



# A PERSPECTIVE ON SOFTWARE LICENSING

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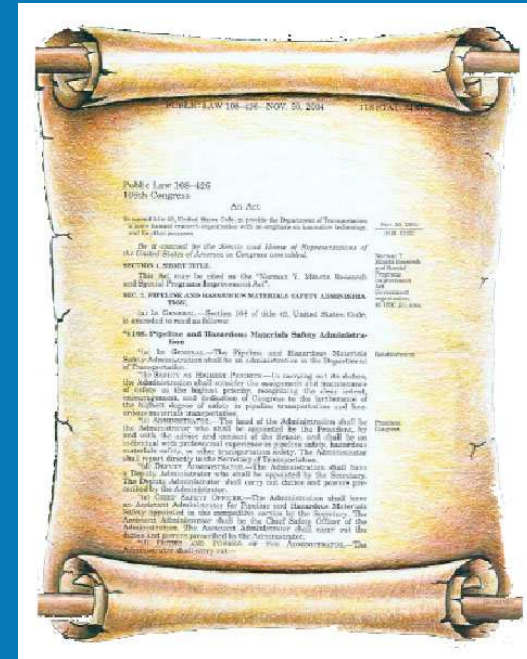
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Software licensing and licensing models
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- 3 Licensing and Development

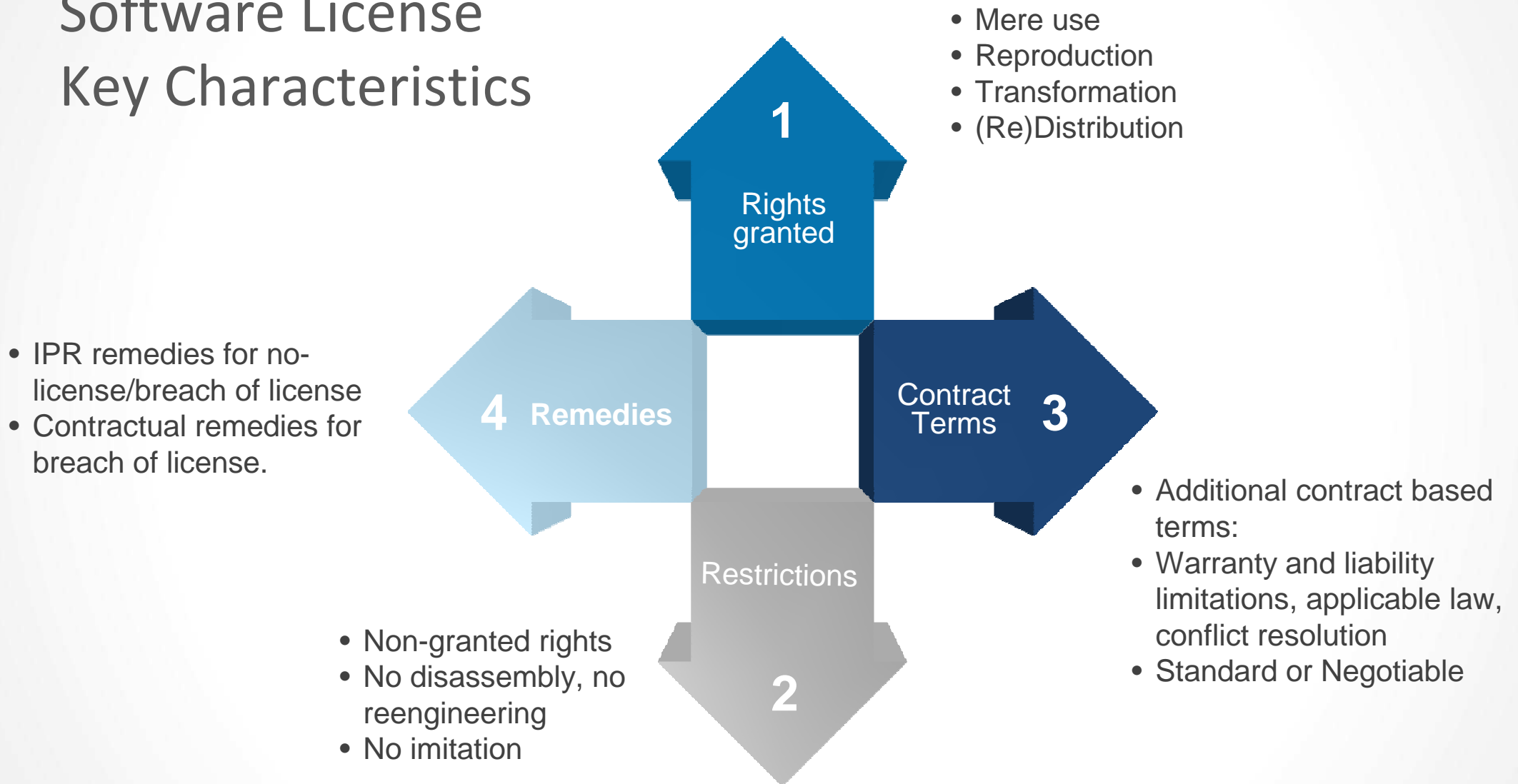
# A Software License...

