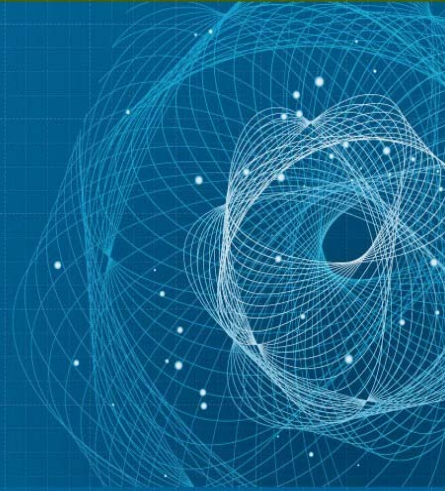




SUGHRUE MION, PLLC | INTELLECTUAL PROPERTY LAW

Recent Updates to Standard Essential Patent (SEP) Enforcement in the U.S.

Fadi N. Kiblawi
Sughrue Mion PLLC
February 18, 2020

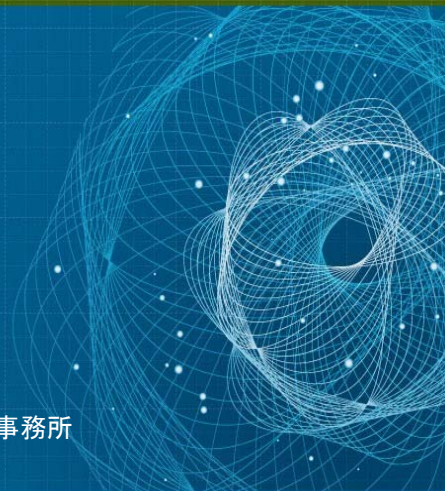


SUGHRUE MION, PLLC | INTELLECTUAL PROPERTY LAW

米国における標準必須特許 (SEP)の権利行使

最新動向

ファディ・N・キブラウィ
シュグルー・マイアン外国法事務弁護士事務所
2020年2月18日



AGENDA

- Introduction
- SEP Overview Slides 3-13
- New SEP Policy Statement Slides 14-17
- Fed. Cir. in TCL v. Ericsson Slides 18-25

目次

- はじめに
- 標準必須特許の概説..... スライド 3-13
- 新たな政策声明 スライド 14-17
- TCL v. Ericsson事件 スライド 18-25

What is a Standard Essential Patent (SEP)?

- A patent that includes a claim to an invention that must be used to comply with a technical standard.
 - Impossible to avoid the patent in implementing the standardized technology

ANNEX 6: ETSI Intellectual Property Rights Policy

"ESSENTIAL" as applied to IPR means that it is not possible on technical (but not commercial) grounds, taking into account normal technical practice and the state of the art generally available at the time of standardization, to make, sell, lease, otherwise dispose of, repair, use or operate EQUIPMENT or METHODS which comply with a STANDARD without infringing that IPR. For the avoidance of doubt in exceptional cases where a STANDARD can only be implemented by technical solutions, all of which are infringements of IPRs, all such IPRs shall be considered ESSENTIAL.

BLUETOOTH PATENT/COPYRIGHT LICENSE AGREEMENT

(o) "Necessary Claims" means claims of a patent or patent application that (a) are owned or controlled by a party or its Affiliates (Licensor) now or at any future time while this License Agreement remains in effect; and (b) are necessarily infringed by implementing those portions of a Bluetooth Specification and/or Foundation Specification within the bounds of the Scope, wherein a claim is necessarily infringed only when it is not possible to avoid infringing it because there is no technically reasonable non-infringing alternative for implementing such portions of the Bluetooth Specification and/or Foundation Specification within the bounds of the Scope. Notwithstanding the foregoing sentence, Necessary Claims do not include any claims (i)

標準必須特許 (SEP) とは

- 技術標準 (規格) を満たすために使用しなければならない発明をクレームした特許
 - 標準化技術を実施する際に回避できない

ANNEX 6: ETSI Intellectual Property Rights Policy

"ESSENTIAL" as applied to IPR means that it is not possible on technical (but not commercial) grounds, taking into account normal technical practice and the state of the art generally available at the time of standardization, to make, sell, lease, otherwise dispose of, repair, use or operate EQUIPMENT or METHODS which comply with a STANDARD without infringing that IPR. For the avoidance of doubt in exceptional cases where a STANDARD can only be implemented by technical solutions, all of which are infringements of IPRs, all such IPRs shall be considered ESSENTIAL.

BLUETOOTH PATENT/COPYRIGHT LICENSE AGREEMENT

(o) "Necessary Claims" means claims of a patent or patent application that (a) are owned or controlled by a party or its Affiliates (Licensor) now or at any future time while this License Agreement remains in effect; and (b) are necessarily infringed by implementing those portions of a Bluetooth Specification and/or Foundation Specification within the bounds of the Scope, wherein a claim is necessarily infringed only when it is not possible to avoid infringing it because there is no technically reasonable non-infringing alternative for implementing such portions of the Bluetooth Specification and/or Foundation Specification within the bounds of the Scope. Notwithstanding the foregoing sentence, Necessary Claims do not include any claims (i)

Why are SEPs Important?

