

Submitting organization:

INPI – Instituto Nacional da Propriedade Industrial, IP

Type of respondent (enterprise, association, citizen, public authority, judge/law firm, other):

Public authority (Portuguese Patent Office)

Country of residence or location of headquarters :

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Patents and Standards

A modern framework for standardisation involving intellectual property rights

III. More detailed questions

Questionnaire

Key issues 1 and 2 – Scope of standardisation involving patents; best rules and practices

Questions on the prevalence and effect of standardisation involving patents

Q 1.1.1 Fields of standardisation involving patents: To your knowledge, in which technological areas and/or fields of on-going standardisation work are patents likely to play an increasingly important role in the near future? What are the drivers behind this increase in importance?

There are several fields where standards involving patents have traditionally played an important role. Areas such as telecommunications, consumer electronics and automotive industry have relied heavily in patent-related standards and this situation is likely to continue in the foreseeable future.

Some new technological fields also use standards where patents are crucial, for example smart grids, nanotechnology, diagnostics. A very important and promising field is the so-called “internet of things (IoT)”, where the interconnection of embedded computing devices within the existing Internet infrastructure relies heavily on standards that are related to patents.

Q 1.1.2 Trends and consequences: Do you see a general trend towards more/less standards involving patents? Are there any practical consequences of this trend? Are business models changing?

We believe that the complexity of current technologies requires important investments in research and development, therefore patents play a crucial role in assuring a just and fair return on these investments. The business models also need to adapt to this reality, providing agile and fast licensing, together with fair means of settling disputes.

Some new business areas also constitute excellent opportunities for standards involving patents to play a crucial role, such as management services to avoid conflicts between Unmanned Aerial Vehicles (UAV), car automation, to name just a few.

Q 1.1.3 Standardisation prevalence/complexity: In general, do you observe an increasing role of (any type of) standardisation in your fields of activity/interest? Are standards becoming more, or less, detailed and comprehensive? How does this trend impact on the functioning of the standardization system?

Being a national patent office, INPI does not have input to offer on this subject, which relates directly to the everyday experience of the industry stakeholders.

Q 1.1.4 Standardisation in support of innovation: Do you consider that standardisation involving patents contributes to innovation and to the uptake of new technologies? If so, in which areas? Would technologically neutral standardization promote innovation equally well in these areas? Should standardisation be less specific by excluding those elements that are covered by patents?

We believe that patents play a crucial role in forming the basis for new standards that allow new and promising technologies to mature and reach a wider audience than with technologically neutral standardization. If relatively low and fair royalties are charged by the patent holders, the dimension of the markets that can potentially be reached by the technology implemented in a new standard are so vast that sheer numbers and volume of sales will be very attractive in financial terms.

Questions on the decision to include patented technologies into a standard

Q 1.2.1 - Q 1.2.4

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Questions on other links between standards and patent-protected technologies

Q 1.3.1 - Q 1.3.2

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Questions on "best rules and practices"

Q 2.1.1 Best rules and practices: A variety of rules and practices govern standardisation involving patents. Which elements of these rules and practices are working well and should be kept and/or expanded? Which elements on the other hand can be improved? Would you consider it helpful if standard setting organizations would be more explicit about the objectives of their patent policies?

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Q 2.1.2 Trends and initiatives: The pertinent rules and practices are constantly evolving. Do you see any particular trends? What are recent improvement initiatives that you find promising or worthwhile of attention? Are there initiatives outside the SSO domain that you find helpful (e.g. patent quality initiatives by patent offices)?

INPI, as national patent office for Portugal, has introduced several initiatives to improve the quality of patents throughout the years. It is our belief that only a rigorous study in the pre-grant phase and a clear perception by the applicant of the differences between his invention and the state of the art can provide legal certainty and insure successful industrial innovation and competitiveness.

Q 2.1.3 Differences in SSO rules and practices: Do you see significant differences between SSOs in terms of their patent policies and/or treatment of standard essential patents in practice? If so: What are the practical consequences of these differences? Which of these differences (if any) pose problems? Which of these differences are justified?

