(Re)thinking the overlaps: in search of an elusive overarching rule?

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The usual notices…

- This is a work in progress. So please do not cite without my permission but do get in touch with me if you want to cite.
- Also, I hereby assert my moral right of maternity (s. 77 UK Copyright act) since I (may?*) have to…
- * something for the private international lawyers…

Introduction

- I. Mapping the overlaps – I chose a few IPR (copyright, designs and trade marks)
- At international and EU levels
- II. Then (re)thinking the overlaps – how to find out whether they are (in)appropriate and how to regulate them

I - 1. International level

- **Overlaps explicitly allowed:** copyright/designs: article 2(7) Berne allows choice or cumulation between copyright and designs for works of applied art (implicit in TRIPs)
- **Overlaps implicitly allowed (because of subject-matter's breadth and so long as conditions are fulfilled)**: copyright/trade marks and designs/trade marks

I - 1. International level

- Rules regulating the overlaps: none!
- => Go to general preambles and general provisions
- TRIPs' preamble: public policy objectives underlying IPR include developmental ones
- Article 7 ('Objectives'): IPR should contribute 'to transfer and dissemination of technology, to the mutual advantage of producers and users (…) in a manner conducive to social and economic welfare, and to a balance of rights and obligations'
- Article 8 ('Principles'): IPR cannot be abused, restrain trade or adversely affect international technology transfer

I - 1. International level

- Panels and Doha Declaration confirmed importance of art. 7 and 8 for interpreting the whole agreement
- "On the policy level, this [art. 7] translates into a need to grant investors rights that are necessary to recoup the investment without stifling **competition** for an unduly long period of time" (Gervais)
- This statement can apply to overlaps too: so, in each particular case, either rights must be trimmed or overlap prohibited. Since art. 8 // art. 7 - ibidem
- Applies to ‘all’ IPR and enforceable at international level
- WCT and WPPT // art. 7-8 TRIPs

I - 2. European level

- 3 types of overlap:
  - (1) as to the content of the laws
  - (2) as to the level of the laws (Community/national)
  - (3) mixture of (1) and (2)
- Within the content of the laws, there are 3 further types of overlaps as to the time when the overlap occurs
  - Simultaneous (concurrent)
  - Negative
  - A posteriori (subsequent/consecutive)
- Examination of 3 overlaps as to content and as to time:
  - Copyright/designs
  - Trade mark/copyright
  - Designs/trade mark

General rules

- 1) The three overlaps are generally allowed and for copyright and design even made mandatory
- 2) No rules organising / regulating the overlaps, except
  - total cumulation for designs/copyright but not in practice (since Member States can still decide the level of originality)
  - Certain shapes – art. 3(1)(e) TMD and 7 Design Directive
  - Rule that one cannot register a copyright work or a trade mark as a design nor a copyright or design as a trade mark without authorisation

Copyright/design overlap

Simultaneous overlap

- Exceptions: differ greatly in copyright law as not harmonised + two additional different ones in design law (experimental research + facilitation of international transport) => expands exceptions unless right holder decides to sue only on basis of one right

Negative overlap

- Design protection unavailable (*ab initio*): more likely + some national courts may not apply idea/expression dichotomy properly so designers may want to use copyright law to by-pass the functionality and interconnection exclusions. However, if copyright law is applied properly, there should not be a problem.

Overlap *a posteriori*

- If there was a simultaneous overlap, it carries on after the design right has elapsed as copyright lasts longer (exception: the UK to a certain extent, i.e. if work commercialised industrially; see also Poland).

Copyright/trade marks overlap

Simultaneous overlap

- Rights: trade mark law seems more protective because no need to prove copying BUT must be used in trade, as a mark and risk of confusion must be proved in case of similarity unless famous mark
- Exceptions: some convergence as private and non-commercial uses almost always free in both laws BUT what about additional copyright exceptions allowing commercial use – which right takes precedence?

