

**LL.M./M.C.L., 2/3 Year Course I Term Course  
[2021-23]**

**Paper: LM – 1018**

**Intellectual and Industrial Property Law – I  
(Copyright, Neighbouring Rights and Industrial Designs)**

**Note :**

- 1. The following course content should not be treated as exhaustive. The questions may be set from any topic which the examiner feels relevant to the subject.*
- 2. There shall be one written examination of three hours' duration in each subject at the end of each Term. One question paper shall be set in each of the subjects prescribed for study and examination. Each paper shall carry 100 marks. The minimum pass marks in each subject shall be 50%.*
- 3. Every student of this course is required to present a paper in the class for discussion on a topic assigned by the concerned teacher. No student shall be permitted to appear in the examination unless a certificate is issued by the teacher that the paper presented by the student was to his satisfaction.*
- 4. All the recent cases need to be studied.*

**TOPIC – I: INTRODUCTION**

1. Introduction of Intellectual Property Rights
  - WTO – TRIPs Agreement
  - World Intellectual Property Organization (WIPO)
  - Enforcement and Abuse
  - Control of Abuse by Competition Law
2. Meaning of Intellectual Property
  - Eight types of Intellectual Property
3. Nature of Copyright, Prevalent from 15<sup>th</sup> Century,
  - Features of Copyright
  - Berne Convention,
  - UCC
  - TRIPS Agreement
  - WCT
  - WPPT

**Copyright Legislation (The Copyright Act, 1957 as amended upto June, 2012)**

**TOPIC – II: MATTER OF COPYRIGHT (Section 2 and 13)**

1. Idea v. Expression Dichotomy,
  - Originality,
  - Meaning of work, Definitions
  - Sweat of the Brow Doctrine,

Minimal Creativity Doctrine  
Works in Public Domain

2. Subject matter of Copyright: Literary, musical, artistic, dramatic, Computer programmes  
Value addition to open works – When copyright would vest
3. Derived Works – Cinematograph films and Sound Recordings
4. Multiple copyrights in some Products/works
5. Publication and its meaning – Domestic Circle v. Public

### **TOPIC – III: OWNERSHIP, TERM AND RIGHTS (Sections 14, 17, 22-29)**

1. First Owner of Copyright – Author
  - 1.1 Ownership – different yardsticks
  - 1.2 Ownership of Computer generated works
2. Term of Copyright – Berne Convention, UCC, TRIPs Agreement, India and other countries
3. Economic Rights – Special emphasis on:
  1. Rights of Reproduction of Storing of work
  2. Rights to Issue Copies of the Work
  3. Right to Perform the Work
  4. Right to Communicate the Work
  5. Right to make Cinematograph Film or Sound Recording
  6. Right to make Adaptation of the Work – also see S 2(a)
    - a) Copyright in resultant work
    - b) Adaptation of open works
  7. Right to Rental and definition of commercial rental S.2(fa)
    - 3.1. Right in Cinematograph Films
    - 3.2. Right in Sound Recordings
4. Moral Rights - Sec. 57, the Copyright Act 1957 [TRIPs Agreement does not incorporate moral rights]

### **TOPIC – IV: EXPLOITATION OF RIGHTS (Section 18-21, 30-32B, 33-36A)**

1. Assignment of Copyright
2. Licensing of Copyright
  - Voluntary Licencing
  - Statutory Licencing
  - Compulsory Licensing
5. Role of Copyright Societies in the Administration of Copyright  
Method of Distribution of collected royalties

### **TOPIC –V: INFRINGEMENT OF COPYRIGHT AND REMEDIES AND RIGHTS OF PUBLIC (Section 51, 52, 53, 55, 63-70)**

1. Infringement of Copyright
2. Circumvention of technological measures and Rights Management Information
3. International Copyright Order
4. Acts not Constituting Infringement of Copyright
5. Remedies for Infringement
  - a. Civil Remedies
    - (i) Preventive Civil Remedies
    - (ii) Compensatory Remedies
  - b. Administrative Remedies
  - c. Criminal Remedies

### **TOPIC –VI: NEIGHBOURING RIGHTS**

1. Introduction to Neighbouring Rights – Phonograms, Performers Rights, Rights of Broadcasting Organizations.
2. Performers Rights (Section 38-38B, 39-39A)  
Who is a performer – Assignment and waiver of performer’s rights
3. Rights of Broadcasting Organizations (Section 37, 39-39A)
4. Acts not constituting infringement of performer’s rights and Rights of Broadcasting organizations

### **TOPIC –VII: INTERNATIONAL REGIME OF COPYRIGHT**

1. Agreement on Trade – Related Aspects of Intellectual Property Rights including Trade in Counterfeit Goods (TRIPs Agreement)
2. Berne Convention For the Protection of Library and Artistic Works (Paris Act, 1971) – Minimum Standards
  - (a) National Treatment
  - (b) Subject-matter
  - (c) Rights of the Author – Economic and Moral
  - (d) Special Provisions for Developing Countries
3. WIPO Copyright Treaty (WCT), 1996, WIPO Performances and Phonograms Treaty (WPPT), 1996 (Internet Treaties)

See also (For all topics):

1. International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 (Rome Convention).
2. Convention for the protection of producers of Phonograms Against Unauthorized Duplication of Their Phonograms, 1971 (Phonograms Convention).
3. WIPO Copyright Treaty, 1996; and WIPO Performances and Phonograms Treaty, 1996 (Internet Treaties).
4. Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, 1974 (Satellite Convention).
5. TRIPs Agreement

## **TOPIC –VIII: INDUSTRIAL DESIGNS (The Designs Act, 2000)**

- (i) Introduction of Designs Law in India
- (ii) Meaning of “Design”, “Article”, “Copyright”, “Proprietor of a New or Original Design” (Section 2).  
Section 15 of Copyright Act – conflict with designs
- (iii) Registration of Designs (Sections 3-10), Cancellation of Registration
- (iv) Copyright in Registered Designs (Section 11-20)
- (v) Piracy of Registered Designs, Pleading invalidity of registration without application for cancellation and Remedies (Section 22)

1. Refer TRIPs Agreement (Articles 25 and 26)
2. Paris Convention
3. Hague Agreement
4. Locarno Agreement

### **Prescribed Readings:**

#### **Books**

- Alka Chawla, Law Of Copyright-Comparative Perspectives, LexisNexis (2013)
- Ashwani K Bansal, Designs Law in India, (2012)
- Ashwani K. Bansal, Materials on Copyright Law, (2004).
- WIPO Intellectual Property Handbook: Policy, Law and Use (2004)
- K.M. Garnett, J.E. Rayner James and G. Davis, Copinger and Skone James on Copyright (2005, 15<sup>th</sup> ed.).  
Indian Reprint 2008
- Narayanan, P., Law of Copyright and Industrial Designs (2007).
- V.K. Ahuja, Intellectual Property Laws (2009).
- V.K. Ahuja, Law of Copyright and Neighbouring Rights: National and International Perspectives (2007)
- Cornish William, Cases and Materials on Intellectual Property (2006).
- Russel Clarke, Industrial Designs (2005, 7<sup>th</sup> ed.).
- David I. Bainbridge, Intellectual Property, Longman, 9th Edition (2012)
- Peter Groves, Sourcebook on Intellectual Property Law, Routledge-Cavendish (1997).
- N.S. Gopalakrishnan & T.G. Ajitha, Principles of Intellectual Property, Eastern Book Company, 2nd Edition (2014).
- Paul Goldstein, International Copyright: Principles, Law, and Practice, Oxford University Press (2012)
- Mira Sundara Rajan, Moral Rights: Principles, Practice, and New Technology, Oxford University Press (2011).
- S. Sivakumar & Lisa P. Lukose, Broadcasting Reproduction Right in India: Copyright and Neighbouring Right Issues, ILI, New Delhi, (2013)
- David Nimmer, Nimmer on Copyright, Lexis Nexis (2010)

- Adeney, Elizabeth. *The Moral Rights of Authors and Performers: An International Comparative Analysis*. London: Oxford University Press (2006)
- Garnett, K.M., Copinger and Skone James on copyright, 14<sup>th</sup> Ed. London: Sweet & Maxwell, 1999

## Articles

1. Lawrence Liang (2017) Paternal and defiant access: copyright and the politics of access to knowledge in the Delhi University photocopy case, *Indian Law Review*, 1:1, 36-55.
2. Trevor Cook, “The restricted acts of reproduction and distribution in EU Copyright Law”, *JIPR*, Vol. 20, Mar 2015, Pg 122-126
3. V.K. Unni, “Exploring sovereign immunity in copyright infringement”, *JIPR*, Vol. 19, Sep 2014, Pg 307-314
4. Juhi Gupta, “John Doe Copyright Injunctions in India”, *JIPR*, Vol. 18, July 2013, Pg 351-359
5. Ashwani K Bansal, *Intellectual Property Rights: Judicial Law Making with Foreign Bias*, *Journal of Law Teachers of India*, (JOLT-I) 2012, Volume II Page numbers 1-31
6. Basheer, Khettry, Nandy and Sreemitra, “Exhausting Copyrights and promoting access to education”, *JIPR*, Vol. 17, July 2012, Pg 335-347
7. Arathi Ashok, “Technology Protection Measures and the Indian Copyright (Amendment) Act 2012: A comment”, *JIPR*, Vol. 17, Sep 2012, Pg 521-531
8. Arunabha Banerjee, “Morality of Copyright- A critique in the view of the 3 idiots controversy”, *JIPR*, Vol. 16, Sep 2011, Pg 394-401
9. *Licensing Chapters on Copyright and Designs in Raman Mittal, Licensing, Satyam Law International (2011) (Chapters 5, 9, 13-17)*
10. Arathi Ashok, “Economic Rights of authors under copyright law”, *JIPR*, Vol. 15, Jan 2010, Pg 46-54
11. Ashwani K Bansal, *Economics v Morality of IPRs: Strengthen Competition Act, 2002, 2006 Volume 40 Journal of Constitutional and Parliamentary Studies*, page 235
12. V.K. Ahuja, *Role of Copyright Societies in the Administration of Copyright*, XXXIII *Chartered Secretary*, 2003, p. 145.
13. WIPO, *The WIPO Copyright Treaty (WCT) (1996)*, 55 *Intellectual Property in Asia and the Pacific*, October-December, 1997, p. 23.
14. WIPO, *the WIPO Performances and Phonograms Treaty (WPPT) (1996)*. 55 *Intellectual Property in Asia and the Pacific*, October-December, 1997, p. 36.
15. *Annual Survey of Indian Laws (Intellectual Property Section) upto date.*

## **Question Paper 2007**

**Attempt any FOUR questions. All questions carry EQUAL marks.**

1. "TRIPS is, by far, the most wide-ranging and far reaching International treaty on the subject of intellectual property to date and marks the most important milestone in the development of International Law in this area." Comment. Is TRIPS, in your analysis, in consonance with the aspirations of developing countries like India? Give reasons in support of your view.
2. "Copyrights protects expressions and not ideas." Critically examine the above statement in the light of recent judicial decisions. Discuss various remedies available to the owner of a copyright in case of an infringement with particular reference to preventive civil remedies and compensatory remedies.
3. What are the various modes of transfer of copyright? Define and distinguish between assignment and licensing of copyright. In this respect elucidate the role of Copyright Societies.
4. What special rights have been granted to broadcasting organizations under Copyright Act? Discuss the situations when the special rights are deemed to have been infringed.
5. Write in short on any three of the following:
  - (i) 'Fair use' provisions in the Copyright Act, 1957.
  - (ii) Term of copyright in published, literary, dramatic, musical and artistic works under the Indian Copyright Law.
  - (iii) Future of W.T.O.
  - (iv) Berne Convention for protection of literary and Artistic works.
  - (v) Moral rights of author.
  - (vi) Powers of Copyright Board.
6. What do you understand by the term 'design'? Discuss the subject matters which are registrable under the Design law in India giving the end of your answer towards the design registration system in India.

## **Question Paper 2008**

**Attempt any FOUR questions. All questions carry EQUAL marks.**

1. What do you mean by term like intellectual property, copyright and its neighbouring right? What is meant by original literary, dramatic, musical and artistic works? Whether copyright can be claimed by merely establishing amount of skills, labour and capital put in production of copy-edited judgement? In the light of recent Supreme Court judgement (Eastern Bank Company v. V..D.B. Modak AIR 2008 SC 809) explain the concept of 'originality' of a product.
2. What is meant by 'assignment' and 'licensing' including 'compulsory licensing of 'copyright? In this respect discuss the role of copyright societies in the administration of copyright.
- 3."The expression copyright conventionally refers to economic rights vested in the owner of the work. The most problematic things about copyright law is the expression 'copyright' itself. It is a misnomer, even though there is unison that it refers to exclusive economic rights granted to owner in respect of the work." Explain with special reference to right to make cinematograph film and sound recording including the right of rental and remixing of songs.

4. Discuss any two of the following:
  - (i) What is meant by infringement of copyright? When is it deemed to be infringed?
  - (ii) Rights of Broadcasting organizations and of performers.
  - (iii) Term of copyright in anonymous, pseudonymous and posthumous work.
5. 'No registration of a design under the Design Act, 2000 is effective unless the design or configuration sought to be protected is new and original and non of a pre-existing type.' Comment giving the procedure of registration of a design and the power of Controller to make orders regarding substitution of application.
6. Write a brief note on the followings :
  - (i) Special provisions for developing countries in the International regime of copyright.
  - (ii) convention relating to the distribution of Programme-Carrying Signals Transmitted by Satellite, 1974 (Satellite Convention).

## **WIPO Intellectual Property Handbook, Policy, Law and Use (2004)** (Second Edition) (Reprinted 2008)

### **The Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS")**

#### **Introduction**

GATT, the WTO and the TRIPS Agreement

5.671 The Uruguay Round of multilateral trade negotiations held in the framework of the General Agreement on Tariffs and Trade ("GATT") was concluded on December 15, 1993. The agreement embodying the results of those negotiations, the Agreement Establishing the World Trade Organization ("WTO Agreement"), was adopted on April 15, 1994, in Marrakech.

5.672 Those negotiations included, for the first time within the GATT, discussions on aspects of intellectual property rights related to international trade. The result of those negotiations, contained in an Annex to the WTO Agreement, was the Agreement on Trade-Related Aspects of Intellectual Property Rights (the "TRIPS Agreement").

5.673 The WTO Agreement, including the TRIPS Agreement (which is binding on all WTO Members), entered into force on January 1, 1995. The former agreement established a new organization, the World Trade Organization, which began its work on January 1, 1995.

Transitional Arrangements and Technical Cooperation (Part VI)

5.674 Member States of WTO were given certain periods of time after the entry into force of the Agreement establishing WTO before being obliged to apply the TRIPS Agreement. The date on which the relevant transitional period expires for a Member, referred to as the date of application of the Agreement for that Member, is as follows:

- generally, *January 1, 1996* (Article 65.1);
- developing countries in the process of transformation into a market, free-enterprise economy, of structural reform of intellectual property systems, and facing special problems, *January 1, 2000*, excepting obligations involving national treatment and most-favored-nation treatment (Articles 65.2 and 65.3);
- developing countries obliged by the Agreement to extend product patent protection to types of products not previously patentable in those countries, *January 1, 2005*, before applying the agreement to such products (Article 65.4);
- least-developed countries, excepting provisions involving national treatment and most-favored-nation treatment, *January 1, 2006*, extendable upon duly motivated request

(Article 66.1).

5.675 The TRIPS Agreement also requires developed country Members to provide, on request and on mutually agreed terms and conditions, technical and financial cooperation in favor of developing and least-developed country Members, including assistance in preparation of laws and support regarding establishment or reinforcement of domestic offices and agencies, including training of personnel (Article 67).

Institutional Arrangements (Part VII)

5.676 The WTO Agreement creates a three-tiered organizational structure. The highest tier is the Ministerial Conference, which meets at least once every two years (Article IV.1). It has the authority to take decisions on all matters under the WTO Agreement. The second tier is the General Council, consisting of representatives of all the Members, which is to meet “as appropriate” to carry out its own duties as well as those of the Ministerial Conference in the intervals between meetings of the latter body (Article IV.2). The General Council also serves as the Dispute Settlement Body and the Trade Policy Review Body (Article IV.3 and IV.4).

5.677 The WTO Agreement (Article IV.5) also establishes a Council for Trade-Related Aspects of Intellectual Property Rights (the “TRIPS Council”) which, under the general guidance of the General Council, is to oversee the functioning of the TRIPS Agreement (Article IV.5). Membership in the TRIPS Council is open to representatives of all Members. Under the provisions of the TRIPS Agreement (Part VII, Article 68), the TRIPS Council is responsible for monitoring the operation of the TRIPS Agreement and Members’ compliance with the obligations under that Agreement. The TRIPS Council shall also review the implementation of the TRIPS Agreement after the expiration of the transitional period for developing countries (that is, after January 1, 2000), and every two years thereafter, or when amendment or modification is warranted by new developments (Article 71.1). The first meeting of the TRIPS Council was held on March 9, 1995.

Arrangements for Cooperation with WIPO

5.678 Consultations to establish arrangements for cooperation and a mutually supportive relationship between the WTO and WIPO concerning intellectual property are required by the TRIPS Agreement.

5.679 The TRIPS Agreement further states that the TRIPS Council, in carrying out its functions, may consult with and seek information from any source it deems appropriate and that, in consultation with WIPO, the Council is to seek to establish, within one year of its first meeting, appropriate arrangements for cooperation with bodies of WIPO (Article 68). Consultations for specific areas of cooperation between WIPO and WTO are also required by the Agreement, in particular, under Article 63.2, which concerns notification of laws and regulations by Members to the TRIPS Council.

#### **General Provisions, Basic Principles and Final Provisions (Parts I and VII)**

5.680 A basic principle concerning the nature and scope of obligations under the TRIPS Agreement is that Members must give effect to the provisions of the Agreement and accord the treatment provided for in the Agreement to the nationals of other Members. A “national” is understood as meaning those natural or legal persons who would be eligible for protection if all Members of WTO were also bound by the Paris, Berne and Rome Conventions and by the Washington Treaty on Intellectual Property in Respect of Integrated Circuits (“the IPIC Treaty”).

5.681 Members are free to determine the appropriate method of implementing the provisions of the TRIPS Agreement within their own legal system and practice, and may implement more extensive protection than is required, provided that such additional protection does not contravene other provisions of the Agreement (Article 1.1 and 1.3).

Definition of Intellectual Property

5.682 The TRIPS Agreement states that, for the purposes of the Agreement, the term “intellectual property” refers to all categories of intellectual property that are the subject of Sections 1 through 7 of Part II of the TRIPS Agreement, namely, copyright and related rights, trademarks, geographical indications, industrial designs, patents, layout-designs (topographies) of integrated circuits and undisclosed information (Article 1.2).

Incorporation by Reference of the Paris and Berne Conventions



5.683 The TRIPS Agreement is built on principles more than a century old, embodied in the Paris Convention for the Protection of Industrial Property and the Berne Convention for the Protection of Literary and Artistic Works. In fact, almost all the substantive provisions of these two Conventions are incorporated by reference directly in the TRIPS Agreement.

5.684 Concerning industrial property, the TRIPS Agreement requires that Members comply with Articles 1 through 12 and Article 19, of the Paris Convention, in respect of Parts II, III and IV of the Agreement (Article 2.1). This includes all the substantive provisions of the Paris Convention.

5.685 In the field of copyright, Members are required to comply with Articles 1 through 21 of the Berne Convention and its Appendix. However, Members do not have rights or obligations in respect of Article *6bis* of the Berne Convention concerning moral rights, or of the rights derived therefrom (Article 9.1).

5.686 The TRIPS Agreement, however, stipulates that nothing in Parts I to IV of the Agreement shall derogate from existing obligations that Members may have to each other under the Paris or Berne Conventions (Article 2.2).

#### **The Principle of National Treatment**

5.687 TRIPS provides for the principle of national treatment, requiring that Members accord the treatment provided for in the Agreement to the nationals of other Members, the latter defined, for the corresponding rights, in terms of the relevant provisions of the Paris, Berne and Rome Conventions and the IPIC Treaty. Exceptions provided for under the relevant conventions are respected within the context of the TRIPS Agreement. As regards industrial property and copyright, this principle applies to all rights. As regards rights in respect of performers, producers of phonograms and broadcasting organizations, the obligation only applies in respect of the rights provided under the Agreement. Also exempted from this principle are procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights.

#### **The Most-Favored-Nation Principle (MFN)**

5.688 The TRIPS Agreement contains the most-favored-nation principle, which has not traditionally been provided for in the context of intellectual property rights on the multilateral level. This principle provides that any advantage, favor, privilege or immunity granted by a Member to the nationals of any other country (whether a Member or not) shall be accorded immediately and unconditionally to the nationals of all other Members, with certain specified exemptions. As is the case for national treatment, procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights are exempted from this principle.

#### **Protection of Existing Subject Matter**

5.689 The TRIPS Agreement contains specific provisions regarding the effect of the Agreement on the subject matter of intellectual property rights that exists, on the date of application of the Agreement, in a Member. While the Agreement does not give rise to obligations in respect of acts which occurred before the date of application of the Agreement for the Member in question (Article 70.1), the Agreement does give rise to obligations in respect of all subject matter existing and protected on the date of application of the Agreement, or which then or subsequently meets the criteria for protection under the terms of the Agreement (Article 70.2). However, copyright obligations with respect to existing works and obligations in connection with the rights of producers of phonograms and performers in existing phonograms are determined solely under Article 18 of the Berne Convention (Article 70.2).

5.690 A Member may provide for limited remedies for acts which become infringing as a result of the implementation of the Agreement and which were commenced, or in respect of which a significant investment was made, before the date of acceptance of the Agreement. These must include at least the payment of equitable remuneration (Article 70.4).

5.691 There are certain exceptions to these general rules. In particular, there is no obligation to restore protection to subject matter which has fallen into the public domain (Article 70.3). In addition, certain obligations concerning computer programs, cinematographic works and

phonograms (Articles 11 and 14(4)) need not be applied with respect to originals or copies purchased prior to the date of application of this Agreement (Article 70.5). Further, provisions concerning guidelines for use without authorization (Article 31) and non-discrimination as to the field of technology (Article 27.1) need not be applied to use without the authorization of the right-holder where authorization for such use had been granted by the government before the date the Agreement became known (Article 70.6).

5.692 Applications for protection of intellectual property rights which are pending on the date of application of the Agreement may be amended to claim any enhanced protection provided under the Agreement, but such amendments may not include new matter (Article 70.7).

#### Reservations

5.693 Reservations may not be entered in respect of any of the provisions of the Agreement without the consent of the other Members (Article 72).

#### Security Exceptions

5.694 The Agreement provides a general exception for matters which are deemed to be essential to national security interests; a Member is not required to furnish any information if it considers disclosure to be contrary to its essential security interests. In addition, it may take any action which it considers necessary for the protection of its essential security interests relating to fissionable materials or the materials from which they are derived, relating to traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment, or taken in time of war or other emergency in international relations. It may also take any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security (Article 73).

### **Standards Concerning the Availability, Scope and Use of Intellectual Property Rights (Part II)**

5.695 Part II of the TRIPS Agreement provides minimum standards concerning the availability, scope and use of intellectual property rights. This Part contains eight sections relating, respectively, to copyright and related rights, trademarks, geographical indications, industrial designs, patents, layout-designs (topographies) of integrated circuits, protection of undisclosed information and control of anti-competitive practices in contractual licenses (the latter subject is not contained in the definition of intellectual property of Article 1.2).

#### Copyright and Related Rights (Section 1)

5.696 The essential elements of the standards concerning the availability, scope and use of copyright and related rights include the following:

- Members must comply with Articles 1-21 of the 1971 Paris Act of the Berne Convention and, where applicable, with the Appendix to that Act (containing special provisions for developing countries). However, Members do not have rights or obligations under the Agreement concerning the subject matter of Article 6*bis* of the Berne Convention (concerning moral rights), or of the rights derived therefrom (Article 9.1);
- copyright protection shall extend to the expression and not to ideas, procedures, methods of operation or mathematical concepts as such (Article 9.2);
- computer programs, whether in source or object code, must be protected as literary works under the Berne Convention (Article 10.1);
- compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their contents constitute intellectual creations shall be protected "as such." The protection does not extend to, but is without prejudice to any copyright subsisting in, the data or material itself (Article 10.2);
- a commercial rental right is provided in respect of at least computer programs except where the program itself is not the essential object of the rental, and to cinematographic works; however, Members are excepted from the latter obligation unless such rental has led to widespread copying which materially impairs the exclusive right of reproduction in a Member (Article 11);

- the term of protection for works other than photographic works or works of applied art, where the term is calculated on a basis other than the life of a natural person, shall be no less than 50 years from the end of the calendar year of authorized publication or, if publication has not taken place within 50 years from the making of the work, 50 years from the end of the calendar year of the making of the work (Article 12);
- limitations or exceptions to exclusive rights are confined to cases which do not conflict with normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right-holder (Article 13);
- with respect to related rights, performing artists shall have the right to prevent the fixation and reproduction of their unfixed performances on phonograms, and the wireless broadcasting and communication to the public of their live performances (Article 14.1);
- producers of phonograms shall have the right to authorize or prohibit the direct or indirect reproduction of their phonograms (Article 14.2);
- broadcasting organizations (or, if such rights are not granted to broadcasting organizations, the owners of copyright in the subject matter of broadcasts) shall have the right to prohibit the fixation, reproduction, wireless rebroadcasting and communication to the public by television broadcast (Article 14.3);
- a rental right is provided for producers of, and certain other right-holders in, phonograms; Members may maintain systems, in existence on April 15, 1994, of equitable remuneration in respect of the rental of phonograms, provided such system does not materially impair exclusive rights of reproduction (Article 14.4);
- the term of protection for performers and producers of phonograms is at least 50 years from the end of the calendar year of fixation or performance, and for broadcasters at least 20 years from the end of the calendar year of broadcast (Article 14.5);
- the conditions, limitations, exceptions and reservations permitted by the Rome Convention may be applied to certain related rights (under paragraphs 14.1 to 14.3) granted in the Agreement; however, the provisions of Article 18 of the Berne Convention apply, *mutatis mutandis*, to the rights of performers and producers of phonograms in phonograms (Article 14.6).

#### **Industrial Designs (Section 4)**

5.699 The essential elements of the standards concerning the availability, scope and use of industrial design rights include the following:

- Members shall provide protection for independently created industrial designs that are original or new, certain standards for determining protectability being allowed (Article 25.1);
- requirements for protection of textile designs, which may be provided through industrial design or copyright law, shall not unreasonably impair the opportunity to obtain protection, particularly in regard to any cost, examination or publication (Article 25.2);
- exclusive rights shall include the right to prevent third parties from making, selling or importing, for commercial purposes, articles bearing or embodying a protected industrial design (Article 26.1), subject to certain allowable exceptions (Article 26.2);
- the duration of protection shall amount to at least 10 years (Article 26.3).

#### **Chapter – I**

#### **WIPO - Concept of Intellectual Property**

1.1 Intellectual property, very broadly, means the legal rights which result from intellectual activity in the industrial, scientific, literary and artistic fields. Countries have laws to protect intellectual property for two main reasons. One is to give statutory expression to the moral and economic rights of creators of their creations and the rights of the public in access to those creations. The second is to promote, as a deliberate act of Government policy, creativity and the dissemination and application of its results and to encourage fair trading which would contribute to economic and social development.

1.2 Generally speaking, intellectual property law aims at safeguarding creators and other

producers of intellectual goods and services by granting them certain time-limited rights to control the use made of those productions. Those rights do not apply to the physical object in which the creation may be embodied but instead to the intellectual creation as such. Intellectual property is traditionally divided into two branches, “industrial property” and “copyright.”

1.3 The Convention Establishing the World Intellectual Property Organization (WIPO), concluded in Stockholm on July 1967 (Article 2(viii)) provides that “intellectual property shall include rights relating to:

- literary, artistic and scientific works,
- performances of performing artists, phonograms and broadcasts,
- inventions in all fields of human endeavor,
- scientific discoveries,
- industrial designs,
- trademarks, service marks and commercial names and designations,
- protection against unfair competition,

and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.”

1.4 The areas mentioned as literary, artistic and scientific works belong to the copyright branch of intellectual property. The areas mentioned as performances of performing artists, phonograms and broadcasts are usually called “related rights,” the rights related to copyright. The areas mentioned as inventions, industrial designs, trademarks, service marks and commercial names and designations constitute the industrial property branch of intellectual property. The area mentioned as protection against unfair competition may also be considered as belonging to that branch, the more so as Article 1(2) of the Paris Convention for the Protection of Industrial Property (Stockholm Act of 1967) (the “Paris Convention”) includes “the repression of unfair competition” among the areas of “the protection of industrial property”; the said Convention states that “any act of competition contrary to honest practices in industrial and commercial matters constitutes an act of unfair competition” (Article 10*bis*(2)).

1.5 The expression “industrial property” covers inventions and industrial designs. Simply stated, inventions are new solutions to technical problems and industrial designs are aesthetic creations determining the appearance of industrial products. In addition, industrial property includes trademarks, service marks, commercial names and designations, including indications of source and appellations of origin, and protection against unfair competition. Here, the aspect of intellectual creations—although existent—is less prominent, but what counts here is that the object of industrial property typically consists of signs transmitting information to consumers, in particular as regards products and services offered on the market, and that the protection is directed against unauthorized use of such signs which is likely to mislead consumers, and misleading practices in general.

1.6 Scientific discoveries, the remaining area mentioned in the WIPO Convention, are not the same as inventions. The Geneva Treaty on the International Recording of Scientific Discoveries (1978) defines a scientific discovery as “the recognition of phenomena, properties or laws of the material universe not hitherto recognized and capable of verification” (Article 1(1)(i)). Inventions are new solutions to specific technical problems. Such solutions must, naturally, rely on the properties or laws of the material universe (otherwise they could not be materially or “technically” applied), but those properties or laws need not be properties or laws “not hitherto recognized.” An invention puts to new use, to new technical use, the said properties or laws, whether they are recognized (“discovered”) simultaneously with the making of the invention or whether they were already recognized (“discovered”) before, and independently of, the invention.

## **The World Intellectual Property Organization (WIPO)**

### **History**

1.7 The World Intellectual Property Organization (WIPO) is one of the specialized agencies of the United Nations (UN) system of organizations. The “Convention Establishing the World Intellectual Property Organization” was signed at Stockholm in 1967 and entered into force in 1970. However, the origins of WIPO go back to 1883 and 1886, with the adoption of the Paris Convention and the Berne Convention respectively. Both of these conventions provided for the establishment of international secretariats, and both were placed under the supervision of the Swiss Federal Government. A few officials who were needed to carry out the administration of the two conventions were located in Berne, Switzerland.

1.8 Initially there were two secretariats (one for industrial property, one for copyright) for the administration of the two conventions, but in 1893 the two secretariats united. The most recent name of the organization, before it became WIPO, was BIRPI, the acronym of the French-language version of the name: United International Bureau for the Protection of Intellectual Property (in English). In 1960, BIRPI moved from Berne to Geneva.

1.9 At the 1967 diplomatic conference in Stockholm, when WIPO was established, the

administrative and final clauses of all the then existing multilateral treaties administered by BIRPI were revised. They had to be revised because member States wished to assume the position of full governing body of the Organization (WIPO), thus removing the supervisory authority of the Swiss Government, to give WIPO the same status as all the other comparable intergovernmental organizations and to pave the way for it to become a specialized agency of the United Nations system of organizations.

1.10 Most of the intergovernmental organizations now called specialized agencies did not exist before the Second World War. They were created for the specific purpose of dealing with a particular subject or field of activity at the international level. However, some intergovernmental organizations, such as the International Labor Office (ILO), the Universal Postal Union (UPU) and the International Telecommunication Union (ITU) were in existence, and had become the responsible intergovernmental organizations in their respective fields of activity long before the establishment of the United Nations system. After the United Nations was established, these organizations became specialized agencies of the United Nations system.

1.11 Similarly, long before the United Nations was established, BIRPI was the responsible intergovernmental organization in the field of intellectual property. WIPO, the successor to BIRPI, became a specialized agency of the United Nations when an agreement was signed to that end between the United Nations and WIPO which came into effect on December 17, 1974.

1.12 A specialized agency, although it belongs to the family of United Nations organizations, retains its independence. Each specialized agency has its own membership. All member States of the United Nations are entitled to become members of all the specialized agencies, but in fact not all member States of the United Nations are members of all the specialized agencies. Each State decides for itself whether it wants, or does not want, to become a member of any particular specialized agency. Each specialized agency has its own constitution, its own governing bodies, its own elected executive head, its own income, its own budget, its own staff, its own programs and activities. Machinery exists for coordinating the activities of all the specialized agencies, among themselves and with the United Nations, but basically each agency remains responsible, under its own constitution, to its own governing bodies, which are the States members of the organization.

1.13 The agreement between the United Nations and WIPO recognizes that WIPO is, subject to the competence of the United Nations and its organs, responsible for taking appropriate action in accordance with its basic instrument and the treaties and agreements administered by it, *inter alia*, for promoting creative intellectual activity and for facilitating the transfer of technology related to industrial property to developing countries in order to accelerate economic, social and cultural development.

### **Mission and Activities**

1.14 The mission of WIPO is to promote through international cooperation the creation, dissemination, use and protection of works of the human mind for the economic, cultural and social progress of all mankind. Its effect is to contribute to a balance between the stimulation of creativity worldwide, by sufficiently protecting the moral and material interests of creators on the one hand, and providing access to the socio-economic and cultural benefits of such creativity worldwide on the other.

1.15 WIPO's place on the international scene has greatly changed since its beginnings, when it was created to serve as the secretariat of treaties concluded between States. Although WIPO has maintained this function (it currently administers 23 such treaties), together with the consequential one of promoting intergovernmental cooperation in the administration of intellectual property, its activities have not only expanded, but also greatly diversified.

1.16 An outstanding example of the expansion of WIPO's earlier work is the growth of its registration activities—that is to say, the increase in the use of international treaties that create the facility of a single procedure to apply for patents and register trademarks and industrial designs, valid in up to all States party to those treaties. The Patent Cooperation Treaty (PCT), the Madrid Agreement and Protocol Concerning the International Registration of Marks, and the Hague Agreement Concerning the International Deposit of Industrial Designs have all given rise to an increased volume of registration activities. To strengthen this aspect of WIPO's work, a new international treaty, namely, the Patent Law Treaty, came into existence in June 2000: its purpose is to streamline application procedures and to reduce the cost of obtaining simultaneous patent protection in several countries.

1.17 In its more recent history, WIPO increasingly does not stop short of promoting all kinds of intellectual property. This is not only the means to achieve an end, which is to promote human creativity that results in industrial and cultural products and services enriching human society as a whole. Thus WIPO is increasingly involved in helping developing countries, whose creativity has yet to be adequately harnessed, to receive the benefits of the creations of their citizens, as well as those of the outside world. WIPO's role is to assist them also in the

preparation and enforcement of laws, in the establishment of sound institutions and administrative structures and in the training of appropriate personnel. WIPO has given particular attention to the 49 Least Developed Countries (LDCs), as will be seen in chapter 3, and has also given similar assistance to countries whose economies are in transition, in Central Asia, Central and Eastern Europe and the Baltic region.

1.18 WIPO's cooperation for development program is closely interwoven with governmental and intergovernmental cooperation, including WIPO's agreement with the World Trade Organization (WTO), whereby WIPO assists developing countries in the implementation of WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) (chapter 5).

1.19 The problem of development is compounded by rapid technological and scientific progress. WIPO's approach is twofold: it is to identify and to promote international solutions to the legal and administrative problems posed by digital technology, especially the Internet, to the traditional notions and practices of intellectual property.

1.20 WIPO's work in alternative dispute resolution between individuals and companies, through the WIPO Arbitration and Mediation Center (see chapter 4) has been extended to cover the problems arising from the misuse of domain names on the Internet. WIPO has been accredited by the Internet Corporation for Assigned Names and Numbers (ICANN) to administer cases filed under ICANN's Uniform Domain Name Dispute Resolution Policy. Disputes are handled and resolved online, enabling parties to settle cases in a time- and cost-effective manner, without being physically present in the same place.

1.21 A project that will greatly advance the sharing of valuable intellectual property information benefits is the worldwide global intellectual property information network (WIPONET), a project launched by WIPO in 1999. WIPONET is designed to establish a secure, global network linking the intellectual property offices of all WIPO's Member States, facilitating access to and exchange of information worldwide. Already WIPO's main and subsidiary websites are heavily used all over the world.

1.22 WIPO is increasingly adopting a global approach not only to intellectual property in itself, but to the place of intellectual property in the wider framework of emerging issues such as traditional knowledge, folklore, biological diversity, environmental protection and human rights. These issues are explored in chapter 2 and chapter 7. WIPO has followed the method of consultation and empirical research to find, for example, the relation between intellectual property and genetic resources, traditional knowledge and folklore.

1.23 One of the most significant present-day tasks of WIPO is to demystify intellectual property, so that it is recognized as a part of everyday life not only by those directly involved in it at governmental, legal, industrial and cultural levels, but also by any others who compose civil society, whether in non-governmental organizations or small businesses, whether farmers, public health personnel, individual creators or simply interested members of the general public. Realizing the importance of small- and medium-sized enterprises (SMEs) as the backbone of market economies.

## Chapter -II Copyright and Related Rights

### Introduction

2.162 Copyright law is a branch of that part of the law which deals with the rights of intellectual creators. Copyright law deals with particular forms of creativity, concerned primarily with mass communication. It is concerned also with virtually all forms and methods of public communication, not only printed publications but also such matters as sound and television broadcasting, films for public exhibition in cinemas, etc. and even computerized systems for the storage and retrieval of information.

2.163 Copyright deals with the rights of intellectual creators in their creation. Most works, for example books, paintings or drawings, exist only once they are embodied in a physical object. But some of them exist without embodiment in a physical object. For example music or poems are works even if they are not, or even before they are, written down by a musical notation or words.

2.164 Copyright law, however, protects only the form of expression of ideas, not the ideas themselves. The creativity protected by copyright law is creativity in the choice and arrangement of words, musical notes, colors, shapes and so on. Copyright law protects the owner of rights in artistic works against those who “copy”, that is to say those who take and use the form in which the original work was expressed by the author.

### Copyright Protection

2.165 Copyright protection is above all one of the means of promoting, enriching and disseminating the national cultural heritage. A country's development depends to a very great extent on the creativity of its people, and encouragement of individual creativity and its dissemination is a *sine qua non* for progress.

2.166 Copyright constitutes an essential element in the development process. Experience has shown that the enrichment of the national cultural heritage depends directly on the level of protection afforded to literary and artistic works. The greater the number of a country's intellectual creations, the higher its renown; the greater the number of productions in literature and the arts, the more numerous their so-called “auxiliaries” (the performers, producers of phonograms and broadcasting organizations) in the book, record and entertainment industries; and indeed, in the final analysis, encouragement of intellectual creation is one of the basic prerequisites of all social, economic and cultural development.

2.167 Legislation could provide for the protection not only of the creators of intellectual works but also of the auxiliaries that help in the dissemination of such works, in respect of their own rights. The protection of these auxiliaries of intellectual creators is also of importance to developing countries since the cultural achievement of some of these countries includes, in no small measure, performance, sound recording and broadcasting of different creations of their folklore as well.

While developing countries are often in need of foreign books, especially in the field of science, technology, education and research, they could offer to the world an abundance of their national cultural heritage, which can be protected, within the framework of copyright legislation, through protection of the rights of these auxiliaries or of related (or neighboring) rights as they are called.

2.168 Adoption of the law is the first step. The practical value of the law depends on its effective and efficient application. This can be achieved through setting up of appropriate authors' organizations for collection and distribution of authors' fees. Copyright, if effectively implemented, serves as an incentive to authors and their assignees (the publishers) to create and disseminate knowledge. It is something that society must necessarily accept if it wishes to encourage intellectual creativity, to ensure the progress of the sciences, the arts and of knowledge in general, to promote the industry using authors' works and to render it possible to distribute such works in an organized manner among the widest possible circle of interested persons.

2.169 Copyright protection, from the viewpoint of the creator of works, makes sense only if the creator actually derives benefits from such works, and this cannot happen in the absence of publication and dissemination of his works and the facilitation of such publication and dissemination. This is the essential role of copyright in developing countries.

2.170 There are several factors influencing intellectual creativity in developing countries, apart from the pecuniary condition of most of the authors and intellectual creators themselves, who need to be offered incentives and subsidies. There is the shortage of paper for the production of textbooks for the process of continuing education (both formal and non-formal), and for production of prescribed and recommended books as also general books, which are to be placed within the reach of the common man in these countries.

2.171 The role of governments in this activity could include financial assistance in the creation and production of textbooks and other educational literature, inputs for training and also help for expansion of the library system, the creation of mobile libraries to serve far-flung and remote rural areas, etc. In this whole chain, the various links, namely authorship, publishing, distribution and fostering of the library movement on a broad base, cannot be underrated, and need to be carefully nurtured and coordinated.

2.172 In the late nineteenth and in the twentieth century considerable socio-economic and political changes on the one hand, and rapid strides in technological development on the other, have brought about substantial changes of outlook in relation to copyright. The freedom and expansion of the press, the gradual disappearance of the feudal order, the growth of adult training and mass education schemes, the raising of standards in higher education, the increase in the number of universities, institutions of higher learning and libraries, the emphasis on the use of national languages, the development of science and technology, the changed map of the world with the birth of a number of newly independent developing nations—all these factors have caused conceptual changes.

2.173 The challenge in this new situation is to maintain a balance between provision of adequate rewards to creators of works and ensuring that such rewards are in harmony with the public interest and the needs of modern society.

#### **Subject Matter of Copyright Protection**

2.174 The subject-matter of copyright protection includes every production in the literary, scientific and artistic domain, whatever the mode or form of expression. For a work to enjoy copyright protection, however, it must be an original creation. The ideas in the work do not need to be new but the form, be it literary or artistic, in which they are expressed must be an original creation of the author. And, finally, protection is independent of the quality or the value attaching to the work—it will be protected whether it be considered, according to taste, a good or a bad literary or musical work—and even of the purpose for which it is intended, because the use to which a work may be put has nothing to do with its protection.

2.175 Works eligible for copyright protection are, as a rule, all original intellectual creations. A non-exhaustive, illustrative enumeration of these is contained in national copyright laws. To be protected by copyright law, an author's works must originate from him; they must have their origin in the labor of the author. But it is not necessary, to qualify for copyright protection, that works should pass a test of imaginativeness, of inventiveness. The work is protected irrespective of the quality thereof and also when it has little in common with literature, art or science, such as purely technical guides or engineering drawings, or even maps. Exceptions to the general rule are made in copyright laws by specific enumeration; thus laws and official decisions or mere news of the day are generally excluded from copyright protection.

2.176 Practically all national copyright laws provide for the protection of the following types of work:

*literary works*: novels, short stories, poems, dramatic works and any other writings, irrespective of their content (fiction or non-fiction), length, purpose (amusement, education, information, advertisement, propaganda, etc.), form (handwritten, typed, printed; book, pamphlet, single sheet, newspaper, magazine); whether published or unpublished; in most countries “oral works,” that is,



works not reduced to writing, are also protected by the copyright law;  
*musical works*: whether serious or light; songs, choruses, operas, musicals, operettas; if for instructions, whether for one instrument (solos), a few instruments (sonatas, chamber music, etc.), or many (bands, orchestras);  
*artistic works*: whether two-dimensional (drawings, paintings, etchings, lithographs, etc.) or three-dimensional (sculptures, architectural works), irrespective of content (representational or abstract) and destination (“pure” art, for advertisement, etc.);  
*maps and technical drawings*;  
*photographic works*: irrespective of the subject matter (portraits, landscapes, current events, etc.) and the purpose for which they are made;  
*motion pictures (“cinematographic works”)*: whether silent or with a soundtrack, and irrespective of their purpose (theatrical exhibition, television broadcasting, etc.), their genre (film dramas, documentaries, newsreels, etc.), length, method employed (filming “live,” cartoons, etc.), or technical process used (pictures on transparent film, videotapes, DVDs, etc.).  
*computer programs* (either as a literary work or independently).

2.177 Many copyright laws protect also “works of applied art” (artistic jewelry, lamps, wallpaper, furniture, etc.) and choreographic works. Some regard phonograph records, tapes and broadcasts also as works.

### **Rights Comprised in Copyright**

2.178 The owner of copyright in a protected work may use the work as he wishes—but not without regard to the legally recognized rights and interests of others—and may exclude others from using it without his authorization.

2.179 Therefore, the rights bestowed by law on the owner of copyright in a protected work are frequently described as “exclusive rights” to authorize others to use the protected work.

2.180 The original authors of works protected by copyright also have “moral rights”, in addition to their exclusive rights of an economic character.

2.181 What is meant by “using” a work protected by copyright? Most copyright laws define the acts in relation to a work which cannot be performed by persons other than the copyright owner without the authorization of the copyright owner.

2.182 Such acts, requiring the authorization of the copyright owner, normally are the following: copying or reproducing the work; performing the work in public; making a sound recording of the work; making a motion picture of the work; broadcasting the work; translating the work; adapting the work.

### **Right of Reproduction and Related Rights**

2.183 The right of the owner of copyright to prevent others from making copies of his works is the most basic right under copyright. For example, the making of copies of a protected work is the act performed by a publisher who wishes to distribute copies of a text-based work to the public, whether in the form of printed copies or digital media such as CD-ROMs. Likewise, the right of a phonogram producer to manufacture and distribute compact discs (CDs) containing recorded performances of musical works is based, in part, on the authorization given by the composers of such works to reproduce their compositions in the recording. Therefore, the right to control the act of reproduction is the legal basis for many forms of exploitation of protected works.

2.184 Other rights are recognized in national laws in order to ensure that the basic right of reproduction is respected. For example, some laws include a right to authorize distribution of copies of works. The right of distribution is usually subject to exhaustion upon first sale or other transfer of ownership of a particular copy, which means that, after the copyright owner has sold or otherwise transferred ownership of a particular copy of a work, the owner of that copy may dispose of it without the copyright owner’s further permission, for example, by giving it away or even by reselling it. Another right which is achieving wider and wider recognition, including in the TRIPS Agreement (see chapter 5, paragraph 5.241), is the right to authorize rental of copies of certain categories of works, such as musical works included in phonograms, audiovisual works, and computer programs. The right of rental is justified because technological advances have made it

very easy to copy these types of works; experience in some countries has shown that copies were made by customers of rental shops, and therefore, that the right to control rental practices was necessary in order to prevent abuse of the copyright owner's right of reproduction. Finally, some copyright laws include a right to control importation of copies as a means of preventing erosion of the principle of territoriality of copyright; that is, the legitimate economic interests of the copyright owner would be endangered if he could not exercise the rights of reproduction and distribution on a territorial basis.

#### Performing Rights

2.185 Another act requiring authorization is the act of public performance—for example, public readings, dramatic and musical performances before an audience. The right to control this act of public performance is of interest not only to the owners of copyright in works originally designed for public performance, but also to the owners of copyright, and to persons authorized by them, when others may wish to arrange the public performance of works originally intended to be used by being reproduced and published. For example, a work written originally in a particular way in order to be read at home or in a library may be transformed (“adapted”) into a drama designed to be performed in public on the stage of a theater.

#### Recording Rights

2.186 The third act to be examined is the act of making a sound recording of a work protected by copyright. So far as music is concerned, sound recording is the most favored means of communicating a work to a wide public. This serves much the same purpose for musical works as books serve for literary works.

2.187 Sound recordings can incorporate music alone, words alone or both music and words. The right to authorize the making of a sound recording belongs to the owner of the copyright in the music and also to the owner of the copyright in the words. If the two owners are different, then, in the case of a sound recording incorporating both music and words, the maker of the sound recording must obtain the authorization of both owners.

2.188 Under the laws of some countries, the maker of a sound recording must also obtain the authorization of the performers who play the music and who sing or recite the words. This is another example of the fact that the owner of copyright in a work cannot use it or authorize the use of it in a way which is contrary to the legal rights of others.

#### Motion Picture Rights

2.189 A “motion picture” is a visual recording, giving to viewers an impression of motion. In the technical language of copyright law it is often called a “cinematographic work” or an “audiovisual work.” In some countries the word “film” is used instead of the expression “motion picture.” The expression “motion picture” is perhaps preferable, because such productions are, today, frequently made with technological methods (such as magnetic tape) which do not require the use of photographic film.

2.190 A drama originally written for performance by performers to an immediately present audience (“live performance”) can be visually recorded and shown to audiences far larger in numbers than those who can be present at the live performance; such audiences can see the motion picture far away from the place of live performance and at times much later than the live performance.

#### Broadcasting Rights

2.191 A major category of acts restricted by copyright consists of the acts of broadcasting works and of communicating works to the public by means of wires or cables.

2.192 When a work is broadcast, a wireless signal is emitted into the air which can be received by any person, within range of the signal, who possesses the equipment (radio or television receiver) necessary to convert the signal into sounds or sounds and images.

2.193 When a work is communicated to the public by cable, a signal is diffused which can be received only by persons who possess such equipment linked to the cables used to diffuse the signal.

2.194 In principle, according to the Berne Convention for the Protection of Literary and Artistic Works, owners of copyright have the exclusive right of authorizing both the wireless broadcasting and the diffusion by cable of their works.

2.195 The broadcasting and diffusion by cable of works protected by copyright have given rise to new problems resulting from technological advances which may require a review by governments of their national copyright legislation. The advances include the use of space satellites to extend the range of wireless signals, the increasing possibilities of linking radio and television receivers to signals diffused by cable, and the increasing use of equipment able to record sound and visual images which are broadcast or diffused by cable.

#### Translation and Adaptation Rights

2.196 The acts of translating or of adapting a work protected by copyright require the authorization of the copyright owner.

2.197 "*Translation*" means the expression of a work in a language other than that of the original version.

2.198 "*Adaptation*" is generally understood as the modification of a work from one type of work to another, for example adapting a novel so as to make a motion picture, or the modification of a work so as to make it suitable for different conditions of exploitation, for example adapting an instructional textbook originally prepared for higher education into an instructional textbook intended for students at a lower level.

2.199 Translations and adaptations are themselves works protected by copyright. Therefore, in order, for example, to reproduce and publish a translation or adaptation, the publisher must have the authorization both of the owner of the copyright in the original work and of the owner of copyright in the translation or adaptation.

#### Moral Rights

2.200 The Berne Convention requires member countries to grant to authors:

- the right to claim authorship of the work;
- the right to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the work which would be prejudicial to the author's honor or reputation.

2.201 These rights, which are generally known as the moral rights of authors, are required to be independent of the usual economic rights and to remain with the author even after he has transferred his economic rights.

#### Related Rights

2.202 There exist rights related to, or "neighboring on", copyright. These rights are generally referred to as "related rights" (or "neighboring rights,") in an abbreviated expression.

2.203 It is generally understood that there are three kinds of related rights: the rights of performing artists in their performances, the rights of producers of phonograms in their phonograms, and the rights of broadcasting organizations in their radio and television programs. Protection of those who assist intellectual creators to communicate their message and to disseminate their works to the public at large, is attempted by means of related rights.

2.204 Works of the mind are created in order to be disseminated among as many people as possible. This cannot be done generally by the author himself, for it requires intermediaries whose professional capability gives to the works those forms of presentation that are appropriate to make them accessible to a wide public. A play needs to be presented on the stage, a song needs to be performed by artists, reproduced in the form of records or broadcast by means of radio facilities. All persons who make use of literary, artistic or scientific works in order to make them publicly accessible to others require their own protection against the illegal use of their contributions in the process of communicating the work to the public.

2.205 Let us examine why such protection of those that thus assist intellectual creators was found necessary and how it developed. The protection of authors' interests does not consist merely in preventing the use of their creations and cannot be limited to prohibiting infringements of the rights that laws afford to the authors. Their works are intended to be made available to the public

at large. Various categories of works are made accessible to the public in various ways. A publisher reproduces a manuscript in its final form without adding to the expression of the work as created by the author. The interests of book publishers are protected by means of copyright itself and laws do recognize that copyright is essential as a stimulus to creative writing, as also to support the economies of publishing.

2.206 The position is slightly different with regard to dramatic and musical works, pantomimes, or other types of creative works intended for either auditive or visual reception. Where some of such works are communicated to the public, they are produced or performed or recited with the aid of performers. In such cases, there arises the interest of the performers themselves in relation to the use of their individual interpretation in the performed work.

2.207 The problem in regard to this category of intermediaries has become more acute with rapid technological developments. Where, at the very beginning of the 20th century, the performance of dramatists, actors, or musicians ended with the play or concert in which they performed, it is no longer so with the advent of the phonograph, the radio, the motion picture, the television, the videogram and satellites.

2.208 These technological developments made possible the fixing of performances on a variety of material, viz., records, cassettes, tapes, films, etc. What was earlier a localized and immediate phase of a performance in a hall before a limited audience became an increasingly permanent manifestation capable of unlimited and repeated reproduction and use before an equally unlimited audience that went beyond national frontiers. The development of broadcasting and more recently, television, also had similar effects.

2.209 These technological innovations, since they have made it possible to reproduce individual performances by performing artists and to use them without their presence and without the users being obliged to reach an agreement with them, have led to a reduction in the number of live performances. This creates what has come to be known as technological unemployment among professional artists, thus giving a new dimension to the protection of the interests of performers.

