Networks Origin and History Internet Protocols Intellectual Property

> NBA 6120 Lecture #9 September 23, 2015 Dr. Donald P. Greenberg

# **History Of The Internet**

## **ARPA Team**



### First connections to the internet

- UCLA Leonard Kleinrock
- Stanford Research Institute
- UC Santa Barbara
- University of Utah
- Bolt Beranek and Newman, Inc. (Boston)

### Internet - History & Growth Chronology

**1973** - Vinton Cerf & Robert Kahn - designed Internet architecture based on TCP/IP

**1979** - Configuration Control Board - contracted parts of infrastructure

**1980** - U.S. Department of Defense - adopted TCP/IP, MILNET designed to withstand atomic attack - becomes ARPANET

Early 1980's - ARPANET becomes known as Internet researchers enticed to use CSNet (paid by NSF)

## **Internet Protocols**

- <u>Communication Protocols (TCP/IP)</u> used to link computers and other communicating devices together
- <u>Computer Languages (HTML)</u> used to encode the format of web pages
- <u>Communication Protocols (HTTP)</u> used to retrieve web pages from elsewhere on the network
- Protocols of the <u>World Wide Web</u> (www)
- Graphically oriented <u>Web browsers (Mosaic)</u>

All of this is FREE!

# Internet - History & Growth Chronology cont'd

**1983** - TCP/IP - becomes standard

**1990** - ARPANET - decommissioned and replaced by NSFNet backbone NSF -expands network to other research communities

**1993** - NSF -no longer provides funding for NSFNet backbone NAP's (network access points) established in four cities



# Internet - History & Growth Chronology cont'd

1993 - Mosaic - Introduced by University of Illinois (Marc Andreesen)

1994 - NSF -links four national supercomputer centers at 155 Mbs (bandwidth to approach 2.5 Gbs) contracts MCI to link other sites

Internet - opens to commercial usage

**1994** - Netscape - formed by Jim Clark

# **Level 3 Communications Network**

- Level 3 operates one of the largest backbone networks of any internet service provider in the U.S. and Europe. It maintains over 200Gbit/s of transatlantic bandwidth
- Level 3 owns a large amount of dark fiber and leases this fiber to other providers who wish to operate their own backbone between two cities
- When Level 3 built it's network it laid 10-16 empty conduits alongside its fiber
- Largest telecoms and 10 largest ISP's use Level 3

# Level 3 Map





# Level 3 Map





#### **North American City to City Connections**



### Uncle Sam, Ma Bell And Her Babies: A Timeline

**1982** AT & T and the Department of Justice signed consent decree.

- AT & T divests its 22 local Telco's
- AT & T can enter previously restricted arenas
- Baby Bell's prohibited from manufacturing equipment and offering long distance services. They cannot provide content

### Uncle Sam, Ma Bell And Her Babies: A Timeline

- The AT & T divestiture takes effect.
- The F.C.C. scraps rules that limit phone company profits.
- Judge Greene agrees to let the Bells offer voice mail and E-mail services, and transmit electronic publishing for others, but not provide content.

### Con't: Uncle Sam, Ma Bell And Her Babies: A Timeline

- **1989** A seven-year ban on AT & T's entry into electronic publishing is allowed to lapse.
- **1991** Judge Greene removes the information services restriction from the Bells, but leaves in place the rules against manufacturing and long-distance service.
- **1993** A Federal court in Virginia lifts for Bell Atlantic the video programming ban contained in the Cable Television Act of 1984.

### Con't: Uncle Sam, Ma Bell And Her Babies: A Timeline

- **1994** The House overwhelmingly approves legislation's that would let the Bells make equipment and enter the cable and long-distance business in return for accepting competition in their local telephone markets.
  - A comparable Senate bill collapses too much competition for the cable and long-distance companies.
- **1995** The Senate passes a bill to overhaul communications regulation.
  - The House passes a communications bill that is similar to the Senate version.
- **1996** New Telecommunication bill passed February 1, 1996

#### **The Telecommunication Bill of 1996**

# What The Telecommunication Bill Will Do

#### **LONG-DISTANCE PHONE SERVICE**

Seven regional Bell's can enter into the long-distance phone business, must open their local phone networks

#### **LOCAL PHONE SERVICE**

Local phone markets open to new competitors (AT & T, MCI and cable TV companies) without specifying how much they pay

# What The Telecommunication Bill Will Do

#### **BROADCAST**

Raises the national TV-station ownership cap. Requires TV sets to block violent or sexual programs.

#### **CABLE**

Lifts all rate regulations in three years for big cable systems.

# What The Telecommunication Bill Will Do

#### **INTERNET**

Transmission of indecent material is a crime without restricting minor's access.

