

Intellectual Property Policies for XBRL Taxonomies

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Editors:

Ignacio (*Nacho*) Boixo, Banco de España (boixo@bde.es)
Allyson Ugarte, AECA (ugarte@pipeline.com)

Contributors - Project Management Working Group:

Lars Dyrner, KPMG (ldyrner@KPMG.DK)
Walter Hamscher, US SEC (walter@hamscher.com)
Hugh Wallis, XBRL International (hughwallis@xbrl.org)

Status

Circulation of this Public Working Draft RFC is **unrestricted**. Other documents may supersede this document. Recipients are invited to submit comments to the Best Practices Board (bpb@xbrl.org), and to submit notification of any relevant patent rights of which they are aware, and to provide supporting documentation.

Abstract

The Intellectual Property Policy (IPP) is a topic to be considered in any XBRL Project, especially in the development of XBRL Taxonomies for public use. Traditionally, national regulators and other authorities have a defined method when preparing and publishing laws, guidelines or other required documentation. The Official Registry, Journal or Gazette is the typical paper-based repository for this kind of regulation in various parts of the world. An equivalent method is to be used when XBRL taxonomies are to be published.

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1. Goal

Regulators and other authorizing agencies do not normally dictate specific measures relating to Intellectual Property Policy (IPP). Since the Official Registry, Journal or Gazette ¹ of the respective country has been clearly identified as the authoritative source for communicating the IPP. Therefore, no other measures appear to be necessary. However, in the age of the Internet, this acceptable situation is changing. The first, but definitely not the last, shock with the new reality of the Internet has been domain names, where public entities MUST compete with private enterprises and individuals looking for the most meaningful domain names.

Therefore, with regard to the IPP for XBRL, the development of a best practice is of particular relevance for regulators and public entities, especially when compared to software and commercial companies that have many years of experience in this matter. Specifically, the operational risk to be mitigated is an interruption in the reporting supply chain due to legal reasons related to issues of intellectual property. For example, a patent claim, a copyright claim, or a trademark claim can jeopardize the normal flow of information.

The goal of this best practice is to provide a guide and set of recommendations to regulators, government authorities, XBRL jurisdictions, companies, and other XBRL taxonomy owners to be well informed about the issues relating to IPP.

¹ Official Newspaper where the Laws and Government decisions are published as a requisite to come into effect. The United States Federal Register is an example.

2. Recommendations

2.1. Patent claim call

In international projects, or in countries where concepts are patentable, all the Working Group meetings MUST start with a patent claim call. For further details see [XBRL].

All XBRL International meeting starts with this "Claims under XBRL International IIP"

Call for any claims under any patent applications or issued patents that would be likely to be infringed by an implementation of the specification or other work product which is the subject of this meeting, as per XBRL International Intellectual Property Policy (XIIP).

In this way, individuals with prior patent applications or intent to apply for patents are fairly warned that their participation in the working group is likely to compromise their ability to receive patent protection.

2.2. Copyright

The XBRL taxonomies should be copyrighted under the following principles:

- XBRL taxonomy use and reproduction is royalty free.
- XBRL taxonomy is to be freely accessible.
- XBRL taxonomy modification is not allowed.
- XBRL taxonomy in a regulatory agency is to be owned by the regulator or competent authority.
- XBRL taxonomy copyright may be shared.

2.3. Trademark

The acronym of the XBRL taxonomy should be registered as trademark.

2.4. Taxonomy Acknowledgment

XBRL taxonomies for widespread use SHOULD be formally acknowledged either by the respective XBRL Jurisdiction or by XBRL International.

2.5. Moral rights

The names of the authors of XBRL taxonomies and projects MUST be recognized as moral right.

3. Security Framework

The four standard issues of security (authentication, integrity, confidentiality and non repudiation) are also to be considered for XBRL Projects and provide a framework in which to consider intellectual property policy decisions.

3.1 Authentication

The users of XBRL MUST have absolute assurance in the authenticity of the XBRL taxonomy issued by the competent authority and acknowledged by the XBRL community. With this confidence, consumers of XBRL information may invest in the resources required to adapt their systems to use the proper XBRL taxonomy. The entity that publishes an XBRL taxonomy MUST be the same as the alleged legal entity. XBRL taxonomies for widespread use SHOULD be formally acknowledged either by the respective XBRL Jurisdiction or by XBRL International.

