

Title: System and Method for Distributing Software Over
 a Network

Background of the Invention

5 The invention relates to a system and method for distributing software over a network. More particularly, the invention relates to a method for controlling software distribution by embedding a sub-component of the distribution control software in each software application, and having a central monitoring software for monitoring the distribution of the software applications.

10 Digitally encoded information, or software, is one of the most economically important commodities of the era. The ease and economy with which perfect copies can be made and distributed has promoted the spread of software and related technologies through traditional commercial channels such as retail and mail-order sales. More recently, non-traditional distribution channels such as distribution over networks of interconnected computers such as the Internet have become more viable. These non-traditional distribution
15 channels have made it difficult for software creators and copyright holders to regulate the use of their creations or to receive payment and registration information from their users. Consequently, software producers forfeit substantial revenues and valuable information about their customer base and potential markets while businesses and universities find themselves subject to legal prosecution and intimidation for software piracy.