



August 31, 2021

European Commission  
200 Wetstraat Rue de la Loi  
1000 Brussels  
Belgium

To Whom It May Concern:

This letter is sent on behalf of Thread Group, Inc., a voluntary membership based standard development organization. Thread Group submitted responses to the Consumer IoT Section Inquiry into Consumer Internet of Things Questionnaire and is mentioned in Section 6 of the Commission's Staff Working Document Preliminary Report re Standard Setting and Industry Organizations. We understand that DG Competition is soliciting the views and comments of interested stakeholders about the preliminary findings of the Section Inquiry.

This letter: 1) submits information to correct a mischaracterization of the Thread Group IPR Policy within a summary table in the Preliminary Report, 2) provides additional information on the Thread Group IPR Policy for the summary table, and 3) provides additional input on the terms of opt-out of licensing in Thread Group.

Within Table 4: Comparison of other licensing policies beginning on page 71 of the Preliminary Report, Thread Group is shown within the column entitled "ROYALTY FREE licensing only". However, the correct designation for the Thread Group IPR Policy within Table 4 is the category entitled "ROYALTY FREE licensing with possibility of opt out". The Thread Group IPR Policy provides that "[i]f, during the License Review Period, a Participant in good faith believes that such Participant is unwilling to provide a RAND-RF license under such Essential IPR under the terms of this IP Policy, that Participant must within the License Review Period provide written notification to the Secretary of the Alliance of its intent not to grant licenses under such Essential IPR ("Licensing Objection")." Thread IPR Policy, Section 3.2 (for Thread 1.0); see Section 4.4 (for Successor Thread specifications). We accordingly request that the Thread Group IPR Policy be shown under the category of "ROYALTY FREE licensing with possibility of opt out" in Table 4 when the report is finalized.

Regarding the column within Table 4 entitled "OTHER licensing terms", currently the note for Thread Group is "Membership requirement". Under the Thread Group IPR Policy, certification of Thread Group products by Thread Group members is mandatory to receive licenses under the IPR Policy. See definition of "Compliant" which is applicable to the definition of "Licensed Material" which is used in the definition of "RAND-RF License". Members of Thread Group at the Sponsor, Contributor and Implementer levels are eligible to certify products. We accordingly request that the note for Thread Group within Table 4 "OTHER licensing terms" be changed to "Membership certification of products" when the report is finalized.



We would also like to comment more generally with regard to Note 217 on Page 73 of the Preliminary Report which briefly discusses opt-out of royalty-free licensing. The Thread Group IPR Policy does not allow a contributor to declare an opt-out from royalty free licensing of its own contribution, as described in Sections 3.3 and 4.5 of the Thread Group IPR Policy. Thread Group members are only allowed to submit Licensing Objections during review periods for portions of the Thread Group specification that they did not contribute. If a Licensing Objection is received, Thread Group implements a process under Section 4.6 of the IPR Policy to respond to and potentially modify the draft Thread Group specification before adoption.

Thread Group's "RAND-RF with possibility of opt out" licensing model is essential to Thread Group's mission of promoting interoperability in the IoT ecosystem. Thread Group technology will only be successful if it is widely adopted by industry. Thread Group promotes Thread adoption by maximizing accessibility, reducing tensions around IPR licensing, and providing users with freedom to operate. As use of Thread technology increases, interoperability increases, and opportunities for innovative products and services to enter IoT markets and compete follow.

Thank you for your attention to this input. Please feel free to contact Thread Group at [help@threadgroup.org](mailto:help@threadgroup.org) if the DG Competition group has any follow-up questions.

[Personal contact information]

President, Thread Group

