



## Düsseldorf Local Division

**Order**  
**of the Court of First Instance of the Unified Patent Court,**  
**Düsseldorf Local Division**  
**issued on 18 October 2023**  
**concerning EP 2 546 134 B1**

Headnotes:

1. If a court order is not complied with by one of the parties, the first-instance panel of the relevant division may decide on the penalty payment provided for in the order at the request of the other party or ex officio. The decisive criterion for determining the amount of the penalty payment is the importance of the order and thus ultimately the interest of the creditor in its enforcement, which may, for example, be to distribute the patented products.
2. The penalty payment is intended to reliably deter the debtor from future violations and infringements and therefore primarily has a coercive function. In addition, however, the penalty payment also represents a criminal-like sanction for the violation of the court prohibition, which is why the imposition of periodic penalty payments also presupposes fault on the part of the debtor as an unwritten condition.
3. The dual purpose of the penalty payment requires that the assessment of the penalty payment be made primarily with regard to the debtor and its conduct. In particular, the type, extent and duration of the infringement, the degree of fault, the advantage of the infringer from the infringing act and the dangerousness of the past and possible future infringing acts for the infringed party must be taken into account.
4. The behaviour of the debtor in the past is a decisive, although not necessarily the sole, indicator for the amount of the penalty payment to be imposed. The more frequently and intensively the debtor has violated the restraining order imposed on it, the more clearly it has expressed its unwillingness to comply with the injunction. The assessment of the penalty payment must take this into account: If the debtor has already violated the injunction several times in the past, the necessary pressure increases to force it to comply with the order in the future. The respective penalty payment must therefore be correspondingly higher. If, on the other hand, the debtor has made a serious effort to comply with the injunction, this must be taken into account in its favour.
5. The concept of offering within the meaning of Article 25(a) UPCA is to be understood in patent law in purely economic terms. In the case of a product, it includes any act committed within the scope of the European patent in question which, according to its objective explanatory

value, makes the subject-matter of the demand available for the acquisition of the power of disposal in an externally perceptible manner. Therefore, the display of goods at a trade fair taking place within the scope of the respective patent is an offering within the meaning of this provision.

6. Not all features of the patent claim need to be shown in the advertising and thus also on a trade fair stand for the product to be offered if it must be assumed, when objectively considering the circumstances actually prevailing in the case in dispute, that the product presented corresponds in its technical design to the subject-matter of the patent. It depends on whether the design in conformity with the patent can be reliably concluded from the existence of other objective circumstances. An important aspect in this respect is the view of the relevant public as to the objective explanatory value of the advertising, which must be determined taking into account all the factual circumstances of the individual case.

**Keywords:**

Provisional measures, injunction, infringement, enforcement, penalty payment, threat, fixing, amount, fault, offer, trade fair, Instagram account, open-for-business Sunday, security deposit

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**Injunction patent:**

European patent EP 2 546 134 B1

**Panel/Division:**

Panel of the Düsseldorf Local Division

**Participating judges:**

This order was issued by Presiding Judge Thomas, the legally qualified judge Dr. Thom and the legally qualified judge Kupecz.

BRIEF PRESENTATION OF THE FACTS:

The creditor, together with Fairy Bike Manufacturing Co Ltd (hereinafter: Fairy Bike), is co-owner of the European patent EP 2 546 134 B1 (hereinafter: injunction patent ). The injunction patent is currently in force in Austria, Germany, France, Italy, Liechtenstein, Switzerland and the Netherlands. It was filed in English on 11 October 2011, claiming priority from a Taiwanese patent application dated 11 July 2011. The mention of grant of the injunction patent was published on 25 March 2015. No opposition was filed against the grant of the injunction patent. Nor were any national nullity proceedings instituted after the expiry of the opposition period.

The injunction patent protects a "combination structure of bicycle frame and motor hub". With an application for interim measures dated 22 June 2023, the creditor targeted speed pedelecs of the "OPIUM" series (hereinafter: contested embodiment), the delivery of which the debtor had initially announced on its website for April 2023. However, the delivery was delayed and, according to the creditor's information, no delivery took place in the run-up to the aforementioned application. However, the contested embodiment could be test ridden at the "Eurobike 2023" trade fair in Frankfurt am Main from 21 June 2023. In addition, an order form was available on the debtor's website in both German and English, which could be used to order the contested embodiment from the specialist dealers listed on this website.

The Düsseldorf local division issued the order sought by the creditor on the same day (ORD\_526778/2023 for ref: ACT\_525740/2023; UPC\_CFI\_177/2023) and ordered the debtor, inter alia,

- I. to cease to offer, place on the market or use in Germany, the Netherlands, France and/or Italy or to import or possess for the aforementioned purposes,

combination structures of bicycle frame and motor hub,

wherein the combination structure comprises:

A bicycle frame, including a first fork and a second fork which are oppositely arranged, wherein the first fork is provided with a through hole, while the second fork is recessed with an internal thread hole, corresponding axially to the through hole, and the first fork is provided, at its inner side adjacent to the through hole, with a positioning groove;

a motor hub, being provided, at its centre, with a sleeve having an end, related to a positioning end, such that the positioning end can be engaged with and stopped at the positioning groove of the first fork; and an elongated axle having a head end and a tail end, wherein the tail end has an external thread; the elongated axle can pass through the through hole of the first fork and the sleeve of the motor hub, and wherein the external thread of the tail end is engaged correspondingly and fastened into the internal thread hole of the second fork;

[...]

