



Solutions

for Software Compliance Management



A Sea Change in Software Development

A fundamental change is taking place in the way businesses produce software. Today, developers are members of an active and interconnected global community. Rather than producing software from scratch, they tap into resources from around the world to select the best component parts for their software projects. Developers focus their skills and talents on combining readily available and reusable components into unique, value-added software applications. Their artistry has shifted from coding on blank canvases, to putting together software mosaics using thousands of intricate pieces combined with their company's own proprietary intellectual property.

This new 'assembly' model is fundamentally changing the software industry. Companies that develop software, either for commercial sale or for in-house use, are using this new method to accelerate project timelines, improve software quality, and reduce development costs. Businesses are realizing that they need to move quickly to gain the advantages of software assembly, or else fall behind more aggressive competitors.

New Era, New Challenges

The global reach of the Internet has made possible the new assembly approach to software development. This connectivity enabled the open source software movement to take root and flourish, with millions of projects now available for developers to leverage. It provided the foundation for collaborative outsourcing and offshoring. It also made it easier for enterprise IT groups to break up their software into component parts and share them inside their organizations. Each of these trends is now a well-established enabler of the software industry, and will be for the foreseeable future.

There is no question that development teams can improve their performance and work product by using prefabricated software components. However, this new model also presents some new challenges. The way developers work – with instant, global access to open source and 'free' software components and libraries – allows them to shortcut company policies and procedures regarding software licensing, and therefore significantly increase business risks.



The Open Source movement has become a powerful force that is changing the competitive landscape of the software industry.



Mixed Intellectual Property Licensing Models

With this new approach to development, software increasingly consists of a mix of company-owned code, open source and commercial libraries, and software provided by outsourcing partners. By combining these external components with their proprietary technology, companies create a more complex environment of mixed intellectual property, or 'mixed IP'.

Whether commercial or 'free,' all software IP carries licensing obligations with which companies must comply. In a mixed-IP environment, the volume of licenses to be understood and tracked can quickly become a challenge. Further, those licenses and their many different obligations frequently conflict with one another. If left unresolved, these conflicts can result in software assets encumbered with serious intellectual property problems.

Realigning Business Processes Should a company bring a product to market even though it does not know exactly what is in that product's code? Today the answer has to be 'no'. Companies are being surprised by compliance problems late in the cycle with increased frequency:

- A lawsuit filed over violated IP rights forces a company to remedy the infraction with a costly and embarrassing product recall.
- IP concerns cause a large customer to back away from a major product purchase.
- A code review during due diligence raises questions about open source license compliance, resulting in cancellation of a planned acquisition.
- A software company's customers demand indemnity against any legal claims associated with their use of the company's product.
- Unresolved IP issues force a funding source to cancel a planned equity investment.
- A public company finds that it cannot report accurately on the acquisition, use and disposition of its software IP under the Sarbanes-Oxley Act.

To ensure license compliance, companies need clear visibility into the origins, ownership, and license requirements of each component used in their software. However, with so much reuse occurring, traditional procurement methods and controls are proving to be inadequate.

Realizing Upside by Managing Complexity

Innovative companies see the upside and business acceleration that can come from assembling software from reusable components. These organizations, however, also recognize the risks they will incur if their software development model races too far ahead of their licensing analysis and review processes. If left unaddressed, the mismatch between new development models and old processes will hold back their business.

Manual methods for reviewing and tracking software origins and obligations can no longer keep up with the volume of activity presented by today's extensive component reuse and rapid application development. With developers freely downloading potentially hundreds of open source components per week – with or without their employer's permission – companies now understand they need automated solutions to establish and manage license compliance policies across their enterprise.

An Automated System

What companies need is a system that lets them efficiently identify each component used in their development process and keep track of origins and obligations for the entire lifecycle of their software assets. To do that, they require a system that manages the introduction of licensed material into their software assets, automates component and license identification, and surfaces the critical licensing issues that require the attention of corporate lawyers and risk management professionals – before those issues become problems for customers, partners, and investors.



Sorting Out Software IP

Black Duck Software™ is the industry leader in the rapidly growing business of software compliance management. Our solutions help organizations that develop software – whether commercial products or in-house applications – to gain competitive advantage by building higher-quality products in less time and at lower costs. We let companies embrace new development models – reuse, open source, outsourcing, and collaboration – while assuring that their resulting mixed-IP work products are produced on a sound legal footing.

