

**Hearing Before the United States House of Representatives Subcommittee on Courts,  
Intellectual Property, and the Internet of the Committee on the Judiciary:  
“IP and Strategic Competition with China: Part IV — Patents, Standards, and Lawfare**

Dec. 18, 2024

Testimony of Thomas F. Cotter

Chairman Issa, Ranking Member Johnson, and Distinguished Members of the Subcommittee: I am pleased to present the following testimony in connection with the Subcommittee’s December 18, 2024 hearing on IP and Strategic Competition with China. I am the Taft, Stettinius & Hollister Professor of Law at the University of Minnesota Law School. I specialize in the law of intellectual property, with a particular emphasis on remedies for the infringement of intellectual property rights. My scholarship often considers these issues from a comparative angle—focusing on how the United States and other major jurisdictions handle common issues—and from a law-and-economics perspective. Further information about my scholarship can be found in my curriculum vitae, which you have; and some of the testimony below is drawn from my single- or coauthored publications, or pending writings, on the relevant topics.<sup>1</sup> I am appearing in my personal capacity, and not as a representative of the University of Minnesota.

Some patents are essential to implementers’ practice of industrial standards. Many of these standards are established by standard-setting organizations (SSOs) such as the European Telecommunications Standards Institute (ETSI) and the Institute of Electrical and Electronics Engineers (IEEE). These organizations, comprised of participants in the relevant fields of technology (e.g., telecommunications), often promulgate standards (e.g., relating to 5G wireless cellular technology) that enable products to interoperate and to achieve certain minimum performance expectations. SSO policies also often encourage or require their members to declare any active or pending patents that may be relevant to a standard under consideration, and to commit to license any such standard-essential patents (SEPs) on “fair, reasonable, and nondiscriminatory” (FRAND) terms. In principle, such commitments limit the owners’ market power and ensure widespread availability of commercially essential technology; but except for the minority of SSOs that require royalty-free licensing, the SSOs themselves do not define the term “FRAND” or the methodology to be used in determining the terms of a FRAND license. Moreover, since patents are territorial, a company may own a U.S. patent covering, say, some feature of smartphone

---

<sup>1</sup> These include FRAND: GERMAN CASE LAW AND GLOBAL PERSPECTIVES (Peter Georg Picht, Thomas Cotter & Erik Habich eds., Edward Elgar Publishing 2024), including my essay published therein, *Like Ships That Pass in the Night: U.S. and German Approaches to FRAND Disputes* (a version of which is available at [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4160170](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4160170)); some of the chapters in PATENT REMEDIES AND COMPLEX PRODUCTS: TOWARDS A GLOBAL CONSENSUS (Jorge Contreras et al. eds., Cambridge University Press 2019) [hereinafter COMPLEX PRODUCTS]; *Is Global FRAND Litigation Spinning Out of Control*, 2021 PATENTLY-O L.J. 1; *Judicially Determined FRAND Royalties*, in 1 CAMBRIDGE HANDBOOK OF TECHNICAL STANDARDIZATION LAW 365 (Jorge L. Contreras ed., Cambridge University Press 2017) (coauthored with Norman V. Siebrasse); *The Comparative Law and Economics of Standard-Essential Patents and FRAND Royalties*, 22 TEX. INTELL. PROP. L.J. 311 (2014); and the manuscript for a pending book project, titled REMEDIES IN INTELLECTUAL PROPERTY LAW, under contract with Edward Elgar Publishing.

technology, as well as corresponding patents in many other countries. Thus, when parties fail to reach agreement on the terms of a FRAND license, in principle they could wind up litigating in virtually any country or countries in which the implementer sells products incorporating the SEPs at issue. Among the venues for SEP litigation over the past ten years or so have been the United States, the United Kingdom, Germany, the Netherlands, France, the Unified Patent Court,<sup>2</sup> China, Japan, South Korea, India, Brazil, and Colombia. In the paragraphs below, I provide a brief overview of how courts in the United States, the United Kingdom, Germany, and China—the four nations that I would describe as, so far, the leading jurisdictions for FRAND litigation—have addressed common issues that arise in these cases, including the use of anti- (or anti-anti)suit injunctions in some of these cases.

### ***The United States***

In the United States, disputes involving FRAND-committed SEPs can make their way to the courts through a few different routes. In *Microsoft Corp. v. Motorola, Inc.*,<sup>3</sup> for example, Microsoft alleged that it was a third-party beneficiary of what amounted to contractual commitments on the part of Motorola to license on FRAND terms patents essential to two standards, and that Motorola had breached those obligations by offering above-FRAND terms. The district court agreed that Microsoft was a third-party beneficiary under the law of the State of Washington,<sup>4</sup> and conducted a bench trial to determine a global FRAND rate and FRAND range for the SEP portfolios at issue. The court concluded that the actual FRAND rate and range were far below the rates offered by Motorola. The case then proceeded to a jury trial to determine if Motorola had breached its duties of good faith and fair dealing, which resulted in a jury award of damages to Microsoft. The Ninth Circuit affirmed.<sup>5</sup> Other U.S. courts have entertained actions for declaratory judgments that the SEP owner did (or did not) breach its commitment to license its SEPs to an implementer.<sup>6</sup> Such actions may result, as in *Microsoft*, in the court actually determining what an appropriate FRAND royalty would be, as in *TCL Commc'n Tech. Holdings*,

---

<sup>2</sup> The Unified Patent Court (UPC) is a tribunal that has authority to hear patent disputes involving European Patents that are enforceable in any of the (so far) eighteen European Union (EU) member states that have ratified the Unified Patent Court Agreement (UPCA). EU members Croatia, Poland, and Spain have chosen to remain outside the UPC system.

<sup>3</sup> No. C10–1823JLR, 2013 WL 2111217 (W.D. Wash. Apr. 25, 2013), *aff'd*, 795 F.3d 1024 (9th Cir. 2015).

<sup>4</sup> See *Microsoft Corp. v. Motorola, Inc.*, 864 F. Supp. 2d 1023, 1032-33 (W.D. Wash. 2012) (applying Washington law). In another early FRAND case, a court held that Apple was a third-party beneficiary of Motorola's commitments under Wisconsin and French law. See *Apple, Inc. v. Motorola Mobility, Inc.*, 886 F. Supp. 2d 1061, 1081-82 (W.D. Wis. 2012). Other authorities similarly have concluded that FRAND commitments made to ETSI, which are governed by French law, create third-party beneficiary rights (*stipulations pour autrui*, under French law).

<sup>5</sup> See *Microsoft Corp. v. Motorola, Inc.*, 795 F.3d 1094 (9th Cir. 2015).

<sup>6</sup> To be more precise, the implementer may initiate the action for a declaratory judgment that the owner has breached its FRAND obligation, or the owner may initiate the action for a declaratory judgment that it hasn't breached its obligation. Either way, the counterparty may respond with a corresponding counterclaim for a declaratory judgment, and the SEP owner may also assert claims for patent infringement.