- Promote innovation of new and better standards

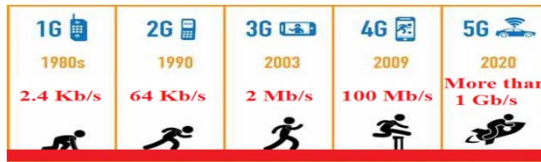


Image Source: <https://itinfozone.com/2g3g4g5g/>

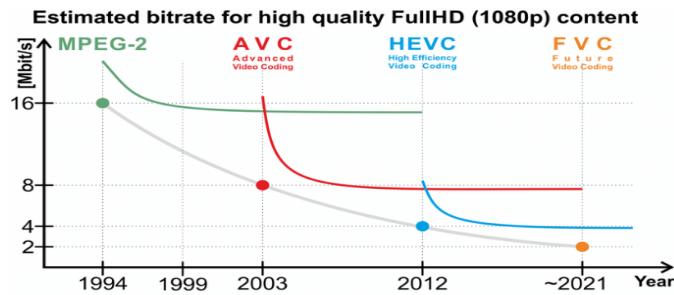


Image Source: Karwowski et al. (2017); 20 Years of Progress in Video Compression – from MPEG-1 to MPEG-H HEVC. 525. 3-15. 10.1007/978-3-319-47274-4_1

なぜ標準必須特許が重要なのか？

- 新たな改良された技術標準のイノベーションを促進

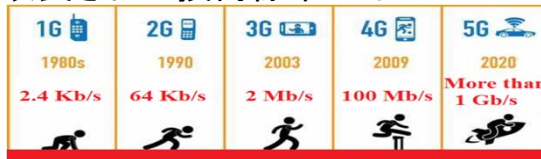


Image Source: <https://itinfozone.com/2g3g4g5g/>

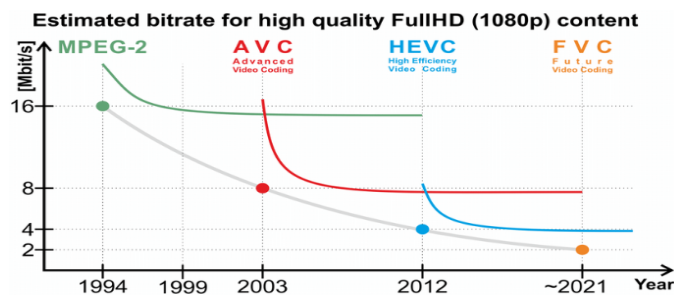
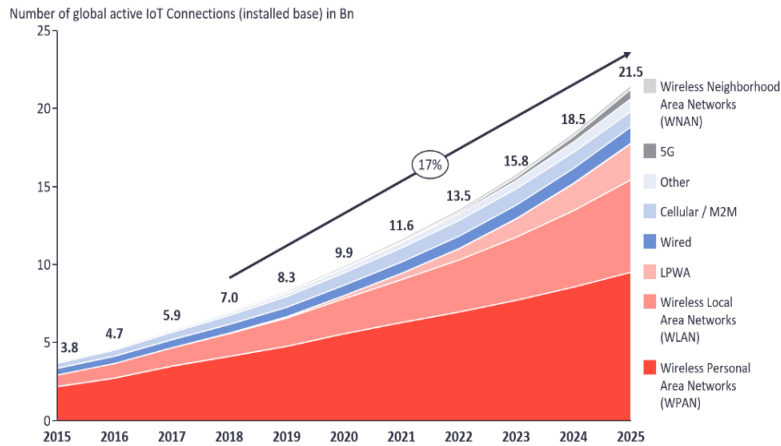


Image Source: Karwowski et al. (2017); 20 Years of Progress in Video Compression – from MPEG-1 to MPEG-H HEVC. 525. 3-15. 10.1007/978-3-319-47274-4_1

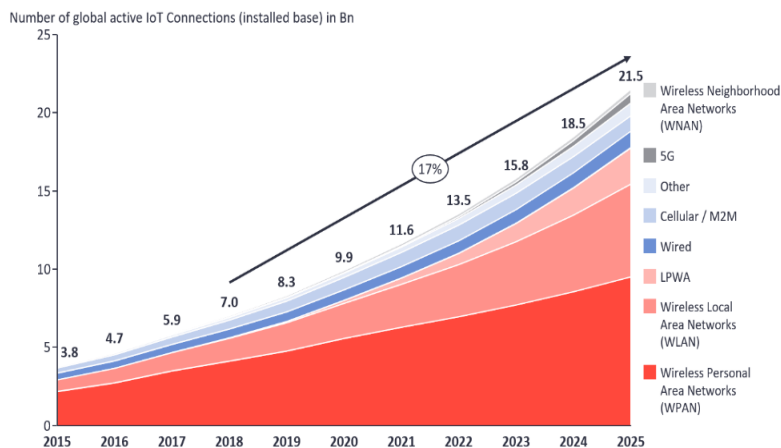
Why are SEPs Important?

- Promote interoperability



なぜ標準必須特許が重要なのか？

- 相互運用性を促進



Why are SEPs Important?

