

Introduction to European Business Law

Lund University MOOC, Jan 5 to Mar 15, 2015

Module 3 (intellectual property)

A glossary of key terms and a summary of case notes from week 3



Last updated: Jan 24, 2015 12 noon [Penny's note: this is not complete yet, but I'm issuing it in this form as an interim draft; final draft hopefully will be issued later today]

These notes were prepared by Penny Parker for personal private use only, for others who are taking this MOOC course. Please feel free to comment or submit corrections to pennyparker@me.com.

3 step test – this is the process in article 5(5) of the Information Society Directive (2001/29) to determine whether you can use copyrighted material without the owner's consent. I'm not exactly sure what the 3 steps are. The article simply says the exceptions and limitations in the above articles 5(1) to 5(4) only apply "in certain special cases which do not conflict with a normal exploitation of the work or other subject-matter and do not unreasonably prejudice the legitimate interests of the rightholder." So probably the 3 steps are 1. Find an exception that applies in articles 5(1) to 5(4), 2. Make sure your use doesn't conflict with the normal exploitation of the work, and 3. Make sure it doesn't unreasonably prejudice the legitimate interests of the rightholder.

"A posteriori" invalidity or revocation -- "a posteriori" is a Latin phrase meaning "from the later". An "a posteriori invalidity or revocation" refers to the possibility of losing your trademark right after it has already been registered, for example due to lack of use for over 5 years. It's covered in article 14 of the Trademark Directive (2008/95) and simply states in general terms "Where the seniority of an earlier trade mark which has been surrendered or allowed to lapse is claimed for a Community trade mark, the invalidity or revocation of the earlier trade mark may be established a posteriori."

Administrative case law -- this usually refers to case decisions by administrative agencies or specially created administrative courts. In this week's materials the point was made that many important trademark decisions take place at this administrative level and bear watching. With respect to the Community-wide trademark system, these administrative decisions are made by OHIM – the Office for Harmonisation of the Internal Market.

Applied art – "the application of design and decoration to everyday objects to make them aesthetically pleasing". [from Wikipedia] For purposes of the materials this week, the point was made in the Industrial Design lectures that if none of the registration options work for you, you might consider instead registering the design as applied art or a work of artistic craftsmanship under applicable Copyright laws. But one should be aware that EU member states have a widely different attitude towards copyright protection for product appearances.

Berne Convention -- the Berne Convention for the Protection of Literary and Artistic Works – a comprehensive range of minimum rights. Designed to guarantee minimum protections to authors. 168 member states including all members of the EU. Berne Convention, article 2, protects copyright in literary and artistic works. The expression "literary and artistic works" includes every production in the

literary, scientific and artistic domain, whatever may be the mode or form of its expression, for example books; dramatic works; choreographic works; musical compositions with or without words; cinematography; works of drawing, painting, architecture, sculpture, photography; works of applied art, illustrations, maps, plans and sketches.

Biotechnical inventions – very little harmonization of EU member state patent laws has taken place. The one exception is the Directive on Biotechnological Inventions, 98/44/EC. On the basis of the Directive, member states must protect biotech inventions under national patent law, and adjust their national patent laws when taking account of the provisions of this Directive. The objective of the Directive is to clarify the distinction between what is patentable and what is not. It particularly seeks to confirm that the human body at the various stages of its formation and development, and processes for cloning human beings and for modifying the germ-line genetic identity of human beings, may not be regarded as patentable inventions. Inventions which are new, involve an inventive step and are susceptible of industrial application are patentable even if they concern a product consisting of or containing biological material. Biological material which is isolated from its natural environment or produced by means of a technical process may also be the subject of an invention.

Common name – the term used when a trademarked name loses its distinctiveness and becomes a common name for a particular product. Such as “googling”. It can also be referred to as “degenerating” into a common name, or becoming a generic name for something. It is grounds for revocation of a trademark license under terms of article 12(2)(a) of the Trademark Directive (2008/95).

Community design – this refers to the special process available to apply for a community-wide design registration rather than an individual design on a country-by-country basis. This community design means that the company can protect the design throughout the whole EU with just one application. In this case the company gets a unitary community right on the basis of Council Regulation 6/2002 of 12 December 2001 on community designs. It is valid for five years from date of filing and can be renewed in blocks of 5 years, up to a maximum of 25 years.

Computer program – computer programs can be copyrighted, including computer games. They are covered by Directive 2009/24/EC on the legal protection of computer programs. They were mentioned only briefly in the lecture. There is apparently quite a bit of case law on them. Article 1 of the Directive states that “1. ... Member States shall protect computer programs, by copyright, as literary works within the meaning of the Berne Convention for the Protection of Literary and Artistic Works. For the purposes of this Directive, the term ‘computer programs’ shall include their preparatory design material. 2. Protection in accordance with this Directive shall apply to the expression in any form of a computer program. Ideas and principles which underlie any element of a computer program, including those which underlie its interfaces, are not protected by copyright under this Directive. 3. A computer program shall be protected if it is original in the sense that it is the author's own intellectual creation. No other criteria shall be applied to determine its eligibility for protection.”

Convergence – this is the idea that many technical developments are merging into the same devices or processes in the world today and this poses extreme problems for adapting laws and creating new ones. This is a general and modern problem in law that may be illustrated by the use of a smartphone, a device which is no longer only used for distance communication. A smartphone can also operate as a computer, a computer game console, a television set, and a radio, to mention only some of its potential uses.

Copyright -- Copyright protects original works in the fields of literature, artistic & scientific work, for an exclusive, limited time period. Like other intellectual property rights, copyright is based on the principle of territoriality. This means the copyright is protected by national laws. There is no community wide copyright. But the laws of the various states are quite similar, as result of the harmonization made possible through the Berne Convention. Sources of copyright law include national

laws, the Berne Convention, the TRIPS Agreement, and several EU Directives which address portions of the copyright field, the most notable perhaps being the Information Society Directive, 2001/29. The related rights have also been harmonized to a certain extent by the Rome Convention for the Protection of Performing Artists, Producers of Phonograms and Broadcasting Organisations and various EU Directives.

As noted earlier, there are a large number of EU Directives covering copyright. There's not a single, unified directive or regulation. It's more like a patch work of directives covering different subjects.

