The FTC charged that Google/Motorola Mobility broke its promise to license its SEPs on “fair, reasonable, and non-discriminatory terms.”

Why Standardized Technology Matters
American consumers rely on standardized technology that allows devices – including smart phones, tablets and gaming consoles – to work together seamlessly. Standards benefit the market by:
- encouraging compatibility among rival firms’ products
- promoting interoperability across competing devices
- lowering the costs of products for consumers

Standard Essential Patents
Companies belong to standard setting organizations (SSOs) that develop standards based on patents and shared technologies.

1. The SSO develops a new technology standard.
2. Companies who own patents related to a standard contribute patents to the SSO and promise to license their patent on “fair, reasonable and non-discriminatory” terms.
3. The standard is established. Every patent used in the standard is considered a standard essential patent (SEP).
4. Companies implement the standard in consumer products.

In January 2013, the FTC and Google reached a settlement that requires Google to honor its commitments and that ensures that the high-tech marketplace will continue to thrive.