

openinvention *network*<sup>®</sup>

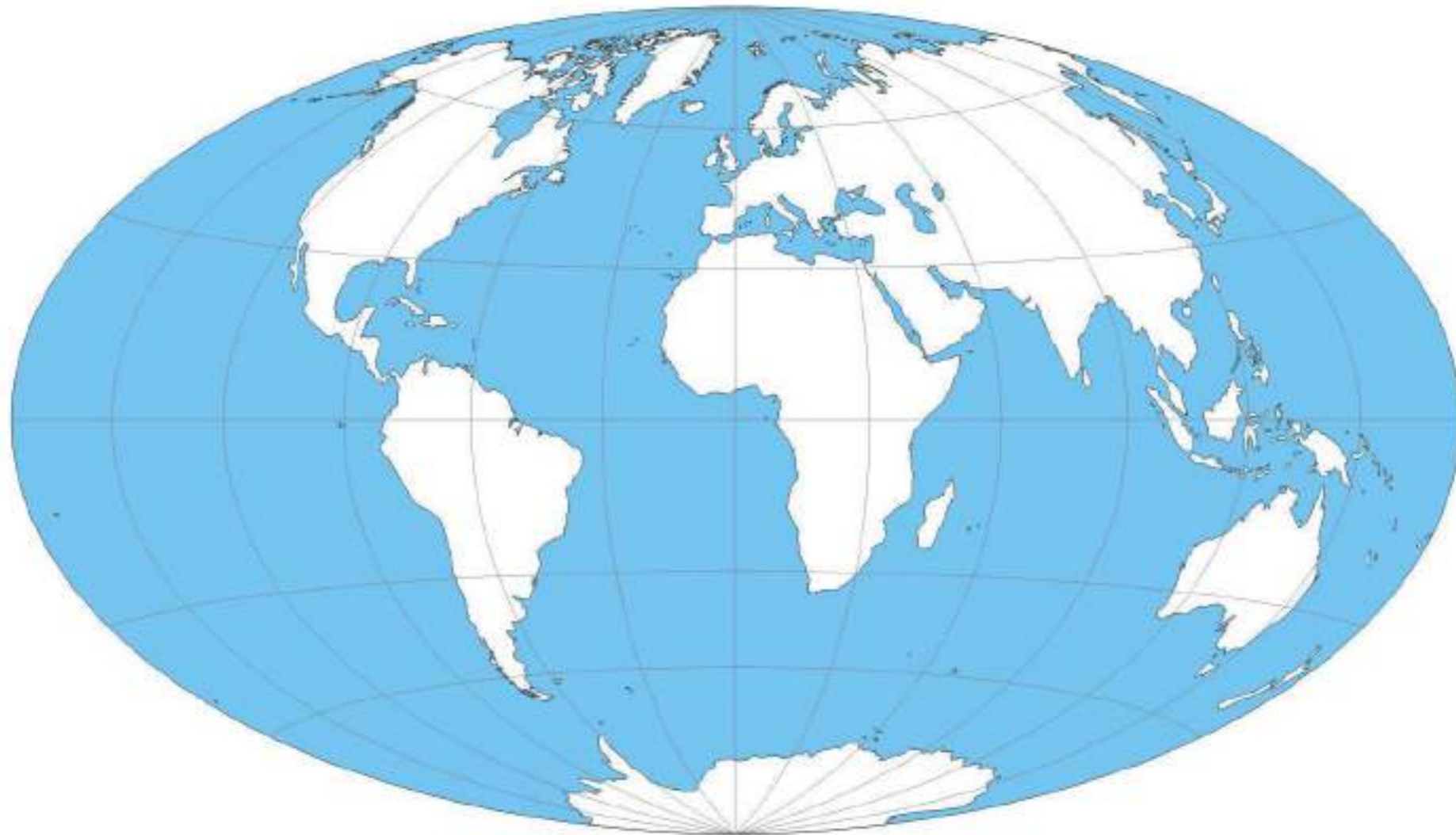


***Building a Community of Patent Non-Aggression Across the Open Source Technology Sector***

# Software Rising



## **Greater Diversity of Thought, Perspective and Talent Drives Higher Levels of Innovation -**



***Barriers Between Participants are Falling Away as OSS Projects Provide a Modality to Distill the Collective Intelligence of a Global Community of Creatives***





