Neutral Citation Number: [2026] EWHC 2757 (Pat)

Case No: HP-2026-000026

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY DIVISION
PATENTS COURT

Royal Courts of Justice, Rolls Building
Fetter Lane, London, EC4A 1NL
Date: 28 October 2026

Before :

THE HON MR JUSTICE MELLOR

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Between :

(1) SNAP INC. **(2) SNAP GROUP LIMITED**	**Claimants ('Snap')**
- and -	
(1) DOLBY LABORATORIES, INC. **(2) DOLBY VIDEO COMPRESSION, LLC** **(3) DOLBY INTERNATIONAL AB** **(4) DOLBY LABORATORIES LICENSING CORPORATION**	**First to Fourth Defendants ('Dolby')**
-and-	
(5) ACCESS ADVANCE LLC	**Fifth Defendant ('Access Advance')**

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JAMES SEGAN KC and DHEEMANTH VANGIMALLA (instructed by Winston Taylor International LLP) for Snap
SARAH FORD KC, JENNIFER DIXON and BETHANY HALBARD (instructed by Bird & Bird LLP) for Dolby.
SARAH ABRAM KC and DAVID GREGORY (instructed by Bristows LLP) for Access Advance

Hearing date: 15 October 2026

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Approved Judgment

This judgment was handed down remotely at 10.30am on Wednesday 28 October 2026 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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THE HON MR JUSTICE MELLOR

Mr Justice Mellor :

Introduction

1. Snap apply to list a RAND trial with expedition to the earliest available window in the Michaelmas term 2027. Snap seek a 15-day trial listing (including non-sitting days) with around a further 4 days of pre-reading, to determine Snap's entitlement to, the scope of, and RAND value of a Video Distribution Patent pool (the "**VDP Pool**") licence.

2. Snap's position is that, with the scope of trial they are proposing, the parties can be ready for trial from September 2027. However, there are already 4 substantial patent trials in the diary for October 2027 and, assuming a Patents Judge was prepared to sit in September, there would be insufficient judgment writing time before the trials in October 2027. So, it was apparent at an early stage that a trial in September 2027 was not a practical option.

3. However, there is a suitable trial slot starting on 1 November 2027. Dolby and Access Advance did not object in principle to a 15-day trial having such a listing. The real dispute between the parties concerned what issues should be decided at that trial, all sides accepting that, due to the range of issues identified in the pleadings, they would need to be split into two trials.

4. In very broad outline, the competing proposals were as follows:

   i) Snap proposed the (first) trial should consider (i) whether Snap is entitled to a RAND licence and (ii) what are the RAND terms for a licence to the VDP Pool.

   ii) Dolby proposed that, at the first trial, the Court should determine various preliminary points, including Dolby's case on willingness and the scope of the licence, before proceeding to a second trial which would determine the valuation of the licence scope determined in the first trial.

   iii) Access Advance essentially supported and endorsed Dolby's position. For that reason, I have not found it necessary, when I apply the relevant principles to the facts here (see below) to make any separate mention of Access Advance's position.

The Parties and Relevant Background

5. In this section, I set out what I understand to be the uncontroversial background, plus an introduction to the issues, as drawn from the Skeleton Arguments and the evidence served for this Application (Washbrook 4 & 5 for Snap, Vary 1 for Dolby and Pinckney 1 for Access Advance). However, I emphasise that I am making no findings of any facts which may be in dispute.

Snap's position and contentions

6. The First Claimant characterises itself as a leading global technology company. It operates the popular "Snapchat" visual messaging application, which is available globally including in the UK. Snapchat is almost entirely free-to-end

user. The UK is the most significant centre for Snap's business after the USA. The Second Claimant, a UK company, delivers and manages Snapchat in the UK and Europe. Snapchat has around 20 million monthly active users in the UK (as of July 2026).

7. Snap's visual messaging service, Snapchat, uses standardised video compression technology. Snap say they use the HEVC (H.265) standard as well as making de minimis use of AV1. They do not use VP9 or VVC (H.266) at all.

8. Dolby is a well-known name in the fields of audio and imaging technology, and say they have built up and expanded a significant patent portfolio including patents whose claims are essential to /required to implement the HEVC standard. Dolby say they license their patents both bilaterally and via patent pools, including the VDP Pool.

