

EU court OKs resale of software licenses

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(AP) — The European Union's highest court ruled Tuesday that software makers cannot keep people who download programs from selling their licenses for those programs to others — as long as they disable their own copies.

The ruling comes in a case brought by California-based software maker Oracle against UsedSoft, a German company that resells software licenses, and it could have broad implications for the digital industry.

The licenses, which accompany the purchase of the program, are generally valid for an unlimited period of time. They allow the use of the program and may include such features as periodic updates and program fixes.

Oracle seeks to have reselling of such licenses declared illegal. It took UsedSoft to court in Germany, seeking an order forcing the company to stop reselling licenses for Oracle software. Germany's Federal Court of Justice, which has yet to issue a ruling in the case, sought an interpretation of EU law from the Luxembourg-based Court of Justice, the EU's highest court.

The Court of Justice ruled that the copyright protection for downloaded programs was the same as for programs sold on CDs. Just as a someone who has bought a program on a CD can sell it, so too can someone who has bought a program by downloading it sell the right to use it to someone else — as long as he or she does not retain the right to use it at the same time, the court said.

The court ruled that downloading a program is, in effect, is similar to buying a book. It is illegal to make photocopies of a book and sell them. But, having bought a book, a reader owns that copy of the book and is allowed to sell it to someone else.

The Court of Justice's ruling applies only to companies doing business in the 27 European Union countries, and governs their conduct only in those countries.

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