2.210 Likewise by the very same token, the increasing technological development of phonograms and cassettes and, more recently, compact discs (CDs), and their rapid proliferation, was pointing to the need of protection of producers of phonograms. The appeal of the phonogram, as also the easy availability in the market of the variety of increasingly sophisticated recording devices, created the growing problem of piracy, which by now has become a worldwide scourge. In addition, there is the increasing use of records and discs by broadcasting organizations; while the use of these by the latter provides publicity for the phonograms and for their producers, these also have, in turn, become an essential ingredient of the daily programs of broadcasting organizations. Consequently, just as the performers were seeking their own protection, the producers of phonograms began to pursue the case of their protection against unauthorized duplication of their phonograms, as also for remuneration for the use of phonograms for purposes of broadcasting or other forms of communication to the public.

2.211 Finally, there were the interests of broadcasting organizations as regards their individually composed programs. The broadcasting organizations required their own protection for these as well as against retransmission of their own programs by other similar organizations.

2.212 Thus the need was felt for special protection for performers, producers of phonograms and broadcasting organizations. The performers through their organizations at the international level sought a study leading to their protection. While a performer would be paid once for recording a performance, and the recording of the performance could be played repeatedly for the benefit of a third party, the performers felt that they would not only not derive any income from such secondary use, but would also be placed in the awkward position of having to compete with their own recordings in respect of their employment potential for live performances in theaters, restaurants, cafés, etc.

2.213 Unlike most international conventions, which follow national legislation and provide a synthesis of existing laws, the Rome Convention was an attempt to establish international

regulations in a new field where few national laws existed. This meant that most States would have to draft and enact laws before adhering to the Convention. Since the adoption of the Convention in 1961, a large number of States have legislated in matters related to the Convention, and a number of others are considering such legislation.

2.214 The notion of Related Rights is understood as meaning rights granted in an increasing number of countries to protect the interests of performers, producers of phonograms and broadcasting organizations in relation to their activities in connection with the public use of authors' works, all kinds of artists' presentations or the communication to the public of events, information, and any sounds or images. The most important categories are: the right of performers to prevent fixation and direct broadcasting or communication to the public of their performance without their consent; the right of producers of phonograms to authorize or prohibit reproduction of their phonograms and the import and distribution of unauthorized duplicates thereof; the right of broadcasting organizations to authorize or prohibit rebroadcasting, fixation and reproduction of their broadcasts. An increasing number of countries already protect some or all of these rights by appropriate rules, codified mainly within the framework of their copyright laws. Several countries also grant a sort of moral right to performers to protect them against distortion of their performances and grant them the right to claim the mention of their name in connection with their performances. Some countries also protect the interests of broadcasting organizations by preventing the distribution on or from their territory of any program-carrying signal emitted to or passing through a satellite, by a distributor for whom the signal is not intended. No protection of any related right can, however, be interpreted as limiting or prejudicing the protection secured to authors or beneficiaries of other related rights under a national law or an international convention.

2.215 Protection of performers is provided in order to safeguard the interests of actors, singers, musicians, dancers, or other persons who act, sing, deliver, declaim, play in or otherwise perform literary or artistic works, or expressions of folklore, against certain unlawful uses of their performances. The term "producer of phonograms" denotes a person who, or a legal entity which, first fixes the sounds of a performance or other sounds. A phonogram is any exclusively aural fixation of sounds of a performance or of other sounds. A duplicate of a phonogram is any article containing sounds taken directly or indirectly from a phonogram and which embodies all or a substantial part of the sounds fixed in that phonogram. Gramophone records (discs), magnetophone cassettes and compact discs are duplicates of a phonogram. Broadcasting is usually understood as meaning telecommunication of sounds and/or images by means of radio waves for reception by the public at large. A broadcast is any program transmitted by broadcasting, in other words, transmitted by any wireless means (including satellite transmissions) for public reception of sounds and of images and sounds.

2.216 Communication to the public by wire is generally understood as meaning the transmission of a work, performance, phonogram or broadcast by sounds or images through a cable network to receivers not restricted to specific individuals belonging to a private group.

2.217 By first fixation of sounds is meant the original embodiment of sounds of a live performance, or of any other sounds not taken from another existing fixation, in some enduring material form such as tapes, records or any other appropriate device permitting them to be perceived, reproduced or otherwise repeatedly communicated. First fixation of sounds is not to be confused with first publication of a phonogram.

2.218 Another notion, that of rebroadcasting, is either simultaneous transmission of a broadcast of a program being received from another source, or a new, deferred broadcast of a formerly recorded program transmitted or received earlier.

2.219 Finally, it must be stated that since in the cultural life of countries, including the developing countries, due importance is attached to the artistic heritage, the protection of related rights affords rights to those who contribute to the interpretation and dissemination of that heritage. It is particularly important for some developing countries whose tradition is largely oral and where the author is often the performer as well. In this context, the place occupied by works of folklore must be borne in mind, and the interests of the artists performing and thus perpetuating them must be

safeguarded when use is made of their performances. By also protecting the producers of phonograms, particularly in developing countries, the basis for setting up an industry in the tertiary sector of the economy is ensured. Such an industry, while guaranteeing the dissemination of national culture, both within the country and throughout the world, can additionally constitute a substantial source of revenue for the country's economy and, in those cases where its activities extend beyond the country's frontiers, can represent an inflow of foreign currency. The part played by the broadcasting organizations in developing countries should also not be forgotten, nor that such organizations have a natural interest in the protection of their programs against rebroadcasting, reproduction and communication to the public.

### **Ownership of Copyright**

2.220 The owner of copyright in a work is generally, at least in the first instance, the person who created the work, that is to say, the author of the work.

2.221 There can be exceptions to this general principle. Such exceptions are regulated by the national law. For example, the national law may provide that, when a work is created by an author who is employed for the purpose of creating that work, then the employer, not the author, is the owner of the copyright in the work.

2.222 It is to be noted, however, that the "moral rights" always belong to the author of the work, whoever may be the owner of the copyright.

2.223 In many countries, copyright (with the exception of moral rights) may be assigned. This means that the owner of the copyright transfers it to another person or entity, who becomes the owner of the copyright.

2.224 In some other countries, an assignment of copyright is not legally possible. However, very nearly the same practical effect as the effect of assignment can be achieved by licensing. Licensing means that the owner of the copyright remains the owner but authorizes someone else to exercise all or some of his rights subject to possible limitations. When such authorization or license extends to the full period of copyright and when such authorization or license extends to all the rights (except, of course, the moral rights) protected by copyright, the licensee is, vis-à-vis third parties and for all practical purposes, in the same position as an owner of copyright.

### **Limitations on Copyright Protection**

#### **Temporal**

2.225 Copyright does not continue indefinitely. The law provides for a period of time, a duration, during which the rights of the copyright owner exist.

2.226 The period or duration of copyright begins with the creation of the work. The period or duration continues until some time after the death of the author. The purpose of this provision in the law is to enable the author's successors to have economic benefits after the author's death. It also safeguards the investments made in the production and dissemination of works.

2.227 In countries which are party to the Berne Convention, and in many other countries, the duration of copyright provided for by national law is the life of the author and not less than fifty years after the death of the author. In recent years, a tendency has emerged towards lengthening the term of protection.

#### **Geographic**

2.228 The second limitation or exception to be examined is a geographical limitation. The owner of the copyright in a work is protected by the law of a country against acts restricted by copyright which are done in that country. For protection against such acts done in another country, he must refer to the law of that other country. If both countries are members of one of the international conventions on copyright, the practical problems arising from this geographical limitation are very much eased.

#### **Permitted Use**

2.229 Certain acts normally restricted by copyright may, in circumstances specified in the law, be done without the authorization of the copyright owner. Some examples of such exceptions are described as "fair use." Such examples include reproduction of a work exclusively for the personal

and private use of the person who makes the reproduction; another example is the making of quotations from a protected work, provided that the source of the quotation, including the name of the author, is mentioned and that the extent of the quotation is compatible with fair practice.

#### Non-Material Works

2.230 In some countries, works are excluded from protection if they are not fixed in some material form. In some countries, the texts of laws and of decisions of courts and administrative bodies are excluded from copyright protection. It is to be noted that in some other countries such official texts are not excluded from copyright protection; the government is the owner of copyright in such works, and exercises those rights in accordance with the public interest.

#### Miscellaneous

2.231 In addition to exceptions based on the principle of “fair use” other exceptions are to be found in national laws and in the Berne Convention. For example, when the broadcasting of a work has been authorized, many national laws permit the broadcasting organization to make a temporary recording of the work for the purposes of broadcasting, even if no specific authorization of the act of recording has been given. The laws of some countries permit the broadcasting of protected works without authorization, provided that fair remuneration is paid to the owner of copyright. This system, under which a right to remuneration can be substituted for the exclusive right to authorize a particular act, is frequently called a system of “compulsory licenses.” Such licenses are called “compulsory” because they result from the operation of law and not from the exercise of the exclusive right of the copyright owner to authorize particular acts.

#### **Piracy and Infringement**

2.232 The rights of an owner of copyright are infringed when one of the acts requiring authorization of the owner is done by someone else without his consent. The unauthorized copying of copyright materials for commercial purposes and the unauthorized commercial dealing in copied materials is known as “piracy.”

#### Incidence of Piracy

2.233 An essential part of piracy is that the unauthorized activity is carried on for commercial gain. This element of commercial gain implies that piracy will often be carried out on an organized basis, since not only is the unauthorized reproduction of a work involved, but also the subsequent sale or distribution of the illegally reproduced work, which will require some form of organized distribution network or contact with potential purchasers. To the consumer, often only the end of the chain of such a distribution network will be visible in the form of one sales outlet selling a pirated product. It is important to bear in mind, however, particularly when addressing the question of the means of dealing effectively with piracy, that behind one such outlet will often lie a systematically organized illicit enterprise, which illegally reproduces a copyrighted work and distributes it to the public via a number of such sales outlets.

2.234 While piracy is not a recent phenomenon, two developments have occurred which have caused it to assume alarming proportions, and to threaten the basis of the copyright system.

2.235 The first has been the advances in the means by which intellectual works may be communicated. The medium of the printed word has been supplemented progressively by media for communicating audio and visual recordings in the form of phonograms, music cassettes, films and videograms. Similarly, widespread commercialization of the computer has added a further means of recording and communicating information. Most recently, the advent of digital technology has had a tremendous impact on the creation, dissemination and use of works.

2.236 The copyright system has responded to these developments by progressively enlarging the subjects over which the creators of intellectual works are granted rights. These advances, however, have increased the scope for pirates to interfere in the control which an author exercises over the dissemination and use of his works by the public.

2.237 Simultaneously with the advances in the means of communicating intellectual works have been significant advances in the means of reproducing tangible records of those works. Foremost amongst the latter developments have been:

- the development of the offset technique of printing and of duplicating and photocopying

machines;

- the invention of the magnetic tape, the advent of the compact disc, and the development of higher quality and cheaper cassette recorders which enable not only the playing of pre-recorded cassettes, but also the recording of music from live performances, radio or gramophone records; and

- the invention of the video recorder, which has extensively enlarged the means by which films and other, principally visual, works may be received.

2.238 One consequence of these advances is the difference in cost between, on the one hand, the making of the original recording by an author and his business partners and, on the other hand, the reproduction of such a recording by others. In the case of a film, a producer must, through his own and his partners investment, finance the script writer and any other literary author involved, the musical composer, the actors, the support cast, the cost of location and site facilities, and the use of sophisticated visual and sound recording equipment. Once a tangible record has been made of the film, however, particularly if the record is contained in a videogram recording, further records of the work can be reproduced with considerable ease and at little cost. Thus, advances in recording technology have produced the means whereby pirates can easily produce illegal versions of the original work. Since the pirate has not made, and therefore does not need to recover the cost of, any investment in the production of the original work, the pirated copies are usually sold at reduced prices, thereby undermining the original author's, performer's, investor's and distributor's possibility of obtaining a just moral and economic reward for their work and investment.

Effects of Piracy on Consumers, on Creators and their Promoters, and on Governmental Authorities

2.239 While consumers may sometimes see short-term benefits in the availability of cheaper works as a result of piracy, the quality of reproductions made by pirates is often very inferior. Consumers are also disadvantaged in the long term by piracy as a result of the absence of remuneration given to authors and performers by pirates, and of the misappropriation of the economic returns to publishers and producers. This diversion of economic rewards from authors and their business partners to pirates removes the incentive to the investment of time, effort, skill and resources in the creation of new works.

2.240 Since piracy is a clandestine activity, the profits derived by pirates are not subject to tax collection. Amongst the adverse consequences of this diminution in governmental revenue may be a reduction in the amount of government sponsorship available for the arts, as the level of such sponsorship may in part be determined by reference to the contribution which is made to the government budget by taxation derived from the distribution or sale of works subject to copyright protection.

2.241 Piracy can be seen to have detrimental effects, therefore, on each of the elements that make up the copyright system. In consequence, piracy threatens to stultify the evolution and development of national cultural identity which the copyright system is designed to promote.

## **Remedies**

### Introduction

2.242 Remedies for infringement of copyright or for violation of related rights consist of civil redress, as where infringers are obliged by court to cease the infringement and to undertake reparatory action by any appropriate means, for example, rectification in the press or liability for damages. Some laws also provide for penal remedies in the form of fines and/or imprisonment. Infringing copies, receipts resulting from infringement and any implement used for the same are usually subject to seizure.

2.243 The main remedies which are available to a copyright owner in respect of infringement in common-law jurisdictions are an injunction to restrain the continuation of the infringement, and damages to compensate the copyright owner for the depreciation caused by the infringement to the value of his copyright. In the context of piracy, because it is often carried out as an organized activity, the effectiveness of these remedies may be jeopardized for a number of reasons.

2.244 In the first place, the organizer of the making and distribution of illegal reproductions may be using a large number of sales outlets of an impermanent nature. The copyright owner may be



confronted with a situation in which it is possible to locate only a small proportion of these outlets, without being able to prove any linkage between the outlets, or any common source of supply for the outlets. Furthermore, the service of a writ commencing an action for infringement, by giving notice to the pirate or to those distributing the works which he has illegally reproduced, may precipitate the destruction of vital evidence required to indicate the source of supply and the extent of sales which have taken place. In addition, since piracy often involves an international dimension, there is a risk that the financial resources and other assets of a pirate may be removed from the jurisdiction in which legal proceedings are commenced against him, thereby depriving the copyright owner of the possibility of recovering damages.

2.245 These difficulties have accentuated the need for preliminary remedies which may be obtained speedily, which will assist in the collection of evidence against a pirate, and which will prevent the destruction of evidence and the removal of financial resources against which damages may be claimed. In many common-law jurisdictions a number of developments have occurred in recent years in response to this need.

#### Anton Piller Orders

2.246 Foremost among the new developments which have occurred in preliminary remedies has been the so-called Anton Piller order. The Anton Piller order, named after the case in which the English Court of Appeal sanctioned its use (*Anton Piller K.G. v Manufacturing Processes Ltd.* [1976] RPC 719), is an order granted by the court permitting the inspection of premises on which it is believed some activity is being carried on which infringes the copyright of the plaintiff. The order has a number of features which make it a particularly appropriate remedy in the context of piracy:

- First, the order will be granted *ex parte*, that is, on the application and in the presence alone of the copyright owner, without prior warning being given to the defendant. The essence of the order is thus that it takes the defendant by surprise, and precludes the defendant from destroying or removing vital evidence.

- Secondly, the terms on which the order is granted enable the copyright owner to inspect the premises of the defendant, and all documents (including business information, such as bills, invoices, sources of supply and customer lists) relating to the alleged infringement. By virtue of these terms, the copyright owner is given the means whereby he may be able to establish the source of supply of pirated works, and the extent of sales which have taken place, which will assist in turn in establishing the amount of damages to which he may be entitled.

- Thirdly, the order for inspection will often be accompanied by an injunction restraining the defendant from altering or removing in any way articles or documents referred to in the order for inspection.

2.247 The Anton Piller order can undoubtedly constitute an important weapon in the armory against piracy. Since it is granted on an *ex parte* basis, however, care needs to be exercised to ensure that the rights of persons against whom it is granted, and whose actions have not yet been judged, are adequately protected. Two safeguards, in particular, which have been required by courts in jurisdictions where it is available, should be noted. First, it will only be granted where it is essential that the plaintiff should have inspection so that justice can be done between the parties. In order to meet this criterion, usually a copyright owner will have to prove that there is clear evidence that the defendants have in their possession incriminating documents or material; that the circumstances are such that there is a real possibility or grave danger that the incriminating materials will be destroyed or hidden if the defendant is forewarned; and that the potential or actual damage to the plaintiff as a result of the defendant's alleged wrongdoings is very serious.

2.248 The second safeguard which is often required is proper respect for the defendant's rights in the execution of the order. In this respect, it may be required that, in executing the order, a copyright owner be attended by his lawyer, give the defendant adequate opportunity of considering the order, and not force entry into the defendant's premises against his will. Of course, if a defendant were to refuse entry into his premises, this would cause extremely adverse inferences to be drawn against him at the subsequent trial.

2.249 In relation to Anton Piller orders, it may finally be noted that the effectiveness of the orders was brought into question in one case when a defendant, pleading the privilege against self-incrimination, successfully applied to discharge orders on the ground that they would expose him to a real risk of prosecution for a criminal offense (Rank Film Distributors Ltd. v Video Information Center [1981] 2 All E.R. 76). In order to overcome the effects of this decision, it may be necessary to pass legislation revoking the privilege against self-incrimination as a basis for refusing to comply with an Anton Piller order, as was done in the Supreme Court Act of 1981 in the United Kingdom.

#### Discovery Against Third Parties

2.250 In certain common-law jurisdictions it has been decided that an innocent third party, who becomes caught up in the wrongdoings of another, is liable to furnish a plaintiff with evidence in his possession relevant to the prosecution of an action by the plaintiff against the wrongdoer. This decision arose in the English case of Norwich Pharmacal Co. v. Commissioners of Customs and Excise ([1972] RPC 743, [1974] AC 133) where the plaintiffs, the proprietors of a patent covering a chemical compound, discovered that various persons were importing the compound into the country in contravention of their patent, but were unable to establish the identity of these persons. This information was in the possession of the Commissioners of Customs and Excise, since the importers were required under the customs regulations to fill in a form of entry specifying the name of the importer and a description of the goods. The customs authorities refused to disclose the identity of the importers on the ground that the information had been given to them in confidence. Nevertheless, it was decided that an innocent third party, such as the customs authorities, who inadvertently becomes involved in the wrongdoing of another, will be liable to furnish information concerning the wrongdoer to a plaintiff. While this case was concerned with patents, it also has an application to copyright and could be of particular use to copyright owners who are unable to establish the identity of persons importing pirated works into a country.

2.251 A related but more effective procedure is to be found in Section 53 of the Indian Copyright Act 1957. This provision enables the Registrar of Copyrights to order that copies made out of India of a work which, if made in India, would infringe copyright, shall not be imported. The section also authorizes the Registrar to enter any ship, dock or premises for the purpose of examining allegedly infringing works. The use of the section in a case involving the transportation of pirated audio cassettes over Indian territory was approved by the Indian Supreme Court in Gramophone Company of India Ltd. v. Panday ([1984] 2 SCC 534).

#### Interlocutory Injunctions

2.252 In order to minimize the damage being inflicted by piracy, it will be important for a copyright owner to take swift action in seeking to prevent its continuation. For as long as piracy continues, he will be deprived of a portion of his potential market, and thus of the capacity to recover the economic reward for his creativity or investment. The aim of the interlocutory injunction is to meet this need by granting speedy and temporary relief during the period before a full trial of an infringement action takes place, thus preventing irreparable damage from occurring to the plaintiff's rights.

2.253 One of the difficulties which has been experienced with interlocutory proceedings is that they have tended to become themselves lengthy inquiries involving rather full consideration of the facts of the case, with the result that their effectiveness as a means of obtaining temporary relief is prejudiced. In many common-law jurisdictions, this has caused a reassessment of the principles on which interlocutory relief is granted and, in particular, of the standard of proof which a plaintiff is required to establish in order to obtain interlocutory relief.

2.254 Previously, a plaintiff was required to establish a *prima facie* case that his copyright was being infringed, that is, to establish on the balance of probabilities that his case for infringement could be defended. In order to overcome the delays and the lengthy proceedings which this standard of proof involved, many jurisdictions have now required that a plaintiff establish only that there is a "serious question" to be tried. In other words, the merits of the legal issues involved in the case need only be considered at the interlocutory stage to the point where the court is satisfied

that the plaintiff's claim for infringement is not frivolous. Thereafter, the decision as to whether an injunction should be granted is taken on the basis of the factual circumstances of the case, and whether, in particular, each party could be adequately compensated in damages for the temporary impairment of his right were he to be unsuccessful at the interlocutory stage, and later prove to be successful at the trial.

2.255 The adoption of this approach to interlocutory proceedings assists in avoiding excessive delays in obtaining relief during the period which is most important for the copyright owner, namely, the period immediately following the initial publication and marketing of his work.

#### Final Remedies

2.256 The two usual remedies which are available for copyright owners in common-law jurisdictions following the final trial of an infringement action are a perpetual injunction and damages. The perpetual injunction is granted in order to prevent any further repetition of the infringing action. In order to make the injunction effective, it is often coupled with an order for the delivery by the infringer of all infringing copies of the copyright work, which are then subject to destruction so as to ensure that they cannot be re-used or sold.

2.257 The object of an award of damages to a copyright owner is to restore the copyright owner to the position he would have been in had his copyright not been infringed. A difficulty often encountered in obtaining a satisfactory judgment in damages is the production of evidence as to the extent of sales which have taken place and thus as to the extent of damage which has been caused to the plaintiff's copyright. It is for this reason that the recent developments in preliminary remedies, such as the Anton Piller order, which are aimed at enabling a plaintiff to acquire evidence of infringement, are particularly important.

2.258 Of particular relevance to piracy, is the provision in some jurisdictions for additional damages in the case of a flagrant infringement of copyright. Before an award of additional damages can be made in such jurisdictions, however, it is necessary to establish that the infringer's conduct has been deliberate and calculated, and that he has obtained a pecuniary advantage in excess of the damages that he would otherwise have to pay.

### **Intellectual Property and Traditional Cultural Expressions**

#### Introduction

2.259 The cultural heritage of a community or nation lies at the heart of its identity and links its past with its present and future. Cultural heritage is also "living" – it is constantly recreated as traditional artists and practitioners bring fresh perspectives and experiences to their work.

2.260 So, while it may be considered that tradition is only about imitation and reproduction, it is also about innovation and creation within the traditional framework. Tradition can be an important source of creativity and innovation for indigenous, local and other cultural communities. The mere re-creation and replication of past traditions is not necessarily the best way of preserving identity and improving the economic situation of indigenous, local and other cultural communities.

Handicrafts, for instance, exemplify the ability of many tradition-bearing communities to combine tradition with the influences and cultural exchanges characteristic of modernity for the purpose of maintaining their identity and improving their social and economic circumstances.

2.261 Cultural heritage is also a source of inspiration and creativity for parties outside the traditional or customary context, such as the entertainment, fashion, publishing, design and other cultural industries. Many businesses today, small, medium and large, create wealth using the forms and materials of traditional cultures – local cooperatives that produce and market handmade crafts, industrial textile manufacturers that employ traditional designs, producers of audio recordings of traditional music, pharmaceutical manufacturers who use indigenous knowledge of healing plants, promoters of tourism, and entertainment conglomerates that employ various forms of traditional representations for motion pictures, amusement theme parks and children's toys.

2.262 The relationship between tradition, modernity and the marketplace may not, however, always be a happy one. Indigenous and traditional communities express concerns that the distinct and diverse qualities of the world's multiple cultural communities are threatened in the face of uniformity brought on by new technologies and the globalization of culture and commerce.

2.263 It is also argued by some that expressions of traditional cultures and traditional forms of creativity and innovation are not adequately protected by or in relation to existing intellectual property laws. In particular, Indigenous and traditional communities refer *inter alia* to the:

- unauthorized adaptation, reproduction and subsequent commercialization of traditional cultural expressions, with no sharing of economic benefits;
- use of traditional cultural expressions in ways that are insulting, degrading and/or culturally offensive;
- appropriation of the reputation or distinctive character of traditional cultural expressions in ways that evoke an authentic traditional product, by use of misleading or false indications as to authenticity or origin, or adoption of their methods of manufacture and “style”; and,
- failure to acknowledge the source of a tradition-based creation or innovation.

2.264 It can be seen from these examples that the protection of expressions of traditional cultures may refer to protection of:

- the expressions themselves; and/or,
- the reputation or distinctive character associated with them; and/or,
- their method of manufacture (in the case of a handicraft, for example).

2.265 All branches and forms of intellectual property are therefore relevant, whether copyright, related rights, trademarks, industrial designs, patents or unfair competition, for the protection of traditional cultural expressions. This section will, however, focus more on copyright and related rights, although other intellectual property rights will also be briefly referred to where relevant.

2.266 The protection of traditional cultural expressions is complex and raises fundamental policy and legal questions. To whom, if anyone, does a nation’s cultural heritage “belong” – by whom and in which circumstances may it be used as a source of creativity (the results of which, such as a new musical work or design, may be protected by intellectual property rights)? What is the relationship between intellectual property “protection” and “preservation”/“safeguarding” in the cultural heritage sense? Which intellectual property policies best serve cultural diversity and cultural pluralism, a particular challenge for societies with both Indigenous and immigrant communities? How best can the needs and expectations of Indigenous and traditional communities be met? And, which intellectual property policies and mechanisms best foster creativity, including tradition-based creativity, as a component of sustainable development? This last question is perhaps the key – how best can intellectual property be used as a tool for tradition-based creation and innovation and, therefore, economic development?

2.267 This section will explore these questions in greater detail with reference to:

- a working description of “traditional cultural expressions”;
- previous and current activities of the World Intellectual Property Organization;
- the intellectual property-related needs and strategies of Indigenous peoples and local communities;
- trends and experiences in the protection of traditional cultural expressions;
- conceptual and policy questions, and,
- possible future directions of WIPO’s work in this area.

Describing “traditional cultural expressions”

2.268 The meaning and scope of terms such as “traditional cultural expressions,” otherwise known as “expressions of folklore,” “indigenous culture and intellectual property” and “intangible and tangible cultural heritage” (which is perhaps the most comprehensive term) have been discussed at local, national and international levels. They potentially cover an enormous variety of customs, traditions, forms of artistic expression, knowledge, beliefs, products, processes of production and spaces that originate in many communities throughout the world. There are no widely-accepted definitions of these terms, since what is considered “cultural heritage” or “traditional cultural expressions” depends upon the context and the purpose for which the definition is developed.

2.269 The terms “traditional cultural expressions” and “expressions of folklore” are used synonymously in international policy discussions concerning this area of intellectual property.

“Traditional cultural expressions” (or TCEs) is used as a neutral working term in this section because some communities have expressed reservations about the negative connotations of the word “folklore.” TCEs/expressions of folklore may often be associated with traditional knowledge and know-how of a technical nature (such as ecological or medical knowledge), but traditional knowledge in this narrower sense is conceptually separate and its protection raises distinct policy questions. The present chapter does not directly address the protection of technical traditional knowledge.

#### *Tangible and Intangible Expressions of Culture*

2.270 “Expressions of” traditional culture (or “expressions of” folklore) may be either intangible, tangible or, most usually, a combination of the two. Examples from North America of TCEs that combine tangible and intangible elements include African-American quilts depicting Bible stories in appliquéd designs, the practice of “mumming” in Newfoundland during the Christmas season when villagers act out elaborate charades, play music, eat, drink, dance and make disguising costumes, and the Mardi Gras “Indians” of New Orleans who exhibit a true example of tangible (costumes, instruments, floats) and intangible (music, song, dance, chant) elements of folklore that cannot be separated.

#### *Use of the Term “Traditional”*

2.271 Culture is in a permanent process of production; it is cumulative and innovative, as noted above. Thus, the term “traditional” does not mean “old” but rather that the cultural expressions derive from or are based upon tradition, identify or are associated with an indigenous or traditional people and may be made or practised in traditional ways.

2.272 This is relevant from an intellectual property perspective because, unlike the pre-existing, underlying traditional culture of a community (which may be referred to as traditional culture or folklore *stricto sensu*), literary and artistic productions created by current generations of society and based upon or derived from pre-existing traditional culture or folklore are more easily protected as intellectual property.

2.273 Pre-existing traditional culture is generally trans-generational (that is, old), collectively “owned” by one or more groups or communities and is likely to be of anonymous origin, to the extent that the notion of authorship is relevant at all. Pre-existing traditional culture as such and particular expressions thereof are generally not protected by current copyright laws and are treated, from the perspective of the intellectual property system, as part of the “public domain.” This is the approach followed in the national laws of States such as Australia, Belgium, Canada, Colombia, the Czech Republic, Honduras, Italy, the Netherlands, Japan, Kyrgyzstan, the Republic of Korea, the Russian Federation and Viet Nam.

2.274 On the other hand, a contemporary literary and artistic production based upon, derived from or inspired by traditional culture that incorporates new elements or expression is a “new” work in respect of which there is generally a living and identifiable creator or creators. Such a contemporary production may include a new interpretation, arrangement, adaptation or collection of pre-existing cultural heritage and expressions in the public domain, or even their “re-packaging” in the form of digital enhancement, colorization and the like. Contemporary, tradition-based expressions and representations of traditional cultures are generally protected by existing copyright for which they are sufficiently “original.” The law makes no distinction based on “authenticity” or the identity of the author – that is, the originality requirement of copyright could be met by an author who is not a member of the relevant cultural community in which the tradition originated.

2.275 Several national copyright laws, such as those of Hungary and Tunisia, recognize this distinction and explicitly provide copyright protection for folklore-based literary and artistic works. The Tunis Model Law of 1976 similarly protects, as original copyright works, derivative works which include “works derived from national folklore,” whereas folklore itself, described as “works of national folklore,” is accorded a *sui generis* (meaning “special” or “of its own kind”) type of copyright protection. This distinction is also implicit in the 1982 Model Provisions (see below).

#### *A Working Description of Traditional Cultural Expressions*

2.276 Cultural expressions include music, musical instruments, stories, art, handicrafts, words,

names and insignia, performances, textile, carpet and jewelry designs and forms of architecture, to name only a few examples. The description of “expressions of folklore” in the Model Provisions of 1982 is a useful starting point for the following:

““traditional cultural expressions’ means productions consisting of characteristic elements of the traditional artistic heritage developed and maintained by a community of [name of country] or by individuals reflecting the traditional artistic expectations of such a community, in particular:

- (a) verbal expressions, such as folk tales, folk poetry and riddles, signs, symbols and indications;
- (b) musical expressions, such as folk songs and instrumental music;
- (c) expressions by actions, such as folk dances, plays and artistic forms or rituals; whether or not reduced to a material form; and
- (d) tangible expressions, such as:
  - (i) productions of folk art, in particular, drawings, paintings, carvings, sculptures, pottery, terracotta, mosaic, woodwork, metalware, jewelry, basket weaving, needlework, textiles, carpets, costumes;
  - (ii) crafts;
  - (iii) musical instruments;
  - (iv) architectural forms.”

#### Previous and Current Activities of WIPO

2.277 Previous activities of WIPO in the field of intellectual property and TCEs, several of which were undertaken in cooperation with the United Nations Educational, Scientific and Cultural Organization (Unesco), have over a period of more than 30 years identified and sought to address legal, conceptual, operational and administrative needs and issues.

#### *Provision of International Protection for “unpublished works” in the Berne Convention*

2.278 The 1967 Stockholm Diplomatic Conference for Revision of the Berne Convention for the Protection of Literary and Artistic Works made an attempt to introduce copyright protection for folklore at the international level. As a result, Article 15(4) of the Stockholm (1967) and Paris (1971) Acts of the Berne Convention contains the following provision:

“(4)(a) In the case of unpublished works where the identity of the author is unknown, but where there is every ground to presume that he is a national of a country of the Union, it shall be a matter for legislation in that country to designate the competent authority which shall represent the author and shall be entitled to protect and enforce his rights in the countries of the Union.

(b) Countries of the Union which make such designation under the terms of this provision shall notify the Director General [of WIPO] by means of a written declaration giving full information concerning the authority thus designated. The Director General shall at once communicate this declaration to all other countries of the Union.”

2.279 This Article, according to the intentions of the revision Conference, implies the possibility of granting protection for TCEs. Its inclusion in the Berne Convention responds to calls made at that time for specific international protection of TCEs. Only one country, India, has made the designation referred to.

#### *The Tunis Model Law on Copyright for Developing Countries*

2.280 To cater for the specific needs of developing countries and to facilitate the access of those countries to foreign works protected by copyright while ensuring appropriate international protection of their own works, the Berne Convention was revised in 1971. It was deemed appropriate to provide States with a text of a model law to assist States in conforming to the Convention’s rules in their national laws.

2.281 Thus, in 1976, the Tunis Model Law on Copyright for Developing Countries was adopted by the Committee of Governmental Experts convened by the Tunisian Government in Tunis, with the assistance of WIPO and Unesco. The Tunis Model Law provides specific protection for works of national folklore. Such works need not be fixed in material form in order to receive protection,

which is without limitation in time.

#### *The Model Provisions*

2.282 Model Provisions for National Laws on the Protection of Expressions of Folklore Against Illicit Exploitation and Other Prejudicial Actions were adopted in 1982 under the auspices of WIPO and Unesco, in a Committee of Governmental Experts.

2.283 It had been agreed beforehand by a Working Group convened by WIPO and Unesco that adequate legal protection of folklore was desirable and could be promoted at the national level by model provisions for legislation. Such model provisions were to be elaborated so as to be applicable both in countries where no relevant legislation was in force and in those where existing legislation could be further developed. They were also to allow for protection by means of copyright and neighboring rights where possible. These provisions for national laws were to pave the way for subregional, regional and international protection of creations of folklore.

2.284 The Model Provisions were drafted in response to concerns that expressions of folklore were susceptible to various forms of illicit exploitation and prejudicial actions. More specifically, as stated in the Preamble to the Model Provisions, the Expert Committee believed that the dissemination of folklore might lead to improper exploitation of the cultural heritage of a nation, that any abuse of a commercial or other nature or any distortion of expressions of folklore was prejudicial to the cultural and economic interests of a nation, that expressions of folklore constituting manifestations of intellectual creativity deserved to be protected in a manner inspired by the protection provided for intellectual productions, and that the protection of folklore had become indispensable as a means of promoting its further development, maintenance and dissemination.

2.285 Several countries have used the Model Provisions as a basis for national legal regimes for the protection of folklore. However, some have expressed the need for their improvement and updating.

#### *Attempts to Establish an International Treaty*

2.286 A number of participants stressed, at the meeting which adopted the Model Provisions, that international measures would be indispensable for extending the protection of expressions of folklore of a given country beyond the borders of the country concerned. WIPO and Unesco acted accordingly when they jointly convened a Group of Experts on the International Protection of Expressions of Folklore by Intellectual Property, which met in December 1984. While there was a general recognition of the need for international protection of expressions of folklore, the great majority of the participants considered it premature to establish an international treaty in view of insufficient national experience, particularly in the implementation of the Model Provisions. Two main problems were identified by the Group of Experts: these were the lack of appropriate sources for the identification of the expressions of folklore to be protected, and the lack of workable mechanisms for settling the questions of expressions of folklore that can be found not only in one country, but in several countries of a region. The Executive Committee of the Berne Convention and the Intergovernmental Committee of the Universal Copyright Convention, at their joint sessions in Paris in June 1985, agreed with the Group's findings, considering that only a recommendation, rather than an international treaty, would be realistic at that stage.

#### *The Adoption of the WIPO Performances and Phonograms Treaty (the WPPT)*

2.287 The WIPO Performances and Phonograms Treaty (the WPPT), which was adopted in December 1996 and came into force on May 20, 2002 (see below, Chapter 5), provides that the definition of "performer" for the purposes of the Treaty includes the performer of an expression of folklore. This addressed a problem in respect of the key notion of "performers" (and the notion of "performances" following indirectly from the notion of "performers") as determined in the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 (the Rome Convention). Under Article 3(a) of the Rome Convention, "'performers' means actors, singers, musicians, dancers, and other persons who act, sing, deliver, declaim, play in, or otherwise *perform literary or artistic works*" (emphasis added). Since expressions of folklore do not correspond to the concept of literary and artistic works proper, the WPPT has widened the definition.

2.288 In the Diplomatic Conference at which the WPPT, as well as the WIPO Copyright Treaty (the WCT) were adopted in December 1996, the WIPO Committee of Experts on a Possible Protocol to the Berne Convention and the Committee of Experts on a Possible Instrument for the Protection of the Rights of Performers and Producers of Phonograms recommended that “provision should be made for the organization of an international forum in order to explore issues concerning the preservation and protection of expressions of folklore, intellectual property aspects of folklore, and the harmonization of the different regional interests.”

*WIPO-Unesco World Forum on the Protection of Folklore*

2.289 Pursuant to the recommendation made during the 1996 Diplomatic Conference, the WIPOUnesco World Forum on the Protection of Folklore was held in Phuket, Thailand, in April 1997. The Forum adopted a “Plan of Action” which identified *inter alia* certain needs and issues: these were the need for a new international standard for the legal protection of folklore, and the importance of striking a balance between the community owning the folklore and the users of expressions of folklore.

2.290 The Plan of Action also suggested that “regional consultative fora should take place...” in order to make progress towards addressing these needs and issues.

*WIPO Fact-finding Missions*

2.291 During 1998 and 1999, WIPO conducted fact-finding missions (“FFMs”) in 28 countries to identify the needs and expectations of traditional knowledge holders relating to intellectual property. Indigenous and local communities, non-governmental organizations, governmental representatives, academics, researchers and private sector representatives were among the groups of persons consulted on these missions. For the purpose of these missions, “traditional knowledge” included TCEs as a specific form. Much of the information obtained related either directly or indirectly to TCEs.

2.292 The results of the missions have been published by WIPO in a report entitled “Intellectual Property Needs and Expectations of Traditional Knowledge Holders: WIPO Report on Fact-finding Missions (1998-1999)” (the “FFM Report”).

*WIPO-Unesco Regional Consultations on the Protection of Expressions of Folklore*

2.293 Pursuant to the suggestion included in the Plan of Action adopted at the WIPO-Unesco World Forum on the Protection of Folklore, 1997, WIPO and Unesco organized four Regional Consultations on the Protection of Expressions of Folklore in 1999. Each of the regional consultations adopted resolutions or recommendations which identify intellectual property needs and issues, as well as proposals for future work, related to expressions of folklore. Three of the four regional consultations recommended the establishment within WIPO of a separate committee on folklore and traditional knowledge to facilitate future work in these areas.

*The WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore*

2.294 Accordingly, and following certain other developments in the area of genetic resources, in late 2000, the Member States of WIPO established an Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore.

2.295 The Committee is making significant progress in articulating in intellectual property terms the needs and expectations of Indigenous peoples and traditional communities in relation to their TCEs, marking out a conceptual framework within which to view those needs and expectations, and methodically developing policy options and practical tools in response to them.

2.296 The Committee has considered detailed Secretariat analysis of the use of existing intellectual property and *sui generis* approaches for the legal protection of TCEs. This analysis was based on the national experiences of 64 Member States, surveyed through a questionnaire issued by WIPO in 2001, and presentations made during Committee sessions, and a set of case studies. One of these, entitled “Minding Culture – Case Studies on Intellectual Property and Traditional Cultural Expressions,” comprises practical studies of actual cases in which Indigenous Australians have sought to use intellectual property to protect their TCEs. In addition, WIPO has also published a study of practical experiences in India, Indonesia, and the Philippines. The Committee has



received detailed briefings by New Zealand, Nigeria, Panama, the Russian Federation, Tunisia, the United States of America and the Secretariat of the Pacific Community on their recent legislative experiences with the legal protection of TCEs.

#### Intellectual Property Needs and Expectations of Indigenous and Traditional Communities

2.297 In the course of the extensive fact-finding and consultations undertaken by WIPO, Indigenous peoples and traditional communities have expressed various needs related to intellectual property, such as:

- intellectual property protection to support economic development: some communities wish to claim and exercise intellectual property in their tradition-based creations and innovations to enable them to exploit their creations and innovations commercially as a contribution to their economic development;
- intellectual property protection to prevent unwanted use by others: some communities may wish to claim intellectual property in order to be able to actively exercise intellectual property rights that prevent the use and commercialization of their cultural heritage and TCEs by others, including culturally offensive or demeaning use; uses which may need to be prevented could include, for example, uses that falsely suggest a connection with a community, derogatory, libellous, defamatory or fallacious uses, and uses of sacred and secret TCEs;
- prevention of others acquiring intellectual property rights over TCEs: communities are also concerned to prevent others from gaining or maintaining intellectual property over derivations and adaptations of TCEs and representations, which entails the use of defensive mechanisms to block or pre-empt third parties' intellectual property rights that are considered prejudicial to the community's interests, and to the integrity of their cultural heritage and cultural expressions.

This latter kind of strategy is distinct from positive intellectual property protection, in which a community actively obtains and exercises intellectual property rights (the two first cases given above). Both defensive and positive protection strategies may be used in parallel by the one community, depending on their assessment of their overall objectives and interests. Specific defensive protection mechanisms may also be built into national or regional intellectual property laws: for instance, specific measures to prevent the acquisition of trademark rights over Indigenous or traditional symbols have been already adopted by New Zealand, the United States of America and the Andean Community.

2.298 The work of the WIPO Intergovernmental Committee has highlighted the need to clarify and articulate the distinct notions of “intellectual property protection” and “preservation/safeguarding” when applied to cultural heritage. The term “protection” is widely used, but this can mask a wide range of potential objectives. It is important to be clear to what extent and in which cases intellectual property protection is relevant to meeting the needs of Indigenous and traditional communities, as some of them are perhaps more concerned with preservation and safeguarding than intellectual property protection. Unfair competition law and marketing, labelling and other consumer protection laws may be particularly relevant and valuable, especially since concerns about commercial misuse of TCEs often arise from the perception that they are being used to create a misleading impression that a product is “authentic” or produced or endorsed by a traditional community.

2.299 Generally speaking, one single form of protection for TCEs is unlikely to meet all the needs of a traditional community: it may need to use a range of positive and defensive legal tools to achieve its chosen objectives in protecting and preserving its traditional culture.

#### **Trends and Experiences in the Protection of TCEs**

2.300 Several States already provide specific legal protection for TCEs as intellectual property in their national laws or regulations, largely within their national copyright legislation, although the modalities of protection may differ.

2.301 In some cases, TCEs are simply referred to as a form of copyright work, and most of the

usual rules of copyright apply to them. Examples of these countries would include Barbados, Côte d'Ivoire, Indonesia and the Islamic Republic of Iran. Another group of States have included within their copyright legislation provisions specifically designed for expressions of folklore. Examples would include Burkina Faso, Ghana, Kenya, Mexico, Mozambique, Namibia, Nigeria, Senegal, Sri Lanka, Togo, the United Republic of Tanzania, and Viet Nam. In most of these cases, the provisions are based upon the Tunis Model Law of 1976 or the 1982 Model Provisions.

2.302 A third category comprises States that provide protection for expressions of folklore in distinct *sui generis* legislation, such as Panama and the Philippines. Panama's Law of 2000 provides perpetual and collective protection of the intellectual property type, based upon a registration requirement, for the handicrafts and other creations of its Indigenous peoples. The Bangui Agreement of the African Intellectual Property Organization (OAPI), as revised in 1999, establishes *sui generis* protection for TCEs. More recently, the Secretariat of the Pacific Community has developed a *sui generis* model law for the Pacific Island countries.

2.303 However, when it comes to implementation, even in those countries which provide specific legal protection for TCEs, it appears from the results of the WIPO questionnaire that there are few countries in which such provisions are actively utilized or effective in practice. There appears to be little practical experience with the implementation of existing systems and measures which countries have established in law. States have cited a variety of legal, conceptual, infrastructural and other operational difficulties they experience in implementing workable and effective legislative provisions at the national level. States have requested enhanced legal-technical cooperation in this respect. Some have argued that it is necessary to provide States and regional organizations with updated and improved guidelines or model provisions for national laws, taking into account the 1982 Model Provisions as a starting point.

2.304 Many States argue, however, that existing and conventional intellectual property systems are adequate for the protection of TCEs, if their full potential is explored, and that no special systems are needed. There are many examples of traditional communities successfully protecting songs, graphic works and other literary and artistic works through copyright and performers' rights, for example. The current balance of interests in the intellectual property system means that members of cultural communities as well as others are free to create and innovate on the basis of their cultural traditions, and acquire and benefit from any intellectual property that may subsist in the creations and innovations. This contributes to their economic development, as well as meeting certain objectives of cultural heritage and cultural exchange policies. Intellectual property protection provides incentives for the creation and dissemination of new intellectual creations, including tradition-based creations. Indeed, as mentioned earlier, current copyright law appears able to protect contemporary tradition-based forms of creativity, at least those that are fixed in jurisdictions requiring fixation. On the other hand, pre-existing cultural heritage remains, from a strictly intellectual property perspective, in the "public domain."

2.305 For example, the Australian case *Milpurrurru v Indofurn Pty Ltd (1995) 30 IPR 209* involved the importation into Australia of carpets manufactured in Viet Nam which reproduced (without permission) either all or parts of well-known works, based on creation stories, created by Indigenous artists. The artists successfully claimed infringement of copyright as well as unfair trade practices, for the labels attached to the carpets claimed that the carpets had been designed by Aboriginal artists and that royalties were paid to the artists on every carpet sold. In awarding damages to the plaintiffs, the judgement recognized the concept of "cultural harm" and awarded collective damages to all the artists to distribute according to their cultural practices.

2.306 Apart from copyright and related rights, other forms of intellectual property are relevant too, such as trademarks, geographical indications and unfair competition. For example, Australia, Canada, New Zealand and Portugal have provided examples of the use of trademarks, particularly certification marks, to ensure the authenticity and quality of Indigenous arts and crafts. In Kazakhstan, the external appearance of national outer clothes, head-dresses, carpets, decorations of saddles, national dwellings and their structural elements, as well as women's apparel accessories,

like bracelets, national children's cots, crib-cradles and table wares, are protected as industrial designs. The designations containing elements of Kazakh ornament are registered and protected as trademarks. In China, a traditional craftsman has received industrial design protection for his tradition-based silver tea-sets.

2.307 Some of these States consider that some adaptations to existing rights and/or some specific measures within the intellectual property system may be necessary and desirable to meet particular needs – for instance, copyright protection for collective works or works that have not been fixed (for example, works that have been passed on only in oral form) and special remedies for copyright infringement that is also culturally offensive. In the trademark area, as noted above, the United States of America has, for example, established a database that may be searched and thus prevent the registration of a mark confusingly similar to an official insignia of a Federally and state-recognized Native American tribe. In New Zealand a recent amendment to the Trade Marks Act allows the Commissioner of Trade Marks to refuse to register a trademark where its use or registration would be likely to offend a significant section of the community, including Maori.

2.308 WIPO's fact-finding, other consultations and the 2001 questionnaire also evidenced a strong demand from among many countries for the effective international protection of TCEs. Similar calls have been made within the context of the WIPO Intergovernmental Committee, and it may be that eventually, on the basis of successful national and regional experiences and a consolidation of approaches, it will be possible to develop a suitable framework for international protection.

### **Conceptual and Policy Questions**

2.309 National and regional experiences appear to reflect two broad approaches to the protection of TCEs: on the one hand, existing and conventional intellectual property systems are adequate because they protect contemporary, tradition-based cultural expressions, and no intellectual property-type property rights over the "public domain" are warranted or necessary. Some adaptations or enhancements of existing intellectual property systems may be necessary to meet particular needs; and, on the other hand, property rights over the "public domain" are appropriate and, as conventional intellectual property systems are inadequate, *sui generis* measures and systems are required. While there is a tendency to characterize these as opposing viewpoints, they are not necessarily mutually exclusive, and a comprehensive solution may draw on both points of view.

2.310 A key policy question is whether limiting intellectual property protection to contemporary, tradition-based cultural expressions adequately meets the identified cultural and intellectual property policy objectives. Does it offer the greatest opportunities for creativity and economic development? Does it best serve cultural diversity and cultural preservation? Does it address the concerns of the custodians of traditional cultures? These questions turn on whether intellectual property protection should be available for TCEs that are now in the so-called "public domain" — in other words, those TCEs which would not qualify for protection by current intellectual property. An integral part of developing an appropriate policy framework within which to view intellectual property protection of TCEs is a clearer understanding of the role, contours and boundaries of the public domain.

2.311 For example, as the European Community and its Member States have stated: "the fact that folklore for the most part is in the public domain does not hamper its development - to the contrary, it allows for new creations derived from or inspired by it at the hands of contemporary artists." Canada has expressed the similar view that "copyright encourages members of a community to keep alive 'pre-existing cultural heritage' by providing individuals of the community with copyright protection when they use various expressions of 'pre-existing cultural heritage' in their present-day creations or works." According to these views, neither members of the relevant cultural communities nor the cultural industries would be able to create and innovate based on cultural heritage if private property rights were to be established over it. A robust public domain allows too for the kind of cultural flows and exchanges that have forever marked music and other cultural forms. Musical traditions such as jazz emerged in the early twentieth century in cultural crossroads such as New Orleans, combining elements of African-American, Afro-Caribbean and

European cultures. Rock music evolved from blues, valuing or rewarding imitation, revision and improvisation. So too, cultural expressions and practices from “dominant cultures” continue to be absorbed and popularized in less dominant cultures. Is it intended to control or require compensation for all these kinds of flows and exchanges?

2.312 On the other hand, TCE holders and practitioners challenge the “public domain” status of traditional cultures under intellectual property law. They argue that the “public domain” is purely a construct of intellectual property systems and that it does not take into account private domains established by Indigenous and customary legal systems. Their TCEs were never protected and are thus not part of a “public domain.” Furthermore, they question whether the “public domain” status of cultural heritage offers the greatest opportunities for creation and development. Should all historic materials be in the public domain and be denied protection simply because they are not recent enough? Merely providing intellectual property protection for contemporary, tradition-based cultural expressions is an inappropriate “survival of the fittest” approach that does not best serve cultural diversity and cultural preservation, it is argued. Almost everything created has cultural and historic antecedents, and systems should be established that yield benefits to cultural communities from all creations and innovations that draw upon tradition.

### **Recent and Possible Future Developments**

2.313 Based on the results of the 2001 questionnaire, and as mandated by the WIPO Intergovernmental Committee, the WIPO Secretariat provides legal-technical cooperation for the establishment, strengthening and effective implementation of existing systems and measures for the legal protection of TCEs at the national and regional levels, and as a component of this program, is developing a “Practical Guide” for national lawmakers, policy makers, communities and other stakeholders on the effective protection of TCEs. The Secretariat is also undertaking case studies on the relationship between customary laws and protocols and conventional intellectual property systems in so far as TCE protection is concerned. In addition, the development of model contracts, codes of conduct and guidelines for use by cultural heritage archives, museums and other institutions, to assist them in managing the intellectual property aspects of their cultural heritage collections, is being explored.

2.314 At a policy level, the wealth of the legal analyses, national and regional submissions, reports and other materials considered by the WIPO Intergovernmental Committee makes it possible to begin to distill and annotate the various policy and legislative options available to States and regional organizations wishing to offer enhanced protection of TCEs under adapted or expanded conventional intellectual property systems and/or under stand-alone *sui generis* systems. These options, based on actual national and regional experiences, could, should Member States so wish, form the basis for the development of recommendations, guidelines or model provisions for national and regional laws, and, eventually, for the development of frameworks for the regional and international protection of TCEs.

### **Industrial Designs**

#### **Introduction to Industrial Designs**

2.639 Industrial design, in a lay or general sense, refers to the creative activity of achieving a formal or ornamental appearance for mass-produced items that, within the available cost constraints, satisfies both the need for the item to appeal visually to potential consumers, and the need for the item to perform its intended function efficiently. In a legal sense, industrial design refers to the right granted in many countries, pursuant to a registration system, to protect the original ornamental and non-functional features of an industrial article or product that result from design activity.

2.640 Visual appeal is one of the considerations that influence the decision of consumers to prefer one product over another, particularly in areas where a range of products performing the same function is available in the market. In these latter situations, if the technical performance of the various products offered by different manufacturers is relatively equal, aesthetic appeal, along with, of course, cost, will determine the consumer’s choice. The legal protection of industrial designs thus serves the important function of protecting one of the distinctive elements by which

manufacturers achieve market success. In so doing, by rewarding the creator for the effort which has produced the industrial design, legal protection serves as an incentive to the investment of resources in fostering the design element of production.

#### Evolution of Design Protection

2.641 Historically, the emergence of protection for industrial designs is intimately connected with the growth of industrialization and methods of mass production. In the United Kingdom, the first law giving protection to industrial designs was the Designing and Printing of Linens, Cotton, Calicoes and Muslins Act of 1787, which gave protection for a period of two months to “every person who shall invent, design and print, or cause to be invented, designed and printed, and become the Proprietor of any new and original pattern or patterns for printing Linens, Cottons, Calicoes or Muslins.” The contribution and importance of design in the growing textile industries was thereby recognized.

2.642 Growing recognition of the expansion of industrialization and of the possible application of methods of mass production to most areas of manufacture lead to the gradual extension of design protection to other fields of endeavor (notably sculpted figures used in the pottery and porcelain industries) up until the consolidation achieved in the Designs Act of 1842, which extended protection to “any new and original design whether such design be applicable to the ornamenting of any article of manufacture, or of any substance, artificial or natural, or partly artificial and partly natural, and that whether such design be so applicable for the pattern, or for the shape or configuration, or for the ornament thereof, or for any two or more of such purposes and by whatever means such design may be so applicable, whether by printing, or by painting, or by embroidery, or by weaving, or by sewing, or by modeling, or by casting, or by embossing, or by engraving, or by staining, or by any other means whatsoever, manual, mechanical, or chemical, separate or combined.” Design was thereby recognized as a fundamental element of all production and manufacture.

