

IBM's "Blue Washing" Affects Customers Worldwide - Scott & Scott, LLP Alerts Customers of Potential Licensing Surprises

Intellectual property and technology law firm, Scott & Scott, LLP, says customers who use Tealeaf, Vivisimo, or Varicent software should evaluate IBM's licensing rules before making additional purchases of the software or upgrading to <u>IBM</u> "blue washed" code.

Southlake, TX (<u>PRWEB</u>) July 24, 2012 -- IBM's Software Group completed its acquisition of Tealeaf, a provider of online customer experience management solutions on June 13. A few days earlier, IBM acquired Vivisimo, a provider of federated discovery and navigation software that helps organizations access and analyze big data, and on May 23 acquired Varicent, a provider of analytics software for compensation and sales performance management.

Julie Machal-Fulks, Scott & Scott, LLP partner, says "IBM's recent acquisition of Tealeaf, Vivisimo, and Varicent will likely change existing license agreements with the newly acquired publishers."

"There are a number of legal strategies that can be employed when IBM 'blue washes' its code and its license agreements. Blue washing is IBM's term used when IBM releases updated code and changes its licensing metrics for products acquired from other publishers. Once customers upgrade to IBM's product, it is often too late to negotiate and avoid hefty licensing charges associated with changed licensing metrics," she said.

Ms. Machal-Fulks continued: "For example, IBM acquired Guardium in 2009 and now licenses Guardium on a processor value unit (PVU) or resource value unit (RVU) basis. Conversions like these often leave users significantly under-licensed.

About Scott & Scott, LLP:

Scott & Scott, LLP (<u>www.scottandscottllp.com</u>) is a boutique intellectual property and technology law firm with an emphasis on software disputes, technology transactions, brand protection, data privacy, and federal litigation. Our lawyers and technology professionals take a principled approach to each engagement, leveraging our experience to provide value. Our clients range from mature small businesses to publicly traded multinational corporations who work proactively with us to creatively solve business and legal issues. We regularly work as part of a team of in-house and outside attorneys managing large-scale legal projects. We take the time to listen to a client's objectives and understand its business before developing a custom strategy and project plan designed to give the client visibility into the process and the potential outcomes.



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