

Recent Activities of ITU-T IPR *Ad-hoc* Meeting

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Abstract

ITU-T frequently holds *ad-hoc* meetings to handle intellectual property rights such as essential patents included in a Recommendation. The definition of “reciprocity” was revised and it was made clear that “free” means royalty-free in the new form revised in July 2004, in which licensing terms for essential patents for a Recommendation should be presented. ITU is now being requested to take on a new role regarding the treatment of essential patents. This article describes some recently revised forms and recent activities of these meetings.

1. Introduction

Within ITU-T^{*1}, the TSB^{*2} Director’s Ad Hoc Group on IPR [1] holds frequent *ad hoc* meetings to draft and enact rules and forms for processing intellectual property rights (IPR) such as patents included in ITU-T Recommendations. This article describes some recently revised forms and recent activities of these meetings.

2. Revised Patent Declaration Form

ITU receives Patent Declaration Forms from patent holders with respect to technologies that are essential for implementing ITU Recommendations. In this declaration form, the patent holder should present his or her license policy by selecting one of the following three options:

- Option 1: Royalty-free licensing regarding the essential patents for the Recommendations.
- Option 2: Licensing of the essential patent of the Recommendations under reasonable non-discriminatory conditions.
- Option 3: No guarantee for licensing the essential patent of the Recommendations.

The Patent Declaration Form was revised last July in such a way that the holder of essential patent A who had already declared Option 1 regarding an ITU Recommendation may withdraw Option 1 with respect to the holder of essential patent B if patent B’s holder has not declared Option 1 regarding the same ITU Recommendation. After the box for Option 1 has been checked, a check mark is also placed in the box located at the beginning of the declaration sentence newly set after selecting Option 1. A similar revision was made in the General Patent Declaration Form regarding the joint recommendations of JTC-1 (Joint Technical Committee 1), which is a joint organization of the ISO (International Standardization Organization) and the IEC (International Electrotechnical Commission), as well as in the General Patent Declaration Form that does not specify any particular essential patent.

2.1 Definition of “reciprocity”

Prior to the above-mentioned revisions, according to IPR guidelines describing administrative procedures governing intellectual property rights arising from the ITU Recommendations, reciprocity meant licensing essential patents in a non-discriminatory fashion to holders of essential patents who had

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*1 ITU-T: International Telecommunication Union Telecommunications Standardization Sector

*2 TSB: Telecommunication Standardization Bureau, <http://www.itu.int/ITU-T/info/tsb/info.html>

declared Option 1 or 2. The reasoning behind the above change was that since there was no obligation to license a holder who had declared Option 3, holders of essential patents would be prevented from selecting Option 3. However, this revision, although complying with reciprocity, could no longer maintain the concept of “non-discriminatory” in the strict sense of the term, because there would be two kinds of licensees, namely, those that have to be licensed royalty-free and those that do not have to be licensed royalty-free, depending upon the declaration policy selected by other holders of essential patents. As a result, the expression “non-discriminatory” was deleted from the definition of reciprocity. In future, when a patent declaration form is submitted, attention must be paid to which option has been selected in the patent declaration forms submitted by other holders of essential patents.

2.2 Definition of “free”

Discussions have continued for a long time about whether “free” should mean waiving any rights by a patent holder or simply mean making the license royalty-free with regard to compensation for implementing the patent. At the meeting, it was concluded that the definition of “free” should not mean waiving all rights pursuant to the patent, but should mean royalty-free and that the patent holder should be able to determine other conditions such as licensed products or licensing periods.

3. Issues relating to complex patents

Recent rapid technical innovation has led to greater complexity and diversification in the technical content of ITU Recommendations. In this situation, the number of essential patents included in the ITU Recommendations has been increasing. Therefore, it is becoming difficult to diffuse the ITU Recommendations as long as the ITU maintains its stance that it should not be involved in patent issues at all.

For example, the Recommendations for the third-generation mobile phone system were almost complete in 1998, but their diffusion did not begin until 2003. The reason for this delay was that implementers spent a great deal of time in separate negotiations with many holders of essential patents and hesitated to implement the Recommendations because paying royalties to each holder would have resulted in enormous fees.

NTT twice submitted proposals at past meetings indicating that the ITU must act since the ITU’s mis-

sion is to establish telecommunication technical standards as ITU Recommendations and to diffuse them around the world. At the meeting in July 2004, when NTT submitted a proposal indicating these problems, the IMTC (International Multimedia Telecommunications Consortium) also submitted a proposal requesting that ITU take action in complicated situations where many holders have many essential patents concerning a certain Recommendation. Some participants in the meeting mistakenly thought that the proposals would request ITU to promote one-stop licensing activities to implementers of the Recommendations. All those present recognized the problem, but it was difficult to discuss it in a more specific fashion. Finally, it was agreed that this issue should be discussed at the following meeting. At that meeting, held in March 2005, where all the participants already recognized the issue, NTT submitted the following proposal, suggesting more specific solutions.

According to the proposal, an IPR expert group would be formed when necessary as a new ITU function before a Recommendation is concluded. The group might be made up of engineers and IPR experts. The expert group would gather and organize various kinds of patent information provided by members and then provide it to the group in charge of making a Recommendation. The expert group would also have the role of requesting holders of essential patents to submit patent declaration forms. After ITU approves a Recommendation, the IPR expert group would monitor how it is diffused. Specifically, the IPR expert group would inform members of the terms and conditions for licensing essential patents if they are published or inform holders of essential patents of the comprehensive terms and conditions requested by implementers of the Recommendations.

Siemens (Germany) and France Telecom (France) indicated their agreement with NTT’s proposal, commenting that it is valuable, but some of the other members pointed out that such a new function would exceed the ITU’s current functions. In particular, Lucent (US) and Microsoft (US) pointed out that, under U.S anti-trust legislation, obliging members to take part in the IPR expert group would be a problem. NTT explained that holders of essential patents would have to decide by themselves whether to join the IPR expert group and that this proposal would not necessarily mean only forming a patent pool. The discussions became more complex because of the complexity of the issue. It was agreed that the details of the discussions should be recorded in the proceedings in order to avoid having to restart future discussions

from the beginning.

4. Trademark guidelines

A draft of the trademark guidelines was scheduled to be published on the ITU Web pages including the following request which was made in July 2004 by the IPR committee of TTC (Telecommunication Technology Committee, Japan).

- 1) It should take into consideration differences between countries in trademark legislation.
- 2) It should explain the “descriptive use” of trademarks.

5. Copyright guidelines

The content of the proposal concerning copyright guidelines was scheduled to be published on the ITU Web pages with a slight modification in layout to make it easier to understand the policy that the use of programs protected by copyright law should be avoided in a Recommendation. This slight modification was requested at the July 2004 meeting by the IPR committee of TTC.

6. Future developments

Discussions are now under way concerning the issue of complex patents including the issue of many essential patent holders. We intend to pay special attention to these discussions and report progress in the NTT Technical Review.

Reference

- [1] <http://www.itu.int/ITU-T/othergroups/ipr-adhoc/index.html>



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