- III. to surrender, at its own expense, the products referred to under I. above in its direct or indirect possession or ownership at the "Eurobike 2023" trade fair to a bailiff to be appointed by the applicant, in order to prevent their further marketing and circulation through the distribution channels during the "Eurobike 2023" trade fair.

At the same time, the Düsseldorf local division threatened the debtor with a penalty payment of up to EUR 250,000 for each case of violation of the order.

This order was served on the debtor by the competent bailiff at 3:30 p.m. on 23 June 2023 at the "Eurobike 2023" trade fair (Annex Ast 12). Nevertheless, the debtor's stand in the exhibition hall remained open until 6:00 pm. In addition, the debtor's website was switched off relatively quickly and could no longer be accessed the night after service. However, the debtor's Instagram account, which offered, among other things, the possibility of booking test rides with the e-bikes in dispute, could still be accessed during the night of 23 to 24 June 2023. On 28 June 2023, the debtor also sent a letter entitled "Confirmation" to its Belgian authorised dealers, which stated, inter alia:

*"Selling the "OPIUM" on site to end customers from DE, NL, FR and IT remains permitted".*

In its statement of 21 July 2023, the creditor therefore filed an application for the determination of a penalty payment, which it initially justified with the aforementioned (alleged) violations of the operative part of the injunction in accordance with point I. of the order.

Despite the ongoing compulsory enforcement proceedings, the company "Fahrrad Fischer" (hereinafter: "Fahrrad Fischer") in 72818 Trochtelfingen, Germany, presented a disputed e-bike on 24 September 2023 in the context of an open-for-business Sunday, which the debtor had provided for this purpose shortly before.

#### APPLICATIONS OF THE PARTIES:

The creditor requests the Düsseldorf local division, taking into account Article 82(4) UPCA and R. 354.4 RoP in conjunction with R. 264 RoP,

to order the debtor to pay to the court an appropriate penalty payment for breach of the injunction order pursuant to point I. of the order for provisional measures of the Düsseldorf local division of the Unified Patent Court of 22 June 2023 (action No. UPC\_CFI\_177/2023, application No. 525740/2023), the amount of the penalty payment being left to the discretion of the Düsseldorf local division;

to order the debtor to pay the costs of the proceedings.

The debtor requests that

the creditor's application be dismissed.

the creditor be ordered to pay the costs of the proceedings.

FACTUAL AND LEGAL ISSUES:

In the opinion of the creditor, the debtor breached the injunction of 22 June 2023 in four respects.

Since not only the debtor's stand on the open-air site, but in particular also the stand on the indoor site had been open for several hours after the injunction had been served and had been accessible to the trade fair public, a large number of trade fair visitors had had the opportunity during this time to inform themselves about the e-bikes in dispute. These had therefore continued to be offered contrary to the injunction. The fact that the debtor had - undisputedly - removed the component described as a torque sensor in its protective letter from three of the e-bikes exhibited at the trade fair stand did not preclude the resulting infringement of the injunction. The e-bikes modified in this way were not suitable for riding without the torque sensor. Since the motor hub was not firmly anchored to the fork, the necessary stability of the bicycle construction was lacking. In addition, it was impossible to deliver power to the belt driving the rear wheel.

Furthermore, the debtor had switched off its website relatively soon after the injunction had been served. However, its Instagram account - undisputedly - remained unchanged during the night from 23 June 2023 to 24 June 2023 and was thus accessible, in particular including the possibility of booking test ridings.

Moreover, in its letter of 28 June 2023 to its authorised dealers, entitled "Confirmation", the debtor not only guaranteed smooth delivery from Switzerland to Belgium, but also encouraged the dealers there to continue delivering to customers in Germany, France, Italy and the Netherlands. In this letter, the debtor not only informs that the e-bikes at issue can be sold in Belgium, where the injunction patent is not validated. Rather, the letter also expressed that the debtor was consciously and willingly contributing to the distribution in the countries covered by the order (Germany, the Netherlands, France and Italy) with its deliveries to Belgium. A "sale" by the Belgian dealers to end consumers, for example from Germany, also occurred if such customers ordered the e-bike in a shop in Belgium and then had it delivered to Germany by Belgian dealers or the debtor. An e-bike configured according to the customer's individual wishes, which is not already in stock at the dealer due to a previous "pre-order" and thus has to be ordered separately from the debtor, is often not collected on site but delivered directly

by the Belgian dealer or the debtor to the customer, who may be resident in Germany. The passage of the letter quoted above was also relevant in this scenario, since here too, regardless of the delivery conditions, a "sale" took place on site at the Belgian dealer. The letter did not contain a sufficiently clear, clarifying prohibition of such a delivery. Against this background, the debtor had to assume that the Belgian dealers as addressees of this letter would also deliver the e-bikes at issue to end consumers in Germany or have them delivered by the debtor itself, where the injunction would have effect.