# Co-opetition in Software and Hardware

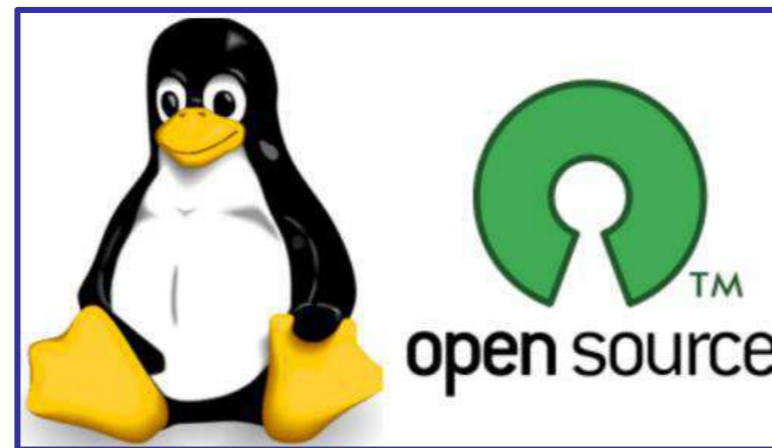
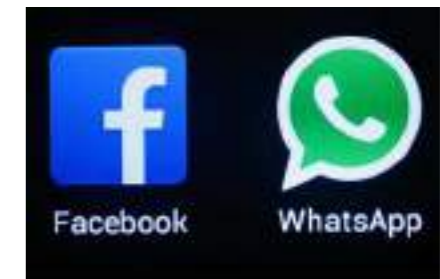
**Higher Levels and Faster Paced Innovation Cycles** Require We Leverage the Distilled Collective Intelligence of a Global Population of Inventors



Therefore, we must **cooperate on low in the stack “core” technology** and Reserve competition for high in the stack largely application layer functionality, services and creative pricing models



# New Global Dynamic - Every Electronic Touch in the G10 Countries and Beyond is Linux/OSS Enabled



# **OIN's Role in Safeguarding Linux/OSS-Enabled Innovation**



# OIN'S FULL/FUNDING MEMBERS

Established in  
2005



redhat

SONY



December 2013



June 2016



TOYOTA

OIN Funding Member Make Up is  $\frac{1}{4}$  European,  $\frac{3}{8}$  Asian and  $\frac{3}{8}$  American Reflecting Global Nature of Linux/OSS



# OIN Overview

**OPEN INVENTION NETWORK IS THE WORLD'S LARGEST PATENT NON-AGGRESSION COMMUNITY. ITS MISSION IS TO SAFEGUARD THE CORE OF LINUX AND OPEN SOURCE**

**~2900 PARTICIPANTS**  
FROM **START-UPS**  
TO **LARGE CORPORATIONS**

CROSS LICENSE POOL



(Sample Licensee Participants)

**~5.0M PATENTS AND APPLICATIONS OWNED BY OIN LICENSEES**

OIN PATENT PORTFOLIO

**~1300 GLOBAL PATENTS AND APPLICATIONS W/BROAD SCOPE**

LINUX SYSTEM

**>2800**

**OPEN SOURCE CORE LINUX TECHNOLOGY PACKAGES COVERED**



**~\$100M SPENT ACQUIRING/INVENTING DEFENSIVE PATENTS**

# OIN'S MISSION

OIN's mission is to enable freedom of action/operation for vendors and users of **LINUX/OSS**-based technology. It does this through a patent non-aggression cross-license around the "**LINUX** System," which defines the scope of obligation.

openinvention*network*<sup>®</sup>

**FINANCIAL OBLIGATIONS OF PARTICIPATION**

**ZERO**

openinvention*network*<sup>®</sup>

**NON-FINANCIAL OBLIGATIONS OF  
PARTICIPATION**

**All OIN licensees agree to cross license each other under patents that directly read on functionality included in the “**OIN Linux System Definition**”**

## **SCOPE OF CROSS-LICENSE**

The “**Linux System Definition**” comprises core software packages from various OSS projects which, taken together, define the scope of the cross-license obligation to which each OIN licensee commits.

