

French Court Issues Anti-Anti-Suit Injunction Claim in FRAND Dispute



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On 8 November 2019, the Paris Court of First Instance (Tribunal de Grande Instance) (the **French Court**) issued a judgment (in case RG 19/59311) for a preliminary injunction in a case pitting *IPCOM GmbH & Co. KG (IPCom)*, an intellectual property rights licensing and technology R&D company, against *Lenovo/Motorola (Lenovo)*, a telecommunications company. The French Court held that it had jurisdiction over the case with regard to a patent infringement claim and ordered Lenovo to withdraw the motion for an anti-suit injunction which that company had brought before the US District Court of the Northern District of California (the **US Court**) in so far as it concerns the French part of the patent.

In 2007, IPCom acquired from *Bosch* a number of patents related to the 2G, 3G and 4G mobile telecommunications technology and, in particular, EU patent EP 1 841 268 B2 (the **Patent**) which concerned “access of a mobile station to a random access channel in dependence of its user class”.

That Patent was used in some of Lenovo's products.

In March 2019, after an English court had declared that the Patent was an "essential" patent)and after IPCom had provided a fair, reasonable and non-discriminatory (**FRAND**) undertaking on the Patent to the European Telecommunications Standards Institute (**ETSI**)), IPCom offered a licence to Lenovo in order to allow the use of the Patent. It also requested Lenovo to clarify its intentions as regards this proposed offer by 15 March 2019. In the absence of such a reply, IPCom announced that it would start court proceedings in order to obtain the royalties that were due for the unauthorised use of the Patent by Lenovo.

In response, on 14 March 2019, Lenovo brought suit against IPCom before the US Court in order to obtain a global licence at FRAND rate. On 18 September 2019, Lenovo also requested the US Court to issue an injunction against IPCom aimed at prohibiting IPCom from filing proceedings in jurisdictions other than the United States based, *inter alia*, on the Patent (that is, an anti-suit injunction), such as proceedings aimed at obtaining royalties.

On 28 October 2019, IPCom then filed the above-mentioned request for a preliminary injunction with the Paris Court of First Instance requesting the French Court to order a withdrawal of the motion for anti-suit injunction which Lenovo had brought before the US Court (that is, an anti-anti-suit injunction).

In its judgment, the French Court rejected Lenovo's claim that it did not have jurisdiction because proceedings on the same subject matter had been initiated in parallel before a US Court (that is, there is no situation of international *lis pendens*). According to the French Court, the case pending before the US Court concerned an action in chief, whereas the request in France concerned a preliminary injunction. In addition, the French Court found that the subject matter in

the US case (*i.e.*, a motion for an anti-suit injunction in a dispute over the conditions of a FRAND licence) differed from the one in the French case (*i.e.*, maintaining the freedom of action and the exercise of the exclusive rights of the patent holder).

According to the French Court, the international French public order does not recognise the validity of an anti-suit injunction, except where its purpose is to enforce a contractual jurisdiction clause or an arbitral clause. Under all other circumstances, anti-suit injunction proceedings have the effect of indirectly disregarding the exclusive power of each sovereign state to freely determine the international jurisdictional competence of their courts.

In light of the above, the French Court concluded that IPCom should be granted the anti-anti-suit injunction but only insofar as it concerns the French part of the Patent. The French Court also ordered Lenovo to withdraw the pending request before the US Court for an anti-suit injunction, under a daily penalty of EUR 200,000 per violation and to abstain from filing a similar anti-suit injunction in the future.

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