- 93/83/EEC – on the coordination of certain rules and related rights, applicable to satellite broadcasting and cable re-transmission
- 96/6/EC – on the legal protection of databases
- 2001/29 – on the harmonization of certain aspects of copyright and related rights in the information society
- 2001/84/EC – on the resale right for the benefit of the author of original work of art.
- 2004/48 – on the enforcement of intellectual property rights
- 2006/115 – on rental rights and lending rights, and certain rights related to copyright in the field of intellectual property
- 2006/116/EC – on the term of protection of copyright and certain related rights (“Term Directive”)
- 2009/24/EC – on the legal protection of computer programs
- 2011/77/EC – amending the Term Directive (2006/116) on the term of protection of copyright and certain related rights
- 2012/28/EC – on certain permitted users of or from works

Copyright duration -- The protection under the Information Society Directive is valid for 70 years after the creator's death. If there were several creators, then the death of the last creator. If unknown, then 70 years from date of publication. If publication unknown, then 70 years from date of creation. Can not be extended. Comes into automatic existence. Without need to register or file something. Related rights are shorter, usually 70, 50 or 25 years, calculated from the date of publication or public communication of the object protected.

Cross border networks – a network that operates or impacts more than one country. In the realm of copyright, there is a protection for computer programs, including computer games and databases, both of which are used to a large extent in cross-border networks. Consequently there are several decisions from the European Court of Justice that deal with computer programs and databases. Some of the issues that have been discussed are how a computer program is to be protected. And when the use of a database in one jurisdiction may lead to infringing effect in another. See also the Dataco case in the case summary notes below, which involves the cross border impact of a database on live football match information.

Databases -- A database, according to the relevant Directive (Article 1(2) of 96/9) “is a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means.” See also the Dataco case in the case summary notes below.

Degeneration – this refers to the problem of a trademark losing its protection because the term has become generic or a common name for the product as a whole. This is usually a threat only to notoriously well-known trademarks, but it may also be an issue when a new product is introduced on the market. This was the case with windsurfing, and similarly, almost happened with rollerblades. During the first years after the introduction of inlines, which is the actual name of the product, among many users the term rollerblades became the common name for the product. The important lesson for

a proprietor to avoid degeneration, is to be careful and observant as to how a trademark is being used, both in spoken and written language.

Design – From Wikipedia: “A design is defined as ‘the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation’.” We learned in the lectures this week that a person who wishes to protect a design can either:

1. File an application with an individual country, with the national laws being harmonized by the Directive 98/71
2. Apply for a community design under Council Regulation 6/2002 of 12 December 2001, which permits a single application being filed, a unitary right
3. Choose to use the short term rules for unregistered designs that are also covered under Regulation 6/2002,
4. Register the design under copyright laws as a work of applied art or work of artistic craftsmanship (but member state laws are not harmonized in that realm), or
5. Register the design in the Hague system which is international in scope, covered 62 territories by filing a single application.

Design Directive – Directive 98/71. It harmonizes national laws and is identical substantively to the Design Regulation covering the community design.

Design Regulation – Regulation 6/2002 on community design. This covers the special unitary design protection that covers the entire EU by filing a single application.

Design registration duration -- A national register design, or registered community design is valid for five years from the date of filing. But it can be renewed in blocks of five years, up to a maximum of 25 years. [An unregistered design is valid for three years from the date on which it was made available to the public within the EU. The protection cannot be extended after three years.]

Destroy patentability

Disclosure, proof of prior use

Distinctive character

Distinctive character

Double identity

Duration

Enforcement Directive

EPC – European Patent Convention

EPO – European Patent Office

European Court of Justice

Ex parte – a Latin term meaning “from the party”. An ex parte decision is one decided by a judge without requiring all of the parties to the controversy to be present.

Exhaustion doctrine

Exhaustion of rights

Extended protection

Famous trademarks

File an opposition

Fundamental rights

General court

Generic

Geographic names
Good will
GPI – EPO's Global Patent Index.
Grace period
Graphic representation
Grounds for refusal
Hague system
Independent creation defense
Individual character
Industrial applicability
Industrial design
Information society directive
Infringement

Inter alia – a Latin phrase meaning “among other things.” You see it often in case name descriptions or in lists of items in a court decision where the court is including only some of the items from a Directive or Regulation, because others aren't relevant for purposes of the decision.

Intermediary service provider
International Preliminary Examination Authority (IPEA)
International Searching Authority (ISA)
Invention
Inventive step
IP – intellectual property
ISP liability
Keyword advertising
Know how
Likelihood of confusion
Limitations
Limitation to the limitations

Literary and artistic works – protected by copyright under article 2 of the Berne Convention. The expression “literary and artistic works” includes every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression, for example books; dramatic works; choreographic works; musical compositions with or without words; cinematography; works of drawing, painting, architecture, sculpture, photography; works of applied art, illustrations, maps, plans and sketches.

Moral rights
Natural law
Negative rights
Novelty

OHIM – the Office of Harmonization in the Internal Market. They are the first level of administrative decision making in reviewing an application for trademark registration. If they refuse a registration it can be appealed to the general court and ultimately to the ECJ.

Olfactory mark
Opposition
Originality
Ownership
Patent
Patent duration

PCT – the Patent Cooperation Treaty of 1970.

Person skilled in the art

Phonogram

Photos The EU Term Directive (2006/116, amended by 2011/77) says that member states must protect only original photos by copyright, and unoriginal photos by related rights.

Preliminary questions

Privacy

Problem and solution approach

Product appearances

Public authority

Public sector posts

Related rights The EU Term Directive (2006/116, amended by 2011/77) says that member states must protect only original photos by copyright, and unoriginal photos by related rights.

Renewal

Renewal fees

Repackaging

Revocation

Rome Convention – Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, entered into force in 1961 by members of BIRPI (the predecessor organization to WIPO). The Convention extended copyright protection for the first time to authors of works captured as physical manifestations in media such as phonograms, audiocassettes or DVDs.

Satellite broadcasting

Signs – another term for “mark” or “trademark”

Single application

Skilled person

Software

Sports bar entertainment

Sui generis right – sui generis is a Latin phrase meaning “of its own kind” or “unique in its characteristics”. When used in connection with database protection this refers to the special right of protection granted to creators of databases under Directive 96/9, to prevent others from taking advantage of their work. See the Dataco case in the case summary notes below as well. The “sui generis right” allows the maker of the database to show “that there has been qualitatively and/or quantitatively a substantial investment in either the obtaining, verification or presentation of the contents to prevent extraction and/or reutilisation of the whole or of a substantial part, evaluated qualitatively and/or quantitatively, of the contents of that database.” (Chapter III, article 7, Directive 96/9).

Term Directive

Trade secret

Trademark—In the Trademark law lectures, the Trademark directive was mentioned and shown as TM-dir. The current directive is Directive 2008/95/EC. Most of the cases interpret provisions of Directive 89/104 but Directive 2008/95 is the codified version.

Trademark duration

Trademark Regulation

TRIPS Agreement

Unified Patent Court

Unintentional infringements

Unitary Patent
 Unregistered design
 Use requirement
 WIPO
 WIPO treaties

Works of artistic craftsmanship -- This is one of the categories available for copyright protection under the Berne Convention, and perhaps other sources. For purposes of the materials this week, the point was made in the Industrial Design lectures that if none of the registration options work for you, you might consider instead registering the design as applied art or a work of artistic craftsmanship under applicable Copyright laws. But one should be aware that EU member states have a widely different attitude towards copyright protection for product appearances.

