

Analysis of the IPR policy of VITA

This analysis is a supplement to *A study of IPR policies and practices of a representative group of Standards Developing Organizations worldwide*, prepared by Rudi Bekkers and Andy Updegrave. See <http://home.tm.tue.nl/rbekkers/nas>

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This analysis has the following parts:

Part A: Adoption and general aspects of the IPR policy

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Part C: Patent disclosure

-- general

-- relating to the knowledge of the party about its IPR

-- relating to standard

-- relating to patent identities

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This analysis has the format of a structured survey, with numbered questions. Text in **green** indicates our own conclusions and observations. All the SDO's we analyzed were given the opportunity to review this document and comment on it. Text in **orange** are comments, complimentary explanations and corrections received by representatives of the SDO.

Note: this analysis has been performed to the best of our knowledge, using the various public documents concerning the IPR policy of your SDO. See also the disclaimers in the main report.

Note: in this analysis, the work 'policy' generally refers to the whole set of binding rules, not necessarily only to the document which is titled 'policy'. An exception is where we make specific references to documents.

Part A: Adoption and general aspects of the IPR policy

A1. What is the most recent version of or a reference (internet) to the formal, current IP policy of your SDO? What are relevant to additional documents such as guidelines, explanations, forms, and so on?

The current VITA patent policy is part of the following document:

VSO Policies and Procedures, dated November 30, 2009, Revision 2.6, available at <http://www.vita.com/home/VSO/vso-pp-r2d6.pdf>. It is referred to as VPP hereafter.

Some additional clarifications are offered in the 'FAQs on VITA's patent policy', which is attached as Appendix 8 of the VPP. It should be assumed that this FAQ is not a legally binding text.

A general tutorial is available as "New VITA Patent Policy, From: Ray Alderman For: All Working Group Chairs, December 2006 (Revised: January 22, 2007)", available at <http://www.vita.com/home/VSO/Disclosure/VITA%20Patent%20Policy%20Presentation.pdf>. It is referred to as Patent Tutorial hereafter.

There are several documents available related to the introduction of the ex-ante policy:

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- DOJ news release (PDF) from October 30, 2006, available at <http://www.vita.com/home/VSO/Disclosure/DOJ%20Press%20Release%20Oct%2006.pdf>
- DOJ business review letter (PDF) dated October 30, 2006, referenced in the news release, available at <http://www.vita.com/home/VSO/Disclosure/DOJ%20Business%20Review%20Letter%20Oct%202006.pdf>
- *Implementation Plan for VITA's Revised Patent Policy (PDF) posted December 18, 2006*, available at <http://www.vita.com/home/VSO/Disclosure/implementation-ex-ante.pdf>
- VITA press release JUSTICE DEPARTMENT WILL NOT OPPOSE PROPOSAL BY STANDARD-SETTING ORGANIZATION ON DISCLOSURE AND LICENSING OF PATENTS
- VITA Proposes Changes to Patent Policy to Reflect Changes in Ex-Ante Disclosures, available at <http://www.vita.com/home/NewsandEvents/Releases/VITA-NR-2006-10%20Justice%20Department%20Will%20Not%20Oppose%20VITA%20Proposal%20On%20Disclosure%20and%20Licensing%20of%20Patents.pdf>

A2. What changes to the policy have been made over time, and have there been additional clarifications or additions? What prompted these changes?

The most significant change to this patent policy has been the mandatory ex-ante obligation, as discussed in the set of documents listed at question A1.

Over time, other smaller changes have been made to this policy.

Sources and additional details:

See <http://www.vita.com/home/VSO/Disclosure2011.html> for a the introduction of the ex ante policy.

Appendix 5 of VPP provides a revision history that includes smaller changes too

Part B: Formal aspects and principles of the IPR policy

B1. What is the legal foundation of the IPR policy (statutes, undertaking, contract, etc.)? What is the legal status of those that are involved (e.g. member, participant)?

VITA is an organization stat started of as promoting an existing standard (VMEbus). The VITA Standards Organizations (VSO) was created to develop new and updated standards.

Membership to VSO is by individuals, but these individuals must be employed by an organization that is a VITA corporate member.

The IPR policy is defined in the VSO Policies and Procedures. This is binding to VSO members (individuals). But at all relevant places in the policy it is stated that this individual is making statements on behalf of the VITA corporate member that he or she is employed by. A similar text is used on the agreements that the VSO member (individual) has to sign.

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A VITA representative clarified us that obligations can also arise from reading draft standards. Non-members do not have access to the text of VITA draft standards. Should they nevertheless obtained a copy, then there is a cover sheet that outlines obligations that arise from reading that document, including compliance with VITA's IPR policy. If a member needs to show a draft document to a non-member, its need permission to do so from an VITA executive, and if permission is granted, the member needs to inform the non-member about VITA's IPR policies and that by opening and reading the document, it is bound to obligations under this policy. We ourselves wish to add that this approach should also be seen in the context that VITA considers its draft standards not to be public documents, and that there might be fear that a (malevolent) firm that would nevertheless manage to read such a document, could file patents on inventions described in that document knowing that it might not be prior art for a patent examiner (or not being recognized as such).

Sources and additional details:

Each WG Member must complete and execute a Declaration (Appendix 6) on behalf of its VITA Member Company.

B2. What is the nature of SDO membership (companies, individuals)? How does this relate to the rules on disclosure and/or commitments?

See at Question B1, above.

B3. Are there specific rules on firms that are subsidiaries? Do obligations that follow from the IPR policy also apply to parent companies?

