



## **VIDEO SERVICES FORUM IPR POLICY**

### **FREQUENTLY ASKED QUESTIONS**

**June 1, 2021**

**NOTE: THIS FAQ IS PROVIDED TO ASSIST YOU IN UNDERSTANDING THE VSF IPR POLICY. NONE OF THE CONTENTS OF THIS FAQ ARE TO BE CONSTRUED AS BEING PART OF THE VSF IPR POLICY. THE AUTHORITATIVE TEXT IS CONTAINED IN THE VSF IPR POLICY ITSELF.**

Q: Why does the VSF have an IPR Policy?

A: The VSF has an IPR Policy to inform our members and the industry of our position regarding contributed intellectual property, copyrights and trademarks.

The VSF and its members wish to ensure that when someone implements a VSF Recommendation, it does not unknowingly infringe upon copyright or patent rights of any member or, to the extent possible, any non-member. For that reason, the IPR policy requires that member and any non-member participants in VSF activity Groups ("Participants") disclose relevant elements of their intellectual property. The circumstances under which disclosure is required are discussed in this FAQ. All formal standards bodies and trade associations have IPR policies for these reasons, although the exact terms of a given organization's IPR Policy will vary somewhat depending upon the conventions of the industry it serves, the composition of its membership, the technologies involved, and other factors.

Regarding copyright, the VSF is an organization that develops and maintains Recommendations and other deliverables. By definition, this means that the VSF needs to have the legal right to distribute these materials without violating the copyrights of its Participants. So when you make a submission of material intending that it be considered for inclusion (a "Submission") in a Recommendation or other VSF deliverable ("Other Work Product"), you retain your copyright, but you grant the VSF the right to use your work, and to copyright the resulting VSF Recommendation or Other Work Product that includes your Submission.

Q: What about non-Participants?

A: In some cases, it is possible that a Recommendation developed by an Activity Group might, if used as intended, result in the unavoidable infringement of a patent claim owned by a non-Participant. That could be a non-member or a member. This possibility exists with any Recommendation-setting body and the VSF IPR Policy, like the policies of other organizations, includes provisions addressing this contingency.

Q: Are the VSF's concerns different from other standards and Recommendations organizations?

A: No. The VSF's IPR Policy addresses common concerns of organizations that create Recommendations, standards and specifications.

Q: To whom does the VSF IPR Policy apply?

A: It applies to every VSF member, and to every individual that represents a member in connection with the VSF technical process when they are serving in that role. When we use the word "you" below, we are referring to all of these individuals and entities. The IPR Policy also applies to non-member guests attending Activity Group meetings as if they were members, as well as non-members who receive copies of VSF Draft Recommendations, but only if those non-members comment on the draft.

Q: The policy refers to RAND and RAND-Z in a number of places. What do these terms mean?

A: RAND-Z means Reasonable and Non-Discriminatory terms in a license agreement with Zero cost. RAND means the same, except that the owner of the IPR in question can charge a reasonable and non-discriminatory fee. See the Definitions section of the IPR Policy for the precise legal definitions. Except as to cost, the rules and other license terms are the same for both the modes of VSF Activity Groups.

Q: How are these terms applied to Activity Groups?

A: The IPR Policy requires that each Activity Group charter specifically state, at the outset, whether the licensing mode of the group is "RAND" or "RAND-Z". This affects the financial options available to Participants in the group.

RAND Activity Groups allow both RAND and RAND-Z declarations, where an owner may agree to license technology on RAND terms either with or without charge. RAND-Z Activity Groups require licensing free of charge. (It is worth noting that the VSF Board strongly prefers to adopt Recommendations that can be implemented without cost. As of the date of the latest revision of this FAQ, the VSF has never had a RAND Activity Group.)

Q: Can I look at Activity Group documents without becoming a Participant?

A: The IPR Policy contains a “free look” period of sixty days from the date of a Member enrolls in an Activity Group. Members may attend meetings and look over any Activity Group documents within that period without becoming a Participant. However, once the initial sixty-day period is over, all members who remain in the Activity Group will become Participants and the obligations of a Participant will apply. In addition, a member that makes a Submission during the “free look” period cannot withdraw that Submission, and will be bound by its licensing obligations under the IPR Policy with respect to that Submission, to the extent that it is incorporated into the final Recommendation in whole or in part. If you join an Activity Group later than sixty days after the launch date, you become a Participant immediately; the “free look” period does not apply.

