
**The Intellectual Property Issue in the
Standardization Process
---A Case Study from China's Experience**

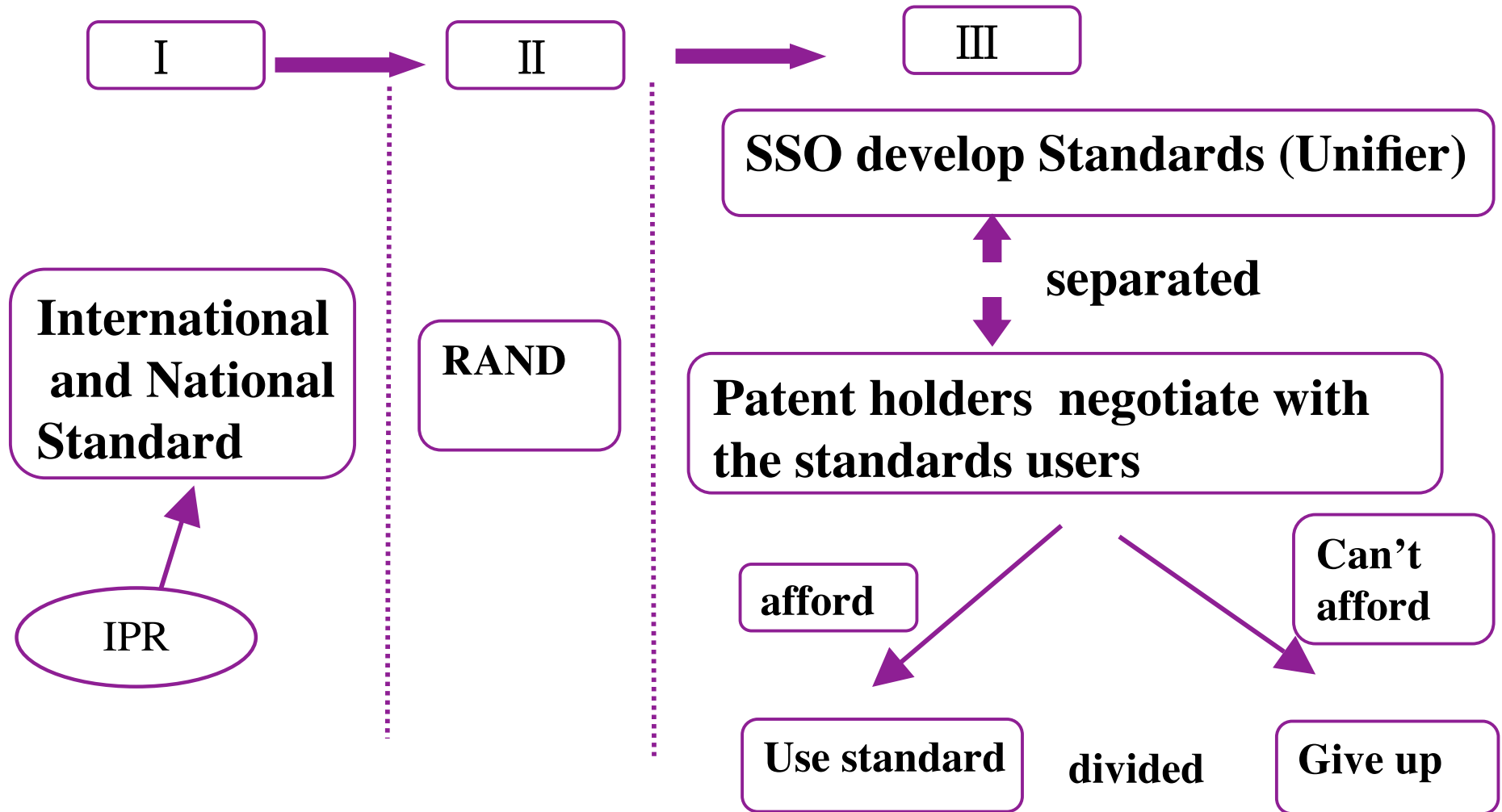
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Phenomenon