2.643 A somewhat similar evolution of design protection took place in France. The Law on Literary and Artistic Property of 1793 was applied in certain cases to the protection of designs. The growth of the textile industries, in particular, soon led to the enactment in 1806 of a special law dealing with industrial designs. The Law of March 18, 1806, established a special council (Conciliation Board or *Conseil de Prud'hommes*) in Lyon responsible for receiving deposits of designs and for regulating disputes between manufacturers concerning designs. While initially destined for industries in Lyon, particularly those manufacturing silk, the system of deposit and regulation by special council was extended to other cities and, through judicial interpretation, to two- and three-dimensional designs in all areas of industrial activity.

#### The Legal Protection of Industrial Designs

2.644 The formulation of a legal system for the protection of industrial designs, like the provision of legal protection for all forms of intellectual property, requires the establishment of a balance of interests. On the one hand, there is the need to provide efficient and effective protection, in order that the law may fulfill its function of promoting the design element in production. On the other hand, there is the need to ensure that the law does not unnecessarily extend protection beyond what is necessary to create the required incentive for design activity, so that the least number of impediments are introduced to the free use of available designs. The establishment of this balance requires careful consideration of a number of matters, of which the most important are:

- the definition of the subject matter of protection;
- the rights which apply to the proprietor of the subject matter;
- the duration of such rights;
- the entitlement to such rights;
- the method of acquisition of such rights.

#### Definition of Subject Matter of Protection

##### *Design as Conception or Idea*

2.645 The subject matter of the legal protection of industrial designs is not articles or products, but rather the design which is applied to or embodied in such articles or products.

2.646 The emphasis is on an abstract conception or idea as the subject matter of design protection. Design protection does not apply to articles or products in such a way as to grant the proprietor of the design exclusive rights over the commercial exploitation of those articles or products. Rather, design protection only applies to such articles or products as embody or reproduce the protected design. Protection does not, therefore, prevent other manufacturers from producing or dealing in similar articles fulfilling the same utilitarian function, provided that such substitute articles do not embody or reproduce the protected design.

2.647 The conception or idea that constitutes the design may be something which can be expressed either two-dimensionally or three-dimensionally. The definition of “design” which is used in the Registered Designs Act 1949 of the United Kingdom, for instance, refers to “features of shape, configuration, pattern or ornament” (Section 1). It has been generally considered that, in this definition, the words “shape” and “configuration” are synonymous, and that both signify the form in which an article is made or, in other words, something three-dimensional. Likewise, it has also been considered that the words “pattern” and “ornament” are synonymous, and that both refer to something embossed, engraved or placed upon an article for the purpose of its decoration or, in other words, to something essentially two-dimensional.

2.648 The Copyright, Designs and Patents Act 1988, of the United Kingdom, also provides for a “design right.” Design is defined as referring to “any aspect of the shape or configuration (whether internal or external) of the whole or part of an article” (Section 213(2)).

2.649 A similar approach, emphasizing the inclusion of both two-dimensional and three-dimensional designs, is to be found in the laws of other countries. Thus, the Design Law of Japan (Law No. 125 of April 13, 1959, as amended) refers to “design” as meaning “the shape, pattern or color or a combination of these in an article”, and laws of France and Italy refer to both drawings or sketches (dessins—two-dimensional) and models (modèles—three-dimensional).

#### *Application to or Embodiment in an Article*

2.650 While the subject matter of design protection is an essentially abstract conception, one of the basic purposes of industrial design protection is the stimulation of the design element of production. It is, accordingly, a usual feature of industrial design laws that a design can be protected only if the design is capable of being used in industry, or in respect of articles produced on a large scale.

2.651 The requirement that a design must be applied to utilitarian articles in order to be protected is one of the principal matters which distinguishes the objectives of industrial design protection from copyright protection, since the latter is purely concerned with aesthetic creations. The requirement is variously expressed in different laws. For example, the Design Law of Japan similarly extends protection to designs “capable of being used in industrial manufacture” (Article 3(1)).

#### *Exclusion of Designs Dictated by Function*

2.652 The concern of industrial design protection with appearance only is also apparent from the requirement, commonly found in industrial design laws, that designs which are dictated solely by the function which the article is to perform shall be excluded from protection. In this respect, Article 25.1 of the TRIPS Agreement provides, for example, that Members of the WTO may provide that industrial design protection shall not extend to designs dictated essentially by technical or functional considerations.

2.653 A fundamental purpose is served by the exclusion from protection of designs dictated solely by the function which the article is to perform. Many articles to which designs are applied are not themselves novel, and are produced by a large number of different manufacturers. Belts, shoes, screws and piston rings, for example, may be produced by hundreds of different manufacturers, and all articles within each class are intended to perform the same function. If a design for one such article, for example, screws, is dictated purely by the function which the screw is intended to perform, protection for that design would have the effect of excluding all other manufacturers from producing items intended to perform the same function. Such an exclusion is not warranted, unless the design is sufficiently novel and inventive to qualify under the rigorous standards for patent protection.

2.654 Since, under certain theories of design, form should follow function, it is often said that the exclusion from protection of designs which are dictated purely by function may have the effect of excluding too broad a range of designs from protection. Such a fear is in practice, however, unwarranted, since the exclusion relates only to those designs which are indispensable for achieving the desired function. In reality, many ways of achieving a given function will be possible. Thus, only if the given function could not be achieved after a design is altered would the design be excluded from protection. The question is thus whether the design for which protection is sought constitutes the sole solution for an intended function.

#### *Novelty or Originality*

2.655 It is a requirement of all industrial design laws that protection through registration shall be granted only to designs which are novel or, as it is sometimes expressed, original. The novelty of the design constitutes the fundamental reason for the grant of a reward to the originator through protection by registration of the industrial design.

2.656 While the requirement of novelty is to be found in all laws, the nature of the novelty that is required as a condition of protection differs amongst the laws of various countries. The novelty required is sometimes absolute or universal, meaning that the design for which registration is sought must be new as against all other designs produced in all other parts of the world at any previous time and disclosed by any tangible or oral means. On the other hand, a qualified standard of novelty is sometimes required. In this latter situation, the qualification may relate to time, meaning that novelty is judged by reference to designs published within a limited preceding period of time; or may relate to territory, meaning that novelty is judged by reference to all designs published within the relevant jurisdiction, as opposed to anywhere in the world; or may relate to means of expression, meaning that novelty is assessed by reference to written or tangible disclosures anywhere in the world and to oral disclosures only within the relevant jurisdiction.

2.657 The broad policy argument in favor of a standard of unqualified universal novelty is that exclusive rights by registration should be granted only where the originator of the design has produced something which is truly novel, and which therefore justifies the reward of exclusive rights. The broad policy argument in favor of a qualified standard of novelty is that one purpose of design registration is to encourage new design within the relevant jurisdiction, so that a novel design registered within that jurisdiction should not be deprived of protection by the publication elsewhere of a design which its originator did not introduce into the jurisdiction to add to the designs available to industry. It should be noted, however, that it would not necessarily follow from a qualified standard of novelty that a person could obtain valid rights within the jurisdiction simply by registering a design which he had seen overseas and copied, since it is often also a requirement of design law that the applicant be the author of the design.

#### *Rights in Industrial Designs*

2.658 The rights which are accorded to the proprietor of a validly registered industrial design again emphasize the essential purpose of design law in promoting and protecting the design element of industrial production. Whereas copyright accords to an author the right to prevent the copying of a work, industrial design law accords to the proprietor the exclusive right to prevent the unauthorized exploitation of the design in industrial articles.

#### *Entitlement to Rights*

2.659 The right to legal protection in respect of an industrial design belongs to the creator (or author or originator) of the industrial design. Two questions concerning the operation of this principle arise and are often the subject of particular legislative provisions.

2.660 First, there is the question of the entitlement to legal protection in respect of an industrial design that has been created by an employee, or by a contractor pursuant to a commission. In these situations, the law usually provides that the entitlement to legal protection of the design shall belong to the employer, or to the person who has commissioned the design. The basis for this rule is that the creation of the design falls within the duties which the employee is paid to perform, so that the employee should seek the reward for his creative activity in an appropriate level of remuneration, responsibility and other conditions of employment. Likewise, in the case of the contractor, the thing for which the contractor is being paid is the production of the design for the

use of the person commissioning the design.

2.661 Much contemporary design is produced with the assistance of computers. The question arises whether it can be said that there is an author or creator who is entitled to legal protection in respect of designs generated with the assistance of a computer. One approach to this question is to treat the computer like any other tool which may be used by a designer to assist in the process of generating a design. On this basis, the person who is responsible for manipulating the computer's capacity to produce a design would be considered to be the author of the design. A provision to this effect is to be found in Section 214(2) of the Copyright, Designs and Patents Act 1988, of the United Kingdom which provides:

“In the case of a computer-generated design the person by whom the arrangements necessary for the creation of the design are undertaken shall be taken to be the designer.”

#### *Acquisition of Rights*

##### *Registration*

2.662 Industrial design protection is usually granted pursuant to a procedure for the registration of such designs. The most commonly adopted examination system provides for a formal examination only of an application for a registered design. According to this system, an application is examined to ensure that it meets with each of the formal requirements for an application which are imposed by the relevant law (for example, whether the requisite number of representations or specimens of the design are filed with the application), but no search is made of the prior art to determine whether the substantive criterion of novelty or originality is satisfied by the design for which registration is sought.

2.663 A system requiring only formal examination has the effect of shifting the burden of assessing novelty to those interested persons in the market who may wish to use, or who may have used, the design or a substantially similar design. Any person interested in using such a design will have the opportunity either to oppose the registration of the design for which application has been made, if the relevant law provides for an opposition procedure, or of bringing proceedings for the cancellation of a registration which it is alleged is invalid. The system thus offers a means of reducing the administrative burden of the maintenance of a system of registration of industrial designs. It also offers a solution to the problem of maintaining an adequate search file to undertake a substantive examination of the novelty of designs. Such a search file can very often be almost impossible to maintain, since, on the basis of a condition of unqualified universal novelty, it would need to include all designs made at any time in any part of the world since the commencement of recorded history.

2.664 The alternative system of examination provides for a search of past designs and an examination of the design for which registration is sought to ascertain whether it satisfies the required condition of novelty. It necessitates the maintenance of a search file and sufficient skilled manpower to undertake the substantive examination.

##### *Creation and Fixation*

2.665 Rights in designs may, under certain laws, also be acquired by the act of creation and fixation of the design, in a document or by embodying the design in an article. These systems do not require any formal registration procedure for the acquisition of exclusive rights in the design. Examples of this system are provided by the Law of France, and the “design law” under the Copyright, Designs and Patents Act 1988, of the United Kingdom.

##### *Nature of the Rights*

2.666 The right to prevent others from exploiting an industrial design usually encompasses the exclusive right to do any of the following things for industrial or commercial purposes:

- make articles to which the design is applied or in which the design is embodied;
- import articles to which the design is applied or in which it is embodied;
- sell, hire or offer for sale any such articles.

2.667 In some laws, the exclusive rights of the proprietor also extend to preventing another from stocking any articles to which the design has been applied or in which it is embodied. While this right is sometimes considered as excessive in that it deals only with preparatory acts, it is on the



other hand often included in order to facilitate the enforcement of a proprietor's rights, since it may often be easier to locate a stock of infringing articles than to apprehend a person in the act of selling or offering for sale such articles.

2.668 As opposed to copyright, where the subject matter of the right is the work which is created by the author and which is thus defined by the author, the subject matter of the rights of the proprietor of an industrial design are defined by the design which has been registered. However, it is usual to provide that the proprietor's rights extend not only to the unauthorized exploitation of the exact design which has been registered, but also to the unauthorized exploitation of any imitations of such a design which differ from the registered design only in immaterial respects.

#### *Duration of Rights*

2.669 The term for an industrial design right varies from country to country. The usual maximum term goes from 10 to 25 years, often divided into terms requiring the proprietor to renew the registration in order to obtain an extension of the term. The relatively short period of protection may be related to the association of designs with more general styles of fashions, which tend to enjoy somewhat transient acceptance or success, particularly in highly fashion-conscious areas, such as clothing or footwear.

#### *Relation to Copyright*

2.670 Objects qualifying for protection under the law of industrial designs might equally well receive protection from the law of copyright. Thus, industrial designs law has relations both with copyright law and with industrial property law. Supposing a particular design embodies elements or features which are protected both by the copyright law and the industrial design law, may a creator of an industrial design claim cumulatively or simultaneously the protection of both laws? If this question is answered affirmatively, protection is cumulative. Cumulation of protection means that the design is protected simultaneously and concurrently by both laws in the sense that the creator can invoke the protection of either or both, the copyright law or the industrial design law, as he chooses. It also means that if he has failed to obtain the protection of the industrial design law by failing to register his design, he can claim the protection of copyright law, which is available without compliance with any formality. Finally, it means that after the term of protection of the registered design expires, the creator may still have the protection of the copyright law.

2.671 But it is to be noted that cumulation must be distinguished from "co-existence."

Co-existence of protection means that the creator may choose to be protected either by the industrial design law or by the copyright law. If he has chosen the one, he can no longer invoke the other. If he has registered the industrial design, at the expiration of such registration he can no longer claim protection under the copyright law, at least for the particular application of the industrial design.

2.672 The system of cumulation of protection by the industrial design law and the copyright law exists in France and in Germany. And the system of co-existence of protection by both laws prevails in most other countries.

2.673 The difference between protection by the copyright law and protection by the industrial design law is as follows. Under the industrial design law, protection is lost unless the industrial design is registered by the applicant before publication or public use anywhere, or at least in the country where protection is claimed. Copyright in most countries subsists without formalities. Registration is not necessary. Industrial design protection endures generally for a short period of three, five, ten or fifteen years. Copyright endures in most countries for the life of the author and fifty years after his death.

2.674 The right conferred by registration of an industrial design is an absolute right in the sense that there is infringement whether or not there has been deliberate copying. There is infringement even though the infringer acted independently and without knowledge of the registered design. Under copyright law, there is infringement only in the reproduction of the work in which copyright subsists.

## **Chapter -IV**

### **Enforcement of Industrial Property Rights, Copyright and Related Rights**

#### **Introduction**

##### **General**

4.1 Accessible, sufficient and adequately funded arrangements for the protection of rights are crucial in any worthwhile intellectual property system. There is no point in establishing a detailed and comprehensive system for protecting intellectual property rights and disseminating information concerning them, if it is not possible for the right-owners to enforce their rights effectively in a world where expanding technologies have facilitated infringement of protected rights to a hitherto unprecedented extent. They must be able to take action against infringers in order to prevent further infringement and recover the losses incurred from any actual infringement. They must also be able to call on the state authorities to deal with counterfeits.

4.2 All intellectual property systems need to be underpinned by a strong judicial system for dealing with both civil and criminal offenses, staffed by an adequate number of judges with suitable background and experience. Intellectual property disputes are in the main matters to be decided under civil law and the judicial system should make every effort to deal with them not only fairly but also expeditiously. Without a proper system for both enforcing rights and also enabling the grant of rights to others to be resisted, an intellectual property system will have no value.

##### **Avoiding Litigation**

4.3 A competitor whose operations are obstructed by earlier rights will usually seek to avoid or overcome the problem in a legitimate way, e.g. by inventing around the protected area in the case of an earlier patent. Another approach is to seek a license or to negotiate some other agreement in a friendly way. In coming to agreements with competitors, of course, companies must be careful not to contravene competition policy rules aimed at avoiding distortion of competition. This normally means that the terms of any license must not contain anti-competitive or unreasonable provisions.

4.4 A company affected by another's right will carefully assess what its scope is and whether or not it is valid. This highlights a point of particular importance to the owners of patents, namely that claims must be well drafted and properly supported by the disclosure of the invention. They must clearly distinguish the protected subject matter from the prior art and must be neither overcovetous nor too modest. A well drafted patent will often be enough in itself to deter potential infringers. Similar arguments can apply to other rights such as trademarks and designs.

4.5 It is up to a right-owner to act as his own policeman. He must keep an eye on the industrial and commercial markets in which he sells his products, or provides his services, or in which his processes might be used. He must keep abreast of his competitor's activities. If he becomes aware of an apparent infringement he should not necessarily assume that the infringement is deliberate (though if the infringing item is an exact copy or counterfeit, infringement will almost certainly have been deliberate). He should first contact the competitor to point out the existence of his right. Laws in a number of countries concerning patents, designs and trademarks, provide that a rightholder may not make groundless threats against competitors or their distributors, for example threatening a court action when there is no ground for alleging infringement or when the right relied upon has expired, but he can send a simple letter drawing attention to the right so that the infringer cannot subsequently argue ignorance.

4.6 Negotiation is an important aspect of protecting and enforcing rights. In negotiation, an infringer might well be persuaded to change what he is doing. During the attempts to negotiate, the supposed infringer may claim that he is not infringing; or he may allege that the right is of little value and does not justify significant royalties; or he may argue against the proposed license terms. It may well be worth suggesting that the services of a mediator be used or that the issue should be decided by arbitration. Of course, both sides need to agree to accept an arbitrator's decision and a contract to that effect may be needed.

#### **Enforcement of Industrial Property Rights in General**

##### **Action Before an Industrial Property Office**

4.7 Industrial property offices frequently have quasi-judicial functions in the administration of industrial property systems, and provide a forum for procedures for contesting rights under consideration or granted by the office. Those procedures are often referred to as opposition procedures.

4.8 The expression “opposition” may be construed widely, as referring to all possibilities open to third parties to intervene before the industrial property office both in proceedings leading to the grant of a right and in proceedings for contesting the grant after it has occurred. The possibilities for opposition arise particularly in relation to registrable rights such as patents and trademarks, because the registration can be disputed. The possibility of opposition rarely arises in relation to copyright and related rights, since these rights in the great majority of jurisdictions arise automatically on the creation of the protected work.

4.9 Why do States provide for opposition? With even the most rigorous examination system, the State cannot guarantee that the rights which it grants are valid — there is always the possibility that a prior right has been overlooked or a specification misunderstood. Many systems are not particularly rigorous, which makes it all the more likely that rights might be granted in conflict with earlier rights. Thus the owners of earlier rights must be able to object at some stage. This could of course be before a court. However, in everyone’s interests, opposition should be a relatively straightforward, speedy and inexpensive matter, handled as early as possible in the life of the right. Thus many systems provide that opposition can be considered by the national industrial property office acting in a quasi-judicial role, as well as by courts. Pre-grant opposition is invariably before the office.

4.10 The first opportunity that others, for example competitor enterprises producing goods of the same character as those covered by the patent application, have to become aware that a patent which could affect their business is being applied for, is at the first publication stage, 18 months after the priority date. Enterprises, particularly those which own patents, should keep their eye on the activities of competitors and what is happening in the marketplace, and in particular on patent applications made in their areas of interest, for instance by scrutinizing patent office journals and published applications. Not only is it important to know if competitors are seeking to protect developments which come within the scope of one’s own patents, but it is also important to be warned if they are seeking to protect known technology or technology patented by others. One can also learn from the search report, published with the application, of the prior art which will be considered at the examination stage

4.11 Some systems allow for formal opposition before the grant of the patent or an opportunity for third parties to become a party in arguments about whether or not the patent should or should not be granted. The problem with such pre-grant opposition is that there is often very considerable delay in achieving a grant. Delay means that a patentee who needs a granted patent in order to pursue an infringement could not settle an action against the infringer quickly.

4.12 It can be important to bring post-grant opposition proceedings in good time. If too long a delay occurs, the user of the later patent might argue that the owner of the earlier one has acquiesced in the grant of the later one and as a result should not be allowed to take action. This might make it difficult to enforce the earlier patent against products or processes covered by the later one.

4.13 In some countries, such as the United States, there is no provision for opposition. However, third parties concerned about a granted patent can ask for it to be re-examined by the patent office. Such parties do not become direct parties to the procedure, but may draw prior art, which may have been overlooked in the first examination, to the attention of the examiner. Reexamination may result in refusal or in a more tightly drafted patent.

4.14 In many countries there is no provision at all for opposition because the industrial property office lacks the expertise. This can be the case in those countries, such as France, where no substantive examination is carried out. In such situations, revocation before the courts is the only possibility for securing cancellation or amendment of a competitor’s patent.

4.15 Many countries provide for pre-registration opposition to trademark registration.

Trademarks are published in the form in which they are to be registered, and a short period is allowed for opposition. In general, considerations are much more straightforward than those for patents and procedures can be much more rapid. In the United Kingdom, there are few oppositions of trademarks, probably because there is a rigorous examination involving search of earlier rights. In other countries, for example Germany, there are more oppositions because there is no official search against prior rights during examination; so opposition is the only way in which the owner of an earlier trademark can induce the industrial property office to take account of this earlier right.

4.16 After registration of a trademark, in many countries it is possible for an aggrieved party to apply to the office for removal of the mark from the register, or to seek its modification. One of the main grounds for this would be non-use of the mark.

4.17 As for registered designs, where there is no provision for pre-registration opposition, interested parties may seek cancellation of registrations by the office.

#### Civil Court Procedures

4.18 Despite efforts to achieve friendly settlement, circumstances can and do arise where the owner of a right feels that he must take action against an infringer in order to protect his markets, present or future. In most jurisdictions this will be handled in the civil courts. In most situations, there will be considerable dispute as to whether for example the claims in a patent to be enforced should be of the scope claimed, and as to whether the alleged infringement actually falls within the valid scope. With trademarks, arguments also concern the scope of the registration and whether the allegedly infringing mark is confusingly similar to the earlier mark. Infringers may genuinely believe that they have a plausible case on such aspects. Most patent infringements are not slavish imitations but, arguably, take advantage of the protected inventive concepts of the patent and will have to be resolved on the basis of expert opinion.

4.19 In an action for patent infringement in common-law countries (the procedure and terminology in civil-law countries differs to some extent), the patent owner, acting through his immediate lawyers (solicitors), arranges for a writ or complaint to be served on the alleged infringer. In the writ the patent owner, as plaintiff, will specify the nature of the alleged infringement and the remedy sought. Almost always, an injunction restraining the alleged infringer, the defendant, from continuing with what he has been doing, will be requested, as well as damages. The defendant will usually acknowledge the writ and give notice that he intends to defend. If he does not, the plaintiff may be entitled to a final or interlocutory ruling (one which decides the issue but leaves open the question of damages, etc.) forthwith. If the defendant does defend, and the issue is not settled out of court or dealt with summarily, pleadings will be exchanged, on the one hand stating the material facts of the claim and on the other the defenses or counterclaims. The purpose of pleadings is to define precisely the issues in dispute and eliminate agreed or irrelevant matters. They go back and forth and can take several months. A counterclaim may be an allegation that the patent is invalid; this will have to be defended by the patent owner. Once the pleadings have been completed the plaintiff will issue a summons for directions. Such directions, given by the judge, will deal with discovery and inspection of documents and in general with the trial preparations. Notice to inspect documents may be served on the other side by leave of the court. So may interrogatories, which take the form of written questions which the other side must answer under oath, e.g. by sworn affidavit, before the trial.

4.20 It is noteworthy that only a small minority of cases actually get to the trial stage, and the rest are settled along the way, for reasons of time, effort and expense.

4.21 Cases involving complex technology can take a very long time in court with expert witnesses being called and subjected to examination and cross-examination by both sides. In issuing his reasoned decision, the judge can make various awards. In addition to injunctions, the court may also award damages in respect of the infringement, namely compensation for sales and markets lost as a result of the infringing activity. As an alternative to damages, the owner of the patent can be awarded an account of profits. All the profits derived by the defendant as a result of the infringement may be surrendered to the patent owner. An order requiring the defendant to deliver

up to the patent owner, or to destroy, any products or articles incorporating the patented invention can also be made. Finally, the patent owner can secure a declaration that the patent is valid and infringed.

#### Criminal Actions: Counterfeiting

4.22 As already mentioned, patent actions are essentially civil actions for infringement. In the case of trademarks and copyright, much of what has been explained about procedures in relation to civil actions applies to ordinary actions for infringement, but the serious criminal offenses of counterfeiting and piracy can also arise. A trader may knowingly manufacture, distribute or sell goods marked with a trademark where the marking has been done without the permission of the owner or where the goods have been illicitly copied.

4.23 There are several ways that counterfeits can come to the attention of the authorities. Rightowners themselves may become aware of distributors or retailers trading in counterfeit goods and bring the trade to the attention of the police. Also counterfeits may be detected by law enforcement officers who are specifically empowered under trademark legislation to take action against traders in counterfeit goods. Their powers may be extended to enable them to deal with copyright offenses. On conviction, traders in counterfeit goods can face stiff penalties, and seizure of all offending products is normal. In respect of items protected by copyright, such as sound recordings on tape or compact disk, the police are the normal enforcement authority and will take action on the basis of a complaint by the lawful right-owner. They often need little more than 24 hours' warning in order to secure warrants and make checks.

4.24 Another way in which action against counterfeit goods can be taken occurs at ports of entry of imports. If a mark owner becomes aware that consignments of counterfeit goods are on their way to the country, he can alert the customs authorities, who will keep watch for the goods and impound them when they arrive. Action can then be taken against the importer.

#### **Enforcement of Patent Rights**

4.25 In most systems, a patent is the right enforceable in a court, usually to prevent the manufacture, sale and use of a patented invention. It is not, as many people think, permission to practice the patented invention, which may be subject to restrictions for other reasons such as security or public health. Application is made to the court to stop the unauthorized manufacture, sale or use of the invention, so that the court may grant the appropriate order and stop the infringement. In practice, however, the process is less straightforward than it sounds.

#### Assessing the Scope of Patent Rights

4.26 When thinking about patent enforcement, a patentee must first assess what he has patented. It is now a feature of just about all patent systems that a patent must include either a specification containing claims or a description, claims or any required drawings (depending on the terminology of the particular law). In most systems, the claims are decisive, as they define the scope of protection sought and eventually granted through the patent. The specification or the description and drawings may be used to interpret the claims, which must be fully supported by them.

4.27 Most inventors use the services of a patent attorney to write the specification for them. An inventor may not fully understand the specification, and particularly may have difficulties in understanding the claims. Even where the patentee has some idea of the exclusive right granted to him in his own country, it is very rare for him to know with any precision what rights he may have in corresponding patents in other jurisdictions. The patentee's first real understanding of the extent of his patent rights often only comes to him when he is considering enforcement.

4.28 Thus the basis for enforcement of patent rights is established at the start of the patenting process when the patent specification is written by the inventor or the inventor's patent attorney. The examination process in the Patent Office can modify the original wording. The inventor will normally try to avoid any modification which will result in a limitation of the scope of protection, for any reduction in the scope of protection makes it easier for a competitor to avoid infringement. If a competitor can easily supply the market with something that is equivalent to the invention, but does not infringe the patent, then the patent may be of limited commercial value. Patent Office

examiners should try to remember this when an applicant for a patent steadfastly resists amending his claims in order to overcome an objection, but instead tries to deal with the objection by argument. While acceding to an amendment might lead to the early grant of a patent on the application, it may also lead to a patent right of doubtful commercial utility.

#### Evaluating Validity and Infringement of a Patent

4.29 Having assessed the scope of the patent right, the next task is for the patentee to decide if there is infringement. Before committing himself to the financial risk of a patent case — which can be among the most time-consuming and expensive of all forms of litigation — a patentee, unless he is very wealthy and relaxed about money, must make some attempt to forecast whether he can be successful.

4.30 The issue of infringement is very rarely considered on its own. Patents, like other forms of intellectual property, do not only affect the parties to a dispute; they have an effect on the public at large. This being the case, it is normally considered that a patent which can be shown to be invalid cannot be enforceable. In spite of the examination of patent applications during prosecution, no patent system guarantees the validity of a granted patent. In a patent enforcement action, therefore, a defendant will usually add to any defense of non-infringement a further defense, often in the form of a counterclaim, that the patent is invalid and hence not enforceable even if infringed. In some jurisdictions, the issues of infringement and validity are heard together. In others, the question of validity is heard separately by a different court or it may be referred to the Patent Office.

4.31 Because of the principle that no invalid patent should be enforceable, the defendant in a patent action is usually allowed to bring in evidence of invalidity at any stage of the proceedings, and in some jurisdictions even during the trial itself. As a result, the position of the patentee during patent enforcement proceedings tends to deteriorate as a defendant makes searches and often finds evidence which is relevant to validity.

4.32 As already stated, the task of the court in the determination of infringement is the assessment of the scope of protection defined by the patent and whether the alleged infringement falls within that assessed scope. In the determination of validity, the court (or whatever tribunal is considering validity) should take the same scope of protection as has been defined for the purposes of infringement, and consider whether the evidence produced by the defendant renders the patent invalid with respect to, and to the extent of, the scope of protection claimed by the patentee. Different issues will almost always arise in these two assessments. The starting point for both, however, is almost always the wording of the claims.

4.33 Frequently, there will be a problem as to whether the actual wording of the claims, if necessary interpreted in light of the specification (or the description and any drawings), defines an invention which includes the allegedly infringing subject matter. For example, the claim may include as a feature “a spring.” If the allegedly infringing device does not include a spring, but instead has a solid rubber tube which in some respects acts like a spring, can that be infringement? Different jurisdictions may handle this kind of question differently, depending on the way in which their law has developed the procedure for the definition of an invention. In addition, many courts require or expect the assistance of an expert to give guidance as to the technical merit of an argument, such as, based on the example above, that a rubber tube can be considered to fall within the term, “spring.”

4.34 The technical content in many patent cases can be very complex indeed, and the resolution of the technical points of dispute may not only involve one or more expert witnesses, but may need experimental evidence as well. For instance, in a case concerning the alleged infringement of a patent granted for an invention consisting of an air plasma cutting torch, the claim included a feature which defined what was happening within the torch when it was operated. To prove infringement, an experiment was necessary to define the temperature gradient of the plasmagenic air within the torch itself. A probe inserted into the torch has the effect of modifying the air flow through the torch, which in turn will affect the temperature gradient. A better means of evaluation is thermal imaging, but it is expensive to set up. No sooner has one side carried out experiments,

than the other side may feel obliged to carry out experiments themselves to check the worth of the first set of experiments or with the aim of disproving the first experiments.

4.35 Assisted by arguments, which in turn are supported by expert evidence and experimental evidence, the court will reach a conclusion about whether or not an infringement has occurred. But most patents contain more than one claim. The inclusion of a number of claims is to give the patentee extra chances of preventing an infringement. If one claim is held invalid, the patentee may still succeed in restraining infringement if it is held that another claim is valid and an infringement has occurred with respect thereto. Where the patent in suit has a number of claims with respect to which the patentee alleges an infringement, the court will have to consider each claim separately to see if it is infringed.

4.36 Similar expert evidence and experiments may be needed in order to deal with validity. Using the “spring” example given above, it may be that the defendant can show that it was known before the date of the patent to use a member having elastic properties in some respects similar to a spring. As with the determination of infringement, the court will need to decide whether the known information is sufficient to invalidate the claims; and that exercise needs to be carried out for all the claims.

#### The Cost of Patent Litigation

4.37 Whether the submission and evidence concerning infringement and validity are made in writing or given orally at a hearing, or a combination of both, the parties to a patent dispute will find themselves involved in lengthy consideration of the issues and preparation of material for the court. It is mainly the borderline cases that go to trial. This has the effect of extending the arguments by which each side hopes to secure a decision in its favor. Where the patent dispute occurs in a field of high commercial value, and most disputes are because of their high cost, the parties may be inclined to drag any point into the dispute, however peripheral, if it appears to help their case. The costs arising from all of this can become outrageous.

4.38 This is really the key point about patent enforcement. However carefully one makes an estimate of the costs at the start of the litigation, they almost invariably have to be revised upwards as new issues come to light during the development of the case. Patent enforcement, or defense against enforcement, occurs because someone wishes to receive a commercial advantage, in other words, to make money. That advantage must constantly be reviewed against the cost of the litigation.

### **Enforcement of Copyright and Related Rights**

#### Introduction

4.39 The evolution of international standards for the enforcement of copyright and related rights has been dramatic in recent years, and this evolution has been driven principally by two factors. The first is the advance of technological means for the creation and use (both authorized and unauthorized) of protected material, including, most recently, the advent of digital technology, which makes it possible to transmit and make perfect copies of any information existing in digital form, including works and productions protected by copyright and related rights. The second factor is the increasing economic importance of goods and services protected by intellectual property rights in the realm of international trade; simply put, trade in products embodying protected intellectual property rights is now a booming, worldwide business.

#### Provisions on Enforcement of Rights in International Copyright and Related Rights Conventions

4.40 While the international copyright and related rights conventions administered by WIPO do not contain extensive provisions dealing with enforcement of rights, the obligation of States to provide adequate means for enforcement of rights is clearly present in these conventions. The Berne Convention contains two specific provisions on the enforcement of rights, on the one hand Article 16(1) and (2), which provides that infringing copies of a work are subject to seizure in any country of the Berne Union where the work enjoys protection, even when the copies come from a country where the work is not or no longer protected, and on the other hand Article 13(3), which

provides for seizure of copies of certain recordings of musical works imported without permission of the author or other owner of copyright in the country of importation.

4.41 The Berne, Rome and Phonograms Conventions also contain provisions indirectly requiring appropriate enforcement measures in any country party to the conventions. For example, Article 36(1) of the Berne Convention provides that “Any country party to this Convention undertakes to adopt, in accordance with its constitution, the measures necessary to ensure the application of this Convention”; paragraph (2) of the same Article provides that “It is understood that, at the time a country becomes bound by this Convention, it will be in a position under its domestic law to give effect to the provisions of this Convention.” Similar provisions are found in Article 26(1) and (2) of the Rome Convention. Article 2 of the Phonograms Convention obligates each Contracting State to protect producers of phonograms against the making of duplicates (copies) without the consent of the producers and against the importation and distribution of such duplicates; Article 3 of the Convention leaves the implementation to the Contracting States, which may choose one or more of the following: copyright or other specific (“related” or “neighboring”) rights, unfair competition or penal sanctions.

#### Evolution of International Standards for the Enforcement of Rights

4.42 It is obvious that the above provisions of the Berne, Rome and Phonograms Conventions cannot be respected without appropriate measures for the enforcement of rights provided under the national laws of their member States. It has become obvious that such provisions alone do not provide national governments with the necessary guidance concerning appropriate and modern standards for the enforcement of rights. Thus, evolution of new standards for enforcement of rights has taken place in a number of contexts, including the activities of WIPO.

4.43 Since the beginning of the 1980s, WIPO has devoted ever greater attention to questions relating to the enforcement of rights. A short list is illustrative: two WIPO Worldwide Forums on Piracy were held in 1981 and 1983; extensive and detailed recommendations for measures to combat piracy of audiovisual works, phonograms and the printed word were developed in the series of meetings on categories of works (1986 to 1988); a committee of experts was convened in 1988 to elaborate measures against both piracy and counterfeiting, which were included by reference in the draft WIPO Model Law on Copyright prepared by the International Bureau and discussed by a Committee of Experts in 1989 and 1990; a detailed chapter on enforcement of rights was included in a draft WIPO Model Law on the Protection of Producers of Sound Recordings considered by a Committee of Experts in 1992, which, in addition to provisions on conservatory measures, civil remedies and criminal sanctions, contained proposed sanctions against the abuse of technical means applied for the protection of copyright.

4.44 The experience gained in all of the above activities since the 1980s has been reflected in the work of a Committee of Experts towards development of a Protocol to the Berne Convention, which began in 1991, and on the development of a possible international instrument on the protection of the rights of performers and producers of phonograms, which began in 1993. Naturally, provisions on enforcement of rights have figured prominently in the discussions of both Committees. These deliberations were part of a process leading to a Diplomatic Conference in 1996, which resulted in the adoption of the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty, dealt with in chapter 5; both contain provisions on the enforcement of rights.

#### National Legislation Concerning Enforcement of Rights

4.45 The availability of appropriate provisional (conservatory) measures is an indispensable element of any efficient mechanism for the enforcement of copyright. The most important objectives of such measures are the prevention of acts of infringement and the seizure of infringing copies, reproducing equipment and other implements that could be used for (further) infringements, constitute essential evidence and could disappear if not brought under the control of the court. These measures must be available on an *ex parte* basis where giving the defendant prior notice would be counterproductive.

4.46 In particular, it should be possible for right-owners to be granted temporary preliminary



injunctions to prohibit the committing, or the continuation of the committing, of infringements. Also, courts must be able to order the search, temporary seizure and temporary impounding of suspected unauthorized copies of works and other protected subject matter, packaging materials, implements for the making of such copies and documents, accounts or business papers relating to such copies.

4.47 The purposes of civil remedies are (i) to provide compensation for the prejudice caused by infringements, (ii) to dispose appropriately of the infringing copies (typically through destruction or other disposal outside the normal channels of commerce), (iii) to dispose appropriately of implements used for infringing activities and (iv) to grant injunctions to prohibit further infringements. Such remedies should always be available irrespective of whether the infringement has been committed willfully and/or for profit-making purposes.

4.48 Civil remedies are not always sufficient deterrents. Where infringement becomes a business, the closing down of one plant with the assistance of courts and law enforcement authorities may only mean that the plant will re-open somewhere else. Infringements committed willfully and for profit-making purposes should be punished by criminal sanctions, and the level of the sanctions must make it clear that such infringements of copyright are serious offenses. It is normally preferable that criminal sanctions are also applicable in case of infringements committed through gross negligence, for profit-making purposes, because it may be difficult to prove that infringements are committed willfully. Increased punishments in cases of recidivism are also justified. The criminal sanctions available should comprise both fines and imprisonment, and, where merited by the case, courts should be able to impose both these sanctions on the infringer.

4.49 In certain cases, the only practical means of preventing copying is through so-called “copyprotection” or “copy-management systems”, that is, systems containing technical devices that either entirely prevent the making of copies or render the quality of the copies made so poor that they are unusable. Technical devices are also used to prevent the reception of encrypted commercial television programs except with the help of decoders, which would-be viewers have to buy or rent. However, it is technically possible to make devices by means of which copy-protection and copy-management systems as well as encryption systems may — although illegally — be circumvented. Where such devices are manufactured or imported and distributed unlawfully, the normal exploitation of the works is undermined and may cause serious prejudice to the authors of, or other owners of copyright in, those works. Such activities are violations of the protected rights and should be sanctioned in a way similar to that of other kinds of infringements.

#### Border Measures

4.50 Piracy is by no means an exclusively national activity, i.e., the production in a country of infringing copies for sale in that country. It is also very much an international operation, with vast quantities of infringing copies being manufactured in one country and shipped to others, often on the other side of the world; quantities of infringing copies which are shipped to other countries substantially undermine legitimate business to the extent that international companies often withdraw from the market, and investment in recording and producing local talent virtually dries up. For this reason, the power to stop infringing copies entering a market is of vital importance, and provisions that make this possible are an essential feature of modern copyright legislation. Much attention has been given to this subject: Articles 51 to 60 of the TRIPS Agreement (see chapter 5 below) deal with border measures. Also, the World Customs Organization has developed a model law for the enforcement of such measures.

4.51 Border measures are intended to prevent infringing copies — or lawful copies in violation of the right of importation — from being brought into the country concerned. They constitute an effective way to counter acts of infringement, because it is frequently easier to prevent the distribution of infringing copies at the border than after the copies have already been brought into the country and put into circulation. Border measures are usually carried out by administrative authorities (customs authorities) and not by judicial authorities. In national legislation on this issue, a number of safeguards and appropriate procedural rules are normally found which ensure the

fairness and effectiveness of measures applied by such authorities.

4.52 Providing for the availability of various enforcement measures may not be entirely sufficient. It is, of course, necessary that national legislation also provide general safeguards to ensure due procedures for the application of those measures in keeping with the principles of justice and fairness and with the need for efficiency. For example, national legislation must ensure that procedures for the enforcement of copyright are fair, equitable, transparent, expeditious, not unnecessarily complicated, costly or burdensome, and do not impose unreasonable time limits, and both plaintiffs and defendants must have equal access to information and equal possibilities to present their case.

Anti-Piracy Measures for Phonograms, Audiovisual Works and Computer Programs

4.53 The notion of piracy covers a number of different phenomena. For example, in the field of music, three expressions are used in common parlance which are all covered by the wider notion of piracy as used here. Those expressions are “counterfeits,” “bootlegs” and “pirate copies.” “Counterfeits” are usually exact copies of a sound or video disc or tape with, for instance, exactly the same packaging as the original, usually including even the trademark. The copies could be either tapes or — more sophisticated — industrially manufactured CDs. “Bootlegs” are copies of recordings of a live performance or a broadcast, if the recording was made without the authorization of the right-owner concerned. “Pirate copies,” finally, are unauthorized copies of a sound or video recording which do not attempt to imitate the original but are generally of low quality, with handwritten labels, etc. Those are becoming rarer because in general people prefer recordings of higher quality. The use of the notion “piracy” in the following covers all three kinds of infringements now mentioned.

4.54 Generally speaking, five categories of works, performances or productions are the most exposed victims of piracy, namely:

- sound recordings;
- video recordings;
- computer programs;
- broadcasts;
- books.

4.55 Particularly the first three categories of works or productions have been hit by piracy in recent decades because they are, with modern digital reproduction technology, very easy to copy. It takes, for instance, no great effort to make copies, by means of a personal computer, of computer programs of the same quality as the original and with high speed and efficiency; as computer programs are very costly to develop, uncontrolled copying hurts considerably the interests of the right-owners.

Reasons for Taking Action Against Piracy

4.56 There are several reasons for a State to take efficient measures against piracy activities.

4.57 The first and perhaps most important reason is that the rights under copyright law are violated, which means that authors, performers and phonogram and videogram producers, publishers, broadcasters and others suffer considerable economic loss. This is detrimental not only to the personal economic interests of the beneficiaries but also to society as a whole because it hampers creativity and is contrary to the interests which copyright law is there to serve, including that of establishing domestic cultural industries.

4.58 It should be noted that piracy generally hurts the most those productions which are successful; they are the only ones which are of interest for pirates. In the phonographic industry only a small proportion of the productions are economically successful and it is the income from those that makes it possible for the industry to support less successful but perhaps more valuable productions. If this incentive is lost, the industry may not be able to continue those productions and the output will be qualitatively lower, something which is, in the long run, detrimental to the interests of consumers and of society as a whole.

4.59 The reasons for fighting piracy should be seen both in a short and a long-term perspective. It is sometimes said that piracy is not a bad phenomenon because it supplies the market with

popular products at low prices. Occasionally it is added that the pirates employ a considerable workforce and thus give increased job opportunities. Also, it is said that there are more urgent priorities in society than combating piracy. These arguments are, naturally, not valid if a State wants to maintain its international reputation and participate in the international exchange of culture, information and entertainment.

#### Anti-piracy Measures

4.60 Various practical measures can be undertaken in order to combat piracy. To some extent protection can be obtained through various types of copy-protection systems, that is, that mechanisms (“spoiler signals” or “water marks” in sound or video recordings) are built in which prevent unauthorized copying. Another measure is to have an efficient collective administration in respect of musical works; if it is easy for users to contact and obtain authorization from the rightowners through such an organization, the temptation to engage in piracy activities may be less.

4.61 The system of copyright and related rights is a branch of private law in that it grants personal exclusive rights to the individual beneficiaries. Therefore, the basic approach in most countries, is, or has been, that it is for the injured party himself to take action. Consequently, the basic possibility for him is to take civil action.

4.62 However, there is a change in the attitude in many countries, mainly in view of the alarming growth of the piracy activities. A number of countries have introduced heavy penal sanctions for at least certain kinds of infringement of copyright, in particular such which would be considered as piracy.

4.63 Penal sanctions should — and in most countries do — include both fines and imprisonment, the maximum of which may be up to several years. If penal sanctions are to work satisfactorily, the objective criteria for the infringement must be clearly defined. This means, in particular, that the rights should be framed and described in a clear and unequivocal way so that it is obvious which the act or acts are which must not be undertaken without the authorization of the author or other right-owner. Also, the so-called subjective criteria must be determined clearly. At least in some national laws the penal provisions for copyright violations apply not only to acts which are committed willfully but also to those committed with gross negligence. The sanctions should be applicable not only to the person who directly committed the violation but also to those who contributed to it, for instance by providing equipment used for unauthorized reproduction with full knowledge of the intended use of that equipment.

4.64 Penal sanctions have mainly a repressive function. While such a function is very important in the interest of society and authors too in order to ensure respect for the law (and this is of course particularly obvious in cases of piracy) at least equally important from the individual author’s point of view is the compensatory aspect. The law has to provide the beneficiaries with real and effective possibilities to obtain compensation for the injury caused to them by the violation of their rights. That compensation should not be limited to a mere reparation of the direct losses inflicted on the specific right-owner. He should also be compensated, for example, for loss of market share for the work, possible violation of his moral rights and also other relevant elements; in short, account has to be taken of the material and moral prejudice caused. It may sometimes be difficult to establish the exact size of the remuneration. In many national laws there are, however, special provisions aiming at making an equity assessment of the amount to be paid; otherwise, it has to be left to the judges’ discretion.

4.65 If copies exist which have been produced through unlawful acts, it is important that action is taken to prevent those copies, and their packaging, from being brought on to the market without the consent of the copyright owner. This is particularly important in the case of pirate copies. The desirable principle should be that such copies should be destroyed unless the injured party requests otherwise. Alternatively, they should be surrendered to the injured party. Also, equipment used for the manufacture of unauthorized copies should, by court order, be either destroyed or surrendered to the injured party, at least if there is a real risk that they may be used for continued acts of infringement. In this latter case there should exist possibilities for the courts to issue orders expressly prohibiting the continuation of the acts, with mention of the fine to be paid in case the

order is not respected.

4.66 Another important aspect in this context are the conservatory measures which should be available particularly in cases of piracy, where the existence on the market of the unlawful copies can cause considerable damage. Such measures are intended to freeze or conserve the situation as it is when the measure is ordered or taken. More specifically the purpose of such measures is twofold: to prevent the committing, or the continuation of the committing, of acts of piracy, and to secure evidence as to the nature, quantity, location, source and destination of the pirated copies or the identity of the person who is suspected of having committed or being likely to commit acts of copyright violation.

4.67 Usually such measures have to be taken only at the request of the person or legal entity who claims to be injured or to be threatened by injury in an act of piracy. Under most laws the requesting party will be liable for damages caused by the measure and, where necessary, he should be ordered to post a bond. The measures should include the following:

- seizure of the goods suspected to be unauthorized copies;
- sealing the premises where the unauthorized copies are being manufactured, packaged, stored or offered for sale, rental, lending or other distribution;
- seizure of the tools that could be used to manufacture or package the unauthorized copies, and of business documents referring to the copies;
- ordering the termination of the manufacture or distribution of the unauthorized copies;
- ordering the disclosure of the source of the copies suspected to be unauthorized copies.

4.68 Because of the recognized need to take efficient action against copyright piracy, some countries have set up special enforcement units either in the Ministry responsible for copyright law matters or within the police or customs forces. Also, in some countries, special State bodies, have particular responsibilities in the field of enforcement. They can act on behalf of their members, initiate investigations and bring matters to court. In most countries however the enforcement is entrusted to the ordinary enforcement authorities, that is, the courts, the police, the public prosecutors and the customs authorities.

#### **Activities within WIPO Concerning Enforcement**

4.69 The repression of activities such as piracy and counterfeiting, which are factors of major economic importance, is a crucial task for WIPO.

4.70 WIPO administers many international conventions and treaties relating to intellectual property. This aspect of WIPO's work consists basically in ensuring the proper operation of the bodies that govern these various international agreements and in obtaining the accession of the largest possible number of States to them; indeed for any repression to have proper effect it is necessary that the most uniform legal framework possible be established, comprising high-level provisions well adapted to new circumstances and the new technological facilities available to "pirates."

4.71 WIPO also develops new legislative provisions, both to adapt existing provisions to the new technologies and to reflect the progressively emerging consensus in favor of increasing the level of these provisions. For example, the impact of digital technology on copyright and related rights is enormous. The ability to transmit by electromagnetic waves, by cable or by satellite, musical works that are incorporated in sound or audiovisual recordings, increases the problem of unlawful reproduction and also of private copying, since works stored in digital form can be reproduced any number of times without loss of quality when compared with the original from which the copies are made.

4.72 Another basic aspect of WIPO's activities, but not the least important, is the transfer of know-how required to administer the international conventions. Indeed, it is of prime importance that the provisions drawn up at the international level be applied at the national level, since promotion of creativeness first requires suitable management and the implementation of provisions adopted in favor of creators. WIPO's development cooperation activities are particularly important in this respect.

4.73 From the late 1990s until 2001, there were initially two WIPO Committees on enforcement

– the Advisory Committee on Enforcement of Industrial Property Rights and the Advisory Committee on the Management and Enforcement of Copyright and Related Rights in Global Information Networks. The Advisory Committee on Enforcement of Industrial Property Rights held a meeting in October 2001, in which Member States asked the Secretariat of WIPO to initiate studies and activities to promote more effective enforcement of industrial property rights worldwide, and the identification of good practices and procedures with which to do so, while keeping the time and cost burden on administrative infrastructures to a minimum. In September 2002 it was decided that these two Committees would be merged into a single Advisory Committee on Enforcement, responsible for all intellectual property enforcement issues. Full membership is open to Member States of WIPO and/or the Paris and Berne Unions. It met for the first time in June 2003.

#### **Enforcement Provisions of the TRIPS Agreement**

4.74 It is worth recalling that the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which forms part of the overall Agreement establishing the World Trade Organization (WTO), requires the members of the WTO to ensure that effective enforcement procedures are available. The TRIPS Agreement also includes provisions requiring action by customs authorities against suspected counterfeit or pirated goods.

#### Copyright Infringement

4.115 The first of the acts restricted by copyright is “reproduction.” By reproduction is generally meant the right to multiply copies of the work, the production of even one copy being an infringement. Reproduction is not defined in any of the acts but its meaning is probably very similar to “copy.” What is a copy will be a question of fact and degree. When the copy is not exact, the court must examine the degree of resemblance with this in mind: that for infringement to arise, there must be such a degree of similarity as would lead one to say that the alleged infringement is a copy or reproduction of the original — having, in other words, adopted its essential features and substance.

4.116 A causal connection between the copyright work or the alleged infringement is essential and is a major distinction between the protection afforded by patents and registered designs — both of which are full monopolies. The plaintiff must prove that directly and indirectly the defendant has copied from the work matter in which he claims copyright. He must show that this causal connection is the explanation of the similarity between the two. If, for example, they both copied from a common source or they arrived at their results truly independently, there will be no infringement.

4.117 Many statutes qualify “reproduction” with some such phrase as “or substantial reproduction.” The question of what is “substantial” will again depend on the facts and circumstances of each case and will be for the court to assess. It has been said in a leading case that “the question whether the defendant has copied a substantial part depends much more on the quality than the quantity of what he has taken.” And in another case “what is worth copying is *prima facie* worth protecting.”

4.118 What the court must do is to assess whether, assuming a causal connection, the defendant has helped himself to too liberal a portion of another’s labor or work. On the other hand, bearing in mind particularly that copyright does not protect ideas (which may or may not be the proper subject of a patent) but rather the way in which ideas are expressed and articulated, the court will by way of balance always be mindful not in effect to give a plaintiff the benefit of a 50-year protection for an idea under the guise of copyright. The two species of protection are very different.

4.119 In view of the foregoing it is clear that the most obvious defense is that the impugned work was independently arrived at. Other defenses may be:

- that, although there has been some degree of copying, a substantial part of the work in issue has not been taken;
- that the work is no longer in copyright;
- certain other statutory defenses such as fair dealing and use for educational purposes.

## Registered Designs Infringement

4.127 Registered designs have a close analogy with patents. They consist of an exclusive right of limited duration.

4.128 The United Kingdom, for instance, has the following definition of design:

“In this Act, ‘design’ means the whole or a part of a product resulting from the features of, in particular, the lines, colours, shape, texture or materials of the product or its ornamentation” (Section 1(2) of the United Kingdom Registered Designs Act, 1949, as amended by Article 2 of the Registered Designs Regulations 2001).

4.129 In other words the proper subject of a registered design consists of what the eye can appreciate in its application to an article, except such features as are functional. Like a patent the design has to be construed by the court prior to considering issues of infringement and validity. By its nature the entire exercise here is done by the eye, that is the eye of the court. It will seldom be appropriate to adduce evidence to assist the eye in this respect.

4.130 Apart from the obvious defense that the product in issue does not fall within the scope of the design, the defendant will invariably counterclaim for rectification of the register of designs. As with patents, he may choose to rely on lack of novelty, which is a fundamental requirement for a valid design, in the light of prior art. But he may also wish to impugn the design by showing it to be or consist of features or shapes or configurations which are dictated by the function above.

### Remedies

4.131 The remedies typically available in intellectual property infringement actions are injunctions, damages and account of profits. Most actions start with an application for some form of preliminary or interlocutory relief, and in most cases do not get beyond this preliminary stage.

#### Preliminary Relief: The Interlocutory Injunction

4.132 Preliminary remedies are of the utmost importance to the protection of all these intellectual property rights. The period from the time of commencement of proceedings to the final determination of a case can allow significant damage to be done to sales and profits and to reputation, due to other exploitation of material and/or information. Furthermore, the nature of the infringement or other unlawful conduct may be such as to make damages or an account of profits an inadequate remedy. One of the reasons for this is that the defendant may be impecunious or may disappear. But these will not be the only reasons why, in a particular case, damages may not be an adequate remedy. More often, this is because of the nature of the intellectual property right in question and the difficulty of reaching a precise estimate of the loss suffered as the result of an infringement. If, in such a case, the defendant’s unlawful conduct is restrained at the outset, the problem of damages may either disappear from the case altogether or be very much less difficult than otherwise would be the case.