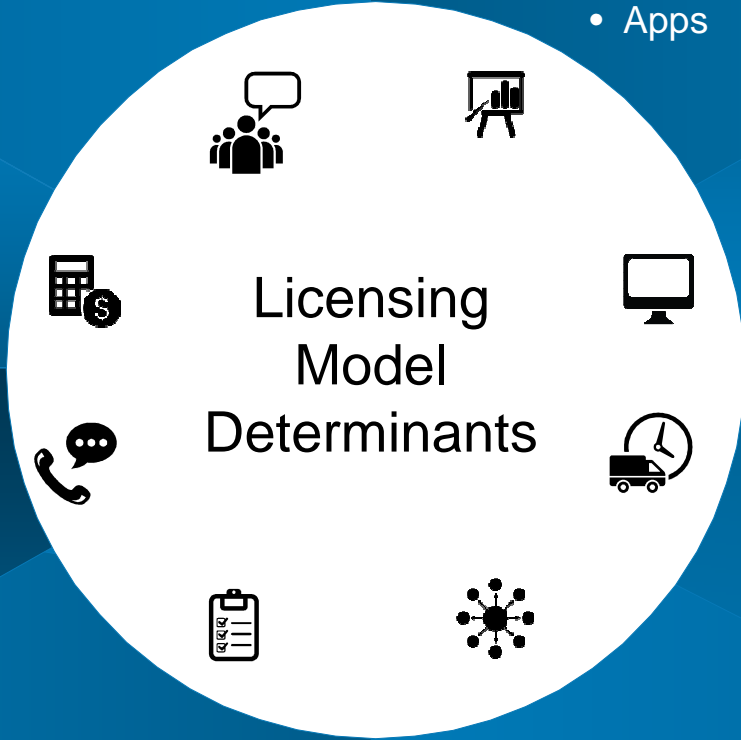
- 01 Generally a contract
- 02 Between Software publisher (licensor) and User (licensee)
- 03 Authorising use of a program
- 04 Subject to certain conditions.



