

Ucc and ucita

Business



Before the UCC and the UCITA, one of the first, and most significant, of the U. S. government's attempts to promote uniformity in commercial laws from state to state was Article One Section Eight of its constitution.

Clause one gives congress the power to lay and collect taxes , excises , imposts and duties and stipulates that these would be uniform throughout the united states. Clause 4 aims at establishing a uniform rule of naturalization and also uniform laws regarding bankruptcies in the fifty states of the united states (Horwill , 1925). Enforcement of this law definitely promoted uniformity in the area of computer information transactions. The major difference between UCITA and UCC is that , UCITA excludes all goods type transactions unlike the second article of UCC which caters for them. UCITA is also seen as drafted to favor the software industry and big firms unlike the UCC (Founds , 1999).

It makes it simpler for software publishers as well as access providers to avoid being sued in the event of contract breach. UCITA also allows software vendors to open up the terms of contract after the buyer has acquired the software. UCITA allows a larger number of oral contracts than UCC (Founds , 1999). The difference between licensing and selling a product is that, licensing allows other people to use the product while the owner of the product still retains the control over its copyright while selling gives the buyer the full rights to the product hence he/she can make copies of the product, and even distribute them. Change over from one system to another is normally carried out in phases.

UCITA was basically made to replace UCC article 2B (Thierer , 2003). Some firms , for instance the American law institute which originally were involved in the drafting of UCITA withdrew their sponsorship citing lack of balance in the new draft. This coupled with criticism by many on UCITA has made it difficult for UCITA to be used instead of UCC (Thierer , 2003).