At the relevant points, where the member company is mentioned, the policy includes the affiliates. In a footnote, these affiliates are effectively defined as subsidiaries, parent companies, and other subsidiaries of that parent company.

Sources and additional details:

Example: [...] after the WG Member has made a good faith and reasonable inquiry into the patents and patent applications the VITA Member Company (or its Affiliates [footnote 3]) owns, controls or licenses. (VPP, at §10.2.1)
For purposes of Section 10, an "Affiliate" is any entity that directly or indirectly controls, is controlled by, or is under common control with, another entity, so long as such control exists. For purposes of this definition, with respect to a business entity, control means direct or indirect beneficial ownership of or the right to exercise (i) greater than fifty percent (50%) of the voting stock or equity in an entity; or (ii) greater than fifty percent (50%) of the ownership interest representing the right to make the decisions for the subject entity in the event that there is no voting stock or equity. (VPP, at §10.2.1, footnote 3)

Part C: Patent disclosure

Patent disclosure, general

C1. What is the nature of disclosure rules? (E.g. obligation vs. invitation / encouragement)

Disclosure is mandatory for patents owned, controlled or licensed by the VITA member company.

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(For the meaning of 'licensed', see also Question 4 below.)

The obligation is on the WG group member, but is defined in such a way that effectively the VITA organization for which he or she works for is responsible.

Sources and additional details:

Each working group member ("WG Member") [footnote 1] shall disclose to the working group ("WG") in writing the existence of all patents and patent applications owned, controlled, or licensed by the VITA member company ("VITA Member Company") the WG Member represents, which are known by the WG Member and which the WG Member believes contain claims that may become essential to the draft VSO specification ("Draft VSO Specification") [footnote 2] of the WG in existence at the time, after the WG Member has made a good faith and reasonable inquiry into the patents and patent applications the VITA Member Company (or its Affiliates [footnote 3]) owns, controls or licenses. An "essential" claim for this purpose means any claim the use of which is necessary to create a compliant implementation and for which there is no technically and commercially feasible non-infringing alternative. The WG Member must provide, on behalf of the VITA Member Company, all patent disclosure information to VSO by completing a "Declaration of VITA Member Company" ("Declaration"), which is set forth in Appendix 6. (VPP, at §10.2.1)

For purposes of Section 10, "WG Member" includes all three levels of membership described in Section 7.1.4 of VSO Policies and Procedures: sponsors, participants, and observers. (VPP, at §10.2.1, footnote 1)

For purposes of Section 10, "Draft VSO Specification" includes any eventual standard developed and adopted under Track 1 or Track 2 in Section 7.2 as an IEC Industry Technical Agreement, a VSO or VITA Specification, or an American National Standard. (VPP, at §10.2.1, footnote 2)

For purposes of Section 10, an "Affiliate" is any entity that directly or indirectly controls, is controlled by, or is under common control with, another entity, so long as such control exists. For purposes of this definition, with respect to a business entity, control means direct or indirect beneficial ownership of or the right to exercise (i) greater than fifty percent (50%) of the voting stock or equity in an entity; or (ii) greater than fifty percent (50%) of the ownership interest representing the right to make the decisions for the subject entity in the event that there is no voting stock or equity. (VPP, at §10.2.1, footnote 3)

C2. Are there any exemptions to the disclosure rules? (For instance, a policy could specify that if a company makes a RF / RAND-z commitment, there is no more requirement for specific patent disclosure).

No exceptions are specified.

C3. At what point in time are parties required to disclose essential patents? Is it related to when a standardization activity reaches a particular state of advancement, and/or events relating to the specific member (joining the SDO, joining a WG, etc)?

The VITA policy includes precise definitions on when a disclosure (and accompanying licensing declaration) has to be made. In short:

- Any member proposing to initiate new proceeding by proposing a specification for development must make the disclosures prior to formation of a working group.

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- Upon WG formation, all WG members must make the disclosures within 60 days.
- All WG members must make the disclosures (to the extent not previously made) no later than 15 days after publication of a draft specification.
- All members participating at WG meetings must make disclosures at the meeting (orally) as well as by the declaration form within 30 days after the meeting. (Note: although not defined in the policy itself, the Meeting Announcement explains this is specifically for attendants.)

Sources and additional details:

10.2.3 Timing of Patent Disclosure

A VSO member who proposes to VSO a specification for consideration to become a Draft VSO Specification must disclose all patents and patent applications owned, controlled, or licensed by the VSO member that contain claims that may become essential to the Draft VSO Specification prior to the date the study group or WG, as applicable, adopts the proposed specification as a Draft VSO Specification. (VPP, at §10.2.3, paragraph 1)

Upon formation of a WG, all WG Members must disclose, on behalf of the VITA Member Company he or she represents, all patents and patent applications owned, controlled, or licensed by the VITA Member Company that contain claims that may become essential to the Draft VSO Specification within sixty (60) days after the formation of the WG. (VPP, at §10.2.3, paragraph 2)

In anticipation of a ballot to adopt the Draft VSO Specification as a VSO or VITA Specification (including an IEC Industry Technical Agreement or an American National Standard), all WG Members must disclose, on behalf of the VITA Member Company he or she represents, all undisclosed patents and patent applications owned, controlled, or licensed by the VITA Member Company that contain claims that may become essential to the Draft VSO Specification no later than fifteen (15) days from the date of publication of a Draft VSO Specification. (VPP, at §10.2.3, paragraph 3)