CASE NOTES FROM WEEK 3

Copyright

- C- 5/08 – **Infopaq International A/S v. Danske Dagblades Forening** (2008). The case involved copyright infringement by an information aggregating business. The business in question had used a data capture process, compiling news updates from local Danish newspapers, converting them into digital files, and then compiling issue lists. The digital files were then destroyed once the data was captured. A customer who subscribed to their service would receive a list of articles by issue, together with an excerpt of 5 words before and 5 words after the relevant search term in each article (an 11 word excerpt). The court concluded that, assuming the underlying news article was an original intellectual work (an issue the national court was left to determine), the 11 word excerpt was an unpermitted “reproduction in part” under Article 2(a) of the Information Society copyright directive 2001/29. It also did not qualify for the “transient” exemption under Article 5(1) of that directive.
- C-145/10 – **Painer v. Standard Verlags GmbH and Others** (2011). Ms. Painier was a freelance photographer specializing in photos in nurseries and day homes. She took several photographs of a young child Natascha K., designing the background, deciding the position and facial expression and producing and developing them. She put her name as the photographer on the photos. She sold the photographs but without conferring on third parties any rights over them and without consenting to their publication. The price she charged corresponded solely to the price of the prints. In 1998, when Natascha was 10 years old, she was abducted. The competent security authorities launched a search appeal in which the contested photographs were used. In 2006, Natascha managed to escape from her abductor. The defendants were news media publishers from Germany and Austria. Following her escape and prior to her first public appearance the defendants published the contested photographs in their newspapers, magazines and websites without indicating the name of the photographer or in some cases indicating a name other than Ms. Painier’s as the photographer who took the pictures. They claimed they received the photos from a news agency without Ms. Painier’s name on them, or with another name on them other than Ms. Painier’s. Several of those publications also published a portrait, created by computer from the contested photographs, which, since there was no recent photograph of Natascha K. until her first public appearance, represented the supposed image of Natascha K. Ms. Painier sought an order to immediately cease the reproduction and/or distribution of the photos without her consent, and she also sought appropriate remuneration and damages.

“On a proper construction of Article 6 of Directive 93/98 harmonising the term of protection of copyright and certain related rights, a portrait photograph can, in accordance with that provision, be protected by copyright if, which it is for the national court to determine in each case, that

photograph is an intellectual creation of the author reflecting his personality and expressing his free and creative choices in the production of that photograph. Once it has been determined that the portrait photograph in question is a work, its protection is no less than that enjoyed by any other work, including other photographic works.

As regards, first, the question whether realistic photographs, particularly portrait photographs, enjoy copyright protection under Article 6 of Directive 93/98, it is important to point out that the Court has already decided, in Case C-5/08 *Infopaq International* [2009] ECR I-6569, paragraph 35, that copyright is liable to apply only in relation to a subject-matter, such as a photograph, which is original in the sense that it is its author's own intellectual creation. As stated in recital 17 in the preamble to Directive 93/98, an intellectual creation is an author's own if it reflects the author's personality.

As regards a portrait photograph, the photographer can make free and creative choices in several ways and at various points in its production. In the preparation phase, the photographer can choose the background, the subject's pose and the lighting. When taking a portrait photograph, he can choose the framing, the angle of view and the atmosphere created. Finally, when selecting the snapshot, the photographer may choose from a variety of developing techniques the one he wishes to adopt or, where appropriate, use computer software.

Article 5(3)(e) of Directive 2001/29 on the harmonisation of certain aspects of copyright and related rights in the information society, read in the light of Article 5(5) of that directive, must be interpreted as meaning that media, such as newspaper publishers, may not, on their own initiative, use a work protected by copyright by invoking an objective of public security. However, it is conceivable that a newspaper publisher might, in specific cases, contribute to the fulfilment of such an objective by publishing a photograph of a person for whom a search has been launched. It must be a requirement that that initiative be taken, first, within the framework of a decision or action taken by the competent national authorities to ensure public security and, second, by agreement and in coordination with those authorities, in order to avoid the risk of running counter to the measures taken by them, but it is not, however, necessary for a specific, current and express appeal to be made by the security authorities for a photograph to be published for the purposes of an investigation."

For several reasons the court determines also that the newspapers can not use the defense of public security to justify their publication of the photos, although this issue is for the national courts to decide on a case by case basis depending on the facts. "[T]he media, such as, in this case, newspaper publishers, cannot be allowed to confer on themselves the protection of public security. Only States, whose competent authorities are provided with appropriate means and coordinated structures, can be regarded as appropriate and responsible for the fulfillment of that objective of general interest by appropriate measures including, for example, assistance with a search appeal. Such a publisher cannot, therefore, of its own volition, use a work protected by copyright by invoking an objective of public security."

- C- 403/08 and C-429/08, joined cases – **Football Association Premier League and Others** (2008). The case involves the marketing and use in the UK of decoding devices which give access to the satellite broadcasting services of a broadcaster, are manufactured and marketed with the broadcaster's authorization, but are used without permission outside the geographical area via foreign decoding devices. FAPL licenses broadcasting rights for live transmission of Premier League football matches on a territorial basis for 3 year terms. The rights are awarded to high bidders in an open competitive tender procedure. Licenses tend to be awarded per country on an exclusive rights basis, but could go to global or pan-European broadcasters if so bid.

The case involved interpretation of the Satellite Broadcasting Directive, the Information Society Directive, and several other directives not relevant for intellectual property rights purposes. I've included here several of the findings relating to these two Directives only:

“In order to protect the territorial exclusivity of all broadcasters, they each undertake, in their licence agreement with FAPL, to prevent the public from receiving their broadcasts outside the area for which they hold the licence. This requires, first, each broadcaster to ensure that all of its broadcasts capable of being received outside that territory – in particular those transmitted by satellite – are encrypted securely and cannot be received in unencrypted form. Second, broadcasters must ensure that no device is knowingly authorised so as to permit anyone to view their transmissions outside the territory concerned. Therefore, broadcasters are in particular prohibited from supplying decoding devices that allow their broadcasts to be decrypted for the purpose of being used outside the territory for which they hold the licence.

However, in the United Kingdom certain restaurants and bars have begun to use foreign decoding devices to access Premier League matches. They buy from a dealer a card and a decoder box which allow them to receive a satellite channel broadcast in another Member State, such as the NOVA channels, the subscription to which is less expensive than BSkyB Ltd's subscription. Those decoder cards have been manufactured and marketed with the authorisation of the service provider, but they are subsequently used in an unauthorised manner, since the broadcasters have made their issue subject to the condition – in accordance with the undertakings set out in paragraph 35 of the present judgment – that customers do not use them outside the national territory concerned.”