- Give great power to SEP Holders
 - Impossible to design around an SEP while still implementing standard
 - SEP Holders therefore have broad power to exclude others from practicing the standard
 - Large number of potential infringers and potentially infringing products, and clear path for proving infringement
 - Implementers using or seeking to use the standard may have to pay high royalty rates



なぜ標準必須特許が重要なのか？

- 標準必須特許の保有者に強大な力を与える
 - 技術標準を実施する以上、標準必須特許を回避する設計変更ができない
 - 標準必須特許の保有者は他者による技術標準の実施を排除する強大な力をもつ
 - 潜在的な侵害者・侵害品が数多く存在し、侵害を立証するのは簡単
 - 技術標準を使用している、または使用を求める実施者は、高額なロイヤルティを支払わなければならない場合がある



Why are SEPs Important?

- Some Statistics:
 - Estimated over 50,000 private-sector voluntary standards in the U.S. (source: ANSI, https://standardsportal.org/usa_en/standards_system.aspx)
 - As of 2004, nearly 600 standards organizations in U.S. according to U.S. Department of Commerce
 - More than 400 patent infringement cases involving SEPs per year (source: Lex Machina)
 - Most SEP cases brought by NPEs

なぜ標準必須特許が重要なのか？

- 統計
 - 米国には5万を超える民間の任意の技術標準(規格)が存在すると推定される(出典: 米国国家規格協会(ANSI) https://standardsportal.org/usa_en/standards_system.aspx)
 - 商務省によると、2004年当時、米国には600近くの標準化(規格)団体が存在していた
 - 標準必須特許に関わる特許侵害訴訟が年間400件超(出典: Lex Machina)
 - 標準必須特許に関わる訴訟のほとんどは不実施主体(NPE)が提起

Policy Considerations for SEPs

- Patent Hold-up
 - SEP Holder “holds up” its patent to create circumstance where it can extract a larger royalty fee
 - » Withhold patent until after widespread implementation of standard to thereby gain increased market power
 - » Implementer forced to submit to exorbitant royalty at threat of injunction and risk of not being able to utilize prior investment in implementing standard
 - To prevent Hold-up, some standard setting organizations (SSOs) require participants to:
 - » Disclose relevant SEPs during the standard’s development, and
 - » License any SEP on fair, reasonable, and non-discriminatory (**FRAND**) terms

標準必須特許の問題点

- ホールドアップ
 - 技術標準の保有者が、より高額なロイヤルティを引き出せる状況を作り出すこと
 - » 標準が広く実施され、市場支配力を獲得するまで特許を差し控える
 - » 実施者は差止のおそれや、標準を実施するための先行投資を役立てなくなるリスクがあるため、法外なロイヤルティを強いられる。
 - ホールドアップを防止するため、いくつかの標準化団体 (SSO) は以下の事項を参加者に要求している。
 - » 標準化策定過程で、関連する標準必須特許を開示すること
 - » 公平、合理的かつ非差別的 (**FRAND**) 条件で標準必須特許をライセンスすること

Policy Considerations for SEPs

ANNEX 6: ETSI Intellectual Property Rights Policy

4 Disclosure of IPRs

4.1 Subject to Clause 4.2 below, each MEMBER shall use its reasonable endeavours, in particular during the development of a STANDARD or TECHNICAL SPECIFICATION where it participates, to inform ETSI of ESSENTIAL IPRs in a timely fashion. In particular, a MEMBER submitting a technical proposal for a STANDARD or TECHNICAL SPECIFICATION shall, on a bona fide basis, draw the attention of ETSI to any of that MEMBER's IPR which might be ESSENTIAL if that proposal is adopted.

6 Availability of Licences

6.1 When an ESSENTIAL IPR relating to a particular STANDARD or TECHNICAL SPECIFICATION is brought to the attention of ETSI, the Director-General of ETSI shall immediately request the owner to give within three months an irrevocable undertaking in writing that it is prepared to grant irrevocable licences on fair, reasonable and non-discriminatory ("FRAND") terms and conditions under such IPR to at least the following extent:

- MANUFACTURE, including the right to make or have made customized components and sub-systems to the licensee's own design for use in MANUFACTURE;
- sell, lease, or otherwise dispose of EQUIPMENT so MANUFACTURED;
- repair, use, or operate EQUIPMENT; and
- use METHODS.

標準必須特許の問題点

ANNEX 6: ETSI Intellectual Property Rights Policy

4 Disclosure of IPRs

4.1 Subject to Clause 4.2 below, each MEMBER shall use its reasonable endeavours, in particular during the development of a STANDARD or TECHNICAL SPECIFICATION where it participates, to inform ETSI of ESSENTIAL IPRs in a timely fashion. In particular, a MEMBER submitting a technical proposal for a STANDARD or TECHNICAL SPECIFICATION shall, on a bona fide basis, draw the attention of ETSI to any of that MEMBER's IPR which might be ESSENTIAL if that proposal is adopted.

6 Availability of Licences

6.1 When an ESSENTIAL IPR relating to a particular STANDARD or TECHNICAL SPECIFICATION is brought to the attention of ETSI, the Director-General of ETSI shall immediately request the owner to give within three months an irrevocable undertaking in writing that it is prepared to grant irrevocable licences on fair, reasonable and non-discriminatory ("FRAND") terms and conditions under such IPR to at least the following extent:

- MANUFACTURE, including the right to make or have made customized components and sub-systems to the licensee's own design for use in MANUFACTURE;
- sell, lease, or otherwise dispose of EQUIPMENT so MANUFACTURED;
- repair, use, or operate EQUIPMENT; and
- use METHODS.