Finally, on 25 September 2023, the creditor became aware that the infringing e-bike had been exhibited the previous day by the dealer "Fahrrad Fischer" in 72818 Trochtelfingen, Germany, during an open-for-business Sunday. Further investigations on the part of the creditor had revealed that the debtor had delivered the e-bike exhibited there from Switzerland to Trochtelfingen as a single delivery one week before the open-for-business Sunday, and that the e-bike was still on display at the shop "Fahrrad Fischer" after the event . It also turned out that "Fahrrad Fischer" had already taken orders for the e-bike. The e-bike exhibited had remained unchanged from the version exhibited at the Eurobike and still had the patent-infringing rear axle design.

The debtor has countered the creditor's argument.

It claims that it had already closed the stand in the open area at 1 p.m. of its own free will. Even if the exhibition stand inside was (initially) still open, the debtor did not make any further offers there. The e-bikes exhibited there had neither a torque sensor nor a quick-release axle. Since the device according to the patent was no longer part of the bikes on display, the continued operation of the trade fair stand did not constitute a violation of the injunction. In particular, contrary to the creditor's view, the debtor had not offered any unroadworthy bicycles with a device according to the patent. The technical detail which had been realised in the patented device was not important to the target public. This had not been emphasised by the debtor at any time.

Insofar as the creditor continued to refer to the debtor's Instagram account, no culpable violation of the cease-and-desist order was recognisable from this point of view either. After the debtor's managing director had closed and dismantled the trade fair stand together with his team, he had arrived in his hotel room at around 8:00 p.m., where he had immediately started to take all further measures to comply with the cease-and-desist order. All employees, customers and authorised dealers in the countries concerned had to be informed. After the debtor's CEO had organised the changeover of the website, he wrote to the debtor's social media advisor during the night and told her to shut down the Instagram account. Already on the morning of the following day, the Instagram account could no longer be accessed. The debtor's CEO had therefore not "waited a minute" with this action, but had worked through everything that was necessary one by one. Apart from that, the Instagram account had advertised the e-bike in dispute as such, but not the device according to the patent. Moreover, the potential customers addressed by the Instagram account were also indifferent as to whether the e-bikes shown or offered for a test ride were equipped with the technology according to the patent or not.

Furthermore, in the letter addressed by the creditor to its Belgian authorised dealers, the debtor merely pointed out that e-bikes with the device according to the patent may be sold to end consumers from Germany, the Netherlands, France and Italy, which was correct. The debtor did not state that the e-bikes could be sold to corresponding end users in the countries mentioned. The dealers in Belgium had pointed out that they also sold some of their products to end consumers from the aforementioned countries, although the dealers could not know where each individual customer

who entered their shop lived. Therefore, the debtor was asked whether it would be necessary to show the identity card of each individual customer in the future. The debtor had answered this question as shown in the letter, which also contained the following additional information:

*"The only restriction: The "OPIUM" should not be advertised or offered on websites that can be accessed by Internet users from DE, NL, FR and IT".*

It was precisely this information that was important to the debtor, as it had already modified its own website accordingly and had wanted to draw the attention of its dealers in Belgium to the fact that their offers could not be accessed in the countries mentioned due to the order.

The e-bikes in question were also not delivered to Germany. Precisely because of their size, their weight (about 37 kg) and especially their price (about EUR 10,000), they were not delivered to customers without exception, but were exclusively handed over personally in the shop, where the customers were instructed in the use of the e-bikes (which had not been possible in the case of delivery to Germany). Such a delivery to Germany or to another country outside Belgium had therefore never been threatened at any time and had never taken place in the past. The debtor was aware of this, as the products in question also required a licence and a registration number in order to be used on the roads. Therefore, the debtor knew the distribution and delivery channels of each individual product.

With regard to the allegation of disregarding the order in connection with the open-for-business Sunday at "Fahrrad Fischer", the creditor had largely stated the facts correctly. The owner of Fahrrad Fischer GmbH was personally acquainted with the managing director of the debtor. Already at the beginning of this year, "Fahrrad Fischer" had sold four "OPIUM" bicycles from the debtor and paid for them in the meantime. However, these could not have been delivered due to the order of the local division. Mr ... had been assured by the debtor that technically modified bicycles without the allegedly infringing technology ("new models") would be delivered instead, as soon as the development had been completed. However, this development had been delayed, so that no new models had been available to Fischer on the open-for-business Sunday. Since Mr ... had referred to already printed invitation flyers, the debtor's managing director, after consultation with Mr ..., spontaneously came up with the idea of providing him at short notice with a private test bike, which had the allegedly infringing technology, for the open-for-business Sunday. The managing director's test bike, which was a mobile, unsaleable prototype owned by the debtor without German registration, had been handed over to "Fahrrad Fischer" by an employee of the debtor a few days before the open Sunday and had been picked up again by the latter in the meantime as agreed.

The four orders referred to by the creditor had all been placed some time before the open-for-business Sunday. No further orders had been received by "Fahrrad Fischer" after the open-for-business Sunday. The sales talk addressed and arranged by the creditor had only taken place because the mystery shopper was a former employee of the Kalkhoff company who was known to Mr ... from the relevant business relationship and who had introduced himself on 26 September 2023 as "...". After an exchange of expertise, he then asked whether he could test an ebike for his wife.