4.133 The most useful and widely used preliminary remedy is the interlocutory or interim injunction, the main purpose of which is usually described as being to preserve the *status quo* until the hearing of the main action. Although preserving the *status quo* as at the time of making an application is usually the most appropriate order, this is not the main concern of the interlocutory injunction. The primary matter with which the court is concerned in granting an interlocutory injunction is the maintenance of a position that will most easily enable justice to be done when the final determination is made. Thus, a court will sometimes order that an earlier position be restored, or that the parties arrange their affairs in some other way that is more in accordance with the requirements of justice.

4.134 In an increasing number of cases interlocutory injunctions are not sufficient to protect intellectual property rights against the threat of continuing infringement. This is often because the evidence needed to sustain an application for both interim and final relief is not readily available and will not become available through the usual processes of discovery. In such a case the plaintiff will be unlikely to obtain an interim injunction because he will not have the necessary evidence. Sometimes the defendant will remove or destroy the infringing material. In recent years a speedy and effective means of obtaining and preserving such evidence has been developed by courts in the

United Kingdom. The relief granted is an *ex parte* order for entry and inspection of premises and removal of evidence. These orders are known as Anton Piller orders, and may be a necessary step before an interlocutory injunction can be obtained.

4.135 Similarly, the collection of evidence and even a final judgment in favor of a plaintiff may be to no avail if the defendant has no assets which can be used to fund any damages ordered. This is a serious problem given the increasing resourcefulness of those attempting to avoid their obligations, the ease with which money can be moved from one country to another and advances in technology. In order to address this problem the courts of common law countries have formulated and developed the Mareva injunction which operates to prevent defendants from removing assets from the jurisdiction or from disposing or dealing with them within the jurisdiction in such a way as to frustrate any judgment that may be entered against them.

#### Final Injunction

4.136 In the normal course, a successful plaintiff in an industrial property action will be entitled to a final injunction. The grant of injunctions is discretionary and only used in unusual situations, (for example, where the defendant is the sole source of a life-giving drug or, in a copyright case, where there has been extreme delay) will a permanent injunction be refused. If an injunction were not granted, for example, to a successful patent proprietor, the result would be tantamount to enabling the defendant to take a compulsory license under the patent without having to go through the statutory provisions relating to compulsory licenses. Should the injunction be breached, the plaintiff can move for contempt of court, and in the field of industrial property experience shows that such action on the part of a plaintiff is not at all infrequent.

#### Damages or Account of Profits

4.137 The assessment of damages in industrial property cases invariably demands as a first step an election by the successful plaintiff as to whether he will take an inquiry as to damages on the one hand, or an account of profits on the other. These alternatives are of course mutually exclusive since by electing to go for an account, the plaintiff has adopted the defendant's acts as his own. The choice in each case will depend on the facts. Sometimes, for instance, time may be of the essence and the trial as to liability may have itself generated enough material evidence to enable a plaintiff to move speedily for an account. Sometimes a defendant may have been able to secure more sales of the product in issue during the infringing period than the plaintiff could possibly have done. In such cases, the plaintiff will again be likely to choose an account rather than an inquiry — which will incidentally be for net profits.

4.138 Usually, however, a successful plaintiff will ask for an order that an inquiry as to damages be taken. When this is done, in a difficult case, the plaintiff may have to endure a fresh trial almost as substantial as the trial as to liability. For this reason, fully litigated industrial property cases seldom go as far as a full inquiry as to damages; they tend to settle when liability has been established.

4.139 The assessment of appropriate damages in industrial property cases vary somewhat between the several causes of action. Passing-off and trademark infringement may be considered together as may patents and registered designs. Judicial views on the correct approach to damages for breach of confidence have been divergent, and in copyright cases special statutory provisions exist. There is however no universally appropriate test or formula for assessing damages. Damages in any of these fields are notoriously difficult to assess with any degree of accuracy, and the courts have sensibly taken this into account by declining to lay down general rules.

4.140 A common approach has been to assess damages on the basis of a notional arm's length license: this will arise for example when the parties are competitors and is usually appropriate to patent and registered design cases. Damages for past infringement are then based upon a payment of a royalty in respect of, for example, each infringing article. But problems do arise here — particularly when in reality the plaintiff would never have granted a license. This approach has also been used in breach of confidence and copyright infringement cases. Another approach which is more difficult to prove is through consideration of sales lost to the plaintiff; in this case the plaintiff is entitled to the entire lost profit.

## Chapter –V International Treaties and Conventions on Intellectual Property

### The Paris Convention for the Protection of Industrial Property

#### History

5.1 During the last century, before the existence of any international convention in the field of industrial property, it was difficult to obtain protection for industrial property rights in the various countries of the world because of the diversity of their laws. Moreover, patent applications had to be made roughly at the same time in all countries in order to avoid a publication in one country destroying the novelty of the invention in the other countries. These practical problems created a strong desire to overcome such difficulties.

5.2 During the second half of the last century the development of a more internationally oriented flow of technology and the increase of international trade made harmonization of industrial property laws urgent in both the patent and the trademark field.

5.3 When the Government of the Empire of Austria-Hungary invited the other countries to participate in an international exhibition of inventions held in 1873 at Vienna, participation was hampered by the fact that many foreign visitors were not willing to exhibit their inventions at that exhibition in view of the inadequate legal protection offered to exhibited inventions.

5.4 This led to two developments: firstly, a special Austrian law secured temporary protection to all foreigners participating in the exhibition for their inventions, trademarks and industrial designs. Secondly, the Congress of Vienna for Patent Reform was convened during the same year, 1873. It elaborated a number of principles on which an effective and useful patent system should be based, and urged governments “to bring about an international understanding upon patent protection as soon as possible.”

5.5 As a follow-up to the Vienna Congress, an International Congress on Industrial Property was convened at Paris in 1878. Its main result was a decision that one of the governments should be asked to convene an international diplomatic conference “with the task of determining the basis of uniform legislation” in the field of industrial property.

5.6 Following that Congress, a final draft proposing an international “union” for the protection of industrial property was prepared in France and was sent by the French Government to a number of other countries, together with an invitation to attend the 1880 International Conference in Paris. That Conference adopted a draft convention which contained in essence the substantive provisions that today are still the main features of the Paris Convention.

5.7 A Diplomatic Conference was convened in Paris in 1883, which ended with final approval and signature of the Paris Convention for the Protection of Industrial Property. The Paris Convention was signed by 11 States: Belgium, Brazil, El Salvador, France, Guatemala, Italy, the Netherlands, Portugal, Serbia, Spain and Switzerland. When it came into effect on July 7, 1884, Great Britain, Tunisia and Ecuador had adhered as well, bringing the initial number of member countries to 14. El Salvador, Guatemala and Ecuador later denounced the Paris Convention to join again in the 1990s. It was only during the first quarter of the 20th century and then particularly after World War II that the Paris Convention increased its membership more significantly.

5.8 The Paris Convention has been revised from time to time after its signature in 1883. Each of the revision conferences, starting with the Brussels Conference in 1900, ended with the adoption of a revised Act of the Paris Convention. With the exception of the Acts concluded at the revision conferences of Brussels (1897 and 1900) and Washington, D.C. (1911), which are no longer in force, all those earlier Acts are still of significance, although the great majority of the countries are now party to the latest Act, that of Stockholm of 1967.

#### Principal Provisions

5.9 The provisions of the Paris Convention may be sub-divided into four main categories:

- a first category contains rules of substantive law which guarantee a basic right known as the right to national treatment in each of the member countries;
- a second category establishes another basic right known as the right of priority;



- a third category defines a certain number of common rules in the field of substantive law which contain either rules establishing rights and obligations of natural persons and legal entities, or rules requiring or permitting the member countries to enact legislation following those rules;

- a fourth category deals with the administrative framework which has been set up to implement the Convention, and includes the final clauses of the Convention.

#### National Treatment

5.10 National treatment means that, as regards the protection of industrial property, each country party to the Paris Convention must grant the same protection to nationals of the other member countries as it grants to its own nationals. The relevant provisions are contained in Articles 2 and 3 of the Convention.

5.11 The same national treatment must be granted to nationals of countries which are not party to the Paris Convention if they are domiciled in a member country or if they have a “real and effective” industrial or commercial establishment in such a country. However, no requirement as to domicile or establishment in the country where protection is claimed may be imposed upon nationals of member countries as a condition for benefiting from an industrial property right.

5.12 This national treatment rule guarantees not only that foreigners will be protected, but also that they will not be discriminated against in any way. Without this, it would frequently be very difficult and sometimes even impossible to obtain adequate protection in foreign countries for inventions, trademarks and other subjects of industrial property.

5.13 The national treatment rule applies first of all to the “nationals” of the member countries. The term “national” includes both natural persons and legal entities. With respect to legal entities, the status of being a national of a particular country may be difficult to determine. Generally, no nationality as such is granted to legal entities by the various national laws. There is of course no doubt that State-owned enterprises of a member country or other entities created under the public law of such country are to be considered as nationals of the member country concerned. Legal entities created under the private law of a member country will usually be considered a national of that country. If they have their actual headquarters in another member country, they may also be considered a national of the headquarters country. According to Article 2(1), the national treatment rule applies to all advantages that the various national laws grant to nationals.

5.14 This means furthermore, that any requirement of reciprocity of protection is excluded. Supposing that a given member country has a longer term of patent protection than another member country: the former country will not have the right to provide that nationals of the latter country will enjoy a term of protection of the same length as the term of protection is in the law of their own country. This principle applies not only to codified law but also to the practice of the courts (jurisprudence), and to the practice of the Patent Office or other administrative governmental institutions as it is applied to the nationals of the country.

5.15 The application of the national law to the national of another member country does not, however, prevent him from invoking more beneficial rights specially provided in the Paris Convention. These rights are expressly reserved. The national treatment principle must be applied without prejudice to such rights.

5.16 Article 2(3) states an exception to the national treatment rule. The national law relating to judicial and administrative procedure, to jurisdiction and to requirements of representation is expressly “reserved.” This means that certain requirements of a mere procedural nature which impose special conditions on foreigners for purposes of judicial and administrative procedure, may also validly be invoked against foreigners who are nationals of member countries. An example is a requirement for foreigners to deposit a certain sum as security or bail for the costs of litigation. Another example is expressly stated: the requirement that foreigners should either designate an address for service or appoint an agent in the country in which protection is requested. This latter is perhaps the most common special requirement imposed on foreigners.

5.17 Article 3 provides for the application of the national treatment rule also to nationals of non-member countries, if they are *domiciled* or have an industrial or commercial establishment in a

member country.

5.18 The term “domiciled” is generally interpreted not only in the strict legal sense of the term. A mere residence, more or less permanent as distinct from a legal domicile, is sufficient. Legal entities are domiciled at the place of their actual headquarters.

5.19 If there is no domicile, there may still be an industrial or commercial establishment which gives a person the right to national treatment. The notion of the industrial or commercial establishment in a member country of a national of a non-member country is further qualified by the text of the Convention itself. It requires that there must be actual industrial or commercial activity. A mere letter box or the renting of a small office with no real activity is not sufficient.

The Right of Priority

5.20 The right of priority means that, on the basis of a regular application for an industrial property right filed by a given applicant in one of the member countries, the same applicant (or its or his successor in title) may, within a specified period of time (six or 12 months), apply for protection in all the other member countries. These later applications will then be regarded as if they had been filed on the same day as the earliest application. Hence, these later applications enjoy a priority status with respect to all applications relating to the same invention filed after the date of the first application. They also enjoy a priority status with respect to all acts accomplished after that date which would normally be apt to destroy the rights of the applicant or the patentability of his invention. The provisions concerning the right of priority are contained in Article 4 of the Convention.

5.21 The right of priority offers great practical advantages to the applicant desiring protection in several countries. The applicant is not required to present all applications at home and in foreign countries at the same time, since he has six or 12 months at his disposal to decide in which countries to request protection. The applicant can use that period to organize the steps to be taken to secure protection in the various countries of interest in the particular case.

5.22 The beneficiary of the right of priority is any person entitled to benefit from the national treatment rule who has duly filed an application for a patent for invention or another industrial property right in one of the member countries.

5.23 The right of priority can be based only on the *first* application for the same industrial property right which must have been filed in a member country. It is therefore not possible to follow a first application by a second, possibly improved application and then to use that second application as a basis of priority. The reason for this rule is obvious: one cannot permit an endless chain of successive claims of priority for the same subject, as this could, in fact, considerably prolong the term of protection for that subject.

5.24 Article 4A(1) of the Paris Convention recognizes expressly that the right of priority may also be invoked by the successor in title of the first applicant. The right of priority may be transferred to a successor in title without transferring at the same time the first application itself. This allows in particular also the transfer of the right of priority to different persons for different countries, a practice which is quite common.

5.25 The later application must concern the same subject as the first application the priority of which is claimed. In other words, the same invention, utility model, trademark or industrial design must be the subject of both applications. It is, however, possible to use a first application for a patent for invention as priority basis for a registration of a utility model and vice versa. The same change of form of protection in both directions may also be possible, in accordance with national laws, between utility models and industrial designs.

5.26 The first application must be “duly filed” in order to give rise to the right of priority. Any filing, which is equivalent to a regular national filing, is a valid basis for the right of priority. A regular national filing means any filing that is adequate to establish the date on which the application was filed in the country concerned. The notion of “national” filing is qualified by including also applications filed under bilateral or multilateral treaties concluded between member countries.

5.27 Withdrawal, abandonment or rejection of the first application does not destroy its capacity

to serve as a priority basis. The right of priority subsists even where the first application generating that right is no longer existent.

5.28 The effect of the right of priority is regulated in Article 4B. One can summarize this effect by saying that, as a consequence of the priority claim, the later application must be treated as if it had been filed already at the time of the filing, in another member country, of the first application the priority of which is claimed. By virtue of the right of priority, all the acts accomplished during the time between the filing dates of the first and the later applications, the so-called priority period, cannot destroy the rights which are the subject of the later application.

5.29 In terms of concrete examples, this means that a patent application for the same invention filed by a third party during the priority period will not give a prior right, although it was filed before the later application. Likewise, a publication or public use of the invention, which is the subject of the later application, during the priority period would not destroy the novelty or inventive character of that invention. It is insignificant for that purpose whether that publication is made by the applicant or the inventor himself or by a third party.

5.30 The length of the priority period is different according to the various kinds of industrial property rights. For patents for invention and utility models the priority period is 12 months, for industrial designs and trademarks it is six months. In determining the length of the priority period, the Paris Convention had to take into account the conflicting interests of the applicant and of third parties. The priority periods now prescribed by the Paris Convention seem to strike an adequate balance between them.

5.31 The right of priority as recognized by the Convention permits the claiming of “multiple priorities” and of “partial priorities.” Therefore, the later application may not only claim the priority of one earlier application, but it may also combine the priority of several earlier applications, each of which pertaining to different features of the subject matter of the later application. Furthermore, in the later application, elements for which priority is claimed may be combined with elements for which no priority is claimed. In all these cases, the later application must of course comply with the requirement of unity of invention.

5.32 These possibilities correspond to a practical need. Frequently after a first filing further improvements and additions to the invention are the subject of further applications in the country of origin. In such cases, it is very practical to be able to combine these various earlier applications into one later application, when filing before the end of the priority year in another member country. This combination is even possible if the multiple priorities come from different member countries.

#### Provisions Concerning Patents

##### *Independence of Patents*

5.33 Patents for invention granted in member countries to nationals or residents of member countries must be treated as independent of patents for invention obtained for the same invention in other countries, including non-member countries. The rule concerning the “independence” of patents for invention is contained in Article 4*bis*.

5.34 This principle is to be understood in its broadest sense. It means that the grant of a patent for invention in one country for a given invention does not oblige any other member country to grant a patent for invention for the same invention. Furthermore, the principle means that a patent for invention cannot be refused, invalidated or otherwise terminated in any member country on the ground that a patent for invention for the same invention has been refused or invalidated, or that it is no longer maintained or has terminated, in any other country. In this respect, the fate of a particular patent for invention in any given country has no influence whatsoever on the fate of a patent for the same invention in any of the other countries.

5.35 The underlying reason and main argument in favor of this principle is that national laws and administrative practices are usually quite different from country to country. A decision not to grant or to invalidate a patent for invention in a particular country on the basis of its law will frequently not have any bearing on the different legal situation in the other countries. It would not be justified to make the owner lose the patent for invention in other countries, on the ground that he or she

lost a patent in a given country as a consequence of not having paid an annual fee in that country, or as a consequence of the patent's invalidation in that country, on a ground which does not exist in the laws of the other countries.

5.36 A special feature of the principle of independence of patents for invention is contained in Article 4*bis*(5). This provision requires that a patent granted on an application which claimed the priority of one or more foreign applications, must be given the same duration which it would have according to the national law if no priority had been claimed. In other words, it is not permitted to deduct the priority period from the term of a patent invoking the priority of a first application. For instance, a provision in a national law starting the term of the patent for invention from the (foreign) priority date.

### *Industrial Designs*

5.127 The Paris Convention deals with industrial designs in Article 5*quinquies*. This provision merely states the obligation of all member countries to protect industrial designs. Nothing is said about the way in which this protection must be provided.

5.128 Member countries can therefore comply with this obligation through the enactment of special legislation for the protection of industrial designs. They can, however, also comply with this obligation through the grant of such protection under the law on copyright or the law against unfair competition.

5.129 The normal solution, chosen by a great number of countries for compliance with the obligations under Article 5*quinquies* is, however, to provide for a special system of protection of industrial designs by registration or by the grant of patents for industrial designs.

5.130 There is a special provision dealing with forfeiture in the case of industrial designs. It is contained in Article 5B, and states that the protection of industrial designs may not in any circumstances be subject to any measure of forfeiture as a sanction, in cases of failure to work or where articles corresponding to those protected are imported. "Forfeiture" in this provision includes equivalent measures, such as cancellation, invalidation or revocation. Member countries could, however, provide other sanctions for those cases, such as compulsory licenses in order to ensure working. "Working" means here the manufacture of products representing or incorporating the industrial design.

## **The Berne Convention for the Protection of Literary and Artistic Works**

### **History**

5.165 Copyright protection on the international level began by about the middle of the nineteenth century on the basis of bilateral treaties. A number of such treaties providing for mutual recognition of rights were concluded but they were neither comprehensive enough nor of a uniform pattern.

5.166 The need for a uniform system led to the formulation and adoption on September 9, 1886, of the Berne Convention for the Protection of Literary and Artistic Works. The Berne Convention is the oldest international treaty in the field of copyright. It is open to all States. Instruments of accession or ratification are deposited with the Director General of the World Intellectual Property Organization (WIPO).

5.167 The Berne Convention has been revised several times in order to improve the international system of protection which the Convention provides. Changes have been effected in order to cope with the challenges of accelerating development of technologies in the field of utilization of authors' works, in order to recognize new rights as also to allow for appropriate revisions of established ones. The first major revision took place in Berlin in 1908, and this was followed by the revisions in Rome in 1928, in Brussels in 1948, in Stockholm in 1967 and in Paris in 1971.

5.168 The purpose of the Stockholm revision was to provide for rapid technological developments as well as the needs of newly independent developing countries, and to introduce administrative and structural changes. As for the preferential provisions for developing countries worked out in Stockholm, these were further taken up at the Paris Revision Conference in 1971, where new

compromises were worked out.

5.169 The aim of the Berne Convention, as indicated in its preamble, is “to protect, in as effective and uniform a manner as possible, the rights of authors in their literary and artistic works.”

Article 1 lays down that the countries to which the Convention applies constitute a Union for the protection of the rights of authors in their literary and artistic works.

### **Principal Provisions**

#### **Basic Principles**

5.170 The Convention rests on three basic principles. Firstly, there is the principle of “national treatment”, according to which works originating in one of the member States are to be given the same protection in each of the member States as these grant to works of their own nationals. Secondly, there is automatic protection, according to which such national treatment is not dependent on any formality; in other words protection is granted automatically and is not subject to the formality of registration, deposit or the like. Thirdly, there is independence of protection, according to which enjoyment and exercise of the rights granted is independent of the existence of protection in the country of origin of the work.

#### **Works Protected**

5.171 Article 2 contains a non-limitative (illustrative and not exhaustive) list of such works, which include any original production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression. Derivative works, that is those based on other pre-existing works, such as translations, adaptations, arrangements of music and other alterations of a literary or artistic work, receive the same protection as original works (Article 2(3)). The protection of some categories of works is optional; thus every State party to the Berne Convention may decide to what extent it wishes to protect official texts of a legislative, administrative and legal nature (Article 2(4)), works of applied art (Article 2(7)), lectures, addresses and other oral works (Article 2*bis*(2)) and works of folklore (Article 15(4)). Furthermore, Article 2(2) provides for the possibility of making the protection of works or any specified categories thereof subject to their being fixed in some material form. For instance, protection of choreographic works may be dependent on their being fixed in some form.

5.172 One of the important provisions is the one that covers works or expressions of what is called “folklore.” Without mentioning the word, the Convention provides that any member country may give protection to unpublished works where the identity of the author is unknown, but where there is every ground to presume that the author is a national of that country, by designating, through the national legislation, the competent authority which should represent the author of unknown identity and protect and enforce his rights in the countries party to the Convention. By providing for the bringing of actions by authorities designated by the State, the Berne Convention offers to countries whose folklore is a part of their heritage, a possibility of protecting it.

#### **Owners of Rights**

5.173 Article 2(6) lays down that protection under the Convention is to operate for the benefit of the author and his successors in title. For some categories of works, however, such as cinematographic works (Article 14*bis*), ownership of copyright is a matter for legislation in the country where protection is claimed.

#### **Persons Protected**

5.174 Authors of works are protected, in respect of both their unpublished or published works if, according to Article 3, they are nationals or residents of a member country; alternatively, if, not being nationals or residents of a member country, they first publish their works in a member country or simultaneously in a non-member and a member country.

#### **Minimum Standards of Protection**

5.175 Certain minimum standards of protection have been prescribed relating to the rights of authors and the duration of protection.

#### **Rights Protected**

5.176 The exclusive rights granted to authors under the Convention include the right of translation (Article 8), the right of reproduction in any manner or form, which includes any sound or visual

recording, (Article 9), the right to perform dramatic, dramatico-musical and musical works (Article 11), the right to broadcast and communicate to the public, by wire, rebroadcasting or loudspeaker or any other analogous instrument, the broadcast of the work (Article 11*bis*), the right of public recitation (Article 11*ter*), the right to make adaptations, arrangements or other alterations of a work (Article 12) and the right to make cinematographic adaptations and reproductions of a work (Article 14). The so-called “droit de suite” provided for in Article 14*ter* (concerning original works of art and original manuscripts) is optional and applicable only if legislation in the country to which the author belongs permits.

5.177 Independently of the author’s economic rights, Article 6*bis* provides for “moral rights” — that is, the right of the author to claim authorship of his work and to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the work which would be prejudicial to his honor or reputation.

#### Limitations

5.178 As a sort of counterbalance to the minimum standards of protection there are also other provisions in the Berne Convention limiting the strict application of the rules regarding exclusive right. It provides for the possibility of using protected works in particular cases without having to obtain the authorization of the owner of the copyright and without having to pay any remuneration for such use. Such exceptions, which are commonly referred to as free use of protected works, are included in Articles 9(2) (reproduction in certain special cases), 10 (quotations and use of works by way of illustration for teaching purposes), 10*bis* (reproduction of newspaper or similar articles and use of works for the purpose of reporting current events) and 11*bis*(3) (ephemeral recordings).

5.179 There are two cases where the Berne Convention provides the possibility of compulsory licenses — in Articles 11*bis*(2), for the right to broadcast and communicate to the public, by wire, rebroadcasting or loudspeaker or any other analogous instrument, the broadcast of the work, and 13(1) for the right of recording musical works.

5.180 As far as the exclusive right of translation is concerned, the Berne Convention offers a choice, in that a developing country may, when acceding to the Convention, make a reservation under the so-called “ten-year rule” (Article 30(2)(b)). This provides for the possibility of reducing the term of protection in respect of the exclusive right of translation; this right, according to the said rule, ceases to exist if the author has not availed himself of it within 10 years from the date of first publication of the original work, by publishing or causing to be published, in one of the member countries, a translation in the language for which protection is claimed.

#### Duration of Protection

5.181 The minimum standards of protection provided for in the Berne Convention also relate to the duration of protection. Article 7 lays down a minimum term of protection, which is the life of the author plus 50 years after his death.

5.182 There are, however, exceptions to this basic rule for certain categories of works. For cinematographic works, the term is 50 years after the work has been made available to the public, or, if not made available, then 50 years after the making of such a work. For photographic works and works of applied art, the minimum term of protection is 25 years from the making of the work (Article 7(4)).

5.183 A majority of countries in the world have legislated for life plus a 50-year term of protection since it is felt fair and right that the lifetime of the author and the lifetime of his children should be covered; this could also provide the incentive necessary to stimulate creativity, and constitute a fair balance between the interests of the authors and the needs of society.

5.184 The term of protection, in so far as moral rights are concerned, extends at least until the expiry of the economic rights.

#### Application in time

5.185 The Protection under the Berne Convention is retrospective, since it applies to all works which, at the moment of its coming into force for a specific country, have not yet fallen into the public domain in the country of their origin through the expiry of the term of protection.

### **The Latest (Paris) Act of the Convention**

5.186 The Berne Convention was developed initially according to the standards and requirements of the industrialized countries in Europe. Particularly in the wake of the Second World War, when the political map of the world changed considerably, the Berne Convention also had to face new problems of development. Various newly independent countries had to consider the question of possible accession to the international system of copyright protection as contained in the Convention. They were free to join or not to join it or, where they were already members by virtue of a past colonial or similar status, to withdraw from the Convention.

5.187 While it was almost universally recognized that authors and other creators should be afforded the necessary protection for their intellectual creations, there was also a consciousness that the newly independent developing countries had genuine problems in gaining greater and easier access to works protected by copyright, particularly for their technological and educational needs, from the developed countries. Meanwhile, the advance of technology made more attractive the extension of the geographical scope of the international conventions and multilateral agreements to an increasingly larger number of countries.

5.188 Deliberations at the more recent revision conferences were therefore directed to adapting the systems of international protection of literary and artistic works to the needs of these newly independent countries.

5.189 The question of incorporating into the Convention special provisions for the developing countries was initially mooted at an African Copyright Meeting in Brazzaville in 1963. This matter was pursued at the Conference called in Stockholm in 1967 for revision of the Berne Convention, where a “protocol regarding developing countries” known as the Stockholm Protocol was added to the Convention.

5.190 However, it soon became clear that the solution (the Stockholm Protocol) proposed was unlikely to gain much acceptance among Union countries, particularly those whose works were likely to be made use of under the provisions of the Protocol.

5.191 The Revision Conference convened in Paris in 1971 was predominantly concerned with finding solutions in order to support the universal effect of the Convention and to establish an appropriate basis for its operation, particularly in relation to developing countries. The question was asked whether it was fair and workable to ask the developing countries to take on obligations under the Convention that were agreed upon by developed countries, without taking into consideration the special circumstances of the former. There was certainly a challenge then posed to international copyright itself and this was, in a manner, sorted out through the give-and-take that culminated in the special provisions concerning developing countries that were incorporated in an Appendix, which now forms an integral part of the Convention.

5.192 The Appendix to the Paris (1971) Act of the Berne Convention provides for special faculties open to developing countries concerning translation and reproduction of works of foreign origin. The Appendix augments the Convention’s existing exceptions to the author’s exclusive rights, including those of reproduction and translation (Articles 2*bis*, 9(2), 10(2), 10*bis*) and the ten-year rule (Article 30(2)(b)).

5.193 According to this Appendix, countries which are regarded as developing countries in conformity with the established practice of the General Assembly of the United Nations may, under certain conditions, depart from the minimum standards of protection provided for in the Convention. This exceptional regime concerns two rights, the right of translation and the right of reproduction. Details of such provisions in favor of developing countries appear below, in paragraphs 5.201 to 5.205.

#### **Administration**

##### Administrative Provisions

5.194 The provisions of the Berne Convention fall into two categories, those of substance covering the material law and the administrative and final clauses covering matters of administration and structure. In the latest text of the Convention as revised at Paris in 1971, Articles 1 to 21 and the Appendix contain the substantive provisions and Articles 22 to 38 the administrative and final clauses.

5.195 The Berne Convention is administered by the World Intellectual Property Organization (WIPO). The administrative tasks performed by WIPO include assembling and publishing information concerning the protection of copyright. Each member country communicates to WIPO all new copyright laws. WIPO conducts studies and provides services designed to facilitate protection of copyright; as the Secretariat, it participates in all meetings of the Assembly, the Executive Committee, the Standing Committee on Copyright and Related Rights or Working Groups. In accordance with the directions of the Assembly and in cooperation with the Executive Committee, it shall also, when required, make preparations for the conferences to revise the Convention.

5.196 The administrative provisions provide for an Assembly in which the Government of each member State shall be represented by one delegate. The Assembly determines the program, adopts the budget and controls the finances of the Union. It also elects members of the Executive Committee of the Assembly. One fourth of the number of member countries are to be elected to the Executive Committee. The Executive Committee meets once every year in ordinary session. However, certain administrative changes are now under consideration (see under Constitutional Reform, Chapter 1).

#### Becoming Party to the Convention

5.197 In order to become a party to the Berne Convention, an instrument of accession has to be deposited with the Director General of WIPO (Article 29(1)). Accession to the Berne Convention and membership of the Berne Union becomes effective three months after the date on which the Director General of WIPO has notified the deposit of the above-mentioned instrument of accession (Article 29(2)(a)). In accordance with Article I of the Appendix, a developing country has to specifically declare, at the time of its ratification of or accession to the Paris Act, that it will avail itself of the provisions in the Appendix concerning the compulsory licenses for translation and/or reproduction.

5.198 In becoming party to the Berne Convention, the State concerned becomes a member of the Berne Union. It would therefore be entitled:

- to full membership (right to vote) in the Berne Union Assembly (Article 22(3)(a));
- to the right to vote in elections of or to be elected to the Executive Committee of the Berne Union (Article 23(2)(a));
- to automatic membership in the WIPO Coordination Committee during the period of its membership in the Executive Committee of the Berne Union (Convention establishing WIPO, Article 8(1)(a)).

5.199 To become a member of the Berne Union is in the interest of every country that wants to establish healthy conditions for the development of its culture and economy, and it is particularly in the interest of every developing country.

#### **Developing Countries and the Berne Convention**

5.200 The predominant concern at the last revision of the Berne Convention remained the reinforcement of the Convention, while continuing to address the preoccupations of developing countries. The latest (1971) Paris Act of the Berne Convention thus recognizes a special right in favor of developing countries. It provides that in the case of unpublished works, where the identity of the author is unknown, but where there is every ground to presume that he is a national of a country of the Union, the rights in such a work are to be acknowledged in all countries of the Union. By this provision the Berne Convention has rendered it possible for the developing countries to protect their folklore also abroad. It was made a matter for legislation in the country of origin of such works to designate the competent authority which should represent the unknown author and protect and enforce his rights in the countries of the Union. By providing for the bringing of actions by authorities designated by the State, the Berne Convention offers to developing countries, whose folklore is a part of their heritage, a possibility of protecting it.

5.201 In the Appendix which forms an integral part of the Paris Act, special provisions were included concerning developing countries. The Appendix provides for the possibility of granting non-exclusive and non-transferable compulsory licenses in respect of (i) translation for the purpose



of teaching, scholarship or research, and (ii) reproduction for use in connection with systematic instructional activities, of works protected under the Convention. These licenses may be granted, after the expiry of certain time limits and after compliance with certain procedural steps, by the competent authority of the developing country concerned. They must provide for just compensation in favor of the owner of the right. In other words the payment to be made by the compulsory licensee must be consistent with standards of royalties normally in vogue in respect of licenses freely negotiated between persons in the two countries concerned. Provision has also to be made to ensure a correct translation or an accurate reproduction of the work, as the case may be, and to specify the name of the author on all copies of such translations or reproductions. Copies of translations and reproductions made and publication under licenses are not, however, allowed to be exported. Since the license is non-exclusive, the copyright owner is entitled to bring out and place on the market his own equivalent copies, upon which the power of the licensee to continue making copies under the license would cease. However, in that event, the compulsory licensee's stock can be exhausted.

5.202 Compulsory licenses for translations can be granted for languages generally spoken in the developing country concerned. There is a distinction between languages in general use also in one or more developed countries (English, French and Spanish, for example) and those not in general use there (largely local languages of developing countries). In the case of a language in general use in one or more developed countries, a period of three years, starting on the date of the first publication of the work has to elapse before a license can be applied for, whereas for other languages the period has been reduced to one year. To this has to be added a period of six to nine months, as the case may be, for obtaining licenses according to the formalities provided for in the Convention. It is also important here to point out that the system of translation licenses includes licenses for broadcasting, and this is important when we take into account the part played in today's context by the radio and television for educational purposes. These licenses, however, are not for authorizing the broadcasting of a translated work; they relate only to translations made for broadcasting purposes.

5.203 In respect of reproduction, the period after which licenses can be obtained varies according to the nature of the work to be reproduced. Generally it is five years from the first publication. For works connected with the natural and physical sciences and with technology (and this includes mathematical works) the period is three years; while for works of fiction, poetry and drama, the period is seven years.

5.204 The possibility that the Appendix provides for the grant of a compulsory license, if authorization is desired, may favorably influence negotiation and may lead to increased scope for voluntary licensing.

5.205 In so far as compulsory licenses for translation are concerned, instead of availing itself of the facility offered by the system mentioned earlier, the Berne Convention offers a choice in that a developing country may, when ratifying or acceding to the Paris Act, make a reservation under the so-called "ten-year rule" (Article 30(ii) (b)), which provides for the possibility of reducing the term of protection as far as the exclusive right of translation is concerned; this right, according to the said rule, ceases to exist if the author has not availed himself of it within 10 years from the date of first publication of the original work, by publishing or causing to be published, in one of the countries of the Berne Union, a translation in the language for which protection is claimed. The Appendix to the Paris Act of the Berne Convention thus allows a choice between a compulsory license system and the possibility of limiting the right of translation to 10 years as provided for in this Convention. Any developing country may choose between those possibilities but cannot combine them. In other words, this "ten-year" system provides that for 10 years from the publication of the work the author's consent has to be sought before the right to translate is obtained; after this period the right of translation is in the public domain.

5.206 The States party to the Berne Convention for the Protection of Literary and Artistic Works are listed in the appropriate document to be found inserted in the back flap of this volume.

## The WIPO Copyright Treaty (WCT)

### Introduction

5.207 The Berne Convention for the Protection of Literary and Artistic Works, after its adoption in 1886, was revised quite regularly, approximately every 20 years, until revisions which took place in Stockholm in 1967 and in Paris in 1971. The revision conferences were convened, in general, in order to find responses to new technological developments, such as sound recording technology, photography, radio, cinematography and television.

5.208 In the 1970s and 1980s, a number of important new technological developments took place — reprography, video technology, compact cassette systems facilitating “home taping,” satellite broadcasting, cable television, the increase of the importance of computer programs, computer storage of works and electronic databases, etc.

5.209 For a while, the international copyright community followed the strategy of “guided development” by study and discussion, rather than trying to establish new international norms. The recommendations, guiding principles and model provisions worked out by the various WIPO bodies (in the beginning, sometimes in cooperation with Unesco) offered guidance to governments on how to respond to the challenges of new technologies. Those recommendations, guiding principles and model provisions were based, in general, on interpretation of existing international norms, particularly the Berne Convention (for example, concerning computer programs, databases, “home taping,” satellite broadcasting and cable television). But they also included some new standards (for example, concerning distribution and rental of copies). The guidance thus offered in the “guided development” period had an important impact on national legislation, contributing to the development of copyright all over the world. At the end of the 1980s, however, it was recognized that guidance would not suffice any longer.

5.210 The preparation of new, binding international norms began in two forums — within GATT, in the framework of the Uruguay Round negotiations, and at WIPO, first, in one committee of experts and later, in two parallel committees of experts.

5.211 After the adoption of the TRIPS Agreement under the auspices of GATT, the preparatory work of new copyright and related rights norms in the WIPO committees was intensified to deal with problems not addressed by the TRIPS Agreement. To this end, in 1996 the WIPO Diplomatic Conference on Certain Copyright and Related Rights Questions adopted two treaties, the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT).

### Legal Nature of the WCT and its Relationship with Other International Treaties

5.212 The first sentence of Article 1(1) of the WCT provides that “This Treaty is a special agreement within the meaning of Article 20 of the Berne Convention for the Protection of Literary and Artistic Works, as regards Contracting Parties that are countries of the Union established by that Convention.” Article 20 of the Berne Convention contains the following provision: “The Governments of the countries of the Union reserve the right to enter into special agreements among themselves, in so far as such agreements grant to authors more extensive rights than those granted by the Convention, or contain other provisions not contrary to this Convention.” Thus, the above-quoted provision of Article 1(1) of the WCT makes clear that no interpretation of the WCT is acceptable which may result in any lowering of the level of protection granted by the Berne Convention.

5.213 Article 1(4) of the Treaty establishes a further guarantee for fullest possible respect of the Berne Convention, since it includes, by reference, all substantive provisions of the Berne Convention, providing that “Contracting Parties shall comply with Articles 1 to 21 and the Appendix of the Berne Convention.” Article 1(3) of the Treaty clarifies that, in this context, the Berne Convention means the 1971 Paris Act of that Convention. These provisions should be considered in the light of the provisions of Article 17 of the Treaty, discussed below, under which not only countries party to the said 1971 Paris Act, and, in general, not only countries party to any act of the Berne Convention, but also any member countries of WIPO, irrespective of whether or not they are party to the Convention, and also certain intergovernmental organizations, may adhere to the Treaty.

5.214 Article 1(2) of the Treaty contains a safeguard clause similar to the one included in Article 2.2 of the TRIPS Agreement: “Nothing in this Treaty shall derogate from existing obligations that Contracting Parties have to each other under the Berne Convention for the Protection of Literary and Artistic Works.” The scope of this safeguard clause differs from the parallel provision in the TRIPS Agreement. The TRIPS safeguard clause also has importance from the viewpoint of at least one article of the Berne Convention which contains substantive provisions — namely Article 6*bis* on moral rights — since that article is not included by reference in the TRIPS Agreement. Article 1(2) of the WCT only has relevance from the viewpoint of Articles 22 to 38 of the Berne Convention containing administrative provisions and final clauses which are not included by reference (either in the WCT or the TRIPS Agreement) and only to the extent that those provisions provide obligations for Contracting Parties.

5.215 The second sentence of Article 1(1) of the WCT deals with the question of the relationship of the WCT with treaties other than the Berne Convention. It states that “This Treaty shall not have any connection with treaties other than the Berne Convention, nor shall it prejudice any rights and obligations under any other treaties.” The TRIPS Agreement and the Universal Copyright Convention are examples of such “other treaties.”

5.216 It should also be pointed out that there is no specific relationship between the WCT and the WPPT either, and the latter is also an “other” treaty covered by the second sentence of Article 1(1) of the WCT. There is also no such relationship between the WCT and the WPPT equivalent to that between the Berne Convention and the Rome Convention. Under Article 24(2) of the Rome Convention, only those countries may adhere to that Convention which are party to the Berne Convention or the Universal Copyright Convention. While, in principle, any member country of WIPO may accede to the WPPT, it is not a condition that they be party to the WCT (or the Berne Convention or the Universal Copyright Convention). It is another matter that such a separate adherence is not desirable.

#### **Substantive Provisions of the WCT**

##### Provisions Relating to the So-called “Digital Agenda”

5.217 During the preparatory work, it became clear that the most important and most urgent task was to clarify existing norms and, where necessary, create new norms to respond to the problems raised by digital technology, and particularly by the Internet. The issues addressed in this context were referred to as the “digital agenda.”

5.218 The provisions of the WCT relating to the “agenda” cover the following issues — the rights applicable to the storage and transmission of works in digital systems, the limitations on and exceptions to rights in a digital environment, technological measures of protection and rights management information. As discussed below, the right of distribution may also be relevant in respect of transmissions in digital networks; its scope, however, is much broader. Also due to its relationship with the right of rental, the right of distribution is discussed, together with the former right, below.

##### *Storage of Works in Digital Form in an Electronic Medium*

5.219 In June 1982, a WIPO/Unesco Committee of Governmental Experts clarified that storage of works in an electronic medium is reproduction. The Diplomatic Conference adopted an agreed statement which reads as follows: “The reproduction right, as set out in Article 9 of the Berne Convention, and the exceptions permitted thereunder, fully apply in the digital environment, in particular to the use of works in digital form. It is understood that the storage of a protected work in digital form in an electronic medium constitutes a reproduction within the meaning of Article 9 of the Berne Convention.”

5.220 It follows from this first sentence that Article 9(1) of the Convention is fully applicable. This means that the concept of reproduction under Article 9(1) of the Convention, which extends to reproduction “in any manner or form” irrespective of the duration of the reproduction, must not be restricted merely because a reproduction is in digital form through storage in an electronic memory, and just because a reproduction is of a temporary nature. It also follows from the same first sentence that Article 9(2) of the Convention is also fully applicable, which offers an appropriate

basis to introduce any justified exceptions such as the above-mentioned cases of transient and incidental reproductions in national legislation, in harmony with the “three-step test” provided for in that provision of the Convention (see below, in this section, under “Limitations and Exceptions”).

5.221 The second sentence of the agreed statement confirms the definition of storage of works. It is another matter that the word “storage” may still be interpreted in somewhat differing ways.

#### *Transmission on Digital Networks*

5.222 During the preparatory work, an agreement emerged that the transmission of works on the Internet and in similar networks should be the object of an exclusive right of authorization of the author or other copyright owner, with appropriate exceptions.

5.223 There was, however, no agreement concerning the right or rights which should actually be applied, although the rights of communication to the public and distribution were identified as the two major possibilities. It was also noted, however, that the Berne Convention does not offer full coverage for those rights; the former does not extend to certain categories of works, while explicit recognition of the latter covers only one category, namely that of cinematographic works.

5.224 Differences in the legal characterization of digital transmissions were partly due to the fact that such transmissions are of a complex nature, and that the various experts considered one aspect more relevant than another. However, the most fundamental reason was that coverage of the above-mentioned two rights differs to a great extent in national laws. It became evident that it would be difficult to reach consensus on a solution based on one right over the other.

5.225 A specific solution was therefore adopted, which provided that the act of digital transmission should be described in a neutral way, free from specific legal characterization; that such a description should not be excessively technical and, at the same time, should convey the interactive nature of digital transmissions; that, in respect of legal characterization of the exclusive right — that is, in respect of the actual choice of the right or rights to be applied — sufficient freedom should be left to national legislation; and, finally, that the gaps in the Berne Convention in the coverage of the relevant rights — the right of communication to the public and the right of distribution — should be covered. This solution was referred to as the “umbrella solution.”

5.226 The WCT applies this “umbrella solution” by extending applicability of the right of communication to the public to all categories of works, and clarifies that that right also covers transmissions in interactive systems described in a manner free of legal characterization. Thus Article 8 of the Treaty reads as follows: “Without prejudice to the provisions of Articles 11(1)(ii), 11*bis*(1)(i) and (ii), 11*ter*(1)(ii), 14(1)(ii) and 14*bis*(1) of the Berne Convention, authors of literary and artistic works shall enjoy the exclusive right of authorizing any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access these works from a place and at a time individually chosen by them.” It was stated in the Diplomatic Conference that Contracting Parties are free to implement the obligation to grant an exclusive right to authorize such “making available to the public” also through the application of a right other than the right of communication to the public or through the combination of different rights. By the “other” right, first of all, the right of distribution was meant, but “other” right might also be a specific new right such as that of making available to the public as provided for in Articles 10 and 14 of the WPPT.

5.227 An agreed statement was adopted concerning this Article 8. It reads as follows: “It is understood that the mere provision of physical facilities for enabling or making a communication does not in itself amount to communication within the meaning of this Treaty or the Berne Convention. It is further understood that nothing in Article 8 precludes a Contracting Party from applying Article 11*bis*(2).” This statement is intended to clarify the issue of liability of service and access providers in digital networks like the Internet: it is evident that, if a person engages in an act not covered by a right provided in the Convention (and in corresponding national laws), such person has no direct liability for the act covered by such a right.

#### *Limitations and Exceptions in the Digital Environment*

5.228 An agreed statement was adopted in this respect, which reads as follows: “It is understood that the provisions of Article 10 [of the Treaty] permit Contracting Parties to carry forward and

appropriately extend into the digital environment limitations and exceptions in their national laws which have been considered acceptable under the Berne Convention. Similarly, these provisions should be understood to permit Contracting Parties to devise new exceptions and limitations that are appropriate in the digital network environment. It is also understood that Article 10(2) [of the Treaty] neither reduces nor extends the scope of applicability of the limitations and exceptions permitted by the Berne Convention.” The provisions of Article 10 of the Treaty referred to in the agreed statement are discussed below. It is obvious that extending limitations and exceptions into the digital environment, or devising new exceptions and limitations for such environment, is subject to the three-step test included in that Article (see below, in this section, under “Limitations and Exceptions”).

#### Technological Measures of Protection and Rights Management Information

5.229 No rights in respect of digital uses of works, particularly uses on the Internet, may be applied efficiently without the support of technological measures of protection and rights management information necessary to license and monitor uses. The application of such measures and information are left to the interested right-owners, but appropriate legal provisions are included in Articles 11 and 12 of the Treaty.

5.230 Under Article 11 of the Treaty, Contracting Parties must provide “adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty or the Berne Convention and that restrict acts, in respect of their works, which are not authorized by the authors concerned or permitted by law.”

5.231 Article 12(1) of the Treaty obliges Contracting Parties to “provide adequate and effective legal remedies against any person knowingly performing any of the following acts knowing, or with respect to civil remedies having reasonable grounds to know, that it will induce, enable, facilitate or conceal an infringement of any right covered by this Treaty or the Berne Convention, (i) to remove or alter any electronic rights management information without authority; (ii) to distribute, import for distribution, broadcast or communicate to the public, without authority, works or copies of works knowing that electronic rights management information has been removed or altered without authority.” Article 12(2) defines “rights management information” as meaning “information which identifies the work, the author of the work, the owner of any right in the work, or information about the terms and conditions of use of the work, and any numbers or codes that represent such information, when any of these items of information is attached to a copy of a work or appears in connection with the communication of a work to the public.”

5.232 An agreed statement was adopted by the Diplomatic Conference concerning Article 12 of the Treaty, which is in two parts. The first part reads: “It is understood that the reference to ‘infringement of any right covered by this Treaty or the Berne Convention’ includes both exclusive rights and rights of remuneration.” The second part reads: “It is further understood that Contracting Parties will not rely on this Article to devise or implement rights management systems that would have the effect of imposing formalities which are not permitted under the Berne Convention or this Treaty, prohibiting the free movement of goods or impeding the enjoyment of rights under this Treaty.”

#### Other Substantive Provisions

##### *Criteria of Eligibility for Protection*

5.233 The WCT settles certain issues — country of origin, national treatment, formality free protection, possible restriction of (“backdoor”) protection in respect of works of nationals of certain countries not party to the Treaty — in a simple way: in Article 3, it provides for the *mutatis mutandis* application of Articles 3 to 6 of the Berne Convention.

5.234 An agreed statement was also adopted by the Diplomatic Conference as guidance in the *mutatis mutandis* application of those provisions, which reads as follows: “It is understood that, in applying Article 3 of this Treaty, the expression ‘country of the Union’ will be read as if it were a reference to a Contracting Party to this Treaty in the application of those Berne Articles in respect of protection provided for in this Treaty. It is also understood that the expression ‘country outside the

Union' in those Articles in the Berne Convention will, in the same circumstances, be read as if it were a reference to a country that is not a Contracting Party to this Treaty, and that 'this Convention' in Articles 2(8), 2*bis*(2), 3, 4 and 5 of the Berne Convention will be read as if it were a reference to the Berne Convention and this Treaty. Finally, it is understood that a reference in Articles 3 to 6 of the Berne Convention to a 'national of one of the countries of the Union' will, when these Articles are applied to this Treaty, mean, in regard to an intergovernmental organization that is a Contracting Party to this Treaty, a national of one of the countries that is member of that organization."

#### Subject Matter and Scope of Protection

5.235 Article 3 of the Treaty, dealt with above, also prescribes the *mutatis mutandis* application of Articles 2 and 2*bis* of the Berne Convention. The scope of the subject matter covered by copyright, particularly in relation to computer programs and databases, was explored in the WCT. The Treaty shares the same concept of literary and artistic works as is found in the Berne Convention. The Treaty also includes, however, some clarifications on the matter in common with those in the TRIPS Agreement.

5.236 First, Article 2 of the Treaty clarifies that "Copyright protection extends to expressions and not to ideas, procedures, methods of operation or mathematical concepts as such." This is virtually the same as the clarification included in Article 9.2 of the TRIPS Agreement. Nor is the principle reflected in Article 2 new in the context of the Berne Convention, since countries party to the Convention have always understood the scope of protection under the Convention in that way.

5.237 Second, Articles 4 and 5 of the Treaty contain clarifications concerning the protection of computer programs as literary works and of compilations of data (databases), which are similar to those included in Article 10 of the TRIPS Agreement. Two agreed statements specify that the scope of protection for computer programs under Article 4 of the Treaty and for compilations of data (databases) under Article 5 of the Treaty "is consistent with Article 2 of the Berne Convention and on par with the relevant provisions of the TRIPS Agreement."

#### Rights to be Protected

5.238 Article 6(1) of the WCT provides an exclusive right to authorize the making available to the public of originals and copies of works through sale or other transfer of ownership, that is, an exclusive right of distribution. Under the Berne Convention, it is only in respect of cinematographic works that such a right is granted explicitly. Such a right, surviving at least until the first sale of copies, may be deduced as an indispensable corollary to the right of reproduction, and, in some legal systems, the right of distribution is in fact recognized on this basis. Article 6(1) of the WCT should be considered at least a useful clarification of the obligations under the Berne Convention (and also under the TRIPS Agreement, which includes by reference the relevant provisions of the Convention), and at the most as adding to both.

5.239 Article 6(2) of the Treaty deals with the issue of the exhaustion of the right of distribution. It does not oblige Contracting States to choose national/regional exhaustion or international exhaustion — or to regulate at all the issue of exhaustion — of the right of distribution after the first sale or other first transfer of ownership of the original or a copy of the work, with the authorization of the author.

5.240 Article 7 of the Treaty provides an exclusive right of authorizing commercial rental to the public in respect of the same categories of works — computer programs, cinematographic works and works embodied in phonograms, as determined in the national laws of Contracting Parties — as those covered by Articles 11 and 14.4 of the TRIPS Agreement, and with the same exceptions. The exceptions are in respect of computer programs which are not themselves the essential objects of the rental, in respect of cinematographic works unless commercial rental leads to widespread copying of such works, materially impairing the exclusive right of reproduction, and in respect of a Contracting Party which, on April 15, 1994, had and still has in force a system of equitable remuneration for rental of copies of works included in phonograms, instead of an exclusive right: in the latter case the Contracting Party may maintain that system provided that commercial rental does not give rise to the material impairment of the exclusive right of authorization.

5.241 An agreed statement was adopted by the Diplomatic Conference on Articles 6 and 7 of the Treaty. It reads: “As used in these Articles, the expressions ‘copies’ and ‘original and copies,’ being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.”

#### Duration of Protection of Photographic Works

5.242 Article 9 of the WCT removes the unjustified discrimination against photographic works as to the duration of protection. It obliges Contracting Parties not to apply Article 7(4) of the Berne Convention, which, as also for works of applied art, prescribes a shorter term — 25 years — for photographic works than for the general 50-year term.

#### Limitations and Exceptions

5.243 Paragraph (1) of Article 10 determines the types of limitations on, or exceptions to, the rights granted under the Treaty which may be applied, while paragraph (2) of that Article provides criteria for the application of limitations of, or exceptions to, the rights under the Berne Convention.

5.244 Both paragraphs use the three-step test included in Article 9(2) of the Berne Convention to determine the limitations and exceptions allowed. That is to say, exceptions and limitations are only allowed in certain special cases:

- provided that they do not conflict with a normal exploitation of the work;
- provided that they do not unreasonably prejudice the legitimate interests of the authors.

5.245 Under Article 9(2) of the Berne Convention, this test is applicable only to the right of reproduction, while both paragraphs of Article 10 of the Treaty cover all rights provided for in the Treaty and the Berne Convention respectively. In this, the provisions of Article 10 are similar to Article 13 of the TRIPS Agreement, which applies the same test for all rights provided for in the TRIPS Agreement, either directly or through inclusion by reference to the substantive provisions of the Berne Convention.

#### Application in Time

5.246 Article 13 of the WCT refers simply to Article 18 of the Berne Convention to determine the works to which the Treaty applies at the moment of its entry into force for a given Contracting State, and stipulates that the provisions of that Article must also be applied to the Treaty.

#### Enforcement of Rights

5.247 Article 14, paragraph (1) is a *mutatis mutandis* version of Article 36(1) of the Berne Convention. It provides that “Contracting Parties undertake to adopt, in accordance with their legal systems, the measures necessary to ensure the application of this Treaty.”

5.248 Paragraph (2) of Article 14 is a *mutatis mutandis* version of the first sentence of Article 41.1 of the TRIPS Agreement. It reads: “Contracting Parties shall ensure that enforcement procedures are available under their law so as to permit effective action against any act of infringement of rights covered by this Treaty, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements.”