Overlap *a posteriori*

- Trade marks can prolong copyright BUT
- Not for shapes covered by article 3(1)(e)(ii) TMD because the negative convergence is total (or at least should be)
- Problem: the rationales of copyright and trade mark law seem to clash. On the one hand, ‘it is clear that the [sign], which is also protected by copyright, should continue to be protected by trade mark law even after expiry of the copyright term. On the other hand, works of art must fall into the public domain one day.’ (Quaedvlieg)

Trade mark/designs overlap

Simultaneous overlap

- Excluded subject-matter: overlap extremely curtailed because of art. 3(1)(b)-(e) TMD, more demanding than art. 7 DD. Not only patentable and shapes registrable as a design but any shape the essential functional features of which are attributable only to the technical result so arguably also copyrightable shapes and shapes unprotectable by any IPR a priori; overlap not total for shapes which give substantial value to goods
- Ownership: will be a problem for all 3 overlaps if owners of the two rights are different

Overlap *a posteriori*

- Trade marks can prolong a registered or unregistered design right BUT
- Not for shapes covered by articles 3(1)(e)(ii) and (iii) because the negative convergence is total so overlap mainly for (1) shapes not falling within art. 3 and (2) all 2D subject-matter so ironically and troublingly even natural, ornamental and functional 2D subject-matter!

Questions and answers

Questions

- Do these overlaps pose a problem?
- Copyright/designs: huge overlap but literature does not seem concerned. Should we be?
- Copyright/trade marks: literature thinks generally no problems because aims and requirements are different but trade mark law has expanded => is illegitimately encroaching?
- Trade marks/designs: the least disturbing overlap as the most regulated?

Answers

- Rule[s] to regulate overlaps are needed apart from the few ones already existing in EU law
- Specific rules (i.e. relating to only one overlap):
  - Overlap a posteriori copyright/trade mark: against public order (Cohen Jeroham) or free competition (Kur)
- General 'overarching' rules:
  - Free movement of goods/services and the public interest in effective/free/undistorted competition (Commission documents, Community legislation and case law). Indeed many exclusions in copyright, design and trade mark laws are based on concerns of free competition (idea/expression dichotomy, distinctiveness, art. 3(1)(e) TMD and 7 DD)

Answers

- General rules (cont'd):
  - Abuse/misuse of right (and we can add art. 82 ECT) (Feer Verkade, Kur)
  - Article 81 ECT (Feer Verkade)
  - Incompatibility with the principles of reasonableness and fairness (Feer Verkade)
  - Incompatibility with article 10 ECHR (Feer Verkade)
  - One law should not be able to cut across the object of another (Feer Verkade, Quaedvlieg, Dinwoodie, Torremans)
  - The most significant relationship < conflict of laws (Quaedvlieg)
  - The subject-matter's function: does it function primarily as a trade mark, design or copyright work? (Quaedvlieg)

Answers

- General rules (cont'd):
  - No general prohibition of all overlaps because aims of laws are different and most problems created by overlaps do not come from overlaps themselves but from undue extension of one or more IPR => trim the extensions but no general rule allowing all overlaps (Kur, Dinwoodie)
  - Overprotection based either on election of rights (reward has been had or could have been had through choice of IPR) (Dinwoodie, *Philips v Remington (?)*) or based on combination of human rights, economics of information law and general/public interest (Derclaye)

A single overarching rule?

- Free competition or prohibition of over-protection – are these two rules identical?
- If the criteria to determine overprotection are clear => less vague than free competition/ 'balance' between protection and free competition
- Or if no one rule can apply then look at the 'overriding interest'/rationale behind the specific IPR provision. If there is no overriding interest for it, then overlap must exist unless would be contrary to *ordre public*?
- To be continued…

Conclusion

- Limit of the free movement of goods/services rule: it will not apply to international issues nor to purely national ones but is still useful at the moment at EU (regional) level
- Free/effective/undistorted competition better as also in WTO/GATT/GATS/TRIPs?
- Problem: TRIPs does not cover all of unfair competition so art. 7 and 8 may not apply to it and overlaps between IPR and slavish imitation are not within TRIPs' reach…

Conclusion

- The EU legislation and courts have already done a lot of good ground work esp. in the trade mark/designs overlap
- Free competition is perhaps the most important internal market objectives and may be said to encompass free movement of goods/services but also works at international level >< free movement of goods/services
- But other ‘overarching rules’ could also be used in combination or alternatively depending on the problem the specific overlaps causes

Some concrete solutions

- Copyright/design: scrap design law? same effort protected twice => over-protection?
- Copyright/trade mark: trim trade mark law first but according to which criterion? include more exceptions in trade mark law e.g. parody (Kur 2001)
- Trade mark/design: render art. 3(1)(e) applicable to 2D subject-matter as well

Thank you for your attention