Policy Considerations for SEPs

- Patent Hold-out (Reverse Hold-up)
 - SEP Implementer “holds out” and refuses to pay royalty to SEP Holder
 - » If there is no threat of injunction from the SEP Holder, there is little reason for implementer to conclude negotiations
 - » Hold-out has become big problem because injunction grant rates in U.S. are extremely low
- Royalty Stacking
 - “Stacking” of multiple royalty obligations to multiple SEP Holders
 - » Obstructs widespread implementation of standard
 - » Drives up price of downstream product in the market
- Over-Declaring
 - Most SSOs do not evaluate essentiality of declared SEPs

標準必須特許の問題点

- ホールドアウト(リバース・ホールドアップ)
 - 標準必須特許の実施者が、標準必須特許の保有者へのロイヤルティの支払いを拒むこと
 - » 標準必須特許の保有者からの差止のおそれがない場合、実施者が交渉を妥結する理由はほとんどない
 - » 米国での差止認容率が非常に低いため、ホールドアウトは大きな問題となっている
- ロイヤルティ・スタッキング
 - 複数の標準必須特許保有者への複数のロイヤルティ支払いが積み重なること
 - » 広範囲での技術標準の実施の障害となる
 - » 市場での川下製品の価格が吊り上がる
- 過剰宣言
 - ほとんどの標準化団体(SSO)は、標準必須特許の必須性の評価を行わない

Royalty Rate Calculations

$$\begin{array}{|c|} \hline \text{Accused Product} \\ \text{(Royalty Base)} \\ \text{Sales} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Reasonable} \\ \text{Royalty Rate} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Reasonable} \\ \text{Royalty} \\ \text{Damages} \\ \hline \end{array}$$

- Royalty Base
 - Smallest Salable Patent Practicing Unit (SSPPU)
 - Entire Market Value (EMV) when patented feature is basis for customer demand of entire product
- Royalty Rate
 - “no single rate that is necessarily FRAND, and different rates offered to different licensees may well be FRAND” (*TCL v. Ericsson (C.D. Cal)*)
 - Two different approaches for determining FRAND rate:
 - » **Top-Down**: Patent Holder’s portion of value of all SEPs in standard
 - » **Bottom-Up**: Value of patented technology and comparable licenses

ロイヤルティの算定

$$\begin{array}{|c|} \hline \text{Accused Product} \\ \text{(Royalty Base)} \\ \text{Sales} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Reasonable} \\ \text{Royalty Rate} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Reasonable} \\ \text{Royalty} \\ \text{Damages} \\ \hline \end{array}$$

- ロイヤルティ算定基礎
 - 最小販売可能特許実施単位 (SSPPU)
 - 市場全体価値 (EMV) – 特許技術が製品全体の需要の基礎となっている場合のみ
- ロイヤルティ料率
 - 「常にFRANDといえる一つの料率が存在するのではなく、異なるライセンシーに対する異なる料率がFRANDとなりうる」(*TCL v. Ericsson 事件 (カリフォルニア州中部地区地裁)*)
 - FRAND料率設定の2つの異なるアプローチ
 - » トップダウン型: 技術標準における標準必須特許全体の貢献のうち、各保有者のシェア
 - » ボトムアップ型: 特許技術の貢献と比較可能なライセンス

Injunctive Relief

- U.S. District Courts: injunction not appropriate for FRAND-encumbered SEPs
- *Apple Inc. v. Motorola* (Fed.Cir. 2014):

“Applying those principles here, we agree with the district court that Motorola is not entitled to an injunction for infringement of the ‘898 patent. **Motorola’s FRAND commitments**, which have yielded many license agreements encompassing the ‘898 patent, **strongly suggest that money damages are adequate to fully compensate Motorola for any infringement.**”

- *HTC v. Ericsson* (E.D. Tex. 2019):

“To obtain an injunction, Ericsson must show: (1) success on the merits; (2) irreparable harm in the absence of an injunction; (3) that the balance of hardships tilts in its favor; and (4) that an injunction would not disserve the public interest... Ericsson has failed to satisfy element (2), which requires a showing of irreparable harm ‘for which no adequate remedy at law exists.’ **An injunction is not appropriate when damages are an available remedy...** Ericsson admits that ‘[t]he only way for Ericsson to obtain full relief is for the Court to order HTC to make royalty payments on the terms adjudicated as FRAND by the jury.’... **A party cannot manufacture the need for an injunction by purposefully choosing not to pursue a legally available remedy.**”

差止による救済

- 連邦地方裁判所の判断: FRAND宣言された標準必須特許による差止は適切でない
- *Apple Inc. v. Motorola* 事件 (CAFC、2014年):

“Applying those principles here, we agree with the district court that Motorola is not entitled to an injunction for infringement of the ‘898 patent. **Motorola’s FRAND commitments**, which have yielded many license agreements encompassing the ‘898 patent, **strongly suggest that money damages are adequate to fully compensate Motorola for any infringement.**”

- *HTC v. Ericsson* 事件 (テキサス州東部地区地裁、2019年):