*Ltd. v. Telefonaktiebolaget LM Ericsson*.<sup>7</sup> Alternatively, in *HTC Corp. v. Telefonaktiebolaget LM Ericsson*, the Fifth Circuit affirmed a judgment that Ericsson did not breach its FRAND obligation, and concluded that the district court had not committed reversible error by instructing the jury that there was “no fixed or required methodology for setting or calculating the terms of a FRAND license.”<sup>8</sup> At other times, U.S. courts have determined FRAND royalties within the context of patent infringement litigation, either in bench or jury trials.<sup>9</sup>

To date, however, U.S. courts have not awarded injunctive relief for the infringement of FRAND-committed SEPs. Under the U.S. Supreme Court’s 2006 decision in *eBay Inc. v. MercExchange, L.L.C.*,<sup>10</sup> courts are required to consider four factors—including whether the patent owner faces irreparable harm, and whether remedies at law would be inadequate—before awarding the prevailing patent owner an injunction.<sup>11</sup> Thus, although Judge Reyna’s 2014 opinion in *Apple Inc. v. Motorola Inc.*<sup>12</sup> cautioned that there is no bright-line rule forbidding courts from awarding SEP owners injunctive relief, he proceeded to note that under *eBay* “[a] patentee subject to FRAND commitments may have difficulty establishing irreparable harm.”<sup>13</sup> Further, although in cases in which it has jurisdiction the United States International Trade Commission (ITC) can enter exclusion orders, which are similar in effect to injunctions, against the entry of infringing

---

<sup>7</sup> See *TCL Commc’n Tech. Holdings, Ltd. v. Telefonaktiebolaget LM Ericsson*, No. SACV 14-341 JVS (DFMx), 2018 WL 4488286 (C.D. Cal. Sept. 14, 2018), *vacated in part, rev’d in part, and remanded on other grounds*, 943 F.3d 1360 (Fed Cir. 2019). On appeal, however, the Federal Circuit held that the determination of FRAND royalties for past uses was subject to the constitutional right to trial by jury under U.S. law, because it implicates the law of patent damages.

<sup>8</sup> See *HTC Corp. v. Telefonaktiebolaget LM Ericsson*, 12 F.4th 476 (5th Cir. 2021).

<sup>9</sup> See, e.g., *Commonwealth Sci. & Indus. Rsch. Org. v. Cisco Sys., Inc.*, 809 F.3d 1295 (Fed. Cir. 2015) (bench); *Ericsson, Inc. v. D-Link Systems, Inc.*, 773 F.3d 1201 (Fed. Cir. 2014) (jury); *In re Innovatio IP Ventures, LLC Pat. Litig.*, No. 11 C 9308, 2013 WL 5593609 (N.D. Ill. Oct. 3, 2013) (bench).

<sup>10</sup> 547 U.S. 388 (2006).

<sup>11</sup> See *id.* at 391 (stating that “well-established principles of equity, a plaintiff seeking a permanent injunction must satisfy a four-factor test before a court may grant such relief. A plaintiff must demonstrate: (1) that it has suffered an irreparable injury; (2) that remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction”).

<sup>12</sup> 757 F.3d 1286, 1331-32 (Fed. Cir. 2014), *overruled in irrelevant part*, *Williamson v. Citrix Online, LLC*, 792 F.3d 1339 (Fed. Cir. 2015) (en banc).

<sup>13</sup> *Id.* at 1332 (also stating, however, that “an injunction may be justified where an infringer unilaterally refuses a FRAND royalty or unreasonably delays negotiations to the same effect,” although “this does not mean that an alleged infringer’s refusal to accept any license offer necessarily justifies issuing an injunction”). See also *id.* (Rader, C.J., dissenting in part) (dissenting on the question of injunctive relief, on the ground that “the record contains sufficient evidence to create a genuine dispute of material fact on Apple’s posture as an unwilling licensee”); *id.* at 1342-43 (Prost, J., concurring in part and dissenting in part) (expressing the view that “if a trial court believes that an infringer previously engaged in bad faith negotiations, it is entitled to increase the damages to account for any harm to the patentee as a result of that behavior,” but that “monetary damages are likely adequate to compensate for a FRAND patentee’s injuries” and that “pre-litigation conduct in license negotiations should [not] affect the availability of injunctive relief”).

goods into the United States, in 2013 the United States Trade Representative cited a (subsequently withdrawn) 2013 Policy Statement of the United States Department of Justice and the United States Patent and Trademark Office in his decision to override, on public interest grounds, an exclusion order that would have prevented Apple from importing into the United States certain devices that the ITC had concluded infringed a FRAND-committed SEP owned by Samsung.<sup>14</sup>

U.S. courts also for the most part have not seen fit to apply antitrust law to constrain SEP owners. One reason is that, as a matter of legal doctrine, U.S. antitrust law condemns the willful acquisition or maintenance of monopoly power,<sup>15</sup> but does not recognize a more general “abuse of dominant position” doctrine as many other countries do. Thus, for example, in *Rambus Inc. v. FTC*,<sup>16</sup> the FTC alleged that Rambus had engaged in unlawful monopolization by deceiving an SSO into believing that Rambus had no patents or pending patent applications relevant to standards the SSO was developing, and then (having exited the SSO and disclosed that it did, in fact, own relevant SEPs) demanding above-FRAND royalties from implementers. The D.C. Circuit held, however, that absent evidence that the SSO would have chosen a non-proprietary standard had it known about Rambus’ patents in advance, the agency had not proven an antitrust violation.<sup>17</sup> More recently, the Ninth Circuit held that the FTC failed to prove that Qualcomm had unlawfully maintained its monopoly power in the market for smartphone chips, by refusing to license its SEPs to component manufacturers or to sell chips to original equipment manufacturers who declined Qualcomm’s licensing offers.<sup>18</sup> Some other recent decisions similarly have rejected claims alleging violations of U.S. antitrust law premised on defendants’ alleged breaches of their FRAND commitments.<sup>19</sup>

---

<sup>14</sup> See Letter from Michael B.G. Froman, Exec. Office of the President of the U.S. Trade Rep., to Hon. Irving A. Williamson, Chairman, U.S. Int’l Trade Comm’n (Aug. 3, 2013), *available at* [https://ustr.gov/sites/default/files/08032013%20Letter\\_1.PDF](https://ustr.gov/sites/default/files/08032013%20Letter_1.PDF). For discussion of the 2013 and (also subsequently withdrawn) 2019 Policy Statement addressing these issues, see my paper *Like Ships That Pass in the Night*, *supra* note 1, at 219-21.

<sup>15</sup> See *United States v. Grinnell Corp.*, 384 U.S. 563, 570-71 (1966).

<sup>16</sup> 522 F.3d 456 (D.C. Cir. 2008).

<sup>17</sup> See *id.* at 461-67. *Cf.* *Broadcom Corp. v. Qualcomm Inc.*, 501 F.3d 297, 304 (3d Cir. 2007) (holding that “that (1) in a consensus-oriented private standard-setting environment, (2) a patent holder’s intentionally false promise to license essential proprietary technology on FRAND terms, (3) coupled with an SDO’s reliance on that promise when including the technology in a standard, and (4) the patent holder’s subsequent breach of that promise, is actionable anticompetitive conduct”).

<sup>18</sup> See *FTC v. Qualcomm Inc.*, 969 F.3d 974 (9th Cir. 2020).