3.2 Integrity

According to the XBRL 2.1 Specification, operational XBRL taxonomies may be extended, but MUST not be modified under any circumstance. The XBRL extension mechanism creates an independent file that augments or replaces parts of a base taxonomy. The targeted original taxonomy code is replaced with the extension code while processed with appropriate XBRL software. A modification in an XBRL taxonomy may create incompatibilities and produce problems relating to interoperability. Therefore, the IPP MUST prevent the unauthorized modification of XBRL taxonomies.

3.3 Confidentiality

XBRL taxonomies acknowledged by an XBRL Jurisdiction or XBRL International are always public. The instance and other data formatted with XBRL may be public or confidential. For instance, the cryptographic methods are public, but the actual keys are obviously confidential. XBRL taxonomies MUST be made publicly available so that the XBRL community can publish comments and, subsequent to their due acknowledgement, they can be used in practice.

3.4 Non repudiation

Once the regulator or competent authority has published an XBRL taxonomy, there is an implicit commitment to receive any XBRL instance that is valid with respect to that taxonomy along with any additional constraints that the authority imposes on the instance. These constraints may be restrictive (for example, perhaps all data must share a single context element), or flexible (for example, perhaps certain kinds of taxonomy extensions may be submitted with the instance). Otherwise, the XBRL consumers will not have the certainty that their investments in the technology will enable them to link to other data in the information supply chain.

4. Financial considerations

The use of XBRL MUST be royalty free. The development of XBRL taxonomies is not cost-free, despite that they have in rare cases been done without a budget.

The dichotomy between free use and costly development is a critical factor in the XBRL community.

4.1 Development cost of an XBRL taxonomy

Depending on the development strategy of each case, the development of an XBRL taxonomy may be carried out with an approved budget (for example, IFRS and US GAAP) or with no budget (for example, COREP and FINREP). In any case, the XBRL experts carry out the work during the regular workday, and usually have to travel for face-to-face meetings during the development of the taxonomy. The XBRL community also contributes with reviews and comments during the public exposure draft period. This is also very valuable, but typically not budgeted.

By the end of the project, a significant amount of money, resources and talent has been invested in the development of any XBRL taxonomy. This investment must be protected for the sake of the stakeholders who have dedicated valuable resources to the development of the XBRL taxonomy.

4.2 Royalty free policy for XBRL

The use of XBRL taxonomy work will be royalty free. XBRL consumers MUST be protected against any financial claim for the use of XBRL specifications and XBRL taxonomies. The IPP MUST be based on this principle.

5. Methods to protect intellectual property

The law has basically three methods to deal with intellectual property: patents, copyright and trademark. The authors also have moral rights, distinct from any economic rights.

5.1 Patents

There is not an international consensus about patents for software and other intellectual creations and products. The United States of America (USA) and other countries accept patents for algorithms, concepts and any kind of ideas. On the other hand, European and other countries reject the use of patents on pure intellectual creation. Moreover, some widespread concepts, such as Internet Hyperlink or single-click buy, are claimed to be patented, but with little success.

In any case, patents exist, and have to be taken into consideration for XBRL projects. All the working group meetings in XBRL International start with a patent declaration as a preventative measure. Even though it is not usual to develop concepts to be patented when dealing with XBRL taxonomy projects, a number of XBRL related processes and implementations of those processes are already patented under USA Law.

Patent infringement is a classic way for one company to sue to another company, or even customers. In practice it is far more common for companies to submit patents not to sue others but to discourage others from trying to prevent them from using a process.

5.2 Copyright

Copyright is a well established international method to protect intellectual property. The copyright disclaimer applicable to an XBRL taxonomy MUST satisfy a number of specific principles. Copyright deposit is simple and cheap in general.

When a regulator or authority owns the copyright of a XBRL taxonomy, the XBRL community may be confident that the XBRL taxonomy is effectively recognized by the regulator (authentication) and also the regulator will accept filings or reports using such XBRL taxonomy (non repudiation).

Because the XBRL taxonomies are not to be modified, the IPP typically used in Open Source projects is not applicable here. Open Source IPP usually requires the right of free modification. Published XBRL taxonomies are to be extended, but never modified².