“To obtain an injunction, Ericsson must show: (1) success on the merits; (2) irreparable harm in the absence of an injunction; (3) that the balance of hardships tilts in its favor; and (4) that an injunction would not disserve the public interest... Ericsson has failed to satisfy element (2), which requires a showing of irreparable harm ‘for which no adequate remedy at law exists.’ **An injunction is not appropriate when damages are an available remedy...** Ericsson admits that ‘[t]he only way for Ericsson to obtain full relief is for the Court to order HTC to make royalty payments on the terms adjudicated as FRAND by the jury.’... **A party cannot manufacture the need for an injunction by purposefully choosing not to pursue a legally available remedy.**”

Injunctive Relief

- What about the ITC?
 - Two wins for SEP holders at the ITC:
 1. Samsung/Apple (337-TA-794) (2013)
 - ITC issues a final determination granting a limited exclusion order prohibiting Apple from importing certain wireless communication devices
 - President Obama vetoed the order, so it never went into effect
 2. Netlist/SK Hynix (337-TA-1089) (2019)
 - Netlist accuses certain SK Hynix products of infringing Netlist's SEPs relating to memory standards
 - In October 2019, ITC issues an Initial Determination finding violation of Section 337 by SK Hynix
 - Final Determination is expected by **February 21, 2020**
- Question: Should an injunction be available as relief for infringement of SEP?

差止による救済

- 国際貿易委員会(ITC)の判断
 - 2つの事件で標準必須特許の保有者側が勝訴
 1. Samsung/Apple事件(337-TA-794)(2013年)
 - ITCは、Appleによる無線通信機器の輸入を禁止する限定排除命令を認める最終決定を下した
 - オバマ大統領が拒否権を発動したため、排除命令は実行されなかった
 2. Netlist/SK Hynix事件(337-TA-1089)(2019年)
 - NetlistはSK Hynix製品がメモリー規格に関するNetlistの標準必須特許を侵害していると申し立てた
 - 2019年10月、ITCは、SK Hynixによる第337条違反を認定する仮決定を下した
 - 最終決定は**2020年2月21日**の予定
- 問題: 標準必須特許の侵害の救済として差止を利用できるか?

U.S. Dept. of Justice and USPTO SEP Policy

- In January 2013, U.S. Dept. of Justice (DOJ) and USPTO issue joint policy statement on FRAND-encumbered SEPs (i.e., SEPs in which Patent Holder is bound by FRAND licensing commitment)
 - Views Patent Holdup as bigger problem than Patent Holdout
 - Recommends against injunctions based on infringement of FRAND-encumbered SEPs
 - Urges ITC to consider monetary damages, instead of exclusion order, as appropriate remedy for infringement of FRAND-encumbered SEPs

“[W]e believe that, depending on the facts of individual cases, the public interest may preclude the issuance of an exclusion order in cases where the infringer is acting within the scope of the patent holder’s F/RAND commitment and is able, and has not refused, to license on F/RAND terms.”

司法省と特許庁の政策声明

- 2013年1月、司法省と特許庁は、FRAND宣言された標準必須特許に関する政策声明を公表
 - ホールドアップはホールドアウトよりも大きな問題であるとの見解
 - FRAND宣言された標準必須特許の侵害に基づく差止を推奨しない
 - ITCに対し、FRAND宣言された標準必須特許の侵害の適切な救済として、排除命令ではなく金銭賠償の検討を促す

“[W]e believe that, depending on the facts of individual cases, the public interest may preclude the issuance of an exclusion order in cases where the infringer is acting within the scope of the patent holder’s F/RAND commitment and is able, and has not refused, to license on F/RAND terms.”

U.S. Dept. of Justice and USPTO SEP Policy

- On Dec. 7, 2018, Antitrust Division of DOJ announced it is withdrawing consent to 2013 statement
 - Balances Hold-up theory against Hold-out

“Any discussion regarding injunction relief should include the recognition that in addition to patent holders being able to engage in patent ‘hold up,’ **patent implementers are also able to engage in ‘hold out’** once the innovators have already sunk their investment into developing a valuable technology.”

- Inappropriate for DOJ and USPTO to discourage injunctive relief

“A FRAND commitment does not and should not create a compulsory licensing scheme... Since injunctions against infringement frequently *do* serve the public interest in maintaining a patent system that incentivizes and rewards successful inventors through the process of dynamic competition, **enforcement agencies without clear direction from Congress should not place a thumb on the scale against an injunction in the case of FRAND-encumbered patents.**”

司法省と特許庁の政策声明

- 2018年12月7日、司法省の反トラスト局は2013年の声明を撤回する意向を発表
 - ホールドアップとホールドアウトの問題のバランスをとる

“Any discussion regarding injunction relief should include the recognition that in addition to patent holders being able to engage in patent ‘hold up,’ **patent implementers are also able to engage in ‘hold out’** once the innovators have already sunk their investment into developing a valuable technology.”