<sup>19</sup> See *Cont’l Auto. Sys., Inc. v. Avanci, LLC*, No. 20-11032, 2022 WL 2205469 (5th Cir. June 21, 2022) (per curiam) (nonprecedential opinion), *aff’g* 485 F. Supp. 3d 712 (N.D. Tex. 2020) (holding that defendant patent pool did not violate Sherman Act § 1 by refusing to license at the component level, and disavowing *Broadcom*’s holding that deceptive conduct before an SSO can violate Sherman Act § 2). *Cf.* Decision and Order, In the Matter of Motorola Mobility LLC and Google, Inc., ¶¶ 1, 2527, 3132 (FTC Jan. 3, 2013) (consent order obligating Google not to seek injunctive relief for the infringement of FRAND-committed SEPs, subject to some exceptions); Decision and Order (Redacted Public Version), In the Matter of Robert Bosch GmbH, Docket No. C4377, (FTC Apr. 24, 2013) (similar). For discussion of these two FTC actions, see my paper *The Comparative Law and Economics of Standard-Essential Patents*, *supra* note 1.

## *The United Kingdom*

Another leading jurisdiction for the litigation of disputes involving FRAND-committed SEPs is the United Kingdom. In the U.K., these cases generally arise as patent infringement actions;<sup>20</sup> and, as in the United States, courts in the U.K. sometimes take upon themselves the responsibility of establishing the terms of FRAND licenses. In this regard, the U.K. Supreme Court in 2020 affirmed the lower courts' determination in the joined cases of *Unwired Planet International Ltd. v. Huawei Technologies (UK) Co. Ltd.*; *Huawei Technologies Co. Ltd. v. Conversant Wireless Licensing SÀRL*; and *ZTE Corp. v. Conversant Wireless Licensing SÀRL*,<sup>21</sup> that English courts have authority to establish the terms of *global* FRAND licenses, as an incident to resolving disputes over the infringement of domestic SEP rights.<sup>22</sup> The underlying logic of this approach is, first, that if a freely negotiated FRAND license would be global in scope, then a willing licensee would agree to a global FRAND license; second, once it is established that the defendant has infringed one or more of the plaintiff's valid (domestic) SEPs, the court may enjoin the defendant from practicing the patented technology, if the defendant is an unwilling licensee; and third, on the basis of the forgoing principles, the court may offer the infringer the choice of either agreeing to the court's determination of the terms of a global FRAND license (one that a willing licensee would accept), or (as an unwilling licensee) being enjoined from the U.K. market.<sup>23</sup> Since *Unwired Planet*, courts in the U.K. have established the terms of FRAND licenses in two other cases, *Optis Cellular Tech. LLC v. Apple Retail UK Ltd.*<sup>24</sup> and *InterDigital Tech. Corp. v. Lenovo Group Ltd.*<sup>25</sup> Although some observers expressed concern that, in the wake of *Unwired Planet*, SEP owners would forum-shop by filing suit in the U.K. for the determination of global licenses on favorable terms, in the last two cases in particular the rates awarded were considerably lower than those sought by the SEP owners; and the courts in all three of the aforementioned cases published thorough, detailed decisions explaining how they established their rates. In this regard, it may be relevant that there are no jury trials in patent actions in the U.K., as there are in many U.S. cases, and the Patents Court judges are specialists in IP matters; as in the United States, however, the litigants in the U.K. actions make ample use of expert testimony, and are able to obtain to some measure of discovery. Also as in the United States, the use of antitrust law to regulate SEPs has played only a limited role so far—although prior to the U.K.'s exit from the

---

<sup>20</sup> In the U.K., almost all patent infringement cases originate in the Patents Courts for England Wales, from which the losing party may seek to appeal to the Court of Appeal for England and Wales, and from there to the Supreme Court of the United Kingdom.

<sup>21</sup> *Unwired Planet Int'l Ltd. v. Huawei Techs. (UK) Co. Ltd.* [2020] UKSC 37 (appeal taken from Eng.).

<sup>22</sup> *See id.* at [95].

<sup>23</sup> *See id.* at [20], [27]–[29], [60], [165].

<sup>24</sup> [2023] EWHC 1095 (Pat.) (Eng.).

<sup>25</sup> [2023] EWHC 539 (Pat.) (Eng.), *modified*, [2024] EWCA Civ. 743.

European Union the courts were bound by the rules established in *Huawei v. ZTE*, discussed below, and did address some aspects of them in the *Unwired Planet* decision.<sup>26</sup>

### ***The European Union***

Unlike in the United States and the United Kingdom, where injunctive relief is considered to be, to a greater or lesser degree, discretionary, the mostly civil-law jurisdictions of the member states of the European Union have tended to view the prevailing patent owner as being entitled to injunctive relief as a matter of right. As a consequence, courts within these nations tend to understand themselves as being authorized to deny or stay injunctive relief only under limited circumstances, even in SEP cases; and so far, the primary means for doing so in SEP cases has been antitrust law.<sup>27</sup> In its 2016 decision in *Huawei Techs. Co. Ltd. v. ZTE Corp.*,<sup>28</sup> the Court of Justice for the European Union (CJEU) specified that when a SEP owner requests an injunction for the infringement of a FRAND-committed SEP, it must follow a series of steps—the failure to comply with which can result in the owner being deemed to have committed an abuse of its dominant position in violation of article 102 of the Treaty on the Functioning of the European Union (TFEU),<sup>29</sup> and thus forfeiting its right to injunctive relief. In relevant part, the operative portion of the judgment reads as follows:

---

<sup>26</sup> See *Unwired Planet*, [2020] UKSC [128] – [158]. Another common-law jurisdiction where courts have heard several matters involving FRAND-committed SEPs is India. Cases in India often can take many years to proceed all the way to final judgment, but in some FRAND cases Indian courts have granted preliminary injunctions subject to a stay on condition that the implementer pay an interim royalty; and in one recent decision, the Delhi High Court did enter a final judgment awarding Ericsson a global FRAND royalty. See *Lava Int'l Ltd. v. Telefonaktiebolaget LM Ericsson*, CS(COMM) 65/2016 (Delhi High Ct. 2024). At least one Indian decision also is relevant to the topic of antisuit injunctions, discussed below.

<sup>27</sup> Given that French law recognizes something similar to a contract for the benefit of third parties, see *supra* note 4, perhaps it is possible that a French court at some point will be asked, and will agree, to establish a global FRAND license under a contract-law theory. A second possible option for avoiding injunctive relief in FRAND cases, under appropriate circumstances, might be the civil law doctrine of “abuse of right,” for brief discussion of which see Norman V. Siebrasse et al., *Injunctive Relief*; and *The Effect of FRAND Commitments on Patent Remedies*, in COMPLEX PRODUCTS, *supra* note 1, at 115, 141-42. (Japan’s Intellectual Property High Court applied that doctrine to deny injunctive relief in a 2014 decision between Apple and Samsung. See Judgment of May 16, 2014, 2013 (Ne) 10043 (IP High Court, Grand Panel) (Japan), translated at [http://www.ip.courts.go.jp/eng/vcms\\_lf/25ne10043full.pdf](http://www.ip.courts.go.jp/eng/vcms_lf/25ne10043full.pdf)). A third possibility might be to invoke the doctrine of “proportionality,” under either E.U. or domestic law, but despite a 2021 statutory amendment expressly conferring authority upon German courts to stay injunctive relief on proportionality grounds, to my knowledge the German courts have not embraced this theory as providing an alternative ground in SEP cases (or for that matter, applied the amendment in favor of the patent infringer in any non-SEP cases, either).

<sup>28</sup> Case C-170/13, ECLI:EU:C:2015:477 (CJEU 2015).

