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## Open source software: It's free – but it comes with strings attached

By Michael M. Ratoza

The Federal Circuit Court of Appeals has held recently that use of free software obtained from an open source or public license can create copyright infringement liability if the license is violated.

### Open Source Software

The distribution of software under an open source or public license arrangement has developed over the past several years to encourage a public, collaborative approach to the advancement of computer code. Open source projects permit the free use of software, thereby encouraging quicker development, more thorough debugging and a larger number of applications through collaborative assistance by other code writers. There are numerous examples of successful open source projects, including the Firefox web browser, Wikipedia, the on-line encyclopedia, the Linux operating system, and more. At the center of a typical open source project is a licensing agreement that usually places conditions on the download and use of public software. For example, the GNU public license employed with Linux permits downstream modification to the Linux software but requires identification of the modification and restricts down-stream users from charging for a license to the software or modifications.

### License Condition Or License Covenant

In the controversy before the Federal Circuit, Robert Jacobsen developed and made available free of charge to the public certain software that allowed model train enthusiasts to program the computer chips in model trains. The download of Jacobsen's computer code contained an Artistic License requiring, as a condition of use, that the downloader include certain information in the code released downstream, including the author's name, Jacobsen's copyright notice, a reference to Jacobsen's Artistic License, identification of where Jacobsen's original open source files can be found on the Internet, and a description of how Jacobsen's files had been changed.

KAM Industries, a firm operating in the Portland area and with a significant on-line presence, downloaded Jacobsen's public code and used it to develop competing software to program model train chips. In doing so, KAM modified portions of Jacobsen's code and failed to comply with certain conditions of the public license, including Jacobsen's name, copyright notice, the Artistic License, the location of Jacobsen's open source download website and a description of the KAM modifications to Jacobsen's code.

Jacobsen sued KAM under several theories, including for copyright infringement. The Federal Circuit analyzed the circumstances under which free, public software licenses can create or avoid copyright infringement liability. The court explained that if the public license is written to permit free download and use of the open source software *provided that* certain conditions are satisfied, then the download and use of the free software is conditioned on satisfaction of the *provided* conditions. If the conditions are not complied with, then the downloader and user may be liable for copyright infringement. On the other hand, if the public license does not contain *provided* conditions to the download and use, then the failure of the downloader or user to comply with license covenants does not constitute copyright infringement but rather only breach



of contract.

### **What This Means To You**

Whether conduct is characterized as copyright infringement or breach of contract, wrongful conduct can certainly create serious consequences. However, characterizing wrongful conduct as infringement gives the open source copyright owner significant remedies under the Copyright Act, including statutory damages up to \$150,000, attorneys' fees and an evidentiary presumption that creates an easy path to a preliminary injunction. A claim for breach of contract may not provide these same benefits and, indeed, in an open source environment where software is downloaded without a fee there may not be any lost profits or other likely monetary damages.

The public software movement has provided significant benefits to the growth of software and to the resulting advance of science and knowledge. However, free software often comes with strings attached in the form of a public license. Failure to comply with the *provided* licensing conditions, even of a "free license," can potentially create copyright infringement liability.

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