



to quote your comments, from a mere “good-faith commercial dispute with prospective licensees over what constitutes RAND licensing terms.” Likewise, nothing in the Commission documents referred to above can be read to suggest that the Appendix C license agreement sets a benchmark for the Commission’s view of what constitutes a reasonable royalty in other circumstances. As stated in the Analysis to Aid Public Comment, “[t]he terms of that license follow from those promised by National Semiconductor in its letter of June 7, 1994, to the IEEE.”

The Commission understands that standards-development organizations craft rules, policies and procedures concerning intellectual property rights that recognize the dynamic character of the standards process, the necessary balancing of the interests of stakeholders in the process, and the varied business strategies of those involved. The standards organization’s intellectual property policies and their implementation will be one of several factors to be assessed in determining whether, under any given set of facts, challenged conduct by a holder of intellectual property rights may constitute a violation of the FTC Act. In addition, any such assessment would be likely to include (among other things) the timing and content of any assurances provided the holder of intellectual property rights; the nature, timing and offered justification for any changes in those assurances; and the effects of the conduct on the standard-setting process and competition in relevant markets affected by the standards.

In this case, based on th