<sup>29</sup> This article reads:

Any abuse by one or more undertakings of a dominant position within the internal market or in a substantial part of it shall be prohibited as incompatible with the internal market in so far as it may affect trade between Member States.

Such abuse may, in particular, consist in:

(a) directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions;

Article 102 TFEU must be interpreted as meaning that the proprietor of a patent essential to a standard established by a standardisation body, which has given an irrevocable undertaking to that body to grant a licence to third parties on fair, reasonable and non-discriminatory ('FRAND') terms, does not abuse its dominant position, within the meaning of that article, by bringing an action for infringement seeking an injunction prohibiting the infringement of its patent or seeking the recall of products for the manufacture of which that patent has been used, as long as:

prior to bringing that action, the proprietor has, first, alerted the alleged infringer of the infringement complained about by designating that patent and specifying the way in which it has been infringed, and, secondly, after the alleged infringer has expressed its willingness to conclude a licensing agreement on FRAND terms, presented to that infringer a specific, written offer for a licence on such terms, specifying, in particular, the royalty and the way in which it is to be calculated, and where the alleged infringer continues to use the patent in question, the alleged infringer has not diligently responded to that offer, in accordance with recognised commercial practices in the field and in good faith, this being a matter which must be established on the basis of objective factors and which implies, in particular, that there are no delaying tactics.<sup>30</sup>

Since 2015, much of the national case law applying the *Huawei v. ZTE* competition-law defense has come from Germany. For the most part, these courts have concluded, *inter alia*, that the implementer's expression of willingness to license (step 2, following the initial notification by the SEP owner) is not merely a formal requirement, but must be manifested throughout the course of negotiations,<sup>31</sup> and that the owner's initial offer need only avoid being "evidently non-FRAND."<sup>32</sup> Relatively few German decisions post-*Huawei v. ZTE* have found the SEP owner's conduct to be an abuse of dominant position resulting in the loss of the right to injunctive relief.

---

(b) limiting production, markets or technical development to the prejudice of consumers;

(c) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;

(d) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

<sup>30</sup> *Id.* (operative portion). See also paragraphs 60-69 of the judgment.

<sup>31</sup> See, e.g., Erik Habich, *Willingness to License on FRAND Terms*, in *FRAND: GERMAN CASE LAW AND GLOBAL PERSPECTIVES*, *supra* note 1, at 2, 4-11 (discussing the German Federal Supreme Court's decisions to this effect in the Judgment of May 5, 2020, KZR 36/17-*FRAND-Einwand I*, and the Judgment of Nov. 24, 2020, KZR 35/17-*FRAND-Einwand II*).

<sup>32</sup> See Erik Habich, Peter Georg Picht & Thomas F. Cotter, *FRAND Offer*, in *FRAND: GERMAN CASE LAW AND GLOBAL PERSPECTIVES*, *supra* note 1, at 62, 65-98 (discussing cases).



It is possible, however, that matters could change in the months or years to come, for a few reasons. First, in one recent case involving the alleged infringement of a FRAND-committed SEP, the European Commission (EC) filed an amicus brief arguing, *inter alia*, that *Huawei v. ZTE* obligates German courts to follow the steps laid out in that decision sequentially, rather than to consider the implementer’s overall course of conduct to determine if the implementer has adequately expressed its willingness to license.<sup>33</sup> The court in the case in which the brief was filed appears to have accepted the EC’s position to some degree,<sup>34</sup> though I understand that at least one other, not yet publicly available, trial court decision has largely disagreed with the Commission’s approach; and a very recent decision of the Unified Patent Court also rejects the EC’s view that the implementer needs only to formally express its willingness to license before the court moves on the next step of evaluating the SEP owner’s offer.<sup>35</sup> Where matters eventually will settle remains to be seen, though some observers believe that the end result may be that German courts will give greater scrutiny to the SEP owner’s offer than they have in some past decisions, while adhering to the principle that court should assess the licensee’s willingness in view of its overall course of conduct. Perhaps the German Federal Supreme Court,<sup>36</sup> or the CJEU, will weigh in on these matters again at some point. A second point of uncertainty is whether the European Union will move forward with a regulation, a draft of which the Commission proposed last year, that would among other things require mandatory but nonbinding determinations in FRAND disputes.<sup>37</sup> The proposal has garnered praise from some quarters and substantial criticism from others; whether it is enacted at all, and if so when and subject to what revisions, remains very much an open question. It is fair to state, however, that to date the German approach has been to guide the parties to work matters out for themselves.<sup>38</sup> German courts also make less use of expert

---

<sup>33</sup> See Brief of the European Commission as Amicus Curiae, Munich Higher Regional Court, 6 U 3824/22, *HMD Global Oy v. VoiceAge EVS GmbH & Co KG* (filed Apr. 15, 2024), available at [https://competition-policy.ec.europa.eu/document/download/66e0bd63-36da-4b27-9eef-70602a8c7be2\\_en?filename=2024\\_Amicus\\_Curiae\\_6U3824\\_22Kart\\_de.pdf](https://competition-policy.ec.europa.eu/document/download/66e0bd63-36da-4b27-9eef-70602a8c7be2_en?filename=2024_Amicus_Curiae_6U3824_22Kart_de.pdf).

<sup>34</sup> See Florian Mueller, *Munich appeals court rejects German approach to standard-essential patents, tends to pave way for next ECJ ruling on FRAND*, IPFRAY, Oct. 31, 2024, <https://ipfray.com/munich-appeals-court-rejects-german-approach-to-standard-essential-patents-tends-to-pave-way-to-next-ecj-ruling-on-frand/> (reporting on an October 31, 2024 hearing of the Munich Higher Regional Court, in 6 U 3824/22—*HMD Global Oy v. VoiceAge EVS GmbH & Co KG*).

<sup>35</sup> See *Panasonic Holdings Corp. v. Guangdong OPPO Mobile Telecommunications Corp.*, UPC\_CFI\_210/2023, (Mannheim Local Division, Nov. 22, 2024).

<sup>36</sup> I understand, however, that in Germany’s civil law system, although courts generally follow decisions of higher courts, they are not legally obligated to do so. Also, Germany, like some other countries including China, has a “bifurcated” system, meaning that the court hearing the patent infringement claim does not rule on the patent’s validity. In Germany, as a result, infringement actions often are resolved in just a year or so, while challenges to the validity of the patent claims in suit are made in a separate court, the German Patent Court (or in case of a timely-filed opposition to a European Patent, the European Patent Office). These validity proceedings traditionally have taken longer to resolve than infringement actions; as a consequence, it sometimes happens that the claims of a patent found to be infringed are subsequently found to be invalid.

<sup>37</sup> See COM (2023)232 - Proposal for a regulation of the European Parliament and of the Council on standard essential patents and amending Regulation (EU) 2017/1001.