In addition, reference is made to the further submissions of the parties together with the annexes.

GROUNDS FOR THE ORDER:

The application for penalties, admissible pursuant to Art. 82 (3) and (4) UPCA in conjunction with R. 354.4 RoP, is largely successful on the merits. The debtor repeatedly violated the injunction of the Düsseldorf local division, although not in all cases addressed by the creditor, which is why a penalty payment in the amount shown in the operative part was to be imposed on it.

I.

The existence of the general requirements for enforcement is rightly not in dispute between the parties. The injunction issued by the local division on 22 June 2023 was served on the debtor's CEO at 3:30 p.m. on 23 June 2023 at the Trade Fair Centre "Eurobike 2023" in Frankfurt am Main (Annex ASt 12) and thus enforced, whereby the debtor has already been threatened with a penalty payment of up to EUR 250,000.00 for each case of noncompliance under point III. of the order.

According to point VI of the injunction, it was (initially) provisionally enforceable without security. The debtor provided security in the amount of EUR 500,000.00 within a period of 10 days from the service of the order on 26 June 2023 by depositing it at the Frankfurt am Main court cashier (Annex ASt 13).

II.

The debtor violated the injunction served on its managing director within the meaning of R. 354.4 RoP by offering the e-bikes in dispute at the "Eurobike 2023" trade fair even after the order had been served. Likewise, the delayed deletion of the debtor's Instagram account constitutes a violation of the injunction. Moreover, the exhibition of a test bike by "Fahrrad Fischer" on an open-for-business Sunday is a patent-infringing offer of the e-bikes at issue. Since the debtor made the test bike presented by "Fahrrad Fischer" available, its conduct is to be regarded as a further infringement of the injunction of the local division. However, the debtor's letter to its Belgian authorised dealers, which was also criticised by the creditor, does not constitute a violation of the injunction issued by the local division.

1.

By keeping its trade fair stand open on 23 June 2023 even after service of the cease-and-desist order, the debtor infringed the injunction imposed on it, irrespective of the content of specific sales talks. The trade fair stand as such can already be classified as a patent-infringing offer. The fact that the e-bikes exhibited at the trade fair stand

, after modification, had neither a torque sensor nor a quick-release axle does not preclude a patent-infringing offer.

a)



In patent law, the concept of offering is to be understood in purely economic terms. Offering is not only a preliminary act preceding manufacture, marketing, importation or possession, but an independent type of use in addition to these acts, which must be assessed independently. According to Art. 25(a) UPCA, the concept of offering includes - in the case of a product - any act within the scope of the European patent in question which, according to its objective explanatory value, makes the subject-matter available to the demand in an externally perceptible manner for the acquisition of the power of disposal.

Therefore, the display of goods at a trade fair taking place within the scope of the respective patent is an offering within the meaning of this provision. The purpose of Art. 25 UPCA is, on the one hand, to secure for the patent proprietor all economic advantages which may result from the use of the patented invention and, on the other hand, to grant it effective legal protection. For this reason, it is not necessary that the offer fulfils the requirements of a concrete, legally effective and binding contractual offer. Furthermore, it does not matter whether the offeror intends to conclude transactions on its own or on behalf of a third party and whether, in the case of an offer on behalf of a third party, it has been commissioned or authorised by the third party. Rather, the only decisive factor is whether the act in question actually arouses a demand for an infringing object, which the offer is intended to satisfy.

On this basis, an "offering" within the meaning of Article 25 UPCA also includes, in particular, preparatory acts which are intended to enable or promote the conclusion of a subsequent transaction relating to subject-matter protected by the patent, which includes the use of the subject-matter. This can be done in such a way that interested parties can submit offers for transfer. This is what regularly happens at a trade fair: With their presentations, the exhibitors pursue the purpose of establishing business relations with interested trade fair visitors and selling their products. They present their products in the expectation that there will be demand for them from trade fair visitors. The exhibition is intended and suitable to arouse interest in the products and to enable business to be concluded in relation to them, which is sufficient for an offering within the meaning of Art. 25(a) UPCA.

b)

This was also the case at the "Eurobike 2023" trade fair in Frankfurt am Main. This was a sales fair at which companies presented their products in order to sell them. The company's own performance, which is displayed at a trade fair, is an important sales argument and is intended to promote the sales of the exhibited products. The proof of a specific offer to a specific company required by the debtor is therefore not necessary for an offer, because the display of the contested e-bikes at the "Eurobike 2023" trade fair already fulfilled the use requirement of the patent-infringing offer in Art. 25(a) UPCA.

The fact that the debtor is domiciled in Switzerland and thus outside the scope of the UPCA does not prevent this. Acts of offering at a trade fair within the scope of the patent in question constitute an offering within the meaning of Art. 25(a) UPCA even if the exhibitor resides exclusively abroad and can only make deliveries in accordance with the offer there.