“Where sequential fragments of a film, musical work or sound recording (in this case frames of digital video and audio) are created (i) within the memory of a decoder or (ii) in the case of a film on a television screen, and the whole work is reproduced if the sequential fragments are considered together but only a limited number of fragments exist at any point in time:

- (a) Is the question of whether those works have been reproduced in whole or in part to be determined by the rules of national copyright law relating to what constitutes an infringing reproduction of a copyright work, or is it a matter of interpretation of Article 2 of [the Copyright Directive]?
- (b) If it is a matter of interpretation of Article 2 of [the Copyright Directive], should the national court consider all of the fragments of each work as a whole, or only the limited number of fragments which exist at any point in time? If the latter, what test should the national court apply to the question of whether the works have been reproduced in part within the meaning of that Article?”

Is a copyright work communicated to the public by wire or wireless means within the meaning of Article 3 of [the Copyright Directive] where a satellite broadcast is received at a commercial premises (for example a bar) and communicated or shown at those premises via a single television screen and speakers to members of the public present in those premises? [Answer: yes]

FAPL cannot claim copyright in the Premier League matches themselves, as they can not be classified as works. To be so classified, the subject matter would have to be original in the sense that it is its author's own intellectual creation (citing Infopaq). Sporting events cannot be regarded as intellectual creations classifiable as works within the meaning of the Copyright Directive. That applies in particular to football matches, which are subject to rules of the game, leaving no room for creative freedom for the purposes of copyright. Nonetheless, sporting events, as such, have a unique and, to that extent, original character which can transform them into subject-matter that is worthy of protection comparable to the protection of works, and that protection can be granted, where appropriate, by the various domestic legal orders. [Member states can enact national

legislation permitting protecting sporting events by virtual of protection of intellectual property. The relevant EU directive expressly envisages this as a possibility.]

Therefore, if the national legislation concerned is designed to confer protection on sporting events – a matter which it is for the referring court to establish – European Union law does not preclude, in principle, that protection and such legislation is thus capable of justifying a restriction on the free movement of services such as that at issue in the main proceedings. [However, an outright ban on sale or import of foreign decoding devices goes too far; less restrictive means must be used]

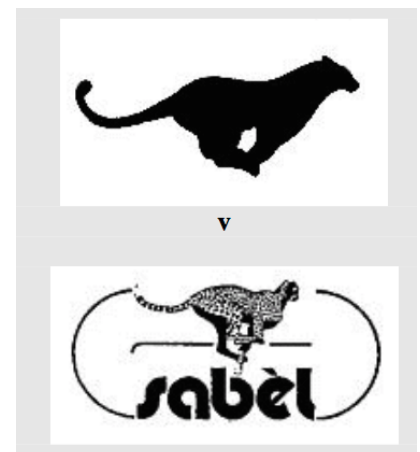
“Consequently, the answer to the question referred is that Article 2(a) of the Copyright Directive must be interpreted as meaning that the reproduction right extends to transient fragments of the works within the memory of a satellite decoder and on a television screen, provided that those fragments contain elements which are the expression of the authors’ own intellectual creation, and the unit composed of the fragments reproduced simultaneously must be examined in order to determine whether it contains such elements.”

Communication to the public within the meaning of article 3(1) of the Copyright Directive: per the Berne Convention, this “concept encompasses communication by loudspeaker or any other instrument transmitting, by signs, sounds or images, covering ... a means of communication such as display of the works on a screen.” Therefore “the concept of communication must be construed broadly, as referring to any transmission of the protected works, irrespective of the technical means or process used.” ... “Accordingly, it must be held that the proprietor of a public house effects a communication when he intentionally transmits broadcast works, via a television screen and speakers, to the customers present in that establishment.”

Case law: Trade Mark Law

- C 251-95 – **Puma** (1997). The question was whether a new trademark to be registered by the Dutch company SABEL infringed on the existing trademark of the German company Puma on the grounds of likelihood of confusion.

Puma lodged opposition to the registration of the mark on the ground, in particular, that it was the proprietor of the pictorial mark depicted above, which was of earlier priority and registered in Germany, inter alia for “leather and imitation leather, goods made therefore (bags) and articles of clothing.” The registration application by Sabel had indicated its mark was to be used inter alia for goods “in classes 18 ‘Leather and imitation leather, products made therefrom not included in other classes; bags and handbags’, and 25 ‘Clothing, including tights, hosiery, belts, scarves, ties/cravats and braces; footwear; hats’.”



The German Patent Office concluded there was no resemblance between the two marks and rejected Puma’s opposition. Puma then appealed to the Federal Patents Court which partially upheld its opposition and ruled that there was a resemblance between the two marks with respect to SABEL’s goods in classes 18 and 25, which it regarded as being identical or similar to the goods on the list of articles covered by the Puma mark. SABEL then appealed for annulment of the decision refusing its application. The German Bundesgerichtshof then ruled in Sabel’s favor, concluding that there was no likelihood for confusion between the two marks. But it raised a question for the ECJ to determine whether EU law was stricter than was being applied under the German criteria, because of the ambiguous wording in the Directive 89/104. Specifically, was the fact that there was a “mere association” between the two “bounding feline” logos enough to reject Sabel’s registration?

“The Bundesgerichtshof seeks to ascertain the importance to be accorded to the semantic content of the marks (in the present case, a 'bounding feline') in determining the likelihood of confusion. That difficulty is occasioned, in particular, by the ambiguous wording of Article 4(1)(b) of the Directive, in terms of which the likelihood of confusion 'includes the likelihood of association with the earlier trade mark'. The question therefore arises for the national court whether the mere association which the public might make between the two marks, through the idea of a 'bounding feline', justifies refusing protection to the SABEL mark in Germany for products similar to those on the list of articles covered by Puma's priority mark.”

“That global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive — ‘... there exists a likelihood of confusion on the part of the public ...’ — shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public.

However, in circumstances such as those in point in the main proceedings, where the earlier mark is not especially well known to the public and consists of an image with little imaginative content, the mere fact that the two marks are conceptually similar is not sufficient to give rise to a likelihood of confusion.”

Therefore the court concludes that the Sabel trademark is not confusingly similar to the Puma trademark and the Sabel registration application can be approved.

- C 108-97 and C 109-97 – **Windsurfing Chiemsee** (1999). The case concerns the interpretation of the prohibition of “geographical indications of origin” in a trademark under the Trademark Directive 89/104. In this case “Chiemsee” was the name of a lake in Germany, the largest lake in Bavaria. It is a common tourist destination and surfing is one of the activities that are popular there. The Windsurfing Chiemsee mark was being used for the sale of sportswear. The goods bear the designation ‘Chiemsee.’ Between 1992 and 1994, Windsurfing Chiemsee registered that designation in Germany as a picture trade mark in the form of various graphic designs, in some cases with additional features or words such as ‘Chiemsee Jeans’ and ‘Windsurfing Chiemsee Active Wear’.

