



Licensing  
Executives  
Society  
Italy



UNIVERSITÀ DEGLI STUDI DI NAPOLI FEDERICO II

# Licensing

## Uno strumento di business per le imprese

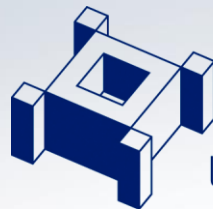
### Esempi pratici

## Il contratto di licenza per brevetti e software

**Corrado Borsano**

Membro del Consiglio Direttivo LES Italia

Napoli, 12 luglio 2018

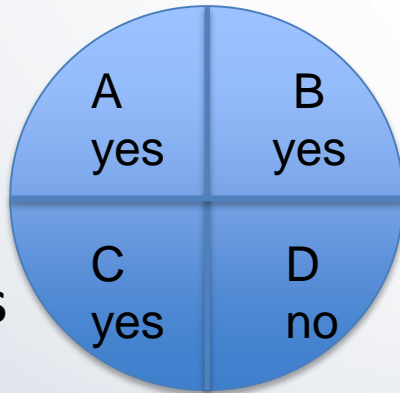


**Metroconsult**

UNA PROTEZIONE SU MISURA PER LE TUE IDEE

## LICENSOR

TERRITORY  
of  
PATENT RIGHTS



**PATENT RIGHTS on PRODUCTS  
and PROCESSES**

**and COPYRIGHT on SOFTWARE  
on processing system**

## LICENSEE

**Is willing to have Licenses granted on  
PATENT RIGHTS and  
SOFTWARE**

Art 52 CBE :

.....

(2) 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;

(d) presentations of information.

(3) The provisions of paragraph 2 shall exclude patentability of the subject-matter or activities referred to in that provision only to the extent to which a European patent application or European patent relates to such subject-matter or activities as such.

## DIRITTO D'AUTORE (COPYRIGHT)

**art 1 LDA:** sono altresì protetti i programmi per elaboratore come opere letterarie.

**art 2.8:** sono protetti i programmi per elaboratore in qualsiasi forma espressi purché originali, quale risultato della creazione intellettuale dell'autore, .....(nonché le banche dati....).

Esclusi dalla tutela sono le idee ed i principi alla base degli elementi del programma, compresi quelli alla base delle sue interfacce.

E' compreso nella protezione il materiale preparatorio per la sua progettazione.

Nell'interpretazione corrente sono esclusi gli algoritmi (come idee e principi), mentre sono compresi i diagrammi di flusso (come materiale preparatorio).

## Guidelines EPO - Chapter G-II 3.6 -

### PATENTABILITY - Programs for computers

.....  
The basic patentability considerations here are in principle the same as for other subject-matter.

While "programs for computers" are included among the items listed in Art. 52(2), if the claimed subject-matter has a technical character, it is not excluded from patentability by the provisions of Art. 52(2) and (3).

.....  
However ..... the execution of a program always involves physical effects.....

According to T 1173/97 such normal physical effects are not in themselves sufficient to lend a computer program technical character.

But if a computer program is capable of bringing about, when running on a computer, a further technical effect going beyond these normal physical effects, it is not excluded from patentability, irrespective of whether it is claimed by itself or as a record on a carrier.

This further technical effect may be known in the prior art.

Dalla legge sul diritto d'autore deriva la protezione del software come forma espressiva (listato, codice sorgente e codice oggetto)

Dalla case law CBE deriva il concetto di brevettabilità del software nei risultati di carattere tecnico.



Con il diritto d'autore si protegge il software nella sua forma espressiva, mentre con il brevetto si protegge il software nei risultati tecnici.

**N.B.: LE DUE FORME DI TUTELA POSSONO COESISTERE**

## From the EPO Case Law

Two main kinds of software inventions patentable:

- inventions in which the software originates (further) technical effects internally to the computer, i.e. as an improvement of the way of working of the computer itself;
- inventions in which the software originates (further) technical effects externally, independently of the way of working of the computer,
- i.e. control of industrial process, or processing of digital signals.

Anyway the key issue is the existence of technical effects as a result of the invention.

## LICENSE AGREEMENT

**(draft approved by the management of PARTIES to be revised by  
Legal Directors of PARTIES)**

The day of .....