9. In that regard, Snap say that the owners of standard essential patents ("SEPs") for HEVC, and other standards such as AVC (H.264), have historically licensed those SEPs largely through patent pools operated by licensing agents such as Access Advance. Dolby are one of the founding members of Access Advance and have an ownership interest in it.

10. From the early 2000s to the early 2020s, Snap say that the owners of SEPs relevant to AVC and then HEVC decided, when licensing those SEPs, to focus on extracting value from the manufacturers of devices which implement the standards (e.g., mobile devices or DVD players), rather than from non-physical content distributors (e.g., streaming or visual messaging services) (PoC, ¶57). Snap have pleaded the history of this policy in relation to HEVC in some detail (Snap's RAND SoC, ¶¶34-49) but drew the following particular example to my attention: Access Advance formally announced as recently as 2018 that it "*will no longer license nor seek royalty fees for non-physical HEVC content distribution including Internet streaming*" (PoC, ¶57(b)). Snap's case is that the explicit aim of this policy was to accelerate HEVC adoption and support streaming distributors (PoC, ¶57(b)).

11. Snap say that this policy was adopted by the SEP owners, and their licensing agents such as Access Advance, at a time when there was competition between various standards aiming to establish themselves as the leading standard for the next generation video codec (see e.g., Snap's RAND SoC, ¶¶31-33). One of the other nascent standards in the mid-2010s was AV1, which was developed and announced in 2015, by the Alliance for Open Media, as an "advanced, royalty-free video codec" (Snap's RAND SoC, ¶¶39-40).

12. Snap allege that now that the HEVC standard has achieved very widespread industry adoption, however, many of the major SEP owners have changed their minds about this policy. With content distributors such as Snap now effectively "locked in" to the HEVC standard, SEP owners such as Dolby wish to start charging very substantial royalties.

13. To that end, Snap say that in January 2025 Access Advance launched the VDP Pool licence and that it is a pool licence offered by the owners of HEVC SEPs which is specifically targeted at, and seeks to levy royalties from, internet

content distributors. A key feature of the VDP Pool licence, which is particularly problematic for Snap (as they contend), is that it bundles together four different codecs (HEVC, VP9, VVC, and AV1) and offers a single price for that bundle irrespective of whether or not a prospective licensee uses all of the included codecs (Snap's RAND SoC, ¶56; Washbrook 4, ¶9). The single price is payable, indeed, even by an implementer which uses only AV1, which Snap contend is supposed to be "royalty-free".

14. I should mention a point which was made clear during submissions. In any given 'individual stream', an implementer like Snap will only use one of those codecs. Snap's position was that the codec they use is predominantly HEVC but acknowledged a de minimis use of AV1 as well.

15. Therefore, Snap say, if a content distributor such as Snap requires a licence for HEVC and/or AV1, they must therefore currently either (i) enter into a VDP Pool licence which will entail them being required to pay for standards (VP9 and VVC) that they never use, or which are intended to be royalty free (AV1), or (ii) attempt to negotiate 47 bilateral HEVC/AV1 licences with the licensors in the VDP Pool.

16. Snap consider that this situation squarely engages the proposition recently recognised as raising a serious issue to be tried in *Tesla v. InterDigital and Avanci* [2026] UKSC 27: in short, the scope of a RAND licence may be a pool licence rather than numerous bilateral licences; but the terms of that pool licence may nevertheless be non-RAND. In this case, Snap submit, the RAND scope is a pool licence and not 47 bilaterals; but the terms of the pool licence are non-RAND, principally because the pool charges a single bundled royalty which includes standards which implementers may never use or which were announced to be royalty free. Further, Snap's case is that the royalties charged are far in excess of what has been charged by HEVC pools for non-physical content distribution prior to Access Advance's announcement that such use is to be royalty free (see generally Snap's RAND SoC, ¶¶34-52). According to Snap, therefore, what are RAND terms for the VDP Pool is the central issue in this case.

