



American Intellectual Property Law Association

July 21, 2025

Aleš Zalar

Director of the Patent Mediation and Arbitration Centre

Phone: (+386) 41 672 982

E-mail: ales.zalar@unifiedpatentcourt.org

RE: Public consultation on draft Mediation Rules

Dear Director Zalar:

The American Intellectual Property Law Association (AIPLA) appreciates this opportunity to offer our views on the Patent Mediation and Arbitration Center's (PMAC) proposed Mediation Rules ("Rules"). We appreciate the opportunity to provide feedback on the draft regulatory framework governing the procedures at the PMAC and hope that these comments will be helpful to the PMAC in operationalizing the Rules.

AIPLA is a national bar association of approximately 7,000 members, who include professionals engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public's interest in healthy competition, reasonable costs, and basic fairness.

Because many of our members own European patents or represent companies that own European patents and are engaged in litigation involving these within the EU, including in the UPC, the AIPLA hopes that our feedback on the proposed Mediation Rules will help the PMAC in aligning them with user needs.

AIPLA appreciates that the Rules are largely procedural and should not have a material impact on substantive patent law issues. AIPLA notes, however, that the Rules include Section 5, dedicated to FRAND disputes. These procedures as discussed below are largely relevant to all patent disputes. AIPLA is seeking clarification that these procedures are available for all patent disputes, not just FRAND disputes. In our view, the procedural rules should make explicit that parties are not limited from addressing any matter that may be relevant in resolving their patent dispute through the mediation process irrespective of whether the patents involved include Standards Essential Patents (SEPs). Moreover, we recognize that disputes involving large portfolios may benefit from different procedures than disputes involving only a small number of patents. Portfolio disputes can involve both SEPs and non-SEPs, and disputes over a small number of patents can also involve both SEPs and non-SEPs. Therefore, we support flexibility in applying the Rules, such as consideration of the issues raised in Section 5, Article 22 for non-SEP disputes.

I. Procedural rules should be applicable to all patent disputes.

The Rules appear to authorize the parties to address several matters in FRAND disputes that may be just as important in non-FRAND disputes. Although disputes involving SEPs involve legal and factual inquiries that may not be relevant for all non-SEP disputes, those distinctions may be more appropriately

considered in litigation or arbitrations where decisions on the merits, liability, and remedies are decided by a court or arbitrator. AIPLA has noted the remedies available in any patent dispute are applicable to FRAND disputes involving SEPs, a position shared by the UPC.¹ As such, AIPLA believes the procedural rules for resolving FRAND disputes through mediation should be the same for resolving any patent dispute irrespective of the specific issues that may be addressed on a case-by-case basis. As discussed below, we recognize that a variety of sample forms could be helpful to parties mediating patent disputes where some of these samples could be specifically tailored to FRAND disputes and other types of patent disputes. Harmonizing the Rules for SEP and non-SEP disputes would not restrict the factors that can be considered when resolving any specific dispute, nor would it affect the issues relevant to any particular patent matter. For example, if the parties disagree as to whether a patent is a SEP and subject to a FRAND commitment, nothing in the Rules should prohibit the parties from addressing that issue in mediation. Similarly, if the parties involved in a pharmaceutical patent dispute disagree about a patent term extension, nothing in the Rules should prohibit the parties from addressing that issue in mediation.

Several provisions in Section 5 have broader universal applicability but are not specifically called out for non-SEP disputes. AIPLA urges the PMAC to clarify that the issues recited in Section 5 are not out of bounds for disputes involving non-SEP disputes. For example:

- Section 5, Article 22(1) states that the parties should “define as precisely as possible the scope of the FRAND dispute.” The Rules do not mirror the same requirement for other patent disputes. AIPLA believes that if the procedures require the scope of the dispute to be defined for FRAND disputes, they should require the scope of the dispute to be defined when non-SEPs are the subject of the dispute.
- Section 5, Article 22(2) subparts a-d, f-h, and j², state the matters that “may” be raised in the mediation. These matters may equally be applicable to disputes involving non-SEPs.
- Section 5, Article 22(2) subpart “i” allows parties to raise methodologies for calculating FRAND royalty rates. Methods for calculating royalties generally may be discussed in any mediation attempting to resolve a patent dispute irrespective of whether SEPs or non-SEPs are involved in the dispute.³
- Section 5, Article 23 of the Rules allows parties to agree to shorten time limits or establish new ones for procedural steps. Although Article 23, itself, does not explicitly indicate it is limited to FRAND

¹ AIPLA Letter to DOJ on Revised SEP F/RAND Licensing Statement February 4, 2022 Page 3 (“Federal courts have now clarified that SEPs subject to a voluntary contractual commitment to license on reasonable and nondiscriminatory or fair, reasonable, and nondiscriminatory (together “F/RAND”) are not subject to special remedies.”); See *Panasonic v OPPO*, UPC CFI 210/2023 (LD Mannheim), decision of 22 November 2024, paragraphs 172-174.

