

# Standards and Intellectual Property Issues

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*Alternatives to RAND Licensing*

# Issues with RAND Licensing

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- What happens if RAND licensing cannot be obtained?
- One Alternative - specify the component without the patented feature

# VITA 34 Connector Status

- VITA 34 selected Tyco/ERNI Zd Connector
- Tyco/ERNI provide RAND licensing letter
- Teradyne asserts IP on Zd Connector and rejects request to provide RAND terms
- VITA 34 rescinds Zd Connector choice
- Tyco/ERNI can produce Zd connector because of previous licensing agreement with Teradyne

# Alternative Solutions

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- Develop generic connector specification in an appendix.
  - State Form, Fit, Function Requirements
  - No. of pins, pcb hole pattern, electricals
- Specification can be as detailed as needed
- Leave out reference to any patented features

## Alternatives (cont)

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- Direct user base to compatible connectors in a footnote. (e.g., xyz part no., abc part no., or any other connector equivalent with the specifications outlined in Appendix A)
- Provide a general disclaimer to the effect that “by publication of this standard, the SDO takes no position regarding any patents that may be required to manufacturer any components specified in this standard and required for compliance implementation.

# The Key

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- For this approach to work the standard must not require any of the patented features in the connector.
- If the standard requires a patented feature then RAND licensing must be obtained.

# Patent Opinion

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- Depending on the nature of the patent and the specification, the SDO may want to obtain a patent opinion from legal counsel to insure that the specification doesn't describe patented features.

# Advantages

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- While RAND licensing from all involved parties is still preferred, this method does provide a means to handle situations such as have occurred in VITA 34 and ATCA.

# Disadvantages

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- Connector manufacturers may be reluctant to tool a connector where the IP issues are in doubt.
- Wide spread implementation of the standard may be thwarted because limited sources lead to higher cost parts.

# Multiple Sources?

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- If the standard developers are satisfied with only one or two manufacturers, then this approach can meet that goal.
- If the standard developers want to insure an open market to encourage multiple sources, then obtaining RAND licensing is a better approach.