PUBLIC WEB EDITION

of the

Opinion Presented 18 January 2010

to the

Commission of the European Union

This public web edition is available in the following web page: http://www.jukkarannila.fi/lausunnot.html#nro_20

The Public Undertaking by Microsoft can be downloaded from the following web page http://www.microsoft.com/presspass/press/2009/dec09/12-16statement.mspx

Files for the Public Undertaking by Microsoft:

- * Microsoft Interoperability Undertaking (Dec. 16, 2009, .doc file)
- * Annex A Warranty Agreement (Dec. 16, 2009, .doc file)
- * Annex B 1 Template Interoperability Patent License (Dec. 16, 2009, .doc file)
- * Annex B 2 Template Patent Covenant Agreement (Dec. 16, 2009, .doc file)
- * Annex C Additional Outlook and Exchange Versions (Dec. 16, 2009, .doc file)
- * Annex D Outlook and Exchange Future Standards Process (Dec. 16, 2009, .doc file)
- * Annex E Patent Pledge for Open Source Developers (Dec. 16, 2009, .doc file)

Readers of this Opinion are strongly to evaluate critically Public Undertaking by Microsoft before reading this Opinion.

With Best Regards,

Jukka Rannila

citizen of Finland signed and delivered electronically

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     European Commission
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     DG Competition
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     Markets and cases II: Information, Communication and Media
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     Antitrust: IT, Internet and Consumer electronics
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     First of all thanks for Directorate-General for Competition for possibility to comment the public
     version of the second version of Public Undertaking by Microsoft (16 December 2009).
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11
     It has to be noted that this Opinion is different than 28 October 2009 opinion. The previous Opinion
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     can be downloaded from the following web page:
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                   http://jukkarannila.fi/lausunnot.html#nro 18
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16
     Annex 1 holds information of copyright, licence and disclaimer.
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     Opinions are presented after this page 1.
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     This opinion does not contain any business or trade secrets.
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     Best Regards,
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     Jukka Rannila
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     citizen of Finland
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     signed electronically
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General remarks

Like the previous proposal for Interoperability Commitment, also this proposal is very sloppy and very poor presentation.

Noting that Microsoft Corporation is one the largest corporations in the world, it is totally unacceptable to have ambiguous definitions for the final version of the Interoperability Commitment.

Proposal:

A third <u>well revised</u> version of Interoperability Commitment proposal is needed.

Especially Annexes are very confusing collections of arbitrary text, and <u>Annexes should be revised</u> accordingly.

Previous version of the Opinion (dated 28 October 2009)

The previous version of the Opinion (dated 28 October 2009) contains numerous improvement proposals, and there is not need to repeat all those proposals. The previous Opinion can be downloaded from the following web page:

 $\underline{http://jukkarannila.fi/lausunnot.html\#nro_18}$

Ambiguous definitions are scattered to several documents

The general flaw is, that ambiguous definitions are scattered to the main document of proposal and to annexes. This is totally unacceptable.

Proposal:

Following sections are repealed:

- <u>Section F</u> from main document (Public Undertaking by Microsoft)

These definitions of these sections are consolidated to **ONE EXHIBIT of definitions**, e.g.

Exhibit A from Annex ASection 1 from Annex B1

Section 1 from Annex B2

Exhibit Z, and it referenced from all documents.

It is totally unacceptable, that different divisions of Microsoft Corporation have multiple contradicting definitions when finalising the Interoperability Commitment.

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Section 7 A. in the main document (Public Undertaking by Microsoft)

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Proposal:

81 82

"Reasonable and non-discriminatory terms" are not defined, and that should be defined.

83 84

Section 7 C. in the main document (Public Undertaking by Microsoft)

85 86

It is totally unacceptable, that Microsoft uses term "Compatible with Open Source Licences".

87 88

Proposal:

89 90 Microsoft must not invent new Open Source Licences, since there are enough Open Source Licences accepted by the Open Source Initiative ¹.

91 92

Proposal:

93 94 Microsoft must define, which Open Source Licences accepted by the Open Source Initiative it is going to use.

95 96

Section 8.A. in the main document (Public Undertaking by Microsoft)

Government procurement should be better noted in this section

97 98

Following sentences are dangerous:

99 100

(ii) completely and accurately documenting any deviations or variations of required portions of the applicable standard. Microsoft shall make this documentation publicly available in a Timely Manner.

101 102 103

It is staggering, that Microsoft even mentions deviations and variations in the Interoperability Commitment proposal.

104 105 106

Microsoft seems to forget, that there is an Agreement on Government Procurement ² as annex 4(b) to Marrakesh Agreement Establishing the World Trade Organization (WTO).

107 108 109

If a standard is a technical regulation, as referenced in the WTO agreement about government procurement, there can not be deviations or variations, since they are technical regulations – not some arbitrary standards floating around.

