



First, the Section questions why the Appendix C license contains certain terms and precludes others. As the Analysis to Aid Public Comment makes clear, this license was crafted to remedy the violation of law allege

You suggest that there are many details about N-Data's conduct that are not clear from the record, and you pose four specific questions, which the Commission is able to answer based on information on the public record.

First, you ask whether higher cost licenses that were offered by N-Data and Vertical were limited to the patents that were subject of National's June 7, 1994 letter. As stated in the Analysis to Aid Public Comment, the March 27, 2002 letter from Vertical to the IEEE, which purported to "supersede" any previous licensing assurances, identified seven U.S. patents, in addition to the '174 and '418 patents referred to in the complaint and the proposed consent order. However, such an offer to license other patents or technologies does not justify Respondent's refusal to honor the original commitment to license NWay technology to practice an IEEE standard in exchange for a one-time fee of \$1,000.

Second, you ask whether N-Data rejected requests to license NWay patents on terms that were consist

Thank you for your interest in this matter. After considering all of the comments, including the Section's comments, the Commission has determined that the public interest would be served best by issuing the Decision and Order in final form without modification.

By direction of the Commission, Chairman Kovacic dissenting.

Donald S. Clark
Secretary