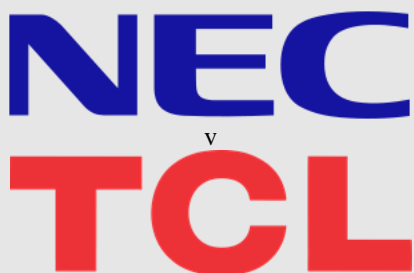


UPC CFI, Local Division Munich, 5 February 2024,
NEC v TCL



PATENT LAW – PROCEDURAL LAW

Alternative method of service of Statement of claim
requires an unsuccessful attempt ([Rule 275 RoP](#))

Court cannot designate someone

- [as a person authorised to accept service for a defendant](#)

[Rule 275](#) does not permit the court to designate someone as person authorised to accept service, if that person has not been notified as being willing to accept service of the statement of claim on behalf of the defendant at an electronic address ([Rule 271.1.\(c\)](#)).

Furthermore, the Local Division cannot recognize any legal basis in whatever law for declaring
- a “Chief Intellectual Property Officer of the TCL group of companies” or
- a “Head of Intellectual Property Litigation and Licensing at TCL”
as person authorised to accept service for defendants 2), 5) and 7).

Alternative method of service of a statement of claim

- [always requires an actual \(“real”\) but unsuccessful attempt of service, not sufficient that service is presumptively not possible or cannot be effected because of known deficiencies of service according to the Hage Convention in certain countries](#)

The claimant's auxiliary request refers to [RoP 275.1](#). According to [RoP 275.1](#), the court may permit service by an alternative method or at an alternative place if service in accordance with Section 1 or 2 could not be effected.

The [Local Division Mannheim emphasized in its decision of 8 December 2023 \(CFI 219/2023\)](#) that only if such an attempt of service was unsuccessful (“could not be effected”), alternative service may be ordered under [RoP 275.1](#) (LD Mannheim, p. 3 lit. c). This means that – in contrast to e.g. German law (§ 185 no. 3 ZPO: “...if it is not possible to serve documents abroad or if such service has no prospect of success”) – an attempt of service must have been made in accordance with [RoP 271](#), [273](#), [274](#). Therefore, according to the Rules of Procedure of the Unified Patent Court, an actual (“real”) but unsuccessful attempt of service is always required until [RoP 275.1](#) becomes applicable. In view of the wording of [RoP 275.1](#), it is not sufficient that service

presumptively is not possible (i.e. cannot be effected) because of known deficiencies of service according to the Hague Convention in certain countries.

Potential breach of FRAND obligation

- [irrelevant in the context of Rule 275 RoP](#)

To the extent that the Claimant refers in this context to the Defendant's FRAND obligations, the Local Division cannot, for the reasons stated above, see any legal basis to justify service by an alternative method (e.g. public service): The potential breach of the Defendant's FRAND obligations has no bearing on the question of whether service could not be effected. Therefore, the assessment of the defendant's conduct as a breach of FRAND obligations is only relevant with respect to the FRAND objection.

Source: **Unified Patent Court**

**UPC Court of First Instance,
Local Division Munich, 5 February 2024**

(Zigann, Pichlmaier, Kupecz)

UPC_CFI_498/2023

ACT_596658/2023 App_3481/2024

Order

of the Court of First Instance of the Unified Patent Court
delivered on 05/02/2024

Headnotes:

1) An actual (“real”) but unsuccessful attempt of service is always required until [Rule 275.1 RoP](#) becomes applicable.

2) [Rule 275 RoP](#) does not permit the court to designate someone as person authorised to accept service, if that person has not been notified as being willing to accept service of the statement of claim on behalf of the defendant at an electronic address ([Rule 271.1.\(c\) RoP](#)).

3) The potential breach of the defendant's FRAND obligations has no bearing on the question of whether service could not be effected. Therefore, the assessment of the defendant's conduct as a breach of FRAND obligations is only relevant with respect to the FRAND objection and not relevant in the context of [Rule 275 RoP](#).

