

EIP

EIP secures victory for Unwired Planet in security for costs dispute

EIP today secured another important win on behalf of its client, Unwired Planet International Limited (UPIIL), setting a precedent for companies looking to litigate patents in Germany.

The German Federal Court of Justice (Bundesgerichtshof), Germany's highest civil court, ruled that UPIIL does not have to provide security for costs in pending patent infringement litigation against mobile phone manufacturer HTC Germany GmbH (HTC). This dispute is related to the patent infringement litigation started against Google, Samsung, LG, Huawei and HTC in 2014, and the decision against HTC is relevant to cases pending against some of these additional defendants.

UPIIL, an Irish limited company, had sued eleven defendants for infringement of six patents covering various telecommunications standards. All defendants demanded payment of a security for costs, even though UPIIL is headquartered within an EU member state. In the German Code of Civil Procedure, companies within the EU are generally exempt from having to provide security for costs.

If the District Court had granted the requests, UPIIL would potentially have had to pay millions of Euros into escrow or alternatively provide equivalent bank guarantees. The request was denied and the decision was later confirmed upon HTC's appeal. HTC was granted a further appeal to the Federal Court of Justice, which also decided in UPIIL's favour. The decision is final and binding.

EIP partner Benjamin Grzimek, who handled the matter, said:

"We hope and anticipate that the written decision of the Federal Court of Justice will provide a reliable guidance for future plaintiffs in Germany, especially for those headquartered in the EU, and that the outcome of this matter is therefore good news for

all users of the German court system.”