² We understand these Articles to be applicable only to FRAND Disputes because they are listed under the Section title for Section 5 as “FRAND Disputes.” The text of the relevant subparts of Articles 2 is: “2. The matters raised in mediation may include: a) the SEP(s) in dispute or other patents concerned, such as one or several or a sample of patent(s) from the patent portfolio(s), in which case the parties may agree on the sampling criteria; b) any patents that might be subject to cross-licensing; c) the claims and defences; d) the conduct of the Proceedings in multiple stages; e)...[intentionally omitted because the subpart is addressed below in Part II]; f) the determination of selected licensing terms and conditions; g) the determination on a temporary basis of any selected licensing terms pending determination of final licensing terms by a competent tribunal; h) the determination of the scope of the royalty base and range; i) ...[intentionally omitted because the subpart is addressed in the next bullet]; j) any application for an order to a competent court, such as an application for an order to produce evidence or an order concerning confidentiality.”

³ Some may argue that the total royalties for all SEPs—not just those owned by the SEP holder in the current dispute—can influence what constitutes a FRAND rate. Others would respond that this broader issue also arises in any patent dispute involving a product that operates in a crowded patent landscape. Irrespective, the methodology of calculating a royalty in a situation where the prospective licensee may also have to pay license fees to other patent holders is relevant in disputes involving SEPs as well as disputes that do not.

disputes, AIPLA believes that parties should be allowed to reduce or set procedural timeframes in all cases, involving SEPs and non-SEPs alike. Allowing this flexibility in non-FRAND disputes makes sense, as the patent holder may not have committed to license the patents on any terms.

- Section 5, Article 24(1) states that “FRAND disputes may require a higher level of confidentiality protection.” AIPLA believes that appropriate confidentiality guardrails are important irrespective of the specific patents involved in a dispute⁴ Section 5, Article 24(2) subpart a, permitting the appointment of a confidentiality advisor; subpart b, restricting access to certain individuals; subpart c, authorizing the use of multiple NDAs; and subpart d, seeking a court order on confidentiality from the court where the litigation is pending – are all equally relevant in mediation proceedings involving non-SEPs as well as SEPs. AIPLA believes these rules, if appropriate in FRAND mediations, should apply to all patent mediations
- Section 5, Article 25 appears to permit the parties to continue to litigate or arbitrate issues not referred to mediation in parallel with the mediation proceedings. Parallel proceedings may be warranted in both FRAND disputes and disputes involving patents unencumbered by a FRAND commitment. AIPLA suggests that the subject matter of Article 25 be clarified and that the revised Article be applicable to all patent disputes.

II. Procedural rules should not limit consideration of any matter that may be relevant to the resolution of the patent dispute.

As discussed above, the Rules appear to authorize the parties to address several matters in FRAND disputes that would be just as important in non-SEP disputes and could be perceived therefore as off-limits in non-SEP disputes. Section 5, Article 22(2) subpart e, states that a party may raise “any essentiality assessment to be conducted...” AIPLA acknowledges that essentiality may only be relevant in a FRAND dispute but as discussed above, AIPLA believes the Rules should be sufficiently flexible to permit the parties to raise any relevant issue in mediation irrespective of the whether the dispute involves SEPs or non-SEPs.⁵ Providing an exhaustive list of issues relevant to any foreseeable patent dispute would be too restrictive for efficient resolution of patent disputes.

III. Specific rules may be appropriate where large portfolios are involved in the dispute irrespective of whether those portfolios contain SEPs.

Section 5, Article 22(2) subpart “a” states that “the SEP(s) in dispute or other patents concerned, such as one or several or a sample of patent(s) from the patent portfolio(s), in which case the parties may

⁴ AIPLA has noted the importance of protecting confidential information in patent disputes generally. See AIPLA Comments on CAFC Revised Rules January 19, 2016 Page 2 (“Rules 27(m) and 28(d) set out the requirements for motions and briefs that contain material subject to a protective order. ... AIPLA believes that the proposed limit of 15 words that may be marked as confidential is too low. ... Thus, while we appreciate the public nature of appeals and hearings before the Court, we believe that this revision is too restrictive to adequately protect the confidential business information of parties to the action and of third parties.”)