Q: You keep referring to Participating in an Activity Group and a Participant. This seems like an important concept. Who, exactly, is a Participant? What is meant by Participating?

A: You are Participating if a) either as a Member, or a non-Member, you enroll in an Activity Group and do not withdraw within sixty days of enrolling in that group, or b) if you are a non-member attending an Activity Group, and (c) regardless of whether you are a member or non-member, if you submit comments on a Draft Recommendation prior to its becoming a VSF Recommendation.

Let’s look at each of these cases. If you remain in an Activity Group after the “free look” period you are a Participant. If you attend an Activity Group meeting, even if you are a non-member, then you are a Participant.

Finally, if a member or non-member submits a comment on a Draft Recommendation as part of an IPR Review, then they are Participating by virtue of their comment.

We believe that if you can influence the content of an Draft Recommendation, then you should be subject to the obligations of a Participant. Without this general philosophy, any non-Activity Group member could submit an addition to a Draft Recommendation containing their IPR, wait until significant implementations exist, and then begin sending Cease and Desist letters demanding payment if their IPR would be infringed by the implementations. Furthermore, the terms of any licenses granted, and any settlements, could be on a discriminatory or excessively expensive basis.

If you have no interest in the activities of a particular VSF Activity Group and you are not in a position to have influenced the content of the Draft Recommendation, then you should not be subject to any default licensing or other obligations related to any Recommendation developed by that Activity Group.

Q: I am concerned about getting involved in an Activity Group and then being forced to give away my IPR. How do I know, at the beginning of an Activity Group, whether I am willing to license any Necessary Claims I have under the IPR terms of that group?

A: Every Activity Group has an Approved Activity Group Proposal, which provides a detailed description of the scope and nature of the deliverable(s) that the Activity Group has been chartered to develop. Any member should be able to use this document as a way to assess whether it is likely to have patented technology that might be useful in creating that deliverable. If it would not want to make that technology available, it can avoid all obligations by not joining the Activity Group, and by not commenting on a draft of the deliverable. Additionally, there is a "free look" period that allows any Member to sample an Activity Group for up to sixty days before becoming bound by the IPR Policy with respect to that Activity Group (more below). If the member determines that the direction of the Activity Group is problematic, it may withdraw from the Activity Group before the "free look" period expires without incurring any IPR licensing obligations. But even if it does join, if it realizes during the development of a Recommendation that it has patent claims that would be unavoidably be infringed ("Necessary Claims") that it is not willing to license, it can disclose those claims and the portion of the Draft Recommendation that would result in infringement. Provided that it makes this disclosure before the Draft Recommendation is approved by the Board of Directors, it is not required to license the disclosed Necessary Claims on RAND-Z terms, RAND terms, or at all.

Q: Are there cases where I might not need to worry about patents at all when I consider joining an Activity Group?

A: Yes. Occasionally an Activity Group may create some "Other Work Product" as defined in the IPR Policy. Other Work Product consists of material such as a white paper, guidance document or other material that is highly unlikely to have the potential to infringe a patent. In addition to establishing an IPR mode (either RAND or RAND-Z), the Activity Group Proposal must designate whether the Activity Group expects to produce a Recommendation or "Other Work Product." If the group is only producing Other Work Product, it is unlikely that the activity will involve patents.

Q: Let's say I have decided to participate in an Activity Group and I want to make a Submission. Is it the case that every Submission must be accompanied by a written, standardized Submission form?

A: Yes – all Submissions made to any Activity Group that are not part of an Activity Group collaborative discussion require a standardized written Submission form. If the Submitter wishes to retain the right to charge a reasonable fee for the use of any of its Necessary Claims, it must also disclose those Claims and the portion of the Draft Recommendation that it believes would result in infringement. The appropriate Submission form may be found in the appendices of the VSF IPR Policy.

Q: When do I have to complete a form?

A: Every time, when you make a Submission, and whenever, during the development of a Draft Recommendation, you become aware that you own Necessary Claims relating to a part of the Draft Recommendation you did not contribute, if the Draft Recommendation were to be adopted in its current form.

Q: What is the basis for making an IPR disclosure?

A: The information shall be provided in good faith and on a best-effort basis, based upon the personal knowledge of the member's Representative. Any member or other Participant in an Activity Group should also, when they can,, draw the attention of the VSF to any Necessary Claims owned by third parties that may be contained in any Draft Recommendation or Submission if they are aware of them.

Q: What if I have a patent with Necessary Claims, but don't want to bother with licenses?

A: It's fine to simply commit not to sue an implementer.