The only prerequisite in such a case is that, from the recipient's point of view, its offer can at least also refer to the states covered by the scope of the respective patent. However, the trade fair visitor usually assumes this - as is the case with the exhibited e-bikes.

c)

The imposition of a penalty payment cannot be successfully countered by the fact that the ebikes exhibited at the debtor's stand were modified in such a way that they had neither a torque sensor nor a quick-release axle.

For an offer to be made, not all features of the claim have to be shown in the advertising and thus also on an exhibition stand in every case, if it has to be assumed, when objectively considering the circumstances actually given in the case in dispute, that the product shown corresponds in its technical design to the subject-matter of the patent. It depends on whether the design according to the patent can be reliably concluded from the existence of other objective circumstances. An essential aspect in this respect is the view of the target public as to the objective explanatory value of the advertising, which is to be determined taking into account all the actual circumstances of the individual case.

On this basis, the presentation of the e-bikes in dispute could not be understood by the target public in any other way than that the debtor was not offering e-bikes in the condition visible at the trade fair stand - which was indisputably non-functional due to the lack of a quick-release axle and torque sensor - but that the offer referred to fully functional e-bikes. It can be assumed in favour of the debtor that its customers are not interested in the details of the technical design of the quick-release axle and torque sensor. However, they expect delivery of the exhibited model in working order. Even the debtor does not claim that the e-bike in dispute was also available in a non-infringing but nevertheless functional configuration at the time of the trade fair. Against this background, the debtor's stand at the trade fair conveyed only one message to potential interested parties: functional e-bikes of the "OPIUM" series were being advertised and thus offered, which required the presence of the torque sensor and the quick-release axle, which had previously been removed by the debtor at short notice. In any case, the debtor has not been able to show anything to the contrary.

d)

Similarly, the debtor cannot successfully rely on the fact that visitors to the exhibition stand had already been explicitly informed 15 minutes after service of the order that the bicycles on display would no longer be offered because there was a ban on sale in this respect. On the one hand, "offering", as already explained in detail above, is to be understood in purely economic terms, which is why the exhibition stand as such is already to be classified as an offer. On the other hand, customers who merely look around the trade fair stand, which itself constitutes the patent-infringing offer, naturally do not become aware of such a notice given by employees in a personal conversation.

2.

The deletion of the Instagram post containing the possibility of booking test rides on the e-bike in question, which only took place on the morning of the day following the service of the cease-and-desist order of the local division, constitutes a further violation of the injunction.

a)

The obligation to cease and desist from an act which has created a permanent state of disturbance is, in the absence of any indication to the contrary, generally to be interpreted as including not only the cease and desist from such acts, but also the performance of possible and reasonable acts to remedy the state of disturbance. An obligation to cease and desist is not exhausted by mere inaction, but also includes the performance of acts to eliminate a previously created state of disturbance, if this alone can comply with the obligation to cease and desist. This is the case if the non-elimination of the state of infringement is tantamount to the continuation of the infringing act. This requirement is fulfilled here. The debtor's Instagram account explicitly contained the possibility of booking test rides with the e-bikes at issue. It is therefore an offer of the contested embodiment within the meaning of Art. 25(a) UPCA and thus a continuing infringement of the injunction of the local division. Since this infringement could only be remedied by a corresponding modification or deletion of the respective Instagram account, it was up to the debtor to arrange this, and to do so immediately after it had been served with the local division's cease-and-desist order. If the order for provisional measures is made ex parte - as was the case here - the debtor must comply with the order with the threat of penalty payments when it is served.

The debtor did not sufficiently fulfil this obligation. According to the debtor's own submission, the deletion of the Instagram account initiated by its managing director did not take place immediately after service of the cease-and-desist order, but only on the morning of the following day, which constitutes a violation of the cease-and-desist order imposed on the debtor.

b)

The fact that the debtor is domiciled in Switzerland and possibly administers its Instagram account from there does not lead to a different assessment. It is true that the enforcement procedure under Art. 82(3) UPCA is governed by the law of the Contracting Member State where enforcement takes place. Also, according to this provision, decisions of the Court may be enforced under the same conditions as decisions given in the Contracting Member State where enforcement takes place. However, in the case of injunctive enforcement, this provision is superseded by Art. 82(4) UPCA in conjunction with R. 354.3 and 4 RoP ("without prejudice to this Agreement"). Therefore, if the debtor violates an injunction of the Court, penalty payments can be imposed on it on the basis of the UPCA and the Rules of Procedure, irrespective of the provisions of national enforcement law. Such an infringement is given in the present case - as explained - since the debtor offered the contested embodiment via its Instagram account, inter alia, in the Federal Republic of Germany and thus in contravention of the injunction. In such a case, national enforcement law becomes relevant, for example, if a debtor does not pay the penalty payment already imposed on him and the penalty payment is therefore to be enforced (BeckOK PatR/Augenstein, EPGÜ, 29th edition, as at 15.07.2023, Art. 82, para. 17).

3.