By and between:

AAA S.p.A, an Italian Company having its registered office in  
..... , Milan (Italy) hereinafter called LICENSOR

AND

BBB, a corporation of the State of ..... (USA), having a  
registered office at No ..... Street, City of ..... ,  
State of ..... (USA), hereinafter called LICENSEE,



## WITNESSETH

«WHEREAS, LICENSOR by R&D work conducted ..... developed ..... and is the owner of any title and interest relating to the patent rights (and the know-how) covering the results of such R&D work».

«WHEREAS, LICENSEE has received from LICENSOR information and data of confidential nature, as per schedule .....(CONFIDENTIAL INFORMATION) on the results of the research with the view of examining the commercial merits thereof and deciding whether or not to acquire a license under said patents rights (and know-how) for the manufacture of the PRODUCTS in TERRITORY and the sale of the products so manufactured in the TERRITORY as defined below».

«WHEREAS, LICENSOR is the owner of the entire worldwide right, title and interest in and to the PATENT RIGHTS, as defined below>>;

«WHEREAS, LICENSEE wishes to manufacture PRODUCTS in the MANUFACTURING TERRITORY as defined in. Art ..... below, by processes including inventions claimed in the PATENT RIGHTS and wishes to be granted the exclusive license under the PATENT RIGHTS to practice the patented inventions in the TERRITORY A for the manufacture of the PRODUCTS and the non-exclusive license to sell in the TERRITORY B the PRODUCTS so manufactured, and no license in TERRITORY C».

«WHEREAS, LICENSOR has developed a processing system, covered by the PATENT RIGHTS and the necessary computer SOFTWARE to implement the processing system, and LICENSOR is the owner of COPYRIGHT on computer SOFTWARE »;

«WHEREAS, LICENSEE is engaged in the manufacture and sale of ..... and is willing to adopt a complete computer-controlled processing system for its sales and to this aim wishes to be licensed to establish and operate the PROCESSING SYSTEM and to be supplied, and licensed to use, the SOFTWARE developed by LICENSOR».

«PATENT RIGHTS» means any and all Patents and Patent Applications listed in schedule  
..... »

«PRODUCTS» means any products kinds and processing system covered by the PATENT RIGHTS, in the technical fields as defined in Attachment .....».

IMPROVEMENTS ? «IMPROVEMENTS» means any modifications capable of improving the PRODUCTS developed by LICENSOR to the point of commercial feasibility, subject to update of the PATENT RIGHTS, or which either party during the term of this Agreement is free to license to the other party».

«PATENT RIGHTS» means any and all Patents and Patent Applications listed in schedule  
..... »

«PRODUCTS» means any products kinds and processing system covered by the PATENT RIGHTS, in the technical fields as defined in Attachment .....».

In questo caso alcuni dei brevetti licenziati comprendono rivendicazioni che proteggono procedimenti di controllo di processi industriali in cui la parte innovativa è realizzata almeno in parte in software. Quindi per quanto concerne i «PATENT RIGHTS» non ci riferiamo al software «AS SUCH» , vale a dire al codice (eseguibile e/o sorgente) ma al livello logico che sta alla base dello sviluppo software.

NOW, THEREFORE, in consideration of the premises and of the mutual understandings and obligations herein contained the parties hereto agree as follows.

The premises are considered an integral part of the present agreement.

## «ART .... - THE GRANT

1 - LICENSOR hereby grants to LICENSEE and the AFFILIATE / ASSOCIATE:

i) the exclusive license under the PATENT RIGHTS to manufacture, have-made, sell, have-sold, and otherwise dispose of (operate, use, lease...) the PRODUCT in TERRITORY A;

ii) the non-exclusive license under the PATENT RIGHTS to sell, have-sold, and otherwise dispose of (operate, use, lease...), the PRODUCT in the TERRITORY B .

2 - LICENSEE and the AFFILIATE / ASSOCIATE shall refrain from:

a) manufacture, have-made, sell, have-sold, or otherwise dispose of (operate, use, lease...) PRODUCT, as well as pursuing an active policy of putting the PRODUCT on the market, in TERRITORY C.

3 – LICENSEE and AFFILIATE / ASSOCIATE shall not grant sub-licenses to third parties.

## «ART. . . - SOFTWARE LICENSE

1 - LICENSEE is hereby granted a non-exclusive, royalty-free license to use the SOFTWARE in object code only, the source code will not be available to LICENSEE. Such license is nontransferable, and only applicable to operate the PROCESSING SYSTEM.

