

# Accolade vs. sega



1. Analyze this case from the perspective of each of the theories of private property described in this chapter (i. e. from the perspective of Locke's Theory of private property, the utilitarian theory of private property and the Marxist theory of private property.)

**The first theory:**

The case is supported as well with Locke's theory of the state of nature. John Locke Natural Rights Theory says that an action is correct from the moral point of view if it respects the natural rights of human beings. In reference to Accolade versus Sega, it is apparent that nohuman beings is being deprived of his or her right to knowledge, life, truth or health. According to the legal experts, by using this source code, Accolade is in fact depriving Sega's companies' employees from receiving proper benefit of a useful good. Sega's monopoly on producing games for their Genesis system is in fact through Locke's Natural Rights Theory an immoral action towards Accolade.

In addition, the fact that Accolade's programmers put time and effort into finding out how to make games that work in the Genesis system thus makes it their property as well. According to the legal experts, Sega has a right to this property, which is the core argument in the case, in which Accolade's case is in violation of their Natural Right. The argument can be made that the code were a common compatibility needed to access another product.

**The second theory:**

The next moral standard is the Karl Marx Justice Theory (i. e. Distributive Justice Theory). This theory states an action is correct from the moral point of view if it involves treating similarly individuals who are similar in relevant

respects and dissimilarly individuals who are dissimilar in relevant respects in proportion to their dissimilarity. The question that needs to be answered is; will the action lead to a distribution of benefits and burdens? When comparing Accolade and Sega as similar companies in similar markets the answer is yes for a few reasons.

For Accolade and Sega both have the artistic burden of coming up with ideas to produce games, and both will be compensated equally if the market system holds true. However when it comes to the code itself, Accolade probably spent just as much time and effort paying its engineers to reserve the secret code as Sega spent in time and effort creating the secret code for the Genesis system. In conclusion, it seems that Sega actually gains more benefit from its added sale of the system on top of their games while Accolade only receives games revenues, making this action morally acceptable.

**The third theory:**

The Utilitarianism Theory, which states an action, is correct from the moral point of view if the sum total benefits produced by the action are greater than the sum total of benefits produced by any other action that could have been performed in its place. According to this theory, it was morally acceptable to get hold of the code. By Sega keeping the code, they would have formed a monopoly on games that are compatible with the Sega Genesis system. A monopoly in any market as we know does not conform to any of the moral theories. Therefore, by Accolade infiltrating the market they were able to create competition in the market by creating an Oligopoly. (A market dominated by a small number of participants who are able to

collectively exert control over supply and market.) From this, one can conclude that the sum benefits would exceed the burdens from Accolade's action. The benefits in this case greatly outweigh the downside of the decision.

**Do you agree that Accolade had “really stolen” Sega's property?**

After examining all of these theories, the argument can successfully be made that Accolade did not steal any property of Sega, but was only doing what was necessary in order to produce a product that was more of a feature than a property. At the end of the day, it was morally acceptable business practice.

In your judgment, did Accolade go too far in trying to discover the underlying source code of Sega's programs?

Accolade did not copy someone else's game, but merely duplicated compatibility codes that would allow for different games to be made for the system. This is just as different tire manufacturer producer tires for automobiles without the automobile producer's permission. So I do not think that they went too far.

**Does a company have a right to reverse engineer any product?**

In most instances, reverse engineering is an acceptable option for creating new products. However, there are legal and ethical limitations that must be considered. Reverse engineering is a common procedure that typically involves the disassembly, examination, and analysis of a product to reveal its design and function. Normally, this is done for competitive analysis, and sometimes for the purpose of building and selling similar product. It is legally

and ethically acceptable for a company to purchase a commercially available product, analyze it thoroughly, to design and develop a similar product and a method for its manufacture; provided the new product and method do not violate the patent rights of another company.