In addition, at the commencement of all face-to-face WG meetings, the WG Chairperson shall ask WG Members to disclose, on behalf of the VITA Member Company he or she represents, any undisclosed patents or patent applications owned, controlled, or licensed by the VITA Member Company that contain claims that may become essential to the Draft VSO Specification in accordance with the requirements set forth in this Patent Policy. If any WG Member thereupon discloses such a patent or patent application, the WG Chairperson shall ask the WG Member to submit and the WG Member shall submit, on behalf of the VITA Member Company he or she represents, a Declaration with information regarding that patent or patent application within thirty (30) days of the meeting at which the disclosure is made. (VPP, at §10.2.3, paragraph 4)

This Working Group Meeting must comply with all aspects of the published VITA Policies and Procedures including disclosure requirements regarding patent claims as specified in the VITA Patent Policy. As prescribed by that policy, I am now asking everyone in attendance to disclose the existence of any patents or patent applications owned, controlled or licensed by the company you represent that contain claims that may become essential to the Draft VSO Specification that this Working Group is considering. So, if you know of any such patents or applications that have not been previously disclosed to this Working Group, please disclose them at this time. You need not be the inventor or owner in order to be required to make the requested disclosure at this time. Each Working Group Member who makes a new disclosure is requested and required to follow up with submission of the prescribed Declaration form providing more specific information regarding the disclosed patent or application within 30 days of this meeting. ('Meeting Announcement, as reprinted in the Patent Tutorial', page 11)

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C4. How is dealt with disclosure of patents owned by other (third) parties (non-members / non-participants)?

Essential third party patents that are licensed by the member in question also need to be disclosed. This needs to be followed up by the disclosure for in Annex 6. From the policy it was not clear to us whether 'licensed' in this context means 'licensed in' (as a licensor) or 'licensed out' (as a licensor). However, from the text in the Declaration in Annex 6 it can be understood that it should be interpreted as 'licensed in'.

All third party patents must also be disclosed. Note that the policy uses the word 'must' here, in contrast to the word 'shall' for the disclosure of self owned patents. Is there a reason for this different wording? A VITA representative was not able to explain whether there was a reason for these different words and whether different levels of obligations exist.

See also Question E3.

Sources and additional details:

Each working group member ("WG Member") [footnote 1] shall disclose to the working group ("WG") in writing the existence of all patents and patent applications owned, controlled, or licensed by the VITA member company ("VITA Member Company") the WG Member represents, which are known by the WG Member and which the WG Member believes contain claims that may become essential to the draft VSO specification ("Draft VSO Specification") [footnote 2] of the WG in existence at the time, after the WG Member has made a good faith and reasonable inquiry into the patents and patent applications the VITA Member Company (or its Affiliates [footnote 3]) owns, controls or licenses. An "essential" claim for this purpose means any claim the use of which is necessary to create a compliant implementation and for which there is no technically and commercially feasible non-infringing alternative. The WG Member must provide, on behalf of the VITA Member Company, all patent disclosure information to VSO by completing a "Declaration of VITA Member Company" ("Declaration"), which is set forth in Appendix 6. (VPP, at §10.2.1)

This Working Group Meeting must comply with all aspects of the published VITA Policies and Procedures including disclosure requirements regarding patent claims as specified in the VITA Patent Policy. As prescribed by that policy, I am now asking everyone in attendance to disclose the existence of any patents or patent applications owned, controlled or licensed by the company you represent that contain claims that may become essential to the Draft VSO Specification that this Working Group is considering. So, if you know of any such patents or applications that have not been previously disclosed to this Working Group, please disclose them at this time. You need not be the inventor or owner in order to be required to make the requested disclosure at this time. Each Working Group Member who makes a new disclosure is requested and required to follow up with submission of the prescribed Declaration form providing more specific information regarding the disclosed patent or application within 30 days of this meeting. ('Meeting Announcement, as reprinted in the Patent Tutorial', page 11)

Disclosure of Third Party Patent Claims. Each WG Member who becomes aware of patents or patent applications owned or claimed by a third party that the WG Member believes to contain claims that may become essential to the Draft VSO Specification of the WG in existence at the time, including but not limited to any such patents that are licensed to the VITA Member Company the WG Member represents, must disclose them, provided that such disclosure is not prohibited by any confidentiality obligation binding upon the WG Member or the VITA Member Company he or she represents. Any WG Member that discloses third party patent claims does not take a position on the essentiality or relevance of the third party claims to the Draft VSO Specification. (VPP, at §10.2.4)

Does the VITA Member Company the undersigned represents hold a license from

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another party to a patent that may include a claim essential to create an implementation compliant with the Draft VSO Specification identified above in Section C of this Declaration? (Declaration form, attached as Annex 6 to VPP, at Item 2)

Patent disclosure, relating to the knowledge of the party about its IPR

All the following items are about the knowledge the claimant has about its patents, or should have about its patents.

C5. Are the disclosure rules limited to patents (1) covering its own contributions, (2) standards developed in the working group the party is participating in, (3) any standard developed in the SDO?

Disclosure rules cover all patents for the standard that is the topic of the WG in which the WG member is participating.

C6. Does the policy refer to patents that 'are' essential, 'believed' to be essential, 'may' be essential, etc?)

It concerns patents the WG member 'believes' to be essential.