The “Linux System Definition” currently consists of more than 2,800 **core** OSS packages.

(Complete and current listing of packages is found on OIN’s website)

## Linux System Definition - Patent Non-Aggression Zone

Common Base Packages (Linux kernel, system and command line programs, common libraries, setup tools) - **72.6%**

Software Engineering (Perl, Python, PHP, Lua, etc.) - **15.3%**

Enterprise Computing (JBOSS, Jakarta, OpenShift (high functionality packages)) - **3.5%**

Networking and Security (OpenSSL, OpenSSH, OpenVPN) - **2.9%**

Mobile (Android, WebOS) - **2.6%**

Cloud Computing (OpenStack, Qemu, libvirt) - **1.5%**

Web (Apache webserver, NGINX) - **1.0%**

Configuration Management (Puppet, Ansible) - **0.6%**

**Auto (AGL), IoT, ONAP/OPNFV, Hyperledger - future roadmap of Linux and LF Projects will translate into near term incorporation BUT given reuse of code all of these projects are to some degree already represented in Linux System**

# openinvention*network*<sup>®</sup>

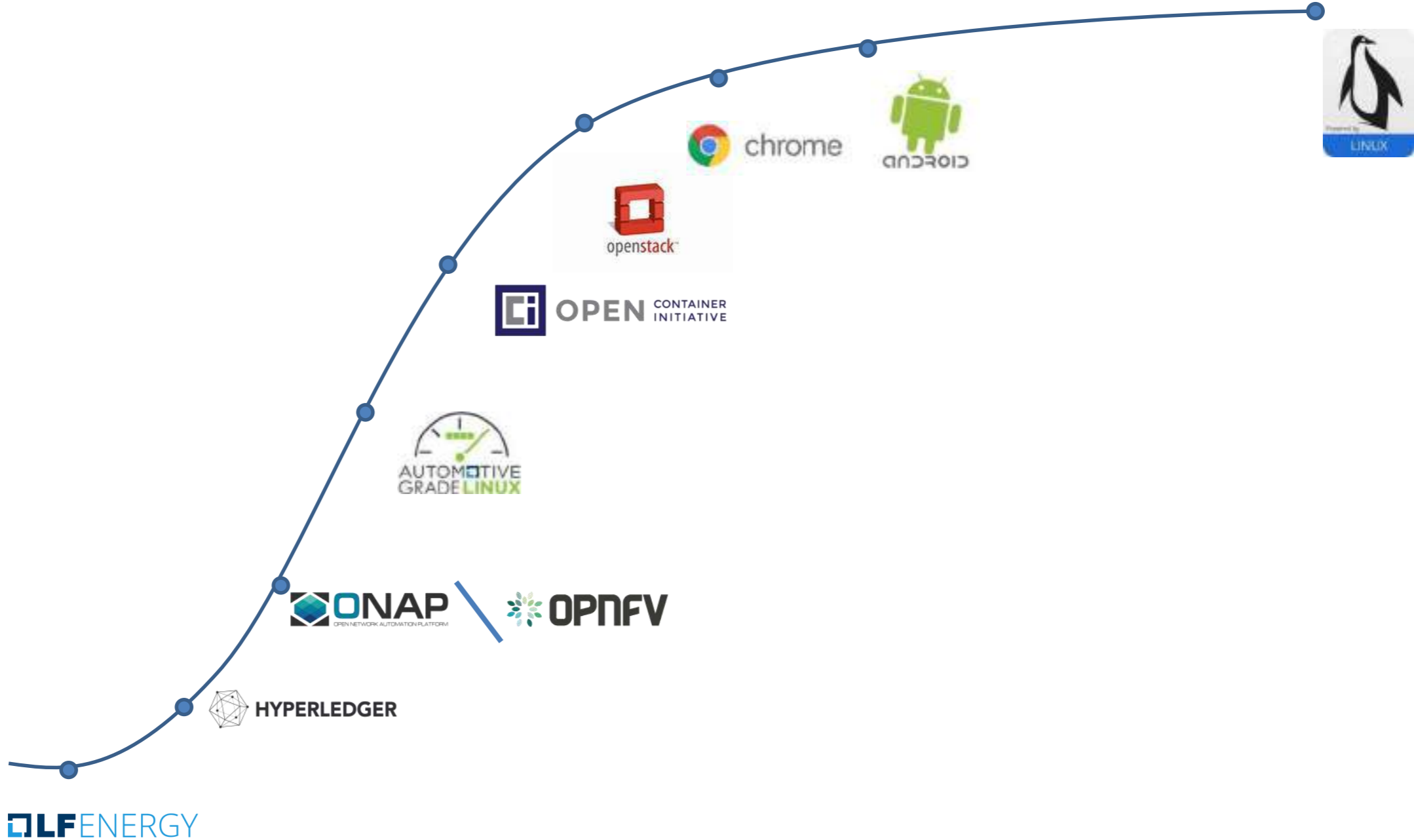
**OIN, by design, exists to preserve patent freedom for participants in Linux Foundation and other Key OSS projects.**