#### **SPECTRUM**

TV Stations get valuable new broadcast spectrum for advanced TV free of charge. (To be revisited)

# **Original Goals of the Internet**

- The goals of the original Internet were to provide:
  - Permission-less innovation
  - Open access
  - Collaboration

# **Original Rules of the Internet**

- Free
- First come, first serve
- Anyone can say anything (Legal)

# **Intellectual Property**

**Patents** 

#### Article 1, Section 8 – U.S. Constitution

The Congress shall have power . . .

"To promote the Progress of Science and Useful Arts by securing for Limited Times to Authors and Inventors the exclusive Right to their respected Writings & Discoveries"

### **Purpose of Patent**

- The content of the patent system is to encourage innovation by granting the innovator exclusive rights to a discovery for a limited period of time
- Thus, it is really a "defensive" right
- It is not a right to practice or use the invention but provides the right "to exclude others from making, using, selling. . ."

# **Patent Criteria**

According to patent law, an invention must be "novel, non-obvious, and have utility"

• <u>Novelty</u>

No one can patent something that is known (e.g. – prior publication, already being sold)

Non-obvious

The invention could not have been conceived by someone "having ordinary skill in the art"

<u>Utility</u>

Must perform some function, be operable and beneficial to society

# Length of Patents

- Type of Patent
  - Utility ..... 20 yrs.
  - Plant . . . . . . . . . . . . . . . . . . 20 yrs.

 Note: This includes the time required (usually 2 or 3 years) from application to acceptance, and thus shortens the time.

# **Tragedy of the Commons**

- Initially described by Garrett Hardin in the journal <u>Science</u> in 1968.
- The article describes a situation in which multiple individuals, acting independently with their own self interest, ultimately deplete a shared limited resource, even when it is clear that no one benefits.
- Examples: overuse of water in the Southwest U.S.A., exhaustion of oil supplies, overfishing of the Grand Banks, destruction of salmon runs in Pacific Northeast

#### **Controversial Patents**

#### Method of exercising a cat US Patent 5,443,036 (1995)



Steven J. Frank. "The Death of Business-Method Patents, IEEE Spectrum, March 2009.

#### Method of swinging on a swing U.S. Patent 6368227 (2002)



# Growth in US Business Method Patents



# One-click Shopping Amazon

 A method and system for purchasing an item via the Internet with one click

 Reconsidered and rejected October, 2007



### **Intellectual Ventures**

- Nathan Myhrvold, former Microsoft executive (CTO) (Ph.D., Princeton, post doc with Stephen Hawkins) formed Intellectual Ventures in 2000
- The \$5B investment firm has "scooped up" 30,000 patents and is trying to build an efficient market for "invention capital"
- They are ready to fight large technology companies, many who have ignored the patent rights of others.

#### **Intellectual Ventures**

- Business model is to extract licensing fees and return funding to investors.
- They have collected and returned more than \$1B.
- Clients must sign strict non-disclosure agreements but supposedly include Verizon, Intel, Nokia and Sony. Investors include Microsoft.

# **Patent Trolls**

# June 2013

- In 2011, more than half of the 4,000 patent infringements suits came from "patent trolls."
- The surge is partly explained by the "America Invents Act," designed to protect individuals and outlawing suits against multiple parties
- Examples: Wi-fi networks for coffee shops customers at 8,000 coffee shops attaching a document scanner to an office computer system, royalties from anyone producing a podcast.
- Now Obama has issued Executive Orders "to protect innovators from frivolous litigation" by patent trolls.

# Have Patent, Will Sue



- IPNav in the last 5 years has sued 1,638 companies.
- Patent infringement suits have doubled from 2,304 in 2009 to 4,731 in 2012.
- Approximately \$29B on patent assertion cases in 2011 (\$6B to inventors)

# Apple vs. Samsung

# June 2013

- Can a "look and feel," e.g., rounded corners, be patented?
- U.S. International Trade Commission ruled in June 2013 that sales of some older iPhones and iPads should be banned because Apple infringed a Samsung patent.
- Obama Administration vetoed the decision.
- Tech industry is split as companies fear injunctions stemming from patents on tiny features.

# **Defensive IP**

2011

• Google bought part of Motorola to obtain their intellectual property on wireless telephony as a defensive measure against IP infringement

# **Accounting for IP**

- Intellectual property is considered an intangible asset and is not included on the balance sheet
- Estimates claim that a high percentage of a company's value (IBM, MSFT) may be their intellectual property

# **Patent Acquisition**



- Google and Apple spend more money in acquiring patents (and litigation) than spending for R&D
- The rate at which ne businesses have formed in the United States has slowed markedly since the late 1970s.