Question



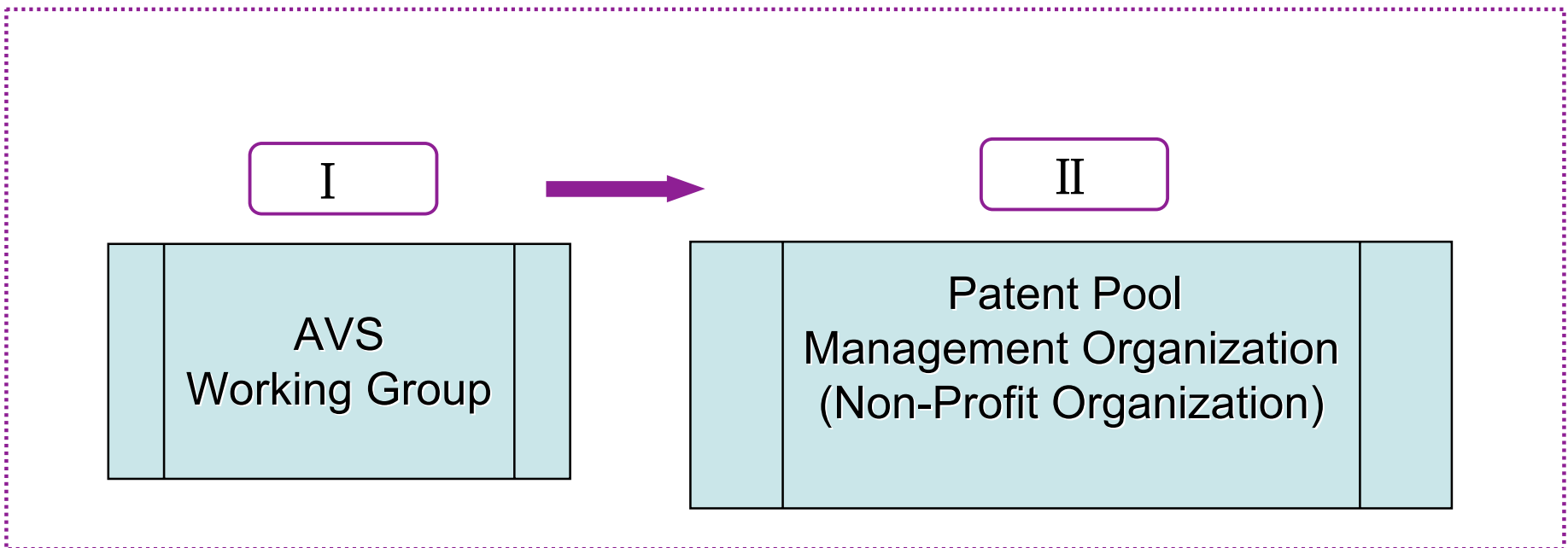
Whether can we find a new model to prevent such division trend and bring the Standards to their original unifier role ?

AVS Standard and Its IP Management Model

AVS (Audio Video Coding Standard Working Group of China)

- Basic Purpose:

1. Attract advanced technology
2. Handle the license of patents in standards



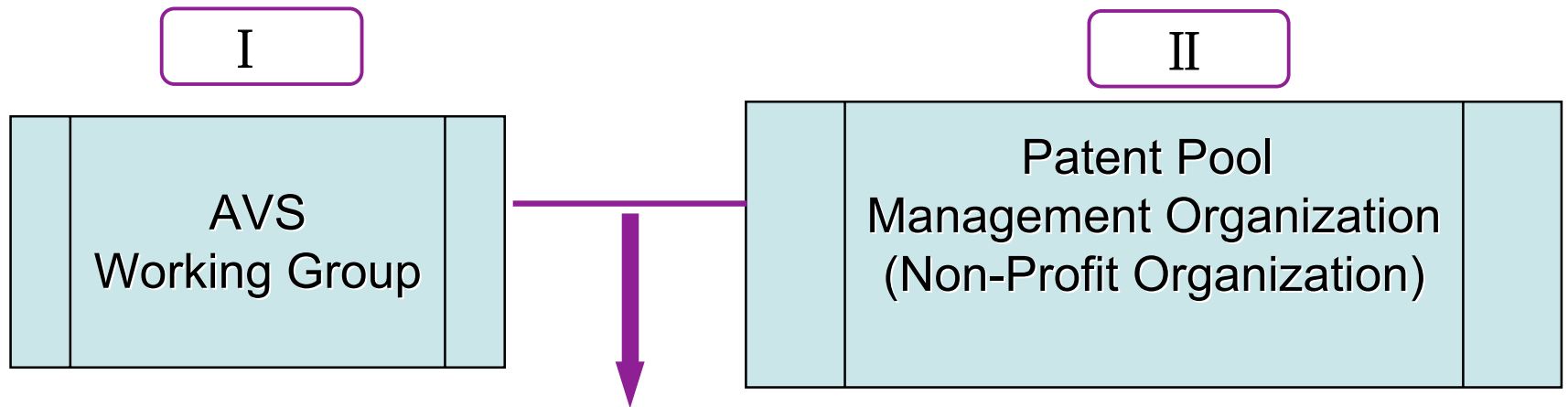
AVS Working Group

I

AVS
Working Group

1. In charge of the setting of the standards;
2. Get the licensing potential from members;
 - (1) Royalty-free
 - (2) Patent pool (New choice)
 - (3) Rand
3. Prefer the Royalty-free , patent pool

