

# PWG IP Section

Investigate an Update?

# Background

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- Back in mid-September...
  - SC agrees the PWG needs to update its Intellectual Property Policy
  - The goal is to align the PWG's IP Policy with what is "state-of-the-art" in the industry for like organizations and then get the updated policy approved by the membership
  - This update will be done in an ad-hoc group of SC members and any other interested PWG member participant
- And in mid-October...
  - The SC is considering the update of the PWG IP policy because it has fallen behind current industry trends
  - Harry Lewis volunteered to lead up this effort, but acknowledged it will take him a while before having a proposal to present
  - Approach is to reference current statements used from other groups such as CIP4/JDF, IEEE ISTO, and Bluetooth SIG
- ACTION ITEM:  
Create a comparison between the PWG's IP Policy and the IEEE's current policy for use in the update to the PWG's IP Policy

# ... but let's not lose track

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- Is just being “out-of-date” really bad? Why?
- What specific problem(s) need solving?
- Is anyone complaining? If so, what are their concrete issues?

# Some specifics (1)

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Recently (last year? 2006?) one member company had expressed when they renewed their membership that they didn't like the way the policy was worded.

[Not sure of the explicit complaint.]

→ ... but they joined anyway.

## Some specifics (2)

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“An issue mentioned related to the actual requirements for making known IP that might be related to a PWG WG.”

(Is a participant required to do a patent search or not? The intent is not – but at least one member company interprets the language another way.)

## Some specifics (3)

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“The most obvious change is that the policy currently discusses Proposed Standards which we don't have anymore. We have Candidate Standards and Standards”

# An option to consider

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- *We could* do the following:
  - go through a long analysis of PWG vs. IEEE documents
  - identify all the clever things contained in IEEE policy that PWG doesn't include
  - update the PWG document to include the items
- OR we could jump to the end a bit faster:
  - acknowledge the time, effort, and completeness of the IEEE document and the cleverness of its authors
  - skip the comparison effort
  - adopt the IEEE policy as written – with appropriate modifications for PWG-unique terms, etc.
  - look for any onerous sections/text and delete/modify as necessary to gain 100%(!!) consensus

# Noted differences – Ownership of Rights (1)

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## PWG

- All patents, copyrights, or other **intellectual property owned or created by any Member** or member's affiliates (hereinafter "Member or Associate") **outside the PWG** or its work within the PWG **shall remain the property of that Member or Associate** thereunder and shall not be affected in any way by the Member or Associate's participation in the PWG.

## IEEE

- *no counterpart?*  
*(perhaps intentional?)*



# Noted differences – Ownership of Rights (2)

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## PWG

- The **PWG may**, through its activities, generate intellectual property, and **license** such property **to the Members** and/or Associates on reasonable and nondiscriminatory terms, conditions and prices; provided, however, that Members and Associates receive more favorable pricing than non-Members or non-Associates.

## IEEE

- *no counterpart?*

# Noted differences – Ownership of Rights (3)

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## PWG

- All **information** and materials, and all copyrights thereto, **contributed by Members** and Associates and their representatives and **incorporated into a PWG Standard** and Specification (here after "the Standard") **shall be owned by the contributing Member** or Associate. The contributing **Member** or Associate **shall grant PWG and its Members and Associates an irrevocable license to use**, reproduce, modify, distribute and sublicense **the copyrighted work(s)** incorporated in the Standard **on non-discriminatory basis and** within **reasonable terms** and conditions. Notwithstanding the above, any intellectual property independently created by a Member or Associate, but not incorporated into a PWG standard, should remain the exclusive property of the original owner and no mandatory license should be imposed.

## IEEE

- **If the IEEE** receives notice that a [Proposed] IEEE **Standard may require the use of a potential Essential Patent Claim, the IEEE shall request** licensing assurance, on the IEEE Standards Board approved **Letter of Assurance** form, from the patent holder or patent applicant.

*→ But what if no "notice" is received?*

*[In my interpretation, the notice seems optional – but it probably isn't supposed to be.]*

# Noted differences – Disclosure (1)

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## PWG

- **Participants** in the standard setting procedure **shall disclose any known patents** whose use would be **required for compliance with a proposed PWG standard**. Prior to PWG's approval of the proposed standard, the PWG should receive a written **patent statement from the patent holder** as described below in section 1.3.

## IEEE

- [If notified, the IEEE will request a Letter of Assurance.]

# Noted differences – Disclosure (2)

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## PWG

- The PWG is not in a position to give authoritative or comprehensive information about evidence, validity or scope of patents or similar rights, but it is desirable that any available information should be disclosed. Therefore, **all PWG members shall, from the outset, draw PWG's attention to any relevant patents** (hereinafter defined) **either their own or of other organizations** including their Affiliates (hereinafter defined) **that are known to the PWG members** or any of their Affiliates, **although PWG is unable to verify the validity of any such information.**

## IEEE

- In order for IEEE's patent policy to function efficiently, **individuals participating in the standards development process: (a) shall inform the IEEE** (or cause the IEEE to be informed) **of the holder of any potential Essential Patent Claims of which they are personally aware** and that are not already the subject of an existing Letter of Assurance, **owned or controlled by the participant** or the entity the participant is from, employed by, or otherwise represents; and (b) **should inform the IEEE** (or cause the IEEE to be informed) **of any other holders of such potential Essential Patent Claims** that are not already the subject of an existing Letter of Assurance.