#### Administrative Provisions

5.249 The administrative provisions and final clauses, in general, are the same as or similar to the provisions of other WIPO treaties on the same issues. Two specific features should be mentioned, namely the possibility of intergovernmental organizations becoming party to the Treaty and the greater number of instruments of ratification or accession needed for entry into force of the Treaty.

5.250 Article 17 of the Treaty provides for eligibility for becoming party to the Treaty. Under paragraph (1), any Member State of WIPO may become party to the Treaty. Paragraph (2) provides that “The Assembly may decide to admit any intergovernmental organization to become party to this Treaty which declares that it is competent in respect of, and has its own legislation binding on all its Member States on, matters covered by this Treaty and that it has been duly authorized, in accordance with its internal procedures, to become party to this Treaty.” Paragraph (3) adds the following: “The European Community, having made the declaration referred to in the preceding paragraph in the Diplomatic Conference that has adopted this Treaty, may become party to this Treaty.”

5.251 The number of instruments of ratification or accession needed for the entry into force of the

WCT was fixed at 30. The WCT entered into force on March 6, 2002. The States party to the WCT are listed in the appropriate document to be found inserted in the back flap of this volume.

## **The Hague Agreement Concerning the International Deposit of Industrial Designs**

### **Introduction**

5.349 On November 6, 1925, the Hague Agreement Concerning the International Deposit of Industrial Designs (hereinafter referred to as “the Hague Agreement”) was adopted within the framework of the Paris Convention. The Agreement entered into force on June 1, 1928, and has been revised and supplemented several times. Two Acts of the Hague Agreement are currently in force: the London Act of 1934 and the Hague Act of 1960 (referred to respectively as “the 1934 Act” and “the 1960 Act”). These two Acts are autonomous and totally independent of each other. Each of them, in other words, in itself constitutes a fully-fledged international treaty. The general remarks in paragraphs 5.338 and 5.339 apply to both of these Acts. However, since around 95% of international deposits are effected under the 1960 Act, the subsequent detailed description of the provisions relates to that Act. A further Act, the Geneva Act of 1999, which is not yet in force, is described in paragraphs 5.359 to 5.361.

### **The Principle of International Deposit**

5.350 The main aim of the international deposit of industrial designs is to enable protection to be obtained for one or more industrial designs in a number of States through a single deposit filed with the International Bureau of WIPO. Under the Hague Agreement, any person entitled to effect an international deposit has the possibility of obtaining, by means of a single deposit made with the International Bureau of WIPO, protection for his industrial designs in Contracting States of the Agreement with a minimum of formalities and expense.

5.351 The applicant is thus relieved of the need to make a separate national deposit in each of the States in which he requires protection, thus avoiding the inherent complication of procedures that vary from one State to another.

### **Main Provisions of the Hague Agreement**

5.352 An international deposit may be made by any natural or legal person who is a national of one of the Contracting States or has his domicile or a real and effective industrial or commercial establishment in one of those States.

5.353 An international deposit does not require any prior national deposit. It is made directly with the International Bureau of WIPO by the depositor or his representative on a form provided free of charge by the International Bureau. It may, however, be made through the national Office of a Contracting State if the law of such State so permits (Article 4(1)). The law of a Contracting State may also require, in cases where that State is the State of origin, that the international deposit be made through the national Office of that State. Non-compliance with this requirement does not prejudice the effects of the international deposit in the other Contracting States (Article 4(2)).

5.354 The owner of an international deposit enjoys the priority right afforded under Article 4 of the Paris Convention for the Protection of Industrial Property if he claims this right and if the international deposit is made within six months of the first national, regional or international deposit made in, or having effect in, a State party to the Paris Convention or a Member of the World Trade Organization.

5.355 A single international deposit may comprise several designs, up to a maximum of 100. All the designs in a single deposit must however be in, or be intended for incorporation in articles listed in, the same class of the International Classification (Locarno Classification).

5.356 International deposit is subject to the payment of fees, in Swiss francs, the amounts of which are decided by the Assembly of the Hague Union.

5.357 The working languages for the implementation of the 1960 Act of the Hague Agreement are English and French. An international application may be filed in either of these languages, at the choice of the applicant. International deposits and any amendment affecting them are entered in the international register and published in both English and French. Any correspondence



between the International Bureau and the depositor is in the language in which the international application was filed.

5.358 The international deposit has the same effect in each of the States designated by the applicant as if the designs included in the deposit had been directly deposited in that State on the date of the international deposit, and as if all formalities required by domestic law had been complied with and all administrative acts required for the grant of protection had been accomplished, subject to the right to refuse protection on substantive grounds (see paragraphs 5.350 and 5.351).

5.359 An international deposit shall, however, have no effect in the State of origin if the laws of that State so provide.

5.360 International deposits are published by the International Bureau in the *International Designs Bulletin*, a publication which is distributed on a monthly basis and only on CD-ROM. Publication comprises, in particular, a reproduction of the article or articles in which the deposited designs are to be incorporated. The national Office of each Contracting State is entitled to receive free of charge from the International Bureau a certain number of copies of the *Bulletin*.

5.361 The depositor may ask for publication to be deferred for a period of his choice, which may not, however, exceed 12 months as from the date of the international deposit or, where appropriate, from the date of priority claimed.

5.362 Any Contracting State whose domestic legislation offers the possibility of refusing protection, as the result of an administrative *ex officio* examination or of opposition by a third party, may refuse protection for any industrial design not meeting the requirements of its domestic law. Refusal of protection may not, however, extend to the formalities and other administrative acts that must be considered by each Contracting State as having been accomplished as of the time the international deposit is recorded at the International Bureau. No Contracting State may require, in particular, publication of the international deposits other than that made by the International Bureau.

5.363 Refusal of protection must be notified to the International Bureau within six months of the date on which the national Office received the issue of the *Bulletin* in which the international deposit concerned was published. The International Bureau transmits a copy of the refusal to the depositor, who has the same remedies against the decision to refuse as he would have had if he had deposited the design or designs concerned with the Office that has taken the decision to refuse. Where no refusal is notified within the period of time referred to above, the protection of the designs included in the international deposit is the same as if the deposit had been entered in the national register of the State concerned.

5.364 An international deposit is made for an initial term of five years. It can be renewed at least once, for an additional period of five years, for all or part of the designs included in the deposit, or for all or some only of the States in which it has effect. For those Contracting States whose domestic legislation allows a term of protection of more than 10 years for national deposits, an international deposit may be renewed more than once, in each case for an additional period of five years, with effect in each such State up to expiry of the total allowed term of protection for national deposits under that State's domestic legislation.

#### **Benefits of Accession to the Hague Agreement**

5.365 Nationals of a member State of the Hague Union are able to obtain protection for their designs in a number of States with a minimum of formalities and expense. In particular, they are relieved of the need to make a separate national deposit in each of the States in which they require protection, thus avoiding the complications arising from procedures which differ from State to State. They do not have to submit the required documents in various languages nor keep a watch on the deadlines for renewal of a whole series of national deposits, varying from one State to the other. They also avoid the need to pay a series of national fees and agents' fees in various currencies. Under the Hague Agreement, the same results can be obtained by means of a single international deposit, made in one language, on payment of a single set of fees, in one currency and with one Office (i.e. the International Bureau).

5.366 The simplification of the formalities and the reduction of the cost of obtaining protection abroad favorably influence the development of foreign trade. Domestic manufacturers and traders are encouraged to apply for protection of their designs in the States party to the Hague Agreement and to export their products to those States. International deposits therefore assist domestic manufacturers and traders who are export-oriented.

5.367 The manufacturers and traders in other States party to the Hague Agreement are, in turn, able to protect their designs more easily in a State which has acceded to the Agreement and thus have more incentive to export their products to that State. The result is a growth in trade and an increased likelihood of new industrial and commercial activities being set up on the territory of the new member State, thus promoting its economic development.

5.368 A part of the fees paid by depositors is distributed each year, by the International Bureau, to the competent authorities of the States party to the Hague Agreement.

5.369 The Offices of the Contracting States have no specific tasks in the implementation of the Hague Agreement, except in those cases where the domestic or regional legislation of the State permits or requires the international deposit to be effected through them or lays down a novelty examination for deposited designs.

5.370 A list of States party to the Hague Agreement Concerning the International Deposit of Industrial Designs is to be found in the appropriate document inserted in the back flap of this volume. Further information concerning the system of international deposit of industrial designs, including the updated list of Contracting States and the fees, the latest annual statistics and the full texts of the Agreement, Regulations and Administrative Instructions, is also available on WIPO's website ([www.wipo.int](http://www.wipo.int)) under the heading "Hague system."

#### **The Geneva Act of the Hague Agreement**

5.371 By 1990, only 29 countries were party to the Hague Agreement. Absent from it were several countries active in the field of industrial designs, such as Japan, the United Kingdom, the United States of America and the Scandinavian countries. Moreover, only around 4,000 international deposits were filed each year. For these reasons, a Diplomatic Conference was held in June/July 1999 in order to conclude a new Act of the Hague Agreement, aimed at making the system more responsive to the needs of users and facilitating adherence by countries whose industrial designs systems do not permit them to accede to the 1960 Act. This latest Act, known as the Geneva Act, will introduce into the Hague system a number of new features, including:

- the possibility for a Contracting Party to declare that the standard time limit of six months allowed for it to refuse protection shall be replaced by 12 months;
- the possibility for an applicant to request deferment of publication of his designs for up to 30 months; however, a Contracting Party may declare that, where it is designated, the period of deferment will be of a lesser duration (specified in the declaration), or to declare that, where it is designated, the request for deferment shall be disregarded; in the latter case, the design will be published six months after the date of the international registration unless the application requests immediate publication;
- the possibility, where the design is two-dimensional and deferment of publication is requested, of filing specimens of the design instead of reproductions;
- the possibility for a Contracting Party to opt to receive, instead of a standard designation fee fixed in the schedule of fees, an individual fee whose amount is fixed by that Contracting Party but may not be higher than the amount it would receive in respect of a grant of protection at the national level; where, in the national system, there are separate fees for application and grant, the individual fee may similarly be payable in two parts;
- while normally it is possible to designate the applicant's own country, a Contracting Party may close this option, thereby avoiding the risk that it is overwhelmed by applications from its own nationals coming via the international route in English or French;
- in addition, provision is made for a Contracting Party to notify a number of special requirements concerning such matters as the mandatory contents of the application, the required number of reproductions of the design, unity of design or the entitlement of an

applicant to file the application.

5.372 Furthermore, the Geneva Act provides for accession not only by States but also by any intergovernmental organization which maintains an Office in which protection of industrial designs may be obtained with effect in its territory.

5.373 Article 33(2) of the Geneva Act provides for it to remain open for signature for one year after its adoption. At the expiry of this period, 29 States had signed the treaty. According to Article 28(2), it will enter into force three months after six States have ratified or acceded, provided that three of them have a certain minimum level of activity (specified in that provision) in the field of industrial designs.

## **The Locarno Agreement Establishing an International Classification for Industrial Designs**

### **Introduction**

5.477 The Locarno Agreement Establishing an International Classification for Industrial Designs is a multilateral international treaty, which was signed on October 8, 1968. It entered into force on April 27, 1971.

5.478 The Agreement has established a Committee of Experts to make amendments and additions, as required by changes in technology and trade or as dictated by experience, to the International Classification.

5.479 The Locarno Classification comprises three parts:

- a List of Classes and Subclasses; in total, there are 31 classes and 211 subclasses;
- an Alphabetical List of Goods in which industrial designs are incorporated; this List contains in total approximately 6,000 entries;
- explanatory notes.

5.480 The Locarno Classification has been established in the English and French languages, both texts being equally authentic. Official texts of the Locarno Classification, in such languages as the Assembly may designate, are established after consultation with the interested Governments by the International Bureau of the World Intellectual Property Organization (WIPO).

5.481 Translations of the Locarno Classification have been established in German, Italian, Portuguese and Spanish.

### **Legal Effect and Use of the Locarno Classification**

5.482 According to Article 2(3) of the Locarno Agreement, the industrial property offices of the countries of the Locarno Union must include in the official documents for the deposit or registration of designs, and if they are officially published, in the publications in question, the numbers of the classes and subclasses of the Locarno Classification in which the goods incorporating the designs belong.

5.483 Each country may attribute to such classification the legal consequences, if any, which it considers appropriate. In particular, the Locarno Classification does not bind the countries of the Locarno Union as regards the nature and the scope of protection afforded to the design in those countries (Article 2(1)).

5.484 Further, Article 2(2) of the Locarno Agreement provides that each of the countries of the Locarno Union reserves the right to use the Locarno Classification either as a principal or as a subsidiary system. This means that the countries of the Locarno Union are free to adopt the Locarno Classification as the only classification to be used for industrial designs, or to maintain an existing national classification system for industrial designs and to use the Locarno Classification as a supplementary classification, also to be included in official documents and publications concerning the deposit or registration of designs.

5.485 Finally, Article 2(4) of the Locarno Agreement provides that the inclusion of any word in the Alphabetical List of Goods is not an expression of opinion of the Committee of Experts, on whether or not such a word is subject to exclusive rights.

5.486 The States party to the Locarno Agreement Establishing an International Classification for Industrial Designs are listed in the appropriate document to be found inserted in the back flap of this volume.

### **Special Conventions in the Field of Related Rights: The International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (“the Rome Convention”)**

5.487 Several international conventions on related rights are administered by WIPO. The following sections will describe the important aspects of the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, generally referred to as “the Rome Convention.” Other treaties in the field of related rights will be dealt with in the following sections.

#### **Introduction**

5.488 Related rights are primarily an offshoot of technological development. At the national level, it was first the phonogram industry that looked for protection against unauthorized duplication of sound recordings of musical performances. At the international level, it was likewise the development of the phonogram industry that promoted the establishment of special protection for the so-called related rights.

5.489 As in the case of some national laws, the first proposals aiming at the protection of producers of phonograms and performers at the international level were also based on copyright protection. The rights involved were discussed by the Berne Union for the Protection of Literary and Artistic Works at its Diplomatic Conference in Rome in 1928, where it was proposed that “when a musical work has been adapted to a mechanical instrument by the contribution of performing artists these latter should also benefit from the protection granted to that adaptation.” Corresponding to this approach, a resolution was passed asking governments to consider the possibility of adopting measures to safeguard the interests of performers.

5.490 Later on, in 1934, CISAC, the International Confederation of Societies of Authors and Composers, signed an agreement in Stresa with the International Federation of the Gramophone Industry according to which during the forthcoming revision of the Berne Convention (i) the protection of phonograms against unauthorized duplication and (ii) the right of producers of phonograms to equitable remuneration for communication to the public of their phonograms by broadcasting or cinematography should be proposed by means of an annex to be added to the Berne Convention. On the other hand, the International Labour Organization (ILO) had maintained since 1926 a continuing interest in the protection of performers and the problem was considered at a meeting in Samaden, Switzerland, in 1939. Drafts were prepared in cooperation with the Bureau of the Berne Union but all progress was stopped for several years by the outbreak of World War II.

5.491 After the war, different committees of experts prepared drafts of conventions which also included protection of the interests of broadcasting organizations — the so-called Rome Draft (1951), a draft produced under the sponsorship of the International Labour Organization (1957) and the Monaco Draft (1957) prepared by experts convened by the International Bureau of the Berne Union and by Unesco. Finally, in 1960, a committee of experts convened jointly by WIPO, Unesco and the International Labour Organization met at The Hague and drew up the draft convention. This served as a basis for the deliberations in Rome, where a Diplomatic Conference agreed on the final text of the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, the Rome Convention of October 26, 1961.

#### **Relation between the Protection of Related Rights and Copyright**

5.492 Considering that the use of literary and artistic works was usually implicit in the work of performers, recorders and broadcasters, the Diplomatic Conference at Rome established a link with copyright protection. The first article of the Rome Convention provides that the protection granted under the Convention shall leave intact and shall in no way affect the protection of copyright in literary and artistic works. Under the text of Article 1 it is clear that whenever, by virtue of the copyright law, the authorization of the author is necessary for the use of his work, the need for this authorization is not affected by the Rome Convention.

5.493 The majority of the Conference at Rome decided to go even further. They considered the possibility that the performers, producers of phonograms and broadcasting organizations of a country would enjoy international protection even when the literary and artistic works they used might be denied protection in that country because it was not party to at least one of the major international copyright conventions. The Rome Convention therefore provides that in order to become a party to the Convention a State must not only be a member of the United Nations, but also a member of the Berne Union or party to the Universal Copyright Convention (Article 24(2)). Accordingly, a Contracting State ceases to be a party to the Rome Convention as from the time at which it is no longer party either to the Berne or to the Universal Copyright Convention (Article 28(4)). Because of this link with the copyright conventions, the Rome Convention is sometimes referred to as a “closed” convention from the point of view of the circle of States that may adhere to it.

### **Principal Provisions**

#### **National Treatment**

5.494 As in the Berne Convention, the protection accorded by the Rome Convention consists basically of the national treatment that a State grants under its domestic law to domestic performances, phonograms and broadcasts (Article 2(1)). National treatment is, however, subject to the minimum of protection specifically guaranteed by the Convention, and also to the limitations specifically provided for in the Convention (Article 2(2)). This means that, apart from the rights guaranteed by the Convention itself as constituting that minimum of protection, and subject to specific exceptions or reservations allowed for by the Convention, performers, producers of phonograms and broadcasting organizations to which the Convention applies enjoy in Contracting States the same rights as those countries grant to their nationals.

#### **Eligibility for Protection**

5.495 One of the most important questions to be answered unequivocally by each international convention is: to whom and in what cases does it apply? The Rome Convention provides for its application by determining criteria of eligibility for national treatment.

5.496 National treatment should be granted to performers, if the performance takes place in another Contracting State (irrespective of the country to which the performer belongs) or if it is incorporated in a phonogram protected under the Convention (irrespective of the country to which the performer belongs or where the performance actually took place) or if it is transmitted “live” (not from a phonogram) in a broadcast protected by the Convention (irrespective again of the country to which the performer belongs) (Article 4). These alternative criteria of eligibility for protection allow for the application of the Rome Convention to the widest possible circle of performances.

5.497 National treatment should be granted to producers of phonograms if the producer is a national of another Contracting State (criterion of nationality) or the first fixation was made in another Contracting State (criterion of fixation) or the phonogram was first or simultaneously published in another Contracting State (criterion of publication) (Article 5).

5.498 The Convention allows reservations in respect of these alternative criteria. By means of a notification deposited with the Secretary-General of the United Nations, any Contracting State may at any time declare that it will not apply the criterion of publication or, alternatively, the criterion of fixation. Any State which, on the day the Convention was signed at Rome, granted protection to producers of phonograms solely on the basis of the criterion of fixation, can exclude both the criteria of nationality and publication. This possibility has been provided for mainly in view of the contemporary Nordic legislation, so that implementation of the Rome Convention could be adapted to conditions of protection already existing under different national laws.

5.499 National treatment has to be granted to broadcasting organizations if their headquarters is situated in another Contracting State (principle of nationality), or the broadcast was transmitted from a transmitter situated in another Contracting State, irrespective of whether the initiating broadcasting organization was situated in a Contracting State (principle of territoriality).

Contracting States may declare that they will protect broadcasts only if both the condition of

nationality and that of territoriality are met in respect of the same Contracting State (Article 6).

#### The Minimum Protection Required by the Convention

5.500 The minimum protection guaranteed by the Convention to performers is provided by “the possibility of preventing certain acts” done without their consent. Instead of enumerating the minimum rights of performers, this expression was used in order to allow countries like the United Kingdom to continue to protect performers by virtue of penal statutes, determining offenses and penal sanctions under public law. It was agreed, however, that the enumerated acts which may be prevented by the performer, require his consent in advance. In fact, the possibility of preventing certain acts as defined in the Convention amounts to a distinct bundle of rights granted to performers.

5.501 The restricted acts comprise: broadcasting or communication to the public of a “live” performance; recording an unfixed performance; reproducing a fixation of the performance, provided that the original fixation was made without the consent of the performer or the reproduction is made for purposes not permitted by the Convention or the performer (Article 7).

5.502 Producers of phonograms have the right to authorize or prohibit the direct or indirect reproduction of their phonograms (Article 10). The Rome Convention does not provide for any right to authorize performances of the phonogram and does not explicitly prohibit distribution or importation of unauthorized duplicates of phonograms.

5.503 Broadcasting organizations have the right to authorize or prohibit: the simultaneous rebroadcasting of their broadcasts, the fixation of their broadcasts, the reproduction of unauthorized fixations of their broadcasts or reproduction of lawful fixations for illicit purposes and the communication to the public of their television broadcasts by means of receivers in places accessible to the public against payment. It should be noted, however, that this last-mentioned right does not extend to communication to the public of merely sound broadcasts, and that it is a matter for domestic legislation to determine the conditions under which such a right may be exercised. It should also be observed that the Rome Convention does not protect against distribution by cable of broadcasts.

#### Provisions for Discretionary Regulation of the Exercise of Rights

5.504 The Rome Convention, over and above the minimum requirements of protection, also contains provisions allowing national laws to regulate certain aspects of protection at their discretion.

5.505 As regards the protection of performers, it is a matter for domestic legislation to regulate the protection against rebroadcasting of the performance and fixation thereof for broadcasting purposes, where the broadcasting of the performance was consented to by the performer. The principle of preeminence of contractual arrangements was embodied in a provision requiring that domestic laws shall not operate to deprive performers of the ability to control by contract their relations with broadcasting organizations (Article 7(2)) whereas it was understood that the meaning of contract in this context includes collective agreements and also decisions of an arbitration board, if involved.

5.506 If several performers participate in the same performance, the manner in which they should be represented in connection with the exercise of their rights may be specified by each Contracting State (Article 8).

5.507 Concerning both the protection of performers and producers of phonograms, Article 12 (perhaps the most controversial part of the Convention) provides that if a phonogram published for commercial purposes is used directly for broadcasting or any communication to the public, an equitable remuneration shall be paid by the user to the performers, or to the producers of the phonogram, or to both. This Article does not grant any right to either the performers or producers of phonograms to authorize or to prohibit the secondary use of a phonogram. By guaranteeing a single remuneration for the use of the phonogram it seems to establish a sort of non-voluntary license. It does not, however, obligatorily specify the beneficiary or beneficiaries of the remuneration for the secondary use of the performance and the phonogram embodying it.

Article 12 only says that at least one of the interested parties should be paid for the use; nevertheless it provides that in the absence of agreement between these parties, domestic law may optionally lay down the conditions for the sharing of this remuneration.

5.508 The implementation of these provisions, however, can be excluded or restricted by the Contracting States at any time by an appropriate notification (Article 16(1)(a)). A State may declare that it will not apply the provisions of Article 12. A Contracting State may declare that it will not apply this article in respect of certain uses, for instance as regards communications to the public other than broadcasting, or broadcasting of phonograms acquired before the date of the Convention, etc. It is also possible to apply this Article only as regards phonograms of which the producer is a national of another Contracting State. Furthermore, as regards phonograms of which the producer is a national of another Contracting State, the extent and term of protection can be limited so as to correspond to the protection granted by the other State concerned. The fact, however, that the protection in both countries concerned is not granted to the same beneficiary, cannot be considered as justifying the restriction of the protection provided for in Article 12.

#### Limitations

5.509 The Rome Convention allows for certain limitations of the rights granted and, as regards the performers, also imposes limitations on rights itself.

5.510 Any Contracting State may provide for exceptions as regards private use, use of short excerpts in connection with reporting current events, ephemeral fixation by a broadcasting organization by means of its own facilities and for its own broadcasts, and for all kinds of use solely for the purpose of teaching or scientific research (Article 15(1)). This latter possibility of introducing exceptions may be of special benefit to developing countries.

5.511 Besides the exceptions specified by the Convention, any Contracting State may also provide for the same kind of limitations with regard to the protection of performers, producers of phonograms and broadcasting organizations as it provides for in connection with copyright protection. There is, however, an important difference: compulsory licenses may be provided for only to the extent to which they are compatible with the Rome Convention (Article 15(2)).

5.512 In view of the cinematographic industry's interest in exclusively exploiting the contributions made to their productions, Article 19 of the Rome Convention provides that once a performer has consented to the incorporation of his performance in a visual or audiovisual fixation, he shall have no further rights under the Rome Convention as regards the performance concerned.

#### Duration of Protection

5.513 The minimum term of protection under the Rome Convention is a period of twenty years, to be computed from the end of the year in which the fixation was made, as far as phonograms and performances incorporated therein are concerned, or the performance took place, as regards performances not incorporated in phonograms, or the broadcast took place, for broadcasts (Article 14).

#### Restriction of Formalities

5.514 If a country requires compliance with formalities as a condition of protecting related rights in relation to phonograms, these should be considered as fulfilled if all copies in commerce of the published phonogram or their containers bear a notice consisting of the symbol P, accompanied by the year date of the first publication. If the copies of their containers do not identify the producer or his licensee, the notice shall also include the name of the owner of the rights of the producer, and if the copies or their containers do not identify the principal performers, the notice shall also include the name of the person who owns the rights of such performers (Article 11). It should be emphasized that this provision is *not* a formality requirement; it is a restriction of formalities, which may be required by some national laws.

#### **The Implementation of the Rome Convention**

5.515 The Rome Convention has been referred to as a "pioneer convention." Whereas the conventions concluded towards the end of the nineteenth century for the protection of copyright resulted from developments in national laws, this Convention defined standards of protection of

related rights at a time when very few countries had any rules enacted to protect performing artists, producers of phonograms and broadcasting organizations. Thus it was only natural that the impetus of the Convention in the field of the protection of related rights during the first years following its adoption, could not be measured so much by the number of ratifications or accessions as by the impact the Convention had on national laws.

5.516 Since 1961, many countries have legislated on the protection of related rights, thus greatly increasing the number of national laws protecting producers of phonograms or broadcasting organizations, and the majority of them as a result of the coming into existence of the Rome Convention. The disproportion between the number of national laws protecting performers' rights and those granting protection to producers of phonograms and broadcasting organizations is still unduly great. There are, however, further draft laws under preparation in several countries, which continue to demonstrate the tendency to pay more attention to the protection of performers' rights.

5.517 The comparatively slow progress of national laws in the field of related rights, and in particular the unequal development of protection as regards different beneficiaries of these rights, even today hinders accession to the Rome Convention, since it requires at the same time protection of performers, producers of phonograms and broadcasting organizations.

### **The Rome Convention and Developing Countries**

5.518 A large number of the States party to the Rome Convention are developing countries. This is quite natural since most developing countries attach great importance to music, dance and other creations in their national heritage. The value of the Rome Convention to such countries stems from the fact that it affords protection to those who contribute to the dissemination of that heritage abroad.

5.519 The Convention is particularly important to those countries whose civilization and tradition are oral and where the author is often the performer as well. In this context, the place occupied by expressions of folklore must be borne in mind and the interests of the artists constantly performing, and thus perpetuating them, must be safeguarded when use is made of their performances. Whilst the possibilities of protecting creations of folklore by copyright seem to be limited, and the establishment of a more adequate kind of protection *sui generis* appears to require more time, expressions of folklore can efficiently be protected indirectly by protecting performances, fixations, and broadcasts of them.

5.520 By also protecting the producers of phonograms, the Rome Convention promotes, particularly in developing countries, industry in a dynamic tertiary sector of the economy. Such an industry, while guaranteeing the dissemination of national culture, both within the country and throughout the world, can additionally constitute a substantial source of revenue for the country's economy and, in those cases where its activities extend beyond frontiers, can attract an influx of foreign currency.

5.521 By giving performers and phonogram producers the possibility of benefiting from their performances and productions, the Rome Convention is instrumental in promoting the artistic heritage and represents an important incentive to creativity. It is also certain that, where the interests of performers and producers of phonograms are safeguarded by law, works will enjoy greater development and suffer less from the competition of unprotected performances of foreign works. Where performances and phonograms are exported, there is one reason more to protect them internationally, that is, by accepting the relevant international conventions.

5.522 Finally, the part played by the broadcasting organizations in the developing countries should not be forgotten either, since they also have an interest in the protection of their costly program against rebroadcasting, reproduction and communication to the public of their broadcasts. The rebroadcasting or reception of television broadcasts in public places can be very profitable, especially when the subject of the original broadcast is an exceptional event. Frequently, the organizers of such events only allow broadcasting for certain territories or on the condition that no public reception close to the place of the event drains away potential spectators. The broadcasting organization must therefore be able to prohibit rebroadcasting and public reception. The same



applies to broadcasting of performances or recordings of expressions of national folklore: the broadcasting organization should be entitled internationally to prevent rebroadcasting or fixation for reproduction of its own broadcast of works of the national heritage.

5.523 The States party to the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (“the Rome Convention”) are listed in the appropriate document to be found inserted in the back flap of this volume.

### **Other Special Conventions in the Field of Related Rights**

#### **The Other Special Conventions**

5.524 Besides the Rome Convention of 1961, a basic legal instrument discussed in the previous section, two other international instruments have been drawn up with regard to certain related rights. These are the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms, concluded in Geneva in October 1971 and generally referred to as “the Phonograms Convention,” and the Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, concluded in Brussels in May 1974 and known briefly as “the Satellites Convention.” These two Conventions are also within the area of related rights, and their purpose is to protect producers of phonograms and broadcasting organizations, respectively, against certain prejudicial acts that have been widely recognized as infringements or acts of piracy.

5.525 With regard to the Rome Convention, the Phonograms Convention and the Satellites Convention may be regarded as special agreements, the conclusion of which is reserved for Contracting States insofar as the agreements grant to performers, producers of phonograms or broadcasting organizations more extensive rights than those granted by the Rome Convention, or contain other provisions not contrary to that Convention (Article 22 of the Rome Convention).

#### **Reasons for and Purposes of the Special Conventions**

5.526 The reason for the rapid acceptance (see the list of member States in the back flap of this volume) of the Phonograms Convention is due, on one hand, to the accelerating increase in international piracy during the last two decades and, on the other hand, to the legal characteristics of the Convention itself.

5.527 While a number of countries were preparing new legislation in the field of related rights in view of the standards set by the Rome Convention, international piracy of sound recordings was growing. The total value of pirated sound recordings sold worldwide has been increasing steadily. This made it necessary, even in the early seventies, to establish a special convention without delay. The subject was raised in May 1970 in the Preparatory Committee for the revision of the two major copyright conventions, and the new Convention was signed in Geneva after less than 18 months.

5.528 The Phonograms Convention takes into account all the measures that had already been adopted in various national laws, and allows for the application of all of them instead of requiring a uniform solution, as is the case under the Rome Convention, which provides for the granting to producers of phonograms the right to authorize or prohibit the reproduction of their phonograms. Thus, amendments of existing national laws became largely unnecessary to States which already protected producers of phonograms by some other means and wanted to extend this kind of protection also at the international level.

5.529 The Satellites Convention was adopted because the use of satellites in international telecommunications has, since about 1965, been presenting a new problem for the protection of broadcasting organizations.

5.530 Nowadays the transmission of programs by satellite still takes place mainly indirectly. Electronic signals carrying broadcast programs pass through a satellite to reach remote parts of the globe that cannot be reached by traditional broadcasting; but the programme-carrying signals passed on by the satellite cannot be picked up directly by conventional receivers generally used by the public at large. They first have to be picked up by ground stations, which distribute them to the public.

5.531 In the case of satellite broadcasting, the signals sent to the satellite are demodulated by the satellite itself; as a result, the signals transmitted down to earth can be received directly from space

by ordinary receivers, without the intervention of ground receiving stations. However, the signals transmitted upwards to the satellite remain inaccessible to the public even with this mode of transmission.

5.532 The legal problem stems from the wording of Article 3 of the Rome Convention, under which broadcasting means the transmission by wireless means for public reception of sounds or of images and sounds. The difficulties with regard to satellite transmission are twofold: on one hand, the signals emitted by the originating organization are not suitable for public reception; on the other hand, the derived signals, generally obtained by means of ground stations, are frequently transmitted to the public by wire and not by wireless means.

5.533 The Satellites Convention provides a solution by requiring Contracting States to take adequate measures to prevent the distribution of any programme-carrying signals by any distributor for whom the signal emitted to or passing through the satellite is not intended. "Distribution" is defined by the Convention as the operation by which a distributor transmits derived signals to the public, and therefore also encompasses cable distribution.

#### **Main Features of the Special Conventions**

5.534 While it can be said that the Phonograms Convention and the Satellites Convention supplement the Rome Convention to a certain extent, it should nevertheless be mentioned that their approach is different, in three main respects.

5.535 First, the Rome Convention gives the beneficiaries of related rights essentially a right to authorization or prohibition, without overlooking the safeguarding of the rights of authors. The Phonograms and Satellites Conventions, on the other hand, do not introduce private rights but rather leave the Contracting States free to choose the legal means of preventing or repressing acts of piracy in that area.

5.536 Second, the Rome Convention is based on the "national treatment" principle. That means that the protection prescribed by the Rome Convention is only minimum protection and that, apart from the rights guaranteed by that Convention itself as constituting that minimum of protection, and within the limits of reservations conceded by it, performers, producers of phonograms and broadcasting organizations enjoy the same rights in countries party to the Convention as those countries grant their nationals. The Phonograms Convention does not speak of the system of "national treatment", but defines expressly the unlawful acts against which Contracting States have to provide effective protection; consequently, the States are not bound to grant foreigners protection against all acts prohibited by their national legislation for the protection of their own nationals. For instance, countries whose national legislation provides protection against the public performance of phonograms are not obliged to make this form of protection available to the producers of phonograms of other Contracting States, because the Phonograms Convention does not itself guarantee any protection against the use in public of lawfully reproduced and distributed phonograms. It should be mentioned, however, that even the Phonograms Convention is in no way to be interpreted as limiting the protection available to foreigners under any domestic law or international agreement (Article 7(1)). The question of national treatment does not arise, as a general rule, in the Satellites Convention either. This Convention places Contracting States under the obligation to take the necessary steps to prevent just one type of activity, namely the distribution of program-carrying signals by any distributor for whom the signals emitted to or passing through the satellite are not intended.

5.537 Third, in the interests of combating piracy over the widest possible area, the new international agreements were made open to all States members of the United Nations or any of the specialized organizations brought into relationship with the United Nations, or parties to the Statute of the International Court of Justice (virtually all States of the world). In contrast the Rome Convention is a "closed" Convention, its acceptance being reserved for States party to at least one of the two major international copyright conventions.

#### **Substantive Provisions of the Phonograms Convention**

5.538 As far as the substantive provisions are concerned, the Phonograms Convention differs from the Rome Convention mainly as regards (i) the criteria of eligibility for protection, (ii) the scope of

protection and (iii) the means of ensuring the protection provided for.

5.539 The Phonograms Convention requires only the criterion of nationality as a condition of granting protection. Any Contracting State, however, which on October 29, 1971, afforded protection solely on the basis of the place of first fixation may, by a declaration deposited with the Director General of WIPO, declare that it will apply this criterion.

5.540 Protection is granted not only against making duplicates of the phonogram, but also against the distribution of illicit duplicates and importation of such duplicates for distribution (Article 2). On the other hand, the scope of protection does not extend to claiming remuneration for secondary uses of the phonogram.

5.541 The means by which the Phonograms Convention is to be implemented are a matter for domestic legislation. They may include protection by granting copyright in the phonogram, by granting other specific (neighboring) rights, by the law relating to unfair competition, or by penal sanctions (Article 3).

5.542 The Phonograms Convention permits the same limitations as those accepted in relation to the protection of authors. The Convention also permits compulsory licenses if reproduction is intended exclusively for teaching or scientific research, limited to the territory of the State whose authorities give the license, and in return for equitable remuneration.

5.543 Regarding the term of protection, the same minimum duration is required by the Phonograms Convention as by the Rome Convention: if the domestic law prescribes a specific duration for the protection, that duration shall not be less than 20 years from the end either of the year in which the sounds embodied in the phonogram were first fixed or of the year in which the phonogram was first published.

5.544 It should be noted that the Phonograms Convention also contains a provision concerning performers. Under its Article 7, the national legislation of each Contracting State may lay down, where necessary, the scope of protection afforded to performers whose performance is fixed on a phonogram and the conditions of enjoying such protection.

#### **Substantive Provisions of the Satellites Convention**

5.545 The Satellites Convention enlarges the scope of the protection of broadcasting organizations by preventing the unlawful distribution of programme-carrying signals transmitted by satellite irrespective of whether or not such signals are suited to reception by the public, and hence irrespective of the fact that their emission does not constitute broadcasting according to the definition of that notion under the Rome Convention. Furthermore, the protection provided for by the Satellites Convention also applies when the derived signals are distributed by cable and not by wireless means, a kind of communication to the public of broadcasts not covered by the Rome Convention. Formally, however, the Convention gives no new right to the broadcasting organizations. It obliges the Contracting States to prevent the distribution of program-carrying signals by any distributor for whom the signals passing through the satellite are not intended.

5.546 It should be noted that the Satellites Convention does not protect the transmitted program, since the subject of the protection is the signals emitted by the originating organization. As regards the rights related to the programs, the Convention simply lays down that it may not be interpreted in any way as limiting or prejudicing the protection afforded to authors, to performers, to phonogram producers and to broadcasting organizations.

5.547 The Satellites Convention permits the distribution of program-carrying signals by non-authorized persons, if those signals carry short excerpts containing reports of current events or, as quotations, short excerpts of the program carried by the emitted signals, or, in the case of developing countries, if the program carried by the emitted signals is distributed solely for the purposes of teaching, including adult teaching or scientific research.

5.548 With regard to the duration of the protection, the Satellites Convention refers to national legislation in this special context. In any State in which the application of the above measures is limited in time, the duration is to be fixed by its domestic law.

5.549 The Satellites Convention is not to be applied when the signals emitted by the originating organization are intended for direct reception from a satellite by the public (Article 3). In such cases

the signals emitted are not intended for any intervening distributor of derived signals; they are directly accessible to the public at large.

### **The Phonograms and Satellites Conventions and Developing Countries**

5.550 It is particularly significant that the States that have joined the Phonograms and Satellites Conventions, as with the countries party to the Rome Convention, are not necessarily highly industrialized market economy States. This may be explained by the role that protection of related rights is capable of playing in the development of those countries: the role of such protection in development, as explained under the Rome Convention (see paragraphs 5.506 to 5.510 in the previous section) is similar where the Phonograms and Satellites Conventions are concerned.

5.551 The recognition and international protection of the rights of performers, producers of phonograms and broadcasting organizations, in conjunction with copyright, quite definitely contribute to the development of nations, as does protection of intellectual property as a whole. Thus it is desirable that more developing countries recognize the necessity of establishing legal protection of authors, performers, producers of phonograms and broadcasting organizations as an interdependent system, both at the national and international levels.

5.552 The States party to the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms and the States party to the Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite are listed in the appropriate document to be found inserted in the back flap of this volume.

## **The WIPO Performances and Phonograms Treaty (WPPT)**

### **Introduction**

5.553 The WIPO Diplomatic Conference on Certain Copyright and Neighboring Rights Questions, held in Geneva in December 1996, adopted two treaties: the WIPO Copyright Treaty (the third section dealt with in this chapter) and the WIPO Performances and Phonograms Treaty (WPPT).

5.554 In view of the technological developments of the 1980s, as also in the field of copyright, it was recognized that guidance in the form of recommendations, guiding principles and model provisions would no longer suffice, and that binding new norms were indispensable. The WCT and the WPPT were prepared in parallel at the same Diplomatic Conference.

### **Legal Nature of the WPPT and its Relationship with Other International Treaties**

5.555 The WPPT has a certain relationship with the Rome Convention which has been regulated in a way similar to the relationship between the TRIPS Agreement and the Rome Convention. This means that (i) in general, application of the substantive provisions of the Rome Convention is not an obligation of the Contracting Parties, (ii) only a few provisions of the Rome Convention are included by reference (those relating to the criteria of eligibility for protection), and (iii) Article 1(2) of the Treaty contains, *mutatis mutandis*, practically the same provision as Article 2.2 of the TRIPS Agreement, stating that nothing in the Treaty derogates from obligations that Contracting Parties have to each other under the Rome Convention.

5.556 Article 1(3) of the Treaty, in respect of the relation to the other treaties, includes a provision similar to Article 1(2) of the WCT: “The Treaty shall not have any connection with, nor shall it prejudice any rights and obligations under, any other treaties.”

5.557 The title of Article 1 of the WPPT is “Relation to Other Conventions”, but paragraph (2) of the Article deals with a broader question, namely the relationship between copyright on the one hand and “related rights,” provided for in the Treaty, on the other. This provision reproduces the text of Article 1 of the Rome Convention word for word: “*Protection granted under this Treaty shall leave intact and shall in no way affect the protection of copyright in literary and artistic works. Consequently, no provision of this Treaty may be interpreted as prejudicing such protection.*”

5.558 The Diplomatic Conference adopted an agreed statement which reads: “*It is understood that Article 1(2) clarifies the relationship between rights in phonograms under this Treaty and copyright in works embodied in the phonograms. In cases where authorization is needed from both the author of a work embodied in the phonogram and a performer or producer owning rights in the phonogram, the need for the authorization of the author does not cease to exist because the*

*authorization of the performer or producer is also required, and vice versa.”*

### **Substantive Provisions of the WPPT**

#### Provisions Relating to the So-called “Digital Agenda”

5.559 The provisions of the WPPT relating to the “digital agenda” cover the following issues: certain definitions, rights applicable to storage and transmission of performances and phonograms in digital systems, limitations on and exceptions to rights in a digital environment, technological measures of protection and rights management information. As discussed below, the right of distribution may also be relevant in respect of transmissions in digital networks; its scope, however, is much broader. Also due to its relationship with the right of rental, the right of distribution is discussed, together with the former right, below.

#### *Definitions*

5.560 The WPPT follows the structure of the Rome Convention, in the sense that it contains, in Article 2, a series of definitions. The definitions cover more or less the same terms as those which are defined in Article 3 of the Rome Convention: “performers”, “phonogram”, “producer of phonograms”, “publication”, “broadcasting.” They cover more, in the sense that the WPPT also defines “fixation” and “communication to the public,” and less, in the sense that they do not define “reproduction” and “rebroadcasting.”

5.561 The impact of digital technology is present in the definitions, on the basis of the recognition that phonograms do not necessarily mean the fixation of sounds of a performance or other sounds any more; now they may also include fixations of (digital) representations of sounds that have never existed, but that have been directly generated by electronic means. The reference to such possible fixations appears in the definitions of “phonogram,” “fixation,” “producer of phonogram,” “broadcasting” and “communication to the public.” It should be stressed, however, that the reference to “representations of sounds” does not expand the relevant definitions as provided under existing treaties; it only reflects the desire to offer a clarification in the face of advancing technology.

#### *Storage of Works in Digital Form in an Electronic Medium*

5.562 In June 1982, a WIPO/Unesco Committee of Governmental Experts clarified that storage of works and objects of related rights in an electronic medium is reproduction. The Diplomatic Conference adopted an agreed statement which reads: *“The reproduction right, as set out in Articles 7 and 11 [of the WPPT], and the exceptions permitted thereunder through Article 16 [of the WPPT], fully apply in the digital environment, in particular to the use of performances and phonograms in digital form. It is understood that the storage of a protected performance or phonogram in digital form in an electronic medium constitutes a reproduction within the meaning of these Articles.”*

5.563 The first sentence states the obvious, that the provisions of the Treaty on the rights of reproduction are fully applicable in a digital environment. The concept of reproduction must not be restricted merely because a reproduction is in digital form through storage in an electronic memory, or because a reproduction is of a temporary nature. It also follows from the same first sentence that Article 16 of the Treaty is also fully applicable, offering an appropriate basis to introduce any justified exceptions, such as in respect of certain transient and incidental reproductions, in national legislation, in harmony with the “three-step test” provided for in that provision of the Treaty (see below).

5.564 The second sentence of the agreed statement simply confirms the definition of storage of works. It is another matter that the word “storage” may still be interpreted in somewhat differing ways.

#### *Transmission in Digital Networks*

5.565 The background to the provisions of the WPPT concerning transmission of works in digital networks, including the so-called “umbrella solution”, can be found in the third section of this chapter.

5.566 In the WPPT, the relevant provisions regarding transmission in digital networks are Articles 10 and 14, under which performers and producers of phonograms, respectively, must enjoy “the exclusive right of authorizing the making available to the public” of their performances fixed in phonograms and of their phonograms, respectively, “by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them.” Taking into account the freedom of Contracting Parties to choose differing legal characterization of acts covered by certain rights provided for in the treaties, it is clear that, also in this case, Contracting Parties may implement the relevant provisions not only by applying such a specific right but also by applying some other rights such as the right of distribution or the right of communication to the public — providing their obligations to grant an exclusive right of authorization concerning the acts described are fully respected.

5.567 On the question of whether the mere provision of physical facilities for enabling or making a communication in itself amounts to communication within the meaning of the WCT or the Berne Convention, the agreed statement, which was adopted in relation to Article 8 of the WCT, intends to clarify the issue of the liability of service and access providers in digital networks like the Internet. It is clear that, although this was not stated explicitly, the principle reflected in the agreed statement is also applicable, *mutatis mutandis*, to the above-mentioned provisions of Articles 10 and 14 of the WPPT concerning “making available to the public.”

#### *Limitations and Exceptions in the Digital Environment*

5.568 The Diplomatic Conference affirmed that the agreed statement concerning limitations and exceptions is applicable *mutatis mutandis* also to Article 16 of the WPPT on limitations and exceptions. That provision of the WPPT is discussed below. It is obvious that any limitations and exceptions — existing or new — in the digital environment are only applicable if they are acceptable under the “three-step test” indicated in Article 16(2) of the Treaty (see below).

#### *Technological Measures of Protection and Rights Management Information*

5.569 The provisions in Articles 18 and 19 of the WPPT concerning technological measures and rights management information correspond to the similar provisions of the WCT (see the third section dealt with in this chapter).

5.570 An agreed statement was adopted by the Diplomatic Conference concerning Article 12 of the WCT, which contains provisions similar to those of Article 19 of WPPT. The first part of the agreed statement reads: “It is understood that the reference to ‘infringement of any right covered by this Treaty or the Berne Convention’ includes both exclusive rights and rights of remuneration.” The second part reads: “It is further understood that Contracting Parties will not rely on this Article to devise or implement rights management systems that would have the effect of imposing formalities which are not permitted under the Berne Convention or this Treaty, prohibiting the free movement of goods or impeding the enjoyment of rights under this Treaty.” The Diplomatic Conference stated that the two-part statement quoted above was applicable *mutatis mutandis* also to Article 19 of the WPPT.

#### *Other Substantive Provisions*

##### *Criteria for Eligibility*

5.571 Article 3 provides for the application of the criteria under the Rome Convention (Articles 4, 5, 17 and 18).

##### *National Treatment*

5.572 Article 4 provides for the same kind of national treatment as that prescribed by Article 3.1 of the TRIPS Agreement in respect of related rights, that is, national treatment only extends to the rights granted under the Treaty.

##### *Coverage of the Rights of Performers*

5.573 The coverage of the rights of performers is similar to that under the TRIPS Agreement; it only extends to live aural performances and performances fixed in phonograms, except for the right of broadcasting and communication to the public of live performances, which under Article 6(i) extends to all kinds of live performances, not only to aural ones (as under the second sentence of Article 14.1 of the TRIPS Agreement).

5.574 It is a question for interpretation whether the right to authorize fixation of unfixed performances under Article 6(ii) extends to all fixations or only to fixations on phonograms. The text of the provision may suggest a broader coverage; if, however, the definition of “fixation” under Article 2(c) is also taken into account, it seems that a narrower interpretation is justified. According to the said definition, “fixation” only means “the embodiment of *sounds, or the representation thereof*, from which they can be perceived, reproduced or communicated through a device” (emphasis added). Thus, Article 6(ii) seems to only extend to fixation on phonograms.

#### *Moral Rights of Performers*

5.575 Article 5(1) provides as follows: “*Independently of a performer’s economic rights, and even after the transfer of those rights, the performer shall, as regards his live aural performances or performances fixed in phonograms, have the right to claim to be identified as the performer of his performances, except where omission is dictated by the manner of the use of the performance, and to object to any distortion, mutilation or other modification of his performances that would be prejudicial to his reputation.*” This provision, in its main lines, follows Article 6*bis* of the Berne Convention (on the moral rights of authors) but it requires a somewhat lower level of protection: in respect of the right to be identified as the performer, the element of practicability is built in, and the scope of “the right to respect” is also narrower. Article 5(2) and (3), on the duration of protection of, and the means of redress for safeguarding, the rights, are *mutatis mutandis* versions of Article 6*bis*(2) and (3) of the Berne Convention.

#### *Economic Rights of Performers*

5.576 In addition to the “right of making available,” discussed above under the “digital agenda,” and a right of distribution, discussed below, the WPPT provides for practically the same economic rights for performers — right of broadcasting and communication to the public of unfixed performances (but in Article 6(ii) it is added: “except where the performance is already a broadcast performance”), right of reproduction and right of rental (Articles 6, 7 and 9) — as the rights granted in the TRIPS Agreement (Articles 14.1 and 14.4).

5.577 As far as the distribution right is concerned, Article 8(1) provides that performers have an exclusive right of authorizing the making available to the public of the original and copies of their performances fixed in phonograms, through sale or other transfer of ownership. Article 8(2) deals with the issue of the exhaustion of this right. It does not oblige Contracting States to choose national/regional exhaustion or international exhaustion, or to regulate at all the issue of exhaustion.

#### *Rights of Producers of Phonograms*

5.578 In addition to the right of “making available” discussed above under the “digital agenda” and a right of distribution, the WPPT provides the same rights for producers of phonograms — right of reproduction and right of rental (Articles 11 and 13) — as those granted under the TRIPS Agreement (Articles 14.2 and 14.4).

5.579 Article 12 contains, *mutatis mutandis*, the same provisions concerning a right of distribution for producers of phonograms in respect of their phonograms, as Article 8 does concerning such a right for performers in respect of their performances fixed in phonograms (see above).

#### *Right to Remuneration for Broadcasting and Communication to the Public*

5.580 Article 15 provides practically the same kind of right of remuneration to performers and producers of phonograms as Article 12 of the Rome Convention (except that, while the latter leaves it to national legislation whether this right is granted to performers, to producers or to both, the former provides that this right must be granted to both, in the form of a single equitable remuneration) and with the same extent of possible reservations as under Article 16.1(a) of the Rome Convention.

5.581 A specific feature of Article 15 appears in paragraph (4) which provides as follows: “*For the purposes of this Article, phonograms made available to the public by wire or wireless means in such a way that members of the public may access them from a place and at a time individually chosen by them shall be considered as if they had been published for commercial purposes.*”

#### *Limitations and Exceptions*

5.582 Under Article 16(1) of the WPPT, Contracting Parties may “provide for the same kinds of limitations or exceptions with regard to the protection of performers and producers of phonograms as they provide for, in their national legislation, in connection with the protection of copyright in literary and artistic works.” This provision corresponds in substance to Article 15.2 of the Rome Convention. It is, however, an important difference that the Rome Convention, in its Article 15.1, also provides for specific limitations independent of those provided for in a given domestic law concerning copyright protection. Two of those specific limitations (use of short excerpts for reporting current events and ephemeral fixations by broadcasting organizations) are in harmony with the corresponding provisions of the Berne Convention; the third specific limitation, however, is not, since it provides for the possibility of limitations in respect of private use without any further conditions, while, in the Berne Convention, limitations for private use are also covered by the general provisions of Article 9(2) and, consequently, are subject to the “three-step test” (see under the WCT, paragraph 5.244).

5.583 If a country adheres to both the WCT and the WPPT, which is desirable, on the basis of the above-quoted Article 16(1) of the WPPT, it is obliged to apply the “three-step test” also for any limitations and exceptions to the rights provided for in the WPPT. Article 16(2) of the WPPT, however, contains a provision which prescribes this directly also (and, thus, that test is applicable irrespective of whether or not a given country also adheres to the WCT); it reads: “*Contracting Parties shall confine any limitations of or exceptions to rights provided for in this Treaty to certain special cases which do not conflict with a normal exploitation of the performance or phonogram and do not unreasonably prejudice the legitimate interests of the performer or of the producer of the phonogram.*”

#### *Transferability of Rights*

5.584 The Treaty—similarly to the Berne Convention and the WCT — does not contain any limitation on the transferability of economic rights. The transferability of economic rights is confirmed also by the introductory phrase of Article 5(1) on moral rights of performers which reads: “Independently of a performer’s economic rights and *even after the transfer of those rights....*” (emphasis added).

#### *Duration of Protection*

5.585 Under Article 17 of the WPPT, the “*term of protection to be granted to performers shall last, at least, until the end of a period of 50 years computed from the end of the year in which the performance was fixed in a phonogram.*”

5.586 The term of protection of phonograms differs in substance from the term provided for in the TRIPS Agreement. Under Article 14.5 of the Agreement, the 50-year term is always computed from the end of the year in which the fixation was made, while under Article 17(2) of the WPPT, the term is calculated from the end of the year in which the phonogram was published, and it is only in case of absence of publication that it is calculated as under the TRIPS Agreement. Since publication normally takes place after fixation, the term under the Treaty, in general, is somewhat longer.

#### *Formalities*

5.587 Under Article 20 of the WPPT, the enjoyment and exercise of rights provided for in the Treaty must not be subject to any formality.

#### *Application in Time*

5.588 Article 22(1) of the WPPT, in general, provides for the *mutatis mutandis* application of Article 18 of the Berne Convention. Article 22(2), however, allows for Contracting Parties to limit the application of Article 5 on moral rights to performances which take place after the Treaty enters into force for them.

