



The Save Our Standards Coalition’s Response to the Request for Information on on Regulatory Reforms to Promote AI Innovation

I. Introduction

Save Our Standards (SOS) is a broad-based coalition of innovators, small businesses, associations, academics, and consumer groups dedicated to reinforcing the voluntary fair, reasonable, and non-discriminatory (FRAND) licensing commitment and its critical role in technical standards. These standards enable competition and innovation that directly benefit consumers. We work to educate decision-makers and stakeholders on policies that allow all innovators to thrive through pro-competitive practices and the reinforcement of FRAND licensing terms for standard-essential patents.

SOS welcomes the opportunity to provide feedback responding to the Office of Science and Technology Policy Request for Information on regulatory reforms for AI innovation (90 FR 46422). SOS previously submitted comments for the Administration’s AI Action Plan, urging the consideration of policies aimed at curtailing standard essential patent abuse.¹

A serious challenge to U.S. leadership in standardization, and particularly the use of technical standards, is the ready availability of injunctions in certain courts and administrative bodies for alleged infringement of standard essential patents (SEPs)². SEPs are patents that have been voluntarily contributed to industry technical standards by their owners, who make binding commitments to license them on FRAND terms. Yet some of these owners — many of whom are patent assertion entities (frequently referred to as patent trolls) and foreign entities targeting U.S. companies — renege on their FRAND commitments. They leverage injunctions and exclusion orders to impose excessive, non-FRAND royalties on licensees. This behavior harms U.S. innovators, chills standards adoption by U.S. industry, adversely impacts U.S. competitiveness, inhibits technological innovation and manufacturing, and undermines the standardization process itself.

The United States should lead the way in curtailing such SEP abuse by promoting solutions and supporting efforts domestically and internationally that deter this behavior.

As the Administration considers regulatory reforms to achieve its AI Action Plan and spur AI innovation, SOS offers the following feedback.

II. Accelerate AI Innovation and Build American AI Infrastructure

Almost every industry in the global economy now depends on connectivity and interoperability, from streaming companies, automakers and medical providers to agriculture and energy companies. Industry-driven standards, such as Wi-Fi, Bluetooth and 5G, facilitate such

¹ The consensus views expressed in this submission do not necessarily reflect the specific individual organizational positions of each member.

² For the purposes of this submission, “standardization” refers to the formal process of developing and establishing technical standards through standards development organizations (SDOs) where contributions and FRAND commitments are voluntarily made.

connectivity and interoperability and enable American companies to assume technological leadership.

That said, some aggressive SEP licensors advance a false narrative that portrays SEP licensors as “innovators” and SEP licensees as mere “implementers” that adopt standards into their products without further innovation. These SEP maximalists advocate for lop-sided legal regimes that would allow them to game the system and exert maximum leverage against potential licensees, often accompanied by threats to withdraw from participating in standardization efforts if their demands are not met.

Such abusive behavior is not conducive to supporting American innovation capability and technological leadership. The development of AI technologies will borrow from a fair standardization system. We have seen time and again that the most successful standards frameworks have been industry-driven; but American leadership in AI standardization will depend on a balanced SEP/FRAND licensing system that is free from the threat of SEP abuse. As Commerce Secretary Howard Lutnick testified at his confirmation hearing, standards are “the right model” for advancing American interests in AI: “Set those standards so the world heeds our standards and goes with our standards, would be very important for America and something I’m going to try to drive.”³ The potential benefit of relying on the participation of the private sector and other stakeholders in AI development is that it enables approaches “that are potentially more adaptable to the demands of a rapidly evolving technology.”⁴

Standards development organizations’ IPR Policies and voluntary FRAND commitments already provide some guardrails for the development of interoperable, innovative products. As the Administration considers regulatory reform for AI, the best thing it can do for AI standards is to establish a fair policy environment that will further enable American industry to take the lead. Allowing innovators to do what they do best — innovate — without onerous regulatory requirements for standards will accelerate the growth of AI and AI infrastructure in the United States. American companies have been at the forefront of AI development, and the Administration must harness and foster their continued innovation.

With this in mind, the U.S. must have a balanced SEP/FRAND licensing framework that promotes U.S. manufacturers and limits abuse. As described below, most SEP licensing abuse of American companies comes from foreign bad actors, presenting an opportunity for the Administration to protect American companies while demonstrating international leadership.

III. Lead in International AI Diplomacy and Security

As the U.S. takes the lead in AI diplomacy and security, the Administration must protect American innovators from the threat of SEP licensing abuse from both domestic and foreign SEP abusers. Some foreign-headquartered patent owners and companies, including from China,

³ *Nomination Hearing – U.S. Secretary of Commerce Before the S. Comm. on Com., Sci., and Transp., 119th Cong.* 2:082:09 (2025) (statement of Howard Lutnick, Nominee, Dep’t of Com.), https://www.commerce.senate.gov/2025/1/full-committee-nomination-hearing_2_3.

⁴ Memorandum from Russell T. Vought, Director, Off. of Mgmt. & Budget, to Heads of Exec. Dep’ts and Agencies, Guidance for Regulation of Artificial Intelligence Applications (Nov. 17 2020), <https://www.whitehouse.gov/wp-content/uploads/2020/11/M-21-06.pdf>.

exploit weaknesses in international legal systems to target American businesses through SEP injunctions. These tactics undermine the voluntary FRAND licensing commitment, disrupt global supply chains, and erode confidence in U.S.-developed AI technologies. Small and medium enterprises are especially vulnerable, often forced to choose between paying unaffordable fees or removing their products from the market altogether.

Foreign SEP licensing abusers have also used the U.S. International Trade Commission (ITC) to attack U.S. companies, seeking exclusion orders to use as leverage in licensing negotiations. Since 2013, 14 of 16 ITC investigations involving SEPs have been pursued by foreign companies — with the other two pursued by non-practicing entities — and American companies have been targeted 69% of the time. Abusers often take advantage of foreign courts to seek injunctions on American products. For example, a German injunction against Ford at the request of IP Bridge, a Japanese non-practising entity, would have cost Ford the equivalent of \$7.6 billion in lost sales.⁵ To avoid this staggering cost, Ford was left with little choice but to join a patent pool and accept a SEP licensee under pressure. No American company should have been put in this position in the first place.

The United States should exert strong diplomatic and policy influence to ensure that foreign courts and agencies do not facilitate SEP “hold-up” behavior against American companies. This means working directly with trading partners and international organizations to discourage injunctions that violate FRAND principles and to promote transparent, pro-competitive licensing frameworks. Such efforts will help restore balance to the international standards ecosystem and strengthen trust in cross-border AI collaboration.

IV. Conclusion

Based on the harms outlined above, the Save Our Standards Coalition respectfully requests that the Administration take an industry-driven approach to AI standardization and take steps to rein in foreign governments from facilitating the hold-up of American companies through SEP injunctions. SOS also encourages the Administration to reform the ITC to limit foreign companies from pursuing costly SEP exclusion orders.

⁵ *Hidden Costs of Automatic Injunctions in Standard-Essential Patent Cases*, Copenhagen Econ. commissioned by the Public Interest Patent Law Institute, (July 1, 2025), <https://www.piplius.org/news/white-paper-the-hidden-costs-of-automatic-injunctions>.