

USITC Commissioner Series: The Court's FRAND Dance May Soon Reach its Finale

A photograph of a modern building with a curved facade and large glass windows, set against a light blue sky. The building's lines curve from the bottom right towards the top left of the frame.

3 MIN READ

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This is part five of our **USITC Commissioner Series**.

Read part one [here](#), part two [here](#), part three [here](#) and part four [here](#).

In prior posts for this series, we have discussed areas of law where Commissioners have voiced their dissent and demonstrated a clear divide among the decision-makers. But when it comes to Standard Essential Patents (SEPs), the Commission has done quite the opposite. They have said almost nothing. Parties have been adjudicating SEP disputes regularly for over a decade in the ITC. Over those years, many Administrative Law Judges have voiced their views on FRAND, but almost astonishingly the Commission has seldom issued any substantive opinions.

It has been more than ten years since the Obama administration famously reversed an exclusion order covering Apple's iPhones based on concerns over SEPs in 337-TA-794. For support, the administration highlighted a 2013 policy from the U.S. Patent and Trademark Office and the U.S. Department of Justice stating that issuing exclusion orders for FRAND-encumbered patents may be contrary to the public interest. Also, before that reversal, Commissioner Pinkert shared that sentiment and issued a lone dissent arguing that "the relief in question is not consistent with the public interest and should not issue."

In the following decade, whether a SEP-holder should be able to obtain injunctive relief for infringement has been hotly debated. Yet, despite that the USITC is a forum that *only* issues injunctions, the Commission has largely declined to take positions on the issue. In *Certain 3G Mobile Handsets and Components Thereof* (337-TA-613), ALJ Essex issued an Initial Determination demonstrating skepticism over whether FRAND defenses should be a bar to an injunction. The Commission issued no opinion on this matter, instead resolving the dispute through a finding of non-infringement. Then again, in *Certain Memory Modules and Components Thereof* (337-TA-1089), the Commission too issued an opinion of no violation based on non-infringement, again taking no position on former CALJ Bullock's views that certain FRAND defenses were unenforceable. Similarly, in *Certain UMTS And LTE Cellular Communication Modules* (337-TA-1240), in a rare instance where ALJ Shaw actually supported a FRAND defense based on late disclosure to the standard-setting organization, the Commission again took no position, once again relying on non-infringement to resolve the dispute.

As a result, Commission precedent on FRAND remains wide open, but opportunities to shape that precedent may be around the corner. For instance, two key complaints were issued in the last six months that appear poised to involve FRAND defenses. In *Certain Electronic Computing Devices, And Components And Modules Thereof* (337-TA-1387), Ericsson alleges that Lenovo has infringed patents that may be “essential to practice HEVC/H.265 standard,” further acknowledging its FRAND commitment for such patents. Similarly, in *Certain Video Capable Electronic Devices* (337-TA-1379/1380), Nokia's complaint against HP and Amazon acknowledges that it is similarly “prepared to grant licenses to any patent claims essential to the H.265 and H.265 Standards” on FRAND terms and conditions.

What happens next is anyone's guess. But for now, Dean Pinkert is a *former* Commissioner and the 2013 policy from the USPTO and DOJ has been withdrawn. The stage is set for the Commission to tell us when (if ever) public interest would prohibit issuance of a remedial order for infringement of a SEP.



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