- 司法省と特許庁が差止による救済を引きとめるのは不適切

“A FRAND commitment does not and should not create a compulsory licensing scheme... Since injunctions against infringement frequently *do* serve the public interest in maintaining a patent system that incentivizes and rewards successful inventors through the process of dynamic competition, **enforcement agencies without clear direction from Congress should not place a thumb on the scale against an injunction in the case of FRAND-encumbered patents.**”

U.S. Dept. of Justice and USPTO SEP Policy

- On Dec. 19, 2019, DOJ and USPTO withdraw 2013 policy statement
 - Concerned that 2013 statement created special set of rules applied for SEPs
 - Takes the position that unavailability of injunctions would harm innovation

“In the years since the 2013 policy statement issued, the USPTO, NIST, and the DOJ, along with other agencies and courts in the United States and internationally, have developed additional experience with disputes concerning standards-essential patents. In that time, the agencies have heard concerns that **the 2013 policy statement has been misinterpreted to suggest that a unique set of legal rules should be applied in disputes concerning patents subject to a F/RAND commitment that are essential to standards** (as distinct from patents that are not essential), and that injunctions and other exclusionary remedies should not be available in actions for infringement of standards-essential patents. Such an approach would be **detrimental to a carefully balanced patent system**, ultimately resulting in harm to innovation and dynamic competition. **Accordingly, the USPTO and the DOJ withdraw the 2013 policy statement...**”

司法省と特許庁の政策声明

- 2019年12月19日、司法省と特許庁は2013年の声明を撤回した
 - 2013年の声明が標準必須特許に適用される特別ルールを設定したとの懸念
 - 差止を利用できないことはイノベーションを害する

“In the years since the 2013 policy statement issued, the USPTO, NIST, and the DOJ, along with other agencies and courts in the United States and internationally, have developed additional experience with disputes concerning standards-essential patents. In that time, the agencies have heard concerns that **the 2013 policy statement has been misinterpreted to suggest that a unique set of legal rules should be applied in disputes concerning patents subject to a F/RAND commitment that are essential to standards** (as distinct from patents that are not essential), and that injunctions and other exclusionary remedies should not be available in actions for infringement of standards-essential patents. Such an approach would be **detrimental to a carefully balanced patent system**, ultimately resulting in harm to innovation and dynamic competition. **Accordingly, the USPTO and the DOJ withdraw the 2013 policy statement...**”

U.S. Dept. of Justice and USPTO SEP Policy

- ...and issue new statement
 - While FRAND commitment is relevant factor in determining remedy for infringement, need not bar any particular remedy (including injunction)

“All remedies available under national law, including injunction relief and adequate damages, should be available for infringement of standards-essential patents subject to a F/RAND commitment, if the facts of a given case warrant them.”

- Implications
 - While the statement “has no force or effect of law,” may make injunctions more available to SEP Holders
 - Will likely be cited by SEP Holders seeking equitable relief in litigation
 - U.S. Trade Representative commonly consults with DOJ, USPTO, etc., in deciding whether to veto ITC exclusion order

司法省と特許庁の政策声明

- ...そして、新たな声明を公表
 - FRAND宣言は侵害の救済判断における要因であるが、特定の救済（差止を含む）の障害になる必要はない

“All remedies available under national law, including injunction relief and adequate damages, should be available for infringement of standards-essential patents subject to a F/RAND commitment, if the facts of a given case warrant them.”

- 今後の予想
 - 声明は「法としての効力はない」が、標準必須特許の保有者にとって差止を利用しやすくなる
 - 訴訟でエクイティ上の救済を求める標準必須特許の保有者によって引用されやすい
 - 通商代表部は、ITCの排除命令への拒否権の発動を決定する際に、司法省や特許庁等と協議する

TCL v. Ericsson (Dec. 5, 2019)

- TCL seeks to license Ericsson's FRAND-encumbered SEPs covering 2G, 3G, and 4G cellular technologies
- Questions for District Court:
 - 1) Whether Ericsson met its FRAND obligations in negotiating license?
 - 2) Whether Ericsson's pre-suit licensing offers (Option A and Option B) were FRAND?
 - Option A: lump-sum payment of \$30 million for its first \$3 billion in sales with percentage running royalties between 0.8% and 2%
 - Option B: running royalties between .8% and 1.5%, but with a \$2.00 floor and a \$4.50 cap
 - Both options included a "release payment" for TCL's past sales.
 - 3) If no for (2), what is FRAND royalty rate?

TCL v. Ericsson事件 (2019年12月5日)

- TCLは、携帯電話の技術(2G、3G、4G)を対象としたEricssonのFRAND宣言された標準必須特許のライセンスを求めた
- 地裁での争点
 - 1) Ericssonは、ライセンス交渉の際にFRAND義務を果たしたか?
 - 2) 訴訟前のEricssonのライセンス提案(オプションAとオプションB)はFRANDか?
 - オプションA: 最初の3億ドルの売上につき30百万ドルの一括払いと、0.8%から2%のランニングロイヤルティ
 - オプションB: 0.8%から1.5%のランニングロイヤルティ、ただし下限\$2.00、上限\$4.50
 - 両オプションはTCLの過去の売上に対する「免除料(release payment)」が含まれる。
 - 3) 2)がFRANDでない場合、FRANDロイヤルティ料率は?

