Aurora
Consulting

Patently Strategic Musings

KRISTEN HANSEN| February 28, 2023
Patents, Copyrights, and Open Source

This presentation is for information purposes only and does not constitute legal advice.

WELCOME! – Format

- 10 Minutes Ice: Breaker

- 15-20 Minutes: Problem Solving

- 30-35 Minutes: New Material

Ice Breaker

- New people - introduce yourself

- **What recipe/food is on repeat at your house?**

Shared Problem Solving

- Fun Strategy Tidbits?

- Any problems you are encountering with the USPTO?

- Any practice issues arising?

- Any technical issues you are facing?

Overview

- Patents, Copyrights & Open Source Differentiation

- How to protect Open Source Software (OSS)

- When you might want to patent something you will open source

Software Protection Strategies

- **Utility patents.** – protect the functioning of software

- **Design patents.** – protect ornamental aspects/look of a component, animations, and GUIs

- **Trademarks.** – protect slogans, brand names, logos, sounds

- **Trade secret.** – protect innovations that are not patent eligible, not ready for patenting, or more valuable as a secret

- **Copyright.** – protect original works of authorship such as software code and unique software code expressions

Software Protection Strategies (cont.)

- **Open Source Software Licenses.** Royalty-free, copyright licenses granting 3rd parties the rights to copy, modify and distribute software code

- **Copyleft.** OSS license requiring derivative works to distribute using the same license terms as the open source code
  - Can be highly insidious -- makes your software open source and eliminates proprietary rights

Software Patents vs. Copyrights vs. Open Source

- **Copyrights** protect the <u>expression</u> (source code) of an idea and guard against exact replication

- **Patents** protect the <u>idea and functionality</u> implemented by the source code

- **Open Source Software (OSS) licenses** protect the <u>expression</u> of an idea, but function as <u>royalty free</u> copyright licenses.

Open Source Beginnings

- **Circa 1980s – Open Source Concept:** whatever you do or make, give it away for free so others can build with it and make it better

- **PRO Argument** Collaboration drives innovation

- **CON Argument** Competition drives innovation
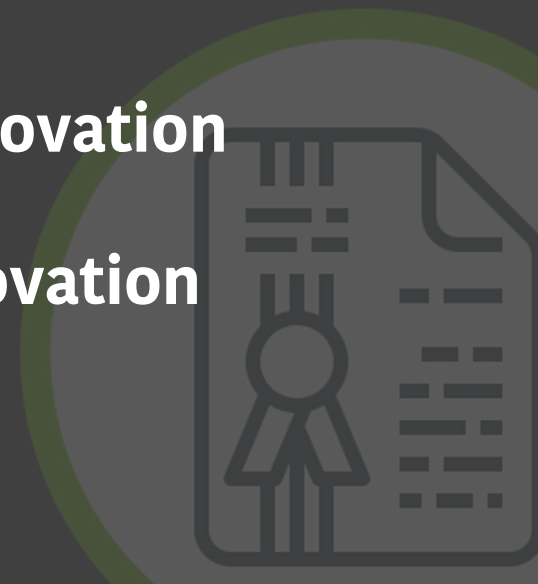
Open Source Licenses

- OSLs comply with the Open Source Definition
- OSLs allow software to be freely used, modified, and shared
- OSLs must be approved by the Open Source Initiative (OSI) (i.e., a license must go through the OSI's license review process)
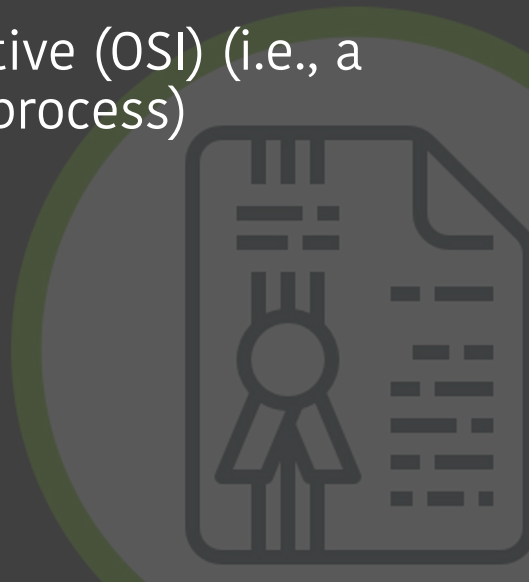
Open Source Licenses (cont.)