<sup>38</sup> The European Parliament’s February 2024 markup can be found at [https://www.europarl.europa.eu/RegData/seance\\_pleniere/textes\\_adoptes/definitif/2024/02-](https://www.europarl.europa.eu/RegData/seance_pleniere/textes_adoptes/definitif/2024/02-)



witnesses than do courts in the U.S. or U.K.; Picht and Habich, moreover, observe that the German approach to FRAND determinations is largely conduct- or process-oriented, rather than content-oriented.<sup>39</sup>

## China

I begin this section of my testimony by noting that, as I understand it, a few different causes of action may be relevant to Chinese SEP cases. First, according to Professor Guangliang Zhang, “[a]lthough Art. 522 of the Contract Part of the Civil Code of the PRC, which came into force in 2021, provides for the contracts for the benefit of third parties (also known as ‘performance to third parties contracts’), whether the FRAND commitment made by the patent holder to the standardization organization complies with the constituent elements of the contracts for the benefit of third parties under the Civil Code and whether the standard implementer can request the court to order the patent holder to perform the obligations under the contract on this basis still needs further discussion.”<sup>40</sup> Second, SEP owners may initiate patent infringement actions requesting injunctive relief and compensation, as in the 2017 decision in *Sony Mobile Communications (China) Co. v. China IWNCOMM Co.*<sup>41</sup>—though as Siebrasse and I had previously noted, that case did not involve “a final determination of a FRAND royalty as such, but rather just a damages award” consisting of a royalty rate of 1 RMB per unit trebled.<sup>42</sup> Third, Zhang notes that China’s Anti-Monopoly Law may be applicable where SEP owners engage in “abuse of market dominance such as excessive pricing and ‘patent holdup,’” citing as examples the *Huawei v. InterDigital* case noted below and a 2015 investigation by China’s National Development and Reform Commission that fined Qualcomm RMB 6.088 billion. Nevertheless, he states that an anti-monopoly lawsuit “itself cannot resolve the issue of royalty rate determinations.”<sup>43</sup> Fourth, Zhang writes that “[i]n

---

[28/0100/P9\\_TA\(2024\)0100\\_EN.pdf](#), though as the text above states it’s unclear at this point what if anything will happen next. See Florian Mueller, *Member of European Parliament says EU SEP Regulation is stuck in Council, could be for ten years*, IP FRAY, Dec. 5, 2024, <https://ipfray.com/member-of-european-parliament-says-eu-sep-regulation-is-stuck-in-council-could-be-for-ten-years/>.

<sup>39</sup> See Peter Georg Picht & Erik Habich, *Sisvel v. Haier II: Further insights on German judiciary’s FRAND approach*, IPKat, (Feb. 25, 2021), <https://ipkitten.blogspot.com/2021/02/sisvel-v-haier-ii-further-insights-on.html>.

<sup>40</sup> Guangliang Zhang, *Determination of the Global Royalty Rate of Standard Essential Patents: Judicial Jurisdiction and Determination Method from Chinese Law Perspective*, in *FRAND: GERMAN CASE LAW AND GLOBAL PERSPECTIVES*, *supra* note 1, at 234, 237.

<sup>41</sup> Jing Min Zhong No. 454 (Beijing Hihg People’s Ct. 2017).

<sup>42</sup> Siebrasse & Cotter, *supra* note 1, at 366 n.2 (citing sources). I understand that the standard at issue in this case was a national standard used only in China. See Tristan Sherliker, *A telecoms Blockbuster: Beijing High Court upholds patent injunction in IWNCOMM v Sony*, BIRD & BIRD (Apr. 16, 2018), <https://www.twobirds.com/en/insights/2018/global/a-telecoms-blockbuster-beijing-high-court-upholds-patent-injunction-in-iwncomm-v-sony>. As of December 13, 2024, the exchange rate between the RMB and the U.S. dollar is 1 RMB = \$ 0.14.

<sup>43</sup> *Id.* at 237-38. Also of potential relevance from an antitrust standpoint is article 19 of the State Administration for Market Regulation’s *Provisions Prohibiting Abuse of Intellectual Property Rights to Exclude and Restrict Competition* (Aug. 1, 2023), translated and quoted in Aaron Wininger, *China’s State Administration for Market Regulation Releases “Provisions Prohibiting Abuse of Intellectual Property Rights to Exclude and Restrict Competition”*, CHINA IP LAW UPDATE, June 29, 2023, <https://www.chinaiplawupdate.com/2023/06/chinas-state-administration-for-market->

recent years, when settling a jurisdictional dispute over SEP licensing, Chinese courts have tended to identify it as a special type of dispute independent of traditional frameworks such as contract or infringement”; and that the Supreme People’s Court’s (SPC’s) 2020 amendments to the *Provisions on the Causes of Action for Civil Cases* “added the cause of action of ‘SEP royalty dispute,’” classifying it as “the third-level cause of action under ‘patent ownership and infringement disputes’ . . . for which the connection point shall be selected in accordance with the provisions of Art. 272 of the Civil Procedure Law of the PRC.”<sup>44</sup> Under this article,<sup>45</sup> the “connection points” that a

---

[regulation-releases-provisions-prohibiting-abuse-of-intellectual-property-rights-to-exclude-and-restrict-competition/](#):

Operators with a dominant market position shall not engage in the following acts in the process of formulating and implementing standards to exclude or restrict competition:

(1) During the process of participating in the standard formulation, failing to timely and fully disclose its rights information in accordance with the regulations of the standard setting organization, or explicitly waiving its rights, but claiming the patent right to the standard implementer after the standard involves the patent;

(2) After its patent becomes a standard essential patent, it violates the principle of fairness, reasonableness and non-discrimination, licenses at an unfairly high price, refuses to license without justified reasons, sells goods in tying or imposes other unreasonable transaction conditions, implements differential treatment, etc.;

(3) In the process of licensing standard essential patents, in violation of the principles of fairness, reasonableness, and non-discrimination, and without good faith negotiations, request the court or other relevant departments to make judgments, rulings, or decisions prohibiting the use of relevant intellectual property rights, forcing the licensee to accept unjustly high prices or other unreasonable trading conditions;

(4) Other acts of abusing market dominance as determined by the State Administration for Market Regulation.

The standard-essential patents mentioned in these regulations refer to the patents that are indispensable for the implementation of the standard.

See also MA Butian & Pyeng Liu, *China Septs and FRAND—litigation, policy and latest developments*, IAM, Oct. 27, 2023, <https://www.iam-media.com/hub/sepfrand-hub/2023/article/china-seps-and-frand-litigation-policy-and-latest-developments> (discussing the above Provisions and other relevant Guidelines issued by Chinese agencies or courts).

<sup>44</sup> Zhang, *supra* note 40, at 238-39. For discussion of the classification of causes of action in Chinese courts, see CHENYANG ZHANG, WIN IN CHINESE COURTS, PRACTICE GUIDE TO CIVIL LITIGATION IN CHINA, § 1.4 (June 22, 2023), available at [https://link.springer.com/chapter/10.1007/978-981-99-3342-6\\_1](https://link.springer.com/chapter/10.1007/978-981-99-3342-6_1).

<sup>45</sup> I am not a scholar of Chinese law, but I believe this article was amended last year and, as amended, is now article 276. See Ruixue Ran, Sheng Huang & Thomas Garten, *Impacts of Amended Civil Procedure Law on Foreign-Related Litigations in China*, Covington Alert, Sept. 25, 2023, <https://www.cov.com/en/news-and-insights/insights/2023/09/impacts-of-amended-civil-procedure-law-on-foreign-related-litigations-in-china> (describing the 2023 amendment as “broaden[ing] jurisdiction considerably, allowing Chinese courts to oversee all civil disputes involving foreign defendants if there are ‘appropriate connections’ with China, except for cases concerning personal relationships,” and stating that “[t]hese ‘connections may be based on, e.g., the location of contract formation, contract execution, subject matter of the litigation, assets available for attachment, tort committed, or the place of residence of the defendant’s representative office”).