Because the use of XBRL taxonomies is royalty free and greatly encouraged, the IPP typically used in commercial companies is not applicable here.

5.3 Trademark

Trademark is the well established international method to protect a specific name, logo or acronym. The trademark may be national (a single country), regional (Europe) or international (World Intellectual Property Organization). The scope of a trademark pertains to a number of sectors, according to an international definition. A trademark may be registered for a number of sectors (such as software and financial), despite the fact that the same trademark may have already been registered for other sectors (such as agriculture or furniture).

A trademark has priority when registering or disputing Internet domain names.

In XBRL, a large set of labels, locators and names are usually defined depending on the project name. Any subsequent change in the project name may be costly. The best way to protect the investment and assure that the project name will remain unchanged is a trademark. In case of misuse or unwanted advertisements about the project, a trademark is also a powerful solution.

XBRL is an international trademark. COREP and FINREP are European trademarks.

5.4 Taxonomy Acknowledgment

The XBRL community is a not-for-profit organization supporting the XBRL Standards and Best Practices. The XBRL taxonomies MUST follow XBRL Standards, at a minimum, and ideally, Best Practices to be interoperable with the XBRL solutions. The usual way to ensure that an XBRL taxonomy follows the XBRL Standards is the acknowledgment process, in which XBRL experts review that the taxonomy follows the applicable Standards, and the XBRL community presents the XBRL taxonomy for Public Exposure. In such a way, the XBRL community carries out a due diligence process to reasonably ensure that the XBRL taxonomy follows the applicable Standards. This acknowledgement process is to be carried out either by the XBRL Jurisdiction (for taxonomies only applicable inside an XBRL Jurisdiction) or by XBRL International (for other cases). The acknowledgment process is specially required when the XBRL taxonomy is for widespread use, such as in the case of regulators.

Therefore, XBRL taxonomies for widespread use SHOULD be formally acknowledged either by the respective XBRL Jurisdiction or by XBRL International.

Similarly, the XBRL taxonomies should follow XBRL best practices, and this can be evaluated by the XBRL community through a process called *Approval*.

5.5 Moral rights

The volunteers contributing to the XBRL projects may be an important part of the development. Their typical motivation is the reputation of being involved as a member of the project team. The authors of the XBRL taxonomy or the XBRL project MUST be recognized for their participation and contribution by including their names in the proper documentation. For the authors volunteering in the project, this is their important reward. In the open source community it is a well-known fact that the underlying motivation to foster the collaboration of volunteers is the opportunity for personal and professional reputation.

² See paragraph 3.2 *Integrity* for details about differences between extension and modification

Therefore, because the volunteers do not receive any financial income in return for their work, at a minimum, their contribution MUST be published and recognized in return for their effort.

Appendix A References

XBRL

Legal Notices and Related Information
(See <http://www.xbrl.org/legal/>)

W3C

W3C Intellectual Rights Notice and Legal Disclaimers
(See <http://www.w3.org/Consortium/Legal>)

CEBS

COREP Intellectual Property Policy
(See <http://www.corep.info/legal.html>)

Appendix B Intellectual property status (non-normative)

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Appendix C Acknowledgements (non-normative)

The editors thank the members of XBRL International for supporting the creation of this document, and for providing valuable feedback on internal drafts.

Appendix D Document history (non-normative)

Date	Editor	Details
2008-06-10	Boixo	Describing the concepts used in the XBRL IPP development for the Committee of European Banking Supervisors, as a first rough draft.
2008-12-03	Hamscher	Comments and minor corrections
2008-12-03	Boixo	Document review. Inclusion of <i>Taxonomy Acknowledgment</i> recommendation
2008-12-14	Hamscher	Edits as suggested by marginal comments, occasional text edits. Edited section on Acknowledgement to clarify that acknowledgement addresses XBRL Standards, while Approval addresses Best Practices.
2008-12-17	Ugarte	Additional edits for internationalisation, style, and grammar.
2008-12-17	Hamscher	Section ordering and other document cleanup.

Appendix E Errata corrections in this document

This appendix contains a list of the errata that have been incorporated into this document. Hyperlinks to relevant e-mail threads may only be followed by those who have access to the relevant mailing lists. Access to internal XBRL mailing lists is restricted to members of XII.

No errata have been incorporated into this document.