

Standards are voluntary common platforms that enable innovators to develop – and consumers to use – products that can reliably work together. Ensuring that licenses to patents that are essential to use these standards are available to all on fair, reasonable, and non-discriminatory (FRAND) terms is critical for promoting competition, innovation, and consumer choice.

PORTFOLIO LICENSING & BUNDLING

No Coerced Bundling

An innovator interested in licensing a standard-essential patent (SEP) **should not be forced to license additional patented inventions**, globally or otherwise, as a condition to license the essential patent.

There is no automatic right to be paid for a patent portfolio. Like all patent owners, SEP owners must show that a product actually uses a patent before the patent owner is entitled to any compensation. The patent also must otherwise be valid. Unfortunately, some SEP owners are trying to force innovators to purchase a license to all of their SEPs around the globe even when a majority of those patents are not used or valid. Such behavior is a blatant abuse of the market power of an SEP holder at the expense of innovators.

BENEFITS OF CHOICE IN LICENSING



FOR SEP LICENSORS:

Reasonable compensation based on the value of their standard-essential patent obtainable from a broad set of potential licensees



FOR INNOVATORS:

Safeguards from being forced to grant or purchase licenses to additional patents in order to license an SEP



FOR CONSUMERS:

Increased choice, lower prices, and improved quality in a competitive marketplace of innovative products