openinvention*network*<sup>®</sup>

**Technical Development/Collaboration Occurs in  
Parallel with Legal Collaboration**

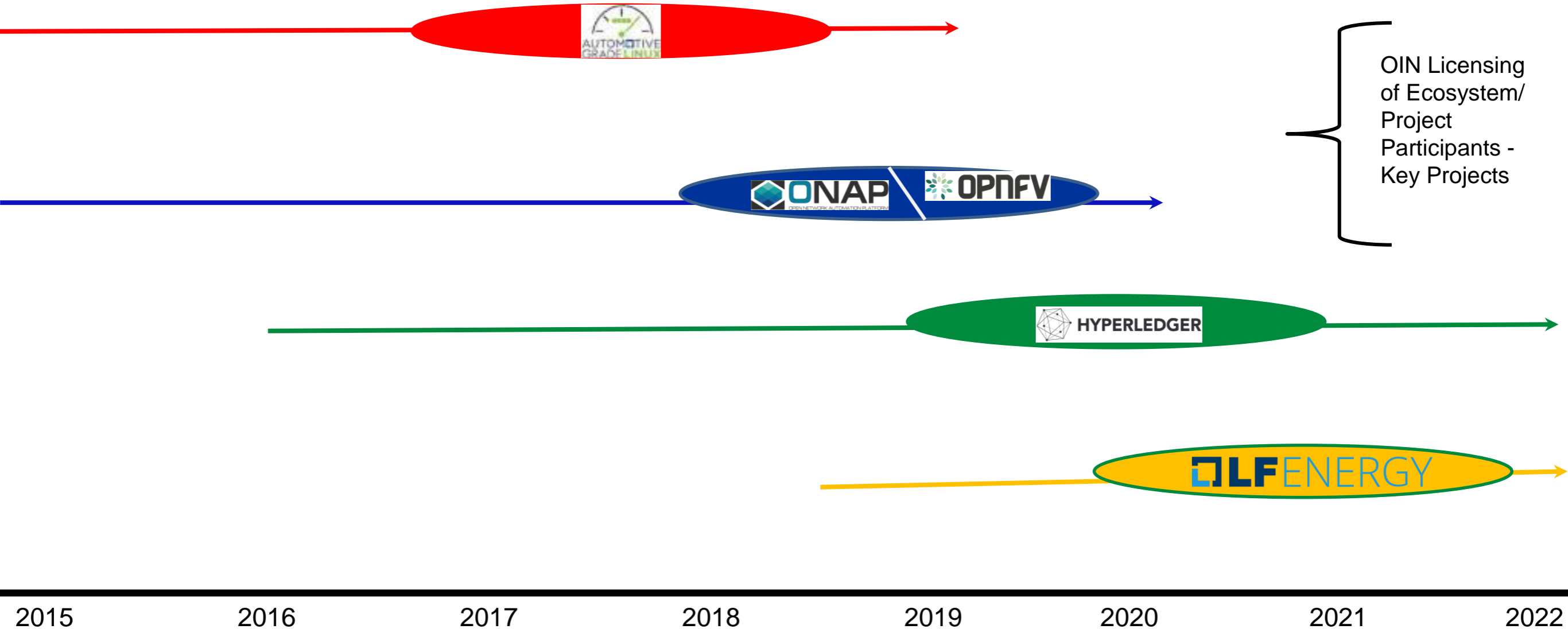
openinvention*network*<sup>®</sup>



Recognizing & Managing the Challenge/Obligation of Licensing into Linux/OSS Projects & Tracking Growth



# Strategic Guardian Role Evolution



Recognizing & Managing the Challenge/Obligation of Licensing into Linux/OSS Projects & Tracking Growth

# openinventionnetwork<sup>®</sup>

## REPRESENTATIVE LICENSEES

### NETWORK OPERATORS



### Software Companies



### Automobile Makers



### Networking Companies



### Internet Companies



### Hardware Companies

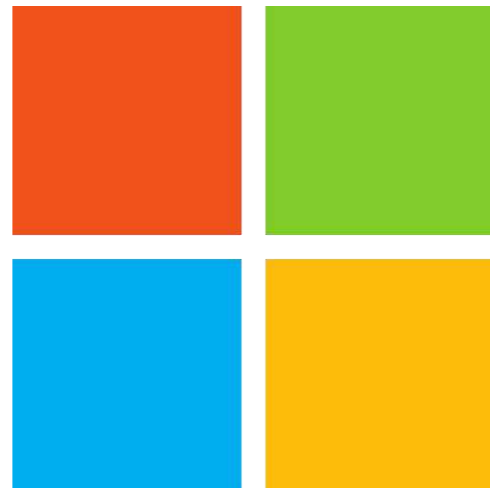


# **OIN'S Licensee Community**

OIN's licensee community, by design, comprises global representation of circa **2,900 companies** from over **35 countries** to reflect the global reach of Linux and OSS. **EMEA licensees currently represent 39 percent of the OIN community** with **Asia accounting for 24 percent** and **37 percent coming from the Americas.**

**OIN is a Global Solution to Reflect the Global Reach of Linux and OSS!**

openinvention *network*<sup>®</sup>



***Microsoft Participation and the  
Further Reduction of Patent Risk  
in the Core of Linux/OSS***

openinventionnetwork<sup>®</sup>

*October 10, 2018*

## **Microsoft Joins the Open Invention Network Community**

*Microsoft's participation in OIN will drive additional innovation  
