Unified Patent Court
Einheitliches Patentgericht
Juridiction unifiée du brevet

Mannheim Local Division
UPC_CFI_661/2026

Decision
of the Court of First Instance of the Unified Patent Court
delivered on 14 September 2026
concerning EP 4 277 422
(R. 265 RoP, R. 370.9 RoP)

CLAIMANT/APPLICANT

Telefonaktiebolaget LM Ericsson (publ), Torshamnsgatan 21, Kista, 164 83 Stockholm, Sweden	Represented by Sören DAHM

DEFENDANTS

1)	**Verifone GmbH,** Seilerweg 2f, 36251 Bad Hersfeld, Germany	Represented by Klaus HAFT
2)	**EC Cash Direkt GmbH,** Karl-Hammerschmidt-Straße 1, 85609 Aschheim, Germany	Represented by Klaus HAFT
3)	**Verifone Payments GmbH,** Karl-Hammerschmidt-Straße 1, 85609 Aschheim, Germany	Represented by Klaus HAFT
4)	**Adyen N.V.,** Simon Carmiggeltstraat 6, 1011 DJ, Amsterdam, Netherlands	Represented by David POR
5)	**Verifone Payments B.V.,** Singel 250, 1016 AB Amsterdam, Netherlands	Represented by Klaus HAFT

6)	**Verifone Sp. Z oo,** ul. Wołoska 9a 02-583 Warszawa, Poland	Represented by Klaus HAFT
7)	**Verifone Italy S.R.L.,** Via Nervesa 21, 20139 Milano, Italy	Represented by Klaus HAFT
8)	**Verifone Portugal,** Rua Dr. Fernando da Fonseca, Edificio Vicondede Alvalede, 7° Andar (LDA Office 7), 1600-616, Lisboa, Portugal	Represented by Klaus HAFT
9)	**Verifone Systems France S.A.S.** 32 Avenue Pierre Grenier, 92100 Boulogne-Billancourt, France	Represented by Klaus HAFT
10)	**Verifone Denmark A/S,** Knapholm 7, 2730 Herlev, Denmark	Represented by Klaus HAFT
11)	**Verifone Sweden AB,** Box 92031, 120 06 Stockholm, Sweden	Represented by Klaus HAFT
12)	**Verifone, Inc.,** 11700 Great Oaks Way Suites 150, 200 & 210, Alpharetta, GA 30022, US	Represented by Klaus HAFT
13)	**Verifone Systems, Inc.,** 817 Broadway, Suite 1100 New York, NY 10003, US	Represented by Klaus HAFT

PATENT AT ISSUE:

European patent EP 4 277 422 (UPC_CFI_661/2026)

PANEL/DIVISION:

Panel of the Local Division in Mannheim

DECIDING JUDGES:

This decision was delivered by the legally qualified judge Böttcher acting as judge-rapporteur.

Language of the Proceedings: English

Subject of the Proceedings: Patent infringement action – withdrawal (R. 265 RoP), reimbursement of court fees (R. 370.9 RoP)

SUMMARY OF THE FACTS:

Prior to the closure of the written procedure, Claimant, having reached an out-of-court settlement with Defendants 1 to 3 and 5 to 13 ("Verifone Defendants") that also covers the claims against Defendant 4 based on the Infringing Products, applies to withdraw its infringement action, with consent of Defendants. Claimant and Verifone Defendants declare that they will not make any requests for costs in proceedings pursuant to R. 150 RoP. With regard to Defendant 4, Claimant requests that the Court does not issue a cost order. Defendant 4 consents to this request.

Together with its applications for withdrawal, Claimant has filed an application pursuant to R. 370.9 (b) RoP.

Claimant requests:

I. to withdraw the action against the Verifone Defendants and Defendant 4 in accordance with R 265.1 RoP.

II. with regard to the cost decision pursuant to R. 265.2 lit. c) RoP to order that the Claimant and the Verifone Defendants shall bear their own costs and declare that there is no reimbursement of costs between these parties and that the Court issues no cost order in relation to Defendant 4.

III. that the Claimant be reimbursed for the court costs incurred in connection with the action pursuant to R. 370.9 lit. b) (i) RoP.

Reasons for the Decision:

1. The withdrawal is allowed on the instant facts with the consent of the Defendants. The judge-rapporteur sees no reasons not to do so.

