

# **4 Recommendations to SDO on SEP Declarations ; Essentiality Assessment**

**Joint ITU-NGMN Conference on Licensing  
practices in 5G industry segments**

**Geneva, 29-30 January 2019**

**Serge Raes, NGMN IPR Forum Chair**

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# NGMN IPR Forum topics: “Pillars 1, 2, 3”

## Improve 5G Standard Essential Patent (SEP) Declarations (“Pillar 1”)

- NGMN recommends improving the existing structure and framework across the industry for Standard Essential Patent declarations in order to improve transparency and limit abusive patent declarations related to 5G standards, while still encouraging early declarations.

## Establish Independent 5G Standard Essential Patent (SEP) Assessments (“Pillar 2”)

- NGMN recommends submitting each patent considered as a 5G Standard Essential Patent to an independent essentiality assessment prior to licensing in order to ensure quality declarations. To ensure transparency and effectiveness, NGMN recommends that each patent holder share the result of these independent essentiality assessments.

## Explore and establish Patent Pool licensing for 5G (“Pillar 3”)

- NGMN recommends exploring and establishing an appropriate 5G patent pool framework. NGMN recommends that the 5G SEP holders determine appropriate licensing terms and conditions (including royalties) within the 5G patent pool framework to meet the overall NGMN business objectives.

**Source :** **NGMN 5G White Paper**, Section 7, 17/02/2015, <https://www.ngmn.org/5g-white-paper/5g-white-paper.html>

- Participation:
  - 30 – 35 partners each meeting (call/F2F):
  - Contributors: Apple, Avanci, Ericsson, Fraunhofer, Huawei, Intel, InterDigital, NEC, Microsoft, MPEG LA, Qualcomm, Samsung, Sisvel, Via Licensing, ZTE, etc.
  - Operators: China Mobile, DTAG, KPN, NTT DoCoMo, Telefonica, Telia, Telus, TIM, Orange, Verizon, Vodafone, etc.
- Leadership team:
  - Serge Raes (Orange), Eric Siow (Intel), Harald Wanjura (DTAG)
- Latest face-to-face meetings:
  - Paris, hosted by Orange, 19-20 April 2018 : agree to plan a Conference on Licensing Practices in 5G Industry Segments
  - Many confcalls until last week with Steering Committee incl. ITU

# Progress on SEP Declaration (Pillar 1)



- Approval of non-binding and voluntary recommendations for 5G SDOs and patent holders;
- Good progress and common understanding of issues achieved during many group discussions;
- One single document has been created by consensus including a preamble and four recommendations:
  - Preamble: competition law disclaimer, effect of recommendations for SDOs in 5G, i.e. they should have no binding effects on any SDO
  - Recommendations: a) disclosure of essential patents in a timely way, b) licensing declarations, c) details of disclosures, d) voluntary update requests by SDOs

✓ **Liaison Statement sent to SDO (23/02/2017) + Reminder (3/07/2018)**

→ **Next step:**

- **Analyse feedback received from SDO**

Reference : <https://www.ngmn.org/publications/liaison-documents.html>

## 4 Recommendations - Preamble



*This section provides background to the high level recommendations set forth in section 7.2 of the 5G White Paper published by the NGMN Alliance on 17 February, 2015.*

NGMN and the IPR Forum respect the boundaries of competition law, have taken care to abide by competition law principles when discussing and formulating the recommendations in Sections 7.2.1-7.2.3, and recognize that competition law considerations apply within the context of these recommendations.

The IPR Forum does not take any position regarding the appropriateness of any given SDO IPR policy for use by other SDOs. Further, these recommendations are not intended to normalize or harmonize any aspect of the IPR policies of SDOs. An SDO is free to decide whether, and to what extent, it considers any of the following recommendations. NGMN intends that no negative implication arise if an SDO decides not to implement any of the recommendations.

Finally, the recommendations in Sections 7.2.1-7.2.3 do not represent the individual position of any company that participated in or contributed to the IPR Forum.

