

# Savi Announces IP Licensing Program for Active RFID tags

The company hopes to encourage other RFID tag and reader makers to offer 433 MHz RFID hardware based on the ISO 18000-7 standard; the DOD will likely benefit.

By Beth Bacheldor

Aug 25, 2006—Savi Technology has announced a new intellectual property (IP) licensing program for companies seeking to develop, manufacture and sell RFID tags and interrogators (readers) compliant with ISO 18000-7, the air-interface protocol for active RFID tags operating at 433 MHz. Ratified as a standard by the International Organization for Standardization in 2004, ISO 18000-7 is based on Savi's patented RFID technology.

Savi, a wholly owned subsidiary of Lockheed Martin, launched its RAND (reasonable and non-discriminatory) licensing program with a Quick Start plan that will be available through Dec. 31, 2006. The Quick Start Plan offers licensing agreements with lower up-front fees to encourage early participation in the licensing program.

"The Quick Start version is a way of priming the pump and infusing the marketplace with more providers adhering to the standard and building ISO 18000-7-compatible products," says Bob Kramer, Savi's senior vice president of marketing and strategic development.

Savi also announced a regular license plan that does not have a limited period of availability.

Any company that develops and sells tags or interrogators based on the ISO 18000-7 standard but does not participate in one of the licensing plans will be in violation of Savi's IP rights, according to the firm. A number of vendors provide active RFID equipment, but if the products are not based on the ISO 18000-7 standard, then the vendors have no obligation to participate in Savi's ISO 18000-7 licensing program. Kramer says Savi is not aware of any companies that are currently infringing on Savi's license.

The licensing program is good news for the U.S. Department of Defense, which is using both active and passive RFID tags in much of its supply chain, says Craig Harmon, president and CEO of QED Systems, a consultancy based in Cedar Rapids, Iowa, and a member of several ISO, IEC and EPCglobal standards groups. The program opens the door for other RFID equipment providers to sell ISO 18000-7-based tags and interrogators to the Defense Department, which already uses a lot of Savi RFID products and would prefer to have a variety of products to choose from that all support the same standard, so the products are compatible. "Savi has maintained being a single source to the U.S. Department of Defense for active tags. DOD and others have insisted if you want to be the standard, then open up your kimono and play in an open space. And that's what's happening here. The licensing program opens opportunities for multiple vendors to support the same technology."

The licensing program should also benefit Savi. "It's good news if you can get a bunch of people to sign up for

it. Licensing is always preferable to litigation," says Harmon. "I can't see the bad in this."

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