and enhance patent non-aggression in Linux and adjacent OSS  
technologies*

openinventionnetwork<sup>®</sup>

**The Register**

## Software

**Microsoft has signed up to the Open Invention Network. We repeat.  
Microsoft has signed up to the OIN**

By [Richard Speed](#) 10 Oct 2018 at 16:05

---



**Microsoft Joins Open Invention Network with the Aim to  
Protect Linux and Open Source**

by [Andrew Morgan](#) on Oct 15, 2018.

open**invention***network*<sup>®</sup>

# OIN 2018: Select Licensing Wins



# OIN's Role Beyond the License...





# Examples of How OIN Assists Its Community Members with Linux-related Patent Aggressors

- OIN leverages its vast network of relationships in the Open Source Community to **collect and share prior art** to permit OIN licensees at risk or in litigation to better defend against Linux-centric patent aggression
- OIN **sells OIN Community Members patents** from its own portfolio of 1,300 plus patents and applications that help bolster the licensee's defensive position and permit it to file effective counterclaims
- OIN **acquires patents from patent antagonists asserting Linux-centric patents** in situations where the acquisition provides broad based clearing of patent threats to OIN's Community of Licensees
- OIN routinely **utilizes the AIA's pre-issuance submission program** to submit prior art to limit claim scope or secure outright rejection of overly broad patent claims in patent applications focused on key technology areas relevant to Linux

