OVERLAP BETWEEN COPYRIGHT, TRADE MARKS, PATENTS AND DESIGNS

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INTRODUCTION

- IPR normally water-tight
- Proliferation of overlaps - reasons:
  - piecemeal expansion of subject-matter (e.g. TMs for shapes, sounds, designs now also protected if not functional) and lowering of protection thresholds
  - creation of new IPR at EU level => additional overlaps
  - lawyers use gaps in the law to obtain more protection
  - finally unfair competition can be added to IPR protection in some countries.
- Most overlaps are permitted
- However: some are prohibited
- Rules rarely regulate overlaps.

TYPES OF OVERLAP

- Three types of overlap: content, level and mixture of the two, double, triple overlap etc
- Within the content overlaps, three types of overlap in terms of 'time': simultaneous (concurrent), negative, a posteriori
- Two types of problems caused by content overlaps:

  - regime clashes (only simultaneous overlap) and

  - overprotection (all three types) => restriction of competition
- Many aspects of the overlap between ©, TM and patents are regulated by EU law

COPYRIGHT AND TRADE MARKS

COPYRIGHT AND TRADE MARKS

- TMD, EU TMR and Infosoc Directive allow cumulation
- Simultaneous overlap: UK: no case law
- Subject-matter:
  - Single words not protected by copyright (*Exxon*), but TM protection possible
  - with *Infopaq* now easier to have overlap for short titles (rare trade mark protection for slogans but 'Have a Break Have a Kit Kat'), titles of books – no trade mark protection unless they acquire distinctiveness through use (i.e. secondary meaning).
  - characters - fictitious easier than real or deceased: not indicating origin. (But protection of Elvis by EUIPO; "Elvis Juice")
  - Artistic works/logos, music and shapes.

COPYRIGHT AND TRADE MARKS

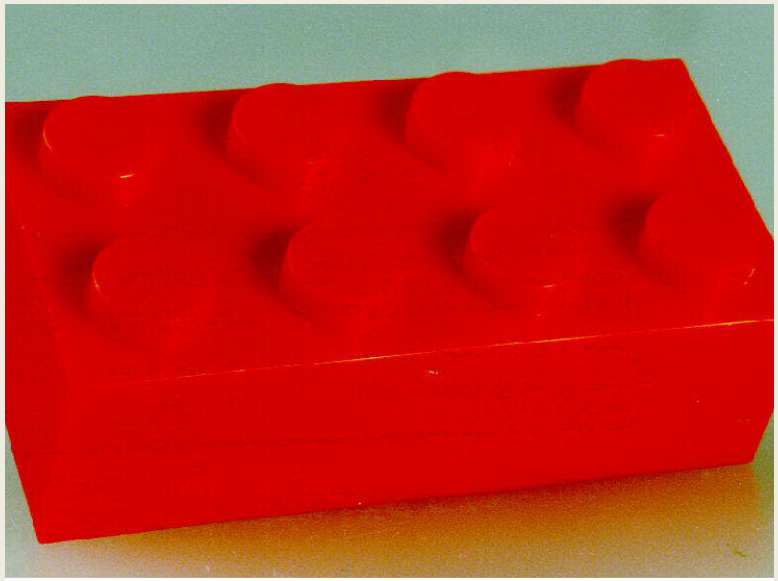
- Protection requirements: a work can also be distinctive of g/s and a trade mark can also be original.

- Excluded subject-matter: 3(1)(e) TMD: signs which consist exclusively of the shape, or another characteristic (newly added in 2016):
- (i) which results from the nature of the goods themselves;
- (ii) of goods which is necessary to obtain a technical result;
- (iii) which gives substantial value to the goods

- Grounds of refusal or invalidity.

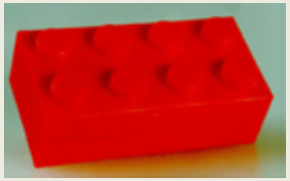
Art 3(1)(e)'s purpose = prevent monopoly on those shapes

ART 3(1)(E) – *PHILIPS, LEGO, BANG & OLUFSEN*



Art 3(1)(e)(ii) and (iii): purpose "is to prevent the exclusive and permanent right which a trade mark confers from serving to extend the life of other rights which the legislature has sought to make subject to limited 'periods'" (case T-508/08, 06/10/2011, *Bang & Olufsen v OHIM*)

LEGO JURIS A/S V OHIM, MEGA BRANDS INC., CASE 48/09 P, 14.9.2010



Policy: The overlap between IP regimes

- Functional v technical (solve a technical problem with technical means)
- The evidentiary value of a prior patent (similar to TrafFix Devices – US SC decision):

  ECJ found that this fact speaks for the shape to be fulfilling a function

COLOURS ARE NOT SHAPES - CASE C-163/16 (LOUBOUTIN)

TM directive provides **no definition** of the concept of 'shape'; must be determined by considering its **usual meaning in everyday language**. Court states that it does not follow from the usual meaning of that concept that **a colour per se, without an outline, may constitute a 'shape'.**

the mark does not relate to a specific shape of sole for high-heeled shoes; description of mark explicitly states that the contour of the shoe is not part of the mark and is intended purely to show the positioning of the red colour covered by the registration.

