

Fair patent licensing is key to harnessing potential of the Industrial Internet

Brussels, 26 April 2016, #worldipday – The Industrial Internet is set to dominate discussions between world leaders and global industry chiefs this week at the Hannover Messe – the annual trade gathering.

With the world on the cusp of a new era in digital technology which is set to dwarf even the multi-billion dollar value of the Internet of Things, the Fair Standards Alliance is warning that Europe needs to embrace an era of high-tech patent cooperation to ensure it has a leading role in the Industrial Internet age.

Fair access to essential patents at fair prices will be the key to ensure people everywhere benefit from the fully integrated world of the future. Essential patents which meet industry regulated standards are the cogs which keep the digital world turning. SMEs as well as large corporations require fair access to such patents to ensure a level playing field which can help nurture the innovation which will drive Europe's digital economy in the decades to come.

For far too long, there has been a culture of litigation with some companies using their portfolio of patents to demand huge royalties or to threaten injunctions toward onward users. Such action has always been to the detriment of innovation with consumers often paying the ultimate price with either more expensive products or potentially ground-breaking products never even making it to the marketplace. With every high-tech product containing hundreds, even thousands of patented technology units such a culture has been especially harmful to establishing Europe's digital growth agenda.

“The Fair Standards Alliance is driving the cultural change amongst European and global businesses away from litigation over Standard Essential Patent (SEP) usage to one of greater and fairer access with fair royalties for the patent creators also. Our aim is to seek balanced and reasonable patent licensing to ensure everyone has fair access and fair compensation. The companies – both large and small – which make up our alliance are championing a new spirit of entrepreneurship in Europe and the world and have understood just how important this new patent culture is to create the Industrial Internet.” Stated Robert Pocknell, FSA Chairman.

Launched in November 2015 and based in Europe, the Alliance seeks to promote the licensing of standards-essential patents (SEPs) on fair, reasonable and non-discriminatory (FRAND) terms.

PRESS RELEASE

The FSA believes that the entire innovation ecosystem is threatened by unfair and unreasonable SEP licensing practices. Failure to honour the FRAND commitment that exists in most standardisation licensing creates barriers to market entry, threatens to stifle the full potential for economic growth across major industry sectors, and ultimately curbs consumer choice.

The FSA's member companies, who hold more than 160,000 patents and spend more than 32 billion euros per year on R&D and innovation, include: AirTies, BMW, Cisco, Dell, Fairphone, Google, HP, Intel, ip.access, Juniper Networks, Lenovo, Micromax, peiker acustic, Sierra Wireless, Telit, u-blox and Volkswagen.

For further information

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About FSA

The Fair Standards Alliance is a not for profit association whose goal is to promote globally, but primarily in the European Union and its Member States, a number of key principles concerning the licensing of standards-essential patents (SEPs) that are subject to a voluntary commitment to provide licenses on Fair, Reasonable and Non-Discriminatory (FRAND) terms.