Sources and additional details:

working group ("WG") in writing the existence of all patents and patent applications owned, controlled, or licensed by the VITA member company ("VITA Member Company") the WG Member represents, which are known by the WG Member and which the WG Member believes contain claims that may become essential to the draft VSO specification ("Draft VSO Specification") [footnote 2] of the WG in existence at the time, after the WG Member has made a good faith and reasonable inquiry into the patents and patent applications the VITA Member Company (or its Affiliates [footnote 3]) owns, controls or licenses. An "essential" claim for this purpose means any claim the use of which is necessary to create a compliant implementation and for which there is no technically and commercially feasible non-infringing alternative. The WG Member must provide, on behalf of the VITA Member Company, all patent disclosure information to VSO by completing a "Declaration of VITA Member Company" ("Declaration"), which is set forth in Appendix 6. (VPP, at §10.2.1)

C7. What knowledge is assumed to be known to the party and/or its representatives in meetings?

The policy stipulates that the WG member shall made a 'good faith and reasonable inquiry into the patents and patent applications' of the company it is working for.

Sources and additional details:

Each working group member ("WG Member") [footnote 1] shall disclose to the working group ("WG") in writing the existence of all patents and patent applications owned, controlled, or licensed by the VITA member company ("VITA Member Company") the WG Member represents, which are known by the WG Member and which the WG Member believes contain claims that may become essential to the draft VSO specification ("Draft VSO Specification") [footnote 2] of the WG in existence at the time, after the WG Member has made a good faith and reasonable inquiry into the patents and patent applications the VITA Member Company (or its Affiliates [footnote 3]) owns, controls or licenses. An "essential" claim for this purpose means any claim

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the use of which is necessary to create a compliant implementation and for which there is no technically and commercially feasible non-infringing alternative. The WG Member must provide, on behalf of the VITA Member Company, all patent disclosure information to VSO by completing a "Declaration of VITA Member Company" ("Declaration"), which is set forth in Appendix 6. (VPP, at §10.2.1)

C8. Are patent searches required, encourage, or not required?

Patent searches are not required. This is not explicit in the policy as such but is confirmed by a Q&A list.

That having said, the 'reasonable enquire' does put a higher requirement on what a member has to disclose that most other SDOs so.

Sources and additional details:

1. Q: Do the required disclosures of patents and pending applications that may contain claims essential to a draft specification require patent searches?

A: No. As set forth in section 10.2.1, the policy requires only that a WG Member disclose those patents and applications "known by the WG Member and which the WG Member believes" to contain essential claims "after the WG Member has made a good faith and reasonable inquiry into" his or her company's patent holdings. The Implementation Plan sent to all members this past November provides significant guidance on what a good faith and reasonable inquiry may entail, centered on discussions with appropriate company experts and counsel. The Plan expressly states that this "does not require a WG Member to search the VITA Member Company's patent databases." (VPP, Appendix 8, FAQs on VITA's patent policy')

Patent disclosure, relating to standard

C9. How exactly is 'essentiality' defined and/or to be interpreted? Is it 'purely' technical essentiality or are there elements of commercial essentiality?

Essentiality includes commercial essentiality.
The definition does not exclude enabling technologies

Sources and additional details:

[...] An "essential" claim for this purpose means any claim the use of which is necessary to create a compliant implementation and for which there is no technically and commercially feasible non-infringing alternative. [...] (VPP, at §10.2.1)

C10. Do disclosures have to specify for which standard(s) the patents are believed to be essential? How specific is this information required to be? (e.g. WG/SC/TC, specific standard, version of the specific standard / year).

Disclosures are specific for standards (here: draft VSO specifications).

C11. How should the submitter deal with mandatory vs. optional portions of the standard, or with informative portions / informative references in the standard, etc.?

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Not defined.

C12. How should the submitter deal with elements of the standards that only affect certain product categories (terminal vs. base stations, or encoders vs. decoders)?

Not defined.

Patent disclosure, relating to patent identities

C13. Are blanket disclosures (general declarations) allowed and, if relevant, under what circumstances?

No. Disclosure requires exact patent identities (for patents and published patent applications) and sufficient indication of the relevant standard that is affected in case of unpublished patent applications.

Sources and additional details:

10.2.2 Patent Information to be Disclosed: All patents or patent applications to be disclosed under Section 10.2.1 shall include the following information: (a) for issued patents and published patent applications, the patent or patent application number, the associated country and, as reasonably practicable, the relevant portions of the WG's Draft VSO Specification; and (b) in the case of unpublished patent applications, the existence of the unpublished patent applications and, as reasonably practicable, the relevant portions of the WG's Draft VSO Specification. (VPP, at §10.2.2)

C14. Do disclosure rules only apply to granted patents, or also to (published / unpublished) patent applications? Do other types of IP (copyright etc.) need to be disclosed?

Patent applications are explicitly covered.
Also unpublished patent applications are explicitly covered.

VITA has a patent policy, that does not cover other IPR (in the sense that these IPR would be required to implement the standard).

Sources and additional details:

Each working group member ("WG Member") [footnote 1] shall disclose to the working group ("WG") in writing the existence of all patents and patent applications owned, controlled, or licensed by the VITA member company ("VITA Member Company") the WG Member represents [...] (VPP, at §10.2.1)

All patents or patent applications to be disclosed under Section 10.2.1 shall include the following information: (a) for issued patents and published patent applications, the patent or patent application number, the associated country and, as reasonably practicable, the relevant portions of the WG's Draft VSO Specification; and (b) in the case of unpublished patent applications, the existence of the unpublished patent applications and, as reasonably practicable, the relevant portions of the WG's Draft VSO Specification. (VPP, at §10.2.2, paragraph 1)

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C15. Are there requirements for disclosing equivalent patents in different patent jurisdictions? (i.e. patent family members)

Not specified

Patent disclosure, other

C16. Does the SDO make available specific (paper or electronic) patent disclosure forms? If so, is the use of these forms mandatory?