# Select Examples of How OIN Benefits its Community Members

- **Portfolio Acquisition:** OIN was able to orchestrate the acquisition of 22 patents that were being marketed by a operating company patent aggressor to NPE's as being directed to "Open Source Software". Accomplished through leveraging of strong network of relationships OIN maintains with complementary patent non-aggression communities such as RPX, AST, etc.
- **Patent Sales:** A OIN Member that had a number of Linux related patents asserted against it by a major Fortune 50 company acquired patents from OIN that read on the asserting company and was able to successfully leverage those patents to lower its exposure and ultimately negotiate a deal far below initial levels demanded.
- **Membership alone as a Deterrent:** Facing a major lawsuit from that same Fortune 50 company, another entity decided to join OIN, and after its membership became known to that aggressor, a settlement was reached within 72 hours on terms that were extremely favorable to OIN's new Member - less than 10 percent of the original asking fee of the patent aggressor..
- **Prior Art Assistance:** In over 45 cases where a OIN licensee was the subject of a active assertion or litigation, OIN has identified and shared prior art for use against the NPE or corporate patent aggressors
- **Patent Acquisitions:** OIN has expended in excess of \$15MM to solely purchase Linux-centric patents owned by PAE's that were being used in active assertions and/or litigation - 15% of OIN's circa **\$100MM total patent acquisition investment to date**
- **Claim Scope Reduction/Patent Application Rejections** - OIN is among the leading users of the AIA's pre-issuance submission program having successfully gotten over 25 overly broad patent applications rejected and a reduction in claim scope in another 40 plus applications



[Legion](#)

# Court Rules in Favor of SemaConnect in EV Charging Patent Case

***March 26, 2018***

**OIN Quietly Works to Use Its Community to Identify Prior Art  
and Support Freedom and Open Standards in EV Charging**

FORTUNE

# Amid the patent wars, an oasis of calm collaboration

By [ROGER PARLOFF](#)

October 6, 2015

*OIN's story is an outlier in the recent annals of patent law. It's largely a story about patent peace, not patent war. It's about patent litigations that haven't been filed—dogs that haven't barked, basically. It's about otherwise ruthlessly competitive companies laying down their swords in order to cooperate within a narrowly defined space, where they recognize that it's in everyone's best interests to do so.*

openinvention<sup>®</sup>network

# opensource.com



## Patrick McHardy and copyright profiteering

Many developers in the Linux community have concerns about the activities of Patrick McHardy. Here are answers to common questions.


24 Aug 2017 [Heather Meeker](#)

**Copyright and the Reduction of IP Friction in OSS -  
OIN and the OSS Community's Next Frontier?**



&amp;



- The Advent of Co-opetition and Collaborative Development **DOES NOT** Signal a Demise of IP! Patents Still Drive Innovation!
- Rather, participation in the New Economy of Technology Development requires that we manage a form of practiced duality in terms of IP Strategy & Look to Community Solutions to Mitigate IP Risk and Produce New Novelty in Software
- IP Must Be Recognized as a Strategic Resource! Educate, Socialize the Importance of Transforming Ideas  Value!

**Inventing Migrates to Features/Function Where Differentiation Can Reasonably Be Found**





**THE BOTTOM LINE**

**Ultimately (i.e. over time), the only companies that do not sign the OIN license and agree to participate in the OIN Community are those that wish to reserve the right to sue on patents that read on “core” Linux and OSS functionality!**



# Thank You!

**[kbergelt@openinventionnetwork.com](mailto:kbergelt@openinventionnetwork.com)**