# Software License

## Key Characteristics





### Type of Users

- Corporate
- Consumer
- Developer

### Type of Software

- End User
- Enterprise
- Development tools
- Apps

### Business model

- Revenue based
- Service model
- Non-revenue based (sharing)
- Mixed models

### Software Development Model

- Hierarchical / Corporate
- Distributed / Community Driven

### Commercialization Model

- Inside sales / via Internet
- Outside sales: channel / sales force

### Software Distribution Model

- Shops
- Online download
- SaaS

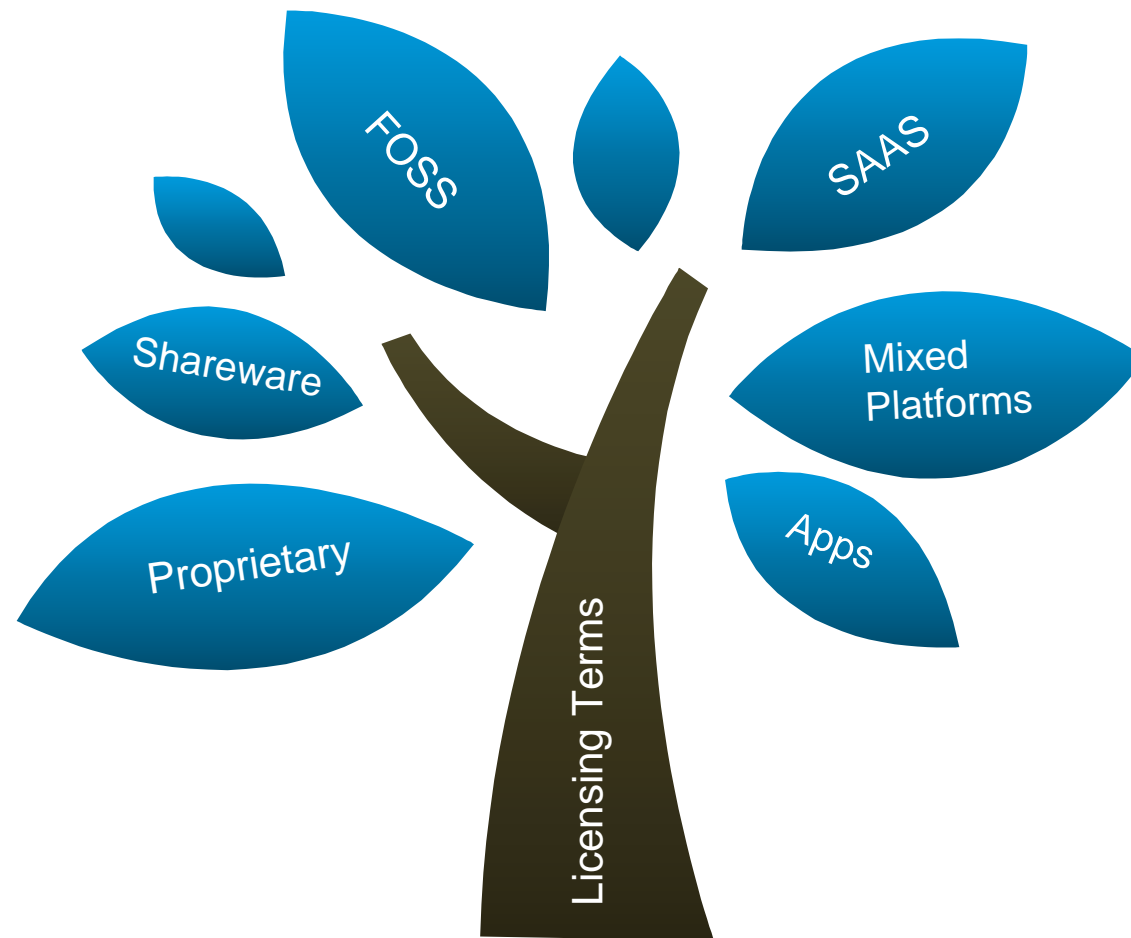
### Control Model

- DRMS - heartbeats
- Reporting and auditing

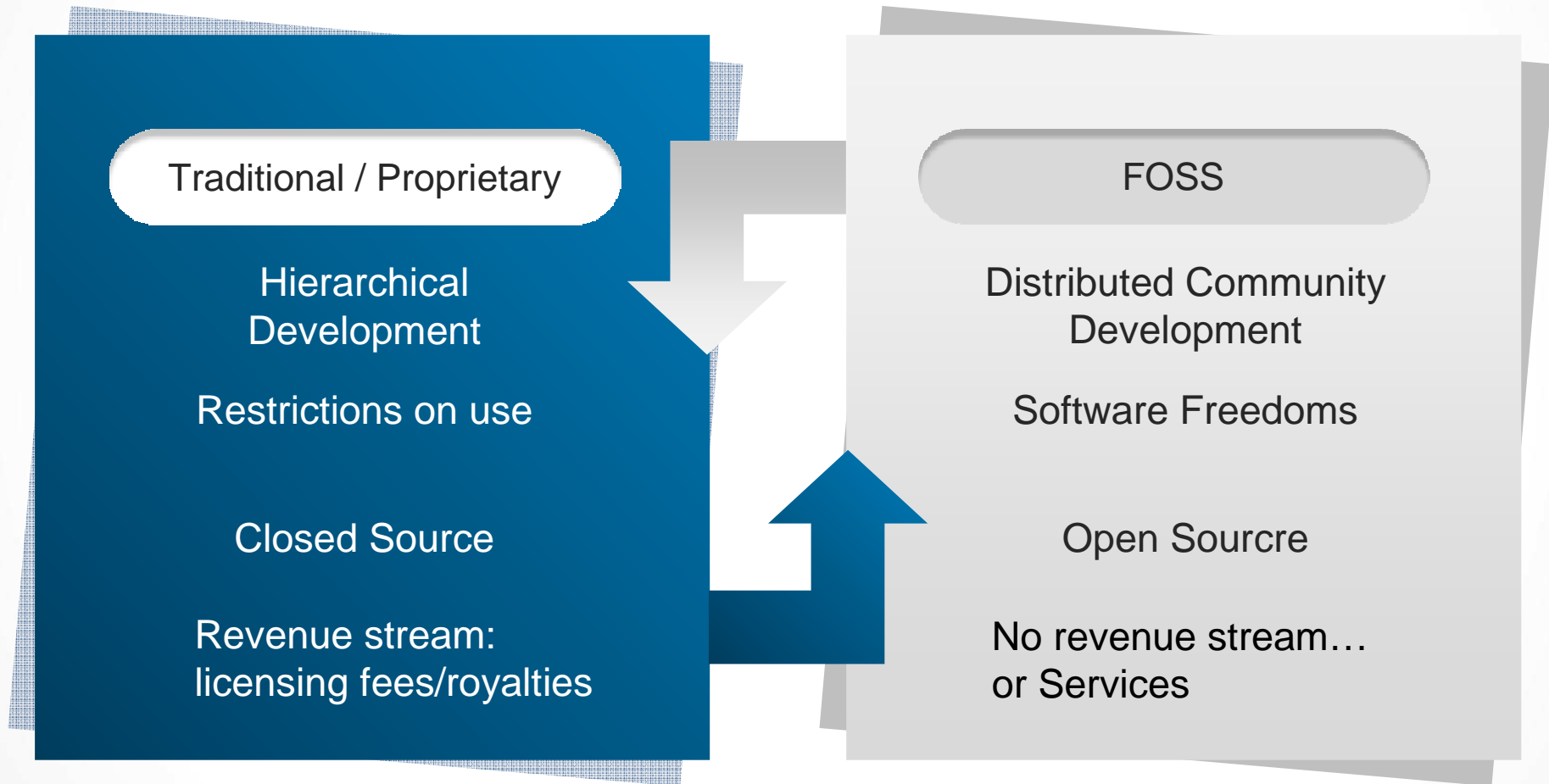
### Others

- Cost of R+D
- Patent restrictions
- ...

