise success. Accordingly, service abroad must be impracticable or not promising success. Service abroad is impracticable if there is no mutual legal assistance agreement with the state in question or if the requested authority refuses mutual legal assistance. It is likely to be unsuccessful if, after it has been initiated, it cannot be expected to be completed in the foreseeable future (*Dörndorfer* in BeckOK ZPO, Vorwerk/Wolf, 39<sup>th</sup> edition, as of Dec. 1, 2020, § 185 ZPO marginal no. 6 with further references). In particular, service abroad is also not promising if its execution would take such a long time that the party seeking service cannot reasonably be expected to wait (BGH NJW-RR 2009, 855 para. 13; BAG NZWRR 2015, 546, OLG Munich GRUR- RR 2020, 511 marginal no. 10; *Häublein/Müller* in MüKo ZPO, 6<sup>th</sup> ed. 2020, § 185 marginal no. 21; *Stöber* in Zöller ZPO, 33<sup>rd</sup> ed. 2020, § 185 marginal no. 7). The purpose of Sec. 185 No. 3 of the German Code of Civil Procedure is to secure the right to justice for the plaintiff if service is not feasible by other means (BGH, NJW-RR 2009, 855 marginal no. 13 with further references). The requirement to provide effective legal protection requires that such protection be obtainable within a reasonable time (BGHZ 106, 336, I.4.).

- b. The People's Republic of China is a contracting state to the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (Hague Service Convention) of 15 November 1965 (Federal Law Gazette

1977 II p. 1452). However, according to the information currently available to the court, it must be assumed that the Chinese authorities responsible for incoming requests for service have been refusing and/or considerably delaying the service of court summonses and orders, in particular in patent litigation, for years::

aa. Thus, it is already apparent from the overview of the German Foreign Office dated July 01, 2020 (Exhibit AR21) submitted by the Plaintiffs that "longer completion times" are to be expected for service in China. Unlike other countries, it is not even possible to specify a time period.

bb. In a letter dated May 28, 2018, the Bavarian State Ministry of Justice stated that there were difficulties in mutual legal assistance with China. Despite repeated reminders and inquiries about the state of affairs, in all cases there was either no response at all or the requests were returned after months or years, citing errors. Also a repeated transmission via diplomatic channels according to Article 9 of the Hague Service Convention had not been successful so far.

cc. In a letter dated November 8, 2019, the Bavarian State Ministry of Justice stated that the difficulties persisted, but that it had been agreed with the Chinese side that the requesting court could inquire by e-mail in English after one month, addressed to a Ms. [REDACTED], whether the request had been received. After the expiration of four to six months after the request had been sent, a status inquiry could also be made there. However, according to the responsible legal officer, this e-mail address has not been available for some time. Requests for the current status sent to this address could therefore not be transmitted. A renewed test of this e-mail address on February 24, 2021 by the chairman was also negative (cf. printout of February 24, 2021 in the file).

dd. According to the findings of the Munich Higher Regional Court in a judgment of March 13, 2020, however, service by way of legal assistance in China still takes at least one and a half years, possibly considerably longer. Some requests are even still sent back unprocessed (OLG Munich GRUR-RR 2020, 511, marginal no. 11).

ee. These findings of the Munich Higher Regional Court are consistent with the current experience of the Munich Regional Court I.

(1) For example, on May 13, 2020, a request for service of an action in Hong Kong was returned in its entirety by the Chinese authorities, undelivered, on the grounds that - in contrast to the documents originating from the court - the

enclosed German-language original of the application indicated the country of the addressee as "Hong Kong" and not "Hong Kong, Special Administrative Region (SAR), China".

It is true that Art. 4 of the Convention provides that if the central authority of the requested State considers that the request does not comply with the Convention, it shall inform the requesting authority without delay, stating the objections to the request in detail. However, a refusal to execute a request for service, and this is in fact the case with the unexecuted return of a request with the grounds given here, is only permissible under Article 13(1) of the Hague Service Convention if the requested state considers it [the service] likely to endanger its sovereign rights or security. The latter was not even asserted by the Chinese authorities and is also far from being the case. The designation "Hong Kong" clearly identifies the addressee of the service. In the opinion of the court, the sovereign rights of the People's Republic of China are not impaired by the service of an action which has this designation in the German original and otherwise consistently the designation which is correct from the Chinese point of view. In addition, pursuant to Secs. 133 (1) sent. 1; 271 (1) of the German Code of Civil Procedure; Art. 3 (2) Hague Service Convention, copies of the original statement of claim together with translations must be served. Consequently, this practice of the Chinese authorities is also tantamount to a complete denial of legal assistance by the Chinese authorities with respect to these proceedings from this point of view. This is because the party bringing the action would be forced to withdraw the action and file a new one, this time with a designation of the country of the addressee on the original German statement of claim that is acceptable to the Chinese authorities. By simply filing an improved version of the statement of claim for the purpose of service, the party bringing the action would run the risk that the respondent would later (rightly) complain that it had not been served with a copy of the statement of claim originally filed.

- (2) On December 28, 2020, a request for service on one of several parties in Hong Kong, SAR, China, was also returned undelivered, this time with the indication that in the copy of the German application to be served along with the address of another party, the designation "Taiwan (R.O.C.)" could be found instead of "Taiwan, China" (Case No. 21 O 1561/20)

(3) The competent judicial officer of Munich Regional Court I informed the Chairman on May 28, 2019, that up to that point only one request for service in China had been successful. This had been sent on September 08, 2015 and served on December 18, 2017. The certificate of service was returned on October 16, 2018.

(4) In response to a current inquiry in connection with these proceedings, the competent judicial officer stated that nothing had changed in this regard to date. For some time now, requests for service in China have been routed through the Bavarian State Ministry of Justice, which continues to supervise them. However, this has not had any significant influence on the chances of success or the term of service. There had only been one further successful service. This had taken approximately one year.

c. Other efforts on the part of the Plaintiffs in this action to serve the Respondents 1) to 3) in Germany were unsuccessful. The legal representatives of the Plaintiffs had contacted the respondent's attorney, who is known from other business in another case pending before the Munich Regional Court I, in telephone calls on 13 and February 13, 2009 and November 16, 2020 and unsuccessfully suggested to accept service against companies of the Xiaomi Group. However, after a telephone inquiry with the Chairman (cf. file note of November 17, 2020), the attorney in question had stated that he was currently only able to indicate himself for service on Xiaomi Group companies domiciled in the Federal Republic of Germany.

d. Consequently, the (sole) pursuit of the formal legal remedy route to China was either impossible because the Chinese authorities have abandoned the legally compliant application of the Hague Service Convention. Or, under the circumstances of the present preliminary injunction proceedings, it was in any case not promising. A special urgency of the present preliminary injunction proceedings arises here already due to the high penalty threat of the equivalent of € 126,000.00 per day contained in the Chinese ASI. Although the wording of the ASI does not affect the Plaintiffs themselves, it does affect other companies in the InterDigital Group. It thus indirectly has a significant impact on the freedom of action of the Plaintiffs in the injunction as the companies that hold the patents in dispute within the InterDigital Group. Due to the circumstances described above, effective legal protection would be thwarted by referring to foreign service in China.