17. I have referred to various parts of Snap's pleadings. The Prayer for Relief in the Particulars of Claim contains many paragraphs which are familiar for an implementer-led claim seeking a determination by the Court of what terms and rate are F/RAND. For present purposes I need only cite paragraphs (1) to (3) (in which the Challenged Patents are two of Dolby's UK SEPs):

> '(1) A declaration that Snap is a beneficiary of Dolby's RAND Commitment to the ITU-T.
>
> (2) A declaration that the terms of the Video Distribution Licence insofar as they relate to any Dolby patents in the VDP Pool which designate the UK are not RAND and therefore do not comply with the RAND Commitment.
>
> (3) A declaration of the RAND terms of the Video Distribution Licence which Dolby and/or Access Advance ought to offer to

Snap covering the Challenged Patents and/or Dolby's UK HEVC Portfolio.'

18. Snap contend that the trial in November 2027 should address their entitlement to that relief. Snap acknowledged that (3) might need some refinement, a point I address later.

Dolby and Access Advance's contentions

19. I have already outlined the position adopted by Dolby and Access Advance, but I should spell out in more detail what their proposal entails. I start with Dolby's identification of the issues which are in dispute in this case:

    i) **Willingness.** Dolby contend that Snap has not negotiated bilaterally with Dolby at all, instead choosing to issue these proceedings. Dolby's position is that a licensee who has never asked for a licence directly from a licensor, before issuing proceedings, has never taken the step that would trigger the contractual obligation by the SEP-owner licensor. Dolby contends that such a licensee cannot, by bringing proceedings and unilaterally undertaking to enter into a Court-determined licence, trigger that obligation retroactively and claim that it has been breached. To use the shorthand adopted by cases such as *Optis Trial F* [2022] EWCA Civ 1411, Dolby contend that Snap are not a willing licensee and cannot bring themselves back into the class of beneficiaries by unilaterally undertaking to enter into a Court-determined licence. I confess I find this conclusion (that an implementer can never repent) a little surprising in view of (i) the fact that the F/RAND obligation on a SEP owner endures for as long as it is able to license its SEP and (ii) the structure of the F/RAND injunction, but those are matters for trial.

    ii) **Licence scope – encoding and decoding claims**. While Snap contend that they are entitled to a pool licence covering encoding and decoding, Dolby's position is that its HEVC RAND Commitment does not extend to encoding claims on a proper construction of that commitment. Dolby say that to proceed to a valuation exercise without determining this issue would require the valuation experts to opine on different potential permutations of licence scope which would be excessively complex and wasteful of costs.

    iii) **Licence scope – AV1**. The custom licence that Snap seek covers HEVC and AV1. Dolby say that the inclusion of AV1 raises two distinct sub-issues. First, since Dolby has made no RAND Commitment in respect of AV1, Dolby's position is that the Court should not declare AV1 licence terms. Second, and in any event, Dolby aver that any commitment would not extend to encoding, on a proper construction of the AV1 Specification. Dolby say, again, these issues need to be determined before asking the valuation experts to engage in a valuation exercise.

    iv) **Licence scope – custom pool versus bilateral**. Dolby say this is a key dispute between the parties which Snap entirely gloss over.

v) **Competition claims** under section 18 of the Competition Act 1998 which raise a number of sub-issues:

a) **Market definition:** Snap's technology market definition is not admitted by Dolby pending expert evidence, and their services and content markets (as defined at ¶¶93-103 Particulars of Claim) are denied in any event.

b) **Dominance**: Dolby dispute that they are dominant and aver that their market power is constrained even if they were found to have a 100% market share in respect of any of their patents.

c) **Abuse**: Dolby take issue with the alleged abusive conduct on which Snap rely, which includes allegations of failure to offer a licence on non-RAND terms (by offer of the Video Distribution Pool licence) and of seeking a licence covering patents essential or required to implement the AV1 Codec. The competition law issues (which Snap propose be parked) therefore have the potential to overlap with the contractual issue of scope of pool licence which Snap wish to be determined in the first trial.

vi) **Chapter I Prohibition –** Dolby characterise Snap's Chapter I Prohibition case as vague and theoretical and one which, to the extent it is understood, is denied by Dolby. Snap propose that the Chapter I prohibition claim be treated the same way as their other competition claims, and parked for future determination, which Dolby say again demonstrates that Snap's proposed split makes no sense.

vii) **Valuation –** once scope is determined, a licence of such scope will need to be valued.

