

Cluster 3: Intellectual Property Rights Introduction

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IP law as private law

- IP has both elements from property law and contract law
- IP relative rights
- IP property rights (absolute)
 - Copyright – include moral right (not transferable)

Reason for IPRs

- Incentive
 - To innovate/create
 - To share.
- 1. Control
- 2. Ability to reap financial rewards
- Subject matter of IPRs are non-rivalrous and non-exclusionary
- IPRs are limited in time

Trademark

- Why it developed?
 - As a badge of origin
 - Verification of quality
- Now Trademarks have to be registered
 - Societal benefit
 - Consumers

Trademarks

- Requirements

1. a sign,
2. capable of being represented graphically, and
3. the sign needs to be distinctive (as to origin)

- Includes

- Words, including personal names, designs, letters, numerals, the shape of goods or their packaging.

Source: Coca-Cola Contour Bottle Wall Decal at
Retro Planet (retroplanet.com)



C-163/16 - Louboutin and Christian Louboutin



Trademark

- What about sound?
- What about smell?

Trademark

- What about sound? 
- What about smell?
 - a Dutch company's tennis balls with the scent of newly mown grass

Trademark – Recent discussions

- Trademarks in the MetaVerse or digital marks
 - Master thesis - Francisca Pereira



Trade Secrecy

- (1) 'trade secret' means information which meets all of the following requirements:
 - (a) it is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;
 - (b) it has commercial value because it is secret;
 - (c) it has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret;
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- Source: DIRECTIVE (EU) 2016/943 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure

Characteristics

- Not protection of idea or data per se
- Protection against improper appropriation, use , disclosure
- Mainly usable: if secrecy barrier is difficult to take or if infringement difficult to detect
- Cheaper than patent protection but not completely gratis either.
- From societal perspective, the drawback is that algorithms are not available for others to elaborate on (less follow-on innovation).

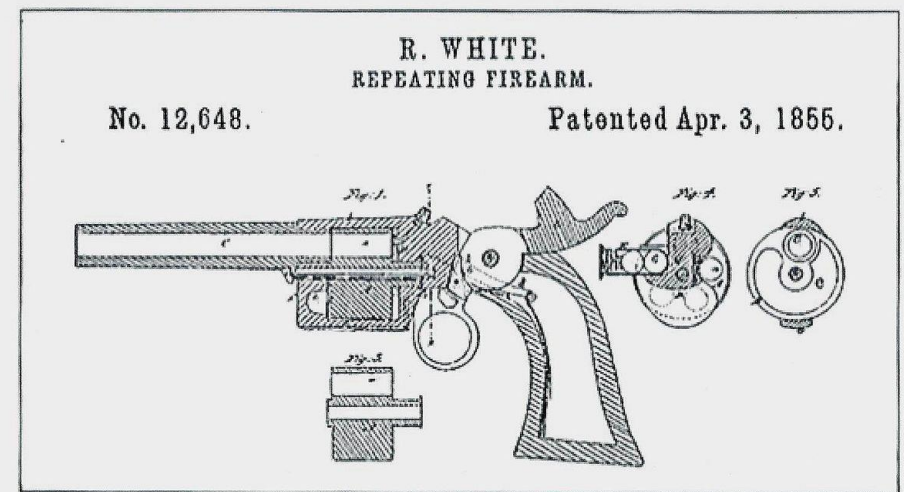


Patents

- Patentable subject matter
 - Article 52(1) EPC
 - “inventions the commercial exploitation of which would be contrary to *ordre public* or morality; plant and animal varieties, and essentially biological processes for the production of plants and animals; and methods of surgical, therapeutic and diagnostic treatment”
 - E.g. *Onco-mouse* case (re morality)

Patents

- Patents are limited in time and jurisdiction
 - This time period differs depending on national jurisdiction (normally 20 years).
 - European Patent Convention (EPC)
- Requirements for a patent (cumulative)
 - An invention;
 - Novelty (PSITA);
 - Industrial application.
- Registration with a patent office
 - First come first served.



A photograph of a modern university building with large glass windows and white columns. In the foreground, there is a paved area with many bicycles parked in racks. To the left, there is a row of young trees and a sidewalk. Two people are sitting on a low concrete wall in front of the building. A blue semi-transparent banner is overlaid on the right side of the image.

Copyright

What is protected?