If the procedure communicated in the letter of November 08, 2019 had been followed (request for legal assistance, inquiry by e-mail after four months at the earliest), regardless of the fact that the communicated e-mail address is currently dead, penalty payments of €15,480,000.00 would already have been incurred after four months without it being ensured that successful service would also have been achieved by this time. On the basis of experience to date, this would appear to be impossible. In such a situation, the obligee's interests in effective legal protection prevail, even taking into account the right of the opposing party to be heard. Particularly in the case of a preliminary injunction directed against a foreign ASI with a threat of a penalty payment, the obligee's right to the protection of justice would be rendered meaningless if, despite the known problems with service in China by way of legal assistance, a prior failure of a specific request for legal assistance were to be required (cf. OLG Munich GRUR-RR 2020, 511, marginal no. 11 on the dispensability of a prior hearing in the context of Sec. 891 sent. 2 of the German Code of Civil Procedure by way of a request for legal assistance).

e. In the present proceedings, too, the original of the statement of claim dated October 30, 2020 contains the designation "Hong Kong" instead of "Hong Kong, Special Administrative Region (SAR), China" in the context of the designation of an additional address for service for Respondent 4). Even though the injunction Plaintiffs have corrected this in their pleading of November 5, 2020 (p. 51), the original of the statement of claim must still be served, so that the reaction of the Chinese authorities reproduced above is imminent. The Plaintiffs saw this risk in their pleading of December 16, 2020 (p. 105) and accepted it because, in their opinion, there was no other way to correct the error without serving incorrect or incomplete documents.

f. Furthermore, the right to be legally heard of Respondents 1) to 3) was respected despite the public service ordered and carried out.

Insofar as public service is ordered, the addressee must nevertheless be informed (informally) of the public service, insofar as possible, in order to preserve the right to be heard (*Dörndorfer* in BeckOK ZPO, Vorwerk/Wolf, 39<sup>th</sup> edition, as of Dec. 1, 2020, § 185 ZPO marginal no. 6 with further references).

This requirement was met in the present case. In the Indian proceedings, the Respondents were - undisputedly - provided with a translation of the preliminary injunction of November 9, 2020, at the latest on November 19, 2020. Due to the

informal service efforts described above via the attorney commissioned in Germany in other proceedings, Respondents 1) to 3) were also aware that public service could be considered. At the latest with the inspection of the files by the local representative in the period from December 17, 2020 to December 18, 2020 (p. 108), at that time still solely representing Respondent 4), Respondents 1) to 3) were also aware that public service had been ordered on November 30, 2020 and had begun on December 7, 2020. This is because the legal representative had also formally appointed himself on behalf of Respondents 1) to 3) in a written statement dated January 21, 2021 (file, pp. 194/218).

g. Consequently, Respondents 1) to 3) are still adversely affected by the fact that the public was able to take note of the public service as compared to a legal aid service. However, this aspect pales in comparison with the interests of the Plaintiffs in the possibility of enforcing their patents in the Federal Republic of Germany. Furthermore, a public opposition hearing has taken place in the meantime. The Respondents did not file any motions for exclusion of the public, so that it can be assumed that the fact that the present preliminary injunction was issued and publicly served against them does not require secrecy.

h. The service on Respondents 1) to 3) is therefore deemed to have been effected by way of public service as of January 8, 2021, in any event, Sec. 188 sent. 1 of the German Code of Civil Procedure. Thus, the preliminary injunction was also executed in due time.

### **C. Need for legal protection and no lis pendens elsewhere**

I. There is also no lack of interest for legal protection for the application for a temporary injunction. The need for legal protection as a general prerequisite for proceedings generally arises from the non-fulfillment of the claim asserted by the plaintiff. There is no need for legal protection if the plaintiff can achieve its legal protection objective by simpler and cheaper means or has already achieved it.

1. Xiaomi's arguments, which it put forward in the Indian proceedings but not in the German proceedings (Exhibit AR 26 p. 28 no. 24), that InterDigital lacked the need for legal protection because it had to be referred to defend itself against ASI in the context of the reconsideration proceedings in China, cannot be followed for the reasons set out by the Munich Higher Regional Court in its judgment of December 12, 20219 (GRUR 2020, 379 paras. 51, 68 et seqq.). In the present proceedings, it

cannot be expected that the Plaintiffs' property-like rights to their patents, which are protected by the German Fundamental Rights [*Grundrechte*], and thus also the possibility of initiating patent infringement proceedings in the granting state due to an alleged infringement of these rights, will be adequately safeguarded by the Chinese courts. For even if the ASI is regarded as a permissible procedural means in the home state, from the perspective of German law, which is the only relevant one, it represents an unlawful interference with the legal position of the patent proprietor, which is protected in a manner similar to ownership (cf. OLG Munich GRUR 2020, 379, marginal nos. 5-7). It is true that cases are conceivable in which the court issuing the ASI has also left the ground of its own legal system and therefore a domestic legal remedy could lead to a review and correction. However, the consideration of such a possibility of correction by the foreign court of issue or the foreign courts superior to it within the German preliminary injunction proceedings would lead to considerable legal uncertainty for the patent proprietor seeking legal redress and would make it necessary to make a prognosis, which is difficult to make, as to whether the legal remedy abroad is likely to be successful or not in the specific individual case.

Appeals against an ASI pending in the issuing state do not remove the need for legal protection and do not establish any other *lis pendens*. It is obvious that both proceedings are directed at the same legal protection objective and in this respect represent the respective contradictory opposite. Even a repeal of the ASI, however, would not eliminate the danger of repetition once established from the German point of view. Once the risk of repetition has been established, it is generally only eliminated by the submission of a cease-and-desist declaration with a penalty clause. Without this, the applicant for the ASI would not be prevented from filing a renewed application for the issuance of an ASI.

However, irrespective of this, according to the ratio of the decision of the German Federal Court of Justice of October 26, 1983 (NJW 1983, 1269), it is necessary for reasons of effective legal protection for patent proprietors affected by ASIs, however, to allow an exception in any case because the patent proprietors did not initiate the foreign proceedings for the issuance of an ASI themselves and would otherwise have to suffer an unreasonable impairment of legal protection.

2. A fortiori, this need for legal protection is not lacking with regard to the Chinese main proceedings. These proceedings are solely directed at the judicial determination of a global portfolio FRAND license fee. Even if the action were successful, this would not result in a contractual grant of a license in favor of Xiaomi and thus also in favor of

the Respondents, which could eliminate the illegality of an established patent use. The continuing unlawful situation of multiple infringements of the patents of the Plaintiffs in the Federal Republic of Germany by Xiaomi, which is to be assumed for the purposes of the present decision, would thus not be ended. A Chinese decision would probably also not be recognizable in the Federal Republic of Germany. This is because, from a German perspective, the Chinese court quite obviously lacks international jurisdiction for this declaratory action against the InterDigital respondents, all of whom are domiciled in the United States of America, insofar as they do not enter an appearance before the court in Wuhan without reproach (Sec. 328 (1) no. 1 of the German Code of Civil Procedure).

3. The existence of a need for legal protection is also not affected by the Indian proceedings for the issuance of an AASI, which were initiated earlier.
  - a. First, it should be noted that Respondent 2) is not a party to the Indian proceeding. In the Indian proceedings, unlike in the Chinese proceedings, there is also no reference to "affiliates".
  - b. The Indian proceedings relate, at any rate at the time of the conclusion of the oral proceedings here on January 28, 2021, solely to defensive measures against the Chinese ASI, insofar as Indian territory is concerned. In this respect, the injunction Plaintiffs have made it credible that clear subsequent declarations to this effect were submitted in the Indian proceedings prior to January 28, 2021. Irrespective of the dispute between the two private experts as to whether the rules on withdrawal of the action apply under Indian procedural law and, if so, whether it is still possible to obtain court approval of the withdrawal of the action (see Exhibit AR 2, item 3.14), it is clear that InterDigital has done everything possible in India to avoid a court decision in India directed at a defensive measure against the Chinese ASI with effect for the territory of the Federal Republic of Germany (Exhibit AR 29, item 4.24). Insofar as a judicial measure should still be necessary to effect a final withdrawal of the application, the failure to do so cannot be attributed to the Plaintiffs. The private expert of the Respondent did not substantially counter the statements of the private expert of the Plaintiff in this respect, which are to be regarded as party submissions. The submission is therefore to be treated as undisputed (Sec 138 (3), (4) of the German Code of Civil Procedure). Accordingly, based on the declarations in the Indian proceedings, InterDigital is prevented from pursuing in India any applications relating to the issuance or maintenance of an

injunction directed against the Chinese ASI with effect for the territory of the Federal Republic of Germany.