TCL v. Ericsson (Dec. 5, 2019)

- District Court (Judge Selna) rulings:
 - 1) Whether Ericsson met its FRAND obligations in negotiating license
 - **Yes:** Ericsson negotiated in good faith
 - 2) Whether Ericsson's pre-suit licensing offers (A and B) were FRAND
 - **No:** Ericsson's Offer A and Offer B not FRAND rates
 - 3) If no for (2), what are FRAND terms

Bottom-Up v. Top-Down

- **Ericsson:** **Bottom-up** approach based on existing licenses and based on (*ex ante* or "ex-Standard") absolute value that Ericsson's patents add to product
- **TCL:** **Top-down** approach based on Ericsson's portion of aggregate value of all patents in standard

FRAND royalty rate

= (maximum aggregate royalty rate)
× (Ericsson's proportional share)
× (adjustment factors)

TCL v. Ericsson事件 (2019年12月5日)

- 地裁 (Selna 判事) の判決
 - 1) Ericssonは、ライセンス交渉の際にFRAND義務を果たしたか?
 - **Yes:** Ericssonは誠実に交渉した
 - 2) 訴訟前のEricssonのライセンス提案 (AとB) はFRANDか
 - **No:** Ericssonの提案AとBはFRAND料率ではない
 - 3) 2)がFRANDでない場合、FRAND料率は?

ボトムアップか、ボトムダウンか

- **Ericsson:** 既存のライセンスと、Ericssonの特許が製品に与える (標準策定前の) 絶対的価値とに基づいた**ボトムアップ** (*ex ante*) アプローチ
- **TCL:** 技術標準における特許全体の価値のうち、Ericssonのシェアに基づいた**トップダウン**アプローチ

FRAND royalty rate

= (maximum aggregate royalty rate)
× (Ericsson's proportional share)
× (adjustment factors)

TCL v. Ericsson (Dec. 5, 2019)

- District Court (Judge Selna) rulings:
 - Bottom-up (*ex ante*) approach too unreliable to measure value of Ericsson's patented technology
 - Top-down approach with bottom down as check, to calculate royalty rate for TCL's future use of Ericsson's SEPs
 - Release payment for TCL's past unlicensed sales, determined based on calculated royalty rate for future use

"The Court will therefore treat released sales and release payments the same as projected sales and prospective payments and calculate a single rate over the course of the combined license and release period... In order to determine the amount that TCL owes Ericsson for its past unlicensed sales, the Court must determine the appropriate revenue figures, discount them, and then apply the final rates calculated above."

TCL v. Ericsson事件(2019年12月5日)

- 地裁(Selna 判事)の判決
 - ボトムアップ(*ex ante*)アプローチはEricssonの特許技術の価値の測定にはあまりにも不確か
 - TCLによるEricssonの標準技術特許の将来の使用に対するロイヤルティ料率を算定するために、トップダウンアプローチとチェックとしてのボトムダウンアプローチ。
 - TCLの過去のライセンスを受けていない売上に対する免除料は将来の使用の算定ロイヤルティ料率に基づいて判断

"The Court will therefore treat released sales and release payments the same as projected sales and prospective payments and calculate a single rate over the course of the combined license and release period... In order to determine the amount that TCL owes Ericsson for its past unlicensed sales, the Court must determine the appropriate revenue figures, discount them, and then apply the final rates calculated above."

TCL v. Ericsson (Dec. 5, 2019)

- District Court (Judge Selna) also ruled:
 - Ericsson not entitled to jury trial
 - Ericsson's patent infringement claims and TCL's counterclaims of invalidity and non-infringement as moot in light of the relief granted in the release payment, because any damages amount from those infringement claims were already subsumed in the release payment determination.

TCL v. Ericsson事件 (2019年12月5日)

- 地裁 (Selna 判事) の判決
 - Ericssonは陪審審理を受ける権利がない
 - Ericssonの特許侵害主張とTCLの無効・非侵害主張については、侵害主張による賠償額が既に免除料の判断の中に包摂されており、免除料に救済が認められていることから、争訟性に欠ける

TCL v. Ericsson (Dec. 5, 2019)

- Four District Court determinations on appeal to Federal Circuit:
 1. Court's determination "that Ericsson's proposed terms to TCL were not FRAND."
 2. Court "set[ting] a prospective FRAND royalty rate for TCL's future use of Ericsson's SEPs, relying on a combination of methodologies, including its own modified version of TCL's proposed top-down approach and comparable licenses."
 3. Court "set[ting] a "release payment for TCL's past unlicensed sales" by "adjusting its calculated prospective FRAND royalty rate."
 4. Court's "dismissal of Ericsson's patent infringement claims and TCL's related counterclaims of invalidity and non-infringement as moot in light of the relief granted in the release payment, because any damages amount from those infringement claims were already subsumed in the release payment determination."

TCL v. Ericsson事件(2019年12月5日)

- 連邦巡回控訴裁判所(CAFC)で審理された4つの地裁判決
 1. 「EricssonがTCLに提案した条件はFRANDでない」
 2. 「TCLによるEricssonの標準必須特許の将来の使用に対する予定FRANDロイヤルティ料率を設定する際、TCLが提案したトップダウンアプローチを独自に修正したものと比較可能なライセンスとを含んだ方法論の組合せに依拠」
 3. 「算定された予定FRANDロイヤルティ料率の調整」により「TCLの過去のライセンスを受けていない売上に対する免除料を設定」
 4. 「Ericssonの特許侵害主張とTCLの無効・非侵害主張については、侵害主張による賠償額が既に免除料の判断の中に包摂されており、免除料に救済が認められていることから、争訟性に欠け却下」

TCL v. Ericsson (Dec. 5, 2019)