Disclosure is done via the same form as the declaration.

Sources and additional details:

Each working group member ("WG Member") [footnote 1] shall disclose to the working group ("WG") in writing the existence of all patents and patent applications owned, controlled, or licensed by the VITA member company ("VITA Member Company") the WG Member represents, which are known by the WG Member and which the WG Member believes contain claims that may become essential to the draft VSO specification ("Draft VSO Specification") [footnote 2] of the WG in existence at the time, after the WG Member has made a good faith and reasonable inquiry into the patents and patent applications the VITA Member Company (or its Affiliates [footnote 3]) owns, controls or licenses. An "essential" claim for this purpose means any claim the use of which is necessary to create a compliant implementation and for which there is no technically and commercially feasible non-infringing alternative. The WG Member must provide, on behalf of the VITA Member Company, all patent disclosure information to VSO by completing a "Declaration of VITA Member Company" ("Declaration"), which is set forth in Appendix 6. (VPP, at §10.2.1)

While the first sentence just says 'in writing', the last sentences makes it clear that this is in fact the declaration form.

C17. Are there provisions concerning updating of disclosures in case of changes in the (proposed / final) standard or the (applied / granted / rejected / expired) patent, or updated information concerning the patent identities?

Not specified

C18. Are there requirements to withdraw disclosures when patents 'lose' their essentiality (e.g. due to the surfacing of a new, alternative implementation that can also fulfill the required element of the standard in question)

Not specified

C19. In addition to the formal, written disclosure statements, what information on potentially essential patents do participants need to provide during standardization meetings? Is it different for own proposals vs. proposals by others? Is this information (oral statements?) recorded, and to whom is it available?

Patent disclosures have to be made (orally) at WG meetings. Members are obliged to follow this up by a written disclosure and licensing statement (Annex 6) within 30 day.

Sources and additional details:

This Working Group Meeting must comply with all aspects of the published VITA Policies and Procedures including disclosure requirements regarding patent claims as specified in the VITA Patent Policy. As prescribed by that policy, I am now asking everyone in attendance to disclose the existence of any patents or patent applications owned, controlled or licensed by the company you represent that contain claims that may become essential to the Draft VSO Specification that this Working Group is considering. So, if you know of any such patents or applications that have not been previously disclosed to this Working Group, please disclose them at this time. You need not be the inventor or owner in order to be required to make the requested disclosure at this time. Each Working Group Member who makes a new disclosure is requested and required to follow up with submission of the prescribed Declaration form providing more specific information regarding the disclosed patent or application within 30 days of this meeting. (‘Meeting Announcement, as reprinted in the Patent Tutorial’, page 11)

In addition, at the commencement of all face-to-face WG meetings, the WG Chairperson shall ask WG Members to disclose, on behalf of the VITA Member Company he or she represents, any undisclosed patents or patent applications owned, controlled, or licensed by the VITA Member Company that contain claims that may become essential to the Draft VSO Specification in accordance with the requirements set forth in this Patent Policy. If any WG Member thereupon discloses such a patent or patent application, the WG Chairperson shall ask the WG Member to submit and the WG Member shall submit, on behalf of the VITA Member Company he or she represents, a Declaration with information regarding that patent or patent application within thirty (30) days of the meeting at which the disclosure is made. (VPP, at §10.2.3, paragraph 4)

C20. Are all patent disclosures being made public? Where and in what form? Is there any information in the disclosures that is not made public?

Declaration records are placed in the files of the VSO, but it is not defined who has access to them and they do not seem to have been made public on the Internet.

For more information see <http://www.gtwassociates.com/answers/VITAdatabase.htm>. However, disclosures (including licensing commitments) are made public by ANSI with respect to VITA standards that have been submitted to ANSI for adoption as American National Standards.

A VITA representative offered an extensive clarification for the choice not to make declarations public, which we reprint here: “VITA has adopted the policy that any and all patent declarations and terms/ conditions /fees/ royalties disclosed in a meeting are NOT public information. Those declarations are available to VITA members only. First, VITA has no fiduciary duty, associated with the disclosures, to any maker of non-compliant products that use the IP. I have no duty to extend or enforce the terms in any patent declaration to any non-member third party in that case. However, if a non-member third party makes products compliant to the VITA standard, then I do have a duty to enforce the declaration terms and conditions. The terms are bound to that unique VITA standard, and extend to all those who make compliant products whether they are members or not. That third party would need to prove that they make compliant products and request access to the declarations (this could occur if they receive an infringement notice from the declarer). This is why we request that a copy of the licensing contract be attached to the declaration, to insure that the terms and conditions are bound to the VITA standard itself, and not to VITA or the VITA members

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exclusively. Our members are very aware that their declarations are bound to each unique VITA standard, and that they have a duty to extend those same terms to any maker of products compliant to that VITA standard. They are also aware that they do NOT have a duty to extend those declaration terms to any third-party that uses their IP in products non-compliant to the VITA standard.

Second, we believe that there are serious potential liabilities associated with making patent declaration terms public information. As stated previously, patent declaration terms are bound to each unique VITA standard. Those terms and conditions have no direct or material bearing upon any use of that IP in any other standard, whether in VITA or at any other SDO, or in any products not compliant to the VITA standard. By making our patent declarations public, that information could be used to set a price benchmark for that IP in non-related products and markets, which is unfair to the IP holder. Additionally, declaring IP holders may have certain company policies associated with licensing their IP in different countries (other than to VITA members or third-party makers of VITA-compliant products in those countries).

