

Regulating Patent Hold-Up LCII Conference, 29 February 2016, Brussels Professor Nicolas Petit <u>Nicolas.petit@ulg.ac.be</u> Twitter: @CompetitionProf

IEEE revised patent policy under EU law?

Restriction by object?

- Recent EU competition case-law has promoted a very hard line in the area of coordinated conduct
 - "Cheap-talk" pre-pricing communication (Dole Food Company), episodic collusion (T-Mobile) and horizontal agreements with limited market coverage (Expedia)
- Rationale: deterring any coordinated interference with the free market price system. In the EU courts' view, joint interference by competitors with the price system seems to be a sin in itself

Relevant case-law

- Dole Food Company, Inc. v
 Commission (price setting factors)
- FCK and SCK (reasonable rates)
- Raw Tobacco Italy (no justification to ROs)
- FEDETAB (non binding industry recommendation)
- *T-Mobile Netherlands* (buyer level ROs)

My point is not

- that EU antitrust agencies would let alone should take action against SSOs patent policies for infringement of Article 101 TFEU
- that EU antitrust agencies would not use their margin of discretion to dismiss complaints against SSOs, settle such cases or extend the benefit of an exemption under Article 101(3) TFEU

My point is

- that regardless of antitrust agencies policy preferences, changes of the kind introduced by IEEE-SA should be subject to rigorous *ex ante* antitrust assessment
- Courts dealing with patent infringement cases or involved in rate setting proceedings faced with a new form of competition defense, raised by SEPs holders who do not comply with an SSO's patent policy to avoid consummation of an unlawful restriction of competition
- SEP holder requests royalties that reflect the added value of the end product
- Commission Guidelines on horizontal cooperation agreements only have self binding authority on Commission
 - National agencies and courts can deviate from them



Thank you!

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