I’m not sure which of these trademarks were at issue but I’ve inserted a few in this case summary that I was able to find on the Internet.

The German registration authorities regarded the word Chiemsee as a geographical description which is not capable of registration as a trade mark. However, they have allowed the various particular graphic representations of the word Chiemsee and the additional accompanying features to be registered as picture marks.



The defendants, Mr. Huber and Mr. Attenberger, each sell sports clothing such as t-shirts and sweat shirts in different shops in the area. The clothing bears the designation 'Chiemsee' but it is depicted in a different graphic form from that of the trademarks which identify the Windsurfing Chiemsee products. Windsurfing Chiemsee challenged the use by Mr. Huber and Mr. Attenberger claiming that,



notwithstanding the differences in graphic representation, there was a likelihood of confusion with its use of the designation 'Chiemsee' which it claims the public is familiar and which has been in use since 1990.

“As regards, more particularly, signs or indications which may serve to designate the geographical origin of the categories of goods in relation to which registration of the

mark is applied for, especially geographical names, it is in the public interest that they remain available, not least because they may be an indication of the quality and other characteristics of the categories of goods concerned, and may also, in various ways, influence consumer tastes by, for instance, associating the goods with a place that may give rise to a favourable response.”

After discussing the pro's and con's of permitting geographic names to be included in some trademarks, the court concludes in this case that

“the registration of geographical names is not prohibited solely where the name designate places which are, in the mind of the relevant class of persons, currently associated with the category of goods in question; ... where there is currently no association in the mind of the relevant class of persons between the geographical name and the category of goods in question, the competent authority must assess whether it is reasonable to assume that such a name is, in the mind of the relevant class of persons, capable of designating the geographical origin of that category of goods; in making that assessment, particular consideration should be given to the degree of familiarity amongst the relevant class of persons with the geographical name in question, with the characteristics of the place designated by that name, and with the category of goods concerned; [and] it is not necessary for the goods to be manufactured in the geographical location in order for them to be associated with it.”

Next the court concludes that a sign may, through use, acquire a distinctive character which it initially lacked and thus be registered as a trademark. “It follows that a geographical name may be registered as a trade mark if, following the use which has been made of it, it has come to identify the product in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings. Where that is the case, the geographical designation has gained a new significance and its connotation, no longer purely descriptive, justifies its registration as a trade mark.”

“In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings. In that connection, regard must be had in particular to the specific nature of the geographical name in question. Indeed, where a geographical name is very well known, it can acquire distinctive character under Article 3(3) of the Directive only if there has been long-standing and intensive use of the mark by the undertaking applying for registration. *A fortiori*, where a name is already familiar as an indication of geographical origin in relation to a certain category of goods, an undertaking applying for registration of the name in respect of goods in that category must show that the use of the mark both long-standing and intensive is particularly well established.”

“In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the

undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.”

So it was going to be up to the national court to decide the final conclusion but from the above description of criteria it would appear that Windsurfing Chiemsee might have a valid claim that its trademark was broad enough to prevent the other retailers from using the name in their clothing sales.

- C 375-97 – **Chevy** (1999). The case involves the protection against the use of a trademark on non-similar products and services where a trademark has a known reputation. General Motors is the proprietor of the Benelux trademark ‘Chevy’ registered for use with motor vehicles. GM has sued for injunction to restrain Yplon from using the sign ‘Chevy’ to designate detergents or cleaning products on the ground that such use entails dilution of its own trademark and thus damages its advertising function. GM maintains that its mark ‘Chevy’ is a trademark of repute within the meaning of the relevant Benelux law. Yplon is claiming that GM has not shown that its trademark has a ‘reputation’ within the meaning of that law. The issue then is what is meant by the phrase “has a reputation” in Article 5(2) of the Trademark Directive 89/104 (which was implemented in the relevant local Benelux legislation).



GM claims the requirement is simply that the trademark must be known by the public, but not to the extent that it is “well known” within the meaning of Article 6 bis of the Paris Convention. There is no requirement in the Trademark Directive that the trademark must be “well known” in this sense.

The court points out that the phrase in question has slightly different meanings in the different languages. “The German, Dutch and Swedish versions use words signifying that the trade mark must be ‘known’ without indicating the extent of knowledge required, whereas the other language versions use the term ‘reputation’ or expressions implying, like that term, at a quantitative level a certain degree of knowledge amongst the public. That nuance, which does not entail any real contradiction, is due to the greater neutrality of the terms used in the German, Dutch and Swedish versions. Despite that nuance, it cannot be denied that, in the context of a uniform interpretation of Community law, a knowledge threshold requirement emerges from a comparison of all the language versions of the Directive.”

The court concludes the phrase “known” or “reputation” does not mean a fixed percentage but does mean it must be known to a significant part of the public.

“It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.

As far as trade marks registered at the Benelux Trade Mark Office are concerned, the Benelux territory must be treated like the territory of a Member State, since Article 1 of the Directive regards Benelux trade marks as trade marks registered in a Member State. Article 5(2) must therefore be understood as meaning a reputation acquired ‘in the Benelux territory’. For the same reasons as those relating to the condition as to the existence of a reputation in a Member State, a Benelux trade mark cannot therefore be required to have a reputation throughout the Benelux territory. It is sufficient for a Benelux trade mark to have a reputation in a substantial part of the Benelux territory, which part may consist of a part of one of the Benelux countries.”

- C 273-00 – **Ralf Sieckmann** (2002). The case involves olfactory signs and the requirement that a sign must be capable of being represented graphically to be a protected trademark. Mr. Sieckmann submitted a trademark application for a mark that was to be used in advertising, business management and several other service categories. In the section of the application where the mark must be reproduced and graphically represented, he wrote:

“Trade mark protection is sought for the olfactory mark deposited with the Deutsches Patent- und Markenamt of the pure chemical substance methyl cinnamate (= cinnamic acid methyl ester), whose structural formula is set out below. Samples of this olfactory mark can also be obtained via local laboratories listed in the Gelbe Seiten (Yellow Pages) of Deutsche Telekom AG or, for example, via the firm E. Merck in Darmstadt. $C_6H_5-CH = CHCOOCH_3$.” Mr. Sieckmann also submitted with his registration application an odour sample of the sign in a container and stated that the scent was “usually described as balsamically fruity with a slight hint of cinnamon.”