When we send a draft document to ANSI for public review and approval, we attach all patent declarations and include the terms/conditions/ fees/royalties. ANSI has chosen, unilaterally, to publish those declarations and terms on their website, and make them public when they move the document to public review. They did NOT ask VITA about our policies related to public disclosure of the declarations before they made them public [...] “

Sources and additional details:

Record of Declarations: A record of all Declarations shall be placed and retained in the files of VSO. (VPP, at §10.3.3)

C21. How does the SDO deal with situations in which a party claims that a disclosed patent is not in fact essential or not any longer essential? Have such situations occurred?

Not specified.

Part D: Licensing commitments

D1. What best characterizes the commitment model? For instance, (1) Parties are committed to license by default and do not have to make a commitment statement (or make a general statement when joining the SDO); (2) Parties are *required* to issue a commitment statement (even if it's a statement of refusal to license) or (3) Parties are *invited* to issue a commitment statement.

Licensing commitments are obligatory and must be made along the disclosure, using the form in Annex 6 of the IPR policy. See question C1.

D2. If licensing statements are used, when must they be made? For instance: (1) Upon joining the SDO, (2) when a patent disclosure is made, (3) when a draft standard reaches a particular state of advancement, (4) when requested by the SDO.

Licensing statements must be made as the same time as disclosures; see question C3.

D3. Are there differences between licensing commitment policies between working groups or standardization activities? To what degree do the commitment requirements depend on whether

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a member/participant is actually participating in a working group (or standardization activity) or not?

No such differences exist

D4. Does the SDO make available specific (paper or electronic) licensing commitment forms? If so, is the use of these forms mandatory?

The use of the form as attached as Appendix 6 to the policy is mandatory.

This form is at the same time the disclosure form.

D5. Are issued licensing commitments binding to other members of the SDO only, or to any implementer of the standard requesting a license?

To any implementer of the standard.

Sources and additional details:

License Terms: Each WG Member agrees, on behalf of the VITA Member Company he or she represents, that it will grant to any WG Member, VITA Member Company, or third party a nonexclusive, worldwide, nonsublicensable (except to the extent necessary "to have made"), perpetual patent license (or equivalent non-assertion covenant) for its patent claims essential to the Draft VSO Specification on fair, reasonable and non-discriminatory terms to use, make, have made, market, import, offer to sell, and sell, and to otherwise directly or indirectly distribute products that implement the Draft VSO Specification. Such license need only extend to the portions of the Draft VSO Specification for which the license is essential to its implementation. (VPP, at §10.3.1)

D6. Is there a specific or 'minimal' commitment type required or requested by the SDO? (e.g. FRAND, FRAND-z, RF, non-assertion) If so, does this specific or 'minimal' commitment type depend on the working group or standardization activity?

The minimal commitment is FRAND.

D7. Is there any 'opt-out' option for patent holders (indicating it is not willing to license certain patents), or any 'opt-down' option (e.g. from RAND-z to RAND)? How does it work and when does it need to be exercised? What are the consequences of such a choice?

This is difficult to answer. On the one hand, the policy, if read literally, does not seem to offer any possibility to opt out. Any VITA member is simply obliged to license at least at FRAND terms which (may be royalty bearing). On the other hand, the FAQ indicates that a company may inform a WG that a certain patent is not available for licensing. This is in conflict with the literal policy, though, and the FAQ will probably not have a binding nature in the legal sense.

A VITA representative clarified that: "VITA's policies inherently allow any essential IP holder to declare their essential IP, and also declare that they will NOT license that IP. In fact, we have

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experienced [that situation in the past]"

3. Q: Does the policy allow a WG to incorporate a VITA Member Company's patented technology into a Draft VSO Specification even if the VITA Member Company does not want that technology used and is not willing to license it generally?

A: No. The policy is not intended to force any company to allow a WG to employ the company's patented technology in a specification against the company's wishes; it is intended only to inform WG Members when a Draft VSO Specification may implement patent claims that will entail license costs. A WG Member is free to inform the WG that patent claims owned or controlled by the Member's company and implicated in a Draft VSO Specification will not be available for licensing; and, in that event, the WG should not proceed with the Draft VSO Specification unless it can be fashioned without elements that implicate those patent claims. (VPP, Appendix 8, FAQs on VITA's patent policy')

D8. Does the policy require, allow or forbid parties to include specific licensing terms as part of their commitment (such as conditions of bilateral or universal reciprocity, scope of use, etc.)? Does the policy (or the forms) explicitly specify such options, or does it simply tolerate it in practice?

A number of licensing conditions are explicitly allowed. These include grantback, [bilateral] reciprocal license, non-assert provision, covenant not to sue, or defensive suspension provision.

(From the policy it follows that even companies that chose not to submit the encouraged sample licensing contract may still use these conditions in their licenses. Companies that do submit a sample licensing contract may use more conditions, provided they are still be fair, reasonable, and non-discriminatory.