20. Furthermore, Dolby refer to the different licence scope permutations that may arise as a result of the above as set out at ¶39 Vary 1 but they add that, as matters have developed, there is an additional issue as to whether encoding patent claims are covered by the AV1 specification, which results in the following updated list:

i) A bilateral licence to Dolby's patents for decoding HEVC;

ii) A bilateral licence to Dolby's patents for decoding HEVC and decoding AV1;

iii) A bilateral licence to Dolby's patents for decoding HEVC and decoding and encoding AV1;

iv) A bilateral licence to Dolby's patents for decoding and encoding HEVC;

v) A bilateral licence to Dolby's patents for decoding and encoding HEVC and decoding AV1;

vi) A bilateral licence to Dolby's patents for decoding and encoding HEVC and AV1;

vii) A pool licence for decoding HEVC;

viii) A pool licence for decoding HEVC and decoding AV1;

ix) A pool licence for decoding HEVC and decoding and encoding AV1;

x) A pool licence for decoding and encoding HEVC;

xi) A pool licence for decoding and encoding HEVC and decoding AV1;

xii) A pool licence for decoding and encoding HEVC and AV1 (the scope of licence sought by Snap);

xiii) The pool licence offered by Access Advance.

21. Dolby also say that even more permutations will arise if the factual evidence demonstrates that Snap use or have used H.264 (or another video codec), as the question will arise as to why a custom RAND licence would include some codecs that Snap use but exclude others.

22. For these reasons, Dolby contend that it would be impractical and a waste of Court time and resources for the Court to set about valuing any of the multiple licence permutations on a theoretical basis before it has determined the issue of what, if anything, falls to be licensed. On that basis, Dolby say that one way forward that would avoid such waste, as per ¶46 Vary 1, may be to determine issues of willingness and scope of licence first, in advance of any valuation issues.

The International Backdrop

23. There is a depressingly familiar backdrop to this action.

24. Access Advance first contacted Snap in August 2025. Snap say that negotiations for a licence had barely begun when Dolby commenced three sets of infringement proceedings against Snap Group entities in Brazil and Delaware, USA (on 23 March 2026). Since then (and including following the commencement of these UK proceedings), Snap say there has been a barrage of infringement actions brought against Snap by Dolby and other VDP Pool licensors.

25. Accordingly, on 10 July 2026, Snap commenced these proceedings in the UK pursuing RAND Claims, Competition Claims, and Technical Patent Claims (terms defined and explained in Washbrook 1, ¶¶9, 43-50).

26. As matters currently stand, the Snap Group is at risk of: (i) final injunctions in up to 18 territories across the world covering much of Europe and Brazil, (ii) damages claims in the USA, Brazil (Rio), and the UPC, and (iii) additional preliminary injunction claims in Brazil. Those final injunction risks in the UPC are estimated to arise from around September / October 2027. In Rio, a final injunction risk is estimated to arise by the end of this year. The injunction risk in the UPC is of particular concern to Snap given the importance of the European market to their business (Washbrook 4, ¶18(a); Washbrook 5, ¶33).

27. Annex 1 to Washbrook 5 sets out more details:

    i) **USA**: there are two claims in Delaware, where Dolby and four other VDP Pool licensors are seeking damages including enhanced damages. Dolby also seek an injunction in respect of one patent. Both actions relate to patents that are included in the VDP Pool (HEVC or AV1).

    ii) **Brazil**: there are six claims in Brazil, where Dolby and three other VDP Pool licensors are seeking preliminary and final injunctions in addition to damages. All six actions relate to patents that are included in the VDP Pool (HEVC or AV1). On 22 September 2026, the Rio Court granted a preliminary injunction against Snap Inc. in Dolby's first HEVC complaint (Washbrook 5, ¶31(b)).

    iii) **UPC**: there are six claims in the UPC (Local Division Munich (5) and Local Division Mannheim (1)), where Dolby and four other VDP Pool licensors are seeking final injunctions across up to 18 UPC Member States in addition to damages and orders for recall/destruction. The Second Claimant (Snap's UK entity) is a named defendant in all six UPC actions. All six actions relate to patents that are included in the VDP Pool (HEVC).