The German Patent and Trademark Office refused the application on the grounds that the proposed mark could not be graphically represented and also did not have a distinctive character. Mr. Sieckmann appealed. The German patent court (Bundespatentgericht) found that distinctive character was satisfied, but there were doubts as to whether an olfactory mark could satisfy the requirement of graphical representation. It therefore referred the matter to the ECJ for interpretation of the graphical representation requirement in Article 2 of the Trademark Directive (89/104).

“[T]he essential function of a trade mark is to guarantee the identity of the origin of the marked product or service to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish that product or service from others which have another origin and that, for the trade mark to be able to fulfil its essential role in the system of undistorted competition which the EC Treaty seeks to establish, it must offer a guarantee that all the goods or services bearing it have been manufactured or supplied under the control of a single undertaking which is responsible for their quality.”

The court concludes that “Article 2 of the Directive must be interpreted as meaning that a trade mark may consist of a sign which is not in itself capable of being perceived visually, provided that it can be represented graphically, particularly by means of images, lines or characters, and that the representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective.”

“The purpose of Article 2 of the Directive is to define the types of signs of which a trade mark may consist. That provision states that a trade mark may consist of particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging ... Admittedly, it mentions only signs which are capable of being perceived visually, are two-dimensional or three-dimensional and can thus be represented by means of letters or written characters or by a picture.

However, as is clear from the language of both Article 2 of the Directive and the seventh recital in the preamble thereto, which refers to a list [of] examples of signs which may constitute a trade mark, that list is not exhaustive. Consequently, that provision, although it does not mention signs which are not in

themselves capable of being perceived visually, such as odours, does not, however, expressly exclude them.

In those circumstances, Article 2 of the Directive must be interpreted as meaning that a trade mark may consist of a sign which is not in itself capable of being perceived visually, provided that it can be represented graphically. That graphic representation must enable the sign to be represented visually, particularly by means of images, lines or characters, so that it can be precisely identified.”

However, in the second question presented, the court concludes that none of the suggested ways in which an olfactory mark might be graphically represented are satisfactory, leaving open the question of whether there might be some other way to meet this requirement, although none is suggested. “As regards a chemical formula, as the United Kingdom Government has rightly noted, few people would recognise in such a formula the odour in question. Such a formula is not sufficiently intelligible. In addition, as that Government and the Commission stated, a chemical formula does not represent the odour of a substance, but the substance as such, and nor is it sufficiently clear and precise. It is therefore not a representation for the purposes of Article 2 of the Directive.

In respect of the description of an odour, although it is graphic, it is not sufficiently clear, precise and objective.

As to the deposit of an odour sample, it does not constitute a graphic representation for the purposes of Article 2 of the Directive. Moreover, an odour sample is not sufficiently stable or durable.

If, in respect of an olfactory sign, a chemical formula, a description in words or the deposit of an odour sample are not capable of satisfying, in themselves, the requirements of graphic representability, nor is a combination of those elements able to satisfy such requirements, in particular those relating to clarity and precision.

In the light of the foregoing considerations, the answer to the second question must be that, in respect of an olfactory sign, the requirements of graphic representability are not satisfied by a chemical formula, by a description in written words, by the deposit of an odour sample or by a combination of those elements.”

• C 206-01 – **Arsenal Football Club v. Matthew Reed** (2002). The case concerns the scope of protection granted to a trademark owner under Article 5(1)(a) of the Trademark Directive. Mr. Reed had been selling and offering for sale scarves marked in large lettering with the word ‘Arsenal’, a sign that had been registered by the Arsenal club for those and other goods. [note: the scarf below is from Arsenal’s official goods; it is not the scarf that Mr. Reed sold]



Arsenal FC is a well-known football club in the English Premier League, nicknamed the Gunners, and has for a long time been associated with two emblems, a cannon device and a shield device. In 1989 it registered as trademarks the words Arsenal and Arsenal Gunners and the cannon and shield emblems for a class of goods comprising articles of outer clothing, articles of sports clothing and footwear. Arsenal FC designs and supplies its own products or has them made and supplied by its network of approval resellers.

Since 1970 Mr. Reed has sold football souvenirs and memorabilia, almost all marked with signs referring to Arsenal FC, from several stalls located outside

the grounds of Arsenal FC's stadium. He was able to obtain from KT Sports, licensed by Arsenal FC to sell its products to vendors around the stadium, only very small quantities of official products. In 1991 and 1995 Arsenal FC had unofficial articles of Mr. Reed's confiscated. A large sign in Mr. Reed's stall reads as follows: "The word or logo(s) on the goods offered for sale, are used solely to adorn the product and does not imply or indicate any affiliation or relationship with the manufacturers or distributors of any other product, only goods with official Arsenal merchandise tags are official Arsenal merchandise."

In view of the circumstances in the main proceedings, the [UK] High Court dismissed Arsenal FC's action in tort ('passing off'), essentially on the ground that the club had not been able to show actual confusion on the part of the relevant public and, more particularly, had not been able to show that the unofficial products sold by Mr. Reed were all regarded by the public as coming from or authorised by Arsenal FC. In this respect, the High Court observed that it seemed to it that the signs referring to Arsenal FC affixed to the articles sold by Mr. Reed carried no indication of origin."

The question submitted to the ECJ was whether it was enough under the EU Directive that Arsenal simply show that Mr. Reed was using its mark on similar goods, or whether it had to establish that the use in question must affect or be liable to affect one of the functions of its trademark. Here Mr. Reed was claiming that the scarves with the Arsenal logo on them were simply a show of local support and should be permitted.

"The proprietor may not prohibit the use of a sign identical to the trade mark for goods identical to those for which the mark is registered if that use cannot affect his own interests as proprietor of the mark, having regard to its functions. Thus certain uses for purely descriptive purposes are excluded from the scope of Article 5(1) of the Directive because they do not affect any of the interests which that provision aims to protect, and do not therefore fall within the concept of use within the meaning of that provision (see, with respect to a use for purely descriptive purposes relating to the characteristics of the product offered, Case C-2/00 *Hölderhoff* [2002] ECR I-4187, paragraph 16).

In this respect, it is clear that the situation in question in the main proceedings is fundamentally different from that in *Hölderhoff*. In the present case, the use of the sign takes place in the context of sales to consumers and is obviously not intended for purely descriptive purposes.

Having regard to the presentation of the word Arsenal on the goods at issue in the main proceedings and the other secondary markings on them ... the use of that sign is such as to create the impression that there is a material link in the course of trade between the goods concerned and the trade mark proprietor.

That conclusion is not affected by the presence on Mr. Reed's stall of the notice stating that the goods at issue in the main proceedings are not official Arsenal FC products Even on the assumption that such a notice may be relied on by a third party as a defence to an action for trade mark infringement, there is a clear possibility in the present case that some consumers, in particular if they come across the goods after they have been sold by Mr. Reed and taken away from the stall where the notice appears, may interpret the sign as designating Arsenal FC as the undertaking of origin of the goods."