Sources and additional details:

Each WG Member must complete and execute a Declaration (Appendix 6) on behalf of its VITA Member Company. Each WG Member must declare the maximum royalty rate for all patent claims that the VITA Member Company he or she represents (or its Affiliates) owns or controls and that may become essential to implement the Draft VSO Specification. WG Members are encouraged to attach to the Declaration a draft licensing agreement for all patent claims essential to implement the Draft VSO Specification. The failure to do so precludes the VITA Member Company from including in its final licensing agreement a grantback, reciprocal license, non-assert provision, covenant not to sue, or defensive suspension provision that is broader or more restrictive upon licensees than the following: (VPP, at §10.3.2 paragraph 1)

A VITA Member Company may include in its final licensing agreement a term requiring the licensee to grant a license on fair, reasonable, and non-discriminatory terms to any of the licensee's patent claims on present or future improvements that are essential to the same Draft VSO Specification; (VPP, at §10.3.2 paragraph 2)

A VITA Member Company may include in its final licensing agreement a term requiring the licensee to grant a reciprocal license to all the licensee's present or future patent claims essential to the same Draft VSO Specification; (VPP, at §10.3.2 paragraph 3)

A VITA Member Company may include in its final licensing agreement a term under which the licensee commits not to assert or not to bring suit to enforce any of the licensee's present or future patent claims essential to the same final specification against the VITA Member Company based on its

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implementation of the Draft VSO Specification; (VPP, at §10.3.2 paragraph 4)

A VITA Member Company may include in its final licensing agreement a term providing that the license may be suspended with respect to the licensee if the licensee sues the VITA Member Company for infringement of any of the licensee's present or future patent claims essential to the same Draft VSO Specification. (VPP, at §10.3.2 paragraph 5)

License terms must in all other respects be fair, reasonable, and non-discriminatory. (VPP, at §10.3.2 paragraph 6)

D9. Does a commitment (1) cover any patents that are essential to the developed standards, (2) only cover those patents that are actually disclosed, or (3) only cover patents relating to the own contributions of the patent holder?

Commitments covers all disclosed patents, which should also be all standards that that member owns.

D10. Is a patent holder still bound to a licensing commitment should an earlier disclosed patent eventually turn out not to be essential? (e.g. differences in adopted standard, differences in granted patent)

No, if a patent turns out not to be essential it is not part of the licensing commitment. There is a bit of ambiguity here, as the policy here refers to the draft Specification.

The VITA Member Company will grant to all interested parties a nonexclusive, worldwide, nonpublicable (except to the extent necessary "to have made"), perpetual patent license (or equivalent non-assertion covenant) for its patent claims essential to create an implementation compliant with the above-referenced Draft VSO Specification on fair, reasonable and non-discriminatory terms to use, make, have made, market, import, offer to sell, and sell, and to otherwise directly or indirectly distribute products that implement the Draft VSO Specification. (The license need only extend to the portions of the Draft VSO Specification for which the license is essential to its implementation. Any other intended condition or limitation on this commitment is stated in a letter accompanying this Declaration.) (VPP, Appendix 6, at E)

D11. What is the geographic scope of the commitments? Relatedly, do commitments relate only to the disclosed patents, or also to all equivalent patents in other jurisdictions (i.e. patent family members)?

Commitments are worldwide.

Sources and additional details:

Each WG Member agrees, on behalf of the VITA Member Company he or she represents, that it will grant to any WG Member, VITA Member Company, or third party a nonexclusive, worldwide, nonpublicable (except to the extent necessary "to have made"), perpetual patent license (or equivalent non-assertion covenant) for its patent claims essential to the Draft VSO Specification on fair, reasonable and non-discriminatory terms to use, make, have made, market, import, offer to sell, and sell, and to otherwise directly or indirectly distribute products that implement the Draft VSO Specification. Such license need only extend to the portions of the Draft VSO Specification for which the license is essential to its implementation.

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(VPP, at §10.3.1)

D12. Are commitments limited to the use of these patented technologies only in order to produce products that comply to specific standards? Or all standards developed by the SDO, or not limited at all?

Commitments only apply as far as these technologies are used to implement the standard.

Sources and additional details:

License Terms: Each WG Member agrees, on behalf of the VITA Member Company he or she represents, that it will grant to any WG Member, VITA Member Company, or third party a nonexclusive, worldwide, nonsublicensable (except to the extent necessary "to have made"), perpetual patent license (or equivalent non-assertion covenant) for its patent claims essential to the Draft VSO Specification on fair, reasonable and non- discriminatory terms to use, make, have made, market, import, offer to sell, and sell, and to otherwise directly or indirectly distribute products that implement the Draft VSO Specification. Such license need only extend to the portions of the Draft VSO Specification for which the license is essential to its implementation. (VPP, at §10.3.1)

D13. Does the policy specify any legal restriction concerning commitments? (For instance, a policy may specify that a FRAND commitment implies that an injunctive relief may not be sought.)

Not specified.

D14. Does the policy explicitly require that commitments are irrevocable? If so, does the policy mention allowable exceptions (such as defensive suspension, or if the licensee refuses to offer a reciprocal license)?

Licensing commitments are irrevocable (but may be updated with commitments that are more favorable from the perspective of the licensee).

Licenses themselves are perpetual (thus irrevocable).

Defensive suspension as a licensing condition is explicitly allowed. See question D8.

Sources and additional details:

The Declaration is irrevocable. If a subsequent Declaration covering previously disclosed information is submitted, the subsequent Declaration may only supersede the prior Declaration if the subsequent Declaration is less restrictive upon prospective licensees than the former Declaration. Otherwise, the former Declaration continues to apply. The Declaration will apply to the Draft VSO Specification and any reaffirmations or revisions to that Draft VSO Specification. (VPP, at §10.3.2 paragraph 7)

Each WG Member agrees, on behalf of the VITA Member Company he or she represents, that it will grant to any WG Member, VITA Member Company, or third party a nonexclusive, worldwide, nonsublicensable (except to the extent necessary "to have made"), perpetual patent license (or equivalent non-assertion covenant) for its patent claims essential to the Draft VSO Specification on fair, reasonable and non- discriminatory terms to use, make, have made, market, import, offer to sell, and sell, and to otherwise

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directly or indirectly distribute products that implement the Draft VSO Specification. Such license need only extend to the portions of the Draft VSO Specification for which the license is essential to its implementation. (VPP, at §10.3.1)

D15. What does the policy specify about the eventual transfer of patents for which commitments have been made?