28. Snap contend that there appears to be a coordinated campaign of litigation against them seeking, through injunctions and other means, effectively to compel them to enter a VDP Pool licence on terms demanded by Access Advance. In their evidence, Dolby say that as far as they are aware, licensors were acting independently (Vary 1, ¶55), evidence which Snap characterise as 'remarkable'. Snap also say that it is telling that Access Advance does not say this in Pinckney 1. My attention was drawn particularly to Washbrook 5, ¶25 which Snap contended sets out in cogent and compelling detail why Snap consider there to be such coordination. I express no view on that point, which is not for today.

29. Snap emphasise that none of the above proceedings is directed to resolving, or will resolve, the heart of the dispute between the parties, namely determining the RAND terms of the VDP Pool licence. As Mr Washbrook explained in greater detail:

    i) in the UPC Dolby and the other licensors argue that there is no RAND commitment and therefore no room for a RAND defence to operate at all because they have asserted encoding claims;

    ii) in Delaware the relevant claim relates largely to good faith and is designed to produce a "yes/no" answer to whether a licensor has complied with any RAND commitments for patent claims that are subject to one; and

    iii) in Brazil there is only a court-appointed expert assessment of "F/RAND conformity" in which not even Snap's external lawyers and experts could be shown the alleged comparables.

30. Snap say that the fact pattern is therefore a familiar one. Dolby and Access Advance are very keen publicly to state that the VDP Pool licence is RAND; indeed, Dolby even pleads in these proceedings that it has *"discharged its RAND obligations by the offer through Access Advance"* of the VDP Pool licence. But, Snap say, they are rather less keen for that contention to be scrutinised rigorously in Court, at least before they may obtain injunctions in the UPC which risk effectively forcing Snap into submission without a RAND determination.

31. Snap also say this background is especially relevant when considering Dolby's bifurcation proposal. Snap contend that Dolby's proposal appears to have been crafted to enable it to appear co-operative, true to its pleaded wish *"to proceed directly to determination of Snap's claim to declarations of RAND terms"* (Dolby's Defence, ¶84), whilst in fact delaying any meaningful output from these proceedings well beyond the point at which Snap may have been forced into submission anyway.

Applicable Principles

32. Both sides addressed the substantial body of caselaw in which F/RAND trials have been expedited by Judges in the Patents Court. All that caselaw applies the general principles from *Gore v Geox* [2008] EWCA Civ 622 to the particular circumstances which arise in these cases and in particular: *Panasonic v Xiaomi and OPPO* [2023] EWHC 2872 (Pat), Meade J.; *Lenovo v Ericsson* [2024] EWHC 846 (Ch), Richards J.; *Alcatel/Nokia v Amazon* [2024] EWHC 1921 (Pat), Zacaroli J.; *Lenovo v InterDigital* [2024] EWHC 1922 (Pat), Zacaroli J. again; my own decision in *Samsung v ZTE* [2025] EWHC 705 (Pat); *Mediatek v Huawei* [2025] EWHC 1016 (Pat), Meade J.; *Amazon v InterDigital* [2025] EWHC 2921 (Pat), Meade J.; and, most recently, *Warner Bros and Paramount v Nokia* [2026] EWHC 103 (Pat), Meade J.

33. I am familiar with all those cases but it is unnecessary to cite from any of them because, as I have indicated, the modest degree of expedition required to give a listing for the first trial from 1 November 2027 was essentially agreed. In any event, I was and am in no doubt that that modest degree of expedition was entirely justified.

34. Snap submitted (and I did not detect any dissent from Dolby or Access Advance on the principles) that those authorities are clear that a prompt hearing of the final RAND trial is important to (a) promote a RAND resolution between parties in situations such as the present, and (b) enable an implementer best to protect itself, to the extent possible, from irreparable harm caused by SEP injunctions in major markets. Irreparable harm includes the possibility that the implementer would be driven into having to abandon the UK rate setting proceedings altogether stemming from the injunctive proceedings brought against it in other jurisdictions. I accept those points.