# A Spread of licensing models



# A significant contrast: Proprietary and FOSS



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Software licensing and licensing models

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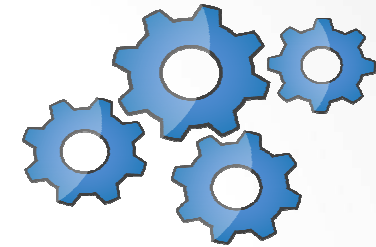
Mixed Models

3

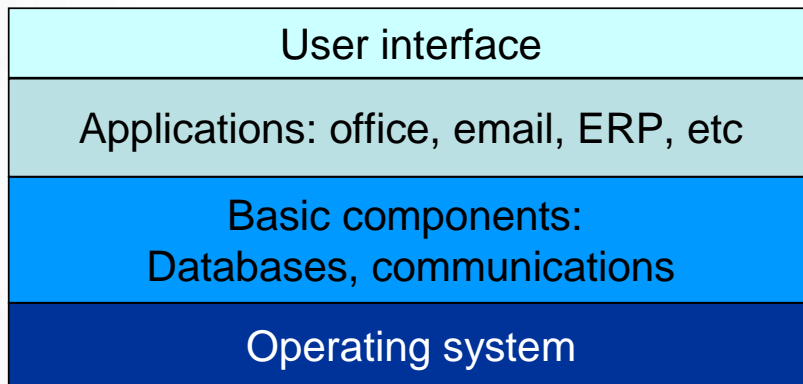
Licensing and Development



# Two fundamental characteristics of software

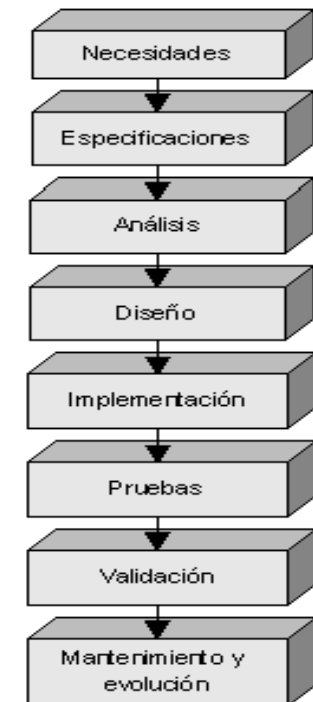


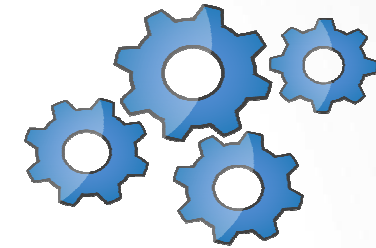
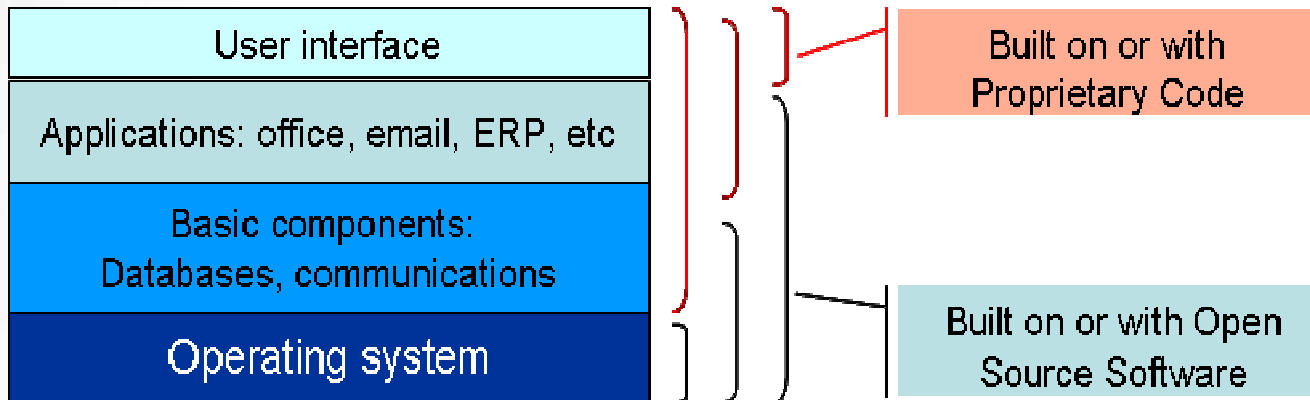
## Modularity: architecture