No decision on costs is necessary because the parties have unanimously declared that there is no need for such a decision (cf. Court of Appeal, decision of 28 May 2025, UPC_CoA_808/2024); Claimant and Verifone Defendants did so by declaring that they will not make any requests for costs in proceedings pursuant to R. 150 RoP. As far as Claimant formally requests a cost decision in relation to Verifone Defendants as cited above, no such cost decision is needed because a cost decision as requested would simply reflect that there will be no reimbursement of costs. In consequence, there is no need for a cost decision.

2. The reimbursement of court fees is based on R. 370.9 (b) (e), 370.11 RoP.

The regular rate of reimbursement is 50 % if the action is withdrawn before the closure of the written procedure (R. 370.9 (b) RoP).

However, taking all circumstances of the individual case into account and weighing the interests involved, the judge-rapporteur exercises its discretion not to grant the regular reimbursement rate but to reduce the reimbursement rate to 40 % based on the exceptional circumstances of the case in accordance with R. 370.9 (e) RoP. The infringement action was withdrawn at an early stage, within the extended time period for the Statement of Defence. However, the intertwined structure of the requests in the infringement action required a deeper analysis than usual at this early stage and a coordination between different divisions (The Hague and Mannheim). The confidentiality regime requested was above-average complex (and even provoked a request for file inspection by a third party concerned). However, the court had not to rule on the confidentiality regime (and the request for file inspection) as a matter of dispute because the parties managed to reach an agreement on confidentiality after a CMH in the parallel proceedings in The Hague. There was a preliminary objection that, however, was decided only in part and, in all other respects, postponed to the main proceedings. The Statement of claim originally concerned three patents the subject-matter of which did not appear to be sufficiently closely related to hear the respective infringement cases in joint proceedings (cf. separation order of 8 May 2026) so that the proceedings had to be separated. Against this backdrop, taking all circumstances into account, a moderate reduction of the reimbursement rate to 40 % seems appropriate and sufficient in the individual case at hand.

3. The value in dispute for the proceedings at hand containing the so-called FRAND Specific Claims (cf. separation order of 8 May 2026, para. 2) is set at […].

a) The Statement of claim ("SoC") encompasses so-called FRAND Specific Claims as defined therein (cf. SoC, paras. 118, 123 et seqq.) that are contained in section B. of its operative part. The requests for injunctive relief, recall, definite removal, destruction and publication of an infringement found (sections C.I. and C.II of the operative part) are made subject to a so-called FRAND Specific Condition (cf. SoC, paras. 126 et seq.). The operative part further includes in particular requests for communication of information and for declaratory relief regarding damages (alongside an interim award for damages), which are not made subject to the FRAND Specific Condition (cf. section C.III., C.IV., C.V. of the operative part).

The FRAND Specific Claims (section B.) and the FRAND Specific Condition (section C.I., C.II.) in the operative part of the SoC read as follows:

> B.
>
> I. It is found that the Claimant's February 2026 Offer for a 4G LTE FRAND cross-license agreement dated 20 February 2026 is compliant with Claimant's FRAND commitment covering the European patents EP 4 277 422 B1, EP 2 506 479 B1 and EP 3 397 009 B1 (actions pending before the UPC – LD Mannheim) and EP 3 503 449 B1 and EP 2 218 207 B1 (actions pending before the UPC – LD The Hague);
>
> <u>or in alternative to B.I.</u>
>
> II. under the condition and to the extent that the Court considers the Claimant's February 2026 Offer does not comply with Claimant's FRAND commitment, to determine which terms of a 4G LTE FRAND (cross-)license agreement between the Claimant and the Defendant 13) covering the European patents further specified under B.I, would be FRAND-compliant, whereby such conditions shall be applied that most closely correspond to those included in the February 2026 Offer;

C.

I. The Defendants are ordered to c e a s e and d e s i s t

only under the condition (FRAND Specific Condition)

that the Defendant 13) does not, within two (2) weeks after service of any decision in the proceedings (before the UPC – LD Mannheim and LD The Hague) finding one or more of the Patents (i.e. EP 4 277 422 B1, EP 2 506 479, EP 3 397 009, EP 2 218 207, EP 3 503 449) to be infringed, enter into (or, in case the FRAND Specific Claims have not yet been decided by this Court, unconditionally and irrevocably undertake to the Court (the Unified Patents Court) and the Claimant to enter into) a cross-license agreement with the Claimant on:

- (i) the terms of the Claimant's February 2026 Offer; or
- (ii) only to the extent this Court considers the Claimant's February 2026 Offer is not FRAND-compliant, any revised FRAND-compliant terms determined by this Court,

with the Defendant 13) and its affiliates and the respective Defendants thereby also undertaking to withdraw all pending legal and regulatory actions against the Claimant and its affiliates relating to this pending matter upon conclusion of the (cross-)license agreement

[…]

II. The Defendants are ordered, at their own expense,

under the condition that the Defendant 13) does not enter into (or, in case the FRAND Specific Claims have not yet been decided by this Court, unconditionally and irrevocably undertake to enter into) a cross-license agreement with the Claimant on the terms of the Claimant's February 2026 Offer or, if applicable, on the FRAND-compliant terms and conditions determined by this Court in the proper administration of justice for a worldwide cross-license agreement in respect of the Claimant's and

Defendants' 4G LTE (including the Patents), as more particularly specified under No. C.I above, the Claimant further requests the Court

[the requests for recall, definite removal, destruction and publication of an infringement found follow]

b) In its brief of 24 July 2026, Claimant in particular asserts that the FRAND Specific Claims would not add additional value compared to an infringement action without such claims because Defendants are free to decline the license offer and to choose the injunction and other corrective measures instead, should they lose the case. Claimant points out that the declaration on the FRAND Specific Claims is not enforceable. In consequence, Claimant opines that the injunction claim and the further corrective measures represent the main value of the proceedings. In Claimant's view, this case – or rather, the FRAND Specific Claims – differs significantly from the Panasonic v OPPO ruling (LD Mannheim, decision of 22 November 2024, UPC_CFI_210/2023) in which the LD Mannheim set a higher value in dispute after OPPO, by way of a FRAND counterclaim, requested that Panasonic be ordered to accept OPPO's license agreement or, in the alternative, to make an offer on the terms of OPPO's counteroffer and Panasonic requested among other things that OPPO be ordered to pay a specific royalty rate in the event that the court did not dismiss the FRAND counterclaim. Claimant concludes that the proper value in dispute in the present case therefore remains at 3 million EUR per patent of the present series. For further details, reference is made to Claimant's brief of 24 July 2026.

In its brief of 19 August 2026, after having been heard on a value in dispute of […], Claimant further elaborates on its view that the declaratory judgement sought by the FRAND Specific Claims has no significant value. In Claimant's view, any value of the FRAND Specific Claims is tied to a fraction of the value of the infringement action without such claims. The Court would have only decided on the FRAND Specific Claims if the infringing products indeed infringe the patent in suit. Furthermore, a positive declaratory judgement on the FRAND Specific Claims would only affect the parts of the infringement requests that the Claimant made subject to the FRAND Specific Condition which, in the event of infringement, would have been avoided if Defendant 13 had accepted a license agreement under the terms determined by the court. In contrast, had Defendant 13 not accepted the terms, the consequences of the court's decision on the merits finding infringement would have been the same as those of a standard infringement ruling. Even if there was an additional value in dispute for the FRAND Specific Claims, Claimant argues that the value in dispute considered by the judge-rapporteur would be too high. In Claimant's view, its February 2026 offer cannot constitute a basis for the assessment of the value in dispute of the FRAND Specific Claims because, […]. For further details, reference is made to Claimant's brief of 19 August 2026.

c) Contrary to Claimant, the FRAND Specific Claims add significant additional value to the value in dispute in comparison to an infringement action without such FRAND Specific Claims.

Claimant did not simply want the court to make a non-binding implicit assessment whether its offer meets FRAND requirements (what is regularly done anyway in an incidental way within infringement proceedings if the defendant raises a FRAND defence). Rather, Claimant wanted the court to deliver a declaratory judgement that its offer is FRAND-compliant, and alternatively to deliver a declaratory judgement on how Claimant has to amend its offer in the event it is not FRAND-compliant. Such declaratory judgment has a binding effect between the parties if it becomes final and binding so that it goes beyond any mere incidental assessment of the parties' offers within an infringement action. The value of such a declaratory judgment regularly corresponds to the economic value of its substance matter for the claimant minus a discount that accounts for the fact that only declaratory relief instead of specific performance is requested. The economic value regarding specific performance to make a defendant accept a licence offer by claimant regularly corresponds to the economic difference between the offer in question and the counteroffer by the defendant at the time when the action is filed (R. 370.6 RoP) (cf. for FRAND counterclaims LD Mannheim, decision of 22 November 2024, UPC_CFI_210/2023 (less redacted version published on 6 February 2025), Panasonic v OPPO, para. 252; decision of 29 April 2026, UPC_CFI_850/2024, ZTE v Samsung, para. 130).