AVS Standard and Its IP Management Model



AVS WG Constitution statement about patent pool

- “ The Working Group will set up advisory Guidelines concerning administration of the AVS Patent Pool and patent licenses thereof in accordance with the following principles:
 - (1) reasonable and non-discriminatory,
 - (2) with a simple and practicable licensing structure, and
 - (3) under a competitive license fee. “

AVS Patent Pool Management Organization

II

**Patent Pool
Management Organization
(Non-Profit Organization)**



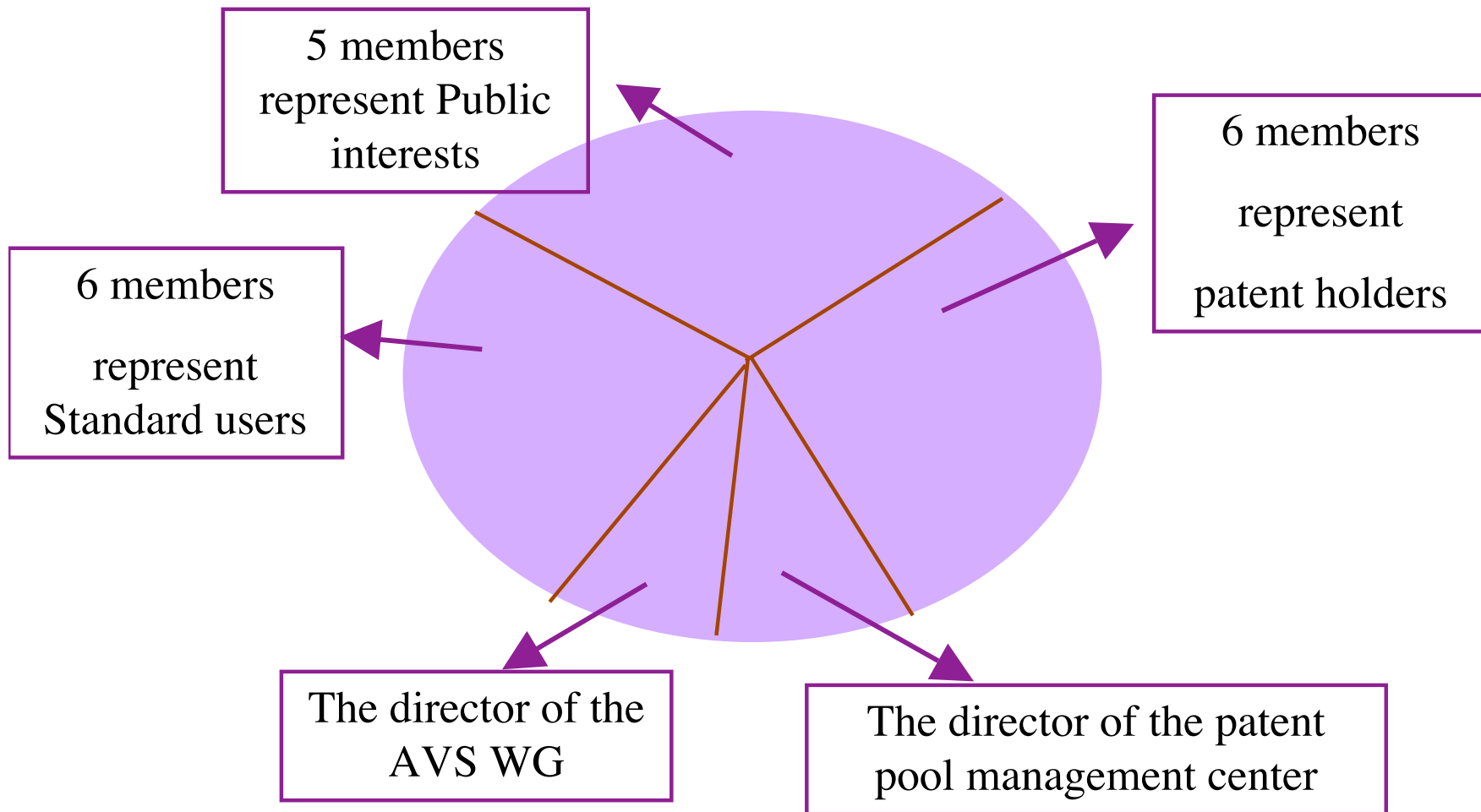
**1.AVS patent pool
management committee**