Chinese court may analyze in determining whether it has jurisdiction regarding “a foreign-related contract dispute or property right dispute includes the place where the contract is signed, the place where the contract is performed, the place where the subject matter of the lawsuit is located, the location of the property available for seizure, the place of infringement or the domicile of representative office.”<sup>46</sup> Zhang also discusses at some length the SPC’s 2021 “milestone” decision in *Sharp Corp. v. Guangdong OPPO Mobile Telecomm’sns Corp.*,<sup>47</sup> which clarifies the conditions under which Chinese courts have “jurisdiction to determine the global royalty rate for SEPs” under the principle of “closer connection,” and states that Chinese courts have accepted several such cases, although “settlement is usually the final solution.”<sup>48</sup>

Some SEP cases have been litigated through to final judgment, however. To my knowledge, the first of these that involved patents essential to an international telecommunications standard<sup>49</sup> was the 2013 decision by the Shenzhen Intermediate People’s Court (affirmed by the Guangdong High Court) in *Huawei Tech. Ltd. v. InterDigital Tech. Corp.*<sup>50</sup> In that case, Huawei filed two complaints against SEP owner InterDigital, one alleging that InterDigital’s offer to license its FRAND-committed SEPs violated Chinese antitrust law, and the other asking the court to determine the appropriate FRAND royalty. The courts ultimately held that InterDigital’s offer to license its portfolio of 3G SEPs was not FRAND, because the offered rate substantially exceeded the rates at which InterDigital licensed its SEPs to Apple and to Samsung, and determined that in view of these licenses a FRAND rate for the Chinese patents at issue would be 0.019 percent (to be multiplied by the prices of Huawei end products). About one year ago, moreover, a Chinese court for the first time established a global FRAND royalty in *Nokia Techs. v. OPPO*,<sup>51</sup> with a

---

<sup>46</sup> Zhang, *supra* note 40, at 239.

<sup>47</sup> Zui Gao Fa Zhi Min Xia Zhong No. 517 (SPC 2021) (China).

<sup>48</sup> Zhang, *supra* note 40, at 239-43.

<sup>49</sup> An article I recently came across by two Chinese scholars discusses the development of Chinese jurisprudence relating to injunctive relief for SEPs, but if I understand correctly much of the discussion therein relates to national standards issued by, e.g., government agencies, and thus may be of limited relevance here. See Ying Du & Chengyue Zhang, *Navigating the new approach and evolving theory: a study of injunctive relief for SEPs in China*, ASIA PAC. L. REV. (2024).

<sup>50</sup> Yue Gao Fa Min San Zhong Zi No. 306 (Guangdong High Ct. 2013) (China). For more detailed discussion, see, e.g., Jorge L. Contreras et al., *The Effect of FRAND Commitments on Patent Remedies*, in COMPLEX PRODUCTS, *supra* note 1, at 160; Siebrasse & Cotter, *Judicially Determined FRAND Royalties*, *supra* note 1, at 385-86; and Guangliang Zhang, *Determination of the Global Royalty Rate of Standard Essential Patents: Judicial Jurisdiction and Determination Method from Chinese Law Perspective*, in FRAND; GERMAN CASE LAW AND GLOBAL PERSPECTIVES, *supra* note 1, at 234, 245-46.

<sup>51</sup> Case No. (2021) Yu Min Chu 1232 (Chongqing Intermed. People’s Ct. Dec. 13, 2023). For discussion, see Enrico Bonadio & Dyuti Pandya, *Global FRAND rates in China*, KLUWER PATENT BLOG, Dec. 21, 2023, <https://patentblog.kluweriplaw.com/2023/12/21/global-frand-rates-in-china/>; Donald Chan, *The Chongqing Nokia v. OPPO global FRAND rate determination*, SISVEL, Jan. 30, 2024, <https://www.sisvel.com/insights/the-chongqing-nokia-v-oppo-global-frand-rate-determination/>; Aaron Winger, *Chongqing No. 1 Intermediate People’s Court Sets Global FRAND Rate for 5G SPEs at \$0.707 in Nokia/OPPO Case*, CHINA IP LAW UPDATE, Dec. 16, 2023, <https://www.chinaiplawupdate.com/2023/12/chongqing-no-1-intermediate-peoples-court-sets-global-frand-rate-for-5g-seps-at-0-707-unit-in-nokia-oppo-case/>;

higher rate for regions with per capita GDP above \$20,000, and a lower rate for China and other countries (a practice that has been observed in some previous non-Chinese cases as well).<sup>52</sup> During roughly the same time period, the Supreme People's Court affirmed awards of China-only royalties, amounting to approximately \$2 million each against each of the two defendants, in cases brought by Advanced Codec Technologies (ACT) against OPPO and Vivo involving six patents. According to reports, the court set forth factors to be considered in deciding whether another license is comparable; found that a license offered to another Chinese company was the most comparable, because its scope was limited to China; and considered both parties' relative degrees of fault.<sup>53</sup>

As for injunctive relief, courts in China apply a fault-based framework, somewhat similar to that set forth in the CJEU's *Huawei v. ZTE* decision, albeit one that is not necessarily grounded in competition law and therefore does not require a finding of abuse of dominant position. Under the 2018 Guangdong High People's Court Trial Adjudication Guidance for Standard Essential Patent Dispute Cases, for example, courts should deny injunctive relief if the SEP owner breached its FRAND commitment and the implementer acted in good faith, if neither party was at fault and the implementer deposits with the court the royalty it has offered, or if both parties are at fault but the SEP owner's fault is greater.<sup>54</sup>

### ***Antisuit injunctions***

---

<sup>52</sup> See *Unwired Planet*, [2017] EWHC (Pat) 711 (Eng.) (similar); *TCL*, 2018 WL 4488286 (different rates for the U.S., Europe, and the rest of the world).

<sup>53</sup> For discussion, see Enrico Bonadio & Dyuti Pandya, *China's Supreme People Court decides FRAND dispute in ACT v Oppo*, KLUWER PATENT BLOG, May 20, 2024, <https://patentblog.kluweriplaw.com/2024/03/20/chinas-supreme-people-court-decides-frand-dispute-in-act-v-oppo/>; MA Butian, *Second-instance judgment in ACT v Oppo sheds light on comparable agreements and how to find fault in SEP licensing negotiations*, GLOBAL COMP. REV., Feb. 1, 2024, <https://globalcompetitionreview.com/hub/sepfrand-hub/2023/article/second-instance-judgment-in-act-v-oppo-sheds-light-comparable-agreements-and-how-find-fault-in-sep-licensing-negotiations>; AFD China Intellectual Property Law Office, *SPC Awards ACT over 15.39 Million Yuan in OPPO Patent Dispute, Rejecting its 342 Million Yuan Claim*, CHINA IP MAGAZINE, Feb. 21, 2024, <https://www.lexology.com/library/detail.aspx?g=ab250a54-8144-4d5b-887f-ec95d038f630>; Dragon Wang, Bing Wu, Yannan Li & Xiaolin Wang, *Chinese Standard Essential Patents (SEPs) Licensing Negotiations and Dispute Resolution Practice – A Review of the ACT Lawsuit Against OPPO for Standard Essential Patent Infringement*, SITAO INSIGHT, Feb. 1, 2024; <https://sitaoip.com/sitao-insight-i-chinese-standard-essential-patents-seps-licensing-negotiations-and-dispute-resolution-practice-a-review-of-the-act-lawsuit-against-oppo-for-standard-essential-patent-infringement/>; Aaron Wining, *China's Supreme People's Court Sets Lows FRAND Rate in Another OPPO Case*, CHINA IP LAW UPDATE, Jan. 15, 2024, <https://www.chinaiplawupdate.com/2024/01/chinas-supreme-peoples-court-sets-low-frand-rate-in-another-oppo-case/> (linking to a redacted copy of the decision in Chinese); Christine You, Emma Ren & Yang Li, *China's SEP case update - ACT v OPPO, Vivo*, BIRD & BIRD, Feb. 27, 2024, <https://www.twobirds.com/en/patenthub/shared/insights/2024/china/sep-case-update-act-v-oppo-vivo>.

