

US drops antitrust probe of Samsung over patents

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Pedestrians walk past a logo of Samsung Electronics at the company's headquarters in Seoul on January 24, 2014

US Department of Justice officials on Friday dropped an antitrust investigation into whether Samsung abused essential mobile gadget patents in its ongoing battle with Apple.

At issue was whether the South Korean consumer electronics giant tried

to gain advantage using "standards-essential patents" on technology that considered a basic requirement in smartphones or tablets.

Since such technology is needed to make devices viable based on industry standards, rights to use it are to be made available at fair market rates, according to marketplace rules.

The DoJ antitrust division began investigating last year when Samsung convinced the US International Trade Commission to ban certain iPhone and iPad models from the US based on SEPs.

In June, the commission said it issued a "limited exclusion order" for certain devices made by Apple, in a victory for Samsung.

The scenario raised a concern that Samsung might be "exploiting the market power obtained through the standards-setting process," the DoJ said in a release.

The White House weighed in and had the US Trade Representative overturn the ITC band on certain iPads and iPhones.

US Trade Representative Michael Froman announced the rare move—a blow to South Korean Samsung—saying in a letter he had decided to "disapprove" the exclusion order by the ITC.

It was the first time since 1987 that a US administration had vetoed a product ban ordered by the trade panel and comes amid a bitter legal battle between Apple and Samsung.

"As a result of the USTR's action, the Antitrust Division has determined that no further action is required at this time," Justice department officials said in the release.

The DoJ said it will continue to track developments in the patent wrangling between Samsung and the California-based maker of iPads, iPhones, iPods and Macintosh computers.

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