# Noted differences – Relevant Patent Conditions (1)

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## PWG

- If a Proposed PWG Standard is submitted to the PWG, **three different situations** may arise with respect to the relevant Patents:
  - (1) In the event the PWG Proposed Standard is adopted to become a PWG Standard, **the patent holder waives his rights** under the Relevant Patents owned by him and hence, the Proposed PWG Standard is **freely accessible to everybody**; no particular conditions, no royalties due, etc., with respect to such Relevant Patents. The PWG Standard means any PWG specifications that are officially published by PWG after October 1, 1999.

## IEEE - LOA

- The Submitter may own, control, or have the ability to license Patent Claims...
  - a. **Submitter will grant a license without compensation** to an unrestricted number of applicants on a worldwide basis with **reasonable terms and conditions** that are demonstrably **free of unfair discrimination**.
  - c. **Submitter** without conditions **will not enforce** any present or future Essential Patent Claims against any person or entity making ... such a compliant implementation.

# Noted differences – Relevant Patent Conditions (2)

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## PWG

- ... **three different situations** may arise with respect to the relevant Patents:
  - (2) In the event a PWG Proposed Standard is adopted as a PWG Standard, the **patent holder is not prepared to waive his rights** under the Relevant Patents owned by him but would be **willing to grant licenses** to other parties on a **non-discriminatory basis** and on **reasonable terms and conditions**, provided a similar grant under the licensee's patents within the scope of the license granted to the licensee is made available. **Such license grants are left to the parties concerned.**

## IEEE - LOA

- The Submitter may own, control, or have the ability to license Patent Claims...
  - b. **Submitter will grant a license under reasonable rates** to an unrestricted number of applicants on a worldwide basis with **reasonable terms and conditions** that are demonstrably **free of unfair discrimination.**

# Noted differences – Relevant Patent Conditions (3)

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## PWG

- ... **three different situations** may arise with respect to the relevant Patents:
  - (3) In the event the Proposed Standard is adopted to become a PWG Standard, and **the patent holder is not willing to comply** with the provisions of either paragraph 10.3 (1) or (2), in such a case **the Proposal cannot be established as a PWG Standard.**

## IEEE - LOA

- The Submitter may own, control, or have the ability to license Patent Claims...
  - d. **Submitter is unwilling or unable to grant licenses** according to the provisions of either a or b above **or to agree that it will not enforce its Essential Patent Claims** as described in c above.

# Noted differences – Patent Statement (1)

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## PWG

- Whichever option from among paragraphs (1), (2) or (3) is chosen, **any PWG member must provide a written statement** to be filed on behalf of itself and its Affiliates at the PWG secretariat **with respect to the Relevant Patents that are owned by the PWG member** or any of its Affiliates and known to the PWG member or any of its Affiliates. This statement must not include additional provisions, conditions, or any other exclusion clauses in excess of what is provided for each case in paragraphs 10.3 (1), (2) and (3).

## IEEE

- [The IEEE will request a Letter of Assurance.]



# Noted differences – Patent Statement (2)

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## PWG

- If no Relevant Patents that are owned by the PWG member or any of its Affiliates are known to the PWG member or any of its Affiliates, an affirmative disclosure to that effect must be submitted before the end of the Patent Statement deadline in lieu of the Patent Statement. Any Relevant Patents that are owned by the PWG member or any of its Affiliates and are found after the Patent Statement deadline are automatically subject to either paragraph 10.3 (1) or (2) as described above.

## IEEE

- [The IEEE will request a Letter of Assurance.]

# Noted differences – Patent Statement (3)

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## PWG

- A Patent Statement should be submitted by all the PWG members for all Relevant Patents which are known to the PWG members and their Affiliates and are owned by the PWG members or their Affiliate

*["should" be?]*

## IEEE

- [The IEEE will request a Letter of Assurance.]

# Noted differences – Patent Notice

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## PWG

- Further, a Patent Notice should be submitted by all the PWG members for Relevant Patents which are known to the PWG members and their Affiliates and are not owned nor controlled by the PWG members or their Affiliate

## IEEE

- [The IEEE will request a Letter of Assurance.]

# Noted differences – Non-Confidentiality (1)

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## PWG

- The **participation in the PWG** by the Members and the Associates and their appointed representatives **shall be on a non-confidential basis**; however, a PWG Member may with the approval of the Steering Committee, wherein such approval shall not be unreasonably withheld, enter into written confidentiality agreements with all other PWG Members which restricts the dissemination of specified confidential information and/or materials provided by any of such Member, to Persons who are not Members or Associates.

## IEEE

- ???

# Noted differences – Non-Confidentiality (2)

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## PWG

- Subject only to valid patents and copyrights, all PWG Members and Associates shall be free to use all information received or publicly disclosed from the PWG, its Members or Associates in connection with the normal business including the processes described herein, without obligation regardless of markings including but not limited to "Proprietary" or "Confidential."

## IEEE

- ???

# Noted PWG deficiencies – Items that IEEE addresses\*

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- 1) Essential patents held by an affiliate -- does a letter of assurance bind the affiliate?
- 2) Notice to the transferee of the existence of an LOA when a patent is sold or transferred.
- 3) What due diligence is required when a patent holder states he hold no essential patents.
- 4) The IEEE allows the disclosure of licensing terms, rates, and conditions at the time assurance is provided. The PWG does not.
- 5) Who reads the assurances provided and determines that they comply with the policy?
- 6) I don't believe there is specific language describing how assurance received by the PWG are to be made available.

etc., etc., etc.

\* submitted by Don Wright

# Next Step(s)?

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- What approach to take?
  - Start with PWG document and modify
  - Start with IEEE documents and modify
- Which changes to make?
- What's critical, nice, unnecessary, undesired?
- How far do we go?
- What will determine "enough"?