**Subject to the Preamble above, NGMN recommends that the following procedures be considered by SDOs working on 5G technologies in relation to the disclosure and licensing of patents and patent applications (collectively, “Patents”) as potentially essential to a standard:**

# Approved 4 Recommendations



- 1. Disclosure of potentially essential Patents** – It is recommended that such SDOs consider requiring their patent holder members to disclose timely to the SDO Patents that they believe may be essential or potentially essential to a standard and declare the member’s licensing position for these Patents, and that the SDO makes these disclosures publicly available not later than upon publication of the adopted standard. This disclosure process is not intended to imply any requirement to conduct patent searches.
- 2. Licensing declarations** – In the absence of a disclosure and licensing declaration as described in recommendation 1, above, it is recommended that such SDOs consider, as a minimum, requiring their members to provide timely to the SDO a declaration of the member’s licensing position for their Patents that are essential to a standard, and that the SDO makes these declarations publicly available not later than upon publication of the adopted standard.
- 3. Details of disclosures** – It is recommended that SDOs consider requesting that their members provide non-binding information in their disclosures that identifies at least one version and specific section(s) of the standard for which the member believes a Patent may be essential or potentially essential.
- 4. Voluntary update request** – It is recommended that the SDO consider requesting that its members voluntarily update, according to their present belief, any past essentiality disclosures.

# 1/4 : Disclosure of potentially essential Patents



- 1. Disclosure of potentially essential Patents –** It is recommended that such SDOs consider **requiring their patent holder members to disclose timely to the SDO Patents** that they believe may be essential or **potentially essential** to a standard and **declare the member's licensing position** for these Patents, and that the **SDO makes these disclosures publicly available** not later than upon publication of the adopted standard. This disclosure process is not intended to imply any requirement to conduct patent searches.

**2. Licensing declarations** – In the absence of a disclosure and licensing declaration as described in recommendation 1, above, it is recommended that such SDOs consider, as a minimum, requiring their members to provide timely to the SDO a declaration of the member's **licensing position for their Patents that are essential** to a standard, and that the **SDO makes these declarations publicly available** not later than upon publication of the adopted standard.



**3. Details of disclosures** – It is recommended that SDOs consider requesting that their members provide non-binding information in their disclosures that **identifies at least one version and specific section(s) of the standard** for which the member believes a Patent may be essential or potentially essential.

4. **Voluntary update request** – It is recommended that the SDO consider requesting that its members **voluntarily update**, according to their present belief, **any past essentiality disclosures**.

# Liaison Statement to 5G SDO working under a FRAND IPR Policy



- ***[Liaison Statement]* 3. Recommendations**
- In order to achieve this objective, NGMN is kindly requesting Standards Developing Organizations working on 5G technologies to consider the recommendations in the enclosed Annex relating to the disclosure and licensing of patents and patent applications (collectively, “Patents”) as potentially essential to a standard. NGMN is continuing to improve the recommendations and may come up with further updates. Any feedback on the recommendations in this Liaison Statement will be appreciated.
- **Target SDO : 3GPP (incl. TTA, TTC, CCSA, ARIB), ITU, ISO, IEC, ETSI, CEN/CENELEC, IEEE, BBF, TMF, MEF, + WBA, IETF, ANSI, GSMA, TSDSI, others ?**

## Essentiality Assessment (Pillar 2): Workshop on 22/09/2016 near Stockholm

- Reviewed first ideas and recommendations, but still needed to start to find compromise/consensus on any recommendation:
    - Not all companies accept the need of additional assessment of essentiality (purpose, costs, resources involved, binding nature, etc.)
  - Workshop on essentiality assessment on 22 September 2016 was targeted to prepare common ground for discussions:
    - 40 participants – 4 presentations
    - 2 Guests : TechInsights and EPO
    - General satisfaction expressed in turn by each participant
    - Many take-aways summarized on the spot by the Chair and participants
  - No final Recommendation yet due to the admittedly much larger complexity of 5G licensing compared to 4G;
    - discussions will continue in the next meetings, with or without invited speakers, including SDOs (choice of SDO may be tricky!)
    - Possible new workshops, e.g. with the ITU, GSMA, Patent Office
- ➔ **Cannot recommend the set-up of an independent 5G Essentiality Assessment entity outside of a patent pool framework at this stage.**

# Thank You



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