Many different flavors, but all follow this principal:
- OSLs <u>do not bar a software author from obtaining patent protection</u> nor do most OSL's bar a programmer from including their patented features when they modify someone else's software previously distributed under such licenses

However: most of these licenses have clauses that state some version of:

"any patent obtained using this OSS content must be licensed for everyone's free use or not licensed at all"

Therefore: an author or modifier who distributes software under the OSS license typically cannot assert his patent rights against subsequent users and redistributors of the OSS licensed software

<u>BUT REMEMBER</u>: People who independently create non-OSS software are not subject to this implied license when they do not use the OSS content
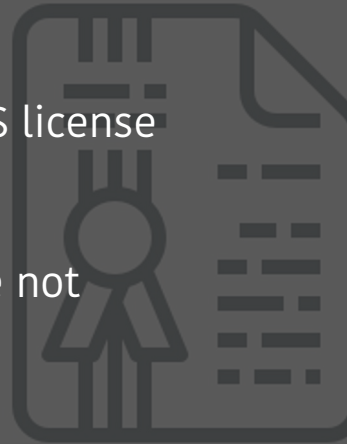
Open Source and Patents

- **OSS can be and is patented** for offensive, defensive, altruistic, and commercial reasons

- a patent provides additional control over the software and the underlying innovation – Using patents, it is possible to construct a strategy whereby open-source innovation is encouraged without irreversibly forgoing all future possibility of earning a fair reward or allowing others to unfairly benefit from your innovation

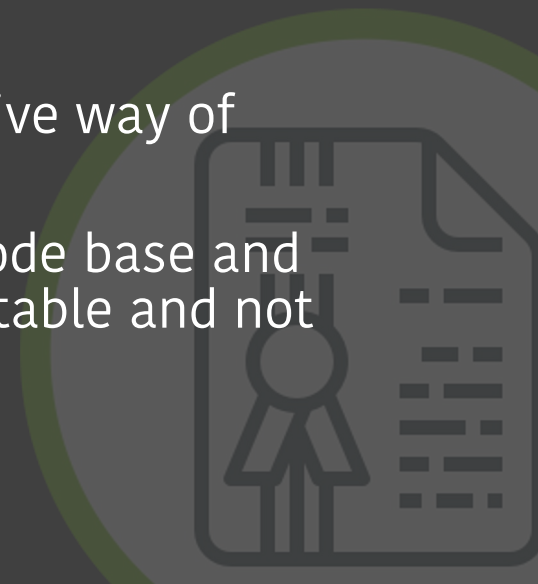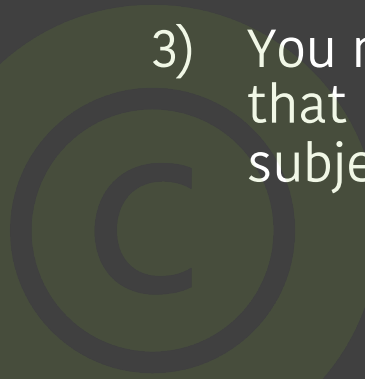# Why patent software that uses OSS code/content?
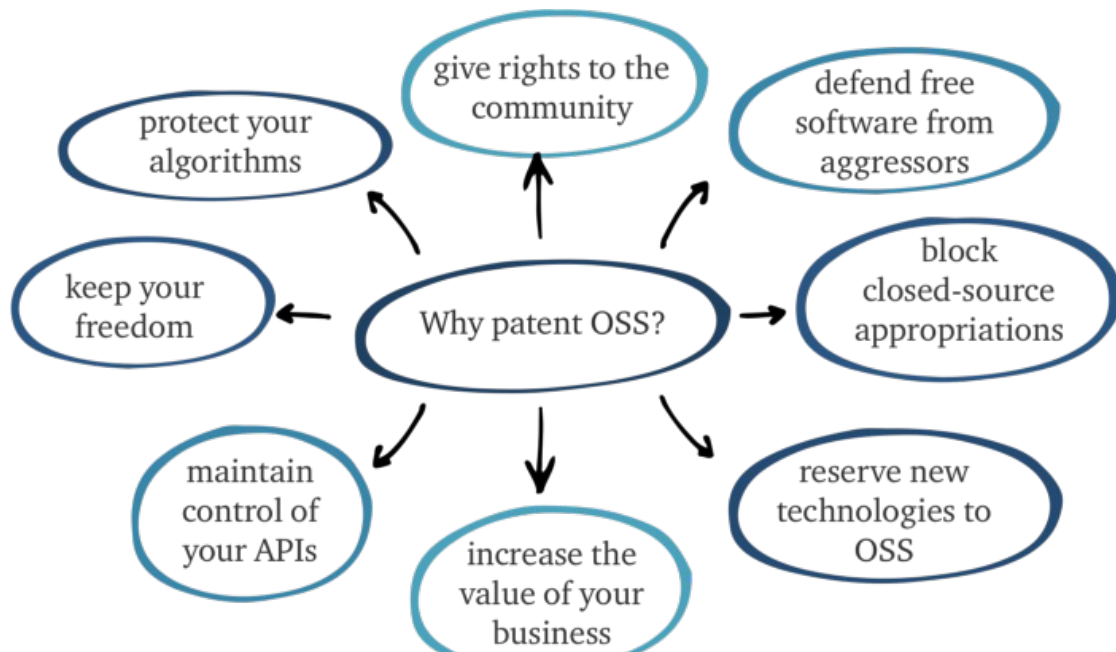
- the author can use patent rights against a competitor who sells a competing product that incorporates the invention that is not a derivative work of the author's original code

