Welcome to the legal world of M2M and IoT
The world of M2M

What we do

Machine to machine communications (M2M), ‘the Internet of things’ (IoT) is set to revolutionise the way we live. This new stage in the evolution of telecommunications and the Internet will bring legal and regulatory challenges that will affect industry operators in this new era of ‘connected living’.

M2M players require alternative business models. M2M users have completely different demands from their communication suppliers and consequently face new challenges and bottlenecks. M2M application developers need to understand the vertical in which they are providing services.

At Olswang, we have been advising players at different layers of the value chain, to achieve their goals in this new ecosystem. We have relationships with different agents, in the application, platform, services, networks and device layers. That experience puts us in a privileged position to understand where the legal and regulatory challenges are and how best to address them.

We have developed experience in “industrial connectivity” through applications in different verticals such as health and pharma, media, automotive, infrastructures, energy and smart grids, education, transport, and agriculture. By applying our key sector strategies across TMT and real estate we are in a unique position to provide advice on smart cities and smart buildings, the future of the way we live.
Our expertise and position in this field have been recognised by the industry and we have been invited to share our knowledge and insight in many leading industry forums.


Olswang proudly sponsored the M2M streams and led the legal and regulatory session at the Digital Services World Congress London, June 2013. [http://m2minternetofthings.com/speakers/](http://m2minternetofthings.com/speakers/)


We are the authors of the article "Unmasking M2M and the Internet of Things" (IBA Communications Newsletter) Spring 2013.

Olswang authored the article “Regulatory and commercial considerations around M2M” at the Digital Life (TM Forum) in Fall 2013.
Things to consider

International scope

M2M are global services provided to large companies (M2M users). The billing relationship is usually with a multinational company and not with an individual spending most of his or her time in one country (there is no “home network”). M2M applications normally need to be left “always on”. For this reason, traditional roaming agreements and regulations are not suited to these services. The EU 531/2012 Roaming Regulation introduces some important changes that could help to stimulate the European M2M market. Aggregators could act as wholesale providers. The Single Market or “Connected Continent” regulatory package proposed by the EU Commission, aims to ease the provision of M2M services in Europe.

Avoiding market foreclosure

M2M users need to have inter-sector (i.e. verticals) and inter-network mobility. The power of M2M relies on connecting billions of devices and merging data within and across industry sectors to provide new services. In order to retrieve this, the multiple systems that will make use of this data need to use common protocols for their communications. In addition, M2M users need to switch networks at the end of contracts or in case of disputes. However, M2M applications are often bound to one provider for the entire lifetime of the device. Regulatory tools are under discussion to help unlock the market and reduce switching costs these include: interoperability, standardization, number/Internet domains’ portability and future proofing technologies. The EU Commission is determined to set minimum requirements to boost competition and consumer choice. “Open object identifier solutions that allow smart devices to be used for different apps and be operated by multiple service providers, with unbundling between information and device”.

Privacy and data protection challenges

Not all M2M services have a privacy component to them, but when there is one, it can promote a detailed view of all facets of a user’s life. The volume and detail of data collected using M2M will introduce new risks to security and privacy. There are different layers in the privacy evaluation, as registration is not just recorded in the database of the M2M service provider, but equally in a database of a (mobile) network provider and/or in a home gateway or device. The sharing and combination of data through cloud services will increase the locations and jurisdictions where personal data resides. Data encryption and device authentication are key, as is the challenge of providing an adequate protection against false requests for information and protection against unauthenticated commands.

In the EU there is no consensus on whether the current Data Protection Framework is sufficient for M2M. What is currently at stake is the right to be invisible within the concept of “connected living,” how to guarantee that the explicit consent, purpose and proportionality principles, data anonymization and privacy by default are feasible and practical. The Draft Data Protection Regulation 2012/0011 currently under discussion will need to take these types of communications into consideration.

Scarce resources

Regulators have an important role to play in ensuring that scarce resources such as numbering rights and spectrum do not become congested or exhausted by the connection and access to the Internet of millions of objects. On the basis of growth predictions, if millions of objects are simultaneously connected and access the Internet, it will impact telecommunications networks. As a result, the deployment of the next generation of networks will become even more urgent and wireless M2M devises and unlicensed uses will influence the spectrum policy.

Agreements across the value chain

The success of M2M will be determined by a balanced approach being adopted by regulators, telecom operators, application developers and M2M users. This sector will only grow to its full potential if these agreements convey value for all parties in the value chain.

We have a multidisciplinary and international practice

Our practice combines lawyers from different offices and different areas of law that are relevant to all players in the M2M ecosystem.
Examples of our expertise

Advising a leading global telecommunications provider on the launch of various M2M service offerings, including advice on number allocation, international permanent roaming issues and domestic licensing requirements.

Advice to a mobile application developer on M2M services and numbering options in the Spanish market, before the numbering plan made available M2M numbering ranges.

Advising an automotive company on the provision of M2M around the ecall project.

Providing strategic advice to a new developer of M2M services in respect of the entry into the European market.

Advising various clients on the regulation of active and passive location based services, including considering tracking of MAC numbers, the regulatory perimeter of location data, which data does and does not fall within European licensing restrictions and notice and consent requirements.

Advising on IPR and patent issues in connection with ready-to-use cellular mobile telephones for M2M applications.

Advising MNOs and MVNOs on MVNO, MVNE and MVNA transactions.

Advising a M2M user on their terms and conditions.

Advice to a major international MNO on regulatory issues related to the deployment of M2M services in the automobile industry.

Advice to a M2M service provider on whether services are electronic communication services under the regulatory framework or not.

Advising on ITU technical standards.

Advising on roaming regulations and impact of the “Connected Continent” package vis-a-vis M2M players.

A full service offering

Corporate

M2M

IP

Data Protection, Security and Privacy

Commercial

Competition

Litigation

Regulatory

www.olswang.com
Olswang is a pioneering firm with a distinctive approach to business law and an immersive culture

Thanks to our decisive, connected and highly-commercial people, we have built an unparalleled TMT practice, which makes us the firm of choice for true innovation. We have also established a commanding reputation for changing the face of business in a wide range of other industries, notably Real Estate. Headquartered in London, Olswang has an international presence spanning Belgium, France, Germany, Spain, the UK and Singapore.

We’re committed to breaking the mould in legal services

We exert a passionate influence upon the business sectors we work in. As a leading client relationship management firm, we constantly strive to initiate improvements, for our clients and the industries in which they work. Put simply, we help our clients stay connected, stay informed and stay sharp within their fields.

Our expertise in Telecoms, Technology and Media is unmatched

Media expertise has shaped the firm from day one and our experience extends across the entire industry, while our strength in Technology and Telecoms comes from deep industry insight matched with practical know-how. Above all, we align all of our services to the way our clients think about the future.

Our people are our business

Working with the very best clients calls for ingenuity, verve and honed judgment. Our clients rely on our capability, but they value our distinctive personality and culture. We know that if our people reach their potential, then our business does, too.

A responsible business

We are committed to being a responsible business. We understand that the success of our business relies on the relationships we build and the way we interact with our people, our clients, our community and our environment. We are committed to, and encourage all members of staff to be involved in its environmental, pro bono and charitable activities. We have found that by collaborating with our clients on Corporate Responsibility projects we are able to add real value to our relationship, our client’s Corporate Responsibility work and our society and environment.

"This firm has a stellar reputation for its commercial work in the media and telecoms industries, and also impresses with its regulatory advice."

Chambers and Partners Europe, 2012
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