By providing "Fahrrad Fischer" with a test bicycle after service of the cease-and-desist order of the local division, which was used there for demonstration purposes in the context of an open-for-business Sunday, the debtor once again violated the cease-and-desist order imposed on it. Even if - which can be assumed in the debtor's favour - no contracts were concluded in the course of this event, the bicycle was

at least offered within the scope of this event, applying the standard already described in detail. Even if the test bike itself was not for sale during the open-for-business Sunday based on the debtor's submission, its presentation was suitable to generate a corresponding demand on the part of the buyer. This is all the more true since the corresponding e-bike was additionally not only presented in an advertising flyer by "Fahrrad Fischer", but was also the subject of at least one concrete sales talk. There is no evidence that "Fahrrad Fischer" explained during the open-for-business Sunday that the technical design of the e-bikes to be delivered later differed from the test bike presented. This is all the more true since the debtor's managing director already failed to point out to "Fahrrad Fischer" that the customers not only had to be informed during the presentation that the prototype was not for sale, but also about the specific technical modifications that the models actually delivered later would have compared to the prototype.

The debtor imported the test bike into the Federal Republic of Germany for the purpose of offering it and (indirectly) possessed it there for this purpose, thereby at the same time participating in the offering of the same by "Fahrrad Fischer". In doing so, the debtor disregarded the injunction issued by the local division. The fact that the debtor's managing director possibly assumed that only new, technically modified models were being advertised with the test bike does not change this finding. The existence of a violation of the cease-and-desist order within the meaning of R. 354.4 RoP must first be determined purely objectively. Any misconceptions on the part of the debtor are at most relevant in the assessment of fault and thus for the question of whether and, if so, in what amount a penalty payment is to be imposed against the background of the infringement.

4.

Insofar as the creditor also objects to the debtor's letter to its Belgian traders dated 28 June 2023 (Annex Ast 5) with its application for compulsory enforcement, it is not able to prevail with this.

a)

The creditor's accusation that the letter expresses the intention to sell to end customers from the countries covered by the injunction cannot be justified solely on the basis of the wording of the letter. The statement "Selling the "OPIUM" on site to end customers from DE, NL, FR and IT remains permitted" (emphasis added), which can be found there and which was referred to by the creditor, does not in itself say more than that there are no obstacles to distribution by the Belgian dealers to customers from the countries mentioned. Since the injunction does not extend to Belgium, such a reference is applicable as long as the Belgian dealers only sell and deliver the e-bikes in question locally. If the Belgian dealers, as the addressees of the letter, are visited by customers from the aforementioned countries, they are still entitled to sell the e-bikes in question to these customers and to hand them over the e-bikes on site.

It is true that the creditor rightly points out that the delivery of e-bikes ordered from the Belgian authorised dealers to Germany may, in contrast, constitute an infringement of the injunction patent as well as a violation of the injunction order of the local division. However, the debtor expressly denied such a business model. Therefore, it would have been up to the creditor to clarify its initially sweeping arguments, for example on the

basis of a test purchase and to offer evidence for the factual allegations made by it (R. 171.1 sentence 1 RoP). However, the creditor did not do so, which is why the Local Chamber cannot establish either the actual possibility of delivery by the Belgian authorised dealers to Germany or the delivery by the debtor of e-bikes ordered from the Belgian authorised dealers from Switzerland to Germany.

b)

The framework conditions of the letter confirm the understanding elaborated above.

The debtor (undisputedly) admitted to the background of the letter to the effect that on the day of the service of the order in the evening it had contacted all authorised dealers who sold the model "OPIUM" at that time, that a court had ordered a ban on the sale of this model. The debtor then invited the Belgian dealers to a video conference on 27 June 2023, in which it informed the dealers that the "OPIUM" model could not be distributed in Germany, the Netherlands, France and Italy (cf. in this respect also Annex 5, penultimate paragraph). On the other hand, further distribution in Belgium was possible. As a result, some dealers had raised the question of what behaviour was still permitted in Belgium and whether they had to inquire about the customer's place of residence, in particular during sales talks with customers on site. In order to clarify these questions, the debtor had sent the letter referred to by the creditor to its Belgian authorised dealers and made it clear that sales to end customers from the countries covered by the injunction remained permissible. There are no indications of a sale from Belgium to Germany beyond the wording of the letter, even taking into account the general conditions of the letter.

c)

Finally, a violation of the injunction issued by the local division cannot be justified on the basis of the "Funkuhr" case law of the Federal Court of Justice referred to by the creditor (see BGHZ 204, 114, para. 26 = GRUR 2015, 467 - Audiosignalcodierung).

Even if, according to this case law developed at the national level, a company based abroad and thus outside the Federal Republic of Germany, which supplies products to a customer also based abroad, may be involved in an act of use in Germany if it knows or is unaware due to negligence that the customer will continue to supply the products to Germany, this liability is not unlimited. A supplier of a product protected by a patent in Germany who is domiciled abroad and supplies a customer who is also domiciled abroad is not automatically obliged to check or monitor the further use of the supplied goods by the customer. The customer of a product is basically responsible for using it only in a legally permissible manner. The supplier has not automatically committed an act that creates a particular risk to the rights of the patent proprietor by making a delivery abroad that is unobjectionable under patent law. Therefore, the supply in itself does not give rise to any special duties of protection in favour of the person entitled under the patent.