Court also holds that such sign cannot be regarded as **consisting 'exclusively' of a shape**, where the main element of that sign is a specific colour designated by an internationally recognised identification code.

COPYRIGHT AND TRADE MARKS

- "another characteristic" is now found in all three indents of Article 3(1)(e) EUTMR
- Added to the wording of the provision with the EU Trade Mark Reform package.
- Discussed case law still refers to the situation where only shapes could be barred from registration.
- The addition of "another characteristic" was added to counterbalance the fact that due to the loss of the "graphical representation" requirement more "unwanted" marks could be registrable.

COPYRIGHT AND TRADE MARKS

- Ownership and dealings: UK law
- The overlap does not create many problems as the provisions are very similar or identical in the two rights. When there is a difference, the stricter regime will prevail (e.g. entries in the register). E.g.: transfer needs to be in writing and signed by assignor in both regimes
- But can be cases where the ownership is split later on.

COPYRIGHT AND TRADE MARKS

- Rights and infringement:
- Main difference: in trade mark law the sign does not have to be copied to infringe and use in the course of trade is necessary for trade mark infringement.
- Trade mark law will trump copyright in the former and and copyright will trump trade mark law in the latter case.

COPYRIGHT AND TRADE MARKS

- Exceptions: Convergence between copyright and trade mark law when copyright exceptions allow use for private and non-commercial purposes (EU and UK law)
- Otherwise, copyright prevails as some uses are infringing even if they are not commercial: e.g. criticism or review which does not comply with all the conditions of the exception (s. 30), private copying as such as opposed to private study.

COPYRIGHT AND TRADE MARKS

- Where loc is required but none is found, then a parody will be implicitly allowed as there will be no infringement.
- But in case loc is not required (identity of goods/signs and dissimilar goods and a mark with reputation), a defence may apply if it is truly parodic or satirical as the use would be with due cause (i.e. the use does not cause detriment to the trademark owner or provide an advantage to the alleged infringer.).

EXAMPLE: DARFURNICA

- District Court of the Hague, 4 May 2011
- Right of artistic freedom of expression prevails over design right
- Owners of well-known brands have to accept critical use to a higher degree than others
- http://www.nadiaplesner.com/simple-living--darfurnica1

COPYRIGHT AND TRADE MARKS

- Trade mark infringement can involve commercial speech,
- However: Courts => less tolerant of parodies in trade mark than in copyright cases.
- Exhaustion: *Dior v Evora*: reproduction forbidden by copyright law of a work 'attached' to a trademarked g/s but no trade mark infringement.

  In such situation, copyright law could trump FMGS which would have prevailed would trademark law have been exclusively applicable.

  => Rule: Reproduction of the copyright protected item must be made to advertise g/s,

  FMGS prevails over copyright unless seriously damages the reputation, g/s or TM

COPYRIGHT AND TRADE MARKS

- Negative overlap: not a problem
- A posteriori overlap: no rule in EU law. Note that in relation to book titles and characters, some publishers try to protect them by trade mark law after expiry of copyright, but this will not generally be accepted by UK IPO.
- Passing off will be a better way for established book titles and characters as goodwill will have had the time to grow.

COPYRIGHT AND PATENTS

COPYRIGHT AND PATENTS

- The law:
- Art. 52(2) EPC: If aesthetic creations, computer programs and presentations of information are not claimed as such, they are patentable
- Art. 9 Software Directive clearly allows cumulation
- Rec. 14 Software Directive :
  - Whereas, in accordance with this principle of copyright, *to the extent that* logic, algorithms and programming languages comprise ideas and principles, those ideas and principles are not protected under this Directive (emphasis added).

COPYRIGHT AND PATENTS

- => implies logic, algorithms and programming languages may be protected by copyright if they are original expressions and not mere ideas BUT... => *SAS Institute* (CJEU, 2012)
- Simultaneous Overlap: Frequent because EPO *IBM* decisions allow patentability of computer programs as products i.e. recorded on a medium so long as able to produce a 'technical effect going beyond the normal physical interaction between the program and the computer when the program runs or is loaded on a computer'

COPYRIGHT AND PATENTS

- UK case law muddled on software patentability but overlap anyway possible
- Text and drawings disclosed in a patent application: upon publication, claimant deemed to have abandoned copyright in drawings the equivalent of the patent drawings (*Catnic*, HC)