- c. Furthermore, and independently of this, this court is convinced, after evaluating the submitted private opinions, that in Indian procedural law, as in German procedural law, which would have to be used in the alternative in case of doubt, procedural statements, requests and decisions are open to interpretation, and that such an interpretation of the requests filed in India as well as of the already issued court decision shows in the present case that despite the wording of the requests and despite the final element in Motion III., which aims at a complete withdrawal of the request for an ASI, only measures relating to the Indian territory and for the protection of the Indian patents and the Indian patent infringement proceedings were and are at issue. Insofar as the private expert of the respondent demands an ambiguity as a reason for such an interpretation, this ambiguity is unproblematically present because the wording of the applications filed in India is aimed at a complete withdrawal of the ASI, without limiting this to the Indian territory, but nevertheless in Motion I. a temporal reference to the Indian proceedings is established and overall the argument is based solely on the Indian patents and Indian law and the protection of the Indian proceedings (cf. Exhibit AR 31). Consequently, it must be determined by interpretation how this request is to be understood. Since InterDigital argued solely on the basis of its Indian patents, Indian procedure and Indian law in support of the motion, it is reasonable to assume that legal protection is sought solely for the territory of India (cf. Exhibit AR 31, item 4.9). To that extent, the jurisdiction of the Indian court would also be limited to the territory of India and the Indian patents (see Exhibit AR 31 item 4.19). This is confirmed by the later unambiguous statements of InterDigital. Motion III. is also to be interpreted in this sense, since it is not substantiated otherwise. The same results for the "ad interim relief injunction" of October 9, 2020 (Exhibits AR13, AR26, HL1 pp. 8-9 No. 9) as well as the now obsolete "ad interim relief injunction" of October 6, 2020 (Exhibits HL1 pp. 7-8 No. 8). Both court decisions were justified by the Indian judge solely on the basis of the protection of the Indian proceedings concerning the infringement of InterDigital's Indian patents and on the basis of Indian legal provisions. There is a complete lack of reference to foreign legal systems. Due to the preliminary but very detailed and careful reasoning with regard to the cross-border character, further explanations would have been expected if the Indian judge had wanted to issue a cross-border injunction going beyond the protection of the Indian proceedings and the Indian patents, albeit with effect on the territory of China. The private expert opinion of the Respondent does not contradict this result of interpretation, if only because the private expert

answered the question whether the effect of the provisional measures requested in India is inherently limited to the territory of India or not (cf. Exhibit HL 6a, pp. 19, 32). In this sweeping manner, this is not at all doubted by the injunction Plaintiffs because compliance with the measures inherently requires acts or an omission on the territory of China. The relevant question, which was not answered by the private expert, is rather whether the measures requested in India also apply to the Federal Republic of Germany. As shown, this must be answered in the negative.

- d. Based on this interpretation result, it can be assumed that a possible partial withdrawal of the application for the issuance of an ASI related only to the territory of India could not be considered as a violation of the Indian AASI. This question was not answered by either of the two private experts. However, this can also be left aside in the present case. As already explained above, even a complete withdrawal of the application for the issuance of an ASI and/or its complete cancellation would not eliminate the risk of repetition from the German point of view, unless a cease-and-desist declaration with a penalty clause is also submitted.
  - e. The fact that the attorneys here have incorrectly or vaguely argued in the statement of claim that the applications filed in the Indian proceedings, if successful, would also have neutralized the effects of the Chinese ASI directed at the Federal Republic of Germany (application p. 19), is just as irrelevant as this court's interim decision of November 3, 2020, which is based on this idea, because under Sec. 296a of the German Code of Civil Procedure, only the factual and legal situation at the time of the conclusion of the oral proceedings is relevant. Therefore, no further clarification is required in this case as to how this inaccurate or unclear submission came about.
- II. For the above reasons, there is also no double lis pendens with regard to the Indian proceedings. Therefore, no decision is required regarding the question of whether in this case the other lis pendens abroad exceptionally does not preclude the proceedings in Germany because the Plaintiffs in the injunction would, in the circumstances of the case, suffer an unreasonable impairment of legal protection as a result of the barring effect of the foreign proceedings (German Federal Court of Justice NJW 1983, 1269).

- III. As already clarified by the Munich Higher Regional Court (GRUR 2020, 379), the principle of procedural privilege is also not an argument for the Respondents (margin no. 67), because the application for provisional countermeasures is justified by self-defense pursuant to Sec. 227 (1) of the German Civil Code (margin no. 75) and in the present case, as explained, it cannot be expected that the interests of the Plaintiffs in protecting the possibility of bringing patent infringement proceedings in the Federal Republic of Germany will be adequately safeguarded by the court in Wuhan (margin no. 76). Neither international law (margin no. 82), nor European law (margin no. 83 et seq.) preclude the issuance of an AASI.

#### D. Claim for injunction

The Plaintiffs have also made a prima facie case that there is a claim for injunctive relief against all four injunction respondents.

- I. The application for an ASI before an American court with the aim of preventing the enforcement of injunctive claims for patent infringement in Germany constitutes an impairment of the property-like legal position of the patent owner Sec. 823 (1) in conjunction with Sec. 1004 (1) sent. 1 of the German Civil Code (OLG Munich GRUR 2020, 379; LG Munich I BeckRS 2019, 25536 marginal no. 52; *Werner* in: Busse/Keukenschrijver, PatG, 9th edition 2020, Vor § 139 margin nos. 4, 85). The same applies to the application for, maintenance and enforcement of an ASI or a decision prohibiting the application for a decision of the present type (AASI) before a Chinese court. The right of self-defense pursuant to Sec. 227 (1) of the German Civil Code also favors the Plaintiffs (OLG München GRUR 2020, 379 marginal no. 75; *Werner* in: Busse/Keukenschrijver, PatG, 9th edition 2020, Vor § 139 margin nos. 4, 85).
- II. Both Plaintiffs in the injunction have credibly shown that they are each the owners of patents relating to the 3G and 4G technology addressed by the Chinese ASI in the Federal Republic of Germany. According to the wording and the reasoning, the Chinese ASI does not only cover China, but claims worldwide validity. Plaintiffs 1) and 2) are affected by "and affiliates thereof" in paragraphs 1-5 of the Chinese ASI, even if not directly by the threat of coercive measures. However, since the threat of coercive measures threatens companies affiliated with the Plaintiffs, it also restricts the freedom of action of the Plaintiffs as they hold the standard-essential patents in dispute within the InterDigital group.