Q: If I make a Submission to an Activity Group, whether that group is RAND or RAND-Z, do I give up ownership of that Submission?

A: Absolutely not. You remain the owner of the copyright, and any underlying patent rights, in all Submissions made to the VSF. However, you do grant the VSF the right to create a Recommendation or Other Work Product, as appropriate, that includes part or all of your Submission, and to copyright that work.

Q: Are all Submission accepted?

A: No. One purpose for having Activity Groups is to attract as many Submissions as possible so that the resulting Recommendations or other deliverables are as great as can be.

Q: At the beginning of this FAQ you mentioned that I may be required to disclose IPR. Can you explain more about when I am required to disclose?

A: There are three scenarios where a Participant is required to disclose IPR. First, anyone making a Submission to an Activity Group must disclose any Necessary Claims contained in that Submission, to the extent that they are aware of that intellectual property. This includes any third-party Necessary Claims or copyrighted material that may be contained in the Submission that you may be aware of. Second, if another Participant makes a Submission, and you notice that it contains your owned IPR (let's call this "non-contributed IPR"), then you must disclose that fact and your licensing intentions with respect to that IPR (RAND-Z, RAND, or no license at all). Third, when engaged in any Activity Group proceedings, all Participants are under an ongoing obligation to disclose any relevant third-party IPR (there is no penalty for informing the VSF that you believe there is IPR and later that turns out not to be the case). Activity Group chairpersons are required to

present a Patent Call at the beginning of each Activity Group activity, reminding Participants of this obligation.

Q: What licensing options do I have under each of these scenarios?

A: If you are making a Submission to a RAND-Z Activity Group, then the only licensing option available to you for any of your Owned IPR is RAND-Z. If you are making a Submission to a RAND Activity Group, then you may choose to license claims either as RAND-Z or RAND. (Submissions must be accompanied by the appropriate form contained in the Appendices of the IPR Policy.)

If you discover that your non-contributed IPR is contained in another Participant's Submission, then you may choose to issue RAND-Z or RAND licenses, or you may choose not to license at all. In any case, you must notify the VSF of this non-contributed IPR through the submission of a form found in the Appendix of the IPR Policy. However, you should remember that you are under an ongoing obligation to disclose the non-contributed IPR as soon as you become aware of it. This could be in response to a Patent Call issued at the beginning of an Activity Group activity. In this case, you are required to make a verbal declaration at the time of the call. But whether the realization comes during or outside the Activity Group setting, you must follow up by submitting the appropriate form from the Appendices of the IPR Policy.

Q: I noticed you capitalized "Owned" there. What's that all about?

A: The policy imposes disclosure and licensing obligations relating to all Necessary Claims that may be owned not only by you or your employer, but also by all entities that your employer directly or indirectly controls.

Q: Will I be required to disclose the details of my IPR, for example to list specific Necessary Claims, and the portion of the Draft Recommendation I believe are affected by my claims?

A: If you agree to license your IPR RAND-Z, then no further disclosure is required. If you want to license your IPR RAND, or if you choose not to make any license available, in the case of non-contributed IPR, then we require you to provide additional information. This information will be used by the VSF to decide if the Activity Group will eliminate the potentially infringing sections of the Draft Recommendation, or work to find some other way to accomplish the goal of the Recommendation without infringing on your Necessary Claims.

Q: What if I am preparing a Submission, I have a patent that contains a number of Necessary Claims, and I am only willing to license some of those claims on a RAND-Z basis?

A: The answer to your question depends on a number of factors.

If you are making a Submission in a RAND-Z group, then your Submission may only contain Necessary Claims that you are willing to license on a RAND-Z basis. So you

would need to either give up the chance to make the Submission, or trim in back until it only included Necessary Claims you were willing to license as required by the IPR Policy.

If you are making a Submission in a RAND group, then your Submission may contain Necessary Claims that you are willing to license on a RAND-Z basis, or on a RAND basis. You may even make some Necessary Claims available on a RAND-Z basis, and other Necessary Claims available on a RAND basis. In any case, you must disclose all Necessary Claims, and you must declare the licensing terms for each claim.

Q: What if I did not make the Submission? What if I notice that a Draft Specification includes my Owned IPR, but someone else made the Submission?

A: In this case, as already mentioned above, whether we are talking about a RAND-Z or a RAND Activity Group, you must declare the IPR as soon as you become aware of the situation, and you must declare one of three choices for licensing terms

Q: I am looking at the work of an Activity Group and thinking about some IPR we have which is currently in a patent application. Regarding the VSF IPR Policy, what constitutes a patent application? What is permissible under the IPR Policy with respect to patent applications that may not yet be public, or parts of a patent application that may later be denied, withdrawn, reworded or changed in other ways?