<sup>54</sup> Detailed discussions of the Guidelines can be found in Yabing Cui, *Across the Fault Lines: Chinese Judicial Approaches to Injunctions and SEP's*, CHINA IPR BLOG, June 5, 2018, <https://chinaipr.com/2018/06/05/across-the-fault-lines-chinese-judicial-approaches-to-injunctions-and-seps/>, and Jie Gao, *Development of the FRAND Jurisprudence in China*, 21 COLUM. SCI. & TECH. L. REV. 446 (2020).

Because patent rights are territorial, it is possible for disputes involving corresponding national or regional patents to be filed, more or less simultaneously, in multiple jurisdictions. And because the relevant bodies of law applicable to SEP disputes, and the way courts apply these rules, can differ from one jurisdiction to another, both SEP owners and implementers sometimes have an incentive to forum-shop by filing suit in the country and court of their choice.<sup>55</sup>

One way to try to preserve one’s own ability to forum-shop, while preventing the other party from doing so, is to obtain an “antisuit” injunction (ASI) prohibiting the other party from litigating or enforcing a judgment in another jurisdiction. According to British commentator Thomas Raphael, in England ASIs are

predominantly granted in two main situations: first, ‘contractual’ injunctions, where foreign proceedings are in breach of a contractual forum clause; and second, ‘alternative forum’ cases, where foreign proceedings overlap with matters that are being or can be litigated in England, and should be enjoined, in particular where they are considered vexatious or oppressive.<sup>56</sup>

---

<sup>55</sup> In addition to the differences already noted in the text above—and in addition to other, sometimes more fundamental, differences from one country to another, including the availability or not of jury trials, extensive third-party discovery, fee-shifting, and judicial specialization—there may be other actual or possible points of differentiation, including (1) the preferred methodology for calculating FRAND royalties (e.g., by reference to comparable licenses, or alternatively a “top-down” approach that attempts to apportion the SEP owner’s share of the aggregate royalty burden per unit, compare, e.g., *TCL Commc’n Tech. Holdings, Ltd. v. Telefonaktiebolaget LM Ericsson*, No. SACV 14-341 JVS (DFMx), 2018 WL 4488286 (C.D. Cal. Sept. 14, 2018) (primarily using top-down, with comparables as a “check,”), with *Unwired Planet Int’l Ltd. v. Huawei Techs. Co. Ltd.* [2017] EWHC (Pat) 711, [806] (Eng.) (primarily using comparables, with top-down as a check); (2) whether FRAND royalties should be determined using largely the same methodology used for calculating reasonable royalties, cf. *Ericsson, Inc. v. D-Link Sys., Inc.*, 773 F.3d 1201, 1229-32 (Fed. Cir. 2014) (cautioning, however, that not all of the *Georgia-Pacific* factors used to determine reasonable royalties in U.S. cases are likely to be relevant in a FRAND case); (3) relatedly, whether damages for past use of FRAND-committed SEPs are limited to FRAND (or reasonable) royalties, see *Panasonic Holdings Corp. v. Guangdong OPPO Mobile Telecommunications Corp.*, UPC\_CFI\_210/2023, ¶ 178 (Mannheim Local Division, Nov. 22, 2024) (arguably suggesting, consistent with some German authority, that the Unified Patent Court would not so limit them), and whether the statute of limitations applies to the recovery of past royalties, see, e.g., *InterDigital Tech. Corp. v. Lenovo Group Ltd.*, [2024] EWCA Civ. 743, [186] (no, because a FRAND license would include full compensation for past infringement, including acts that otherwise would be outside the statute of limitations); (4) whether the FRAND rate should reflect any of the value derived from standardization itself, compare *Ericsson v. D-Link*, 773 F.3d at 1232 (no), with *Unwired Planet*, [2017] EWHC (Pat) at [97] (suggesting that, in theory, it should); (5) the role the “nondiscriminatory” aspect of FRAND licensing plays in determining an appropriate rate, see my paper *Like Ships Passing in the Night*, *supra* note 1, at nn. 25, 97, and my paper *Is Global FRAND Litigation*, *supra* note 1, at nn. 47, 49 (noting different perspectives among and within national courts); and (6) whether the royalty base should be the value of the end product or a component (such as the “smallest salable patent-practicing unit”), if the latter what exceptions might excuse compliance with this principle, and perhaps relatedly whether a FRAND license should be available to any implementer who requests one, or only to whichever entity within the supply chain the SEP owner chooses.

<sup>56</sup> THOMAS RAPHAEL, *THE ANTI-SUIT INJUNCTION* 8 (2d ed. 2019) at 3.

Courts in other common-law countries apply similar principles, but civil-law jurisdictions traditionally rejected the remedy.<sup>57</sup> In the United States, the conditions for granting ASIs can vary a bit from one circuit to another, though in a recent case noted below the Federal Circuit noted the Ninth Circuit’s framework as applied in *Microsoft v. Motorola*:

First, we determine “whether or not the parties and the issues are the same” in both the domestic and foreign actions, “and whether or not the first action is dispositive of the action to be enjoined.” Second, we determine whether at least one of the so-called “*Unterweser* factors” applies. Finally, we assess whether the injunction’s “impact on comity is tolerable.”<sup>58</sup>

In the *Microsoft* case itself, while that action was pending Motorola sought and obtained an injunction in Germany for Microsoft’s infringement of Motorola’s German SEPs.<sup>59</sup> The U.S. court thereafter enjoined Motorola from enforcing the injunction in Germany, on the grounds that (1) “the pending *contract* action before it would be dispositive of the German *patent* action”; (2) “the German action raised ‘concerns against inconsistent judgments,’” and of “forum shopping and duplicative and vexatious litigation,” thus potentially frustrating the court’s “ability to adjudicate issues properly before it”; and (3) “the injunction’s ‘impact on comity would be tolerable’” because the U.S. action was filed first, the injunction was limited in scope, and the court had a “strong interest” in adjudicating claims between two U.S. corporations.<sup>60</sup> The Court of Appeals affirmed.<sup>61</sup> More recently—indeed, just a few weeks ago—the Federal Circuit vacated an order denying Lenovo’s motion for an ASI against Ericsson’s enforcement of preliminary relief in Colombia and Brazil, and remanded for further consideration of the second and third elements of the relevant legal standard as set out in the *Microsoft* decision.<sup>62</sup> Similarly, the Patents Court in both *Unwired Planet* and *Conversant* indicated that it *would* have enjoined the defendants from proceeding with parallel litigation in China, had the parties themselves not reached a compromise on the matter.<sup>63</sup> And in another very recent decision, the Court of Appeal for England and Wales

---

<sup>57</sup> See *id.* at 5, 8. This perspective is reflected in the Brussels Regulation (Recast), which is generally understood as forbidding courts within the E.U. from entering antisuit injunctions directed against litigation in another E.U. member. For discussion, see *id.* at 260–68.

