## Government publishes Standard Essential Patents call for views response

A patent that protects technology which is essential to implementing a standard is known as a standard essential patent (SEP).

Standards and patents can span across multiple disciplines and sectors. They are particularly important in technologies which allow us to communicate, to receive and store ever larger quantities of data, and efficiently access or stream content online. Products from different manufacturers need to be able to seamlessly 'talk to' each other, to provide functionality for the consumer.

Without using the methods or devices protected by SEPs, it is impossible for a manufacturer (or implementer of the standard) to create standard compliant products, such as smartphones or tablets.

The rise in the use of wireless technologies such as 3G, 4G and 5G, particularly in telecommunications, the automotive industries, and the 'Internet of Things' (IoT) sector, has seen greater interest in the licensing of patents and use of standards.

The <u>call for views</u> undertaken by the Intellectual Property Office, sought a wide range of views and evidence around the challenges faced by industry.

## Responses to the call for views covered six themes:

- the relationship between SEPs, innovation, and competition, and what actions or interventions would make the greatest improvements for consumers in the UK
- competition and market functioning
- transparency in the system
- patent infringement and remedies
- licensing of SEPs
- SEP litigation

The evidence and views received will help inform the government's decision on what actions it takes next, including whether any government intervention is required.

The government will continue to engage with businesses and others to ensure it has understood their concerns and will seek further evidence where needed.

Findings will be reported to UK ministers in 2023, and any significant policy interventions will be subject to public consultation.

## The IPO's Chief Executive Tim Moss said:

The responses we received to our call for views gave us a vast amount of information to analyse on these incredibly important issues. This forms an excellent foundation for our work as we take this to the next stage.

We recognise there are many different interests to consider, which is why we began by asking broad questions to establish what the issues are. We can now narrow these down as we move forward, and ensure the IP framework is striking the right balance for the maximum benefit to UK innovation.

We look forward to further engagement with industry in the coming months, and will report our findings to Ministers next year.

## Notes to editors:

- the call for views ran for 12 weeks between December 2021 and March 2022 and received 56 written responses
- this publication summarises the responses to each question thematically.
   All views reported are those of respondents and should not be taken as the views of the IPO
- the IPO also held a number of round-table events with various stakeholder groups including SEP holders, implementers, legal & academic organisations, and sector & innovation networks
- the number of declared SEPs doubled on average every five years between the early 1990s to 2014. As of 2020, around 95,000 patents had been declared essential for the 5G standard
- the Internet of Things (IoT) sector is of growing importance, with 7.6 billion active IoT devices at the end of 2019. This figure is predicted to grow substantially over the next 10 years