#### What are Software Patents?

- **EP 803 105** Selling things over a network using a server, client and payment processor.
- EP 807 891 Electronic shopping cart.
- US 6 663 564 Process for controlling body weight

Points 
$$= \frac{c}{50} + \frac{f}{12} - \frac{r}{5}$$

#### Patents versus Copyright

Patent: Exclusive rights to an *idea*.

**Copyright:** Exclusive right to one's own *expression* of ideas.

**Software:** One single program — dozens of ideas. Most of them other's. Like a novel or a symphony, inspiration from older works is essential.

TRIPS treaty, article 10:

Computer programs, whether in source or object code, shall be protected as literary works under the Berne Convention.

**Patent minefield.** Everyday programming day, you infringe some patent. Clearance searches not practical.

### Are software patents legal?

- Computer programs and business methods patentable in the US.
- European patent convention, article 52:

The following in particular shall not be regarded as inventions within the meaning of paragraph 1: [...](c) schemes, rules and methods for performing mental acts, playing games or doing business, and programs for computers.

• European Patent Office has granted 30 000 software patents!

### Who wants software patents?

Microsoft, Ericsson and IBM. Cross-license portfolios with each other, and lock out smaller players from the competition.

European patent office. Patent lawyers in industry and academia.

Non-practicing companies or "trolls". Owns patents. No activity except litigation. Can sue both large and small companies.

# Who are opposing software patents?

• European software companies: MySQL, Opera, SAP.

SAP has grown big by copyright, and being imitated was never seen as a major problem. We do not need protection by patents but rather protection from patents.

- Bernard Runge, SAP

• Researchers.

We find evidence that software patents substitute for  $R \mathscr{E} D$ at the firm level; they are associated with lower  $R \mathscr{E} D$ intensity.

— James Bessen (MIT) and Robert M. Hunt

- Free software people.
- 345 000 people have signed at petition.eurolinux.org

## **Current status**

- **1986** EPO grants process claims that in effect are software patents.
- 1998 EPO grants program claims.
- **2002** European commission proposed directive "on the patentability of computer implemented inventions".
- Sep 24, 2003 Parliament votes for amendments to the directive.
  - 3a. Data processing is not considered a field of technology.
  - 5a. Data processing and publication can never infringe a patent.
  - 6a. Use of a patented technique for interoperability purposes is not considered to be a patent infringement.
- May 18, 2004 Council of Ministers produces a "compromise" that deletes all of the Parliament's amendments.