COPYRIGHT AND PATENTS

- But since copyright protects expressions and patents applications of ideas, overlap is not on the same thing
- Overwhelming majority of patent applications for inventions embodying aesthetic creations or presentations of information => EPO refuses protection => overlap = rare

COPYRIGHT AND PATENTS

- Protection requirements: original expressions of programs may be parts of the new and inventive aspects of the program => overlap between copyright and patent. Conversely, and probably even more likely, new and inventive computer programs will be original.
- Ownership, infringement and defences: national level
- UK: Same rules for initial ownership in copyright and patent law
- // basic rule re employees; but stricter regime in patent law will prevail over copyright law

COPYRIGHT AND PATENTS

- Transfers and licences: // regime (only small differences) but even if the owner is the same for both the copyright and the patent, ownership can become split as a result of a transfer of the copyright and of the patent to different persons.
- => great convergence; few regime clashes

COPYRIGHT AND PATENTS

- Infringement: like with other overlaps between a 'monopoly right' and an 'anti-copying' right, if there is an infringement of copyright (i.e. by copying), this will automatically infringe the patent.
- But as long as what has been copied reproduces what is claimed in the patent.
- This will have to be checked each time, but since copying copyright expressions includes copying the underlying ideas, the patent will typically be infringed.

COPYRIGHT AND PATENTS

- Exceptions: copyright many exceptions (only 4 for software) and 6 in patent law + compulsory licences and exceptions do not coincide
- Great divergence => reduces the number of exceptions applicable when subject-matter protected by both rights
- The overlap between patent and copyright laws cancels the benefits that each of their exceptions provides.
  - Patent owner can restrict or completely prevent the interoperability established in art 6 Software Directive as there is no corresponding exception in patent law.
  - Copyright holder can prevent the making of derivative software, something allowed under patent law provided the second invention is sufficiently important.

COPYRIGHT AND PATENTS

- Exhaustion: case law on copyright and patent rights converges + *Dior* could surely apply by analogy in situations involving a computer program which is at the same time patented and protected by copyright.
- Negative overlap: Patent protection unavailable => copyright fills the gap but only to some extent as does not protect ideas; the reverse is much less likely

COPYRIGHT AND PATENTS

- A posteriori overlap:
  - When patent has expired, copyright subsists. It might, depending on the program, not protect as much but still non-negligible protection against piracy. Neither EPC nor Software Directive organises this overlap.
  - The reverse is not possible: If copyright on a program and expires, not possible to prolong it with patent as not new anymore.

DESIGNS

MISH MASH OF OVERLAPS

- Forms of design protection in the UK

	UK	EU
Registration	UK Registered Design	Registered Community Design
Automatic	UK Unregistered Design	Unregistered Community Design
Automatic	Copyright	

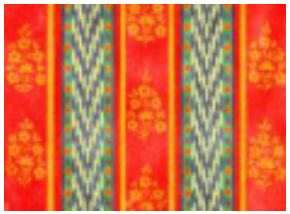
PROTECTION REQUIREMENTS

- In order to be registered as national design or RCD, or to receive
- protection as UCD, a design must satisfy the following criteria:
  - It must be a protectable design
  - It must be new
  - It must have individual character
  - It must be visible in use (if part of complex product)
  - It must not conflict with earlier rights

'packaging design'

'graphic and typography design'

'textile design'



'product design'

'fashion design'

PROTECTABLE DESIGN

- 'Design' means the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contour, colours, shape, texture and/or material of the product itself and/or its ornaments
- Design Dir, 1(a); CDR, 3(a)

THE OVERLAP WITH PATENTS

1. Designs solely dictated by their technical function – CDR, 8(1), DD, 7(1)

First 'Multiplicity of forms' approach: no design alternative allows the same technical function to be fulfilled as the design in question, as the existence of such alternatives would show that the choice of the form in question was not dictated solely by its technical function.

Second approach: was the product developed purely with functional considerations in mind, while aesthetic considerations do not have the slightest influence? (EUIPO)

CJEU in Doceram (C-395/16): Rejection of multiplicity of forms approach.

"if the existence of alternative designs fulfilling the same function as that of the product concerned was sufficient in itself to exclude the application of Article 8(1) of Regulation No 6/2002, a single economic operator would be able to obtain several registrations as a Community design of different possible forms of a product incorporating features of appearance of that product which are exclusively dictated by its technical function. That would enable such an operator to benefit, with regard to such a product, from exclusive protection which is, in practice, equivalent to that offered by a patent, but without being subject to the conditions applicable for obtaining the latter, which would prevent competitors offering a product incorporating certain functional features or limit the possible technical solutions, thereby depriving Article 8(1) of its full effectiveness." [30]

THE OVERLAP WITH COPYRIGHT

Copyright protection of works of applied art/designs

- Query: Can member states provide different standard of originality for such works or does the Court's approach apply here?
- Problem: Double-protection (and possible overprotection), so there is a reason for differentiating the approach.
- AG: Copyright protection cannot be denied, just because a work is protected by design rights: MS cannot apply a higher standard of originality.
- Overprotection can be addressed by rigorous application of originality standard and the idea-expression dichotomy.