#### *Enforcement of Rights*

5.589 The provisions on enforcement in Article 20 of the WPPT correspond to the similar provisions in Article 14 of the WCT, which are explained in the third section of this chapter.

#### **Administrative Provisions**

5.590 These provisions, in general, are the same as, or similar to, the provisions of other WIPO treaties on the same issues, and they correspond to the similar provisions of the WCT, dealt with in



the third section of this chapter.

5.591 The number of instruments of ratification or accession needed for the entry into force of the WPPT was fixed at 30. The WPPT entered into force on May 20, 2002. The States party to the WPPT are listed in the appropriate document to be found inserted in the back flap of this volume.

#### **Audiovisual Performances**

5.592 The definitions of the terms “phonogram” and “fixation” in Article 2(b) and (c) of the WPPT limit the application of the Treaty to recordings of sounds. As regards audiovisual use of performances (that is use through moving images, with or without sound) the WPPT only grants protection against live broadcasting (Article 6(i)). The 1996 Diplomatic Conference which adopted the WPPT also discussed a possible extension of the scope of protection to cover such audiovisual use, but agreement was not reached at the time. In accordance with a Resolution, adopted by the Diplomatic Conference, work on the issue continued in the WIPO Standing Committee on Copyright and Related Rights. At the Diplomatic Conference on the Protection of Audiovisual Performances, which was held in Geneva in December 2000, agreement was reached on all issues, except for the question of international recognition of statutory provisions on the transfer of rights from performers to producers.

## Chapter -VI

### Administration of Copyright and Related Rights

6.115 This subchapter deals with two different aspects of the implementation and exercise of copyright and related rights. The first has to do with the authorities responsible in the governmental structure for performing State functions in the field of copyright, and explains the role and functions of those national governmental or other public institutions or offices, while the second concerns the collective or joint management of copyright and related rights, and the organizations responsible for exercising such rights, their operation and their role. The latter organizations are today predominantly private organizations which are outside the area of State administration.

#### The Role of Public Authorities in Copyright and Related Rights

6.116 The administrative role of the State in the field of copyright and related rights varies greatly from country to country. In general terms, it is, in most countries, far less important than in the field of industrial property. This is mainly due to the fact that the international protection system is based on the principle of automatic protection, according to which the enjoyment and exercise of copyright must not be subject to any formality, such as registration, deposit or the like (see also Chapter 5, subchapters on the Berne Convention, and on the WIPO Performances and Phonograms Treaty as regards related rights).

6.117 A minimum role generally implemented in a government structure is the policy level function, monitoring legislation and enforcement strategies. In addition, a number of administrative tasks may be performed, depending on the role attributed by national legislation to public administration. In countries where a system of registration of works and subject matter protected by related rights is in place, this function may often be the most important and burdensome administrative task, the amount of the burden depending on the prosperity of the copyright industries, on the popularity of the registration system and on the incentives for its use provided by national legislation. Another administrative task may be the issuing of compulsory licenses, such as translation and/or reproduction licenses, as provided for in the Special Provisions regarding Developing Countries in the Appendix to the Berne Convention (see Chapter 5). Furthermore, national legislation may provide for an administrative control of the establishment and/or the operation of private organizations exercising copyright and/or related rights collectively or jointly on behalf of rights-holders represented by them (see below, on Collective Management of Copyright and Related Rights). In certain countries, such government supervision is limited to the prevention of possible abuses of a monopoly position of rights management organizations.

6.118 Finally, in specific circumstances the legislator may have chosen to entrust a public authority, such as the Copyright Office, also with the collective or joint management of copyright and related rights. The trend, however, has recently been more towards entrusting this to private organizations, in particular in countries which have been in transition from a centrally planned to a market economy, most of which have privatized this task. On the other hand, in a number of African countries, where the copyright infrastructure is still relatively new and vulnerable, the public organization option has been chosen.

#### Collective Management of Copyright and Related Rights

##### Introduction

6.119 Throughout the world, the rights of creators such as writers and music composers are known to be their personal rights or, if those rights have been legally transferred, the rights of the new owners. They form part of the individual rights provided for in Article 27 of the Universal Declaration of Human Rights of December 10, 1948. They are called exclusive rights in the Berne Convention for the Protection of Literary and Artistic Works.

6.120 In the field of copyright and related rights, the experience of recent years has increasingly confirmed that the individual exercise of rights is impractical in cases where users need rapid access to a large number of works. Collective management organizations, also frequently called authors' societies, therefore play an important and very useful role for authors, composers and performers as well as for users. This is why they have experienced considerable development in parallel to the

increased use of works made possible by new technology.

6.121 With the ever more widespread application of digital technology, including the advent of multimedia productions and the use of digital networks like the Internet, the exercise and the management of rights are facing new challenges. New technological solutions (encryption technology, digital identification numbers, rights management information systems, etc.) have been worked out in response to those challenges, and are still being developed. The freedom of owners of rights to choose between individual and collective management of their rights and among various possible forms of collective management (“traditional” collective management, “clearing houses,” “one-stop-shop” systems, etc.) seems to have grown. New methods of licensing and monitoring use and collecting and distributing remuneration have been introduced.

6.122 New challenges, but also new means to meet them with, will be the concern of authors’ societies of developing countries, as they are today facing the authors’ societies of the industrialized countries. Mechanisms embodying the latest in digital technology are being developed to form the infrastructure for electronic copyright management. Some non-governmental organizations are already working on the establishment of a new global system for managing information about works, creators and owners of rights.

6.123 Another important development is linked to the adoption of the TRIPS Agreement, which provides that Members shall comply with Articles 1 to 21 of the Berne Convention (with the exception of Article 6bis) and the Appendix to it, as well as affording the specific protection provided by the TRIPS Agreement itself. By acceding to the TRIPS Agreement, Members undertake to give effect to the provisions of the Agreement. That means granting the minimum protection provided for in the substantive provisions of the Berne Convention and also complying with the specific provisions on copyright and related rights of the TRIPS Agreement. While many developing countries have already taken steps towards the legal implementation of the TRIPS Agreement, work still remains to be done on the collective management of copyright and related rights (see also chapter 3).

6.124 The present section describes all the various parts of present collective management of copyright and related rights as well as some future developments. The sub-sections are on the basic operation of collective management, and in particular the traditional system in place in many countries for the management of musical works, some further developments in performers’ rights, reprographic reproduction rights, and a few considerations on the digital environment with particular emphasis on the rights management information and technological measures provided for in the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT).

The Basic Operation of Collective Management of Copyright and Related Rights

6.125 The creator of a work has the right to allow or to prohibit the use of his works. A playwright can consent to his work being performed on stage under certain agreed conditions, a writer can negotiate a contract with a publisher for the publication and distribution of a book, and a composer or a musician can agree to have his music or performance recorded on compact disc. These examples illustrate how the owners of the rights can exercise their rights in person.

6.126 Other cases show for practical reasons that individual management of rights is virtually impossible with regard to certain types of use. An author is not capable of monitoring all uses of his works; he cannot for instance contact every single radio or television station to negotiate licenses and remuneration for the use of his works. Conversely, it is not practical for a broadcasting organization to seek specific permission from every author for the use of every copyrighted work. An average of 70,000 musical works are broadcast on television every year, so thousands of owners of rights would have to be approached for authorization. Hence the importance of collective management, which is the exercise of copyright and related rights by organizations acting on behalf of the owners of rights.

6.127 Composers, writers, musicians, singers, performers and other talented individuals are among society’s most valuable assets. They have to be encouraged to create, by receiving incentives, namely remuneration, in return for permission to make use of their works. The essential

role of a collective management organization is to collect copyright fees and to distribute the appropriate amount to the copyright owners, after deducting the sum required to cover expenses, on a non-profit-making basis.

6.128 Membership of collective management organizations is open to all owners of copyright and related rights, such as authors, composers, publishers, writers, photographers, musicians, performers or phonogram producers. On joining the collective management organization, members provide some personal particulars and declare the works that they have created. The information provided forms part of the documentation of the collective management organization that allows the link between the use of works and payment for that use to be made to the real owner of the rights. The works declared by the organization's members constitute what is known as the "national" or "local" repertoire, as opposed to the international repertoire which is made up of the foreign works managed by collective management organizations.

6.129 Collective management organizations most commonly are active in the exercise of the following rights:

- the right of public performance (music played or performed in halls, discotheques, restaurants and other public places);
- the right of broadcasting (live and recorded performances on radio and television);
- the mechanical reproduction rights in musical works (the reproduction of works in compact discs, tapes, vinyl records, cassettes, mini-discs, or other forms of recordings);
- the performing rights in dramatic works (stage plays);
- the right of reprographic reproduction of literary and musical works (photocopying);
- related rights, or the rights of performers and producers of phonograms to obtain remuneration for broadcasting or the communication to the public of phonograms.

6.130 There are various kinds of collective management organizations or groups of such organizations, depending on the category of works involved. "Traditional" collective management organizations, acting on behalf of their members, negotiate rates and terms of use with users, issue licenses authorizing uses, collect and distribute royalties. The individual owner of rights does not become directly involved in any of these steps. Rights clearance centers grant licenses to users that reflect the conditions for the use of works and the remuneration terms set by each individual holder of rights who is a member of the center (in the field of reprography, for instance, authors of written works such as books, magazines and periodicals). Here the center acts as an agent for the owner of the rights who remains directly involved in setting the terms of use of his works. "One-stop-shops" are a sort of coalition of separate collective management organizations which offer users a centralized source where authorizations can be easily and quickly obtained. There is a growing tendency to set up such organizations on account of the growing popularity of "multimedia" productions (productions composed of, or created from, several types of work, including computer software) which require a wide variety of authorizations.

6.131 In the field of musical works (encompassing all types of music) documentation, licensing and distribution are the three pillars on which the collective management of the rights of public performance and broadcasting is based. The collective management organization negotiates with users (such as radio stations, broadcasters, discotheques, cinemas, restaurants and the like), or groups of users and authorizes them to use copyrighted works from its repertoire against payment and on certain conditions. On the basis of its documentation (information on members and their works) and the programs submitted by users (for instance, logs of music played on the radio), the collective management organization distributes copyright royalties to its members according to established distribution rules. A fee to cover administrative costs, and in certain countries also socio-cultural promotion activities, is generally deducted from the copyright royalties.

6.132 In the field of dramatic works (which includes scripts, screenplays, mime shows, ballets, theater plays, operas and musicals), the practice of collective management is rather different in that the collective management organization acts as an agent representing authors. It negotiates a general contract with the organizations representing theaters in which the minimum terms are specified for the exploitation of particular works. The performance of each play then requires

further authorization from the author, which takes the form of an individual contract setting out the author's specific conditions. The collective management organization then communicates the author's permission and collects the corresponding remuneration.

6.133 In the field of printed works (meaning books, magazines, and other periodicals, newspapers, reports and the lyrics of songs), collective management mainly involves the grant of the right of reprographic reproduction, in other words allowing protected material to be photocopied by institutions such as libraries, public organizations, universities, schools and consumer associations. Non-voluntary licensing arrangements, when allowed by international conventions, can be written into national legislation; in such cases, a right of use against remuneration is accorded that does not require the consent of the right-owner. Collective management organizations administer the remuneration. In the special case of reproduction for private and personal use, some national legislation contains specific provision for equitable remuneration payable to the owners of rights and funded by a levy imposed on equipment or photocopies or both.

6.134 National legislation in some countries provides for a right of remuneration payable to performers or producers of phonograms or both when commercial sound recordings are communicated to the public or used for broadcasting. The fees for such uses are collected and distributed either by joint organizations set up by performers and producers of phonograms or separate ones, depending on the relation of those involved and the legal situation within the country (see below, paragraphs 6.170 and 6.171)

6.135 The application of national laws that establish rights in literary and artistic works and in related rights is effective only within the boundaries of that country. According to the national treatment principle enshrined in both the Berne Convention and the Rome Convention, foreign owners of rights are treated in the same way as nationals in most respects. This principle is upheld by collective management organizations which, under reciprocal representation agreements, administer foreign repertoires on their national territory, exchange information and pay royalties to foreign owners of rights.

6.136 There is now a well-established global network of collective management organizations, and they are strongly represented by non-governmental organizations such as the International Confederation of Societies of Authors and Composers (CISAC), the International Federation of Reprographic Reproduction Organisations (IFRRO), and at the European level, the Association of European Performers' Organizations (AEPO) and ARTIS GEIE.

6.137 As part of its international development cooperation activities (see chapter 3), WIPO is working closely with the above organizations and also with others, such as the International Federation of Actors (FIA), the International Federation of Musicians (FIM) and the International Federation of the Phonographic Industry (IFPI), to assist developing countries in establishing collective management organizations, and in strengthening existing organizations to ensure that they can be fully effective, among other things in their response to the challenges of the digital environment.

6.138 Such collective management encourages creators to contribute to the development of culture, attracts foreign investment and generally enables the public to benefit from a large number of works. Cultural industries, including collective management organizations, contribute up to six per cent of the gross national product of some major countries.

6.139 The creation of a properly administered fund can ensure financial assistance to authors and performers, whose active life may be relatively short. Such welfare benefits may include assistance with payment for medical treatment or insurance, for permanent or temporary disability, annuities on retirement or some sort of guaranteed income based on the members' record of royalty payments.

6.140 Welfare protection and the promotion of cultural activities are not compulsory, but when they are provided for, they may take the form of a deduction that the collective management organization makes from the royalties collected. There is no unanimous view among collective management organizations on the idea of such a deduction, which according to the rules of CISAC

should not represent more than 10 per cent of net income. Collective management organizations may sponsor cultural activities to promote the national repertoire of works at home and abroad. It is an important function for those organizations to take steps for the preservation, protection and encouragement of creative activities in the fields of literature, art, music, etc. Preservation of national culture is of particular interest for developing countries where, for instance, music from traditional national folklore is reproduced illegally.

6.141 Collective management organizations may be private, or public autonomous organizations or government offices undertaking these functions. One view is that the State should exercise adequate control and supervision, and also render financial support to the extent required for the efficient functioning of such organizations. While most were set up in the form of societies under civil law, there are a number of developing countries which have preferred to establish bureaus or offices under public law for the management of authors' rights. This choice seems to have been made because such institutions, in a developing country, operate better with government support and backing.

#### Collective Management of Musical Works

6.142 One of the best ways of explaining the concept and practice of collective management of copyright is to take the example of musical works. Today, in the face of the mass consumption of music, the only way of safeguarding the rights of public performance and broadcasting of composers, songwriters, arrangers and translators consists of the creation of a link between the music "producers" and the music "consumers." The concentration of the rights of performance and broadcasting of musical works in the hands of one collective management organization in each country and the blanket authorization to perform in public or broadcast protected music, granted by that organization, constitute the collective management of the rights in question.

6.143 The collective management organization in a given country secures all the rights of performance and broadcasting of musical works, if it is to serve music users of that country satisfactorily with a single blanket authorization. This aim of concentrating all rights may be promoted and furthered by the creation, in some countries, of a monopoly. In itself, however, a monopoly does not confer any copyright on the collective management organization: with or without a monopoly, the organization still has to persuade creators to assign their rights of performance and broadcasting to it.

6.144 The assignment or transfer of rights of performance and broadcasting normally takes place under a contract of association or management contract, signed by the rights-owners and the collective management organization, enabling the organization to represent them. Under such a contract, the author and the composer of a musical work normally transfer their rights to the collective management organization. They may however have transferred their rights to third parties, for example a music publisher, before joining the collective management organization. In such a case, the collective management organization would administer the rights transferred by the publisher in accordance with the membership contract signed between them (see paragraph 6.153). The practice is for authors to assign their rights also in future works, in other words for works that they will be creating during the term of their membership or during the validity of the mandate.

6.145 Assignments and transfers generally cover performances and broadcasts anywhere in the world. This territorial dimension enables the collective management organization to sign contracts with foreign counterparts and thus to safeguard the national musical heritage at the international level. This does not rule out the possibility of certain creators — often the best-known — being already registered as members or clients of foreign management organizations before they apply to the collective management organization in their country.

6.146 Under a publishing contract signed with a music creator, the publisher is authorized to reproduce the work and to sell copies to the public. Often, the music publisher also has the rights of performance and broadcasting. A collective management organization therefore may also represent publishers.

6.147 Every collective management organization assigns or transfers the rights acquired from its members to its foreign counterpart for public performances and broadcasts in the latter's area of

concern. In this way each organization controls the performance and broadcasting rights of the world music repertoire in its own country. This concentration of rights puts it in a very strong position. Contracts signed between collective management organizations of the various countries are called “reciprocal representation contracts.” These model contracts were elaborated under the auspices of the International Confederation of Societies of Authors and Composers (CISAC). The first provision stipulates the following: “The Model Contract of Reciprocal Representation meets the need to ensure in the international field, in a practical way, the best possible protection of authors’ rights and interests through harmonizing the conditions in which the Authors’ Societies represent each other in their respective territories.”

6.148 All those who wish to perform publicly or broadcast protected music are given authorization for the entire world music repertoire at once. This greatly eases the users’ job of respecting the rights of all rights-owners concerned. Collective management thus has to be looked upon as a considerable service to the world of music. The authorization is given the form of a contract under which the collective management organization consents to a precisely specified use of the music, and the user undertakes to pay the agreed royalty and submit accounts of the works performed or broadcast.

6.149 The right-owner sets the monetary compensation for his authorizations at his discretion. Certain organizations have claimed the same freedom for their collective management activities. These procedures are unreliable, however; any arbitrary action in a monopolistic management scheme is a short cut to anti-trust intervention. Equal treatment for users, and consequently the introduction of a clear and well-ordered scale of royalties, are indispensable elements underlying any collective management of copyright.

6.150 The efforts directed towards the introduction of well thought-out and logical tariffs are reflected in the observance of certain basic standards for the charging of royalties. An often claimed standard is the requirement that the rights-owners receive a 10 per cent share in the revenue from the use of their work. In the case of the performance of both protected and unprotected works, the percentage is reduced in proportion to the performance time of the protected and unprotected works (the *pro rata temporis* rule). If the performance of the music is associated with the performance of a ballet, the composer of the music and the choreographer share the 10 per cent royalty, each having a five per cent participation in the performance of the ballet (ballet rule). With these and similar rules, it is possible to lay down all the tariffs for publicly performed and broadcast music. In many countries, the representation monopoly of collective management organizations requires State inspection of tariffs to prevent any monopoly abuses. In such cases, the approved tariffs are regarded as official tariffs to be upheld also by the courts in the event of dispute. If the royalties collected are to be distributed correctly, users have to be made to provide accounts itemizing the works actually performed or broadcast by them.

6.151 Those who publicly perform or broadcast protected music without first having been authorized to do so by the rights-owners or by the collective management organization are guilty of copyright infringement. If this principle were to be strictly and inflexibly applied, the collective management organization would have to deal annually with thousands upon thousands of court cases, and would become bogged down in ruinous expenditure and lose all credibility within the country. It is essential to offer delinquent users the possibility of rectifying their position after the event before taking them to court.

6.152 Another important pillar of an efficient system of collective management is the documentation. This word is used to designate all the information concerning authors, composers and publishers and their works, which is essential for the distribution of royalties.

6.153 The collective management organization has to make its members declare all works created by them and accompany the declarations with supporting documents. Works not in the usual written form (manuscripts or scores) may be declared in other forms, such as a cassette recording. The obligation to declare works extends to publishers, who have to give notice of any publication that has taken place. The documentation may also include copies of the contracts concerning works, especially publishing contracts. It can later become one of the main references for historical

and scientific research.

6.154 Through the network set up by the collective management organizations throughout the world, collective management has assumed worldwide dimensions. With the reciprocal representation contracts, they are entitled to administer foreign repertoires in their own country. It is for this reason that two international tools were constituted under the auspices of CISAC: these are the CAE list (Composers, Authors, Editors (publishers) established in 1973, administered and continually updated since then by the Swiss Society for Authors' Rights in Musical Works (SUISA), and the WWL (Worldwide Works List), drawn up and updated by the American Society of Composers, Authors and Publishers (ASCAP), together with the changes they have undergone in becoming "Interested Parties Information" (IPI) and "Works Information Database" (WID), respectively.

6.155 Computerized tools have replaced the old-fashioned techniques (microfiches, etc.) and the societies of authors have adopted this progress, particularly with the installation of computerized systems adapted to the small- and medium-sized societies in developing countries. This CAE list is not only useful in managing the rights of foreign authors, but also in providing constantly updated information. Because the societies of authors are in possession of the latest information they are able to forward the royalties collected to their counterpart societies. The IPI administered by SUISA is a system which enables the identification of rights-owners, be they natural persons or legal entities (interested parties). It is based on a unique number allocated by the IPI centre to each interested party. As stated by CISAC, "the purpose of the system is the global unique identification of interested parties acting across multiple creation classes, roles and rights through an IP base number, which is the backbone of the system." This database, which contains information on the rights-owners, such as date of birth, nationality, pseudonyms and collective management organization, is an enhanced version of the CAE file, differing from it in that it can encompass additional categories of works and rights-owners. The IPI became operational in September 2001.

6.156 The other tool, the WWL documentation, springs from the idea that each society of authors knows those works of its repertoire that enjoy an international audience. The basic data on those works, i.e. their titles, the names of the authors or business names of their publishers (except for data on possible sub-publications) can be inserted in this list updated by ASCAP. It is up to each society of authors to choose which works will be transmitted to ASCAP. Prior to the establishment of the WWL documentation, the societies obtained information by means of "fiches internationales" on works distinguished by the following characteristics: they enjoyed international success, they were of exceptional duration or instrumentation and they were subject to subpublishing. Contrary to the WWL documentation, the "fiches internationales" gave information on the applicable distribution scales. Cue-sheets contain the basic data of films, and more specifically of the music for those films. Unlike international fiches, cue-sheets are not sent automatically by collective management organizations; this documentation is supplied on request in the case of showings or television broadcasts in other countries. These will disappear with the new developments linked to digital information and networks.

6.157 The emergence of transmission by worldwide digital networks has also revolutionized the collective administration sector, that has had to adapt itself to the new situation. Thus, CISAC has set up its Common Information System (CIS). This is a method for administering authors' rights using a set of linked databases. These databases will enable works and their right-holders to be identified precisely and will result in improved monitoring of the various uses made of the works. The machinery for exchanging electronic information should contribute to rationalizing collective administration operations, to automating them and to an eventual reduction in administrative costs.

6.158 Designed to operate in the digital environment, CIS is a system for standardizing information and data communication, comprising various subsystems. Those subsystems include the IPI (Interested Parties Information) and WID (Works Information Database) (see paragraph 6.154). The other databases are the TIS (Territory Information System) containing information on the various territories administered by CISAC member societies, the ASI (Agreements and Schedule Information) which will contain information on publication contracts, the audiovisual works



database (IDA) which contains information on holders of rights in audiovisual works and is linked to the numbering system for identifying audiovisual works (ISAN), the database for sound carriers and recordings (SCRI: Sound Carrier and Recording Information) which enables the societies of authors to identify musical works by means of standardized information on the carriers and recordings, the database of musical works in the audiovisual domain (AV Index) designed to manage the cue sheets, and the CIS standards database (CSC) which is the documentary reference database required for the setting-up of the various subsystems. As stated by CISAC, it is “a series of tools that provide the building blocks to global copyright administration by standardizing and streamlining the exchange of information amongst member societies.” The Executive Bureau of CISAC has adopted “Principles for a CIS governance framework” which are legal, financial and technical rules required for the management of the system.

6.159 Thus, the implementation of the system permits improved management of information by removing the areas of duplication and by using the architecture of a common system. Such management of information on works and right-holders will facilitate the automation of various transactions, the granting of licenses, searching and monitoring to be carried out by the societies in a digital environment. Based essentially on the allocation of a unique identification number that will follow the work throughout its lifetime, the system will enable societies to administer the rights of their members more effectively and at lower cost and will enable users to find information more easily, to obtain the necessary authorization and to pay the relevant amounts. CISAC is developing an international tool, CISNET, to link, through a search engine, various databases, whether individual society databases or a central one.

6.160 The computer tool has become indispensable for collective management and should be made available to all societies throughout the world. WIPO is implementing a cooperation program for the developing countries under which specific aid is allocated for computerizing the collective management organizations of those countries. Aware of the dimensions of the problems encountered in the developing countries, WIPO has developed a program in order to produce a standard software intended for the small and medium-sized societies in those countries to enable them to become fully autonomous and independent in the collective management of the rights of their members. Thanks to this progress, newly established collective management organizations should be in a position to envisage rapidly their integration within the CIS system of CISAC. More familiarity with the computerized tools is necessary and unavoidable in order to improve collective management in the field of copyright and related rights in the years to come. That is the direction taken by WIPO and CISAC in their continuous commitment to improving the management of rights worldwide in accordance with the mandates of their Member States in the case of WIPO and Member Societies in the case of CISAC.

6.161 On the basis of the documentation and after collection of the royalties and of the accounts of works performed or broadcast, the collective management organization has to calculate the amount payable to each rights-owner concerned. This operation is known as "distribution," and is one of the most laborious jobs that the organization has to do. Every rights-owner may demand to be paid the amounts corresponding to what the collective management organization has charged for his/her works, after deduction of management overheads and social and cultural expenses, which are dealt with in greater detail below. This principle also stems from the legal position of the collective management organization as the trustee of authors, composers and publishers. For all the goodwill that is shown, however, accounts of works performed or broadcast are never provided in full detail, and in certain cases it proves impossible to demand them, for instance in the case of the broadcasts relayed to the public or the use of jukeboxes. Royalties for such performances have to be apportioned on the basis of accounts of other performances of comparable music. All owners of rights are to be treated on a strictly equal footing, in the sense that no preferential treatment or privilege can be allowed. That applies in particular to relations between national owners of rights and those of other countries.

6.162 Management costs are paid for out of the royalties collected. With the rights of public performance and broadcasting — unlike recording rights — the practice is for deductions to be

confined to actual, genuine expenses. The percentage of deduction for expenses therefore varies from year to year. Deductions that do not exceed 30 per cent are considered acceptable in the first years of a newly-born authors' society in developing countries; rates have been following a downward trend in recent years. In European collective management organizations there is an average deduction of around 15 per cent for this purpose.

6.163 The principle of equality of treatment also operates in the area of deductions for expenses. National and foreign authors, composers and publishers have to accept the same percentage of deduction.

6.164 Every collective management organization, in regular and close consultation with its members, will do its utmost to promote their social welfare and publicize their music. It is possible for the collective management organizations to agree, in their bilateral contracts, that up to one-tenth of the royalties charged, after deduction of expenses, may be used for social and cultural purposes for the benefit of their members and clients. This 10 per cent deduction may be made

***396 WIPO Intellectual Property Handbook: Policy, Law and Use***

both from sums intended for foreign authors, composers and publishers and from amounts to be credited to national members.

6.165 In the field of cultural activities, collective management societies welcome initiatives and new ideas. Solutions differ from country to country and include — among others — the following activities: music competitions, prizes and festivals, action to promote music publishing, launching of publication series and sets, disc or cassette production, recording facilities, provision of recording studios, publications on musical subjects, biographies, manuals and catalogues, financing of music gazettes and a press service for musical matters.

**Publishers' Organizations**

6.166 In many countries in Western Europe the activities of authors' societies concern not only the safeguarding of the rights and interests of authors but also the protection of the interests of publishers, mainly in the case of the management of music performing and mechanical rights. In such situations, publishers of musical works take an active part in the management of the society, being normally members of its governing bodies.

6.167 The main objective of publishers' organizations is to protect the interests of the publishing industry and to promote its development, with particular regard to the printing and editing of, and trading in, books and periodicals. The purpose is to encourage the widest possible distribution not only at home but also abroad, since publishing activities are increasingly international.

6.168 Several publishers' organizations also have programs enabling their members to be assisted in managing their companies or to be aware of government policies on matters of concern to publishers (such as taxes, trade conditions, censorship, and also copyright protection). Publishers' organizations also try to strengthen public understanding of the role of books in the cultural, social and economic evolution of society.

**Collective Management of Performers' Rights in the Field of Music**

6.169 Performers enjoy the right of fixation of their performances, the right of reproduction of those fixations on sound recordings and the right of broadcasting and communication to the public of their live (unfixed) performances. A new right of making available fixed performances has been recognized in the WIPO Performances and Phonograms Treaty (WPPT) adopted in December 1996, in relation to the question of access, by the public, to fixed performances embodied in phonograms through digital networks. Thus, performers enjoy exclusive rights and remuneration rights in several countries, where a collective management infrastructure has been developed in this field. As in the case of authors' societies, performers' organizations representing their members in various cases may also provide for benefit schemes.

6.170 When a phonogram which has been published for commercial purposes is used directly for broadcasting or communication to the public, which is recognized in Article 12 of the Rome Convention, performers and producers of phonograms may receive an equitable remuneration. The right to this remuneration is a matter for the law of the Contracting State where it is due. The beneficiaries may be performers, producers of phonograms or both. The WPPT (Article 15) contains

a similar right of remuneration which, unlike the Rome Convention, concerns both performers and producers of phonograms. Once in force, the contracting member States may introduce such a system if they so wish insofar as reservations are possible in this case. From a practical point of view, there are different approaches. In certain countries, rights-owners concerned have established joint collective management organizations; in others, they have separate ones and in still others they have entrusted collective management organizations of authors with administering performing rights.

6. 171 The methods of distribution of the remuneration among performers and producers of phonograms differ from country to country. As in the case of authors' societies, the necessity to obtain information from the broadcasters or from users in the case of communication to the public of the phonograms and performances used is an important element for the distribution. In the first situation, distribution among individual performers is possible and based on programs transmitted by radio and television; in the second one, distribution is made by methods of sampling.

6.172 As regards remuneration for private copying, certain countries have included in their national legislation provisions whereby performers and producers of phonograms receive home taping royalties. The exercise of an exclusive right to authorize reproduction of phonograms for private use being impossible, some national legislators have introduced a levy, as compensation, on blank tapes or blank carriers used for the making of private copies. Some national legislation also contains provisions imposing on manufacturers and importers of recording equipment the obligation to pay a remuneration. Radio broadcast logs, disc sales figures and other available data are used to identify and quantify the relative home taping of each work and recording. Thus, distribution of those royalties is made by collective management organizations representing the rights-owners concerned on the basis of a sampling system.

#### Collective Management of Reprographic Reproduction Rights

6. 173 In the field of reprographic reproduction rights, the situation is different from that of copying phonograms or audiovisual works in private circles. The purposes of reprographic reproduction are not the same as those of home taping. They usually concern copying of material necessary for education, research and library services in respect of which special public considerations prevail. The phenomenon of private reprographic reproduction remains relatively small even though sophisticated reprographic machines have become more widespread partly because of their cheaper selling price and their small size.

6. 174 From the legal point of view, the right of reproduction is an exclusive right under the Berne Convention which cannot be restricted — either allowing free use or in the form of non-voluntary licenses — except in cases which are defined by the Berne Convention (Article 9 (1) and (2)). It is clear that reprography is a form of reproduction covered by such a right. Limitations or exceptions may be introduced by national legislators in certain special cases, unless the reproduction conflicts with a normal exploitation of the works concerned, and unless it unreasonably prejudices the legitimate interests of authors. This prejudice may in some cases be compensated or mitigated by means of an equitable remuneration. In such cases, non-voluntary licensing systems can be stipulated in national laws in conformity with international protection. Although the consent of rights-owners concerned is not required, they have a right of remuneration which is exercised through collective management systems.

6. 175 Reproduction for private and personal use is a particular case. Many legislators have considered that copying for private use is free. However, some have decided an indirect compensation through an equitable remuneration in the form of a levy on equipment and/or on the underlying material, like paper.

6.176 In the area of massive reprographic use, collective management organizations are necessary to collect and distribute the equitable remuneration. There are different legal techniques to support collective management, for example, the system of extended collective license, contracts with indemnity clauses and legal presumption. In the first system, which is used in Nordic countries, the law extends the reach of a collective agreement on the use of works to cover also unrepresented rights-owners. Indeed, organizations representing rights-owners do not have the powers to grant

licenses for use of works of non-members of the organization. Through the agreement concluded between the organization and the user on the basis of free negotiations, the agreement is made binding by law on unrepresented rights-owners who are entitled to individual remuneration. In the second system, an indemnity clause is incorporated in the contract, according to which the organization assumes the liability for the payment of remuneration to unrepresented rights-owners. In the third one — the legal presumption system — it is presumed that the organization has a general authorization to represent the rights-owners. The legal and practical effects hardly differ from those of the extended collective license. It does not provide the organization with a general right of representation but only extends an agreement that it concludes also to cover unrepresented rights-owners.

6.177 Whilst providing users with authorization for copying, collective management organizations secure fair payment for their members whose works are copied. As in the field of music, reprographic right organizations collect and distribute payments to national rights-owners and conclude reciprocal agreements with foreigners. The International Federation of Reproduction Rights Organizations (IFRRO) which links together all the national reproduction rights organizations (RROs), facilitates formal and informal agreements and relationships between and on behalf of its members. IFRRO is also fostering the creation of RROs.

6.178 The advent of digital technology has greatly changed the situation, since material is stored, reproduced and transmitted in the form of digits, in binary code consisting of zeros and ones. Some questions have emerged with computer technology, such as storage, temporary display and further uses of protected material. In fact, the storage of works in digital form in an electronic medium was discussed as early as in June 1982, when a WIPO/Unesco Committee of Governmental Experts clarified that such storage is reproduction, and the WCT contains an agreed statement which confirms this. It reads as follows: “The reproduction right, as set out in Article 9 of the Berne Convention, and the exceptions permitted thereunder, fully apply in the digital environment, in particular to the use of works in digital form. It is understood that the storage of a protected work in digital form in an electronic medium constitutes a reproduction within the meaning of Article 9 of the Berne Convention.”

Collective Management and the Digital Environment

6.179 The rights-owners — and users also — are looking for different approaches to deal with the management of copyright and related rights in the digital environment, in particular in the context of multimedia productions.

6.180 Copyrighted works will be increasingly delivered in digital form via global networks such as the Internet. As a result the collective management of copyright and related rights by public, semipublic and market sector entities will be re-engineered to take advantage of the efficiency gains offered by information technology. The increasing opportunities offered to the holders of rights by the Internet and the advent of “multimedia” productions are interfering with the conditions of protection, with the exercise and management of copyright and related rights and also with the enforcement of rights.

6.181 In the online world of the new millennium, the management of rights is taking on a new dimension. Protected works are now digitized, compressed, uploaded, downloaded, copied and distributed on the Internet to any place in the world. The expanding power of digital networks allows more and more mass storage and online delivery of protected material. The possibility of downloading the contents of a book, or of listening to and recording music from cyberspace is a daily reality. While this presents immeasurable opportunities, there are also many challenges for owners, users and collective management organizations.

6.182 Many collective management organizations have developed systems for on-line delivery of information relating to the licensing of works and content, the monitoring of uses and the collection and distribution of remuneration for various categories of works within the digital environment. These digital information systems, which depend on the development and use of unique numbering systems and codes that are embedded in digital carriers such as CDs and DVDs, allow the works, the right-owners, the digital carriers themselves, etc. to be properly identified and

to provide other relevant information.

6.183 As explained in Chapter 5, the two treaties concluded in 1996, under the auspices of WIPO, responded to the challenges of protecting copyright and related rights in the digital age. Known as “the Internet treaties,” the WCT and WPPT deal among other things with obligations concerning technological protection measures and rights management information in the digital environment; they ensure that the owners of rights are protected when their works are disseminated on the Internet; they also contain provisions requiring national legislators to provide efficient protection for technological measures, by prohibiting the import, manufacture and distribution of illicit circumvention tools or material and also outlawing acts detrimental to rights management information systems. Indeed, an adequate legal protection is also needed at the national level to prevent acts intended to circumvent technical protection measures, and also to combat the removal or alteration of any elements of the digital information systems and other such practices.

6.184 Digitalization has brought another dimension to the exercise of certain rights. Protection and management of rights in an electronic environment are linked to the development of different types of technological measures, apart from the recognition of rights at the national and international levels. In the digital era, a combination of individual and collective exercise of rights is possible and facilitated by the information and data that are “attached” to the works and objects of related rights. As indicated in Article 12(2) of the WCT, “rights management information means information which identifies the work, the author of the work, the owner of any right in the work, or information about the terms and conditions of use of the work, and any numbers or codes that represent such information, when any of these items of information is attached to a copy of a work or appears in connection with the communication of a work to the public.” The digital identification of works and objects of related rights (there is a similar article in the WPPT for performances and phonograms, namely Article 19(2)) needs to be adequately protected by technological measures.

6.185 The WCT and WPPT specify a protection of rights management information aiming at protecting the identification of works and objects of related rights against various acts. Both treaties, respectively in Article 11(WCT) and Article 18(WPPT), have left to national legislators of Contracting States the ways to implement protection, without any specification of the type of protection nor the definition of protected devices.

6.186 Technological measures cover various devices and electronic tools, which consist of systems allowing and monitoring the access to protected material and information. Those systems encompass passwording, encryption, digital envelopes, etc. Other systems like watermarking or fingerprinting are techniques based on invisible digital marking of protected works and objects of related rights and their right-owners, used to facilitate their identification. There are other technological means, which are used for example to prevent the making of copies of protected material, like the Serial Copy Management System, or similar anti-copy devices in the field of digital video recording. More in the field of collective management of rights, the Electronic Copyright Management Systems (ECMS) which permit the identification of copyright and related rights material, and the licensing and remuneration of right-owners, are also technological measures, since they go beyond the mere role of identification.

6.187 Despite the practical impact of such technical means, the need to have legal texts protecting technological means of protection and rights management information is crucial for the proper implementation of collective management in the digital environment, since the core of copyright management systems is content and rights identification together with licenses. Indeed, the ECMS, which relates to those components, must be protected not only against removal, alteration, distribution, importation for dissemination, etc. but also against any circumvention, as stipulated in the WCT and WPPT.

6.188 As regards multimedia productions — both in the form of offline production and in the way the different categories of works and objects of related rights are used together in digital networks — there are more and more “coalitions” of various collective management organizations offering a centralized source of authorization; they are known as “one-stop shops.”

6.189 Finally, in the field of collective management of musical works, some authors' societies have reached reciprocal agreements aiming at offering users some global licenses for use of protected music over the Internet. These worldwide Internet licenses are intended to provide a mechanism to assure proper distribution of license fees to authors, composers and music publishers. These agreements cover webcasting, streaming, online music on demand and also music included in video transmitted online. They have been concluded by the authors' societies BMI (United States of America), BUMA (Netherlands), GEMA (Germany), PRS (United Kingdom) and SACEM (France), and were signed at the CISAC 2000 World Congress held in Santiago de Chile.

6.190 Such developments constitute a real progress for collective management of musical works, granting for such works licenses which are not limited to territorial boundaries, to be performed on the Internet. The authors' societies concerned will be in a position to authorize content providers to exploit on-line the music repertoire administered by those authors' societies against fixed remuneration. The agreements contain some rules for the distribution of royalties. Collective management of copyright and related rights will gain in efficiency and precision and improve through digital technology, including computer programs specially designed to allow new authors' societies to access such digital systems and the data on works and recordings transmitted therein.

#### Intergovernmental Cooperation

6.191 Within the framework of the sector of development for cooperation in WIPO, a number of meetings and activities are initiated and undertaken by the regional Bureaus and by the Copyright Collective Management Division. In order to maximize its efficiency, WIPO concluded two major Cooperation Agreements with CISAC and IFRRO in September 2002 and October 2003 respectively. Complementary activities are organized in cooperation with these organizations in favor of reinforcing copyright protection in developing countries and least developed countries, as well as in Eastern and Central Europe. Such an approach reflects the common cause inherent in the main and proper objectives of those non-governmental organizations and WIPO, in assuring rights-owners of respect for their rights, for instance through the implementation of collective management systems on a national or regional basis, when appropriate. It also reflects the implications of the expansion of culture and information and their accessibility to the public, taking into consideration the economic impact and the growth of digital technology worldwide.

## **Berne Convention for the Protection of Literary and Artistic Works**

of September 9, 1886,  
completed at PARIS on May 4, 1896,  
revised at BERLIN on November 13, 1908,  
completed at BERNE on March 20, 1914,  
revised at ROME on June 2, 1928,  
at BRUSSELS on June 26, 1948,  
at STOCKHOLM on July 14, 1967,  
and at PARIS on July 24, 1971,  
and amended on September 28, 1979

### **Articles 1-21 and Appendix**

The countries of the Union, being equally animated by the desire to protect, in as effective and uniform a manner as possible, the rights of authors in their literary and artistic works,

Recognizing the importance of the work of the Revision Conference held at Stockholm in 1967,

Have resolved to revise the Act adopted by the Stockholm Conference, while maintaining without change [Articles 1 to 20](#) and [22 to 26](#) of that Act.

Consequently, the undersigned Plenipotentiaries, having presented their full powers, recognized as in good and due form, have agreed as follows:

#### **Article 1 Establishment of a Union <sup>3</sup>**

The countries to which this Convention applies constitute a Union for the protection of the rights of authors in their literary and artistic works.

#### **Article 2 Protected Works: 1. "Literary and artistic works"; 2. Possible requirement of fixation; 3. Derivative works; 4. Official texts; 5. Collections; 6. Obligation to protect; beneficiaries of protection; 7. Works of applied art and industrial designs; 8. News**

(1) The expression "literary and artistic works" shall include every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression, such as books, pamphlets and other writings; lectures, addresses, sermons and other works of the same nature; dramatic or dramatico-musical works; choreographic works and entertainments in dumb show; musical compositions with or without words; cinematographic works to which are assimilated works expressed by a process analogous to cinematography; works of drawing, painting, architecture, sculpture, engraving and lithography; photographic works to which are assimilated works expressed by a process analogous to photography; works of applied art; illustrations, maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science.

(2) It shall, however, be a matter for legislation in the countries of the Union to prescribe that works in general or any specified categories of works shall not be protected unless they have been fixed in some material form.

(3) Translations, adaptations, arrangements of music and other alterations of a literary or artistic work shall be protected as original works without prejudice to the copyright in the original work.

(4) It shall be a matter for legislation in the countries of the Union to determine the protection to be granted to official texts of a legislative, administrative and legal nature, and to official translations of such texts.

(5) Collections of literary or artistic works such as encyclopaedias and anthologies which, by reason of the selection and arrangement of their contents, constitute intellectual creations shall be protected as such, without prejudice to the copyright in each of the works forming part of such collections.

(6) The works mentioned in this Article shall enjoy protection in all countries of the Union. This protection shall operate for the benefit of the author and his successors in title.

(7) Subject to the provisions of [Article 7\(4\)](#) of this Convention, it shall be a matter for legislation in the countries of the Union to determine the extent of the application of their laws to works of applied art and industrial designs and models, as well as the conditions under which such works, designs and models shall be protected. Works protected in the country of origin solely as designs and models shall be entitled in another country of the Union only to such special protection as is granted in that country to designs and models; however, if no such special protection is granted in that country, such works shall be protected as artistic works.

(8) The protection of this Convention shall not apply to news of the day or to miscellaneous facts having the character of mere items of press information.

#### **Article 2bis**

##### **Possible Limitation of Protection of Certain Works:**

##### **1. Certain speeches; 2. Certain uses of lectures and addresses; 3. Right to make collections of such works**

(1) It shall be a matter for legislation in the countries of the Union to exclude, wholly or in part, from the protection provided by the preceding Article political speeches and speeches delivered in the course of legal proceedings.

(2) It shall also be a matter for legislation in the countries of the Union to determine the conditions under which lectures, addresses and other works of the same nature which are delivered in public may be reproduced by the press, broadcast, communicated to the public by wire and made the subject of public communication as envisaged in [Article 11bis\(1\)](#) of this Convention, when such use is justified by the informatory purpose.

(3) Nevertheless, the author shall enjoy the exclusive right of making a collection of his works mentioned in the preceding paragraphs.

#### **Article 3**

##### **Criteria of Eligibility for Protection:**

##### **1. Nationality of author; place of publication of work; 2. Residence of author; 3: "Published" works; 4. "Simultaneously published" works**

(1) The protection of this Convention shall apply to:

(a) authors who are nationals of one of the countries of the Union, for their works, whether published or not;

(b) authors who are not nationals of one of the countries of the Union, for their works first published in one of those countries, or simultaneously in a country outside the Union and in a country of the Union.

(2) Authors who are not nationals of one of the countries of the Union but who have their habitual residence in one of them shall, for the purposes of this Convention, be assimilated to nationals of that country.

(3) The expression "published works" means works published with the consent of their authors, whatever may be the means of manufacture of the copies, provided that the availability of such copies has been such as to satisfy the reasonable requirements of the public, having regard to the nature of the work. The performance of a dramatic, dramatico-musical, cinematographic or musical work, the public recitation of a literary work, the communication by wire or the broadcasting of literary or artistic works, the exhibition of a work of art and the construction of a work of architecture shall not constitute publication.

(4) A work shall be considered as having been published simultaneously in several countries if it has been published in two or more countries within thirty days of its first publication.

#### **Article 4**

##### **Criteria of Eligibility for Protection of Cinematographic Works, Works of Architecture and Certain Artistic Works**



The protection of this Convention shall apply, even if the conditions of [Article 3](#) are not fulfilled, to:

(a) authors of cinematographic works the maker of which has his headquarters or habitual residence in one of the countries of the Union;

(b) authors of works of architecture erected in a country of the Union or of other artistic works incorporated in a building or other structure located in a country of the Union.

**Article 5**  
**Rights Guaranteed:**

**1. and 2. Outside the country of origin; 3. In the country of origin; 4. "Country of origin"**

(1) Authors shall enjoy, in respect of works for which they are protected under this Convention, in countries of the Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.

(2) The enjoyment and the exercise of these rights shall not be subject to any formality; such enjoyment and such exercise shall be independent of the existence of protection in the country of origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.

(3) Protection in the country of origin is governed by domestic law. However, when the author is not a national of the country of origin of the work for which he is protected under this Convention, he shall enjoy in that country the same rights as national authors.

(4) The country of origin shall be considered to be:

(a) in the case of works first published in a country of the Union, that country; in the case of works published simultaneously in several countries of the Union which grant different terms of protection, the country whose legislation grants the shortest term of protection;

(b) in the case of works published simultaneously in a country outside the Union and in a country of the Union, the latter country;

(c) in the case of unpublished works or of works first published in a country outside the Union, without simultaneous publication in a country of the Union, the country of the Union of which the author is a national, provided that:

(i) when these are cinematographic works the maker of which has his headquarters or his habitual residence in a country of the Union, the country of origin shall be that country, and

(ii) when these are works of architecture erected in a country of the Union or other artistic works incorporated in a building or other structure located in a country of the Union, the country of origin shall be that country.

**Article 6**

**Possible Restriction of Protection in Respect of Certain Works of Nationals of Certain Countries Outside the Union:**

**1. In the country of the first publication and in other countries; 2. No retroactivity; 3. Notice**

(1) Where any country outside the Union fails to protect in an adequate manner the works of authors who are nationals of one of the countries of the Union, the latter country may restrict the protection given to the works of authors who are, at the date of the first publication thereof, nationals of the other country and are not habitually resident in one of the countries of the Union. If the country of first publication avails itself of this right, the other countries of the Union shall not be required to grant to works thus subjected to special treatment a wider protection than that granted to them in the country of first publication.

(2) No restrictions introduced by virtue of the preceding paragraph shall affect the rights which an author may have acquired in respect of a work published in a country of the Union before such restrictions were put into force.

(3) The countries of the Union which restrict the grant of copyright in accordance with this Article shall give notice thereof to the Director General of the World Intellectual Property Organization (hereinafter designated as "the Director General") by a written declaration specifying the countries in regard to which protection is restricted, and the restrictions to which rights of authors who

are nationals of those countries are subjected. The Director General shall immediately communicate this declaration to all the countries of the Union.

#### **Article 6bis**

##### **Moral Rights:**

- 1. To claim authorship; to object to certain modifications and other derogatory actions;**
- 2. After the author's death; 3. Means of redress**

(1) Independently of the author's economic rights, and even after the transfer of the said rights, the author shall have the right to claim authorship of the work and to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work, which would be prejudicial to his honor or reputation.

(2) The rights granted to the author in accordance with the preceding paragraph shall, after his death, be maintained, at least until the expiry of the economic rights, and shall be exercisable by the persons or institutions authorized by the legislation of the country where protection is claimed. However, those countries whose legislation, at the moment of their ratification of or accession to this Act, does not provide for the protection after the death of the author of all the rights set out in the preceding paragraph may provide that some of these rights may, after his death, cease to be maintained.

(3) The means of redress for safeguarding the rights granted by this Article shall be governed by the legislation of the country where protection is claimed.

#### **Article 7**

##### **Term of Protection:**

- 1. Generally; 2. For cinematographic works; 3. For anonymous and pseudonymous works;**
- 4. For photographic works and works of applied art; 5. Starting date of computation;**
- 6. Longer terms; 7. Shorter terms; 8. Applicable law; "comparison" of terms**

(1) The term of protection granted by this Convention shall be the life of the author and fifty years after his death.

(2) However, in the case of cinematographic works, the countries of the Union may provide that the term of protection shall expire fifty years after the work has been made available to the public with the consent of the author, or, failing such an event within fifty years from the making of such a work, fifty years after the making.

(3) In the case of anonymous or pseudonymous works, the term of protection granted by this Convention shall expire fifty years after the work has been lawfully made available to the public. However, when the pseudonym adopted by the author leaves no doubt as to his identity, the term of protection shall be that provided in [paragraph \(1\)](#). If the author of an anonymous or pseudonymous work discloses his identity during the above-mentioned period, the term of protection applicable shall be that provided in [paragraph \(1\)](#). The countries of the Union shall not be required to protect anonymous or pseudonymous works in respect of which it is reasonable to presume that their author has been dead for fifty years.

(4) It shall be a matter for legislation in the countries of the Union to determine the term of protection of photographic works and that of works of applied art in so far as they are protected as artistic works; however, this term shall last at least until the end of a period of twenty-five years from the making of such a work.

(5) The term of protection subsequent to the death of the author and the terms provided by [paragraphs \(2\), \(3\) and \(4\)](#) shall run from the date of death or of the event referred to in those paragraphs, but such terms shall always be deemed to begin on the first of January of the year following the death or such event.

(6) The countries of the Union may grant a term of protection in excess of those provided by the preceding paragraphs.

(7) Those countries of the Union bound by the Rome Act of this Convention which grant, in their national legislation in force at the time of signature of the present Act, shorter terms of protection than those provided for in the preceding paragraphs shall have the right to maintain such terms when ratifying or acceding to the present Act.

(8) In any case, the term shall be governed by the legislation of the country where protection is claimed; however, unless the legislation of that country otherwise provides, the term shall not exceed the term fixed in the country of origin of the work.

#### **Article 7bis**

##### **Term of Protection for Works of Joint Authorship**

The provisions of the preceding Article shall also apply in the case of a work of joint authorship, provided that the terms measured from the death of the author shall be calculated from the death of the last surviving author.

**Article 8**  
**Right of Translation**

Authors of literary and artistic works protected by this Convention shall enjoy the exclusive right of making and of authorizing the translation of their works throughout the term of protection of their rights in the original works.

**Article 9**  
**Right of Reproduction:**  
**1. Generally; 2. Possible exceptions; 3. Sound and visual recordings**

(1) Authors of literary and artistic works protected by this Convention shall have the exclusive right of authorizing the reproduction of these works, in any manner or form.

(2) It shall be a matter for legislation in the countries of the Union to permit the reproduction of such works in certain special cases, provided that such reproduction does not conflict with a normal exploitation of the work and does not unreasonably prejudice the legitimate interests of the author.

(3) Any sound or visual recording shall be considered as a reproduction for the purposes of this Convention.

**Article 10**  
**Certain Free Uses of Works:**  
**1. Quotations; 2. Illustrations for teaching; 3. Indication of source and author**

(1) It shall be permissible to make quotations from a work which has already been lawfully made available to the public, provided that their making is compatible with fair practice, and their extent does not exceed that justified by the purpose, including quotations from newspaper articles and periodicals in the form of press summaries.

(2) It shall be a matter for legislation in the countries of the Union, and for special agreements existing or to be concluded between them, to permit the utilization, to the extent justified by the purpose, of literary or artistic works by way of illustration in publications, broadcasts or sound or visual recordings for teaching, provided such utilization is compatible with fair practice.

(3) Where use is made of works in accordance with the preceding paragraphs of this Article, mention shall be made of the source, and of the name of the author if it appears thereon.

**Article 10bis**  
**Further Possible Free Uses of Works:**  
**1. Of certain articles and broadcast works; 2. Of works seen or heard in connection with current events**

(1) It shall be a matter for legislation in the countries of the Union to permit the reproduction by the press, the broadcasting or the communication to the public by wire of articles published in newspapers or periodicals on current economic, political or religious topics, and of broadcast works of the same character, in cases in which the reproduction, broadcasting or such communication thereof is not expressly reserved. Nevertheless, the source must always be clearly indicated; the legal consequences of a breach of this obligation shall be determined by the legislation of the country where protection is claimed.

(2) It shall also be a matter for legislation in the countries of the Union to determine the conditions under which, for the purpose of reporting current events by means of photography, cinematography, broadcasting or communication to the public by wire, literary or artistic works seen or heard in the course of the event may, to the extent justified by the informatory purpose, be reproduced and made available to the public.

**Article 11**  
**Certain Rights in Dramatic and Musical Works:**  
**1. Right of public performance and of communication to the public of a performance;**  
**2. In respect of translations**

(1) Authors of dramatic, dramatico-musical and musical works shall enjoy the exclusive right of authorizing:

- (i) the public performance of their works, including such public performance by any means or process;
- (ii) any communication to the public of the performance of their works.