- typically, the OSL only precludes the patent holder from asserting his rights against people who are practicing the invention by using the OSL software

Why patent software that uses OSS code/content?

From the perspective of a user of the OSS content:

1) Patents are needed to defend open source software

2) Copyright/open source licenses are an ineffective way of protecting software code

3) You may have code that is not based on OSS code base and that code may have functionality that is patentable and not subject to the OSL

Why patent software that uses OSS code?

From the perspective of an author of OSS content:

1) Author may plan to license the patent to others to generate revenue

2) Author may plan to assert his patent rights against redistributors who do not conform to the OSL terms

3) Author may plan to obtain patent rights to use as an offensive or defensive weapon against infringers who are not using the OSS software

4) Author may plan to also distribute a non-OSL version of the software

Example

- You use OSS to build a search engine.
- You design and you code up (1) an algorithm that performs searches in the search engine in a new way and (2) an algorithm for a new way to display search results.
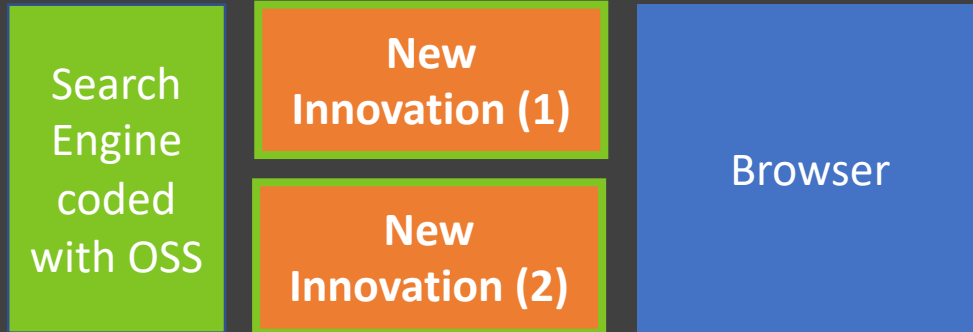
| Search Engine coded with OSS | **New Innovation (1)** | Browser | **Are either of your algorithms patentable (if found new and non-obvious) and to what extent?** |
| | **New Innovation (2)** | | |

How can I protect myself when using OSS content?

Use software tools to find content and understand the open source licensing of any OSS content you use:

- OSS monitoring and screening programs exist – use these tools to detect the presence of OSS upstream components in your code, your employees' code, your contractor's code, or any merged code that might include OSS content

- When considering software purchases and signing onto software licensing agreements, it may also be important to have discussions with the licensor about back-end OSS licensing and the availability of indemnification warranties for potential open source breach claims
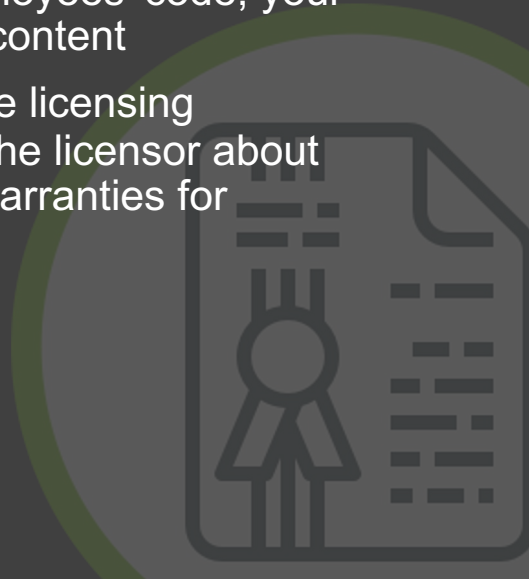
Key Takeaways

- When using OSS, understand the license implications
- Understand your rights by reading the fine print of any OSL that applies to code that you plan to use in your software
- Keep code for patentable inventions out of public repositories
- Remember the OSS license implications apply to code adopted by a contractor as well