- III. Respondents 1) to 3) are the applicants of the Chinese ASI and are able to be respondent parties in the present case.
- IV. 1. Also, Respondent 4) is able to be a respondent party in the present case. It is protected by the wording "and its affiliates" in the Chinese ASI and is therefore included in its scope. According to the submissions of the Plaintiffs in the injunction, it initiated and coordinated the filing of the application in China as the parent company and is therefore to be regarded as an accomplice, particularly since it is itself a party to the Indian proceedings and the Indian proceedings gave rise to the application in China. To the extent that Respondent 4) denies this and, referring to the affidavit of [REDACTED] (Exhibit HL ZV3), submits that Respondent 4) played no role in the declaratory action in Wuhan, this is unsubstantiated and implausible and therefore irrelevant. Firstly, according to the wording, this statement refers only to the Chinese main proceedings and not also to the ASI proceedings. Insofar as [REDACTED] assured the court during the hearing that [REDACTED] had extended the scope of this declaration to the preliminary injunction proceedings in a telephone conversation with him, this does not improve the prima facie case. Because with this it is at most made credible that [REDACTED] made such a statement in a telephone conversation, but not that Respondent 4) was not involved in the ASI application. Irrespective of this, the affidavit of [REDACTED] would also not be credible with such an interpretation. Against the background that Respondent 4) is a respondent in the Indian proceedings together with other group companies, it is far-fetched without further explanation that it was not involved as the parent company in the decision-making process regarding the application for a preliminary injunction before the court in Wuhan. However, this can be left aside, because irrespective of the degree of substantiation, the respondent in the injunction has not met its secondary burden of proof in this case. The submissions of the Plaintiffs must therefore be regarded as admitted. Since the underlying events and decision-making processes are naturally beyond the knowledge of the Plaintiffs, they satisfy their burden of proof if, as happened, they provide sufficient evidence of joint coordination with the consequence that the respondent in the injunction has a secondary burden of proof for the assertion that such coordination did not take place (cf. BGH NJW 2019, 3638 marginal no. 47; judgment of January 26, 2021 - VI ZR 505/19 marginal no. 15 et seqq.; OLG Munich GRUR 2020, 379 marginal no. 77 et seqq., 81 et seqq.). Respondent 4) did not meet this secondary burden of proof with the submission reproduced above. This is because it does not disclose which persons, acting on behalf of which companies, made the decision to file an application for the issuance

of an ASI in China. Consequently, for the purposes of the present proceedings, it must be assumed that Respondent 4) was significantly involved in the application for and maintenance of the Chinese ASI as an accomplice.

(2) Circumstances that became known to this court outside the present proceedings after the conclusion of the oral proceedings, namely that Respondent 4) alleges, according to its own submission, to have concluded license agreements with two large U.S. companies regarding the 2G, 3G and 4G technology (brief of the attorney representing Respondent 4) dated January 18, 2021 in the patent infringement proceedings 7 O 11554/20 before the Regional Court of Munich I), are therefore just as irrelevant as questions as to how this can be reconciled with the submission in the present proceedings and whether this knowledge can be included in the present proceedings after the conclusion of the oral hearings.

a. In this regard, Respondent 4) filed in a written statement dated February 24, 2021, without having been requested to do so by the court in these proceedings. By submitting a profit and loss account of Respondent 4) for the years 2018 and 2019 in the original and in German translation (Exhibit HL 9a and 9b), it submitted that it was clear from these documents that no significant income and costs had been incurred by Respondent 4) in the years 2018 and 2019. If Respondent 4) were not a mere holding company, but also operationally active, a comparable profit and loss statement would not be conceivable. Since its IPO in 2018, Respondent 4) had acted purely as a holding company. Therefore, it did not (currently) have a significant operational function. Only well before 2018, it had also acted as a licensee. At that time, the company was still a "start-up", so to speak. The company had only been founded in 2010. At that time, at the request of the licensor, it was included in the agreements as the top group company "as security". It requests that the oral proceedings be reopened insofar as this court has doubts about the correctness of this submission and considers further clarification to be necessary. For further details, reference is made to the written statement of February 24, 2021.

b. The oral proceedings did not have to be reopened pursuant to Sec. 156 (1) or (2) No. 1 of the German Code of Civil Procedure because this court can assume as true the submission made in the un-requested statement of February 24, 2021, without changing the above result. It does not follow from the mere fact that the Respondent is currently not itself operationally active and therefore does not

generate any income or losses in this respect that it did not work towards the filing of the application in China through its employees and/or organs - without affecting the balance sheet or the result. Who actually took and implemented the decision to apply for an ASI in China in response to the infringement action in India has thus still not been presented by any of the respondents. Due to the fact that Respondent 4) has been co-sued in India and is co-protected by the Chinese ASI, it would be surprising if it had not been included in these considerations as a group holding company. In any case, as requested by the Plaintiffs, the specific circumstances would have had to be presented in detail by Respondent 4).

A reopening is also not required from the point of view that the court has violated a duty to give an indication or a warning. It is recognized that a judicial notice may be required under special circumstances if the party representative, despite having (expressly) informed the court that a certain point has been proven, has not been informed by the court that the court does not follow this assessment (OLG München InstGE 8, 254; *Zigann* in Handbuch des Patenrechts, 2<sup>nd</sup> edition § 15 marginal no. 292). Whether this is the case in the present case can, however, be left open, because the factual submission made in the pleading of February 24, 2021 and the means of substantiation offered in this connection can, as shown, be assumed to be true without this having any influence on the decision reached. No further submissions were announced. In this respect, the present case differs from the case on which the decision of the Munich Higher Regional Court was based.

1) The injunction request with respect to Respondent 4) was not settled by the letter of Respondent 4) to Respondents 1) to 3) dated December 18/19, 2020 (Exhibit HL 3a, 3b). In this letter, Respondent 4) informed the other respondents of the issuance of the preliminary injunction of the Munich Regional Court I of November 9, 2020 and requested them to comply with it ("request that you comply with the order"). However, at the same time, it communicated its view that it itself was not obligated to do more and that the other injunction respondents were not obligated to comply with the orders until they had been duly served. Consequently, Respondent 4), as a co-perpetrator of the application for an ASI in Wuhan, did not immediately do everything in its power to influence the co-perpetrators in accordance with the orders in the preliminary injunction of the Regional Court of Munich I dated November 9, 2020, after service on itself. Rather, the letter presents itself as an (ineffectual) attempt to make it look as though it was seeking to comply with the preliminary injunctions.

Even the preliminary notices of this court in the scheduling order of December 23, 2020 have not prompted Respondent 4) to exert more serious influence on the other respondents in this respect. It has also not approached the Chinese court with the request that the, in its view, "imposed enrichment" through the inclusion in the scope of protection of the ASI via the wording "and its affiliates" should cease to exist through the submission of appropriate declarations. The letter of Respondent 4) of November 18/19, 2020 did not in fact lead to any reaction or action by Respondents 1) to 3) with respect to the ASI until the conclusion of the oral proceedings. Rather, the ASI is still in force.

### **E. Grounds for an injunction**

The Plaintiffs have substantiated the existence of grounds for the injunction. This relates both to the aspect of urgency in terms of time and to the aspect of general urgency, namely that the Plaintiffs cannot reasonably be expected to refer the matter to the main proceedings.

- I. The Plaintiffs in the injunction have made a credible case that they cannot be expected to refer the matter to the main proceedings. For applications directed against an ASI issued or to be issued by another court, this follows from the nature of the dispute. The injunctive relief is the essential feature of any exclusive right such as a patent right, and at the same time also represents the sharpest weapon of the patent proprietor. The patent right as an exclusive right would in fact be worthless if the patent proprietor were deprived of the possibility of enforcing its exclusive right via the state monopoly on the use of force in the form of ordinary court proceedings (*Keukenschrijver* in *Busse/Keukenschrijver*, PatG, 9th ed., § 9 marginal no. 26). However, the right to injunctive relief is only available to the patent proprietor during the limited term of the patent. Therefore, the injunctive relief could not be sufficiently secured by a decision in the main proceedings with respect to an ASI issued by another court. This is because, at least in the period up to the provisional enforcement of a successful first-instance judgment in the main proceedings, the patent proprietor would be de facto deprived of his right to injunctive relief. As explained above, an ASI issued by a foreign court is not to be recognized in Germany because it would violate the *ordre public*. However, threatened or nationally enforced coercive measures of a foreign court can establish and maintain a coercive situation vis-à-vis the patent proprietor, which factually prevents an effective enforcement of the patents.