A: First of all, we need to note that patent applications in most parts of the world are public when filed. Since they are public, you should have no concerns about disclosing claims under them if you believe they may represent Necessary Claims with respect to a Draft Recommendation. The same applies with respect to any patent claims under confidential U.S. patent applications after the confidentiality period ends, or the patent is issued. For those patent claims that are confidential, the IPR Policy provides that "the disclosure of such claims need not be in such detail as would disclose any trade secrets."

The disclosure obligation applies to the patent application in its form at the time of the disclosure period. If a disclosed claim later disappears, there is no issue, because the licensing obligations of the IPR Policy only apply to claims under finally granted patent applications. If you later add a Necessary Claim to a patent application, or amend a claim such that it becomes a Necessary Claim, you should disclose that promptly using the appropriate IPR Policy Appendix form.

Q: I would really prefer not to disclose my Owned IPR for competitive reasons. I am sure you understand.

A: While the VSF does understand this, we have to weigh your concern with the overall concerns of our community. Virtually every standards organization in the world requires disclosure of any Necessary Claims that may not be available to implementers in order to protect the marketplace and the reputation of the

standards organization. The one exception under the VSF IPR Policy is that if you are committed to never require a license of any kind with respect to a Necessary Claim, you may choose to remain silent. However, the IPR Policy provides that by doing so you – and anyone you may later sell the patent in question to – will be bound by a RAND-Z licensing obligation. If you did later sue someone for infringement, your membership could be terminated, and the defendant could point to the policy as a defense.

Q: Okay, so if I fail to disclose IPR, I can be forced to issue a free license, and my VSF membership may be terminated. This seems extreme. What if I simply made a mistake?

A: You are correct – the consequences are severe. However, if you read the IPR Policy closely, the actions required to trigger these results are equally extreme, and frankly, these are actions we want to discourage. Specifically, in order for the VSF to enforce the penalties you describe, you have to have done a number of very specific things.

1) You have to have sued an implementer of a VSF Recommendation for infringement of the Necessary Claim(s) in question; AND

2) You have to have been in a situation that required disclosure of your Necessary Claim(s) per the IPR Policy; AND

3) Others have to show that you or your Representative knowingly and willingly withheld disclosure of your IPR at the time it was required.

If you have done all of these things, then there are severe consequences – you are deemed to have granted a RAND-Z license to your Necessary Claims, and you may be terminated as a member of the VSF. You will not receive a refund of your membership fees. (Note that, imposing these consequences is at the discretion of the VSF Board.)

Q: I am a consultant and am under a Non-Disclosure Agreement (NDA) with one of my clients. What are my obligations under the VSF's IPR Policy if I'm aware of a patent owned by the client that might be infringed by a Draft Recommendation?

A: As long as you have not entered the NDA in order to avoid having to make disclosures under the IPR Policy, then you are only obligated to make a disclosure that does not violate the terms of the NDA. However, at a minimum you will still be required to disclose the fact that you have knowledge of what may be a Necessary Claim, and you would be required to identify the portion of the Draft Recommendation that would result in infringement of the Necessary Claim.

Q: Does the VSF require a patent search?

A: No.

### **Member Obligations (copyrights and trademarks)**

Q: What are my obligations regarding copyrights?

A: Members continue to own the copyright in any Submission they make. However, by making a Submission, they grant the VSF a license to make derivative works from the Submission and to copyright the final VSF Recommendation or Other Work Product.

Q: That leaves trademarks. What are the rules there?

A: The VSF can't use the trademark of a member (other than to indicate that it is a member) without its permission, and a member can't use a trademark owned by the VSF (except to indicate its membership in VSF) except with the permission of the VSF. In particular, members cannot use the VSF name, the name of a VSF Recommendation, any VSF Mark, or the title of any Other Work Product in a member product or service name (except under a trademark license agreement provided by the VSF, where appropriate), as this could destroy the VSF's ability to use its trademarks to maintain the quality of its Recommendations and Other Work Products in the marketplace. For the rules applicable to using the VSF mark to indicate membership in VSF, please see the Trademark Usage Guidelines posted on the VSF website.

Q: If I have any other questions, who can I contact?

A: Send inquiries to [ipr@videoservicesforum.org](mailto:ipr@videoservicesforum.org).