35. Of much greater significance are the principles which govern the Court's power to order split trials. In view of the way the issues developed, it was somewhat surprising that there was no citation of authority or discussion at the hearing of these principles, aside from my rather flippant observation that any order for a

split trial comes with a government health warning. Nonetheless, I had and have those principles well in mind, and it was clear that Counsel did so as well. I had to apply them relatively recently in *Parsons v Convatec* [2026] EWHC 98 (Pat). In that case, in very brief summary, Dr Parsons claimed an award of compensation under s.40 of the Patents Act by reason of his contribution to the inventions embodied in seven patent families which he contended conferred (whether individually or in combination, and over a period of several years) an outstanding benefit on his employer, Convatec, in their ranges of antimicrobial dressings.

36. Convatec proposed a split trial in which the first trial (with a 12 day estimate) would examine the first two patent families, with the remaining five being the subject of the second trial. By contrast, a single trial was estimated to require 25 days and would cost some £5m more than the costs of the first trial. Convatec held out the promise that the first trial would substantially narrow the outstanding disputes, but even if not, that it was highly likely that the remaining issues on the 5 patent families could be tried in substantially less time and with less expense than the first trial.

37. Against that backdrop I directed myself as to the applicable legal principles in the following terms (which I applied in the present case):

> '46. The power to order a split trial was not in dispute (see CPR 3.1(2)(g), (j) & (k) and see, to similar effect, paragraph 7.5 of the Patents Court Guide). In addition, there was no dispute as to the guidance in the caselaw (summarised in the notes in the White Book at 3.1.10), albeit naturally each side placed emphasis on different parts. Convatec placed emphasis on the statement in the notes that 'trying one issue separately can sometimes lead to huge savings in costs and delays if that issue is or may be determinative of the whole proceedings, or if a court's decision upon it is likely to assist the parties to resolve other issues by way of settlement or ADR.'
>
> 47. I found it helpful to keep in mind the summary of relevant considerations as set out by Peter MacDonald Eggers KC (sitting as a Deputy Judge of the High Court) in *Jinxin Inc v Aser Media Pte Ltd and others* [2022] EWHC 2431 (Comm) at [22]-[26]:
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> '22. In *Electrical Waste Recycling Group Ltd v Philips Electronics UK Ltd* [2012] EWHC 38 (Ch), at para. 5-7, Hildyard, J said that the Court should adopt an "essentially pragmatic balancing exercise in assessing how the case is likely to unfold according to whether there is or is not a split". The judge identified the relevant considerations to be taken into account amongst all of the facts of the case which guide the Court's discretion in this respect (see also *Daimler AG v Walleniusrederierna Aktiebolog* [2020] EWHC 525 (Comm), at para. 25-32). The considerations identified by the learned judge, which I have adapted, include:

(1) Whether the prospective advantage of saving the costs of an investigation of the issues to be determined at a second trial if the determination of the first trial renders it unnecessary to determine such issues outweighs the likelihood of increased aggregate costs if a further trial is necessary.

(2) What are likely to be the advantages and disadvantages in terms of trial preparation and management?

(3) Whether a split trial will impose unnecessary inconvenience and strain on witnesses who may be required in both trials.

(4) Whether a single trial to deal with all issues will lead to excessive complexity and diffusion of issues, or place an undue burden on the Judge hearing the case.

(5) Whether a split may cause particular prejudice to one or more of the parties (for example by delaying any ultimate award of compensation or damages).

(6) Whether there are difficulties of defining an appropriate split or whether a clean split is possible.

(7) What weight is to be given to the risk of duplication, delay and the disadvantage of a bifurcated appellate process?

(8) Generally, what is perceived to offer the best course to ensure that the whole matter is adjudicated as fairly, quickly and efficiently as possible?

(9) Whether a split trial would assist or discourage mediation and/or settlement.

23. The fact remains that the decision to split what would otherwise be a single trial into more than one trial each dealing with defined issues is a step out of the norm, where in most cases there will be a single trial determining all of the issues arising in an action. Accordingly, there must be a real and substantial advantage if a split trial were ordered to take place. In *Bindel v PinkNews Media Group Ltd* [2021] EWHC 1868 (QB); [2021] 1 WLR 5497, Nicklin, J said at para. 33:

> "a case in which the court directs determination of a preliminary issue that will require resolution of disputed issues of fact, including disclosure, witness statements and cross-examination, must be regarded as an exception to the general rule, and one that requires careful consideration by the court and very clear justification."