With respect to an ASI yet to be issued by another court, this applies even more.

In particular, this also applies if, as in this case, an order prohibiting the application for protective measures (AAASI) is pending.

- II. The Plaintiffs have also made a credible case that they have complied with the time limit applicable in the district of the Higher Regional Court of Munich in the area of industrial property protection, which is one-month as of knowledge of the act and the perpetrator, insofar as this is applicable to proceedings of the present type, under the special circumstances of the present individual case.
  1. In the Munich Higher Regional Court district, an urgency period of one month from knowledge of the act and the perpetrator must generally be observed in the area of industrial property protection. Insofar as the plaintiff is not yet in possession of the necessary prima facie evidence at this point in time in order to file an application for a temporary injunction with some prospects of success, the time necessary to obtain this prima facie evidence is to be added, insofar as the plaintiff proceeds swiftly throughout and files the application for an injunction as soon as this prima facie evidence is available (for evidence see *Retzer* in *Harte/Henning, UWG*, 4th edition, Annex to § 12, marginal no. 957).
  2. Whether this case law is also applicable to the application for an injunction directed against an ASI pronounced or to be pronounced by another court can be left open in the present case. For the Plaintiffs complied with the one-month time limit, if this is to be applied, under the special circumstances of the present individual case, see below under 4.
    - a. Arguments against applying the one-month time limit are the particular difficulties faced by applicants, especially when they have to apply for countermeasures against a globally applicable ASI at the same time worldwide, as well as possible unequal treatment with other defensive claims based on property, to which this one-month time limit has not applied so far.
    - b. However, the proximity to the core area of industrial property protection and the associated legal certainty speak in favor of an application. Finally, as explained above, such an application is a patent dispute. Therefore, in the view of this court, the one-month time limit is to be applied. However, the particular difficulties caused by the shortness of the time limit can be effectively countered by the measures explained below.

3. a. To the extent that the one-month time limit applies, it begins, insofar as the request for an injunction is based on a **risk of repetition**, at the time of the patent proprietor's assured knowledge or knowledge of the issuance of the ASI. This is because, irrespective of service on the patent proprietor, on which the applicant for the ASI may no longer have any influence at all, depending on the legal system, the applicant has thereby completed the act, i.e. the interference with the absolute right of the patent proprietor. From this point on, the ASI can already have its intended effect, namely to prevent the patent proprietor from enforcing its patent in the granting state by threatening judicial sanctions in the granting state. Assured knowledge is to be required in this regard. The party affected by the ASI must be able to clearly and unambiguously recognize that it is an authentic order of a foreign court, who exactly are the parties to these foreign proceedings, and what exactly has been ordered and why. Insofar as these questions cannot be inferred from the text of the court order alone, knowledge of the underlying application document and, if applicable, the means of prima facie evidence must also be required.

As explained above, the possibility of filing an appeal against an ASI that has been issued, in this case a Reconsideration, has in principle no influence on the admissibility of an application for a preliminary injunction directed against the ASI and in particular on the running of the urgency period to be observed in this respect.

b. Insofar as the application for an injunction is based on a **risk of first infringement**, it begins at the time when the patent proprietor has knowledge or should have known of the existence of an application for the issuance of an ASI or of the forthcoming risk of such an application being filed, for example because the other party has threatened to file such an application. According to the case law of the Munich Higher Regional Court, the filing of an application for the issuance of an ASI constitutes a risk of first infringement of an absolute right within the meaning of Sec. 823 (1) in conjunction with Sec. 1004 (1) 1 of the German Civil Code (OLG Munich GRUR 2020, 379 marginal no. 55 et seq.). However, the patent proprietor is free to first wait and see whether the risk of first infringement materializes, i.e. whether the other court even issues the requested ASI. Upon issuance of the requested ASI, the above statements on the risk of repetition apply.

- c. The comments on the risk of first infringement also apply in the event that the request for an ASI is directed to a general worldwide prohibition on the judicial assertion of the patents concerned without any currently pending actions and

applications by the patent proprietor. It is true that in this case, in order to preserve the possibility of also enforcing its patents by legal action, the patent proprietor is required to prepare and file applications for appropriate countermeasures (AASI) in a large number of jurisdictions within a very short period of time. So far, however, requests for an ASI have only become known in connection with worldwide disputes between owners of global patent portfolios concerning standard-essential patents and globally active patent users. However, such patent owners must be aware of the global dimension of their licensing request and the risk of possible globally dispersed individual countermeasures by patent users such as oppositions, nullity actions, negative declaratory actions, approaches to individual antitrust authorities or courts, etc. Patent owners must be equally aware that there is a risk that individual patent users might make use of the possibility provided in foreign jurisdictions to request an ASI. In this respect, they must also take into account that the foreign court, as here, may issue a general worldwide prohibition to suit in accordance with the request and, with the exception of India, without any specific cause of action.

d. In this respect, nothing impossible is demanded of the patent proprietors.

aa. This is because it is open to the patent proprietor to file at an early stage an application for the issuance of appropriate provisional countermeasures based on the threat of first infringement which, instead of or in addition to orders relating to an imminent or already issued ASI (AASI), may also include orders to the effect (AAAASI) that no application for the issuance of a provisional order (AAASI) be filed abroad with the aim of prohibiting the patent proprietor from filing an application for an injunction of the present type (AASI).

In the future, the Regional Court of Munich I will always assume the existence of the required risk of a first infringement, in some cases beyond the already known groups of cases discussed above, if the existence of one of the situations listed below is made credible:

- The patent user has threatened a request for an ASI against the patent proprietor.
- The patent user has filed a request for an ASI directed against the patent proprietor.
- The patent user has filed, or threatened to file, a main action for the grant of a license or for a determination of a reasonable global royalty for such license in a jurisdiction that generally provides ASIs.

- The patent user has threatened to issue an ASI to other patent proprietor or has already requested such an ASI, and there is no evidence that the patent user, recognizable to the patent proprietor, has renounced this practice for the future, at least in relation to the patent proprietor.
- The patent user has not declared in text form within the short time limit set to him by the patent proprietor, for example in the context of the first infringer's notice, not to file a request for an ASI.

bb. Companies belonging to the same group are generally to be regarded in the same way as the patent proprietor or the patent user.

cc. In this respect, the case law on the substantiation of a risk of first infringement must be further developed in the context of the risk of applying for and issuing a worldwide ban on legal action:

- (1) According to the previous case law of the German Federal Court of Justice, the assumption of a risk of first infringement initially requires serious and tangible factual indications that the respondent will behave unlawfully in the near future. The initial risk of infringement must relate to a specific act of infringement. The circumstances giving rise to the risk of first infringement must indicate the threatened infringing act in such concrete terms that it can be reliably assessed for all elements of the offense whether they have been realized. Since the risk of infringement is a fact giving rise to a claim, the burden of presentation and proof lies with the claimant (established case law; cf. BGH judgment of Dec. 20, 2020 - I ZR 133/17 marginal no. 50 with further references – new edition). In contrast, the mere existence of a contractual (or statutory) right does not constitute a tangible factual indication that this right will also be asserted by the opposing party in the near future. The existence of rights establishes at most the theoretical possibility of their assertion. However, this is not sufficient to establish a risk of first infringement. In addition, there must be regular behavior on the part of the obligor that indicates a concrete act of infringement that is imminent in the near future. This may be the case if the obligor invokes the existence of a specific right (see BGH judgment of Dec. 20, 2020 - I ZR 133/17 marginal no. 53 – new edition). Furthermore, it is not sufficient to merely represent

one's own legal position in order to keep open the mere possibility of corresponding conduct in the future. Rather, when assessing the individual circumstances of the case, the statement must also indicate a willingness to act in this way immediately or in the near future (see BGH judgment of Dec. 20, 2020 - I ZR 133/17 marginal no. 53 with further references – new edition).

