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Aussie inventor Ric Richardson wins over Microsoft

Lex Hall | April 16, 2009

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AN Australian inventor is set to share in a damages payout of more than \$500 million after a US court ruled that Microsoft, the world's largest software maker, infringed a patented technology used to deter software piracy.

Uniloc founder Ric Richardson, who divides his time between Sydney and California, alleged Microsoft made billions of dollars by using his technology in its Windows XP and Office programs.

The payout, the fifth-largest patent jury award in US history, could increase three-fold because jurors ruled the infringement was intentional.

The \$US388 million (\$537million) payout equals about eight days' profit for Microsoft.

Singapore-based Uniloc first sued Microsoft in 2003, alleging it copied software designed by Mr Richardson, who conceived the patented technology while he was working as a sound equipment programmer for bands.

Microsoft's Windows software is used in about 95 per cent of the world's personal computers.

Microsoft said it was "very disappointed in the jury verdict", delivered last week, and that it planned to appeal.

"We believe that we do not infringe, that the patent is invalid and that this award of damages is legally and factually unsupported," Microsoft spokesman David Bowermaster said. "We will ask the court to overturn the verdict."

The patent, which Mr Richardson obtained in the 1990s, covers a software registration system aimed at preventing "casual copying", whereby a user installs a programmer on more computers than permitted, according to court documents.

Uniloc argued Mr Richardson showed his program to Microsoft in 1993 on the proviso that the computer giant would not try to break the code or duplicate it.

Uniloc claimed that in 1997 or 1998, Microsoft breached this agreement and began using similar software in its pilot programs.

Microsoft denied any breach, arguing it had developed a different system after deciding Uniloc's software was of no use.

Mr Richardson also designed the "shade saver" cords used to keep sunglasses attached to the wearers.

Mr Richardson had yet to make a statement but used his Twitter site to air his reaction to the ruling: "Dear friends (sic) ... and family ... it's official. We won the case with Microsoft ... and a \$388 million verdict."

Mr Richardson used profits from the shade saver invention to fund his Uniloc venture.

While he remains one of the largest shareholders, Mr Richardson has stepped down as a director of Uniloc, according to documents lodged with the Australian Securities & Investments Commission lodged in January this year,