**2.AVS patent pool
management center**

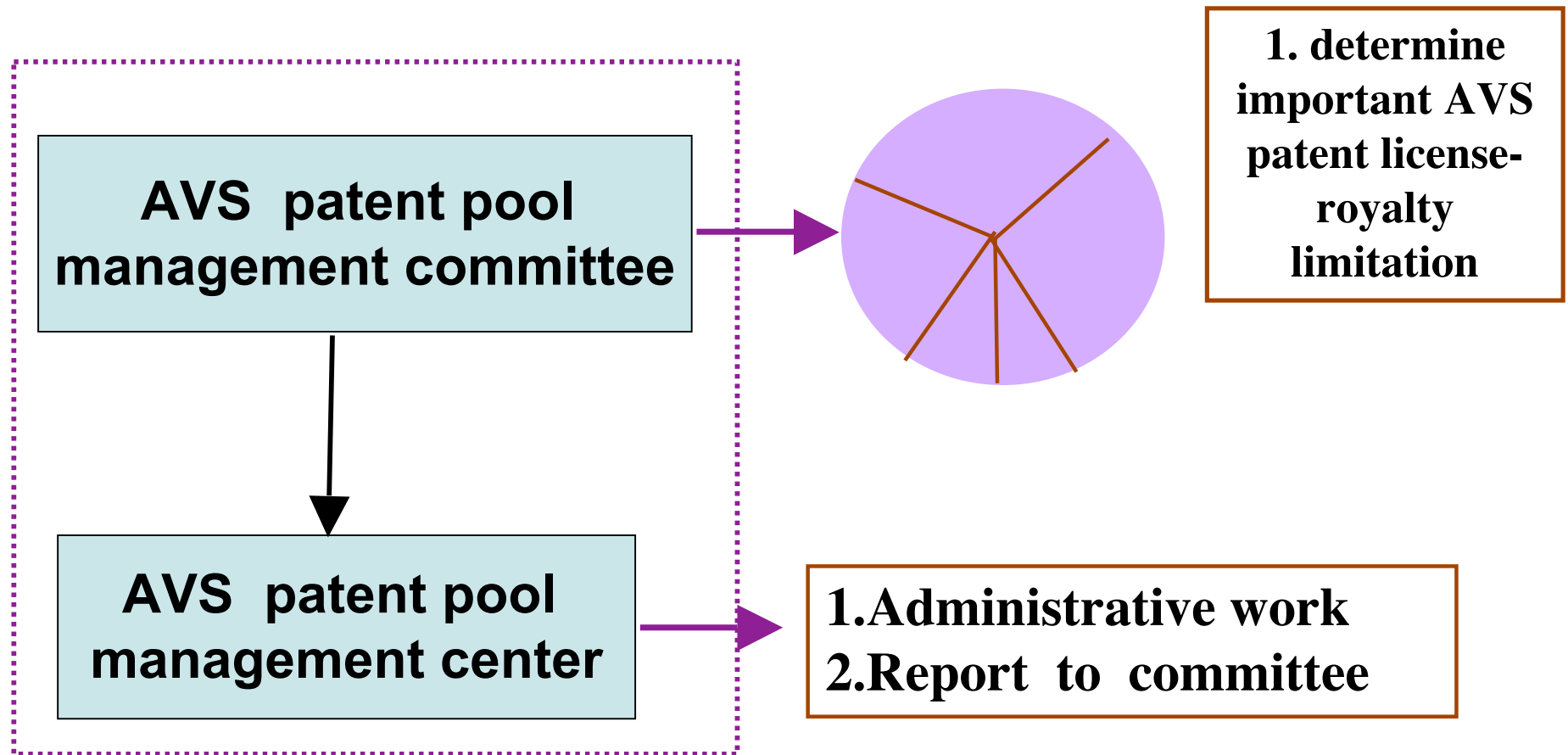
1. AVS Patent Pool Management committee

Main function: determine important AVS patent license

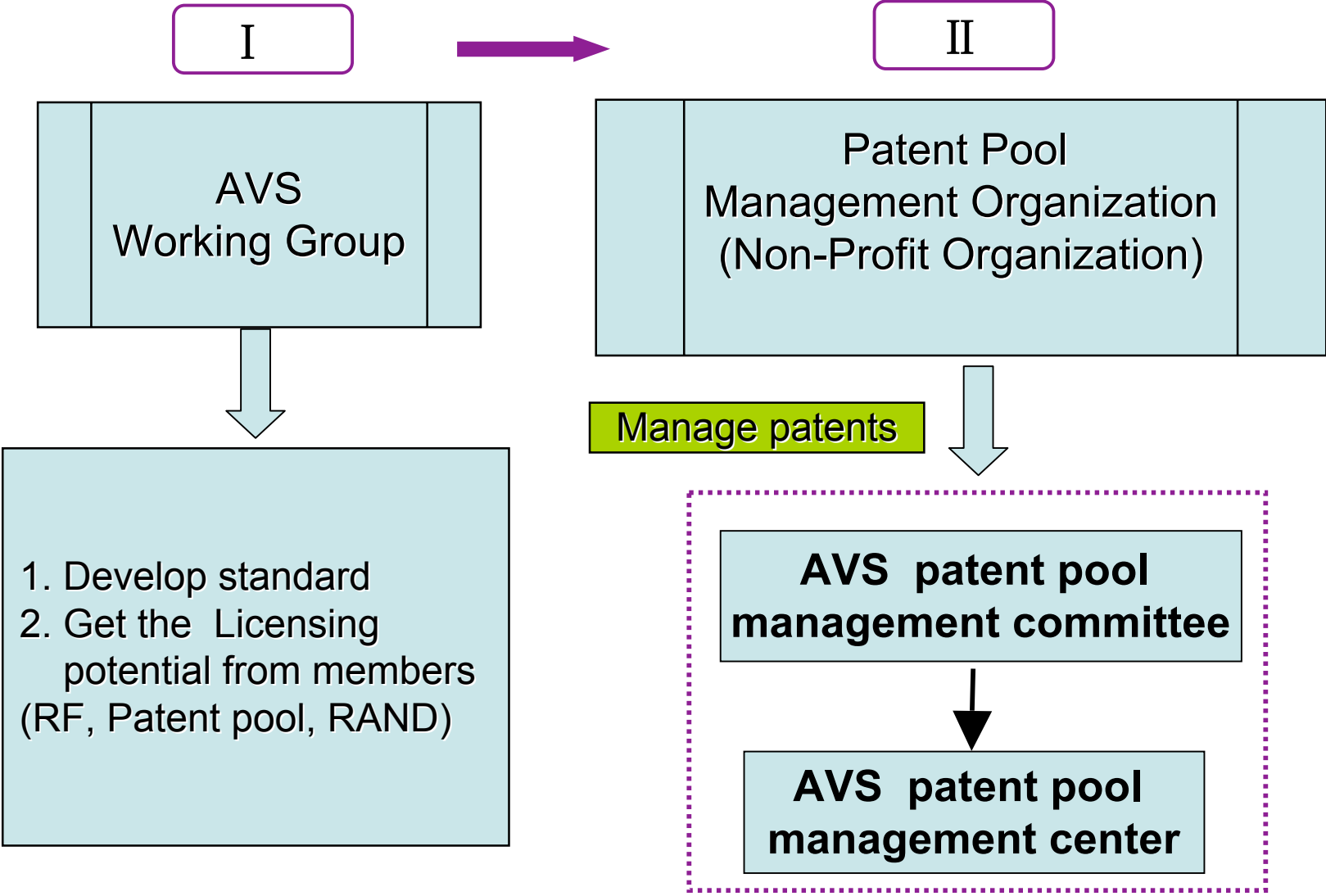


AVS Patent Pool Management Organization

(Non-Profit Organization)



Review



Case Analysis

At the stage of developing a standard, SSO should....

1. Get the mode of patent license in the first place:
RF, Patent pool, Rand
2. Give a priority consideration about patented technologies in Patent pool or RF mode, when SSO decides which patented technologies will be introduced to standard.
3. Balance “the technique contributions and patent license mode”, when developing a standard.

Case Analysis

Patent pool management organization

1. it should be NPO, coordinate and balance the conflicting interests, rather than for profit purpose.
2. it will bring patent holders, public interests representatives and standard users together in negotiating a patent license solution. the users can actually be able to join the license fees negotiation.
3. Just as the standard setting is a consensus among different interests, the patent license issue in standard shall be a result of consensus among patent holders, public interests and standard users .

Conclusion

Change the game rule to handle IPR in national standards

1. Assure the fundamental goals of national standards
 - (1) serve the public interests;
 - (2) serve the industry development as unifier

Invite your comments and questions

1. How should the committee determine the licensing terms? If the IPR holders in the patent pool do not agree with the public interests or standard users? What is the result?