- (2) This cannot be fully applied in the case of threatened ASIs, in particular if they are issued without a concrete reference to a judicial action by the patent proprietor. It is true that owners of global portfolios with global licensing requests could use the time prior to the first approach to a patent user to prepare corresponding requests for the issuance of appropriate countermeasures (AASI) in all relevant jurisdictions in the event of a later developing threat of first infringement. In the case of a large number of patent users, however, this would lead to disproportionately high costs, without there already being any tangible indications at this point in time within the meaning of the above case law as to whether a specific patent user, e.g. after receipt of the notice of opposition deemed generally necessary in the decision *Huawei v. ZTE* (ECJ GRUR 2015, 764), will file an application for an ASI in a specific country. Furthermore, it will be unclear at this point in time whether this will also occur, as happened in the present case, with worldwide effect also outside those territories in which actions or applications of the patent proprietor are already pending or will tangibly be pending soon. Accordingly, effective legal protection can only be achieved by moderately shifting the assumption of a risk of first infringement to an earlier time in favor of the patent proprietor. The interest of the patent user to be spared from costly preliminary injunctions to defend against feared ASI applications is taken into account by the fact that the alternatives described above - which are not exhaustive - which establish the risk of first infringement, are all based on actions of the patent user (or the affiliated companies). The patent user and the companies affiliated with him therefore have it in their own hands to prevent a risk of first infringement from arising in the first place or to eliminate an already existing risk of first infringement by means of suitable declarations.

This can also be expected from them, as the applications for the issuance of an ASI that have become known so far were all based on the protection of a main action pending in the issuing state. These main actions are directed at the conclusion of a FRAND license agreement or at the abstract determination of FRAND licensing conditions, detached from a concrete conclusion of an agreement. Common to both types of action, however, is the argument that the patent user is willing to license and that the absence of a license agreement legitimizing the acts of worldwide use already undertaken and continued is attributable solely to the patent proprietor. If, however, these patent users are really willing to license, they will refrain from further unlawful interference with the property-like protected legal positions of the patent proprietor beyond the already committed and ongoing acts of use. Or, in other words, a patent user who files an application for an ASI or threatens to do so cannot, as a rule, be considered sufficiently willing to license within the meaning of the case law of the Court of Justice of the European Union and the German Federal Court of Justice (see ECJ GRUR 2015, 764 - Huawei v. ZTE; BGH GRUR 2020, 961 - FRAND-Einwand [=FRAND-objection]; judgment of Nov. 24, 2020 - KRZ 35/17 - FRAND-Einwand II; e.g. LG Munich I GRUR-RS 2020, 22577; 21 O 13026/19 in juris). Consequently, the patent user can also be required to declare not only its qualified willingness to license after receipt of the infringement notice, but also that he will not request an ASI.

dd. If one wanted to see this differently, the course of the proceedings devised by the Court of Justice of the European Union would have to be fundamentally changed. The infringement notice and the subsequent pre-litigation steps would have to be omitted, so that the situation according to the German Federal Court of Justice - Orange Book (GRUR 2009, 694) would be restored, namely that the license seeker using the patent has to take the first step in the negotiation process.

ee. Moreover, the parties are only in a position to assert their interests mutually on an equal footing and thus to negotiate in a balanced manner in accordance with the negotiation regime of the ECJ if the patent proprietor, as compensation for the possibility of an attack on the validity of the patent,

which is available to the patent user without restriction, also has the path to the courts to enforce infringement claims existing from its point of view without restriction. This unity of legal protection possibilities would no longer be maintained if an ASI were to exclude the judicial assertion of infringement claims right from the outset. This applies all the more as an ASI directly and immediately excludes the right to access to the courts (right to justice), which is guaranteed under Article 47 (1) of the EU Charter of Fundamental Rights and can be derived from Articles 2 (1), 101 (1) sentence 2, 103 (1) of the German Basic Law, Article 6 of the Convention on Human Rights in conjunction with the general principle of the rule of law under Article 20 (3) of the German Basic Law. The right to justice must be taken into account when interpreting procedural provisions (*Thomas/Putzo*, ZPO, 41<sup>st</sup> ed. 2020, Einl I marginal no. 29; cf. also *Zöller/Vollkommer*, 33rd ed. 2019, Einleitung [=introduction], marginal no. 33, 34). Nothing else can apply with regard to substantive law criteria that - such as the question of the risk of first infringement - directly affect the possibility of procedural legal protection. The right to justice therefore also requires that the risk of first infringement be assumed slightly earlier in time, as in the present case, in order to prevent a de facto exclusion of access to the courts from the outset as a result of an ASI. Ultimately, in the cases mentioned, the required access to the courts can only be ensured at all by assuming a risk of first infringement at an earlier time, as advocated here.

- ff. If the negotiation regime is maintained and without the proposed modifications concerning a temporal advance of the assumption of a first risk of infringement, the patent proprietor is threatened with the issuance of an ASI as a reaction to the infringement notice, which, as explained, will de facto prevent it in a large number of cases from enforcing the claim for injunctive relief under patent law with prospects of success in court even against patent users who are indisputably unwilling to license during the term of the patents. This result, however, would be contrary to the values of Art. 9-11 of the Enforcement Directive (Directive 2004/48/EC) as well as the case law of the Court of Justice of the European Union.

Accordingly, in the opinion of the Regional Court of Munich I, a risk of first infringement is to be assumed if the existence of one of the above-mentioned cases is made credible.

- 4.a. In the present case, the injunction Plaintiffs have plausibly shown that they first became aware of the issuance of the ASI by the court in Wuhan in the period from

September 25 to 26, 2020. The Respondents have not substantiated whether there was prior knowledge or whether it should have been known before. In order to substantiate an earlier point in time, the Respondents refer to the wording of the English translation of the decision of the court in Wuhan dated December 4, 2020 (Exhibit AR ZV7). This states on page 9 above [emphasis added by this court]:

*"In this case, on 11 August 2020, the Court served the Review Applicants [InterDigital] by email with the copy of the pleading, the evidential materials, (notice of) procedures for participating in the lawsuit, court summons, **the subsequent Anti-Suit-Injunction Order**, and other judicial documents".*

From this, however, no inclusion of the Plaintiffs in the proceedings before the court in Wuhan can be inferred with regard to the application for the issuance of an ASI or a temporally earlier knowledge of the issuance of the ASI. This is because the court's account is obviously wrong in the English translation. The Chinese court could not have transmitted the (enacted) ASI by e-mail on August 11, 2020, because the ASI - undisputedly - had only been enacted on September 23, 2020 (Exhibit AR11). It must therefore be assumed that this is either a misstatement of fact or a translation error. In any case, the Respondents have not substantiated an earlier date. However, this can be left aside in the present case, because the Plaintiffs were exceptionally allowed to wait for the outcome of their application for reconsideration due to the special circumstances of the present individual case.

b. Under the special circumstances of the present individual case, the Plaintiffs were exceptionally allowed to wait for the outcome of the reconsideration proceedings in Wuhan, at least until it was clear that the court in Wuhan would uphold the ASI.

aa. The reconsideration proceedings were concluded with the decision of December 4, 2020 (Exhibit AR ZV7). However, already after the oral hearing on October 16, 2020, it was clear to the Plaintiffs that their application had little chance of success. The motion for injunction of October 30, 2020 was thus in any case received by the court in good time within the meaning of the one-month deadline, irrespective of whether the one-month deadline in the present individual case began to run in the period of September 25 to 26, 2020 when the Plaintiffs first had knowledge, on December 4, 2020 with the conclusion of the Reconsideration Proceedings or already on October 16,

2020, when it was clear that the Reconsideration process would not be successful.