The commitments are declared also for 'successors, assigns, and transferees' of the patent right. The policy does not further define the exact procedures to be followed, and whether there is a cascading obligation.

Sources and additional details:

In accordance with Section 10 of the VSO Policies and Procedures, the VITA Member Company, by and through the undersigned, hereby declares for itself, its Affiliates, successors, assigns, and transferees of its patent rights its licensing position with respect to all patents that it may hold or control and that contain claims that may be essential to create an implementation compliant with the Draft VSO Specification identified above in Section C of this Declaration, as follows: [...] (VPP, Appendix 6, at E)

D16. Does the policy specify anything about ex-ante disclosure of most restrictive licensing terms? (e.g. forbidden, voluntary, mandatory, recommended, endorsed)

VITA has an elaborate ex-ante disclosure policy. Ex-ante disclosure of the most restrictive licensing fees is mandatory. Its members are obliged to declare the maximum royalty rate for their essential patents, as part of its licensing declaration. If a member fails to do so, it has to license its patents on a royalty free basis.

Sources and additional details:

Each WG Member must complete and execute a Declaration (Appendix 6) on behalf of its VITA Member Company. Each WG Member must declare the maximum royalty rate for all patent claims that the VITA Member Company he or she represents (or its Affiliates) owns or controls and that may become essential to implement the Draft VSO Specification. [...] (VPP, at §10.3.2 paragraph 1)

D17. Is there any link between the IPR policy – or the SDO in general – and a patent pool or other licensing programs? Can you describe this link?

No.

D18. Are all licensing commitments being made public? Where and in what form? Is there any information in the disclosures that is not made public?

See Question C20.

Part E: SDO procedures and public

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E1. What are the remedies available to SDO in case of non-compliance with the policy (e.g. failure to disclose, failure to provide licensing commitments, other violations of the policy)?

WG members that fail to submit (disclosure and licensing) declarations within the specified time frames are obliged to license their essential IPR at a royalty free basis, with no other conditions than those specified in the VITA 'model' contract.

Sources and additional details:

10.4 Effect of Failure to Disclose Patents or License Terms. If a WG Member fails to adequately and timely disclose, on behalf of the VITA Member Company he or she represents, a patent claim or license terms for it as set forth in this Section 10, including at any of the times specified in Section 10.2.3, the VITA Member Company must license it to the extent it is essential to a Draft VSO Specification on a royalty free basis and in accordance with the license restrictions set forth in Section 10.3 for purposes of an implementation compliant with the Draft VSO Specification. (VPP, at §10.4)

E2. How does the policy deal with companies that chose not to enter into licensing commitments (insofar as the policy allows such a choice)?

This is simply not allowed so this situation does not exist.

E3. How does the SDO deal with non-members (third parties), for instance when it is brought to the attention of the SDO that such a third party owns IPR essential to one of its standards?

WG members have an obligation to disclose third party patents they are aware of (see question C4) but the policy does not specify what VITA will eventually do – like approaching that IPR holder and ask whether it is willing to make a licensing statement.

A VITA representative clarified that non-members do not have access to the text of VITA draft standards. Should they nevertheless have obtained a copy, then there is a cover sheet that outlines obligations that arise from reading that document, including compliance with VITA's IPR policy. If a member needs to show a draft document to a non-member, its need permission to do so from an VITA executive, and if permission is granted, the member needs to inform the non-member about VITA's IPR policies and that by opening and reading the document, it is bound to obligations under this policy.

E4. What are the policy and practices about (1) handling and possible rejection of incomplete disclosure or licensing statement, (2) correction of clerical errors (including patent identities), (3) resubmission of statements in any of the above cases?

Not specified.

Part G: Other

G1. Is the content of meetings of Technical Committees, Technical Bodies or similar groups considered to be public information? This is especially relevant for patent examiners, who need

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to consider whether such information should or should not be considered when examining prior art in (new) patent applications.

A VITA representative clarified that "Working group meeting minutes, presentations, and other information from the meeting are available to VITA members only, under the members-only section of the VITA website (which requires each member to use a unique member-company user name and password to enter). They are NOT public information. This system allows us to match the accesses to that WG information, by unique company user name and password, to specific IP addresses in the log file. This further allows us to see if any unauthorized accesses are occurring. That information becomes definitive evidence if a third-party non-member were to somehow gain access, read the document drafts, and then assert essential patents against our members [...]. As you can see, if we made all the information from our meetings public, every third-party non-member IP holder and "patent troll" out there would use the data to look for opportunities to assert relevant IP (essential or not) against VITA members. [VITA has] a fiduciary duty to protect our members from such behavior, and defend them should such infringement assertions occur."

G2. Are there any specific provisions on software / copyright when that software is part of the content of the standard? (This question does not concern the copyright on the text of the standard as such.)

No. The policy is strictly about patents and does not consider copyrights who use might ne required to implement the standard.

G3. Are there any rules in relation to IPR in standards of other SSOs that are normatively referenced in a standard?

Not specified.

<< end >>