> 24. It is also salutary to recall the warning of Lord Neuberger, MR in *Rosetti Marketing Ltd v Diamond Sofa Company Ltd* [2012] EWCA Civ 1021; [2013] 1 All ER (Comm) 308, at para. 1 in connection with the proposal for trials of preliminary issues:
>
> > "… It represents yet another cautionary tale about the dangers of preliminary issues. In particular, it demonstrates that (i) while often attractive prospectively, the siren song of agreeing or ordering preliminary issues should normally be resisted, (ii) if there are none the less to be preliminary issues, it is vital that the issues themselves, and the agreed facts or assumptions on which they are based, are simply, clearly and precisely formulated, and (iii) once formulated, the issues should be answered in a clear and precise way."
>
> 25. Although the present application was not for a trial of preliminary issues, at least nominally, the Master of the Rolls' warning remains relevant where a party applies for specific issues to be determined separately from the majority of issues arising in the action, based on limited evidence and specified assumptions to be made.
>
> 26. Unless a split trial can be justified as a means of resolving the disputed issues in action in accordance with the overriding objective with clear benefits over and above those of a single trial, the peril exists that a split trial will add considerably to the parties' costs burden, will delay the conclusion of the action (with an unappealing drain on the Court's resources) and/or will lead to unanticipated difficulties.''

38. In that case, my conclusion was that the split trial proposal would be likely to lead to the whole dispute taking much longer to resolve, at much greater cost. Indeed, I concluded the proposal was a textbook example where all the warnings in the caselaw would be violated and all the downsides would come to pass. Accordingly, it could not be said that the split trial proposed would provide '*a real and substantial advantage'*.

Application to the Facts here.

39. Before proceeding further, I should mention Dolby's proposal that the parties should liaise further and seek to agree which issues should be determined in the trial window, and, absent agreement, the matter should be decided at the first CMC which is scheduled to take place on either 12 or 13 November 2026.

40. Although further discussions had an initial attraction (both to Snap and the Court), Snap nonetheless pressed for a decision at the hearing. This was for understandable reasons: it seemed to me that the gulf between the two positions was very unlikely to be resolved through further discussions, albeit, as I identify below, more focussed further discussions are likely to be helpful.

41. At the heart of Dolby's resistance to Snap's proposal was the contention that Snap's first trial '*would proceed on the basis of important assumptions in Snap's favour, leaving a number of logically prior issues undetermined'*. This submission was inaccurate in the sense that nothing will be 'assumed'. Snap will have to establish their contentions at the first trial.

42. For Dolby, Ms Ford KC stressed the repeated assertion from Snap that the core issue between the parties was the determination of the RAND terms of the VDP Pool licence, and that that assertion pervaded their entire position. She submitted this characterisation was incorrect for two reasons:

    i) First, because it assumes in Snap's favour the important prior question as to whether Snap is entitled to ask this Court to determine the RAND terms of a custom VDP Pool licence.

    ii) Second, because it oversimplifies the '*many other novel issues in dispute'*, evoking, as I understood matters, Mr Vary's contention in his witness statement that '*this case is not merely complex, it is the most complex of the RAND cases yet brought in this Court'*.

43. For Snap, Mr Segan KC readily acknowledged that if Snap failed to establish any essential element of their case at the first trial (e.g. that RAND requires a pool licence to Snap), the consequences would fall on Snap i.e. Snap would have to wait for the second trial to determine the valuation of bilateral licence(s). This acknowledgment was both realistic and consistent with an acceptance that, as was the case, there is no entirely clean split between all the issues in this case.