Keywords: [Rule 275 RoP](#). Service by an alternative method or at an alternative place. Person authorised to accept service. Breach of FRAND obligations.

Applicant

NEC Corporation, 7-1 Shiba 5-chome Minato-ku,
Tokyo 108-8001, Japan

Represented by Dr. Tilman Müller

Respondents

2) TCL Industrial Holdings Co., Ltd., 22/F, TCL
Technology Building, 17 Huifeng 3rd Road, Huizhou,
Guangdong, China, represented by its directors

5) TCL Communication Technology Holdings Ltd.,
5/F, Building 22E, Science Park East Avenue, Hong
Kong Science Park, Shatin, Hong Kong, represented by
its directors

7) TCL Overseas Marketing Ltd., 13/F TCL Tower Tai Chung Road Tsuen Wan, New Territories, Hong Kong, represented by its directors

Facts

The applicant (claimant in the main proceedings) filed his statement of claim on 22 December 2023. The infringement action is directed against seven defendants with seats in China, France, Germany, Hong Kong, and Poland. **The Local Division Munich has not yet initiated service on Respondents 2), 5) and 7) with seats in China and Hong Kong**

With regard to Respondents 2), 5) and 7) the claimant requests the Court, by letter of 23 January 2024,

to order service of the statement of claim on Defendants 2), 5) and 7) by e-mail to [...]

in the alternative:

to order service of the statement of claim on Defendants 2), 5) and 7) by public service in the form of a written notice to be displayed in the publicly accessible premises of the Munich Local Chamber.

The Claimant submits that Respondents 2), 5) and 7) are already aware of the present case, but have chosen to refuse their cooperation with respect to formal service of the relevant documents. An attempt to serve the complaint on the said Respondents pursuant to **RoP 274.1.(a)(ii)** under the Hague Convention would be futile, even though China is a member state of the Hague Convention. The Claimant refers to the Munich District Court I, which explained in detail that it is practically impossible to serve judicial documents in China or Hong Kong. In addition, the Higher Regional Court Munich stated that

“...according to the experience available at Munich Regional Court I, service by way of legal assistance in China takes at least one and a half years, possibly considerably longer, and the requests are usually returned without being executed. ...”

From the Claimant’s point of view, based on these experiences, it would be an unreasonable burden for the claimant to wait until service in China has failed. This would not only be an unnecessary expense in view of the factual situation established by the German courts, but would also undermine the Claimant's right to effective legal protection.

The Claimant therefore requests that the Statement of Claim be served on Respondents 2), 5) and 7) by e-mail to Mr [...] Chief Intellectual Property Officer of the TCL Group of Companies" and "Head of Intellectual Property Litigation and Licensing at TCL". At the pre-trial stage, Mr [...] refused to accept service of the Statement of Claim on the Respondents. According to the Claimant, this shows that Mr [...] represents TCL to the public in intellectual property matters and that he has extensive experience in patent litigation and is leading the licensing negotiations. Therefore, in the Claimant's view, he is undoubtedly competent to handle the litigation for the Respondents. In the alternative, the Claimant requests that the Statement of Claim be served on Respondents 2), 5) and 7) by public notice in the form

of a written notice to be posted in the publicly accessible premises of the Munich Local Court.

Finally, the Claimant argues that it should also be taken into account that the present case is an SEP-related dispute, which means that both parties have certain FRAND obligations. It is a well-established principle that an implementer of an SEP must not delay and obstruct licensing negotiations with the owner of the SEP. Once those licensing discussions have failed and the SEP owner has been forced to resort to litigation, the same principle must be applied to the litigation. It would be inconsistent to prohibit the implementer from delaying out-of-court discussions, but once those discussions have failed, to allow the implementer to delay and obstruct the court proceedings necessary to resolve the dispute between the parties. Therefore, the claimant requests to order an alternative method of service under **RoP 275.1**.

