

Revision of the Common Patent Guidelines for ITU/ISO/IEC

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Abstract

The “Guidelines for Implementation of the Common Patent Policy for ITU-T/ITU-R/ISO/IEC” were revised by a working group in ITU and published through the web pages of the organizations after their approval (ITU-T: International Telecommunication Union, Telecommunication Standardization Sector; ITU-R: International Telecommunication Union, Radiocommunication Sector; ISO: International Organization for Standardization; IEC: International Electrotechnical Commission). The revised guidelines clarified the following two points.

- (1) The submitted patent declaration form shall be irrevocable and only superseded by another form containing a more favorable licensing commitment from an implementer’s perspective.
- (2) The owner of the declared patents shall make reasonable efforts to notify an assignee or transferee of the existence of such a license undertaking if the owner assigns or transfers them. In addition, if the owner specifically identified patents in the declaration, the owner shall have the assignee or transferee agree to be bound by the same licensing commitment.

1. Introduction

A patent is a right granted by a government that confers upon the creator of an invention the sole right to make, use, and sell that invention for a set period of time [1]. The right’s owner may assert this right against anyone exercising the technologies without the owner’s license. Therefore, the concept of patent right confronts that of standards, which mean technologies published and available to anyone since if a standard includes patents that are essential for its implementation and the patent owner asserts his or her rights, the standard will not be publically available.

To avoid this contradictory situation, if the owner declares in writing (called a patent declaration) to license essential patents for implementing a Standard according to the procedures in the “Guidelines for Implementation of the Common Patent Policy for ITU-T/ITU-R/ISO/IEC”, then such a standard will be approved and published formally by a standards developing organization (SDO) such as ITU-T (International Telecommunication Union, Telecommunication Standardization Sector), ITU-R (International

Telecommunication Union, Radiocommunication Sector), ISO (International Organization for Standardization), or IEC (International Electrotechnical Commission).

2. Basic concept of patent declaration

The form of patent declaration specified in the Guidelines shall be made by the owner of the patents and submitted to the bureau of the SDO pursuant to the procedures in the Guidelines. The contents in the form are as follows.

- (1) The name of the owner and the address of the department to contact for a license
- (2) The name and the formal number of the specification of a Standard to which the declared patents refers.
- (3) The license policy of the patents. It shall be selected as one among the three options below:
 - (i) Granting a free-of-charge license on a non-discriminatory basis and under reasonable terms: Option 1.
 - (ii) Granting a license on a non-discriminatory basis and under reasonable terms: Option 2.

- (iii) Unwilling to grant a license in accordance with the provisions of either (i) or (ii) above: Option 3.
- (4) Information about the patents such as application number, the titles of the patents, etc.

The revised Guidelines make clear that the owner might classify different claims of the patents as different options on the declaration form. All of the items of information regarding the patent declaration above may be found on the web pages of the SDOs concerned [2].

3. Submission of the patent declaration form

The Chairman of the working group in which draft specifications of a Standard are developed will ask, if appropriate, whether anyone has knowledge of essential patents and will request anyone who believes that they hold essential patents to submit the patent declaration form. If a form with Option 3 selected is submitted, the draft will be changed in order not to include such patents; otherwise, it would be necessary to give up development activities for making the Standard.

Someone who finds or knows of essential patents owned by another person or persons may also submit the form after filling in the information for them. If a member of the working group finds someone who seems to have essential patents, he or she reports the name and address of the patent owner to the SDO's bureau. The bureau requests the owner to submit the patent declaration if the owner recognizes that the patents are essential for implementing the Standard.

If the owner of essential patents submits a patent declaration form with Option 3 selected, the owner might in future file a patent infringement lawsuit against the implementer of the Standard. Therefore, it is necessary to continuously watch whether or not Option 3 is selected in patent declarations. It is also necessary to investigate carefully whether patents are essential or not since the decision for essentiality depends on the patent owner's judgment.

It is dangerous to believe that there are no problems concerning patents related to a Standard merely because the Standard's specifications have already been approved and published by an SDO. We need to recognize that a Standard may become unimplementable in order to avoid patent infringement even after it has already been published and spread throughout the world.

4. Retraction or resubmission of a patent declaration

In the revised Guidelines, a submitted patent declaration form is irrevocable and only superseded by another form containing a more favorable licensing commitment from an implementer's perspective such as follows.

- (1) a change in commitment from Option 2 to Option 1 or
- (2) a change in commitment from Option 3 to either Option 1 or Option 2

The revised Guidelines also make clear that a form containing no patent information shall mean that the licensing policy applies to any essential patents even if they are found after the form's submission. If the form's submitter does not provide any patent information, such as the patent's application number, in the form in order to submit it as soon as possible, the submitter must consider carefully whether the submitter can accept that the licensing commitment in the form shall apply to any essential patents that might be granted in the future.

5. Assignment or transfer of declared patents

If the essential patents declared in the form are assigned or transferred, whether or not the license commitment is also assigned or transferred, the revised Guidelines make clear that the owner shall make reasonable efforts to notify such an assignee or transferee of the existence of such a license undertaking when the owner assigns or transfers its declared patents. In addition, if the owner specifically identified patents, the owner shall have the assignee or transferee agree to be bound by the same licensing commitment as the owner for the same patent.

The patent declaration shall not be understood as a legal agreement. Therefore, if the assignee or transferee refuses the license offer from implementers or asserts that they are patent infringers with disregard to the patent declaration of the former owner, such an assignee or transferee is not assumed to be violating a licensing commitment in the patent declaration form.

However, in a courtroom trial, such an assertion may be assumed to breach the trust of implementers who believed that they would be able to obtain a patent license according to the patent declaration. In one such case, a favorable judgment was passed on the defendant who implemented the Standard [3]. Once the revised Guidelines are adopted, they may lead to

favorable judgments for defendants since assignee or transferees should be bound by the same licensing commitment according to the procedures in the Guidelines.

6. Conclusion

Standards and patents have different purposes, but following the procedures in the Guidelines, including patent declaration form submission, should enable one to avoid being sued for patent infringement. Following the revision of the Guidelines, I expect that there will be requests to make clearer the definition of reasonable terms, give specific examples, and also

make clearer that the application of injunction relief shall be restricted to patents declared as essential patents. I hope to continue to be involved in efforts to revise the Guidelines from the viewpoint of both patent holders who are licensors and implementers who are licensees in order that all terms and conditions for a license can be agreed easily.

References

- [1] The Free Dictionary. <http://www.thefreedictionary.com/patent>
- [2] See for example, <http://www.itu.int/ipr/IPRSearch.aspx?iprtype=PS> for ITU.
- [3] See for example in U.S. Federal Trade Commission, In the Matter of Negotiated Data Solutions LLC., File No. 051-0094 (Sep. 23, 2008).



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He received the B.E. and M.E. degrees in advanced organic chemistry from Kyushu University, Fukuoka, in 1984 and 1986, respectively. He joined NTT Electrical Communication Laboratories, Tokyo, in 1986 and studied lithium rechargeable batteries until 1993. He moved to the Licensing Group of the Intellectual Property Center in 1993. He has been a member of the Intellectual Property Rights Committee in the Telecommunication Technology Committee since 2002.