- (1) Insofar as the one-month period in this individual case has begun with knowledge of the issuance of the ASI, the reconsideration proceedings, in any case until October 16, 2020, are to be treated in accordance with the period for the submission of prima facie evidence. This period is to be added to the one-month period. In this respect, two weeks (October 16, 2020 to October 30, 2020), which subsequently still elapsed until the filing of the application, are not objectionable for the selection of the Federal Republic of Germany from the large number of states under consideration and for the preparation, coordination and filing of an application for an injunction directed against the ASI. The fact that Respondent 2) was not explicitly named in the application until the written statement of November 5, 2020 is irrelevant in this regard. This is because it was already part of the request for relief in the statement of motion of October 30, 2020 (see OLG Munich GRUR 2020, 379 marginal no. 59). The clarification was made in response to the court's reference in the interim order of Nov. 03, 2020, to address the court's concerns with the definiteness requirement under German law.
- (2) Insofar as the running of the one-month period in the present individual case began on October 16, 2020, the notice of motion of October 30, 2020 and the written statement of November 5, 2020 were in any case still received within the one-month period.
- (3) To the extent that the running of the one-month period in the present individual case began on December 4, 2020, the preliminary injunction was already in place on that date.

bb. For the following reasons, the Respondents were exceptionally allowed to wait for the outcome of the Reconsideration Proceedings in Wuhan due to the special circumstances of the present case.

- (1) They were indisputably confronted for the first time as patent proprietors with the fact that a Chinese court had pronounced an ASI - in accordance with the request - worldwide and - with the

exception of India - without the existence of concrete actions or requests by the patent proprietors or concrete indications that such were threatened in certain territories (see *Prof. Yang Yu and Prof. Jorge L. Contreras: Will China's New Anti-Suit Injunctions shift the balance of global FRAND litigation?* on [patentlyo.com](https://www.patentlyo.com) of Oct. 30, 2020, Exhibit AR 14 p. 9). As a result, they were naturally not yet aware of the above-mentioned evaluations of the court that the reconsideration proceedings, even under these circumstances, have no influence on the possibility of applying for an injunction directed against the ASI or the running of the urgency deadline, as well as the further action of the Regional Court of Munich I in response to this development.

- (2) The Respondents themselves objected in the Indian proceedings that the Plaintiffs lacked the legal protection required for an application for an AASI in Delhi due to the application for reconsideration in Wuhan (Annex AR 26 p. 28 no. 24). The Indian court nevertheless issued an Ad Interim Injunction on October 6, 2020 and October 9, 2020, respectively, but did not address the objection. An Ad Interim Injunction can be referred to as a hanging order. It is a court order for the provisional settlement of the circumstances until the time of the actual decision on the injunction application and therefore only reflects a provisional and not conclusive and not exhaustive legal opinion of the court (see Exhibit AR 26 p. 28 para. 40). Therefore, it cannot be safely inferred from its issuance alone that the Indian court found this objection to be unavailing. Therefore, the Plaintiffs cannot be accused in the present case that they initially, as expressly requested by the Respondents in India and not explicitly rejected by the Indian court, took the safer route with regard to further jurisdictions and initially wanted to wait for the outcome of the reconsideration proceedings, at least until after the oral hearing in Wuhan on October 16, 2020, when it was clear that the Chinese court would not follow the arguments presented, instead of filing ad hoc and contrary to the documented procedural objection of the respondent applications for the issuance of an AASI in a large number of other states. This would have been associated with considerable uncertainties with regard to procedural admissibility and considerable costs, if there had been sufficient capacity to

coordinate such a global approach at all.

For subsequent patent proprietors, on the other hand, there is sufficient time after learning of the Chinese decision and of this decision to gather teams of attorneys in this respect and to prepare the filing of corresponding applications in a coordinated manner. Furthermore, unlike the Plaintiffs in the injunction, they have the possibility to bring about the existence of a risk of first infringement through suitable preparatory actions at a time when the international teams of attorneys are ready to apply for AASIs.

cc. This exceptional decision is in line with the evaluations of the German Federal Court of Justice in the decision with the keyword "Vakuumtransportsystem [=Vacuum Transport System]" (GRUR 2017, 428). In this decision, the German Federal Court of Justice held that a party is also unable, through no fault of its own, to assert the reason for restitution in earlier proceedings even if it would actually have been possible for it to do so, but it was entitled to assume that it was not legally able to do so or at least not required to do so (margin no. 28).

The same applies in the present case. The Plaintiffs in the injunction could have filed their application for an injunction earlier, but had to assume, not least due to the arguments of the Respondents in the Indian proceedings, that they were not legally able to do so as long as the reconsideration proceedings had not yet been decided or, in any case, as long as it was not foreseeable that they would not be successful.

Furthermore, the Plaintiffs in the injunction proceedings did not have to assume at that time that they would be required to file an earlier application. If the reconsideration proceedings had been successful, there would have been no need for further applications for interim countermeasures in a large number of jurisdictions. The action of the Plaintiffs in the injunction proceedings was therefore, from the point of view of the time, economical in terms of the proceedings.

dd. The fact that the Plaintiffs in the present case filed such an application in India on September 29, 2020, notwithstanding, is simply attributable to the fact that they had already filed a patent infringement action there before and that, if they continued to do so, they were threatened with very high

administrative fines every day due to the Chinese ASI and thus had to act very quickly. India as the place of possible patent enforcement also did not have to be identified first.

The fact that they filed an application for reconsideration with the court in Wuhan on the very next day, September 30, 2020, was justified by the very short period of only 5 days provided for this purpose (see Exhibit AR11 p. 12 last paragraph).

The fact that the Plaintiffs did not wait for the conclusion of the reconsideration proceedings with regard to the present application for an injunction is also not to their disadvantage, irrespective of the point in time at which the running of the one-month time limit is to be linked. In any case, they only considered other legal protection in the Federal Republic of Germany from the time when it was clear that the application for reconsideration before the court in Wuhan would not be successful.

III. The necessary weighing of the opposing interests leads to the confirmation of the preliminary injunction.

1. Even if the Chinese ASI cannot be recognized and enforced in Germany due to a violation of the German rules of international jurisdiction and due to a violation of the German *ordre public* (Sec. 382 German Code of Civil Procedure), the injunction Plaintiffs cannot in fact enforce their patent rights in the Federal Republic of Germany for an unforeseeable period of time without having to fear extremely high penalties and possibly further reprisals for themselves or their group companies in China if the Chinese ASI continues to exist. This court is aware that a Chinese court could possibly come to the conclusion that the present preliminary injunction and any administrative fines imposed on the basis of it are not recognizable and enforceable there due to a violation of Chinese *ordre public*. If the present preliminary injunction were to be lifted, however, the Plaintiffs in the injunction would not even be able to counter the Chinese ASI, which is unlawful from a German perspective, with a countervailing court decision claiming validity. Furthermore, it must be taken into account that justice does not have to and may not bow to injustice.