Case law: Information Technology Aspects

- C-236-08 to C-238-08 – **Google France** (2010). These are 3 joined cases, C-236/08 Google France v. Louis Vuitton, C-237/08 Google France v. Viaticum and C-238/08 Google France v. CNRRH (this is a shortened version of the case names; there are several more related parties named in each case). The dispute concerns the display on the Internet of advertising links on the basis of keywords corresponding to trademarks.



“Vuitton, which markets, in particular, luxury bags and other leather goods, is the proprietor of the Community trade mark ‘Vuitton’ and of the French national trade marks ‘Louis Vuitton’ and ‘LV’. It is common ground that those marks enjoy a certain reputation. At the beginning of 2003, Vuitton became aware that the entry, by internet users, of terms constituting its trade marks into Google’s search engine triggered the display, under the heading ‘sponsored links’, of links to sites offering imitation versions of Vuitton’s products. It was also established that Google offered advertisers the possibility of selecting not only keywords which correspond to Vuitton’s trade marks, but also those keywords in combination with expressions indicating imitation, such as ‘imitation’ and ‘copy’. Vuitton brought proceeding against Google with a view, inter alia, to obtaining a declaration that Google had infringed its trade marks.”

Similar claims were made by Viaticum which is the proprietor of the French trade marks ‘Bourse des Vois’, ‘Bourse des Voyages’ and ‘BDV’, registered for travel arrangement services. In the third case, Mr. Thonet is the proprietor of the French trade mark



‘Eurochallenges’, registered for, inter alia, matrimonial agency services. CNRRH is a matrimonial agency and holds a license, granted by Mr. Thonet.

The Court determines that whether Article 5(a)(a) of the Trademark Directive 89/104 and Article 9(1)(a) of the Trademark Regulation 40/94 do not apply to permit prevention of an alleged infringement against Google because Google is not acting “in the course of trade” while providing its keyword search. “That conclusion is not called into question by the fact that that service provider is paid by its clients for the use of those signs. The fact of creating the technical conditions necessary for the use of a sign and being paid for that service does not mean that the party offering the service itself uses the sign. To the extent to which it has permitted its client to make such a use of the sign, its role must, as necessary, be examined from the angle of rules of law other than Article 5 of Directive 89/104 and Article 9 of Regulation No 40/94, such as those referred to in paragraph 107 of the present judgment.”

“Article 5(1)(a) of Directive 89/104 and Article 9(1)(a) of Regulation No 40/94 must be interpreted as meaning that the proprietor of a trade mark is entitled to prohibit an advertiser from advertising, on the basis of a keyword identical with that trade mark which that advertiser has, without the consent of the proprietor, selected in connection with an internet referencing service, goods or services identical with those for which that mark is registered, in the case where that ad does not enable an average internet user, or enables that user only with difficulty, to ascertain whether the goods or services referred to therein originate from the proprietor of the trade mark or an undertaking economically connected to it or, on the contrary, originate from a third party; an internet referencing service provider which stores, as a keyword, a sign identical with a trade mark and organises the display of ads on the basis of that keyword does not use that sign within the meaning of Article 5(1) of Directive 89/104 or of Article 9(1)(a) and (b) of Regulation No 40/94.”

The question of whether Google is an intermediary service provider within the meaning of Section 4 of Directive 2000/31 and therefore not liable for the actions of its advertisers until it has been notified of infringing conduct, is a question for the national court to determine based on the criteria in Section 4. “Accordingly, in order to establish whether the liability of a referencing service provider may be limited under Article 14 of Directive 2000/31, it is necessary to examine whether the role played by that service provider is neutral, in the sense that its conduct is merely technical, automatic and passive, pointing to a lack of knowledge or control of the data which it stores.”

- C 324-09 – **L’Oreal v. eBay** (2011). The dispute concerned the sale without L’Oreal’s consent, of L’Oreal products on the online marketplace operated by eBay. In addition to the Trademark

Directive and Trademark Regulation, the court also looked at the Directive on electronic commerce (2000/31).

L'ORÉAL

“[I]t is not disputed that eBay, by choosing keywords corresponding to L'Oréal trade marks in Google's 'Ad Words' referencing service, caused to be displayed, each time that there was a match between a keyword and the word entered in Google's search engine by an internet user, a sponsored link to the site www.ebay.co.uk. That link would appear in the 'sponsored links' section displayed on either the right-hand side, or on the upper part, of the screen displayed by Google. Thus, on 27 March 2007, when an internet user entered the words 'shu uemura' – which in essence coincide with L'Oréal's national word mark 'Shu Uemura' – as a search string in the Google search engine, the following eBay advertisement was displayed in the 'sponsored links' section: 'Shu Uemura. Great deals on Shu uemura. Shop on eBay and Save! www.ebay.co.uk'.”

“In its judgment, the High Court of Justice notes that eBay has installed filters in order to detect listings which might contravene the conditions of use of the site. That court also notes that eBay has developed, using a programme called 'VeRO' (Verified Rights Owner), a notice and take-down system that is intended to provide intellectual property owners with assistance in removing infringing listings from the marketplace. L'Oréal has declined to participate in the VeRO programme, contending that the programme is unsatisfactory.”

“[I]t is important to recall, ... that the exclusive rights conferred by trade marks may, as a rule, be relied on only as against economic operators. Indeed, for the proprietor of a trade mark to be entitled to prevent a third party from using a sign identical with or similar to his trade mark, the use must take place in the course of trade ... Accordingly, when an individual sells a product bearing a trade mark through an online marketplace and the transaction does not take place in the context of a commercial activity, the proprietor of the trade mark cannot rely on his exclusive right as expressed in Article 5 of Directive 89/104 and Article 9 of Regulation No 40/94. If, however, owing to their volume, their frequency or other characteristics, the sales made on such a marketplace go beyond the realms of a private activity, the seller will be acting 'in the course of trade' within the meaning of those provisions.

The court decides against eBay on the question of linking trademarked names to its keyword advertising, stating that “the proprietor of a trade mark is entitled to prevent an online marketplace operator from advertising – on the basis of a keyword which is identical to his trade mark and which has been selected in an internet referencing service by that operator – goods bearing that trade mark which are offered for sale on the marketplace, where that advertising does not enable reasonably well-informed and reasonably observant internet users, or enables them only with difficulty, to ascertain whether the goods concerned originate from the proprietor of the trade mark or from an undertaking economically linked to that proprietor or, on the contrary, originate from a third party.”