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Key issue 3 – Patent transparency

Questions on the relevance of patent transparency

Q 3.1.1 Scope of transparency issue/Priority areas: Is there sufficient patent transparency in the fields of standardisation that are of interest to you? In which of these standardisation field(s) is patent transparency particularly good and in which field(s) is it insufficient? Please explain.

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Q 3.1.2 Ex-ante transparency: In your experience, is there sufficient knowledge about the relevant patent situation during the discussions leading to the setting of standards? Have you experienced a situation where a standard was decided based on significantly incorrect assumptions about the relevant patent situation? What were the causes of such incorrect assumptions and what were the consequences? Could all relevant stakeholders participate in the discussions?

From the point of view of a national patent office, we believe that the preliminary search report on patentability, especially if it contains an argued written opinion, is an excellent tool to measure the patent situation. Since it is provided to the patent applicant at an early stage and in many cases made available to the general public upon publication of the patent, its reading should be an excellent tool to ascertain the transparency of the patent before including it in a standard.

Q 3.1.3 Ex-post transparency: Either as licensor or as licensee, how do you initiate the licensing of the relevant patents? What are the means of identifying the relevant patents, the patent holders, the potential licensees, etc.? What are the respective costs of collecting information on the patent situation?

Some patent offices could provide important information regarding patents, some of which is even provided free of charge online or, if more complex information is needed, through paid patent information services. There is also a vast private market of service providers dedicated solely to patent information.

Q 3.1.4 - Q 3.1.6

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Questions on the content of the declaration obligation

Q 3.2.1 - Q 3.2.7

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Questions on the quality of patent declarations

Q 3.3.1 - Q 3.3.2

Being a national patent office, INPI does not have input to offer on this subject, which relates directly to the everyday experience of the industry stakeholders and Standard Setting Organizations (SSO's).

Q 3.3.3 Check of declarations: Should the quality of patent declarations be submitted to a check by someone other than the declarant? Who should perform this check (peer review by members of the standard setting organization; standard setting organizations themselves; third parties on behalf of the standard setting organizations; patent offices; etc.)? What should be the scope of the check (essentiality for the standard; validity; enforceability; other)? Who should bear the cost of such a check? If you think the declarant should bear (part of) the cost, how can it be prevented that this creates an incentive to disrespect the declaration obligation?

Regarding the check of declarations, patent offices would of course be available to give information and certify the status and validity of patents, provided that there was no breach of confidentiality regarding the applicants, especially in a phase of pre-publication of the patents being checked. But since most of the information regarding patent declarations is outside the scope of many patent offices, probably the entity responsible for a check of declarations should not be the patent office itself.

Q 3.3.4 Essentiality check (in particular): Depending on your answer to the above question, how can the essentiality check be performed in practice? What are the average cost of checking essentiality (for third parties) and what could be done to minimize these costs? Do you see a set-up of such a check that is particularly cost and time efficient? How can it be avoided that this check creates incentives for not respecting the declaration obligation?

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Questions on the handling of declared information

Q 3.4.1 - Q 3.4.3

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Questions on transparency improvements beyond the system of declarations

Q 3.5.1 General question: What can be done to increase standardisation-related patent transparency other than to strengthen the system of patent declarations used by standard setting organizations?

Perhaps a statement to the effect that a certain patent was included in a certain standard created by a SSO should be filled at the relevant patent office whenever such situation occurs. That would provide further transparency for potential parties interested in acquiring the patent.

Q 3.5.2 Public patent landscaping: Public patent landscaping in the context of standardisation would be an exercise where (1) patents that are relevant to the particular technological/product area to which the standard relates are identified and (2) this information is then shared with all interested parties. Do you see benefits of such public

patent landscaping and in which areas would this be particularly useful? Who should perform this exercise (e.g. patent offices, commercial service providers, public authorities) and how could this exercise be financed?

Landscaping would be an interesting exercise and would provide further security that the new standard would not violate any Industrial property rights, with consequent gains in terms of business/legal certainty. Regarding the financing of such an exercise, probably the SSO and eventually the patent holder should be the ones to bear the cost.

Q 4.1.1 - Q 8.5

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