Ursula von der Leyen President of the European Commission Rue de la Loi / Wetstraat 200 1049 Brussels Belgium

Cc: Vice-President Dombrovskis, Vice-President Vestager, Commissioner Breton, Commissioner Gabriel, Commissioner Simson, Vice-President Timmermans, Commissioner Vălean

17 April 2023

Re: Proposed Regulation on SEP Licensing

Dear President von der Leyen,

We are writing to you as a group of trade associations to express our support and appreciation for objectives represented in the reported European Commission proposal for a regulation on standard essential patents. We welcome the efforts of the Commission in developing this proposal, which addresses many of the concerns that our industries have raised in recent years.

The proposed regulation includes strong measures that could improve transparency and predictability in the standard essential patents licensing ecosystem for all stakeholders. It recognizes that royalty stacking is a concern and creates a pathway for parties to have a fair chance to negotiate a FRAND license before litigation can be brought. It also recognizes the principle that anyone should be able to get a FRAND license if they are willing to take one.

We urge you to maintain the objectives of the legislative proposal and further build upon them. We understand that there is a strong push from a small group of stakeholders to shelve this proposal. We believe this would be a mistake. We encourage the Commission to move ahead with this proposal.

We believe that the key elements of the proposed regulation are important to strike a good balance between the interests of patent holders and licensees. It is important that the regulation is fair for all, and that it promotes innovation and competition in the market.

Thank you for your consideration of our views on this important matter.

Sincerely,



European Automotive Manufacturers Association (ACEA)



ACT The App Association (ACT)





European Association of Meter Manufacturers (AQUA) European Association of Automotive Suppliers (CLEPA)





European Smart Energy Solution Providers (ESMIG) European Association of Gas Meters (FARECOGAZ)



Fair Standards Alliance (FSA)

About:

ACEA: The European Automobile Manufacturers' Association (ACEA) represents the 14 major Europebased car, van, truck and bus makers: BMW Group, DAF Trucks, Daimler Truck, Ferrari, Ford of Europe, Honda Motor Europe, Hyundai Motor Europe, Iveco Group, Jaguar Land Rover, Mercedes-Benz, Renault Group, Toyota Motor Europe, Volkswagen Group, and Volvo Group.

The EU automobile industry represents: 13.0 million Europeans work in the automotive sector, 11.5% of all manufacturing jobs in the EU, EUR 374.6 billion in tax revenue for European governments, EUR 79.5 billion trade surplus for the European Union, Almost 8% of EU GDP generated by the auto industry, EUR 58.8 billion in R&D spending annually, 32% of EU total.

ACT The App Association: The App Association is a global trade association for small and mediumsized technology companies. Our members are entrepreneurs, innovators, and independent developers within the global app ecosystem that engage with verticals across every industry. We work with and for our members to promote a policy environment that rewards and inspires innovation while providing resources that help them raise capital, create jobs, and continue to build incredible technology. **AQUA**: Aqua is the association of water and thermal energy meter European manufacturers 10 countries are represented in AQUA, out of 27 EU members. Aqua is working with other associations and groups to ensure compatibility with future smart metering solutions. Annually, the aggregate revenue of Aqua members is more than EUR 1 billion, with more than 30,000 meters sold throughout the world. Aqua members directly employ more than 6,000 within Europe alone.

CLEPA: CLEPA is the European association of automotive suppliers, representing over 3,000 companies supplying state-of-the-art components and innovative technologies for safe, smart, and sustainable mobility. CLEPA brings together over 120 global suppliers of car parts, systems, and modules and more than 20 national trade associations and European sector associations. CLEPA is the voice of the EU automotive supplier industry linking the sector to policy makers. Automotive suppliers in Europe generate 1.7 million direct jobs. <u>https://clepa.eu/</u>

ESMIG: ESMIG is the European association of smart energy solution providers. Our 19 members, ranging from small to multinational companies, develop and manufacture devices, information technologies and services for multi-commodity metering, display and management of energy production and consumption. ESMIG members employ more than 358 000 people, with a total annual revenue of EUR 87.7 B.

FARECOGAZ: European Association of the Manufacturers of Gas Meters, Gas Pressure Regulators and Associated Safety Devices and Stations. The scope of FARECOGAZ covers any technical and related issues concerning gas meters, gas pressure regulators and associated safety devices and stations relevant to gas infrastructure in Europe.

Fair Standard Alliance: The FSA is an alliance of 46 European and global companies, large and small, that advocates fairer licensing of standardised technology in the development and rollout of the IoT. FSA members significantly contribute to global innovation and the global economy. Annually, the aggregate turnover of FSA members is more than EUR 2.4 trillion, and in aggregate our members spend more than EUR 180 billion on R&D and innovation. Alliance members directly employ more than 2.5 million people within Europe alone, and have more than 600,000 patents, including SEPs, that are either granted or pending.