The court concludes that the question of whether eBay can qualify as a neutral “intermediary provider”, avoiding liability for infringing offers on its website, within the meaning of Articles 12 to 15 of Directive 2000/31 is a factual determination for the local court to decide, commenting that where “the operator has provided assistance which entails, in particular, optimising the presentation of the offers for sale in question or promoting those offers, it must be considered not to have taken a neutral position between the customer-seller concerned and potential buyers but to have played an active role of such a kind as to give it knowledge of, or control over, the data relating to those offers for sale. It cannot then rely, in the case of those data, on the exemption from liability referred to in Article 14(1) of Directive 2000/31.”

The Court also examined eBay's awareness of the infringing materials as a factor in determining liability. "Where the operator of the online marketplace has not played an active role within the meaning of the preceding paragraph and the service provided falls, as a consequence, within the scope of Article 14(1) of Directive 2000/31, the operator none the less cannot, in a case which may result in an order to pay damages, rely on the exemption from liability provided for in that provision if it was aware of facts or circumstances on the basis of which a diligent economic operator should have realised that the offers for sale in question were unlawful and, in the event of it being so aware, failed to act expeditiously in accordance with Article 14(1)(b) of Directive 2000/31."

- C-5/08 – **Infopaq International A/S v. Danske Dagblades Forening** (2009). The case involved copyright infringement by an information aggregating business. The business in question had used a data capture process, compiling news updates from local Danish newspapers, converting them into digital files, and then compiling issue lists. The digital files were then destroyed once the data was captured. I reported on the copyright aspects of the case above under the copyright section of these notes. However, the technology aspects of the decision concerned the "automated process consisting in the scanning and then conversion into digital files followed by electronic processing of that file", and the differences in a manual process and an automated process in compiling this type of information.

"[I]t is not disputed in this case that consent from the rightholders is not required to engage in press monitoring activity and the writing of summaries consisting in manual reading of each publication, selection of the relevant articles on the basis of predetermined search words, and production of a manually prepared cover sheet for the summary writers, giving an identified search word in an article and its position in the newspaper. Similarly, the parties in the main proceedings do not dispute that genuinely independent summary writing per se is lawful and does not require consent from the rightholders. Nor is it disputed in this case that the data capture process described above involves two acts of reproduction: the creation of a TIFF file when the printed articles are scanned and the conversion of the TIFF file into a text file. In addition, it is common ground that this procedure entails the reproduction of parts of the scanned printed articles since the extract of 11 words is stored and those 11 words are printed out on paper."

However it was the automation of these activities and the special fact of capturing words before and after a search term that brought the process into the realm of potential infringing activity. The court concluded that "an act occurring during a data capture process, which consists of storing an extract of a protected work comprising 11 words and printing out that extract, is such as to come within the concept of reproduction in part within the meaning of Article 2 of Directive 2001/29, if the elements thus reproduced are the expression of the intellectual creation of their author; it is for the national court to make this determination."

Another problem for Infopaq was the transient copying of materials in the scanning process, and then the manual deletion of those files after the issue compiling was finished. The problem was, it was up to human intervention to make sure to destroy all of these files and this could not be assured in the process that Infopaq used. The court's reasoning included in part the principle of legal certainty: "Legal certainty for rightholders further requires that the storage and deletion of the reproduction not be dependent on discretionary human intervention, particularly by the user of protected works. There is no guarantee that in such cases the person concerned will actually delete the reproduction created or, in any event, that he will delete it once its existence is no longer justified by its function of enabling the completion of a technological process."

- C 173/11 – **Dataco** (2012). The dispute involved use of a database relating to football league matches in progress. The parties included Football Dataco Ltd, the Scottish Premier League, the Scottish Football League, PA Sport UK and Sportradar. The claim was that Sportradar was

infringing a *sui generis* right of Football Dataco to the Football Live database. A database, according to the relevant Directive (Article 1(2) of 96/9) “is a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means.” The *sui generis* right allows the maker of the database to show “that there has been qualitatively and/or quantitatively a substantial investment in either the obtaining, verification or presentation of the contents to prevent extraction and/or reutilisation of the whole or of a substantial part, evaluated qualitatively and/or quantitatively, of the contents of that database.” (Chapter III, article 7, Directive 96/9).

“Football Live is a compilation of data about football matches in progress (goals and goalscorers, yellow and red cards and which players were given them and when, penalties and substitutions). The data is said to be collected mainly by ex-professional footballers who work on a freelance basis for Football Dataco and Others and attend the matches for this purpose. Football Dataco and Others submit that the obtaining and/or verification of the data requires substantial investment and that the compilation of the database involves considerable skill, effort, discretion and/or intellectual input.”

Sportradar GmbH is a German company which provides results and other statistics relating inter alia to English league matches live via the internet. The service is called ‘Sport Live Data’. The company has a website, betradar.com. Betting companies which are customers of Sportradar GmbH enter into contracts with the Swiss holding company Sportradar AG, which is the parent company of Sportradar GmbH. Those customers include bet365, a company incorporated under the law of the United Kingdom of Great Britain and Northern Ireland, and Stan James, a company established in Gibraltar, which provide betting services aimed at the United Kingdom market. The websites of both those companies contain a link to betradar.com. When an internet user clicks on the ‘Live Score’ option, the data appears under a reference to ‘bet365’ or ‘Stan James’ as the case may be. The referring court concludes that members of the public in the United Kingdom clearly form an important target for Sportradar.”

The question considered by the Court was where “a party uploads data from a database protected by the *sui generis* right under Directive 96/9/EC ... onto that party’s web server located in Member State A and in response to requests from a user in another Member State B the web server sends such data to the user’s computer so that the data is stored in the memory of that computer and displayed on its screen” does it violate the *sui generis* rights under Directive 96/9/EC and has the unauthorized extraction occurred in state A or state B or in both states?

The Court first notes that “the objective of the *sui generis* right established by the European Union legislature, that concept must, in the general context of Article 7, be understood broadly, as extending to any act, not authorised by the maker of the database protected by the *sui generis* right, of distribution to the public of the whole or a part of the contents of the database (see Case C-203/02 *The British Horseracing Board and Others* [2004] ECR I-10415, paragraphs 45, 46, 51 and 67). The nature and form of the process used are of no relevance in this respect.”

The Court concludes, and agrees with the national court that Football Live “is a database within the meaning of Article 1(2) of Directive 96/9 which satisfies the material conditions under Article 7(1) of that directive, ... that Football Dataco and Others are entitled to protection by the *sui generis* right of the Football Live database; and the data which was the subject of the sendings at issue in the main proceedings was previously uploaded by Sportradar from that database.”

On the conflict of laws issue the Court concludes that the violation has occurred in the state where the claim is protected. This means at least in Member State B where the intention is to provide information to target members of the public in that State, but possibly also in Member State A

where the database is located – depending on the factual criteria, an issue to be decided by the local court, applying EU criteria.