(2) Authors of dramatic or dramatico-musical works shall enjoy, during the full term of their rights in the original works, the same rights with respect to translations thereof.

#### **Article 11bis**

##### **Broadcasting and Related Rights:**

- 1. Broadcasting and other wireless communications, public communication of broadcast by wire or rebroadcast, public communication of broadcast by loudspeaker or analogous instruments;**
- 2. Compulsory licenses; 3. Recording; ephemeral recordings**

(1) Authors of literary and artistic works shall enjoy the exclusive right of authorizing:

(i) the broadcasting of their works or the communication thereof to the public by any other means of wireless diffusion of signs, sounds or images;

(ii) any communication to the public by wire or by rebroadcasting of the broadcast of the work, when this communication is made by an organization other than the original one;

(iii) the public communication by loudspeaker or any other analogous instrument transmitting, by signs, sounds or images, the broadcast of the work.

(2) It shall be a matter for legislation in the countries of the Union to determine the conditions under which the rights mentioned in the preceding paragraph may be exercised, but these conditions shall apply only in the countries where they have been prescribed. They shall not in any circumstances be prejudicial to the moral rights of the author, nor to his right to obtain equitable remuneration which, in the absence of agreement, shall be fixed by competent authority.

(3) In the absence of any contrary stipulation, permission granted in accordance with [paragraph \(1\)](#) of this Article shall not imply permission to record, by means of instruments recording sounds or images, the work broadcast. It shall, however, be a matter for legislation in the countries of the Union to determine the regulations for ephemeral recordings made by a broadcasting organization by means of its own facilities and used for its own broadcasts. The preservation of these recordings in official archives may, on the ground of their exceptional documentary character, be authorized by such legislation.

#### **Article 11ter**

##### **Certain Rights in Literary Works:**

- 1. Right of public recitation and of communication to the public of a recitation; 2. In respect of translations**

(1) Authors of literary works shall enjoy the exclusive right of authorizing:

(i) the public recitation of their works, including such public recitation by any means or process;

(ii) any communication to the public of the recitation of their works.

(2) Authors of literary works shall enjoy, during the full term of their rights in the original works, the same rights with respect to translations thereof.

#### **Article 12**

##### **Right of Adaptation, Arrangement and Other Alteration**

Authors of literary or artistic works shall enjoy the exclusive right of authorizing adaptations, arrangements and other alterations of their works.

#### **Article 13**

##### **Possible Limitation of the Right of Recording of Musical Works and Any Words Pertaining Thereto:**

- 1. Compulsory licenses; 2. Transitory measures;**
- 3. Seizure on importation of copies made without the author's permission**

(1) Each country of the Union may impose for itself reservations and conditions on the exclusive right granted to the author of a musical work and to the author of any words, the recording of which together with the musical work has already been authorized by the latter, to authorize the sound recording of that musical work, together with such words, if any; but all such reservations and conditions shall apply only in the countries which have imposed them and shall not, in any circumstances, be prejudicial to the rights of these authors to obtain equitable remuneration which, in the absence of agreement, shall be fixed by competent authority.

(2) Recordings of musical works made in a country of the Union in accordance with Article 13(3) of the Conventions signed at Rome on June 2, 1928, and at Brussels on June 26, 1948, may be reproduced in that country without the permission of the author of the musical work until a date two years after that country becomes bound by this Act.

(3) Recordings made in accordance with [paragraphs \(1\)](#) and [\(2\)](#) of this Article and imported without permission from the parties concerned into a country where they are treated as infringing recordings shall be liable to seizure.

#### **Article 14**

##### **Cinematographic and Related Rights:**

- 1. Cinematographic adaptation and reproduction; distribution; public performance and public communication by wire of works thus adapted or reproduced;**
- 2. Adaptation of cinematographic productions; 3. No compulsory licenses**

(1) Authors of literary or artistic works shall have the exclusive right of authorizing:

- (i) the cinematographic adaptation and reproduction of these works, and the distribution of the works thus adapted or reproduced;
- (ii) the public performance and communication to the public by wire of the works thus adapted or reproduced.

(2) The adaptation into any other artistic form of a cinematographic production derived from literary or artistic works shall, without prejudice to the authorization of the author of the cinematographic production, remain subject to the authorization of the authors of the original works.

(3) The provisions of [Article 13\(1\)](#) shall not apply.

#### **Article 14bis**

##### **Special Provisions Concerning Cinematographic Works:**

- 1. Assimilation to "original" works; 2. Ownership; limitation of certain rights of certain contributors;**
- 3. Certain other contributors**

(1) Without prejudice to the copyright in any work which may have been adapted or reproduced, a cinematographic work shall be protected as an original work. The owner of copyright in a cinematographic work shall enjoy the same rights as the author of an original work, including the rights referred to in the preceding Article.

(2)

(a) Ownership of copyright in a cinematographic work shall be a matter for legislation in the country where protection is claimed.

(b) However, in the countries of the Union which, by legislation, include among the owners of copyright in a cinematographic work authors who have brought contributions to the making of the work, such authors, if they have undertaken to bring such contributions, may not, in the absence of any contrary or special stipulation, object to the reproduction, distribution, public performance, communication to the public by wire, broadcasting or any other communication to the public, or to the subtitling or dubbing of texts, of the work.

(c) The question whether or not the form of the undertaking referred to above should, for the application of the preceding [subparagraph \(b\)](#), be in a written agreement or a written act of the same effect shall be a matter for the legislation of the country where the maker of the cinematographic work has his headquarters or habitual residence. However, it shall be a matter for the legislation of the country of the Union where protection is claimed to provide that the said undertaking shall be in a written agreement or a written act of the same effect. The countries whose legislation so provides shall notify the Director General by means of a written declaration, which will be immediately communicated by him to all the other countries of the Union.

(d) By "contrary or special stipulation" is meant any restrictive condition which is relevant to the aforesaid undertaking.

(3) Unless the national legislation provides to the contrary, the provisions of [paragraph \(2\)\(b\)](#) above shall not be applicable to authors of scenarios, dialogues and musical works created for the making of the cinematographic work, or to the principal director thereof. However, those countries of the Union whose legislation does not contain rules providing for the application of the said [paragraph \(2\)\(b\)](#) to such director shall notify the Director General by means of a written declaration, which will be immediately communicated by him to all the other countries of the Union.

#### **Article 14ter**

##### **“Droit de suite” in Works of Art and Manuscripts:**

##### **1. Right to an interest in resales; 2. Applicable law; 3. Procedure**

(1) The author, or after his death the persons or institutions authorized by national legislation, shall, with respect to original works of art and original manuscripts of writers and composers, enjoy the inalienable right to an interest in any sale of the work subsequent to the first transfer by the author of the work.

(2) The protection provided by the preceding paragraph may be claimed in a country of the Union only if legislation in the country to which the author belongs so permits, and to the extent permitted by the country where this protection is claimed.

(3) The procedure for collection and the amounts shall be matters for determination by national legislation.

#### **Article 15**

##### **Right to Enforce Protected Rights:**

##### **1. Where author's name is indicated or where pseudonym leaves no doubt as to author's identity;**

##### **2. In the case of cinematographic works; 3. In the case of anonymous and pseudonymous works;**

##### **4. In the case of certain unpublished works of unknown authorship**

(1) In order that the author of a literary or artistic work protected by this Convention shall, in the absence of proof to the contrary, be regarded as such, and consequently be entitled to institute infringement proceedings in the countries of the Union, it shall be sufficient for his name to appear on the work in the usual manner. This paragraph shall be applicable even if this name is a pseudonym, where the pseudonym adopted by the author leaves no doubt as to his identity.

(2) The person or body corporate whose name appears on a cinematographic work in the usual manner shall, in the absence of proof to the contrary, be presumed to be the maker of the said work.

(3) In the case of anonymous and pseudonymous works, other than those referred to in [paragraph \(1\)](#) above, the publisher whose name appears on the work shall, in the absence of proof to the contrary, be deemed to represent the author, and in this capacity he shall be entitled to protect and enforce the author's rights. The provisions of this paragraph shall cease to apply when the author reveals his identity and establishes his claim to authorship of the work.

(4)

(a) In the case of unpublished works where the identity of the author is unknown, but where there is every ground to presume that he is a national of a country of the Union, it shall be a matter for legislation in that country to designate the competent authority which shall represent the author and shall be entitled to protect and enforce his rights in the countries of the Union.

(b) Countries of the Union which make such designation under the terms of this provision shall notify the Director General by means of a written declaration giving full information concerning the authority thus designated. The Director General shall at once communicate this declaration to all other countries of the Union.

#### **Article 16**

##### **Infringing Copies:**

##### **1. Seizure; 2. Seizure on importation; 3. Applicable law**

(1) Infringing copies of a work shall be liable to seizure in any country of the Union where the work enjoys legal protection.

(2) The provisions of the preceding paragraph shall also apply to reproductions coming from a country where the work is not protected, or has ceased to be protected.

(3) The seizure shall take place in accordance with the legislation of each country.

**Article 17**  
**Possibility of Control of Circulation, Presentation and Exhibition of Works**

The provisions of this Convention cannot in any way affect the right of the Government of each country of the Union to permit, to control, or to prohibit, by legislation or regulation, the circulation, presentation, or exhibition of any work or production in regard to which the competent authority may find it necessary to exercise that right.

**Article 18**  
**Works Existing on Convention's Entry Into Force:**  
**1. Protectable where protection not yet expired in country of origin;**  
**2. Non-protectable where protection already expired in country where it is claimed;**  
**3. Application of these principles; 4. Special cases**

(1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.

(2) If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew.

(3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.

(4) The preceding provisions shall also apply in the case of new accessions to the Union and to cases in which protection is extended by the application of [Article 7](#) or by the abandonment of reservations.

**Article 19**  
**Protection Greater than Resulting from Convention**

The provisions of this Convention shall not preclude the making of a claim to the benefit of any greater protection which may be granted by legislation in a country of the Union.

**Article 20**  
**Special Agreements Among Countries of the Union**

The Governments of the countries of the Union reserve the right to enter into special agreements among themselves, in so far as such agreements grant to authors more extensive rights than those granted by the Convention, or contain other provisions not contrary to this Convention. The provisions of existing agreements which satisfy these conditions shall remain applicable.

**Article 21**  
**Special Provisions Regarding Developing Countries:**  
**1. Reference to Appendix; 2. Appendix part of Act**

(1) Special provisions regarding developing countries are included in the Appendix.

(2) Subject to the provisions of [Article 28\(1\)\(b\)](#), the Appendix forms an integral part of this Act.

**APPENDIX**  
**SPECIAL PROVISIONS REGARDING DEVELOPING COUNTRIES**

**Article I**  
**Faculties Open to Developing Countries:**  
**1. Availability of certain faculties; declaration; 2. Duration of effect of declaration;**  
**3. Cessation of developing country status; 4. Existing stocks of copies;**  
**5. Declarations concerning certain territories; 6. Limits of reciprocity**

(1) Any country regarded as a developing country in conformity with the established practice of the General Assembly of the United Nations which ratifies or accedes to this Act, of which this Appendix forms an integral part, and which, having regard to its economic situation and its social or cultural needs, does not consider itself immediately in a position to make provision for the protection of all the rights as provided for in this Act, may, by a notification deposited with the Director General at the time of depositing its instrument of ratification or accession or, subject to [Article V\(1\)\(c\)](#), at any time thereafter, declare that it will avail itself of the faculty provided for in [Article II](#), or of the faculty provided for in [Article III](#), or of both of those faculties. It may, instead of availing itself of the faculty provided for in [Article II](#), make a declaration according to [Article V\(1\)\(a\)](#).

(2)

(a) Any declaration under [paragraph \(1\)](#) notified before the expiration of the period of ten years from the entry into force of [Articles 1 to 21](#) and this Appendix according to [Article 28\(2\)](#) shall be effective until the expiration of the said period. Any such declaration may be renewed in whole or in part for periods of ten years each by a notification deposited with the Director General not more than fifteen months and not less than three months before the expiration of the ten-year period then running.

(b) Any declaration under [paragraph \(1\)](#) notified after the expiration of the period of ten years from the entry into force of [Articles 1 to 21](#) and this Appendix according to [Article 28\(2\)](#) shall be effective until the expiration of the ten-year period then running. Any such declaration may be renewed as provided for in the second sentence of [subparagraph \(a\)](#).

(3) Any country of the Union which has ceased to be regarded as a developing country as referred to in [paragraph \(1\)](#) shall no longer be entitled to renew its declaration as provided in [paragraph \(2\)](#), and, whether or not it formally withdraws its declaration, such country shall be precluded from availing itself of the faculties referred to in [paragraph \(1\)](#) from the expiration of the ten-year period then running or from the expiration of a period of three years after it has ceased to be regarded as a developing country, whichever period expires later.

(4) Where, at the time when the declaration made under [paragraph \(1\)](#) or [\(2\)](#) ceases to be effective, there are copies in stock which were made under a license granted by virtue of this Appendix, such copies may continue to be distributed until their stock is exhausted.

(5) Any country which is bound by the provisions of this Act and which has deposited a declaration or a notification in accordance with [Article 31\(1\)](#) with respect to the application of this Act to a particular territory, the situation of which can be regarded as analogous to that of the countries referred to in [paragraph \(1\)](#), may, in respect of such territory, make the declaration referred to in [paragraph \(1\)](#) and the notification of renewal referred to in [paragraph \(2\)](#). As long as such declaration or notification remains in effect, the provisions of this Appendix shall be applicable to the territory in respect of which it was made.

(6)

(a) The fact that a country avails itself of any of the faculties referred to in [paragraph \(1\)](#) does not permit another country to give less protection to works of which the country of origin is the former country than it is obliged to grant under [Articles 1 to 20](#).

(b) The right to apply reciprocal treatment provided for in [Article 30\(2\)\(b\)](#), second sentence, shall not, until the date on which the period applicable under [Article I\(3\)](#) expires, be exercised in respect of works the country of origin of which is a country which has made a declaration according to [Article V\(1\)\(a\)](#).

## Article II

### Limitations on the Right of Translation:

- 1. Licenses grantable by competent authority; 2. to 4. Conditions allowing the grant of such licenses;**
- 5. Purposes for which licenses may be granted; 6. Termination of licenses; 7. Works composed mainly of illustrations;**
- 8. Works withdrawn from circulation; 9. Licenses for broadcasting organizations**

(1) Any country which has declared that it will avail itself of the faculty provided for in this Article shall be entitled, so far as works published in printed or analogous forms of reproduction are concerned, to substitute for the exclusive right of translation provided for in [Article 8](#) a system of non-exclusive and non-transferable licenses, granted by the competent authority under the following conditions and subject to [Article IV](#).

(2)

(a) Subject to [paragraph \(3\)](#), if, after the expiration of a period of three years, or of any longer period determined by the national legislation of the said country, commencing on the date of the first publication of the work, a translation of such work has not been published in a language in general use in that country by the owner of the right of translation, or with his authorization, any



national of such country may obtain a license to make a translation of the work in the said language and publish the translation in printed or analogous forms of reproduction.

(b) A license under the conditions provided for in this Article may also be granted if all the editions of the translation published in the language concerned are out of print.

(3)

(a) In the case of translations into a language which is not in general use in one or more developed countries which are members of the Union, a period of one year shall be substituted for the period of three years referred to in [paragraph \(2\)\(a\)](#).

(b) Any country referred to in [paragraph \(1\)](#) may, with the unanimous agreement of the developed countries which are members of the Union and in which the same language is in general use, substitute, in the case of translations into that language, for the period of three years referred to in [paragraph \(2\)\(a\)](#) a shorter period as determined by such agreement but not less than one year. However, the provisions of the foregoing sentence shall not apply where the language in question is English, French or Spanish. The Director General shall be notified of any such agreement by the Governments which have concluded it.

(4)

(a) No license obtainable after three years shall be granted under this Article until a further period of six months has elapsed, and no license obtainable after one year shall be granted under this Article until a further period of nine months has elapsed

(i) from the date on which the applicant complies with the requirements mentioned in [Article IV\(1\)](#), or

(ii) where the identity or the address of the owner of the right of translation is unknown, from the date on which the applicant sends, as provided for in [Article IV\(2\)](#), copies of his application submitted to the authority competent to grant the license.

(b) If, during the said period of six or nine months, a translation in the language in respect of which the application was made is published by the owner of the right of translation or with his authorization, no license under this Article shall be granted.

(5) Any license under this Article shall be granted only for the purpose of teaching, scholarship or research.

(6) If a translation of a work is published by the owner of the right of translation or with his authorization at a price reasonably related to that normally charged in the country for comparable works, any license granted under this Article shall terminate if such translation is in the same language and with substantially the same content as the translation published under the license. Any copies already made before the license terminates may continue to be distributed until their stock is exhausted.

(7) For works which are composed mainly of illustrations, a license to make and publish a translation of the text and to reproduce and publish the illustrations may be granted only if the conditions of [Article III](#) are also fulfilled.

(8) No license shall be granted under this Article when the author has withdrawn from circulation all copies of his work.

(9)

(a) A license to make a translation of a work which has been published in printed or analogous forms of reproduction may also be granted to any broadcasting organization having its headquarters in a country referred to in [paragraph \(1\)](#), upon an application made to the competent authority of that country by the said organization, provided that all of the following conditions are met:

(i) the translation is made from a copy made and acquired in accordance with the laws of the said country;

(ii) the translation is only for use in broadcasts intended exclusively for teaching or for the dissemination of the results of specialized technical or scientific research to experts in a particular profession;

(iii) the translation is used exclusively for the purposes referred to in condition (ii) through broadcasts made lawfully and intended for recipients on the territory of the said country, including broadcasts made through the medium of sound or visual recordings lawfully and exclusively made for the purpose of such broadcasts;

(iv) all uses made of the translation are without any commercial purpose.

(b) Sound or visual recordings of a translation which was made by a broadcasting organization under a license granted by virtue of this paragraph may, for the purposes and subject to the conditions referred to in [subparagraph \(a\)](#) and with the agreement of that organization, also be used by any other broadcasting organization having its headquarters in the country whose competent authority granted the license in question.

(c) Provided that all of the criteria and conditions set out in [subparagraph \(a\)](#) are met, a license may also be granted to a broadcasting organization to translate any text incorporated in an audio-visual fixation where such fixation was itself prepared and published for the sole purpose of being used in connection with systematic instructional activities.

(d) Subject to [subparagraphs \(a\)](#) to [\(c\)](#), the provisions of the preceding paragraphs shall apply to the grant and exercise of any license granted under this paragraph.

### Article III

#### Limitation on the Right of Reproduction:

#### **1. Licenses grantable by competent authority; 2. to 5. Conditions allowing the grant of such licenses; 6. Termination of licenses; 7. Works to which this Article applies**

(1) Any country which has declared that it will avail itself of the faculty provided for in this Article shall be entitled to substitute for the exclusive right of reproduction provided for in [Article 9](#) a system of non-exclusive and non-transferable licenses, granted by the competent authority under the following conditions and subject to [Article IV](#).

(2)

(a) If, in relation to a work to which this Article applies by virtue of [paragraph \(7\)](#), after the expiration of

(i) the relevant period specified in [paragraph \(3\)](#), commencing on the date of first publication of a particular edition of the work, or

(ii) any longer period determined by national legislation of the country referred to in [paragraph \(1\)](#), commencing on the same date, copies of such edition have not been distributed in that country to the general public or in connection with systematic instructional activities, by the owner of the right of reproduction or with his authorization, at a price reasonably related to that normally charged in the country for comparable works, any national of such country may obtain a license to reproduce and publish such edition at that or a lower price for use in connection with systematic instructional activities.

(b) A license to reproduce and publish an edition which has been distributed as described in [subparagraph \(a\)](#) may also be granted under the conditions provided for in this Article if, after the expiration of the applicable period, no authorized copies of that edition have been on sale for a period of six months in the country concerned to the general public or in connection with systematic instructional activities at a price reasonably related to that normally charged in the country for comparable works.

(3) The period referred to in [paragraph \(2\)\(a\)\(i\)](#) shall be five years, except that

(i) for works of the natural and physical sciences, including mathematics, and of technology, the period shall be three years;

(ii) for works of fiction, poetry, drama and music, and for art books, the period shall be seven years.

(4)

(a) No license obtainable after three years shall be granted under this Article until a period of six months has elapsed

(i) from the date on which the applicant complies with the requirements mentioned in [Article IV\(1\)](#), or

(ii) where the identity or the address of the owner of the right of reproduction is unknown, from the date on which the applicant sends, as provided for in [Article IV\(2\)](#), copies of his application submitted to the authority competent to grant the license.

(b) Where licenses are obtainable after other periods and [Article IV\(2\)](#) is applicable, no license shall be granted until a period of three months has elapsed from the date of the dispatch of the copies of the application.

(c) If, during the period of six or three months referred to in [subparagraphs \(a\)](#) and [\(b\)](#), a distribution as described in [paragraph \(2\)\(a\)](#) has taken place, no license shall be granted under this Article.

(d) No license shall be granted if the author has withdrawn from circulation all copies of the edition for the reproduction and publication of which the license has been applied for.

(5) A license to reproduce and publish a translation of a work shall not be granted under this Article in the following cases:

(i) where the translation was not published by the owner of the right of translation or with his authorization, or

(ii) where the translation is not in a language in general use in the country in which the license is applied for.

(6) If copies of an edition of a work are distributed in the country referred to in [paragraph \(1\)](#) to the general public or in connection with systematic instructional activities, by the owner of the right of reproduction or with his authorization, at a price reasonably related to that normally charged in the country for comparable works, any license granted under this Article shall terminate if such edition is in the same language and with substantially the same content as the edition which was published under the said license. Any copies already made before the license terminates may continue to be distributed until their stock is exhausted.

(7)

(a) Subject to [subparagraph \(b\)](#), the works to which this Article applies shall be limited to works published in printed or analogous forms of reproduction.

(b) This Article shall also apply to the reproduction in audio-visual form of lawfully made audio-visual fixations including any protected works incorporated therein and to the translation of any incorporated text into a language in general use in the country in which the license is applied for, always provided that the audio-visual fixations in question were prepared and published for the sole purpose of being used in connection with systematic instructional activities.

#### Article IV

##### **Provisions Common to Licenses Under [Articles II](#) and [III](#): 1. and 2. Procedure; 3. Indication of author and title of work; 4. Exportation of copies; 5. Notice; 6. Compensation**

(1) A license under [Article II](#) or [Article III](#) may be granted only if the applicant, in accordance with the procedure of the country concerned, establishes either that he has requested, and has been denied, authorization by the owner of the right to make and publish the translation or to reproduce and publish the edition, as the case may be, or that, after due diligence on his part, he was unable to find the owner of the right. At the same time as making the request, the applicant shall inform any national or international information center referred to in [paragraph \(2\)](#).

(2) If the owner of the right cannot be found, the applicant for a license shall send, by registered airmail, copies of his application, submitted to the authority competent to grant the license, to the publisher whose name appears on the work and to any national or international information center which may have been designated, in a notification to that effect deposited with the Director General, by the Government of the country in which the publisher is believed to have his principal place of business.

(3) The name of the author shall be indicated on all copies of the translation or reproduction published under a license granted under [Article II](#) or [Article III](#). The title of the work shall appear on all such copies. In the case of a translation, the original title of the work shall appear in any case on all the said copies.

(4)

(a) No license granted under [Article II](#) or [Article III](#) shall extend to the export of copies, and any such license shall be valid only for publication of the translation or of the reproduction, as the case may be, in the territory of the country in which it has been applied for.

(b) For the purposes of [subparagraph \(a\)](#), the notion of export shall include the sending of copies from any territory to the country which, in respect of that territory, has made a declaration under [Article I\(5\)](#).

(c) Where a governmental or other public entity of a country which has granted a license to make a translation under [Article II](#) into a language other than English, French or Spanish sends copies of a translation published under such license to another country, such sending of copies shall not, for the purposes of [subparagraph \(a\)](#), be considered to constitute export if all of the following conditions are met:

(i) the recipients are individuals who are nationals of the country whose competent authority has granted the license, or organizations grouping such individuals;

(ii) the copies are to be used only for the purpose of teaching, scholarship or research;

(iii) the sending of the copies and their subsequent distribution to recipients is without any commercial purpose; and

(iv) the country to which the copies have been sent has agreed with the country whose competent authority has granted the license to allow the receipt, or distribution, or both, and the Director General has been notified of the agreement by the Government of the country in which the license has been granted.

(5) All copies published under a license granted by virtue of [Article II](#) or [Article III](#) shall bear a notice in the appropriate language stating that the copies are available for distribution only in the country or territory to which the said license applies.

(6)

(a) Due provision shall be made at the national level to ensure

(i) that the license provides, in favour of the owner of the right of translation or of reproduction, as the case may be, for just compensation that is consistent with standards of royalties normally operating on licenses freely negotiated between persons in the two countries concerned, and

(ii) payment and transmittal of the compensation: should national currency regulations intervene, the competent authority shall make all efforts, by the use of international machinery, to ensure transmittal in internationally convertible currency or its equivalent.

(b) Due provision shall be made by national legislation to ensure a correct translation of the work, or an accurate reproduction of the particular edition, as the case may be.

#### Article V

##### Alternative Possibility for Limitation of the Right of Translation:

*1. Regime provided for under the 1886 and 1896 Acts;*

*2. No possibility of change to regime under [Article II](#);*

*3. Time limit for choosing the alternative possibility*

(1)

(a) Any country entitled to make a declaration that it will avail itself of the faculty provided for in [Article II](#) may, instead, at the time of ratifying or acceding to this Act:

(i) if it is a country to which [Article 30\(2\)\(a\)](#) applies, make a declaration under that provision as far as the right of translation is concerned;

(ii) if it is a country to which [Article 30\(2\)\(a\)](#) does not apply, and even if it is not a country outside the Union, make a declaration as provided for in [Article 30\(2\)\(b\)](#), first sentence.

(b) In the case of a country which ceases to be regarded as a developing country as referred to in [Article I\(1\)](#), a declaration made according to this paragraph shall be effective until the date on which the period applicable under [Article I\(3\)](#) expires.

(c) Any country which has made a declaration according to this paragraph may not subsequently avail itself of the faculty provided for in [Article II](#) even if it withdraws the said declaration.

(2) Subject to [paragraph \(3\)](#), any country which has availed itself of the faculty provided for in [Article II](#) may not subsequently make a declaration according to [paragraph \(1\)](#).

(3) Any country which has ceased to be regarded as a developing country as referred to in [Article I\(1\)](#) may, not later than two years prior to the expiration of the period applicable under [Article I\(3\)](#), make a declaration to the effect provided for in [Article 30\(2\)\(b\)](#), first sentence, notwithstanding the fact that it is not a country outside the Union. Such declaration shall take effect at the date on which the period applicable under [Article I\(3\)](#) expires.

## Article VI

**Possibilities of applying, or admitting the application of, certain provisions of the Appendix before becoming bound by it:**

### **1. Declaration; 2. Depository and effective date of declaration**

(1) Any country of the Union may declare, as from the date of this Act, and at any time before becoming bound by [Articles 1 to 21](#) and this Appendix:

(i) if it is a country which, were it bound by [Articles 1 to 21](#) and this Appendix, would be entitled to avail itself of the faculties referred to in [Article I\(1\)](#), that it will apply the provisions of [Article II](#) or of [Article III](#) or of both to works whose country of origin is a country which, pursuant to [\(ii\)](#) below, admits the application of those Articles to such works, or which is bound by [Articles 1 to 21](#) and this Appendix; such declaration may, instead of referring to [Article II](#), refer to [Article V](#);

(ii) that it admits the application of this Appendix to works of which it is the country of origin by countries which have made a declaration under [\(i\)](#) above or a notification under [Article I](#).

(2) Any declaration made under [paragraph \(1\)](#) shall be in writing and shall be deposited with the Director General. The declaration shall become effective from the date of its deposit.

---

<sup>1</sup> *Entry into force*: Refer to Articles 26, 28 and 29. *Source*: International Bureau of WIPO.

<sup>2</sup> This Table of Contents is added for the convenience of the reader. It does not appear in the original (English) text of the Convention.

<sup>3</sup> Each Article and the Appendix have been given titles to facilitate their identification. There are no titles in the signed (English) text.

<sup>4</sup> The Governing Bodies of WIPO and the Unions administered by WIPO adopted with effect from January 1, 1994, a new contribution system that replaces the contribution system set forth in Article 25(4)(a), (b) and (c) of the Berne Convention. Details concerning that system may be obtained from the International Bureau of WIPO.

**ROME CONVENTION, 1961**  
**INTERNATIONAL CONVENTION FOR THE PROTECTION OF PERFORMERS,**  
**PRODUCERS OF PHONOGRAMS AND BROADCASTING ORGANISATIONS**  
**Done at Rome on October 26, 1961**

The Contracting States, moved by the desire to protect the rights of performers, producers of phonograms, and broadcasting organisations,  
Have agreed as follows:

\* This Table of Contents is added for the convenience of the reader. It does not appear in the original text of the Convention.

**Article 1**

[Safeguard of Copyright Proper\*]

Protection granted under this Convention shall leave intact and shall in no way affect the protection of copyright in literary and artistic works. Consequently, no provision of this Convention may be interpreted as prejudicing such protection.

**Article 2**

[Protection given by the Convention. Definition of National Treatment]

1. For the purposes of this Convention, national treatment shall mean the treatment accorded by the domestic law of the Contracting State in which protection is claimed:

- (a) to performers who are its nationals, as regards performances taking place, broadcast, or first fixed, on its territory;
- (b) to producers of phonograms who are its nationals, as regards phonograms first fixed or first published on its territory;
- (c) to broadcasting organisations which have their headquarters on its territory, as regards broadcasts transmitted from transmitters situated on its territory.

2. National treatment shall be subject to the protection specifically guaranteed, and the limitations specifically provided for, in this Convention.

**Article 3**

[Definitions: (a) Performers; (b) Phonogram; (c) Producers of Phonograms; (d) Publication; (e) Reproduction; (f) Broadcasting; (g) Rebroadcasting]

For the purposes of this Convention:

- (a) “performers” means actors, singers, musicians, dancers, and other persons who act, sing, deliver, declaim, play in, or otherwise perform literary or artistic works;
- (b) “phonogram” means any exclusively aural fixation of sounds of a performance or of other sounds;
- (c) “producer of phonograms” means the person who, or the legal entity which, first fixes the sounds of a performance or other sounds;
- (d) “publication” means the offering of copies of a phonogram to the public in reasonable quantity;
- (e) “reproduction” means the making of a copy or copies of a fixation;
- (f) “broadcasting” means the transmission by wireless means for public reception of sounds or of images and sounds;
- (g) “rebroadcasting” means the simultaneous broadcasting by one broadcasting organisation of the broadcast of another broadcasting organisation.

**Article 4**

[Performances Protected. Points of Attachment for Performers]

Each Contracting State shall grant national treatment to performers if any of the following conditions is met:

- (a) the performance takes place in another Contracting State;
- (b) the performance is incorporated in a phonogram which is protected under Article 5 of this Convention;
- (c) the performance, not being fixed on a phonogram, is carried by a broadcast which is protected by Article 6 of this Convention.

\* Articles have been given titles to facilitate their identification. There are no titles in the signed text.

### **Article 5**

[Protected Phonograms: 1. Points of Attachment for Producers of Phonograms; 2. Simultaneous Publication; 3. Power to exclude certain Criteria]

1. Each Contracting State shall grant national treatment to producers of phonograms if any of the following conditions is met:

- (a) the producer of the phonogram is a national of another Contracting State (criterion of nationality);
- (b) the first fixation of the sound was made in another Contracting State (criterion of fixation);
- (c) the phonogram was first published in another Contracting State (criterion of publication).

2. If a phonogram was first published in a non-contracting State but if it was also published, within thirty days of its first publication, in a Contracting State (simultaneous publication), it shall be considered as first published in the Contracting State.

3. By means of a notification deposited with the Secretary-General of the United Nations, any Contracting State may declare that it will not apply the criterion of publication or, alternatively, the criterion of fixation. Such notification may be deposited at the time of ratification, acceptance or accession, or at any time thereafter; in the last case, it shall become effective six months after it has been deposited.

### **Article 6**

[Protected Broadcasts: 1. Points of Attachment for Broadcasting Organizations; 2. Power to Reserve]

1. Each Contracting State shall grant national treatment to broadcasting organisations if either of the following conditions is met:

- (a) the headquarters of the broadcasting organisation is situated in another Contracting State;
- (b) the broadcast was transmitted from a transmitter situated in another Contracting State.

2. By means of a notification deposited with the Secretary-General of the United Nations, any Contracting State may declare that it will protect broadcasts only if the headquarters of the broadcasting organisation is situated in another Contracting State and the broadcast was transmitted from a transmitter situated in the same Contracting State. Such notification may be deposited at the time of ratification, acceptance or accession, or at any time thereafter; in the last case, it shall become effective six months after it has been deposited.

### **Article 7**

[Minimum Protection for Performers: 1. Particular Rights; 2. Relations between Performers and Broadcasting Organizations]

1. The protection provided for performers by this Convention shall include the possibility of preventing:

- (a) the broadcasting and the communication to the public, without their consent, of their performance, except where the performance used in the broadcasting or the public communication is itself already a broadcast performance or is made from a fixation;
- (b) the fixation, without their consent, of their unfixed performance;
- (c) the reproduction, without their consent, of a fixation of their performance:

- (i) if the original fixation itself was made without their consent;
- (ii) if the reproduction is made for purposes different from those for which the performers gave their consent;
- (iii) if the original fixation was made in accordance with the provisions of Article 15, and the reproduction is made for purposes different from those referred to in those provisions.

2.

(1) If broadcasting was consented to by the performers, it shall be a matter for the domestic law of the Contracting State where protection is claimed to regulate the protection against rebroadcasting, fixation for broadcasting purposes and the reproduction of such fixation for broadcasting purposes.

(2) The terms and conditions governing the use by broadcasting organisations of fixations made for broadcasting purposes shall be determined in accordance with the domestic law of the Contracting State where protection is claimed.

(3) However, the domestic law referred to in sub-paragraphs (1) and (2) of this paragraph shall not operate to deprive performers of the ability to control, by contract, their relations with broadcasting organisations.

### **Article 8**

[Performers acting jointly]

Any Contracting State may, by its domestic laws and regulations, specify the manner in which performers will be represented in connection with the exercise of their rights if several of them participate in the same performance.

### **Article 9**

[Variety and Circus Artists]

Any Contracting State may, by its domestic laws and regulations, extend the protection provided for in this Convention to artists who do not perform literary or artistic works.

### **Article 10**

[Right of Reproduction for Phonogram Producers]

Producers of phonograms shall enjoy the right to authorize or prohibit the direct or indirect reproduction of their phonograms.

### **Article 11**

[Formalities for Phonograms]

If, as a condition of protecting the rights of producers of phonograms, or of performers, or both, in relation to phonograms, a Contracting State, under its domestic law, requires compliance with formalities, these shall be considered as fulfilled if all the copies in commerce of the published phonogram or their containers bear a notice consisting of the symbol (P), accompanied by the year date of the first publication, placed in such a manner as to give reasonable notice of claim of protection; and if the copies or their containers do not identify the producer or the licensee of the producer (by carrying his name, trade mark or other appropriate designation), the notice shall also include the name of the owner of the rights of the producer; and, furthermore, if the copies or their containers do not identify the principal performers, the notice shall also include the name of the person who, in the country in which the fixation was effected, owns the rights of such performers.

### **Article 12**

[Secondary Uses of Phonograms]

If a phonogram published for commercial purposes, or a reproduction of such phonogram, is used directly for broadcasting or for any communication to the public, a single equitable remuneration shall be paid by the user to the performers, or to the producers of the phonograms, or to both. Domestic law may, in the absence of agreement between these parties, lay down the conditions as to the sharing of this remuneration.

### **Article 13**

[Minimum Rights for Broadcasting Organizations]

Broadcasting organisations shall enjoy the right to authorize or prohibit:

- (a) the rebroadcasting of their broadcasts;
- (b) the fixation of their broadcasts;
- (c) the reproduction:
  - (i) of fixations, made without their consent, of their broadcasts;
  - (ii) of fixations, made in accordance with the provisions of Article 15, of their broadcasts, if the reproduction is made for purposes different from those referred to in those provisions;
- (d) the communication to the public of their television broadcasts if such communication is made in places accessible to the public against payment of an entrance fee; it shall be a matter for the domestic law of the State where protection of this right is claimed to determine the conditions under which it may be exercised.

### **Article 14**

[Minimum Duration of Protection]

The term of protection to be granted under this Convention shall last at least until the end of a period of twenty years computed from the end of the year in which:

- (a) the fixation was made—for phonograms and for performances incorporated therein;
- (b) the performance took place—for performances not incorporated in phonograms;
- (c) the broadcast took place—for broadcasts.



### **Article 15**

[Permitted Exceptions: 1. Specific Limitations; 2. Equivalents with copyright]

1. Any Contracting State may, in its domestic laws and regulations, provide for exceptions to the protection guaranteed by this Convention as regards:

- (a) private use;
- (b) use of short excerpts in connection with the reporting of current events;
- (c) ephemeral fixation by a broadcasting organisation by means of its own facilities and for its own broadcasts;
- (d) use solely for the purposes of teaching or scientific research.

2. Irrespective of paragraph 1 of this Article, any Contracting State may, in its domestic laws and regulations, provide for the same kinds of limitations with regard to the protection of performers, producers of phonograms and broadcasting organisations, as it provides for, in its domestic laws and regulations, in connection with the protection of copyright in literary and artistic works. However, compulsory licences may be provided for only to the extent to which they are compatible with this Convention.

### **Article 16**

[Reservations]

1. Any State, upon becoming party to this Convention, shall be bound by all the obligations and shall enjoy all the benefits thereof. However, a State may at any time, in a notification deposited with the Secretary-General of the United Nations, declare that:

- (a) as regards Article 12:
  - (i) it will not apply the provisions of that Article;
  - (ii) it will not apply the provisions of that Article in respect of certain uses;
  - (iii) as regards phonograms the producer of which is not a national of another Contracting State, it will not apply that Article;
  - (iv) as regards phonograms the producer of which is a national of another Contracting State, it will limit the protection provided for by that Article to the extent to which, and to the term for which, the latter State grants protection to phonograms first fixed by a national of the State making the declaration; however, the fact that the Contracting State of which the producer is a national does not grant the protection to the same beneficiary or beneficiaries as the State making the declaration shall not be considered as a difference in the extent of the protection;
- (b) as regards Article 13, it will not apply item (d) of that Article; if a Contracting State makes such a declaration, the other Contracting States shall not be obliged to grant the right referred to in Article 13, item (d), to broadcasting organisations whose headquarters are in that State.

2. If the notification referred to in paragraph 1 of this Article is made after the date of the deposit of the instrument of ratification, acceptance or accession, the declaration will become effective six months after it has been deposited.

### **Article 17**

[Certain countries applying only the “fixation” criterion]

Any State which, on October 26, 1961, grants protection to producers of phonograms solely on the basis of the criterion of fixation may, by a notification deposited with the Secretary-General of the United Nations at the time of ratification, acceptance or accession, declare that it will apply, for the purposes of Article 5, the criterion of fixation alone and, for the purposes of paragraph 1(a)(iii) and (iv) of Article 16, the criterion of fixation instead of the criterion of nationality.

### **Article 18**

[Withdrawal of reservations]

Any State which has deposited a notification under paragraph 3 of Article 5, paragraph 2 of Article 6, paragraph 1 of Article 16 or Article 17, may, by a further notification deposited with the Secretary-General of the United Nations, reduce its scope or withdraw it.

### **Article 19**

[Performers’ Rights in Films]

Notwithstanding anything in this Convention, once a performer has consented to the incorporation of his performance in a visual or audio-visual fixation, Article 7 shall have no further application.

## **Article 20**

[Non-retroactivity]

1. This Convention shall not prejudice rights acquired in any Contracting State before the date of coming into force of this Convention for that State.
2. No Contracting State shall be bound to apply the provisions of this Convention to performances or broadcasts which took place, or to phonograms which were fixed, before the date of coming into force of this Convention for that State.

## **Article 21**

[Protection by other means]

The protection provided for in this Convention shall not prejudice any protection otherwise secured to performers, producers of phonograms and broadcasting organisations.

## **Article 22**

[Special agreements]

Contracting States reserve the right to enter into special agreements among themselves in so far as such agreements grant to performers, producers of phonograms or broadcasting organisations more extensive rights than those granted by this Convention or contain other provisions not contrary to this Convention.

## **Article 23**

[Signature and deposit]

This Convention shall be deposited with the Secretary-General of the United Nations. It shall be open until June 30, 1962, for signature by any State invited to the Diplomatic Conference on the International Protection of Performers, Producers of Phonograms and Broadcasting Organisations which is a party to the Universal Copyright Convention or a member of the International Union for the Protection of Literary and Artistic Works.

## **Article 24**

[Becoming Party to the Convention]

1. This Convention shall be subject to ratification or acceptance by the signatory States.
2. This Convention shall be open for accession by any State invited to the Conference referred to in Article 23, and by any State Member of the United Nations, provided that in either case such State is a party to the Universal Copyright Convention or a member of the International Union for the Protection of Literary and Artistic Works.
3. Ratification, acceptance or accession shall be effected by the deposit of an instrument to that effect with the Secretary-General of the United Nations.

## **Article 25**

[Entry into force]

1. This Convention shall come into force three months after the date of deposit of the sixth instrument of ratification, acceptance or accession.
2. Subsequently, this Convention shall come into force in respect of each State three months after the date of deposit of its instrument of ratification, acceptance or accession.

## **Article 26**

[Implementation of the Convention by the Provision of Domestic Law]

1. Each Contracting State undertakes to adopt, in accordance with its Constitution, the measures necessary to ensure the application of this Convention.
2. At the time of deposit of its instrument of ratification, acceptance or accession, each State must be in a position under its domestic law to give effect to the terms of this Convention.

## **Article 27**

[Applicability of the Convention to Certain Territories]

1. Any State may, at the time of ratification, acceptance or accession, or at any time thereafter, declare by notification addressed to the Secretary-General of the United Nations that this Convention shall extend to all or any of the territories for whose international relations it is responsible, provided that the Universal Copyright Convention or the International Convention for the Protection of Literary and Artistic Works applies to the territory or territories concerned. This notification shall take effect three months after the date

of its receipt.

2. The notifications referred to in paragraph 3 of Article 5, paragraph 2 of Article 6, paragraph 1 of Article 16 and Articles 17 and 18, may be extended to cover all or any of the territories referred to in paragraph 1 of this Article.

#### **Article 28**

[Denunciation of the Convention]

1. Any Contracting State may denounce this Convention, on its own behalf or on behalf of all or any of the territories referred to in Article 27.
2. The denunciation shall be effected by a notification addressed to the Secretary-General of the United Nations and shall take effect twelve months after the date of receipt of the notification.
3. The right of denunciation shall not be exercised by a Contracting State before the expiry of a period of five years from the date on which the Convention came into force with respect to that State.
4. A Contracting State shall cease to be a party to this Convention from that time when it is neither a party to the Universal Copyright Convention nor a member of the International Union for the Protection of Literary and Artistic Works.
5. This Convention shall cease to apply to any territory referred to in Article 27 from that time when neither the Universal Copyright Convention nor the International Convention for the Protection of Literary and Artistic Works applies to that territory.

#### **Article 29**

[Revision of the Convention]

1. After this Convention has been in force for five years, any Contracting State may, by notification addressed to the Secretary-General of the United Nations, request that a conference be convened for the purpose of revising the Convention. The Secretary-General shall notify all Contracting States of this request. If, within a period of six months following the date of notification by the Secretary-General of the United Nations, not less than one half of the Contracting States notify him of their concurrence with the request, the Secretary-General shall inform the Director-General of the International Labor Office, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director of the Bureau of the International Union for the Protection of Literary and Artistic Works, who shall convene a revision conference in co-operation with the Intergovernmental Committee provided for in Article 32.
2. The adoption of any revision of this Convention shall require an affirmative vote by two-thirds of the States attending the revision conference, provided that this majority includes two-thirds of the States which, at the time of the revision conference, are parties to the Convention.
3. In the event of adoption of a Convention revising this Convention in whole or in part, and unless the revising Convention provides otherwise:
  - (a) this Convention shall cease to be open to ratification, acceptance or accession as from the date of entry into force of the revising Convention;
  - (b) this Convention shall remain in force as regards relations between or with Contracting States which have not become parties to the revising Convention.

#### **Article 30**

[Settlement of disputes]

Any dispute which may arise between two or more Contracting States concerning the interpretation or application of this Convention and which is not settled by negotiation shall, at the request of any one of the parties to the dispute, be referred to the International Court of Justice for decision, unless they agree to another mode of settlement.

#### **Article 31**

[Limits on Reservations]

Without prejudice to the provisions of paragraph 3 of Article 5, paragraph 2 of Article 6, paragraph 1 of Article 16 and Article 17, no reservation may be made to this Convention.

#### **Article 32**

[Intergovernmental Committee]

1. An Intergovernmental Committee is hereby established with the following duties:

- (a) to study questions concerning the application and operation of this Convention; and  
(b) to collect proposals and to prepare documentation for possible revision of this Convention.
2. The Committee shall consist of representatives of the Contracting States, chosen with due regard to equitable geographical distribution. The number of members shall be six if there are twelve Contracting States or less, nine if there are thirteen to eighteen Contracting States and twelve if there are more than eighteen Contracting States.
  3. The Committee shall be constituted twelve months after the Convention comes into force by an election organized among the Contracting States, each of which shall have one vote, by the Director-General of the International Labor Office, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director of the Bureau of the International Union for the Protection of Literary and Artistic Works, in accordance with rules previously approved by a majority of all Contracting States.
  4. The Committee shall elect its Chairman and officers. It shall establish its own rules of procedure. These rules shall in particular provide for the future operation of the Committee and for a method of selecting its members for the future in such a way as to ensure rotation among the various Contracting States.
  5. Officials of the International Labor Office, the United Nations Educational, Scientific and Cultural Organization and the Bureau of the International Union for the Protection of Literary and Artistic Works, designated by the Directors-General and the Director thereof, shall constitute the Secretariat of the Committee.
  6. Meetings of the Committee, which shall be convened whenever a majority of its members deems it necessary, shall be held successively at the headquarters of the International Labor Office, the United Nations Educational, Scientific and Cultural Organization and the Bureau of the International Union for the Protection of Literary and Artistic Works.
  7. Expenses of members of the Committee shall be borne by their respective Governments.

#### **Article 33**

[Languages]

1. The present Convention is drawn up in English, French and Spanish, the three texts being equally authentic.
2. In addition, official texts of the present Convention shall be drawn up in German, Italian and Portuguese.

#### **Article 34**

[Notifications]

1. The Secretary-General of the United Nations shall notify the States invited to the Conference referred to in Article 23 and every State Member of the United Nations, as well as the Director-General of the International Labor Office, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director of the Bureau of the International Union for the Protection of Literary and Artistic Works:
  - (a) of the deposit of each instrument of ratification, acceptance or accession;
  - (b) of the date of entry into force of the Convention;
  - (c) of all notifications, declarations or communications provided for in this Convention;
  - (d) if any of the situations referred to in paragraphs 4 and 5 of Article 28 arise.
2. The Secretary-General of the United Nations shall also notify the Director-General of the International Labor Office, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director of the Bureau of the International Union for the Protection of Literary and Artistic Works of the requests communicated to him in accordance with Article 29, as well as of any communication received from the Contracting States concerning the revision of the Convention.

IN FAITH WHEREOF, the undersigned, being duly authorised thereto, have signed this Convention.  
DONE at Rome, this twenty-sixth day of October 1961, in a single copy in the English, French and Spanish languages. Certified true copies shall be delivered by the Secretary-General of the United Nations to all the States invited to the Conference referred to in Article 23 and to every State Member of the United

Nations, as well as to the Director-General of the International Labor Office, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director of the Bureau of the International Union for the Protection of Literary and Artistic Works.

**WIPO Copyright Treaty (WCT)\*  
(adopted in Geneva on December 20, 1996)**

**Preamble**

*The Contracting Parties,*

*Desiring to develop and maintain the protection of the rights of authors in their literary and artistic works in a manner as effective and uniform as possible,*

*Recognizing the need to introduce new international rules and clarify the interpretation of certain existing rules in order to provide adequate solutions to the questions raised by new economic, social, cultural and technological developments,*

*Recognizing the profound impact of the development and convergence of information and communication technologies on the creation and use of literary and artistic works,*

*Emphasizing the outstanding significance of copyright protection as an incentive for literary and artistic creation,*

*Recognizing the need to maintain a balance between the rights of authors and the larger public interest, particularly education, research and access to information, as reflected in the Berne Convention,*

*Have agreed as follows:*

**Article 1**

**Relation to the Berne Convention**

(1) This Treaty is a special agreement within the meaning of Article 20 of the Berne Convention for the Protection of Literary and Artistic Works, as regards Contracting Parties that are countries of the Union established by that Convention. This Treaty shall not have any connection with treaties other than the Berne Convention, nor shall it prejudice any rights and obligations under any other treaties.

(2) Nothing in this Treaty shall derogate from existing obligations that Contracting Parties have to each other under the Berne Convention for the Protection of Literary and Artistic Works.

(3) Hereinafter, "Berne Convention" shall refer to the Paris Act of July 24, 1971, of the Berne Convention for the Protection of Literary and Artistic Works.

(4) Contracting Parties shall comply with Articles 1 to 21 and the Appendix of the Berne Convention.<sup>1</sup>

**Article 2**

**Scope of Copyright Protection**

Copyright protection extends to expressions and not to ideas, procedures, methods of operation or mathematical concepts as such.

**Article 3**

**Application of Articles 2 to 6 of the Berne Convention**

Contracting Parties shall apply *mutatis mutandis* the provisions of Articles 2 to 6 of the Berne Convention in respect of the protection provided for in this Treaty.<sup>2</sup>

**Article 4**

**Computer Programs**

Computer programs are protected as literary works within the meaning of Article 2 of the Berne Convention. Such protection applies to computer programs, whatever may be the mode or form of their expression.<sup>3</sup>

**Article 5**

**Compilations of Data (Databases)**

Compilations of data or other material, in any form, which by reason of the selection or arrangement of their contents constitute intellectual creations, are protected as such. This

protection does not extend to the data or the material itself and is without prejudice to any copyright subsisting in the data or material contained in the compilation.<sup>4</sup>

#### **Article 6**

##### **Right of Distribution**

(1) Authors of literary and artistic works shall enjoy the exclusive right of authorizing the making available to the public of the original and copies of their works through sale or other transfer of ownership.

(2) Nothing in this Treaty shall affect the freedom of Contracting Parties to determine the conditions, if any, under which the exhaustion of the right in paragraph (1) applies after the first sale or other transfer of ownership of the original or a copy of the work with the authorization of the author.<sup>5</sup>

#### **Article 7**

##### **Right of Rental**

(1) Authors of

(i) computer programs;

(ii) cinematographic works; and

(iii) works embodied in phonograms, as determined in the national law of Contracting Parties,

shall enjoy the exclusive right of authorizing commercial rental to the public of the originals or copies of their works.

(2) Paragraph (1) shall not apply

(i) in the case of computer programs, where the program itself is not the essential object of the rental; and

(ii) in the case of cinematographic works, unless such commercial rental has led to widespread copying of such works materially impairing the exclusive right of reproduction.

(3) Notwithstanding the provisions of paragraph (1), a Contracting Party that, on April 15, 1994, had and continues to have in force a system of equitable remuneration of authors for the rental of copies of their works embodied in phonograms may maintain that system provided that the commercial rental of works embodied in phonograms is not giving rise to the material impairment of the exclusive right of reproduction of authors.<sup>6,7</sup>

#### **Article 8**

##### **Right of Communication to the Public**

Without prejudice to the provisions of Articles 11(1)(ii), 11*bis*(1)(i) and (ii), 11*ter*(1)(ii), 14(1)(ii) and 14*bis*(1) of the Berne Convention, authors of literary and artistic works shall enjoy the exclusive right of authorizing any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access these works from a place and at a time individually chosen by them.<sup>8</sup>

#### **Article 9**

##### **Duration of the Protection of Photographic Works**

In respect of photographic works, the Contracting Parties shall not apply the provisions of Article 7(4) of the Berne Convention.

#### **Article 10**

##### **Limitations and Exceptions**

(1) Contracting Parties may, in their national legislation, provide for limitations of or exceptions to the rights granted to authors of literary and artistic works under this Treaty in certain special cases that do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the author.

(2) Contracting Parties shall, when applying the Berne Convention, confine any limitations of or exceptions to rights provided for therein to certain special cases that do not conflict with a normal exploitation of the work and do not unreasonably prejudice the

legitimate interests of the author.<sup>9</sup>

#### **Article 11**

##### **Obligations concerning Technological Measures**

Contracting Parties shall provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty or the Berne Convention and that restrict acts, in respect of their works, which are not authorized by the authors concerned or permitted by law.

#### **Article 12**

##### **Obligations concerning Rights Management Information**

(1) Contracting Parties shall provide adequate and effective legal remedies against any person knowingly performing any of the following acts knowing, or with respect to civil remedies having reasonable grounds to know, that it will induce, enable, facilitate or conceal an infringement of any right covered by this Treaty or the Berne Convention:

(i) to remove or alter any electronic rights management information without authority;  
(ii) to distribute, import for distribution, broadcast or communicate to the public, without authority, works or copies of works knowing that electronic rights management information has been removed or altered without authority.