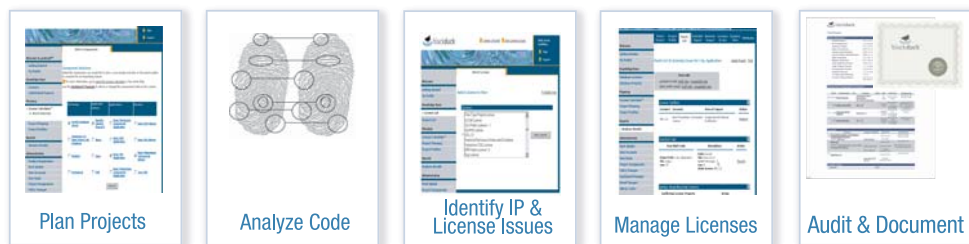
Black Duck offers an automated and highly accurate platform that gives customers an efficient way to manage the licensed contents of their software. Our protexIP™ suite helps companies know what is in their code and be sure that all components, modules and code 'fragments' in their software projects are properly used, legally combined, and are in compliance with licensing obligations. Black Duck's solutions enable software developers, legal counsel, and business executives to work together to manage license compliance projects in an efficient, collaborative process throughout the lifecycles of their valuable intellectual property assets.



The protexIP™ Software Compliance Management Solution

The protexIP system creates a new work environment that helps organizations effectively manage their increasingly complex software licensing obligations. By validating software contents, verifying license compliance, and finding and addressing issues early in the development cycle – or well in advance of a due diligence event – the protexIP platform helps companies reduce business risks, complete software projects on time and on budget, and stay on track with their business plans.

Black Duck makes the protexIP line available in a suite of offerings on a subscription basis. The protexIP platform enables organizations to apply advanced technology to a pressing business problem that today is mired in manual, expensive and ineffective approaches.



Lifecycle Intellectual Property Policy Management

Black Duck's protexIP suite lets companies automate their license compliance processes across their enterprises and throughout the lifecycles of their software assets. With protexIP, companies can automatically validate software contents, verify license compliance, and identify license obligations. The result is faster development of higher-quality software with reduced business risk.

The protexIP Suite

protexIP/development

protexIP/development is an enterprise solution providing software compliance management throughout the full development lifecycle. It utilizes advanced Code Print technology and a comprehensive, online KnowledgeBase to automatically recognize open source and other third-party software that has been introduced into a software project's code. The protexIP/development solution informs users and managers of potential licensing issues and creates a 'punch list' of the code combination conflicts that need to be remedied by software engineers or cleared by the company's legal counsel. The product can be extended by users to manage proprietary software and licenses, and also provides a platform to establish and automatically manage IP and licensing policies across global development teams.

protexIP/license management

protexIP/license management, a companion product to protexIP/development, enables corporate or outside legal teams to become actively engaged in the development process and manage compliance with internal intellectual property business policies. With protexIP/license management, legal teams can evaluate license terms and conflicts, set licensing policies, add or modify licenses in the protexIP KnowledgeBase, and make decisions about license conflicts early in the development cycle for more efficient and less costly remediation.

protexIP/OnDemand

protexIP/OnDemand is a hosted service for transactional or project-based use that helps developers analyze software contents and assure that all open source licensing obligations are met. protexIP/OnDemand is designed for ease of use by due diligence teams, procurement auditors, outsourcers, and for small to mid-sized product companies that require as-needed, accurate assessments of license compliance.



The Black Duck Difference

Black Duck Software invented automated software compliance management and is the demonstrated leader in this important and growing area of the software industry. Our customers range from Global 500 companies, to leading technology firms, to start-ups and emerging companies in a variety of industries. Black Duck's users include enterprise IT groups, product development teams, outsourcing companies, law firms, and other organizations that are concerned with the protection of software intellectual property.

What truly sets Black Duck apart is our team of employees and their commitment to customer success. Drawn from the distinct disciplines of software development and intellectual property law, our employees have the creativity and vision needed to produce highly innovative solutions that address critical business needs. Our on-staff legal experts are trusted industry advisors on all matters related to software intellectual property law, our software engineers invent innovative techniques for automating license compliance, and our hands-on professional services team brings best practices to our clients' deployment programs. Leading our company is an experienced executive staff with track records of industry success. This unique blend of technical innovation and rigorous legal thought is the hallmark of Black Duck Software.

Black Duck is backed by leading technology and financial services firms, and top-tier venture investors that are committed to growth and customer success. Black Duck Software, Inc. is headquartered in Waltham, MA, USA.

Contact

To learn more about how Black Duck can help your company manage license compliance and gain competitive advantages in software development, please contact sales@blackducksoftware.com or call **+1.781.891.5100 x450**.

Additional information is available at Black Duck's website at: www.blackducksoftware.com



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