The fact that the request for injunctive relief and further requests are made subject to the FRAND Specific Condition in the case at hand does not lower their respective value in dispute. If defendant accepts a licence offer that is FRAND compliant, be it before or after the delivery of the decision on the merits of an infringement action, the injunctive relief becomes moot anyway, and the corrective measures in question will also lapse, as licence agreements usually provide release provisions for past use.

d) In the case at hand, the infringement action containing the FRAND Specific Claims was filed shortly after the February 2026 offer so that there was no counter-offer by Defendants beforehand. Moreover, the parties managed to reach a settlement relatively quickly, in particular before the expiry of the (extended) time period for the Statement of defence. This shows that any differences between the parties were not as significant and persistent as the earlier discussions between the parties might have suggested (cf. in this regard order dated 12 May 2026 of LD The Hague on the CMH in the parallel proceedings UPC_CFI_662/2026 and 1184/2026). While the relevant date for the value in dispute to be determined is the date when the Statement of claim was filed (cf. R. 370.6 RoP), this does not exclude that the true value at that time may nevertheless only become clear in retrospect.

Taking the circumstances of the individual case into account and applying a reduction due to the mere declaratory nature of the FRAND Specific Claims at hand and a further reduction due to the quick settlement at an early stage, the judge-rapporteur sets the value in dispute of the infringement action at hand that contains the FRAND Specific Claims at this stage of the proceedings (cf. separation order of 8 May 2026, para. 2, in accordance with SoC, para. 118) to […]. Claimant's February 2026 offer foresees […] Even based on the difference between […] and further based on a sales estimate of […], a value in dispute of […] for the FRAND Specific Claims is appropriate that is already reduced by accounting for the mere declaratory relief sought and the non-persistent character of those differences between the parties shown in that order of 12 May 2026. Claimant did not provide the court with better insights. Rather, when heard on a value in dispute in the amount of […], Claimant only vaguely stated that this amount is too high, and that at most an amount corresponding […] would be appropriate without specifying […] or other meaningful economic parameters based on which such value could be determined. […] Together with the value of the infringement action regarding the patent-in-suit of 3.000.000 EUR as indicated in the SoC without an additional value in dispute for the FRAND Specific Claims, this amount of […] adds up to a total value in dispute of […].

Taking into account a possible different economic value of patents in different fields of application, the value in dispute found in this case also appears to be appropriate when compared to the value in dispute for the three lead cases in the series Ericsson v Transsion in The Hague. In that series, the LD The Hague was tasked with adjudicating on comparable FRAND Specific Claims. The (accepted) value in dispute in those lead cases adds up to an amount that is significantly higher than the summed values in dispute of the three lead cases pending before the LD Mannheim in this Ericsson v Verifone series.

It is explicitly left open how the allocation of the value in dispute for such FRAND Specific Claims between several proceedings of the series will be handled if the infringement actions had to be decided and the patent-in-suit of the first proceeding that originally contained the FRAND Specific Claims had been found not infringed. However, in the provisional personal view of the judge-rapporteur, it might be worth considering that, in such a situation, such FRAND Specific Claims can then be shifted to the other separate proceedings pending before the same division without having to pay the court fees for the FRAND Specific Claims again, should it not already be permissible to decide on the FRAND Specific Claims in the original proceeding (to which they are formally allocated) if only one patent from other proceedings of the relevant series before the division in question is infringed.

Based on a value in dispute of […], the fixed and the value-based court fees amount to […]. 40 % of that amount are […]. Claimant paid for the present infringement action the amount of 41.100 EUR (cf. also separation order of 8 May 2026). In consequence, Claimant has to pay additional […].

DECISION:

1. The withdrawal of the infringement action is allowed at the application of the Claimant and with the consent of the Defendants.

2. The proceedings are declared closed.

3. This decision shall be entered in the register.

4. A cost decision is not required.

5. The value in dispute for the infringement action is set at […].

6. The rate of reimbursement pursuant to R. 370.9 RoP is set to 40 %.

7. The Claimant is order to pay the amount of […] to the court (court fees based on the aforementioned value in dispute, reduced by a reimbursement rate of 40 %).

Delivered in Mannheim on 14 September 2026

NAME AND SIGNATURE

[signed]

Böttcher
Judge-rapporteur