

November 19, 2025

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue Northwest
Washington, District of Columbia 20500

**Re: Supporting American Innovation Through Standards and Standard-Essential Patent Policy
 Updates, both Domestically and Abroad**

Dear President Trump:

We write to raise an issue that has become a growing problem for American companies seeking to innovate and build in the United States: an increasing share of the products that our members make, and the technology that they use, requires the use of technical standards for interoperability and the U.S. patents that claim aspects of those standards. But increasingly, they are unable to secure reasonable and predictable licenses and rates for these patents. The resulting chaos and uncertainty is costing the United States investment and jobs across consumer and enterprise sectors.

When standard-setting organizations develop technical standards—Wi-Fi, cellular, audio/video compression, and other digital interoperability protocols—participants in the process who choose to contribute patented technologies volunteer to license those patents on *fair, reasonable, and non-discriminatory (FRAND)* terms. Our members are happy to pay FRAND rates for the patents required to implement standardized technologies but are in practice prevented from doing so.

In practice, SEP holders routinely discard their voluntary FRAND promises and abuse their dominant position in standards-driven markets. SEP owners, sometimes explicitly and other times implicitly, refuse to license their SEPs on FRAND terms, needlessly taxing investment and innovation. When the technology developer then seeks indemnity from others in the value chain, the amount exceeds the entire price of the component. In some cases, large and unpredictable SEP damages awards, made years after the fact, are driving our members out of entire product lines and markets.

The ecosystem is plagued by a lack of basic information needed by standards users to determine what SEPs they need licenses for and what FRAND terms should be. This lack of transparency leads to price discrimination against companies who simply need to use open standards to compete. Because these companies often lack ability to determine SEP validity, essentiality, and FRAND rates, many SEP holders are only able to obtain unfair rates that are often several times higher than their value.

This systemic imbalance is further amplified by the potential for injunctive relief to be leveraged unfairly in negotiations. When a patent holder can threaten or pursue an injunction on a SEP, it creates a “hold-up” scenario that makes FRAND licensing impossible. The result is that negotiations are not driven by the inherent value of the patented technology, but by the threat of an injunction, forcing innovators to agree to higher rates simply to stay in business when the FRAND commitment reserves injunctions for extreme circumstances.

We call on you to seize opportunities to advance a fair and predictable SEP licensing framework for the United States to resolve these issues. Your Administration should clarify that:

- A holder of a FRAND-committed SEP must license that SEP to all on FRAND terms;
- Prohibitive orders (federal district court injunctions and U.S. International Trade Commission exclusion orders) should not be sought by SEP holders or allowed for FRAND-committed SEPs except in rare circumstances where monetary remedies are not available;
- A reasonable rate for a valid, infringed, and enforceable FRAND-committed SEP is based on the value of the actual patented invention itself, which is separate from purported value due to its inclusion in the standard, hypothetical uses downstream from the smallest saleable patent practicing unit, or other factors unrelated to invention's value; and
- When a FRAND-committed SEP is transferred, the FRAND commitments follow the SEP in that and all subsequent transfers.

We also urge you to support efforts by key trading partners to do the same. Notably, the United Kingdom's Intellectual Property Office is currently working to advance much-needed changes to its SEP framework based on systemic flaws it has identified through consultations and evidence-based analysis. While this process is ongoing, it is poised to create a framework that will support U.S. innovators competing in that vital market and reduce barriers to trade consistent with your Administration's framework agreement with the UK.

We look forward to working with you to address these matters and creating a stable foundation for increased manufacturing investment and long-term prosperity in the United States.

Sincerely,

ACT | The App Association

Alliance for Automotive Innovation

Computer and Communications Industry Association

Engine

Fair Standards Alliance

National Retail Federation

Save Our Standards

Software & Information Industry Association (SIIA)

US*MADE

cc: National Security Council

National Economic Council

Abigail Slater, Assistant Attorney General for the Antitrust Division, U.S. Department of Justice

John A. Squires, Under Secretary of Commerce for Intellectual Property and Director of the U.S. Patent and Trademark Office