2 - LICENSEE will not, without the prior written consent of LICENSOR, (a) copy, modify, compile, reverse compile or disassemble the Software, (b) use the Software for any purpose not contemplated by this Agreement, or in any way make the SOFTWARE or related Documentation available to any third party.

3 - Should any Updates be issued by LICENSOR, LICENSEE will be granted a nonexclusive, nontransferable, royalty-free right to use such Updates in connection with the Equipment, upon the same terms and conditions as apply to SOFTWARE. LICENSEE shall have the right to ask LICENSOR to set up a maintenance agreement for the maintenance of the SOFTWARE.



4 - LICENSEE recognizes that the copyright in the SOFTWARE (and any Updates), in whatever form it may be embodied, and specifically including, but not limited to, computer programs or modules thereof, whether expressed in source code or object code, and documents relating thereto, is owned by LICENSOR or used by LICENSOR under a license from a third-party copyright holder.

5 - LICENSEE recognizes that any violation of its obligations set forth in this Article would cause irreparable harm to LICENSOR and/or to LICENSOR's licensors, as the case may be, for which no award of money damages would provide an adequate remedy, and that, accordingly, in such event, LICENSOR and/or such LICENSOR's licensors will also be entitled to seek interim injunctive relief from a court of competent jurisdiction, and LICENSEE will be fully liable for the consequences of any such violation towards LICENSOR and such LICENSOR's licensors, as the case may be.

6 – At the termination of this Agreement, LICENSEE shall have the right to enter negotiations with LICENSOR for set up of a license agreement for continuing using the SOFTWARE. If the agreement will not be reached, and will not be unreasonably denied by LICENSOR, LICENSEE will stop using SOFTWARE and return all materials embodying SOFTWARE to LICENSOR or dispose of the same in accordance with LICENSOR's instructions.

## «ART. ... – IMPROVEMENTS ?

1 - LICENSOR is available to keep PATENT RIGHTS updated about IMPROVEMENTS, subject to negotiations in good faith with LICENSEE to agree upon the conditions of new license conditions about IMPROVEMENTS, if LICENSEE so desires.

2 - LICENSEE agrees to inform licensor about improvements, further developments and technical information relating to the licensed article, whether patented or not, and to enter negotiations in good faith with LICENSOR to agree upon the conditions to grant him licenses, if LICENSOR so desires.



## Software warranty and maintenance

Licensed use is limited to the executable Software as delivered by Licensor to Licensee and does not permit modification or use of any modified form of the Software, notwithstanding any claim by Licensee of any defect in the Software, nor any other agreements or covenants between Licensor and Licensee regarding maintenance by Licensee of other products or of unspecified products.

Software maintenance and error correction for the Software shall be provided by Licensor pursuant the terms set forth in the Software Maintenance and Support Agreement (SMSA). The SMSA will grant the license for the Software Generation, related to the Current Version of the Software.

## Software warranty and maintenance

The Licensor shall ensure that the Media supplied are free from any defects in design, material and workmanship and that the Software Documentation associated with the Software is correct.

The Licensor warrants that the Software will after Acceptance Date provide the facilities and functions set out in the Software Specification when properly used on the Designated Equipment and that the Software Documentation will provide adequate instruction to enable the Licensee to make proper use of such facilities and functions.

## Software warranty and maintenance

If the Licensor receives written notice from the Licensee after the Acceptance Date of any breach of the said warranty then the Supplier shall at its own expense and within a reasonable time after receiving such notice remedy the defect or error in question. The Licensor shall have no liability or obligations under this warranty after expiry of 12 months from the Acceptance Date.

The said warranty shall be subject to the Licensee complying with its obligations hereunder and to there having been made no alterations to the Software by any unauthorized person. When notifying a defect or error the Licensee shall provide the Licensor with a documented example of such defect or error.

## Software warranty and maintenance

Licensor will provide Software maintenance services for the supplied Software product for a period of 2 (two) years from the date of the system acceptance, providing that Licensee has installed the latest software release for licensed Software made available to Licensee from Licensor;

The Licensor shall charge, if possible, for other software services requested by the Licensee which are not specifically covered by this License.

## Source Code Escrow Agreement/Clause

A source code escrow is an arrangement (or a clause in a contract) that can provide protection to the licensee, should the licensor go out of business or discontinue support and/or maintenance for the licensed software.