Grounds

1. **Main request** (service of the statement of claim on Defendants 2), 5) and 7) by e-mail to Mr [...]): Mr [...] is not identified by the Claimant as person authorised to accept service. In its Statement of Claim Claimant states that Defendants 2), 5) and 7) are *represented by its directors*. Based on the facts brought forward by the claimant, Mr [...] does not appear to have the function of a director of the relevant companies.

The Claimant even states that Mr [...] refused to accept service of the complaints filed by the claimant with the UPC. In view of this, an e-mail sent by the UPC asking whether Mr [...] is willing to accept service on Defendants 2), 5) and 7) will obviously not be successful.

Rule 275 does not permit the court to designate someone as person authorised to accept service, if that person has not been notified as being willing to accept service of the statement of claim on behalf of the defendant at an electronic address (**Rule 271.1.(c)**).

Furthermore, the Local Division cannot recognize any legal basis in whatever law for declaring

- a “Chief Intellectual Property Officer of the TCL group of companies” or

- a “Head of Intellectual Property Litigation and Licensing at TCL”

as person authorised to accept service for defendants 2), 5) and 7).

Therefore, this **request is rejected**.

2. **Auxiliary request** (service of the statement of claim on Defendants 2), 5) and 7) by public service in the form of a written notice to be displayed in the publicly accessible premises of the Munich Local Division):

The claimant's auxiliary request refers to **RoP 275.1**. According to **RoP 275.1**, the court may permit service by an alternative method or at an alternative place if service in accordance with Section 1 or 2 **could not be effected**.

The **Local Division Mannheim** emphasized in its decision of 8 December 2023 (CFI_219/2023) that only if such an attempt of service was unsuccessful (“could not be effected”), alternative service may be ordered under **RoP 275.1 (LD Mannheim, p. 3 lit. c)**. This

means that – in contrast to e.g. German law (§ 185 no. 3 ZPO: "...if it is not possible to serve documents abroad or if such service has no prospect of success") – an attempt of service must have been made in accordance with [RoP 271](#), [273](#), [274](#). Therefore, according to the Rules of Procedure of the Unified Patent Court, an actual ("real") but unsuccessful attempt of service is always required until [RoP 275.1](#) becomes applicable. In view of the wording of [RoP 275.1](#), it is not sufficient that service presumptively is not possible (i.e. cannot be effected) because of known deficiencies of service according to the Hague Convention in certain countries.

To the extent that the Claimant refers in this context to the Defendant's FRAND obligations, the Local Division cannot, for the reasons stated above, see any legal basis to justify service by an alternative method (e.g. public service): The potential breach of the Defendant's FRAND obligations has no bearing on the question of whether service could not be effected. Therefore, the assessment of the defendant's conduct as a breach of FRAND obligations is only relevant with respect to the FRAND objection.

However, also in the view of the Local Division, it is highly unsatisfactory that the Court and the Claimant must wait for months before an alternative method of service can be ordered.

In conclusion, although the deficiencies in service identified and documented by the Claimant as confirmed by the German courts are serious, the wording of [RoP 275.1 appears](#) to preclude the Local Division from ordering public service in the form of a written notice to be posted in the publicly accessible premises of the Local Division Munich at this point of time.

Therefore, also this **auxiliary request is rejected**.

ORDER

1. The Local Division Munich rejects the request and the auxiliary request.
2. Leave to appeal is granted.

DR. Zigann Presiding Judge
Pichlmaier Legally Qualified Judge and Judge-Rapporteur
Kupecz Legally Qualified Judge

INFORMATION ABOUT APPEAL

The present order may either

- be the subject of an appeal by any party which has been unsuccessful, in whole or in part, in its submissions together with the appeal against the final decision of the Court of First Instance in the main proceedings, or
- be appealed by any party which has been unsuccessful, in whole or in part, in its submissions at the Court of Appeal with the leave of the Court of First Instance within 15 days of service of the Court of First Instance's decision to that effect ([Art. 73\(2\)\(b\) UPCA](#), [R. 220.2, 224.1\(b\) RoP](#)).
