**SERA: Benefits for Patent Owners**

**SERA gives an independent court the full power to set reasonable royalties.**

While the licensee supporters of SERA are frustrated with the inefficiency of the current adjudication system, they *want* to pay reasonable royalties for SEPs. To that end, SERA allows an Article III court to hear from all affected parties, consider all relevant evidence, and set a royalty for SEPs. There is no administrative thumb on the scale. If the court sets a generous rate, licensees will have to pay that rate—the only appeal will be to the U.S. Court of Appeals for the Federal Circuit.

**SERA does not dictate economic theories or prejudge how SEPs are valued.**

There are many contentious issues in the SEPs debate—the role of the smallest saleable patent practicing unit, whether end uses must be considered in some circumstances in determining the value of a technology, and others. SERA does not dictate a rule for any of these issues, effectively leaving these matters up to the trial court and the Federal Circuit. All patent owners and significant licensees will likely join the proceeding and can present their evidence. The court will then evaluate everyone’s evidence and set royalty rates for the essential patents.

**SERA will stop China from taking over SEP rate setting.**

SERA will adjudicate a royalty for U.S. SEPs, regardless of what pressure China or other governments apply to U.S. patent owners. Even if some patent owners can be coerced into settling in a Chinese proceeding, others will still participate in the U.S. proceeding and a royalty will be determined. And once that royalty rate is set, SERA leverages it to ensure that it must be paid by a company that wishes to do business in the U.S. SERA provides that a foreign-set rate will not satisfy or offset the obligation to pay the U.S. rate. In addition, SERA provides effectively automatic access to anti-suit injunctions against companies the voluntarily participate in foreign proceedings, and allows the court to awards costs, expenses, and fees incurred by the U.S. patent owners as a result of the foreign proceeding.