EPILOGUE

REASONS FOR PROHIBITING OVERLAPS IN EU

- 1) Free competition - EU + international levels
  - E.g. Art 3(1)(e) TMD regulates TM, p, d, (c) - *Philips* - no monopoly on functional characteristics of a product/technical solutions. Aim of 3(1)(e)(ii) = to protect competition and prevent circumvention of patent law's stricter requirements.
  - Art 7 DD // i.e. protect competition and prevent circumvention of patent law's stricter requirements.
- 2) FMGS for (c)/TM (*Dior*) but should apply by analogy to all overlaps. Only EU level
- 3) Freedom of speech - EU + international levels

SOLUTION TO REGIME CLASHES AND OVERPROTECTION

- 3 step method: what is the problem? false or genuine overlap?
  - 1) if expansion of one of the 2+ IPR => trim (internal)
  - 2) if insufficient or irrelevant, apply above principles (external)
  - 3) if still unsatisfactory legislature must act

- Conclusion: no one overarching rule to solve all overlaps problems, but the three step method

PROBLEMS GENERATED BY OVERLAPS

- **Negative overlap:** Generally no problems: reflects the delimitation between IPR.
- Ex: problem between © and trademarks for titles in France. Courts interpret originality very generously => false overlap - copyright must be pruned.

PROBLEMS GENERATED BY OVERLAPS

- **A posteriori overlap:**
- Ex: For both trade mark and ©, the problem is internal (false overlap):
  - © too long but cannot do much de lege lata nor de lege ferenda unless modify international conventions.
  - concept of trademark use is very broad, for famous trademark any commercial use so cannot use Mickey mouse in a presentation if done in any commercial setting

CONCLUSION

- Real, genuine overlaps are not numerous; there are more false overlaps i.e. IPR were extended too far and need to be trimmed.
- In the meantime, courts should apply the 3 step method and ideally legislation should be modified (e.g. convergence in field of exceptions).

OVERLAPPING INTELLECTUAL PROPERTY RIGHTS

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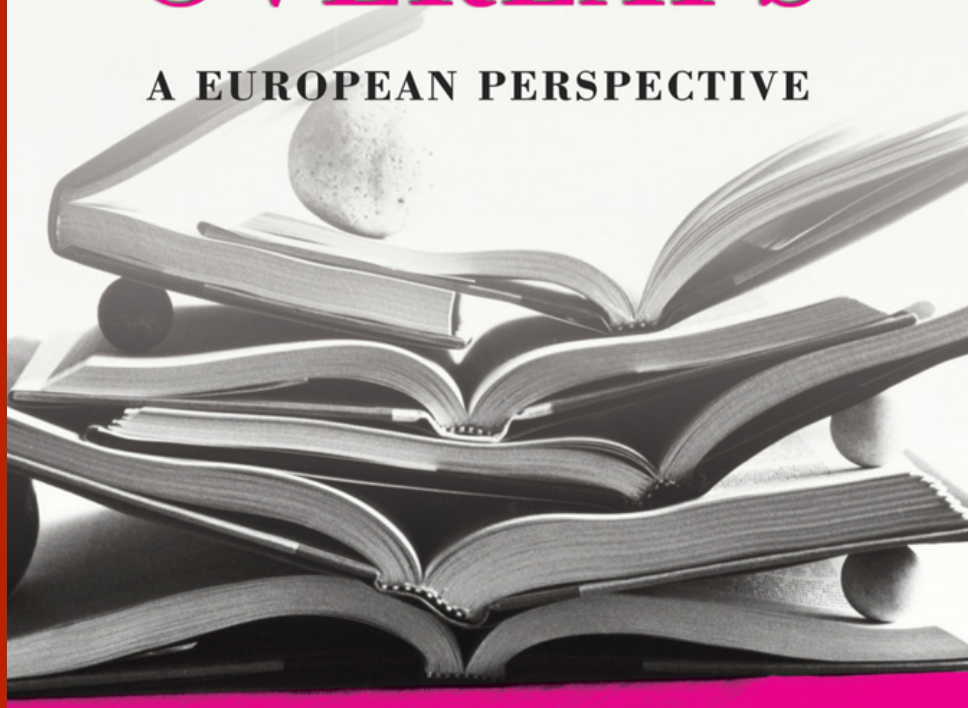
INTELLECTUAL PROPERTY OVERLAPS

A EUROPEAN PERSPECTIVE



Estelle Derclaye and Matthias Leistner

THANK YOU FOR YOUR ATTENTION