⁵ AIPLA has also noted that essentiality is often not a useful factor in FRAND disputes. See AIPLA Comments on USPTO, ITA and NTIA on Standards Policy November 6, 2023 Page 4 (“Whether any of the claims contained in declared patents are in fact essential is a red herring. Even when a patentee contends that their patent is essential to a standard, practicing the standard does not necessarily infringe. Standards and patent claims are typically written at different levels of detail. Standards in the telecommunications field, for example, typically specify algorithms and bit patterns of coded fields; patents typically are written to try to capture entire systems, apparatus, and methods. Consequently, patent claims may include limitations in addition to features required by the standard. These patent claims may not be essential because the standard-implementer is not required to include these additional elements. Other patent claims may be essential but may not be infringed by some implementers. For example, when the patent claim includes an optional feature of the standard that is not practiced by the implementer, or where the patent claim is directed solely to hardware requirements and the implementation is limited to certain software required by the same standard.”) (cites omitted).

agree on the sampling criteria,” may be raised in the mediation. In our view, considering only some of the patents when portfolio licenses are at issue may be equally applicable irrespective of whether SEPs are included in the portfolio.⁶ Notwithstanding, AIPLA view that the Rules involving patent portfolios that include SEPs should be treated the same as patent portfolios that do not include SEPs, AIPLA acknowledges that there could be differences in mediation procedures where large portfolios are involved in contrast to disputes that only involve a small number of patents. AIPLA recommends that the Rules be sufficiently flexible to expressly permit the parties to address some patents within a patent portfolio irrespective of whether the dispute is a FRAND dispute, i.e., even if the portfolio includes no SEPs.

IV. Supplementing the Rules with guidelines and/or optional sample forms and agreements may be helpful.

Providing guidelines as well as optional sample forms and agreements may be helpful if the PMAC would like to facilitate implementation of the Rules for specific types of patent disputes or specific issues that may arise in some cases, AIPLA notes the approach taken by the WIPO Arbitration and Mediation Center, which has a generalized set of rules for mediation that can be applied to any type of commercial dispute including patent disputes that involve SEPs, non-SEPs, or both (or non IP). Rather than provide different procedural mediation rules for specific types of disputes, WIPO instead offers guidelines with a set of optional model submissions draft agreements for SEP/FRAND disputes that parties may optionally use to implement the generalized WIPO rules. WIPO states that it has mediated over 80 FRAND disputes using this approach.⁷

AIPLA recommends that the PMAC consider the WIPO approach of a generalized set of rules that can be universally applied, with guidance documents and optional samples that the parties may optionally use by consent in mediation before finalizing the Rules.⁸

V. Conclusion.

We appreciate the opportunity to provide these comments. The absence of comments on any Article or Section of the Rules does not reflect support or lack of support of that Article or Section by AIPLA.

⁶ AIPLA has noted that patent portfolios licenses, including portfolios with SEPs, involve certain tradeoffs but should not be treated differently. See AIPLA Comments on Discussion Paper On Standard Essential Patents And Their Availability On FRAND Terms, April 22, 2016 (“License terms often vary for different licensees because negotiations lead to agreements addressing far broader cross licenses, portfolio licenses, and other business issues between specific parties. Although the FRAND commitment is a representation of a patentee’s willingness to license its technology to willing counterparties, it does not, standing alone, contain any other express substantive limitations on the licensing of SEPs, provided that the ultimate terms are “reasonable.”), available at <https://www.aipla.org/docs/default-source/uploadedfiles/documents/advocacy/intl/documents/aipla-commentson-india-dipp-4-22-16-final.pdf>

⁷ See WIPO ADR Options for FRAND Disputes Management and Resolution. P 3, at [rt/sites/www/amc/en/docs/2022/wipo_adr_options_for_frand_disputes_management_resolution.pdf](https://www.amc/en/docs/2022/wipo_adr_options_for_frand_disputes_management_resolution.pdf) (“To facilitate submission of FRAND disputes to WIPO ADR, this Guidance aims at helping parties and neutrals to understand and make use of procedural options that are available at different stages of the process.”)

⁸ AIPLA has questioned whether a new approach to resolving FRAND disputes was needed given the purported success of the FRAND dispute resolution through WIPO’s mediation process. See AIPLA’s Response to the EU Proposed Regulations on SEPs at p 13 (“The EC has also failed to explain why the existing voluntary WIPO FRAND mediation process is not sufficient to meet the needs of the EU with regard to efficient and cost-effective

SEP licensing. WIPO has already conducted 70 FRAND mediations. ... Despite overwhelming evidence that this process is increasingly being used to effectively facilitate resolution of FRAND disputes, the EC has not considered whether this process is sufficient, or if not sufficient, what deficiencies need to be addressed.”)

July 21, 2025

Page 5

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kimberly N. Van Voorhis', with a stylized, cursive script.

Kimberly N. Van Voorhis

President

American Intellectual Property Law Association