2. If the preliminary injunction were to be confirmed, the respondents in the injunction would be required from a German perspective to withdraw the ASI. However, this would not affect the main action in China.

The Chinese main action relates solely to the determination of an appropriate global license fee. It is possible that the Plaintiffs will subsequently file infringement suits in Germany following confirmation of the preliminary injunction. These will then be examined by the patent litigation chamber in a two-sided procedure based on the rule of law. In particular, the future respondents could object to non-infringement and file a motion for a stay of proceedings due to a nullity action or an opposition to be filed. A possible FRAND objection by the future respondents would most likely not be very successful because, as explained above, no licensee would behave as the injunction Respondents have done. The German court examining infringement would therefore in all likelihood not even enter into the substantive examination of the FRAND objection. Consequently, the German court examining infringement would also not substantively address the question of how high an appropriate global license fee could be. Consequently, a conflict with the subject matter of the Chinese proceedings is not to be expected.

3. This also does not constitute a denial of justice to the future respondents. For the future respondents themselves, by filing the Chinese main proceedings before the court in Wuhan, which is permissible in principle and not objectionable, have chosen the court which, from their point of view, has sole worldwide jurisdiction to determine an appropriate global license fee. They must be held to this. This assessment would not change even if the expected Chinese decision on the merits were not recognizable from a German perspective due to a violation of international jurisdiction in the Federal Republic of Germany. For the future respondents would have to blame themselves for this.

4. From a German perspective anyway, no double *lis pendens* is present regarding the FRAND objection and the subject matter of the Chinese main proceedings. The subject matter of the dispute is not defined by defense submissions, but rather by the plea in conjunction with the motions, according to the German doctrine of the two-part concept of the subject matter of a dispute, (BGH GRUR 2012, 485 - *Rohrreinigungsdüse [=Pipe cleaning nozzle]* II, margin no. 23; *Zigann/Werner in Ceph/Voss, Prozesskommentar zum gewerblichen Rechtsschutz [=Litigation commentary on industrial property rights]*, 2nd ed., Sec. 253 margin no. 53 with further references).

5. An interest of the Respondents to be spared the hardships of a legal defense against a patent infringement action in the Federal Republic of Germany until a decision on the Chinese main action is reached is not worth protecting. As members of a large group of producing and importing industrial companies, they would have to constantly check the patent situation anyway (BGH X ZR 30/14 marginal no. 133 –

Glasfasern [=glass fibres] II) and obtain the necessary licenses before commencing use (see ECJ GRUR 2015, 764 marginal no. 58 - Huawei v. ZTE). Here they failed to do so for over seven years and nevertheless - which is to be assumed for the purposes of the present proceedings - they used of the products worldwide. Against this background, the Plaintiffs in the injunction cannot be expected to further accept delay.

## F. Legal consequences

I. Due to the unlawful encroachment on the property-like protected legal position of the injunction Plaintiffs, the injunction Respondents are to be ordered to refrain from further encroachments and to remedy the consequences, Sec. 1004 of the German Civil Code.

1. In this respect, a withdrawal of the ASI application is also owed as part of the measures owed to eliminate the consequences. Although the main matter (the ASI application of August 4, 2020) will already be submitted to a final settlement similar to a performance order, this is indispensable in the sense of effective legal protection for the two injunction Plaintiffs. Only after a partial withdrawal of the application for the issuance of the ASI in relation to the territory of the Federal Republic of Germany will there be sufficient legal certainty for the two Plaintiffs in the injunction that they will not be exposed to substantial penalty payments in China due to subsequent legal actions in the Federal Republic of Germany itself or via its subsidiaries.
2. The objection of Respondent 4) that the acts ordered in the operative part of the preliminary injunction are impossible for it to adhere to is not valid. The individual acts listed with the indents are only examples of the extent to which the more general order must be adhered to, namely in regard to the Anti-Suit Injunction of the Wuhan Intermediate People's Court, Hubei Province, People's Republic of China, dated September 23, 2020 (Case No. (2020) E 01 Zhi Min Chu 169 Zhi Yi) being further pursued or any other judicial or administrative action directly or indirectly prohibiting the applicants from bringing patent infringement proceedings arising from their standard-essential patents in the Federal Republic of Germany being taken. As stated above, the Respondent, as the parent company of the group, is an accomplice and beneficiary with regard to the application for and maintenance of the ASI. It is therefore perfectly possible for it to act in accordance with the operative part of the injunction and, in this respect, to influence the other respondents who are subordinate to it under group law. In this respect, the application for an injunction and the preliminary injunction, which referred to the application in its grounds, are also to be understood and interpreted to be aimed at Respondent 4).

3. This obligation or part of this obligation has not been settled through the letter of Respondent 4) dated November 18, 2020 (HL ZV 2a), which has already been stated above.
- II. The Respondents to the injunction must also bear the further costs of the injunction proceedings, Section 97 (1) of the German Code of Civil Procedure.
- III. The application for temporary suspension of execution was therefore already to be rejected at the hearing on January 28, 2021.

#### Information on remedies:

The decision may be appealed against. The appeal is only admissible if the value of the subject matter of the appeal exceeds 600 euros or if the court of first instance has allowed the appeal in its judgment.

The appeal must be lodged within a strict time limit of **one month** with the

Oberlandesgericht München [=Munich Higher Regional Court]  
Prielmayerstr. 5  
80335 Munich.

The time limit begins with the service of the complete decision, at the latest with the expiration of five months after the pronouncement of the decision.

The appeal must be filed with a written statement by an attorney. The notice of appeal must indicate the contested decision and a statement that an appeal is being filed.

The appeal must be substantiated within two months in a submission by an attorney. This period also begins with the service of the complete decision.

An appeal may be lodged against the decision fixing the amount in dispute if the value of the subject matter of the appeal exceeds EUR 200 or if the court has allowed the appeal.

The appeal must be filed within **six months with** the

Landgericht München I [=Munich Regional Court I]  
Prielmayerstrasse 7  
80335 Munich

The period shall commence when the decision on the merits of the case becomes final or the proceedings are otherwise disposed of. If the amount in dispute has been determined later than one month before the expiry of the six-month period, the appeal may still be filed within one month after service or informal notification of the determination decision. In the case of informal notification, the decision shall be deemed to have been notified on the third day after posting.

The appeal shall be filed in writing or by declaration on the record at the office of the aforementioned court. It may also be filed before the clerk of any [German] district court [=Amtsgericht]; however, the time limit shall be deemed observed only if the record is received by the above-mentioned court in due time. The participation of an attorney is not required.

Appeals can also be submitted as an **electronic document**. A simple e-mail does not meet the legal requirements.

The electronic document must

4. be provided with a qualified electronic signature of the person responsible or
5. signed by the responsible person and submitted via a secure transmission channel.

An electronic document bearing a qualified electronic signature of the person responsible may be transmitted as follows:

- on a secure transmission channel or
- to the electronic court and administrative mailbox (EGVP) of the court set up for the receipt of electronic documents.

With regard to secure means of transmission, reference is made to Section 130a (4) of the German Code of Civil Procedure. With regard to the other requirements for electronic communication with the courts, reference is made to the German Ordinance on the Technical Framework Conditions for Electronic Legal Transactions and on the Special Electronic Public Authorities Mailbox (Electronic Legal Transactions Ordinance - ERVV), as amended from time to time, and to the website [www.justiz.de](http://www.justiz.de).

Zigann

Werner

Schacht

Published on Feb. 25, 2021

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Clerk of the court