

Meeting note: All Party Parliamentary Group for IP

Meeting on Standard Essential Patents

Tuesday 21 October 2025, 5:30pm-6:30pm

Portcullis House Room R and MS Teams

Speakers

- Adrian Howes, Head of IP and Standards, Nokia, and Vice-President of IP Federation
- Stephen Tulip, UK Country Manager, The App Association

Parliamentary Attendees

- Sir John Whittingdale OBE MP (Conservative) – Meeting Chair
- The Lord Clement-Jones CBE (Liberal Democrat)
- Rt Hon The Lord Foster of Bath (Liberal Democrat)
- The Baroness Bowles of Berkhamsted (Liberal Democrat)
- The Earl of Devon (Crossbench)

Online attendees

- 11 industry representatives

Purpose of Meeting

To discuss the UK Government's ongoing consultation on Standard Essential Patents (SEPs), with a focus on implications for SMEs, licensing practices, and the role of the Intellectual Property Office (IPO).

Background

This meeting involved a discussion about the UK Government's ongoing consultation on Standard Essential Patents (SEPs), which apply to technologies required to implement technical standards such as Wi-Fi, 5G, or Bluetooth. The UKIPO's consultation is significant, as its outcome will influence the future of innovation and SEP licensing.

Parliamentarians had the opportunity to hear from two guest speakers: the Head of IP and Standards at Nokia, Adrian Howes, and the UK Country Manager of ACT | the App Association, Stephen Tulip.

Nokia owns patents that are essential to standards, such as 5G, and implements these standards in its products, while the App Association advocates for smaller tech companies who often need to license SEPs to build their products.

Discussion

1. SEPs and FRAND Licensing

- SEPs are patents that cover technologies essential to implementing standards.
- Licensing is usually governed by FRAND (Fair, Reasonable, and Non-Discriminatory) terms to ensure access and prevent abuse.

- Patent holders voluntarily contribute patented technology to standards in exchange for the potential returns from broad market adoption.

2. SME challenges and IPO support

- SMEs may face uncertainty around SEP licensing costs, especially as they scale, but are currently not often subject to licensing requests.
- Many are unaware of exposure until they grow or are approached for licensing.
- The IPO's SEP Resource Hub and proposed rate determination track aim to provide early, affordable guidance.
- Stakeholders supported the IPO's efforts to make information on SEP licensing more accessible for smaller companies.
- The App Association stated that SMEs are seeking predictability and fairness, not free access.
- The App Association welcomed the IPO's SME focus in terms of its outreach as part of the consultation process and called for more pre-litigation resources to support smaller businesses.

3. Licensing models and market dynamics

- Licensing models vary per-unit (e.g. per car), percentage-based (e.g. mobile devices), or lump-sum payments.
- Pricing depends on product type, market sophistication, and cross-licensing arrangements.
- Patent pools can simplify licensing but must balance pricing to attract both licensors and licensees, and adhere to FRAND terms.
- Off-the-shelf modules may unknowingly expose SMEs to SEP obligations, creating risk as they grow.

4. Legal and regulatory landscape

- SEP licensing is treated as a contractual issue in the UK, not a competition matter.
- Standard Development Organisations (SDOs) focus on technical standards, not patent enforcement or licensing.
- Essentiality assessments are costly and impractical at scale.
- SEP litigation in the UK remains limited and typically involves large companies given the costs involved.
- The complexity of SEP licensing was highlighted and the importance of fair compensation for R&D investment.

For further guidance on this issue, it was recommended to visit the UK IPO's SEP Resource Hub: <https://www.gov.uk/government/collections/seps-resource-hub>