## Software life-cycle

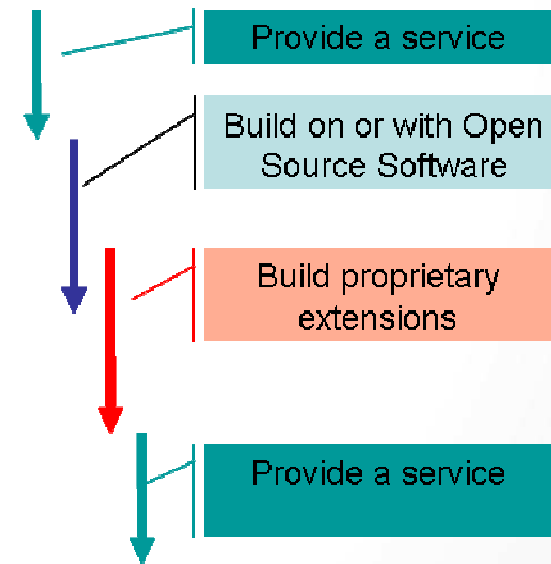
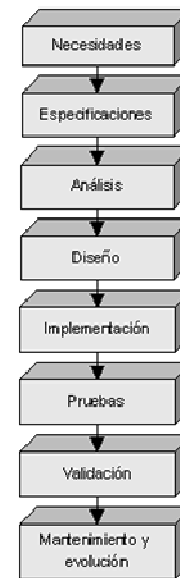
- Needs
- Specifications
- Analysis
- Design
- Development
- Testing
- Validation/Certification
- Maintenance, evolution