- Ericsson argues that all four determinations are erroneous because:
 1. They should have been determined – at least in part – by a jury
 2. They were based on various mistakes in the Court’s FRAND analysis
- Federal Circuit Holding
 1. Jury trial required and requires vacating all four determinations
 2. Therefore, Fed. Cir. does not reach question of whether FRAND calculation erroneous

TCL v. Ericsson事件 (2019年12月5日)

- Ericssonは以下の理由により4つの地裁判決は全て誤りであると主張した
 1. 少なくとも一部は、陪審により判断されるべき
 2. 地裁判決は、誤ったFRAND分析に基づいている
- CAFCの判示
 1. 陪審審理が要求される。4つの地裁判決全てを破棄。
 2. よって、CAFCはFRAND算定の誤りに関する争点は判断しない

TCL v. Ericsson (Dec. 5, 2019)

- Federal Circuit decision (Judge Chen, joined by Judges Newman and Hughes):
 - Release payment was relief for TCL's past infringement of Ericsson's SEPs, which required a jury trial

"Because we conclude that the release payment is in substance compensatory relief for TCL's past wrongs (i.e., practicing Ericsson's patented technologies without a license), we hold that the district court deprived Ericsson of its constitutional right to a jury trial on that legal relief by requiring that Ericsson adjudicate that relief in a bench trial."

TCL v. Ericsson事件(2019年12月5日)

- CAFC(Chen判事)の判決(Newman判事とHughes判事が賛同)
 - 免除料は、TCLによるEricssonの標準必須特許の過去の侵害に対する救済であり、陪審審理を要する。

"Because we conclude that the release payment is in substance compensatory relief for TCL's past wrongs (i.e., practicing Ericsson's patented technologies without a license), we hold that the district court deprived Ericsson of its constitutional right to a jury trial on that legal relief by requiring that Ericsson adjudicate that relief in a bench trial."

TCL v. Ericsson (Dec. 5, 2019)

- Federal Circuit decision (Judge Chen, joined by Judges Newman and Hughes):
 - Jury trial requirement results in overturning all four of the District Court's determinations on appeal:
 1. Ericsson's proposed terms (Options A and B) include release payment
 2. Court's prospective FRAND rate based on "common issues to the improperly decided release payment"
 3. Release payment must be decided by jury
 4. Because release payment will be redecided by jury, infringement claims and non-infringement/invalidity counterclaims no longer moot

TCL v. Ericsson事件(2019年12月5日)

- CAFC (Chen判事)の判決(Newman判事とHughes判事が賛同)
 - 陪審審理が要求され、4つの地裁判決全てが覆された
 1. Ericssonが提案した条件(オプションAとオプションB)は免除料を含んでいる
 2. 予定FRAND料率は「不適切に設定された免除料と共通の問題」に基づいている
 3. 免除料は陪審により判断されなければならない
 4. 免除料は陪審により再審理されるため、侵害主張と非侵害・無効主張は争訟性を欠くものではない



Fadi N. Kiblawi
Partner | Tokyo

T: +81.3.5220.0200
fkiblawi@sughrue.com

Fadi Kiblawi is a partner in the Tokyo office of Sughrue Mion, PLLC. Prior to moving to Tokyo, Fadi was a partner in Sughrue's Washington D.C. office, where he practiced for nearly a decade. Fadi has a wide range of experience as a member of the firm's litigation, Patent Trial and Appeal Board (PTAB), and prosecution practice groups. Fadi has litigated cases in federal district courts across the U.S., successfully representing Japanese companies in the most popular patent venues from California to Texas to Delaware. He has also been counsel on over 40 *inter partes* reviews before the PTAB, on behalf of both petitioners and patent owners. Fadi began his career prosecuting patent applications from among the world's largest technology companies, and continues to handle a significant prosecution docket including standard essential patents (SEPs) and targeted applications in the electrical and mechanical arts.

Fadi earned his J.D. from George Washington University Law School, and his B.S. in Computer Science from the University of Michigan. His patent practice includes litigation, prosecution, PTAB proceedings, legal opinions, due diligence reviews, and licensing negotiations.



ファディ・N・キブラウィ
パートナー弁護士 | 東京オフィス

T: +81.3.5220.0200
fkiblawi@sughrue.com

シュグルー・マイアン・東京オフィスのパートナー弁護士。東京オフィス赴任前は、ワシントンDCオフィスに約10年間勤務し、パートナー弁護士を務めた。事務所内の訴訟、審判(PTAB)、出願の各グループに属し、幅広い経験をもつ。数々の連邦地裁での訴訟経験があり、特に特許訴訟件数の多い裁判地として有名なカリフォルニア州、テキサス州、デラウェア州での訴訟において日本企業を代理し、有利な結果を勝ち取っている。また、これまで40件を超える当事者系レビュー(IPR)にも関与し、申立人・特許権者のいずれの側の代理経験も有する。世界有数のテクノロジー企業の特許出願業務を皮切りに、より高度の技術・基準が要求される電気・機械分野の重要特許案件を取り扱ってきた経歴をもつ。

ジョージ・ワシントン大学ロースクールのジュリス・ドクター、ミシガン大学のコンピュータ・サイエンスの学士号を取得し、訴訟、出願、審判、鑑定、デューディリジェンス、ライセンス交渉などの実務経験を有する。