111 112 113

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Proposal:

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1 http://opensource.org/licenses

2 http://www.wto.org/english/docs e/legal e/gpr-94 01 e.htm

Copyright, licence and disclaimer: check Annex 1.

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121 122

Section (32) in the page 7 (Public Undertaking by Microsoft)

123 124

In this section is the following sentence, which is totally unacceptable:

125 126

and (iii) the standards development process for that version of the standard has not been manipulated or otherwise subject to misuse.

127 128

Proposal:

129 130

It is not Microsoft's task to determine, if the development of future standard versions of ODF are subject to misuse.

131 132 133

Proposal:

Microsoft and other companies can make a complaint to the Commission, if there is misuse in the ODF standardisation process.

135 136 137

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Proposal:

It is up to the Commission make an investigation of misbehaviour in the ODF standardisation process, not by Microsoft or other corporations.

140 141

Paragraph numbering totally sloppy – unacceptable (Public Undertaking by Microsoft)

142 143 144

In the page 8 there is mentioning about paragraph 40.

145 146

It might be a programmatic error, but the version I am reading, paragraphs are numbered only to the 33. instance.

147 148

149 **Proposal:**

If there is more than 33 paragraphs, they should also be numbered accordingly.

150 151 152

Once again, also this defect shows that Microsoft Corporation is not seriously creating a concise and clear presentation. This is totally unacceptable.

153 154 155

Generally / Annexes – Dispute resolution

156 157

158 In Annexes A, B1 and B2 there are several kind of dispute resolution methods.

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<u>Is it necessary to have several different dispute resolution methods?</u>

160 161

162 **Proposal:**

It would be more efficient have one well-thought dispute resolution method, and add this selected dispute resolution method as a separate Annex.

164 165

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166167

Generally / Annexes – Dispute resolution / Commission role

168

When there is only one well-thought dispute resolution method, there can be clear definitions, what is the Commission role in different situations.

171

With the current unclear structure between annexes A, B1 and B2, it seems that the Commission role is not well-thought in the proposal(s). There is some vague definition like "Government order".

174 175

Proposal:

It should be clear what "Government Order" means in the European Union context.

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Annex A / Section 1 / (Exhibit A)

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Proposal:

Exhibit A is repealed and all definitions from the main document.

Definitions from the main document, Annexes A, B1, B2, C, D and E are repealed and they are collected to one exhibit, e.g. Exhibit X.

185 186

Annex A / Section 2.1.(a) Test Suites

187 188 189

There might several versions of Test Suite(s).

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Proposal:

Therefore there has to be mentioning about test suite versions, and Microsoft shall give access to all versions of test suites.

193 194

Annex A / Section 2.1. Test Suites, Generally

195 196 197

It is possible, that Companies might have their own test suites.

198 199

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Proposal:

Therefore there has to be mentioning about test suite versions provided by Companies, and Microsoft will work with these test suites provided by Companies.

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Interoperability must be two-way phenomenon, not one-way interoperability defined by the terms of Microsoft.

204205

Annex A / Section 2.2. Support and Execute Discussion

206207

This section is compatible with the section 7.3. "Fast Track Resolution".

208209

210 **Proposal:**

Copyright, licence and disclaimer: check Annex 1.

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To ease readability, it could be possible to gather all dispute resolution methods to one section, not to scattered to two sections.

Proposal:

It would also be worth considering, that dispute resolution methods are repealed from Annexes A, B1, B2, C, D, E, and there is only one exhibit for dispute resolution metdods, e.g. Exhibit Y.

Annex A / Section 2.2. Last Paragraph

In the last paragraph there is following text:

"The parties acknowledge and agree that the applicable standards development organization maintains and is responsible for the accuracy and sufficiency of the documentation of Covered Standards as adopted by the applicable standards development organization."

Proposal:

There should be a separate Exhibit of applicable standards and standard organisations in the Effective date of the Agreement.

Proposal:

Also, Microsoft shall pledge, that it will work with the applicable standard organisations, and Microsoft will conform with future versions of applicable standards.

Proposal:

If there is totally new standards and totally new standards organisations after the Effective Date, Microsoft will inform of implementing these new standards.

There should be also time limit for acknowledgement of these totally new standards and totally new standards organisations.

Proposal:

The role of the Commission should be noted, when totally new standards and totally new standards organisations affect the competitive situation in the market.

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256257

Annex B1, Annex B2, Annex C

258259260

No proposals.

261262

263264 Annex D

265

One proposal for Solicitation of Feedback.

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Proposal:

Microsoft will provide a public discussion list for the feedback process. Interested third parties, invited customers and invited partners can register to this discussion list.

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The discussion in the a public discussion list is public, and not enforced by Microsoft or its subsidiaries.

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There can votes on the public discussion list.

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277 <u>ANNEX 1</u>

278 DISCLAIMER279

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The English explanation is in the following web page:

http://creativecommons.org/licenses/by-nd-nc/1.0/fi/deed.en

³ Based on the Finnish three-party system there is phenomenon called extreme-centre in Finland.