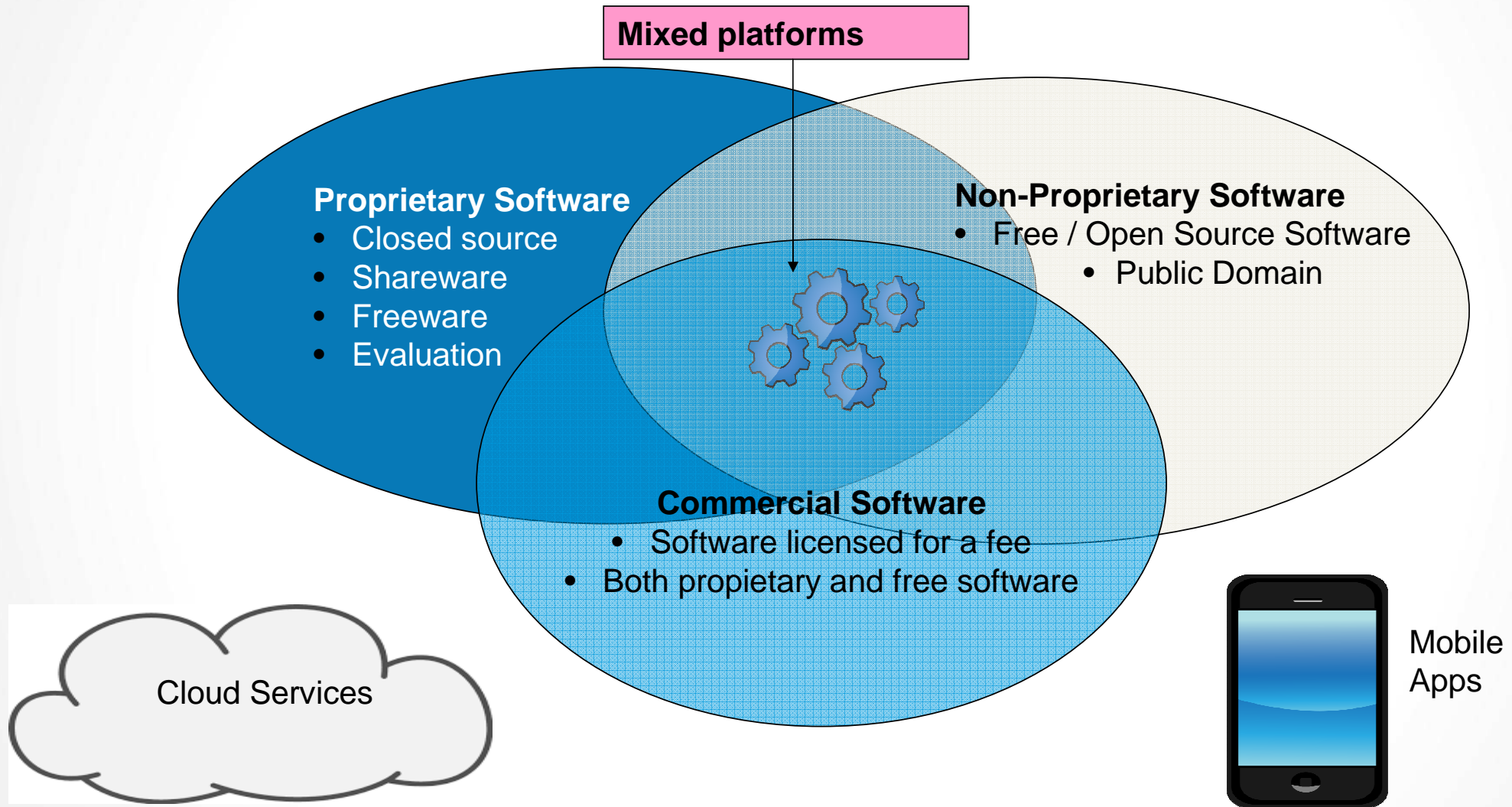


Mixed  
Platforms

- Needs
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# Software licensing and distribution ecology



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Licensing and Development

# Key Factors for Development

## Economics

- Basic Cost
- TCO

## Technology

- Usability
- Standards compliance
- Security
- Independence / lock-in
- Continuity over time

## Uses

- Installation and use
- Extend
- Share
- Adapt
- Improve



## Development

- Local innovation
- Knowledge transfer
- Building technological capacity

## Comparison of licensing options in Development terms

Criteria	Traditional licensing	Freeware / Shareware	FOSS	SaaS
Cost	Higher	Zero	Zero	Variable
TCO	Higher	Zero	Lower	Variable
Use	Controlled	Extended	Extended	Controlled
Extend use	At a cost	Yes	Yes	At cost
Share	No	Yes	Yes	No
Adapt	Low	No	High	Variable
Improve	Low	No	High	Low
Usability	Tends to be high	Tends to be high	Depends	High
Secure	Not auditable (but can be certified)	Not auditable	Auditable	Not auditable (but can be certified)
Standard compliant	Depends	Depends	Usually	Depends
Independence	Low	Low	High	Very low
Continuity	Mid term	Mid term	Long Term	Short term
Knowledge transfer	Low	Low	High	Low
Supports local innovation	Mid	Low	High	IaaS/PaaS: High SaaS: low
Build technological capacity	Mid	Low	High	IaaS/PaaS: High SaaS: low

## Licensing in development terms

"...the focus has been on simply **providing 'access'** to technologies without facilitating aspects of such improved access, namely, **promoting know-how exchange and the development of indigenous technological capabilities"**

**UNCTAD ECIDC report, 2012**

"...most studies show that there is **no direct influence of IPRs protection on the promotion of transfer of technology in developing countries and LDCs"**

**ICTSD Report, 2012, quoting WIPO**

Thank you for your attention



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