Likewise, the merely abstract possibility that the customer could deliver the delivered goods to the domestic market or offer them there is not sufficient. Since the supplier is in principle not obliged

to check or monitor the conduct of its customers, it cannot in principle be expected to carry out a check simply because a relevant use under patent law appears possible, for example because the customer maintains business relations in Germany or because it has already supplied similar products to Germany or offered them there.

Against this background, concrete indications of onward supply to the domestic market are often only given if the supplier has become aware of an actual or imminent onward supply. It is true that, depending on the circumstances of the individual case, sufficiently concrete indications may also exist on the basis of other circumstances - for example, because the quantity purchased is so large that it can hardly be distributed only on markets free of IP rights, or because the purchasing behaviour correlates conspicuously with a perceptible and potentially infringing activity of the customer on the domestic market. If such concrete indications have become apparent, the supplier may no longer rely on the fact that its customer will refrain from patent infringing acts. Rather, it has reason to ask the customer about deliveries and offers in Germany and, as a precaution, to point out the possibility of a patent infringement therein. If there is no plausible answer to such an enquiry, the supplier must seriously reckon with the possibility that he is participating - even if without positive knowledge - in a third party's patent infringement. In this situation, the supplier violates a duty of conduct serving the protection of the third party's patent by continuing its deliveries unchanged, even if it subjectively assumes that the customer's conduct complies with the law.

Even if the principles of this case law, which does not require a final decision in the present case, also apply before the Unified Patent Court with the proviso that the member states covered by the scope of protection of the respective patent are substituted for Germany, this does not help the creditor to succeed. Concrete indications for a further delivery of products supplied abroad to one of the countries covered by the cease-and-desist order are neither submitted nor evident.

5.

Since the debtor has repeatedly violated the cease-and-desist order of the local division, the determination of a penalty payment in the total amount of EUR 26,500 appears necessary but also appropriate to effectively enforce the injunction of the creditor and to enforce its future compliance by the debtor.

a)

Pursuant to Art. 82 (4) sentence 2 UPCA, the penalty payment must be proportionate to the importance of the order to be enforced. Correspondingly, the amount of the penalty payment to be paid to the Court in the event of an infringement is to be determined in accordance with Rule 354.4 RoP in view of the importance of the order in question. The decisive criterion for determining the amount of the penalty payment is thus the importance of the order and thus ultimately the interest of the creditor in its enforcement, which may consist, for example, in distributing the patented products (BeckOK PatR/Augenstein, EPGÜ, 29th edition, as at 15.07.2023, Art. 82 para. 41). The penalty payment is intended to reliably deter the debtor from future violations and infringements and therefore primarily has a coercive function. As both the English ("penalty payment"; "be sanctioned") and the French ("sanctionnée") versions of Art. 82 (4) UPCA make clear, the penalty payment also represents

a criminal-like sanction for the violation of the court prohibition, which is why the imposition of penalty payments also presupposes fault on the part of the debtor as an unwritten condition.

b)

This dual purpose of the penalty payment requires that the assessment of the penalty payment be made at least primarily with regard to the debtor and its conduct. In particular, the type, extent and duration of the infringement, the degree of fault, the advantage of the infringer from the infringing act and the dangerousness of the past and possible future infringing acts for the infringed party must be taken into account. The more frequently and intensively the debtor has violated the restraining order imposed on it, the more clearly it has expressed its unwillingness to comply with the injunction. The assessment of the penalty payment must take this into account: If the debtor has already violated the cease-and-desist order several times in the past, the necessary pressure increases to force it to comply with the order in the future. If, on the other hand, the debtor has already shown its willingness to comply with the injunction in the past, this can reduce the necessary pressure and thus the penalty payment to compel the debtor to comply with the order in the future. When assessing the intensity of the violation, the debtor's entire conduct must be taken into account. In particular, the type, extent and duration of the infringement, the degree of fault and the risk to the creditor of the past and possible future acts of infringement must be taken into account.

c)

Based on these principles, the local division considers the determination of a penalty payment in the amount of EUR 26,500.00 to be justified, but also necessary, in order to force the debtor to comply with the cease-and-desist order imposed on it in the future, of which EUR 1,000.00 is attributable to the continued operation of the trade fair stand, EUR 500.00 to the delayed deletion of the Instagram account and EUR 25,000.00 to the open-for-business Sunday at "Fahrrad Fischer".

aa)

With regard to the continued operation of the trade fair stand, the local chamber considers a penalty payment of EUR 1,000 to be sufficient and appropriate in the present case.

In the debtor's favour is the fact that it at least made an effort to comply with the cease and desist order by removing the quick-release axles and the torque sensor. It also did not operate its stand on the following day, which limits the infringement to a few hours. Moreover, the local division took into account in the debtor's favour that a large number of questions had to be clarified at the trade fair stand, especially in view of the fact that this was the first ex parte order of the Unified Patent Court. In addition, a mere offering at the trade fair through the design of the trade fair stand, but not an actual sale, was at issue, which had a reducing effect on the amount of the penalty payment. Nevertheless, the debtor, who had already been represented by a lawyer prior to the service of the cease-and-desist order, did not immediately and properly comply with the cease-and-desist order, but rather initially tried (unsuccessfully) to evade it - as well as the seizure order - by merely removing the quick-release axle and the torque sensor from the e-bikes presented at the trade fair stand.

bb)

With regard to the delayed deletion of the Instagram account, taking into consideration

that the continued operation of the Instagram account for a few hours has a significantly lower advertising effect than a trade fair presence at a leading trade fair, a penalty payment of EUR 500 is appropriate.