44. Nonetheless, having considered the Skeleton Arguments carefully in advance and listened to the oral submissions made to me, I found the decision to order the first trial broadly as contended for by Snap relatively straightforward (and so was able to announce my decision at the conclusion of submissions, for reasons to be given later in this judgment), for the following reasons:

    i) First, because a refusal would be likely to render this whole action otiose. A decision (whether arising from the two trials suggested by Dolby, or a single trial dealing with all issues, either way concluding in 2028 or even 2029) would be almost certain to be rendered long after Snap would have been forced to capitulate, due to the injunctive relief which is being sought by Dolby and other SEP owners in the VDP Pool in other jurisdictions. In addition to the effect on Snap, such an outcome would not serve the interests of the market as a whole, because there would be no examination of whether the positions adopted by Dolby and Access Advance are in fact RAND.

    ii) Second, on the other side of the coin, in all the circumstances I concluded that the split proposed by Snap (subject to one point I will come to) would be likely to yield '*a real and substantial advantage*' in that there is a good prospect that the first trial would resolve the whole dispute by fixing what RAND sum or royalties should be paid by Snap. If this happens, it might well lead to a substantial costs saving, if the second trial turns out to be unnecessary.

iii) Third, whilst Dolby made some valid points (e.g. that there was some potential overlap between the competition claims and the contractual issue of the scope of the pool licence which Snap wishes to be determined in their first trial), I formed the view that Dolby's overall position involved making a mountain out of some relatively small molehills. For example, I do not see Dolby's willingness argument taking up very much time at a trial. Equally, Dolby's list of all the possible valuation permutations which might have to be tackled was unnecessarily elaborate. In fact, the decision tree is relatively simple: pool vs 47 bilaterals; decoding only vs encoding as well; 4 codecs or 2; and I do not see the combinations as overly burdensome for the valuation /forensic experts.

45. Even if I am wrong on my second point above, as I have indicated, Snap are prepared to accept that risk. Furthermore, I consider I should not deprive Snap of the opportunity to establish that they are right since the prejudice to Dolby and Access Advance would seem to me to be minimal. If it comes to it, Snap will be well able to compensate them in costs, on the usual principles. The only thing which Dolby and the other members of the Pool who are litigating against Snap would lose is the ability to obtain injunctions against Snap, in circumstances where:

i) Snap has already undertaken to take a global licence on whatever terms this Court determines to be RAND. Whether that is a pool licence or 47 bilaterals, all the other proceedings seem to me to be entirely unnecessary.

ii) In this country we take the view that in any normal F/RAND case (by which I mean leaving aside those cases where the implementer refuses to take a licence at all) the dispute is all about money: how much should the implementer pay for a F/RAND licence.

iii) In those circumstances, any rational licensor in the VDP Pool would want implementers such as Snap to be on the market and paying RAND royalties. In other words, SEP owners do not really want to injunct implementers, other than as a negotiating tactic, and the problem with injunctions is that they risk the extraction of supra-F/RAND terms.

46. I am well aware that the trial in November 2027 may not relieve Snap of all of the risk which they face of injunctions being granted against their operations. I have had that well in mind but I remain of the view, as I have already stated, that that trial will yield a real and substantial advantage.

47. The one outstanding point mentioned above is that, whilst referring to Prayers (1)-(3) is *a* way of identifying in broad terms the issues to be decided at the first trial, it is not sufficiently precise (cf *Rosetti*, above). For that reason, I directed the parties to engage in discussions in advance of the November CMC and seek to agree a more precise list of issues for determination at the first trial in the light of this judgment.

A direction for the Defendants' Responsive RAND Statement of Case?

48. This was the final matter raised at the hearing, with the submissions for Snap being made by Mr Vangimalla, albeit Ms Ford KC did not anticipate that this issue would be raised.

49. Snap served their RAND Statement of Case on 30 September 2026. Their solicitors attempted in correspondence to engage the Defendants as to when they would be prepared to serve their responsive RAND Statements of Case.

50. Against that backdrop, and in the light of the outcome which I announced at the hearing, Mr Vangimalla sought a direction that the Defendants should serve their RAND Statements of Case on or before 2 December. His principal concern was that if the direction is left to the November CMC, at that point the Defendants will seek to push the date off further into the future. Although I indicated that I would be unlikely to allow the time between this hearing and the November CMC to be used to push the date out further, I am not sure this concern really arises. For their part, Ms Abram and Ms Ford requested 16 December, if I wanted to set a date.

51. Ordinarily, at a hearing the parties should use it to resolve all outstanding issues between them or as many as can be accommodated. However, in view of the fact that the November CMC will be heard shortly and a specific purpose of that CMC will be to set a timetable down to trial, I concluded it was better to leave this particular issue to be debated along with any other timetabling issues, following discussions between the parties.