

Open RAN patent pool launches with 11 rights holders on board

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Alium, a joint patent pool effort run by MPEG LA and Unified Patents, <u>announced</u> the launch of its licensing programme today, having signed up an initial group of 11 patent holders. The focus of the pool is Open RAN, technology that allows the construction of interoperable telecoms networks and which has emerged as a much talked-about alternative to the large, integrated, proprietary networking equipment kits sold to telco operators by Ericsson, Nokia, Huawei and ZTE. Alium says it is the first licensing solution for 3GPP infrastructure.

The platform, which represents the first partnership between veteran licensing administrator MPEG LA and defensive patent organisation Unified Patents, was announced last December and initially planned to offer its licence starting in the first quarter of this year. Alium says it will charge royalties between \$10 and \$25 per radio unit on a sliding scale based on total quantity and divvy up the proceeds to participating patent owners through the use of an AI algorithm.

The initial licensors taking part in Alium are Acer, AT&T, CableLabs, Comcast, IP Bridge, Philips, Meta, Mitsubishi Electric, Pantech, SK Telecom and Verizon.

The announcement of the pool drew a <u>cautious reactions</u> from some of the major patent holders in the space, but MPEG LA CEO Larry Horn told IAM in January that the solution will not favour implementers over patentees, saying: "We don't have a bias. We're trying to find a balance between the licensor and licensee."

A number of the patent owners involved in the initial group of participants are companies that operate consumer telecoms networks, including AT&T, Verizon and SK Telecom (South Korea's largest wireless carrier). That would make them the customers that either buy network gear off the shelf from the big Nordic companies or can choose to procure systems based on Open RAN.

Patent risk in the sector would be particularly acute for these network carriers. While the major telecoms equipment providers often have

enter major patent cross-licences among themselves, vendors and buyers of Open RAN equipment might not enjoy such protection.

It is also worth noting that a few monetisation-focused patent owners have also put their names behind the effort. These include NPEs like Japan's IP Bridge and South Korea's Pantech, which employ patent licensing as their main business, as well as firms like Mitsubishi Electric, which has recently been active in monetising its wireless patents through litigation in conjunction with partner Sisvel.

Research from IPlytics published by IAM <u>last year</u> confirmed that the big network gear makers – Nokia, Ericsson, Huawei and ZTE – are also among the top patent owners in some of the technical specifications closely associated with Open RAN solutions (though these differ from the exact technical specification covered by Alium, which are detailed <u>here</u>).

So far, it appears that the top infrastructure firms themselves have yet to be persuaded that the Alium pool represents their best opportunity to profit from the Open RAN challenge to their core businesses.

The rates to the Alium pool were published before today's announcement of who the initial licensors are. The market will now have to compare the fees to the patents on offer to decide whether it represents an efficient solution.

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