<sup>58</sup> *Microsoft Corp. v. Motorola, Inc.*, 696 F.3d 872, 881 (9th Cir. 2012) (citations omitted). The *Unterweser* factors include “[whether the] foreign litigation . . . would (1) frustrate a policy of the forum issuing the injunction; (2) be vexatious or oppressive; (3) threaten the issuing court’s in rem or quasi in rem jurisdiction; or (4) where the proceedings prejudice other equitable considerations.” *Id.* (citations omitted).

<sup>59</sup> See *id.* at 879.

<sup>60</sup> *Id.* at 880–81 (quoting *Microsoft*, 871 F. Supp. 2d at 1100–01).

<sup>61</sup> See *id.* at 889. Similarly, in *Huawei Techs. Co. v. Samsung Elecs. Co.*, No. 3:16-cv-02787-WHO, 2018 WL 1784065 (N.D. Cal. Apr. 13, 2018), the district court temporarily enjoined Huawei from enforcing a judgment entered in a parallel proceeding in China, on the grounds, among others, that enforcement would undermine the court’s ability to determine if injunctive relief was an appropriate remedy in the U.S. action. The matter settled pending appeal.

<sup>62</sup> *Telefonaktiebolaget LM Ericsson v. Lenovo (United States), Inc.*, 120 F.4th 864 (Fed. Cir. 2024).

<sup>63</sup> See *Conversant Wireless Licensing S.A.R.L v Huawei Techs. Co. Ltd.* [2018] EWHC (Pat) 2549, [24] (Eng.); *Unwired Planet Int’l Ltd. v. Huawei Techs. Co.* [2017] EWHC (Pat) 2831, [1], [10] (Eng.).



held in *Panasonic Holdings Corp. v. Xiaomi Tech. UK Ltd.* that—in view of the fact that both parties had previously agreed to abide by the terms of a global FRAND license to be determined by the U.K. courts, but Panasonic then appeared to undermine this by proceeding with litigation in Germany—a willing licensor in the position of Panasonic “would agree to, and would enter into, an interim license of” Panasonic’s portfolio of 3G and 4G SEPs, “pending the determination by the Patents Court of what terms for a final license” are FRAND.<sup>64</sup> Although the court (by a 2-1 majority) did not see fit to enter an ASI, the effect of the type of order granted could be similar to an ASI, if it induces the discontinuance of litigation in another forum.

Despite the civil law countries’ general disinclination to grant ASIs, in 2020 courts in China granted ASIs in at least five cases.<sup>65</sup> It is reported that some of these were initially entered without notice to all parties, and in addition that some of them forbade the respondents from asserting claims relating to the subject SEPs anywhere else in the world.<sup>66</sup> In response to three of these decisions, however, courts in Germany, India, and the United States enter AASIs,<sup>67</sup> and in 2022 the European Union initiated proceedings in the WTO arguing that Chinese courts’ issuance of ASIs violates articles 1, 41, and 63 of the TRIPS Agreement.<sup>68</sup> German courts also have taken the position that defendants who apply for ASIs are unwilling prospective licensees.<sup>69</sup> Perhaps one or more of these developments have contributed to the apparent pause in Chinese courts granting ASIs since the 2020 spurt.

---

<sup>64</sup> See *Panasonic Holdings Corp. v. Xiaomi Tech. UK Ltd.*, [2024] EWCA Civ 1143 (Eng.).

<sup>65</sup> *Huawei v. Conversant*, (2019) Zui Gao Fa Zhi Min Zhong 732, 733 and 734 No. 1 (SPC Aug. 20, 2020); *Xiaomi Commc’n Tech. Co., Ltd. v. InterDigital, Inc.*, E 01 Zhi Min Chu No. 169 (Wuhan Intermediate People’s Ct. Sept. 23, 2020); *ZTE Corp. v. Conversant Wireless Licensing Co.*, (2018) Yue 03 Min Chu No. 335-1 (Shenzhen Intermediate People’s Ct. Sept. 28, 2020); *Guangdong OPPO Mobile Telecomm. Corp., Ltd. v. Sharp Corp.*, Yue 03 Min Chu No. 689 (Shenzhen Intermediate People’s Ct. Oct. 16, 2020); *Samsung Elecs. Co., Ltd. v. Telefonaktiebolaget LM Ericsson* (Wuhan Intermediate People’s Ct. Dec. 25, 2020).

<sup>66</sup> For a recently-published paper discussing these cases, see Alexandr Svetlicinii & Fali Xie, *The anti-suit injunctions in patent litigation in China: what role for judicial restraint?*, 19 J. INTELL. PROP. L. & PRAC. 734 (2024). See also Richard Arnold, *Arbitration of FRAND Disputes*, in *FRAND: GERMAN CASE LAW AND GLOBAL PERSPECTIVES*, *supra* note 1, at 332, 341; Yang Yu & Jorge L. Contreras, *Will China’s New Anti-Suit Injunctions Shift the Balance of Global FRAND Litigation?*, PATENTLY-O BLOG, Oct. 22, 2020, <https://patentlyo.com/patent/2020/10/contreras-injunctions-litigation.html>.

<sup>67</sup> See Arnold, *supra* note 66, at 341 n.30 (citing *InterDigital, Inc. v. Xiaomi Commc’n Tech. Co., Ltd.*, Delhi High Court, IA 8772/2020, (Delhi High Ct. Oct. 9, 2020), and *Ericsson, Inc. v. Samsung Elecs. Co.*, No. 2:20-CV-00380-JRG, 2021 WL 89980 (E.D. Tex. Jan. 11, 2021)); Svetlicinii & Xie, *supra* note 66, at 738-39 (also referring to German AASIs, and suggesting that “[d]espite the broad scope of Chinese ASIs in SEP disputes, the practice also reveals a relatively low level of compliance by the parties concerned”). In other cases, European courts have ordered litigants to withdraw motions for ASIs that they had filed in the United States. For discussion and citations, see my paper *Is Global FRAND Litigation*, *supra* note 1, nn. 71-72, 74.

<sup>68</sup> See WT/DS611—China—Enforcement of Intellectual Property Rights, [https://policy.trade.ec.europa.eu/enforcement-and-protection/dispute-settlement/wto-dispute-settlement/wto-disputes-cases-involving-eu/wtds611-china-enforcement-intellectual-property-rights\\_en](https://policy.trade.ec.europa.eu/enforcement-and-protection/dispute-settlement/wto-dispute-settlement/wto-disputes-cases-involving-eu/wtds611-china-enforcement-intellectual-property-rights_en).

<sup>69</sup> See Peter Georg Picht, *Anti-Antisuit Injunctions*, in *FRAND: GERMAN CASE LAW AND GLOBAL PERSPECTIVES*, *supra* note 1, at 200, 206-10 (citing decisions of the Munich and Düsseldorf courts).