Under the typical software license, a business only receives access to the object code for the licensed software.

When there is a source code escrow agreement in place, the source code of a software is provided to a third party escrow agent. The escrow agent is authorized to release the source code to the licensee upon the occurrence of certain triggering events.

## Alternatives

A source code escrow clause can be avoided by obtaining a source code license directly from the provider. .... (very rare., not typical)

## Source Code Escrow Agreement/Clause

The following events as possible triggers to a consideration for use of the escrow clause:

- The laying off of substantially all of the employees of the provider, or substantially all of the employees that provide support, maintenance and/or development for the licensed software. This is often the first sign that a company is in trouble, and as a licensee, you want notice of this as soon as possible.
- The failure to provide maintenance and/or support in accordance with the provider's agreements relating to the same.
- A change in control of the provider.
- A discontinuance of the type of software licensed by a business.
- The default of the provider under the software license agreement, after an opportunity to cure

## «ART. . . . – THIRD PARTIES IPR INFRINGEMENT GUARANTEE

1 - LICENSOR represents that to the best of its knowledge, information and belief the manufacture of the PRODUCT in TERRITORY A, and the sale or use of the PRODUCT so manufactured in TERRITORY A and B do not infringe any THIRD PARTIES IP rights granted prior to the date of signature of the AGREEMENT.

The PARTIES hereby agree that in the event of any notice or claim of infringement, or of the commencement of any suit or action for infringement of any such THIRD PARTIES IP rights which is based on the practice of the use or sale of the PRODUCT :

- a) LICENSEE shall promptly inform in writing LICENSOR;
- b) LICENSOR shall assist at its expense LICENSEE in the defense of such suit or action;
- c) neither LICENSOR nor LICENSEE shall settle or compromise any such suit or action without the consent of the other PARTY if the settlement or compromise obliges the other Party to make any payment or impairs its rights or licenses;



## «ART. . . . - PATENT INFRINGEMENT GUARANTEE – CTD.....

- d) LICENSEE, if so directed by LICENSOR, shall make such reasonable changes in the PLANT as may be required to avoid the alleged infringement, provided that LICENSOR accepts to extend the indemnification under para e) below to costs of the changes and to any loss or damages deriving to LICENSEE therefrom;
- e) LICENSOR shall hold LICENSEE free and harmless from any payment of royalties or damages to THIRD PARTIES and any judicial expenses incurred by LICENSEE as a consequence of any judgement, award or settlement upon such infringement or alleged infringement;
- f) LICENSOR's total liability under this Art .... shall not exceed ..... per cent of the amount paid, or to be paid, by LICENSEE under para .....



## «ART .... - PATENT RIGHTS PROSECUTION AND MAINTENANCE

1 - LICENSOR shall exert reasonable diligence in prosecuting any Patent Application included in the PATENT RIGHT, in defending such application against oppositions filed by third Parties and shall pay any taxes and renewal fees, for the maintenance of all the Patents included in the PATENT RIGHTS. Provided however that LICENSOR shall not be required to maintain in force patents that, in the light of new circumstances, are found, in LICENSOR 's opinion, to be invalid. Under such circumstances, LICENSOR shall give notice to LICENSEE of its intention to abandon the concerned Patent. Reasonably prior to any action or omission which may result in the loss of the Patent, and shall, upon written request of LICENSEE, assign the Patent to LICENSEE. LICENSOR may reserve to itself a non-exclusive fully paid-up irrevocable license and right, including the right to grant sublicenses, to practice any invention claimed in the assigned patent».



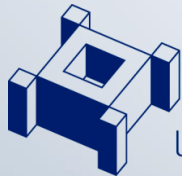
Licensing  
Executives  
Society  
Italy



UNIVERSITÀ DEGLI STUDI DI NAPOLI FEDERICO II

# GRAZIE!

## Corrado Borsano



**Metroconsult**

UNA PROTEZIONE SU MISURA PER LE TUE IDEE

Metroconsult S.r.l.

Foro Buonaparte, 51

20121 Milano

Tel. +39 02 36720300

Fax +39 02 36720301

[corrado.borsano@metroconsult.it](mailto:corrado.borsano@metroconsult.it)

[www.metroconsult.it](http://www.metroconsult.it)