In this respect, it must be taken into account that the debtor's managing director ordered the

deletion of the account during the night of 24 June 2023, and that this order was then promptly implemented. In favour of the debtor, the fact that its managing director had to complete a large number of tasks within a short period of time in order to comply with the cease-and-desist order must also be taken into account. Nevertheless, in the knowledge of the cease-and-desist order, he only turned to deleting the Instagram account for the first time during the night and therefore initially deliberately postponed this task, even after the relevant trade fair stand had already closed. The debtor does not explain why it was able to delete its website, but not its Instagram account, immediately after being served with the cease-and-desist order. Nor did it explain in a comprehensible manner why it was not possible for its managing director to contact its social media advisor on the afternoon of 22 June 2023 and instruct them to delete the account. Since the debtor failed to give such a prompt instruction and thus culpably violated the injunction of the local division, further considerations as to the time frame in which such a directly given instruction would have had to be implemented by the social media consultant are unnecessary.

cc)

Compared to the aforementioned infringements, the provision of the e-bike presented by "Fahrrad Fischer" during an open-for-business Sunday is clearly more serious. The test bike in question was not only made available to "Fahrrad Fischer" after the injunction had been served and despite an existing ban on exporting the e-bikes in question from Switzerland. Rather, at that time the creditor had already initiated enforcement proceedings against the debtor, in which various violations of the cease-and-desist order issued by the local division were already pending. By making the test bike available for the purpose of holding an open-for-business Sunday in Germany, the debtor therefore deliberately disregarded the cease-and-desist order of the local chamber. In order to prevent the repetition of such conduct and thus to do justice to the importance of the cease-and-desist order for the applicant to protect its business interests, the imposition of a severe penalty payment is indispensable. To the extent that the debtor, on the other hand, pleads that its managing director did not realise that the provision of the test bike for the purpose of presentation in the context of an open-for-business Sunday could be a violation of the injunction of the local division, this argument does not justify a different assessment, if only because the parties were also intensively discussing the question of an offer of the challenged design at a trade fair stand in the context of the compulsory enforcement proceedings that were already ongoing at that time. For this reason alone, the debtor's managing director had to realise that with this delivery he was (once again) disregarding the local division's injunction. In order to prevent such a situation in the future and to help the creditor to effectively enforce the injunction and thus to protect its business interests, the determination of a penalty payment in the amount of EUR 25,000 for this violation appears necessary, but also sufficient.

dd)

An overall assessment taking all this into account justifies the imposition of a penalty payment



in the amount of EUR 26,500. There are no apparent reasons to assess the importance of the order to be enforced differently.

6.

The decision on costs is based on a corresponding application of R. 118.5 p. 1 RoP.

In distributing the costs, the local division took into account that the creditor had not formally requested the setting of a penalty payment in a specific amount. However, it based its request for a penalty payment on a total of four allegations of infringement (trade fair stand; Instagram account; letter to the Belgian traders; "Fahrrad Fischer"), of which only three proved to be justified. This must be reflected in the distribution of the costs of the compulsory enforcement proceedings.

7.

As the present order is one of the first to impose penalty payments for breach of a court order, the local division considers it appropriate to allow both parties to appeal, thus giving them the opportunity to have the order reviewed by the Court of Appeal (Art. 73 (2) (b) (ii) UPCA, R. 220.2, 354.4 RoP).

8.

There was no reason to make the order dependent on the provision of security within the meaning of Rule 352.1 RoP. The creditor had already provided the security required by the debtor by way of deposit for the possible damages resulting from the enforcement of the injunction.

ARRANGEMENT:

1. A penalty payment of EUR 26,500.00 to be paid to the Unified Patent Court is imposed on the debtor for infringement of the injunction under point I. of the order for provisional measures of the Düsseldorf local division of the Unified Patent Court of 22 June 2023 (ORD\_526778/2023, ref.: ACT\_525740/2023; UPC\_CFI\_177/2023).
2. The creditor is ordered to pay 25 % of the costs of the enforcement proceedings and the debtor 75 %.
3. This order is immediately enforceable.
4. The appeal is admitted.
5. The value in dispute of the compulsory enforcement proceedings is set at EUR 150,000.

*DETAILS OF THE ORDER:*

on application APP\_552740/2023 relating to main action number ACT\_525740/2023

UPC number: UPC\_CFI\_177/2023

Type of action: Application for the determination of penalty payments

Issued in Düsseldorf on 18 October 2023

NAMES AND SIGNATURES

Presiding Judge Thomas

Legally qualified judge Dr Thom

Legally qualified judge Kupecz

INFORMATION ABOUT THE APPEAL

Either party may appeal against this order within 15 days of its service (Art. 73 (2) (b) (ii) EPCÜ, Rules 220.2, 354.4 RoP).

PAYMENT INFORMATION:

The penalty payment is payable to the Court to the following account: LU55 0019 7355 1895 9000.