- “Literary and artistic works” – Berne Convention
- Work is an abstract concept
- Not harmonized under the Directive (Infosoq Directive)
- Infopaq case (CJEU)

Work, Article 2(1) Berne Convention

- Painting
- Print
- Sculpture
- Photograph
- Book, paper
- Letter, diary
- Music
- Play
- Magazine
- Movie
- Map
- Architecture
- Choreography
- Original collections
- Translation
- Arrangement

ECJ 16 july 2009, case C-5/08 (Infopaq)

- Infopaq
 - Scanning of newspaper articles to create summaries and sending it via email to its customers.
- Danske Dagblades Forening (“DDF”)
 - Infopaq was infringing copyright
 - By scanning newspapers for commercial purposes
 - Without first obtaining copyright holder’s consent

ECJ 16 july 2009, case C-5/08

- (34) It is, moreover, apparent from the general scheme of the Berne Convention, in particular Article 2(5) and (8), that the protection of certain subject-matters as artistic or literary works presupposes that they are intellectual creations.
- (37) In those circumstances, copyright within the meaning of Article 2(a) of Directive 2001/29 is liable to apply only in relation to a subject-matter which is original in the sense that it is its author's own intellectual creation.

- (45) Regarding the elements of such works covered by the protection, it should be observed that they consist of words which, considered in isolation, are not as such an intellectual creation of the author who employs them. It is only through the choice, sequence and combination of those words that the author may express his creativity in an original manner and achieve a result which is an intellectual creation.

Protection

- No protection of ideas
- BUT protection of the expression of a creation.

Exclusive rights

- A bundle of exclusive rights
 - Exploitation rights
 - Moral rights
- Exploitation rights subdivided in categories:
 - Reproduction right (i.a. art. 2 InfoSoc Dir)
 - Many forms of ‘making public’ (non-legal term) – e.g. “Communication to the public”
 - Adaptation, translation, arrangement

Reproduction (Article 2 InfoSoc Directive)

- “direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part”
 - Article 2 InfoSoc
 - Reproduction – Ed Sheeran lawsuit
- What about exceptions?
 - C-435/12 - ACI Adam and Others (private use case)

C-435/12 - ACI Adam and Others

- Case concerned the “private use” exception provided for in Art 5(2) of the InfoSoc Directive)
- The question was whether this exception could cover reproduction of works which had been illegally obtained.
 - Eg. using your home computer to (private) to download unlawful or illegally uploaded content.
- Court held: the private use exception cannot be used as a defense for downloading unlawfully uploaded content.

Communication to the public

- 2 requirements:
 - An act of communication;
 - to a (new) public.

Hyperlinking: C-466/12 Svensson

- The provision of clickable links to protected works constitutes an act of communication,
- if the communication is directed at a new public, that is to say, at a public that was not taken into account by the copyright holders at the time the initial communication was authorised.
- The owner of a website may redirect internet users, via hyperlinks, to protected works available on a freely accessible basis on another site.
- The position would be different, however, in a situation where the hyperlink permits users of the site on which that link appears to circumvent restrictions put in place by the site on which the protected work appears in order to restrict public access to that work to the latter site's subscribers only.

Hyperlinking: C-160/15 Sanoma-GS Media

- [...] in order to establish whether the fact of posting, on a website, hyperlinks to protected works, which are freely available on another website without the consent of the copyright holder,
- constitutes a 'communication to the public' within the meaning of that provision,
- it is to be determined whether those links are provided:
 - without the pursuit of financial gain
 - by a person who did not know or could not reasonably have known the illegal nature of the publication of those works on that other website or
- whether, on the contrary, those links are provided for such a purpose,
 - [in] a situation in which that knowledge must be presumed.

Limitations and exceptions

Art 5(1) InfoSocDir lawful use in electronic environment (caching?)

Art 5(2) InfoSocDir: catalogue of limitations, optional, but limited (!)

- Photocopy against fair compensation \Private use against fair compensation (a right?)
 - Technological measures / DRM
 - Levies (EU differences, Thuiskopie/Opus)
 - No handing over of copies (originals?)
- Libraries, museums, archives (restoration, maintaining collection)
- Use for broadcast or archive
- Hospitals and prisons, against fair compensation
- Teaching and scientific research
- For people with a disability
- Articles when reporting on current events

Limitations (Continued)

- Quotes for criticism or review
- Closed system of museums for research or private study
- During religious celebrations
- Architecture or sculpture in a public place
- Incidental inclusion
- Caricature, parody
- Demonstration or repair of equipment
- Building reconstruction
- Analogue uses of minor importance

Directive on copyright in the digital single market

- *Article 3*
- **Text and data mining for the purposes of scientific research**
- 1. Member States shall provide for an exception to the rights provided for in Article 5(a) and Article 7(1) of Directive 96/9/EC, Article 2 of Directive 2001/29/EC, and Article 15(1) of this Directive for reproductions and extractions made by research organisations and cultural heritage institutions in order to carry out, for the purposes of scientific research, text and data mining of works or other subject matter to which they have lawful access.
- Art. 5(a) and 2 = reproduction right
- Art. 7(1) = extraction (and reutilization right?)
- Art. 15(1) = reproduction right (and making available to the public?) of publisher
- Source: Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC

Directive on copyright in the digital single market

- *Article 3*
 - **Text and data mining for the purposes of scientific research**
 - [...]
 - 2. Copies of works or other subject matter made in compliance with paragraph 1 shall be stored with an appropriate level of security and may be retained for the purposes of scientific research, including for the verification of research results.
 - 3. Rightholders shall be allowed to apply measures to ensure the security and integrity of the networks and databases where the works or other subject matter are hosted. Such measures shall not go beyond what is necessary to achieve that objective.
 - 4. Member States shall encourage rightholders, research organisations and cultural heritage institutions to define commonly agreed best practices concerning the application of the obligation and of the measures referred to in paragraphs 2 and 3 respectively.
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- Source: Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC

Copyright: Software

Rights, authors/ownership?

- Computer programs are considered to fall under “literary works” (Berne Convention)
- Requirement: original (ie. author’s own intellectual creation)
- Who owns?
 - The author
 - What about multiple authors or employees?

Scope of protection

- Art. 4 = restricted acts
 - Reproduction; translation; adaptation; arrangement; any other alteration; and distribution to the public.
 - First sale in the EU exhausts the right of distribution.
- Exhaustion
 - First sale exhausts the distribution right.

Exceptions

- Art. 5 provides for the exceptions
- Most notable is the exception covering acts of reproduction necessary for the reasonable use of the program.
 - Extension of private use (but a different standard)
- Right to observe, test or study
 - Provided you already have the right to use.

Database rights

Database rights

- Database
 - “a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means.”
 - Art. 1(2) Database Dir. (96/9/EC)
 - Can include literary, artistic, musical or other collections of works or collections of other material such as texts, sound, images, numbers, facts

Important to note

- Not software used in the making or operation of the database (Art. 1(3) Ddir (96/9/EC))
- Relation to copyright
 - Database must be original
 - Art. 3(1) → “databases which, by reason of the selection or arrangement of their contents, constitute the author's own intellectual creation shall be protected as such by copyright”.
 - Database of copyright protected works (Art. 3(3) DDir)

Article 7(1) Ddir (96/9/EC) *Sui generis* right

- Not all databases are protected
- Article 7(1)
 - “Member States shall provide for a right for the maker of a database which shows that there has been qualitatively and/or quantitatively a substantial investment”

Substantial investment

- Quality
 - Quantity
 - Obtaining
 - Verification
 - Presentation
-
- ECJ seriously limited database protection
 - *BHB/William Hill* (2004, case C-203/02)

BHB/William Hill (2004, case C-203/02)

- BHB compiles and manages the BHB database which contains a large amount of information regarding the horse racing industry.
- William Hill provides off-course bookmaking using two websites on which is displayed a small portion of the contents of the database.
- The main questions asked were essentially:
 - What is substantial investment for purposes of the sui generis database protection?
 - What is extraction and/or re-utilization of a whole/substantial part evaluate **quantitatively or qualitatively**?

EJC – BHB (I) substantial investment

- Investment in the obtaining of the contents of a database must be understood to refer to the resources used to seek out existing independent materials and collect them in the database.
- It does not cover the resources used for the creation of materials which make up the contents of a database
- Rationale: prevent protection for sole source databases
- The resources used for verification during the stage of creation of materials which are subsequently collected in a database do not fall within that definition.

Exclusive rights

- Article 7(2-5) DDir
 - Extraction (permanent or temporary transfer of database or substantial part)
 - Re-utilisation (making available to the public of database or substantial part by the distribution of copies, by renting, by on-line or other forms of transmission)

Re-utilisation (ECH BHB)

- ‘substantial part of the contents of a database’ (evaluated quantitatively)
 - in Article 7 refers to the volume of data extracted from the database and/or re-utilised and must be assessed in relation to the total volume of the contents of the database
- • ‘substantial part, evaluated qualitatively of the contents of a database’
 - refers to the scale of the investment in the obtaining, verification or presentation of the contents of the subject of the act of extraction and/or re-utilisation, regardless of whether that subject represents a quantitatively substantial part of the general contents of the protected database

Lawful users

- Lawful users (art 8 DDir)
 - May extract and/or re-utilize insubstantial parts of the contents, evaluated qualitatively and/or quantitatively, for any purposes whatsoever.
 - Of a database which is made available to the public in whatever manner
 - May not perform acts which conflict with normal exploitation/unreasonably prejudice legitimate interests of maker
 - May not prejudice holder of copyright
- BUT.....

Database protection

- Repeated and systematic extraction and/or reutilization of insubstantial parts (= everything outside substantial part; milking)
 - = infringement.