(2) As used in this Article, “rights management information” means information which identifies the work, the author of the work, the owner of any right in the work, or information about the terms and conditions of use of the work, and any numbers or codes that represent such information, when any of these items of information is attached to a copy of a work or appears in connection with the communication of a work to the public.<sup>10</sup>

#### **Article 13**

##### **Application in Time**

Contracting Parties shall apply the provisions of Article 18 of the Berne Convention to all protection provided for in this Treaty.

#### **Article 14**

##### **Provisions on Enforcement of Rights**

(1) Contracting Parties undertake to adopt, in accordance with their legal systems, the measures necessary to ensure the application of this Treaty.

(2) Contracting Parties shall ensure that enforcement procedures are available under their law so as to permit effective action against any act of infringement of rights covered by this Treaty, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements.

#### **Article 15**

##### **Assembly**

(1)(a) The Contracting Parties shall have an Assembly.

(b) Each Contracting Party shall be represented by one delegate who may be assisted by alternate delegates, advisors and experts.

(c) The expenses of each delegation shall be borne by the Contracting Party that has appointed the delegation. The Assembly may ask the World Intellectual Property Organization (hereinafter referred to as “WIPO”) to grant financial assistance to facilitate the participation of delegations of Contracting Parties that are regarded as developing countries in conformity with the established practice of the General Assembly of the United Nations or that are countries in transition to a market economy.

(2)(a) The Assembly shall deal with matters concerning the maintenance and development of this Treaty and the application and operation of this Treaty.

(b) The Assembly shall perform the function allocated to it under Article 17(2) in respect of the admission of certain intergovernmental organizations to become party to this Treaty.



(c) The Assembly shall decide the convocation of any diplomatic conference for the revision of this Treaty and give the necessary instructions to the Director General of WIPO for the preparation of such diplomatic conference.

(3)(a) Each Contracting Party that is a State shall have one vote and shall vote only in its own name.

(b) Any Contracting Party that is an intergovernmental organization may participate in the vote, in place of its Member States, with a number of votes equal to the number of its Member States which are party to this Treaty. No such intergovernmental organization shall participate in the vote if any one of its Member States exercises its right to vote and *vice versa*.

(4) The Assembly shall meet in ordinary session once every two years upon convocation by the Director General of WIPO.

(5) The Assembly shall establish its own rules of procedure, including the convocation of extraordinary sessions, the requirements of a quorum and, subject to the provisions of this Treaty, the required majority for various kinds of decisions.

#### **Article 16**

##### **International Bureau**

The International Bureau of WIPO shall perform the administrative tasks concerning the Treaty.

#### **Article 17**

##### **Eligibility for Becoming Party to the Treaty**

(1) Any Member State of WIPO may become party to this Treaty.

(2) The Assembly may decide to admit any intergovernmental organization to become party to this Treaty which declares that it is competent in respect of, and has its own legislation binding on all its Member States on, matters covered by this Treaty and that it has been duly authorized, in accordance with its internal procedures, to become party to this Treaty.

(3) The European Community, having made the declaration referred to in the preceding paragraph in the Diplomatic Conference that has adopted this Treaty, may become party to this Treaty.

#### **Article 18**

##### **Rights and Obligations under the Treaty**

Subject to any specific provisions to the contrary in this Treaty, each Contracting Party shall enjoy all of the rights and assume all of the obligations under this Treaty.

#### **Article 19**

##### **Signature of the Treaty**

This Treaty shall be open for signature until December 31, 1997, by any Member State of WIPO and by the European Community.

#### **Article 20**

##### **Entry into Force of the Treaty**

This Treaty shall enter into force three months after 30 instruments of ratification or accession by States have been deposited with the Director General of WIPO.

#### **Article 21**

##### **Effective Date of Becoming Party to the Treaty**

This Treaty shall bind:

(i) the 30 States referred to in Article 20, from the date on which this Treaty has entered into force;

(ii) each other State, from the expiration of three months from the date on which the State has deposited its instrument with the Director General of WIPO;

(iii) the European Community, from the expiration of three months after the deposit of its instrument of ratification or accession if such instrument has been deposited after the entry

into force of this Treaty according to Article 20, or, three months after the entry into force of this Treaty if such instrument has been deposited before the entry into force of this Treaty;  
(iv) any other intergovernmental organization that is admitted to become party to this Treaty, from the expiration of three months after the deposit of its instrument of accession.

#### **Article 22**

#### **No Reservations to the Treaty**

No reservation to this Treaty shall be admitted.

#### **Article 23**

#### **Denunciation of the Treaty**

This Treaty may be denounced by any Contracting Party by notification addressed to the Director General of WIPO. Any denunciation shall take effect one year from the date on which the Director General of WIPO received the notification.

#### **Article 24**

#### **Languages of the Treaty**

(1) This Treaty is signed in a single original in English, Arabic, Chinese, French, Russian and Spanish languages, the versions in all these languages being equally authentic.  
(2) An official text in any language other than those referred to in paragraph (1) shall be established by the Director General of WIPO on the request of an interested party, after consultation with all the interested parties. For the purposes of this paragraph, “interested party” means any Member State of WIPO whose official language, or one of whose official languages, is involved and the European Community, and any other intergovernmental organization that may become party to this Treaty, if one of its official languages is involved.

#### **Article 25**

#### **Depositary**

The Director General of WIPO is the depositary of this Treaty.

\* *Entry into force:* March 6, 2002.

*Source:* International Bureau of WIPO.

*Note:* The agreed statements of the Diplomatic Conference that adopted the Treaty (WIPO Diplomatic Conference on Certain Copyright and Neighboring Rights Questions) concerning certain provisions of the WCT are reproduced in endnotes below.

<sup>1</sup> *Agreed statement concerning Article 1(4):* The reproduction right, as set out in Article 9 of the Berne Convention, and the exceptions permitted thereunder, fully apply in the digital environment, in particular to the use of works in digital form. It is understood that the storage of a protected work in digital form in an electronic medium constitutes a reproduction within the meaning of Article 9 of the Berne Convention.

<sup>2</sup> *Agreed statement concerning Article 3:* It is understood that, in applying Article 3 of this Treaty, the expression “country of the Union” in Articles 2 to 6 of the Berne Convention will be read as if it were a reference to a Contracting Party to this Treaty, in the application of those Berne Articles in respect of protection provided for in this Treaty. It is also understood that the expression “country outside the Union” in those Articles in the Berne Convention will, in the same circumstances, be read as if it were a reference to a country that is not a Contracting Party to this Treaty, and that “this Convention” in Articles 2(8), 2bis(2), 3, 4 and 5 of the Berne Convention will be read as if it were a reference to the Berne Convention and this Treaty. Finally, it is understood that a reference in Articles 3 to 6 of the Berne Convention to a “national of one of the countries of the Union” will, when these Articles are applied to this Treaty, mean, in regard to an intergovernmental organization that is a Contracting Party to this Treaty, a national of one of the countries that is member of that organization.

<sup>3</sup> *Agreed statement concerning Article 4:* The scope of protection for computer programs under Article 4 of this Treaty, read with Article 2, is consistent with Article 2 of the Berne Convention and on a par with the relevant provisions of the TRIPS Agreement.

<sup>4</sup> *Agreed statement concerning Article 5:* The scope of protection for compilations of data (databases) under Article 5 of this Treaty, read with Article 2, is consistent with Article 2 of the Berne Convention and on a par with the relevant provisions of the TRIPS Agreement.

<sup>5</sup> *Agreed statement concerning Articles 6 and 7:* As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

<sup>6</sup> *Agreed statement concerning Articles 6 and 7:* As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

<sup>7</sup> *Agreed statement concerning Article 7:* It is understood that the obligation under Article 7(1) does not require a Contracting Party to provide an exclusive right of commercial rental to authors who, under that Contracting Party’s law, are not granted rights in respect of phonograms. It is understood that this obligation is consistent with Article 14(4) of the TRIPS

Agreement.

<sup>8</sup> *Agreed statement concerning Article 8:* It is understood that the mere provision of physical facilities for enabling or making a communication does not in itself amount to communication within the meaning of this Treaty or the Berne Convention. It is further understood that nothing in Article 8 precludes a Contracting Party from applying Article 11bis(2).

<sup>9</sup> *Agreed statement concerning Article 10:* It is understood that the provisions of Article 10 permit Contracting Parties to carry forward and appropriately extend into the digital environment limitations and exceptions in their national laws which have been considered acceptable under the Berne Convention. Similarly, these provisions should be understood to permit Contracting Parties to devise new exceptions and limitations that are appropriate in the digital network environment.

It is also understood that Article 10(2) neither reduces nor extends the scope of applicability of the limitations and exceptions permitted by the Berne Convention.

<sup>10</sup> *Agreed statement concerning Article 12:* It is understood that the reference to “infringement of any right covered by this Treaty or the Berne Convention” includes both exclusive rights and rights of remuneration.

It is further understood that Contracting Parties will not rely on this Article to devise or implement rights management systems that would have the effect of imposing formalities which are not permitted under the Berne Convention or this Treaty, prohibiting the free movement of goods or impeding the enjoyment of rights under this Treaty.

*Collection of Laws for Electronic Access W*

**WIPO Performances and Phonograms Treaty (WPPT)\***  
**(adopted in Geneva on December 20, 1996)**

**Preamble**

*The Contracting Parties,*

*Desiring* to develop and maintain the protection of the rights of performers and producers of phonograms in a manner as effective and uniform as possible,

*Recognizing* the need to introduce new international rules in order to provide adequate solutions to the questions raised by economic, social, cultural and technological developments,

*Recognizing* the profound impact of the development and convergence of information and communication technologies on the production and use of performances and phonograms,

*Recognizing* the need to maintain a balance between the rights of performers and producers of phonograms and the larger public interest, particularly education, research and access to information,

*Have agreed* as follows:

**Chapter I**  
**General Provisions**

*Article 1*

*Relation to Other Conventions*

(1) Nothing in this Treaty shall derogate from existing obligations that Contracting Parties have to each other under the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations done in Rome, October 26, 1961 (hereinafter the “Rome Convention”).

(2) Protection granted under this Treaty shall leave intact and shall in no way affect the protection of copyright in literary and artistic works. Consequently, no provision of this Treaty may be interpreted as prejudicing such protection.<sup>1</sup>

(3) This Treaty shall not have any connection with, nor shall it prejudice any rights and obligations under, any other treaties.

*Article 2*

*Definitions*

For the purposes of this Treaty:

(a) “performers” are actors, singers, musicians, dancers, and other persons who act, sing, deliver, declaim, play in, interpret, or otherwise perform literary or artistic works or expressions of folklore;

(b) “phonogram” means the fixation of the sounds of a performance or of other sounds, or of a representation of sounds, other than in the form of a fixation incorporated in a cinematographic or other audiovisual work;<sup>2</sup>

(c) “fixation” means the embodiment of sounds, or of the representations thereof, from which they can be perceived, reproduced or communicated through a device;

(d) “producer of a phonogram” means the person, or the legal entity, who or which takes the initiative and has the responsibility for the first fixation of the sounds of a performance or other sounds, or the representations of sounds;

(e) “publication” of a fixed performance or a phonogram means the offering of copies of the fixed performance or the phonogram to the public, with the consent of the rightholder, and provided that copies are offered to the public in reasonable quantity;<sup>3</sup>

(f) “broadcasting” means the transmission by wireless means for public reception of sounds or of images and sounds or of the representations thereof; such transmission by satellite is also “broadcasting”; transmission of encrypted signals is “broadcasting” where the means for decrypting are provided to the public by the broadcasting organization or with its

consent;

(g) “communication to the public” of a performance or a phonogram means the transmission to the public by any medium, otherwise than by broadcasting, of sounds of a performance or the sounds or the representations of sounds fixed in a phonogram. For the purposes of Article 15, “communication to the public” includes making the sounds or representations of sounds fixed in a phonogram audible to the public.

#### *Article 3*

##### *Beneficiaries of Protection under this Treaty*

(1) Contracting Parties shall accord the protection provided under this Treaty to the performers and producers of phonograms who are nationals of other Contracting Parties.

(2) The nationals of other Contracting Parties shall be understood to be those performers or producers of phonograms who would meet the criteria for eligibility for protection provided under the Rome Convention, were all the Contracting Parties to this Treaty Contracting States of that Convention. In respect of these criteria of eligibility, Contracting Parties shall apply the relevant definitions in Article 2 of this Treaty.<sup>4</sup>

(3) Any Contracting Party availing itself of the possibilities provided in Article 5(3) of the Rome Convention or, for the purposes of Article 5 of the same Convention, Article 17 thereof shall make a notification as foreseen in those provisions to the Director General of the World Intellectual Property Organization (WIPO).<sup>5</sup>

#### *Article 4*

##### *National Treatment*

(1) Each Contracting Party shall accord to nationals of other Contracting Parties, as defined in Article 3(2), the treatment it accords to its own nationals with regard to the exclusive rights specifically granted in this Treaty, and to the right to equitable remuneration provided for in Article 15 of this Treaty.

(2) The obligation provided for in paragraph (1) does not apply to the extent that another Contracting Party makes use of the reservations permitted by Article 15(3) of this Treaty.

## **Chapter II**

### **Rights of Performers**

#### *Article 5*

##### *Moral Rights of Performers*

(1) Independently of a performer’s economic rights, and even after the transfer of those rights, the performer shall, as regards his live aural performances or performances fixed in phonograms, have the right to claim to be identified as the performer of his performances, except where omission is dictated by the manner of the use of the performance, and to object to any distortion, mutilation or other modification of his performances that would be prejudicial to his reputation.

(2) The rights granted to a performer in accordance with paragraph (1) shall, after his death, be maintained, at least until the expiry of the economic rights, and shall be exercisable by the persons or institutions authorized by the legislation of the Contracting Party where protection is claimed. However, those Contracting Parties whose legislation, at the moment of their ratification of or accession to this Treaty, does not provide for protection after the death of the performer of all rights set out in the preceding paragraph may provide that some of these rights will, after his death, cease to be maintained.

(3) The means of redress for safeguarding the rights granted under this Article shall be governed by the legislation of the Contracting Party where protection is claimed.

#### *Article 6*

##### *Economic Rights of Performers in their Unfixed Performances*

Performers shall enjoy the exclusive right of authorizing, as regards their performances:

(i) the broadcasting and communication to the public of their unfixed performances

except where the performance is already a broadcast performance; and  
(ii) the fixation of their unfixed performances.

*Article 7*

*Right of Reproduction*

Performers shall enjoy the exclusive right of authorizing the direct or indirect reproduction of their performances fixed in phonograms, in any manner or form.<sup>6</sup>

*Article 8*

*Right of Distribution*

(1) Performers shall enjoy the exclusive right of authorizing the making available to the public of the original and copies of their performances fixed in phonograms through sale or other transfer of ownership.

(2) Nothing in this Treaty shall affect the freedom of Contracting Parties to determine the conditions, if any, under which the exhaustion of the right in paragraph (1) applies after the first sale or other transfer of ownership of the original or a copy of the fixed performance with the authorization of the performer.<sup>7</sup>

*Article 9*

*Right of Rental*

(1) Performers shall enjoy the exclusive right of authorizing the commercial rental to the public of the original and copies of their performances fixed in phonograms as determined in the national law of Contracting Parties, even after distribution of them by, or pursuant to, authorization by the performer.

(2) Notwithstanding the provisions of paragraph (1), a Contracting Party that, on April 15, 1994, had and continues to have in force a system of equitable remuneration of performers for the rental of copies of their performances fixed in phonograms, may maintain that system provided that the commercial rental of phonograms is not giving rise to the material impairment of the exclusive right of reproduction of performers.<sup>8</sup>

*Article 10*

*Right of Making Available of Fixed Performances*

Performers shall enjoy the exclusive right of authorizing the making available to the public of their performances fixed in phonograms, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them.

**Chapter III**

**Rights of Producers of Phonograms**

*Article 11*

*Right of Reproduction*

Producers of phonograms shall enjoy the exclusive right of authorizing the direct or indirect reproduction of their phonograms, in any manner or form.<sup>9</sup>

*Article 12*

*Right of Distribution*

(1) Producers of phonograms shall enjoy the exclusive right of authorizing the making available to the public of the original and copies of their phonograms through sale or other transfer of ownership.

(2) Nothing in this Treaty shall affect the freedom of Contracting Parties to determine the conditions, if any, under which the exhaustion of the right in paragraph (1) applies after the first sale or other transfer of ownership of the original or a copy of the phonogram with the authorization of the producer of the phonogram.<sup>10</sup>

*Article 13*

*Right of Rental*

(1) Producers of phonograms shall enjoy the exclusive right of authorizing the commercial rental to the public of the original and copies of their phonograms, even after distribution of them, by or pursuant to, authorization by the producer.

(2) Notwithstanding the provisions of paragraph (1), a Contracting Party that, on April 15, 1994, had and continues to have in force a system of equitable remuneration of producers of phonograms for the rental of copies of their phonograms, may maintain that system provided that the commercial rental of phonograms is not giving rise to the material impairment of the exclusive rights of reproduction of producers of phonograms.11

*Article 14*

*Right of Making Available of Phonograms*

Producers of phonograms shall enjoy the exclusive right of authorizing the making available to the public of their phonograms, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them.

**Chapter IV**

**Common Provisions**

*Article 15*

*Right to Remuneration for Broadcasting  
and Communication to the Public*

(1) Performers and producers of phonograms shall enjoy the right to a single equitable remuneration for the direct or indirect use of phonograms published for commercial purposes for broadcasting or for any communication to the public.

(2) Contracting Parties may establish in their national legislation that the single equitable remuneration shall be claimed from the user by the performer or by the producer of a phonogram or by both. Contracting Parties may enact national legislation that, in the absence of an agreement between the performer and the producer of a phonogram, sets the terms according to which performers and producers of phonograms shall share the single equitable remuneration.

(3) Any Contracting Party may, in a notification deposited with the Director General of WIPO, declare that it will apply the provisions of paragraph (1) only in respect of certain uses, or that it will limit their application in some other way, or that it will not apply these provisions at all.

(4) For the purposes of this Article, phonograms made available to the public by wire or wireless means in such a way that members of the public may access them from a place and at a time individually chosen by them shall be considered as if they had been published for commercial purposes.12,13

*Article 16*

*Limitations and Exceptions*

(1) Contracting Parties may, in their national legislation, provide for the same kinds of limitations or exceptions with regard to the protection of performers and producers of phonograms as they provide for, in their national legislation, in connection with the protection of copyright in literary and artistic works.

(2) Contracting Parties shall confine any limitations of or exceptions to rights provided for in this Treaty to certain special cases which do not conflict with a normal exploitation of the performance or phonogram and do not unreasonably prejudice the legitimate interests of the performer or of the producer of the phonogram.14,15

*Article 17*

*Term of Protection*

(1) The term of protection to be granted to performers under this Treaty shall last, at least, until the end of a period of 50 years computed from the end of the year in which the performance was fixed in a phonogram.

(2) The term of protection to be granted to producers of phonograms under this Treaty shall last, at least, until the end of a period of 50 years computed from the end of the year in which the phonogram was published, or failing such publication within 50 years from fixation of the phonogram, 50 years from the end of the year in which the fixation was made.

*Article 18*

*Obligations concerning Technological Measures*

Contracting Parties shall provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by performers or producers of phonograms in connection with the exercise of their rights under this Treaty and

that restrict acts, in respect of their performances or phonograms, which are not authorized by the performers or the producers of phonograms concerned or permitted by law.

*Article 19*

*Obligations concerning Rights Management Information*

(1) Contracting Parties shall provide adequate and effective legal remedies against any person knowingly performing any of the following acts knowing, or with respect to civil remedies having reasonable grounds to know, that it will induce, enable, facilitate or conceal an infringement of any right covered by this Treaty:

(i) to remove or alter any electronic rights management information without authority;  
(ii) to distribute, import for distribution, broadcast, communicate or make available to the public, without authority, performances, copies of fixed performances or phonograms knowing that electronic rights management information has been removed or altered without authority.

(2) As used in this Article, “rights management information” means information which identifies the performer, the performance of the performer, the producer of the phonogram, the phonogram, the owner of any right in the performance or phonogram, or information about the terms and conditions of use of the performance or phonogram, and any numbers or codes that represent such information, when any of these items of information is attached to a copy of a fixed performance or a phonogram or appears in connection with the communication or making available of a fixed performance or a phonogram to the public.<sup>16</sup>

*Article 20*

*Formalities*

The enjoyment and exercise of the rights provided for in this Treaty shall not be subject to any formality.

*Article 21*

*Reservations*

Subject to the provisions of Article 15(3), no reservations to this Treaty shall be permitted.

*Article 22*

*Application in Time*

(1) Contracting Parties shall apply the provisions of Article 18 of the Berne Convention, *mutatis mutandis*, to the rights of performers and producers of phonograms provided for in this Treaty.

(2) Notwithstanding paragraph (1), a Contracting Party may limit the application of Article 5 of this Treaty to performances which occurred after the entry into force of this Treaty for that Party.

*Article 23*

*Provisions on Enforcement of Rights*

(1) Contracting Parties undertake to adopt, in accordance with their legal systems, the measures necessary to ensure the application of this Treaty.

(2) Contracting Parties shall ensure that enforcement procedures are available under their law so as to permit effective action against any act of infringement of rights covered by



this Treaty, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements.

## **Chapter V Administrative and Final Clauses**

### *Article 24 Assembly*

- (1)(a) The Contracting Parties shall have an Assembly.
- (b) Each Contracting Party shall be represented by one delegate who may be assisted by alternate delegates, advisors and experts.
- (c) The expenses of each delegation shall be borne by the Contracting Party that has appointed the delegation. The Assembly may ask WIPO to grant financial assistance to facilitate the participation of delegations of Contracting Parties that are regarded as developing countries in conformity with the established practice of the General Assembly of the United Nations or that are countries in transition to a market economy.
- (2)(a) The Assembly shall deal with matters concerning the maintenance and development of this Treaty and the application and operation of this Treaty.
- (b) The Assembly shall perform the function allocated to it under Article 26(2) in respect of the admission of certain intergovernmental organizations to become party to this Treaty.
- (c) The Assembly shall decide the convocation of any diplomatic conference for the revision of this Treaty and give the necessary instructions to the Director General of WIPO for the preparation of such diplomatic conference.
- (3)(a) Each Contracting Party that is a State shall have one vote and shall vote only in its own name.
- (b) Any Contracting Party that is an intergovernmental organization may participate in the vote, in place of its Member States, with a number of votes equal to the number of its

Member States which are party to this Treaty. No such intergovernmental organization shall participate in the vote if any one of its Member States exercises its right to vote and vice versa.

(4) The Assembly shall meet in ordinary session once every two years upon convocation by the Director General of WIPO.

(5) The Assembly shall establish its own rules of procedure, including the convocation of extraordinary sessions, the requirements of a quorum and, subject to the provisions of this Treaty, the required majority for various kinds of decisions.

### *Article 25 International Bureau*

The International Bureau of WIPO shall perform the administrative tasks concerning the Treaty.

### *Article 26 Eligibility for Becoming Party to the Treaty*

- (1) Any Member State of WIPO may become party to this Treaty.
- (2) The Assembly may decide to admit any intergovernmental organization to become party to this Treaty which declares that it is competent in respect of, and has its own legislation binding on all its Member States on, matters covered by this Treaty and that it has been duly authorized, in accordance with its internal procedures, to become party to this Treaty.
- (3) The European Community, having made the declaration referred to in the preceding paragraph in the Diplomatic Conference that has adopted this Treaty, may become party to this Treaty.

### *Article 27 Rights and Obligations under the Treaty*

Subject to any specific provisions to the contrary in this Treaty, each Contracting Party shall enjoy all of the rights and assume all of the obligations under this Treaty.

*Article 28*

*Signature of the Treaty*

This Treaty shall be open for signature until December 31, 1997, by any Member State of WIPO and by the European Community.

*Article 29*

*Entry into Force of the Treaty*

This Treaty shall enter into force three months after 30 instruments of ratification or accession by States have been deposited with the Director General of WIPO.

*Article 30*

*Effective Date of Becoming Party to the Treaty*

This Treaty shall bind

- (i) the 30 States referred to in Article 29, from the date on which this Treaty has entered into force;
- (ii) each other State from the expiration of three months from the date on which the State has deposited its instrument with the Director General of WIPO;
- (iii) the European Community, from the expiration of three months after the deposit of its instrument of ratification or accession if such instrument has been deposited after the entry into force of this Treaty according to Article 29, or, three months after the entry into force of this Treaty if such instrument has been deposited before the entry into force of this Treaty;
- (iv) any other intergovernmental organization that is admitted to become party to this Treaty, from the expiration of three months after the deposit of its instrument of accession.

*Article 31*

*Denunciation of the Treaty*

This Treaty may be denounced by any Contracting Party by notification addressed to the Director General of WIPO. Any denunciation shall take effect one year from the date on which the Director General of WIPO received the notification.

*Article 32*

*Languages of the Treaty*

- (1) This Treaty is signed in a single original in English, Arabic, Chinese, French, Russian and Spanish languages, the versions in all these languages being equally authentic.
- (2) An official text in any language other than those referred to in paragraph (1) shall be established by the Director General of WIPO on the request of an interested party, after consultation with all the interested parties. For the purposes of this paragraph, “interested party” means any Member State of WIPO whose official language, or one of whose official languages, is involved and the European Community, and any other intergovernmental organization that may become party to this Treaty, if one of its official languages is involved.

*Article 33*

*Depositary*

The Director General of WIPO is the depositary of this Treaty.

\* *Entry into force*: May 20, 2002.

*Source*: International Bureau of WIPO.

*Note*: The agreed statements of the Diplomatic Conference that adopted the Treaty (WIPO Diplomatic Conference on Certain Copyright and Neighboring Rights Questions) concerning certain provisions of the WPPT, are reproduced in endnotes below.

<sup>1</sup> *Agreed statement concerning Article 1(2)*: It is understood that Article 1(2) clarifies the relationship between rights in phonograms under this Treaty and copyright in works embodied in the phonograms. In cases where authorization is needed from both the author of a work embodied in the phonogram and a performer or producer owning rights in the phonogram, the need for the authorization of the author does not cease to exist because the authorization of the performer or producer is also required, and vice versa.

It is further understood that nothing in Article 1(2) precludes a Contracting Party from providing exclusive rights to a performer or producer of phonograms beyond those required to be provided under this Treaty.

<sup>2</sup> *Agreed statement concerning Article 2(b)*: It is understood that the definition of phonogram provided in Article

2(b) does not suggest that rights in the phonogram are in any way affected through their incorporation into a cinematographic or other audiovisual work.

3 *Agreed statement concerning Articles 2(e), 8, 9, 12, and 13*: As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

4 *Agreed statement concerning Article 3(2)*: For the application of Article 3(2), it is understood that fixation means the finalization of the master tape (“bande-mère”).

5 *Agreed statement concerning Article 3*: It is understood that the reference in Articles 5(a) and 16(a) (iv) of the Rome Convention to “national of another Contracting State” will, when applied to this Treaty, mean, in regard to an intergovernmental organization that is a Contracting Party to this Treaty, a national of one of the countries that is a member of that organization.

6 *Agreed statement concerning Articles 7, 11 and 16*: The reproduction right, as set out in Articles 7 and 11, and the exceptions permitted thereunder through Article 16, fully apply in the digital environment, in particular to the use of performances and phonograms in digital form. It is understood that the storage of a protected performance or phonogram in digital form in an electronic medium constitutes a reproduction within the meaning of these Articles.

7 *Agreed statement concerning Articles 2(e), 8, 9, 12, and 13*: As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

8 *Agreed statement concerning Articles 2(e), 8, 9, 12, and 13*: As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

9 *Agreed statement concerning Articles 7, 11 and 16*: The reproduction right, as set out in Articles 7 and 11, and the exceptions permitted thereunder through Article 16, fully apply in the digital environment, in particular to the use of performances and phonograms in digital form. It is understood that the storage of a protected performance or phonogram in digital form in an electronic medium constitutes a reproduction within the meaning of these Articles.

10 *Agreed statement concerning Articles 2(e), 8, 9, 12, and 13*: As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

11 *Agreed statement concerning Articles 2(e), 8, 9, 12, and 13*: As used in these Articles, the expressions “copies” and “original and copies,” being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.

12 *Agreed statement concerning Article 15*: It is understood that Article 15 does not represent a complete resolution of the level of rights of broadcasting and communication to the public that should be enjoyed by performers and phonogram producers in the digital age. Delegations were unable to achieve consensus on differing proposals for aspects of exclusivity to be provided in certain circumstances or for rights to be provided without the possibility of reservations, and have therefore left the issue to future resolution.

13 *Agreed statement concerning Article 15*: It is understood that Article 15 does not prevent the granting of the right conferred by this Article to performers of folklore and producers of phonograms recording folklore where such phonograms have not been published for commercial gain.

14 *Agreed statement concerning Articles 7, 11 and 16*: The reproduction right, as set out in Articles 7 and 11, and the exceptions permitted thereunder through Article 16, fully apply in the digital environment, in particular to the use of performances and phonograms in digital form. It is understood that the storage of a protected performance or phonogram in digital form in an electronic medium constitutes a reproduction within the meaning of these Articles.

15 *Agreed statement concerning Article 16*: The agreed statement concerning Article 10 (on Limitations and Exceptions) of the WIPO Copyright Treaty is applicable *mutatis mutandis* also to Article 16 (on Limitations and Exceptions) of the WIPO Performances and Phonograms Treaty. [The text of the agreed statement concerning Article 10 of the WCT reads as follows: “It is understood that the provisions of Article 10 permit Contracting Parties to carry forward and appropriately extend into the digital environment limitations and exceptions in their national laws which have been considered acceptable under the Berne Convention. Similarly, these provisions should be understood to permit Contracting Parties to devise new exceptions and limitations that are appropriate in the digital network environment. “It is also understood that Article 10(2) neither reduces nor extends the scope of applicability of the limitations and exceptions permitted by the Berne Convention.”]

16 *Agreed statement concerning Article 19*: The agreed statement concerning Article 12 (on Obligations concerning Rights Management Information) of the WIPO Copyright Treaty is applicable *mutatis mutandis* also to Article 19 (on Obligations concerning Rights Management Information) of the WIPO Performances and Phonograms Treaty. [The text of the agreed statement concerning Article 12 of the WCT reads as follows: “It is understood that the reference to ‘infringement of any right covered by this Treaty or the Berne Convention’ includes both exclusive rights and rights of remuneration. “It is further understood that Contracting Parties will not rely on this Article to devise or implement rights management systems that would have the effect of imposing formalities which are not permitted under the Berne Convention or this Treaty, prohibiting the free movement of goods or impeding the enjoyment of rights under this Treaty.”]

# ***Intellectual Property Rights: Judicial Law Making with Foreign Bias***

*Prof Ashwani Kr Bansal\**

Excerpts of 10 pages from paper published in Journal of Law Teachers of India, (JOLT-I) 2012, Volume II Page numbers 1-3 reproduced below. Full article may be seen in Journal.

## **IP Laws are Economic Laws and not a Moral Code**

Dr Francis Gurry the present DG of WIPO, in response to a question put by me at a seminar in Delhi Law Faculty had stated the developing countries stand on firm ground that intellectual property rights (IPR) are an economic issue and not moral issue, while the developed world is not willing to concede<sup>1</sup>. I restate that IP rights and their readjustment of these rights among owners, users and regulating governments<sup>2</sup> are economic and/or political issues. When norms are incorporated in treaties and laws, they do become legal and/or an enforcement matter. I would like to state that the IPR experts in India post WTO-1995 or post Doha, have not debated this considered position of developing countries in yesteryears. I hasten to add that the exhaustion principle and control of abuse of IPRs were given precedence in TRIPS and inserted before the principles and objectives and provisions on enforcement respectively. Still, for some strange obstinacy, enforcement is given priority and matters of abuse of IPRs relegated to oblivion. The legislature and policy makers have not applied these principles to defend and/or pursue the national interest. The judiciary has handled the cases to reach an advantageous position for domestic interests<sup>3</sup> by resorting to such principles recognised in International treaties and conventions.

***...Instances from Trade mark law are omitted; only very important portion is reproduced.***

## **A Case Comment - John Wiley Case in relation to S.14(a)(ii)**

We take the focus to a few aspects of the Copyright Law where Judiciary has played a role which is not to the liking of many of the concerned quarters. At least one interpretation wrongly goes in favour of foreign players and is displaying an attitude as if Indian court is custodian of honesty or morality instead of enforcing the laws which are in place. Now the copyright law which is governed by national Copyright law of each country is sought to be internationalized by standards of domestic copyright law of India. The Delhi High Court sought to protect a US Complainant for infringement of copyright in USA, as the defaulter was Indian plaintiff by artificially extending the scope of section 14 and pronouncing infringement in USA to be in India, facilitating the plaintiff to enforce the judgement because defendant is in India, acting as *forum convenience*, depriving US Courts and Customs of their legitimate work.

**The Delhi High Court** delivered two judgments with *John Wiley & Inc as plaintiffs*<sup>4</sup> on 17<sup>th</sup> and 20<sup>th</sup> May 2010 on the important aspect of 'right to issue copies'. In both the cases the court was approached by owners of copyright to uphold their right to control the movement/export of the copyright goods (books) as per their stipulation. In both the cases third party buyers, on principal basis, not having any business connection with copyright owners or their licensees, were offering for sale books on websites for international customers, whereas the books as per the plaintiffs were produced only for the territory of South Asia or Indian sub-continent ( listed 8 countries) and were issued in these territories<sup>5</sup>.

## **IP Laws not concerned with Exports: True for Copyright**

All IP laws, such as Patents, Trade marks including Copyright, world over including India, *only regulate or restrict imports and exports. Exports of IP incorporated products have never been addressed in IP laws.* Copyright law of no country mingles in enforcement of copyright content. In the same vein Copyright Act, 1957 of India does not have any provision dealing with export of any product incorporating copyright content. The export of any 'copyright content product' cannot be infringement of copyright if the work is legally available in country of export. Such exports do not tinker with any of the rights granted in s 14 or 51 of the Act. Exports of India of copyrighted products even without the consent of copyright owner are perfectly legal.

---

\* Professor of Law, LC-I, Faculty of Law, University of Delhi, Elected member, Governing Council, Indian Law Institute, Has been with Dept of Information Technology, Government of India in rank of Joint Secretary 2002-03, was Director of Institute of Constitutional and Parliamentary Studies, maintained by Government of India, 2007-09.

<sup>1</sup> Stated in response to a question which I asked in the nineteen eighties. I am thankful for the insight given to me at a young age which opened a reservoir of knowledge for me in relation to development of IP norms. He had also shown how WIPO maintains neutrality in forming or airing opinions.

<sup>2</sup> Governments are major stake holders. The vested interests of the government or its decision makers are stronger moving forces than the established and proven interests of common population.

<sup>3</sup> Including MNCs operating in India.

<sup>4</sup> Discussion on cases of *John Wiley & Inc v Prabhat Chander Kumar Jain* 2010(44)PTC 675 (Del), *John Wiley & Sons Inc & Ors v. International Book Store* 2010(43) PTC 486 (Del), will follow.

<sup>5</sup> The same edition would enjoy rights in each of 8 countries under the laws of each of the countries and not under s 14 of Indian Copyright Act.

These exports which work as import in that country may impinge the copyright of an owner or licensee for that country. The export of LPEs made for market of India from India may be and can constitute infringement of copyright in the country of import, if imported into that territory without the consent of rightholder for that country. In case that country follows international exhaustion, then the initial product (book) is produced and issued under the *authority of the rights owner for any territory whatsoever*, then it will not constitute infringement of copyright even in such country of import.

It has been stated in omitted part, Indian Courts have overstepped IPR legislation by interpretation which goes in favour of foreign parties. One such instance is interpretation of the 'right to issue copies' to the benefit of the foreign publishers in an effort to restrict exports of LPEs.

**International exhaustion is followed in India or not**, would be relevant only in case of imports in India and it is just not relevant in relation to exports<sup>6</sup>. India is a country of national exhaustion in copyright for now and foreseeable future, and India's attempt to introduce exhaustion or permit parallel imports by amending section 2(m) of Copyright Act have failed in May 2012.

### **Publication of Low Priced Editions (LPEs)**

It is common knowledge that publishers of costly books divide the markets (segmentation) by timing of supplies and differential pricing and sometimes even quality control depending on the purchasing power. They produce low priced editions (LPE) separately for various combinations of many territories/countries. Many a time the trade channels in violation of the conditions put up by publishers divert such books to the countries where same book is tagged at higher price (let us call HPE). This may be done by re-sellers or third party bulk buyers who do not have any privity of contract with the publisher or distributors. *The business model of LPEs is useful to publishers as a profit head and necessary to keep the Competent Authority to issue compulsory licenses off.*

Often, economic versions (LPEs) of high priced books exported against the wishes of publisher to non-conforming area are stopped at Customs in the country of import. Such bulk buying re-sellers may even advertise on the Internet. Publishers/distributors hate the movement of such LPE books back to HPE Area. Publishers take all measures to minimize the movement of books, *even though IPR laws do not back any such price or profit maximization strategy, by segmentation of markets.* This branch is normally addressed by exhaustion or parallel imports principle. Laws and Courts of Country of export do not do anything to do with it. Once the copies have been issued and/or sold in India, sale of such books cannot be restricted in its movement and its resale cannot be controlled by publisher/distributor.

### **LPE not a Charity - but Shrewd Business Decision:**

Sometimes the authorities and judges and legally educated as also senior administrators believe that LPEs are a great charity and if developing markets should feel obliged that the publishers came out with LPEs. The production of LPEs is a perfect profit maximizing business decision with differential pricing and not a charity. Right holders and publishers do not want to lose customers in low price value countries<sup>7</sup>. Moreover, if such editions are not introduced, the resultant higher price and/or non-availability of books are grounds for compulsory license for printing of such books in India. Even export of such a book produced under compulsory license by a third party cannot be stopped in India by an Indian court, but its import would have to be tackled in the country of import.

The copyright is extended to all works including foreign works subject to and with recognition to the right of public to have access to all copyrighted material at affordable price objectively and not per standards of a multinational publishing house or copyright owners.<sup>8</sup> Moreover, these LPEs are normally introduced three years behind HPEs after fully working out the economy of publishers. Many a time remainders are converted to LPEs and such a sale is able to give the publishers much more value than they may earn in their home countries.

**Purpose of Paper** is to establish that stopping the offer of sale on Internet by a third party buyer of Low Priced Editions of books into the territories not authorised by publisher, which in reckoning of publisher were meant for specific market of India (south Asia) is not and cannot be governed by Indian Copyright Act as it contains no provision to control exports. It would always be the jurisdiction of Customs or Border authorities or Courts of the country of import – conventionally, as also under Berne Convention or WTO-TRIPS.

The Delhi High Court is not only outside the law but harming the interest of worldwide users of copyrighted materials. The ruling would be applicable in India, even if the governments of importing parties apply international exhaustion and welcome LPE books as a support to their economy. Thus our Court would be seen as supporting profit maximizing strategies of multinational publishers by artificially permitting market segmentation and imposing ban on exports without any legal backup. We present our view point

---

<sup>7</sup> Such a system is successfully in operation world over in relation to Patented drugs and medicines with similar hick ups.

<sup>8</sup> They are copyright owners by assignment, as the original author is mostly coerced to sign on the dotted line to assign copyright, if he desires any publicity to his work, knowledge or existence. Alternate support to authors is completely lacking in India. Present author has not studied the plight of authors in the rest of world.

appreciation by concerned quarters and paving the way for balancing various competing interests while upholding the statute in right spirit.

### **‘Genesis of Right to Issue Copies**

The plaintiffs camouflaged their suit basing it on ‘exclusive right to issue of copy’ in section 14 (a)(ii) even though this section the right is applicable only to the Indian territory. In fact the provision has come in vogue in India w.e.f. 10 May 1995, as replacement of ‘right of publication’ in previous section 14(1)(a). The ‘previous right of publication’ is now subdivided into two ‘right of reproduction’ and ‘right to issue copies’. This subdivision now necessitates owners’ consent, both ‘for production of each copy’ also ‘consent for issue of each copy’ and nothing as sought in the present case.

This right was not to relate to market segmentation as attempted. It was to safeguard against unauthorised issue of copies once a book is published; previously the law covered the initial publication, but continued consent of owner of copyright for each copy not required. Now owner’s consent is a must for ‘reproduction’ and ‘issue of each reproduced copy’ in market. *The right or expression ‘issue of copy’ is not to control the territory, or segment the markets, as the right of IPR owner is exhausted as soon as the copy is issued under his authorization- in whichever territory it might be issued.*

### **Expansion of Scope of ‘Right to Issue of Copies’ by Delhi High Court**

Delhi High Court is unduly expanding the scope of words in s 14(a)(ii) comparable to any such verdict in any country and such expression in their legislation. If conduct of the bulk buyer in India is in conflict with the stipulations made by Publisher on book cover or Page (ii) (known as the Copyright page), such a condition is not to be enforced by local Courts under Copyright Act. Such conditions are applicable only on licensees or the traders who are part of supply chain as part of their contract. The stipulations for market segmentation do not have backing of laws. Page (ii) stipulations cannot be treated as a condition on buyer buying the book, it may be a declaration of the intent of publisher/producer. Even if buyer was given books on explicit understanding that he would use the book as per the concerned stipulation, still refusal<sup>9</sup> to follow such a condition would not be valid or at best ***be a breach of a condition of contract between seller and buyer of books without any implication of Copyright Act.***

There is no dispute if this stipulation is held as binding on the dealers in supply chain, who buy for resale from distributors, contractual condition imposed by ‘publisher’, and has to be judged under law of Contract or sale of goods law, ***and there is no relationable to copyright law.*** The book is issued in market in terms of s 14(a)(ii) as soon as it passes out of the hands of publisher or licensee producer, under whose ‘authorisation the book is issued in market’. All down the line dealers in supply chain may be bound under law of contract to respect the publishers’ stipulation. A ‘third party’ or ‘off the counter’ buyer is entitled to use the book in any way he likes, subject to rights of copyright owner in s 14. He is not a licensee of the copyright owner or publisher with conditions. Thus an ‘off the counter bulk buyer’ is not bound by such conditions. In fact imposing such conditions which tend to obstruct or enhance the price of books in market, seeking justification under copyright law is an abuse of copyright.

***Scope of S 14:*** The ‘issue of copies’ even though sought to be fettered by stipulations made by copyright owner/publisher, is a ‘right and legal issue of copies’ for the purposes of s 14. This section extends only to India and is not a benchmark for copyright law of other country. The conditions imposed under section 14 relating to section 51 can be only on persons of supply chain of distributor and not on buyers of lone copies or even bulk buyers. The court while interpreting section 14 of Indian copyright Act cannot look at violations in territories of other countries, having designated authorities and fora for redressal in such country. There is no world wide IP right or copyright whatsoever. Any expansion of section 14 of Indian copyright is an ambitious exercise serving the purpose of enhancing the rights of copyright owners and is a wrong reading of local laws.

As a devils argument, it is submitted that language of s 14(a)(ii) at best could have permitted market segmentation only within the territory of India, as Indian copyright law is not an international copyright code. Moreover there is not vested in any copyright owner world-wide copyright as stated by Court. *The difference in ‘all countries’ on one hand and ‘world wide’ has a great consequence. This introduces play at the borders of each country which cannot be controlled by other government or a court not having jurisdiction.* All conventions like Berne or TRIPS do not recognise any world-wide copyright.

### **Issue of Copies v Movement of IP goods/books – Two separate rights**

Importantly, the right to control the movement of authorised books is an important right debated in the whole world.<sup>10</sup> Making stipulation on book as condition of sale’ or ‘issuing the copy’ and resultantly declaring it equal to ‘infringement of copyright or

<sup>9</sup> Every one is entitled to refuse to follow wrong conditions or even wrong or unconstitutional laws or a contract may not be honoured at the risk of damages or direction of performance by Court.

<sup>10</sup> See Bansal, Ashwani Kr, “Markets Allocation By Intellectual property Rights: Grey Goods Exhaustion Principle and India”, in P.S. Sangal and Ponnuswami (ed.), Intellectual Property Law, UDH Publishers, Delhi, 1994

is uncalled for. This expansion of the meaning of copyright by Delhi High Court goes beyond the interpretive power to judicial making. If a validly issued book moves to any territory it is not violation of clause (ii) of s 14(a) as this provision has its geographical spread to territory of India. ***A third party buyer always buys a validly issued copy of book without any restriction of the territory.*** The movement of validly issued books in India including exports cannot be controlled by any provision in Indian Copyright law. The submission is that movement of book or export of book is not hit by any provision in Copyright law. Indian courts have to administer copyright as stated in s 14 only in Indian Territory totally unconcerned with rest of the countries.

**All Stipulations/Conditions by Publisher/Copyright Owner Not binding :** The conditions under s 14 have to be normal conditions considered fair and reasonable in market, business circles and acceptable to users per tradition or convention. Many conditions tied purchases, restricting sale to certain parties or other profit maximization strategies including resale price maintenance will not be permitted under s 14<sup>11</sup>.

### **Options to Deal with the Situation**

If an injunction is prayed in relation to conditions of a Contract of supply of books, it cannot be treated under s 14 a condition license relating to infringement within the meaning of s 51. This author has no objection, if court directs the parties to respect the contract. But we are unable to agree, that the export of valid copies amounts to infringement under copyright law of India. In the case of impugned books the IPR owner has exercised his copyright. Thus copyright has been exhausted in that unit of copyrighted book even though the right in copyright content contained in the book continues to subsist.

The defendant had pleaded that the copies were 'copies already in circulation'. It is submitted 'there was no need to harbour on copies already in circulation' occurring in s 14(a)(ii). If the owner of copyright cannot show a right to control the movement of validly issued LPE books, it would mean the buyer is free to move the book as he desires. Moreover, the rights, if any, of copyright owner arise from (a) copyright law of India or (b) contract of copyright owner with licensee for 'reproduction' or 'issue of copy' or (c) contract of sale between supply chain seller and independent buyer, if any.

### **Submission against enhancement or enlargement of owners' rights by High Court**

It is submitted that the meaning of copyright as stated in s 14 should not be enlarged for copyright owners by the Delhi High Court by interpretation of 'issue of copies' to include 'market segmentation' or supplying the markets at differential pricing for authors/publishers/owners, then it is for Parliament to include this in bundle of rights in section 14 similar as renting/library right is included in computer programmes but not in relation to print media.

**Parliament's Power Usurped:** The judgement of Delhi High Court is a manifestation of opinion as also usurpation of power of Parliament. The right of 'we the people of India' to enact the laws by their representatives in Parliament cannot be taken away by a few High Courts.<sup>15</sup>

John Wiley & Sons Inc., a celebrated publishing house filed two actions in the Delhi High Court alleging offering of LPE books meant for limited territory of 8 Indian-Asian countries, on Internet promising export to any country in the world; further alleging that such action constitutes infringement of Copyright under the Indian Copyright Act.

### **Realities of Business World**

Even after the plaintiffs would obtain an injunction from Delhi High Court, against third party buyers selling such LPE copies in USA as infringement, the plaintiffs would still seek to restrain such books when they reach the country of import. The conduct of 'third party bulk buyers' advertising for sale on Internet is not illegal, but may be morally questionable<sup>14</sup>; it definitely does not amount to infringement of copyright in India.

*Our submission is Wiley should have approached the Custom or Judicial authorities in the countries of import, as exports of such books do not constitute infringement of copyright. Otherwise, Wiley should tolerate<sup>15</sup> small deviation of such LPEs as a normal business risk.*

---

<sup>11</sup> If we take the decision of Delhi High court to its logical conclusion, then selling a book at below the recommended printed price on the book by publisher/ distributor would be in violation of condition of owner/licensee and thus infringement. The bundle of rights provided under s 14 as enacted by Parliament for the territory of India, is not to be unduly expanded by judiciary. See it in the light that publisher should assert infringement in country of import.

<sup>12</sup> Section 14 rights belong to authors and publishers are only contractual assignees/claimants.

<sup>13</sup> This is not the only instance, As stated earlier, such law making had occurred when law of transborder reputation was developed in violation of the Indian Trade mark law and' territoriality principle of trade marks in Paris Convention was ignored. The' beneficiaries were only foreign Trade Marks. (See Bansal, Ashwani Kumar, Chap 24, Cliptrade, Delhi, 2009 Update)

<sup>14</sup> It is our submission that the underlying themes in relation to IPR laws are economic with no morality attached to the same.

<sup>15</sup> All the authors tolerate oppressive conditions imposed by publishers. Thereafter, all authors and publishers both tolerate some misuse or partial reproduction by photostating.

against creating an upheaval of judicial system and impacting law of copyright worldwide, *shrewdly seeking to enhance the rights of copyright owners/publishers.*

**Our disagreement with the judgement - John Wiley & Inc v. Prabhat Chander Kumar Jain**

With respect we are unable to agree with the judgement of Hon’ble Justice Manmohan Singh. It appears hasty and simply debatable. It shows unscrupulous business behaviour of buying the books and selling against the wishes of publisher or against the stipulations made by the publisher without legal support.<sup>16</sup> All conditions imposed by owner publisher are not legal and may not relate to s 51. There is no pressing need to justify a profit maximizing technique of rich MNCs, *that too by bending the Copyright law not only of India but also projecting a copyright law which does not exist in any country in the world.* As submitted there is no worldwide copyright law suggested by Court for the books in question.

The High Court has enjoined a ‘validly issued book’ to be despatched outside India, without any support from any provision of Indian statutes, without any finding where the copyright has been infringed. Delhi High Court appeared eager to authenticate any conditions imposed by copyright owner on the ‘issue of copies in market’, even when it was demonstrated in its judgement that stipulations or so called notice on the book for limiting its circulation may be controlled by laws like s 19 of CA, 1957 or other provisions.

In fact the conditions do not come within purview of s 14(a)(ii), but the court conceded without realizing **that the impact of a law which is disliked by publisher is happening in USA and not in India.** Even if its perpetration is happening in India, there should be a backing of law for the Court to act. The court should not show its stick only because a rich publisher has approached the Court after selling the book in market and then wanting to restrict the action of buyers which are not in violation of any provision of Indian law.

In support I quote Copinger in the XV edn 2005 in para 7.80 in its comment on ‘right to issue copies’, the authors clearly states

“.....It is therefore suggested that the effect of the section is as follows:<sup>17</sup>

(d) Whether the act of putting the copy into circulation in a country other than the United Kingdom is an infringement of copyright is a matter for the law of that state, not that of the United Kingdom.”

If we apply Copinger’s statement then the act of a person putting the copies in circulation in a country other than India is an infringement of copyright is a matter for the law of that country to which the person is exporting and not that of India or Indian courts. The plaintiffs should enforce their rights on the borders of importing countries. **In IPR strategies it is for each country to protect the interests of its domestic enterprises and the courts are to implement local laws and not become custodian of honesty and law on borders as also usurp jurisdiction of US Courts on one side and Indian Parliament on the other.**

We submit with respect the reasoning of the Court on the issue of the ‘Right to issue of Copies’ is grossly flawed. Consequently the remedy made available by interpretative discourse law needs to be legitimately questioned on various grounds for benefit of copyright users, as a design to permanently enhance the rights of copyright owners without public debate is visible. In this academic exercise I reproduce some paras written by Manmohan Singh J and write our submissions in tabular form. Many of the points may be repeated but are re-written to ensure clarity and to meet the disposition/discourse or arguments.

**(Here a few paras like 24, 66 , 69, 100 and 106 of High Court and comments on them are reproduced, rest of the comments can be found from paper published in Journal of Law Centre I, JOLT-I 2012 p1 )**

The court does not disclose where the infringement took place even in final verdict.	There is a camoufluge in plaint and in judgement. Judgement at various places reproduces allegation of infringement as alleged in the plaint, but whether infringement is taking place in USA or in India, is not disclosed. In para 11 the Custom officials and courts of which country were approached is not disclosed.
--	--

<sup>16</sup> It is submitted that a law which is in conflict with constitution is not to be obeyed. A government notification *ultra vires* the enabling law is not to be complied with but even a wrong order of the courts order has to be obeyed.

<sup>17</sup> Section 18 of UK CDPA should no doubt be construed consistently with the provisions of the Information Society Directive (2001/29), under which Member States are required to provide for authors, in respect of the original of their works or of copies of them, with the exclusive right to authorize or relation to related rights subject matter is dealt with in similar terms by Art. 9 of the Rental and Related Rights Directive, 92/100), The right is directed to the control of distribution of a work incorporated in a tangible article (Recital 28) and is not to be exhausted within the European Community in respect of the original or copies of the work, except where the first sale or other transfer of ownership in the Community of that object is made by the rightholder or with his consent (Art.4.2 and Recital 28). On the other hand, first sale outside the Community is not to exhaust this right (Recital 28).



	The Tenor of writing judgement displays as if Indian Copyright is applicable even in the USA.
para 24 ..... It is also submitted by the learned senior counsel for the plaintiffs that Penguin (supra) holds that the importer would be subject to the laws of the territory where he happens to import the books. <i>Here, we are concerned with the exporter and not the importer and the exporter would be subject to the laws from where he is exporting the books.</i>	Penguin case quoted by court is sufficient pointer that such LPEs are to be controlled not in country of export but in country of import. There is no provision in any of the IPR laws including the Copyright Act where exports can constitute infringement. There is no law which prohibits an independent buyer of a validly issued copy to export anywhere, of course subject to laws of country of import. Howsoever wrong or immoral a conduct might appear to the judges of the high court, in the absence of enabling law, they should not interfere.
66. The right of the owner of the copyright to issue the copies of the work to the public will not be circumscribed by any territorial limitation. Thus, the owner of the copyright will have the right to issue the copies of the work not being the copies already in circulation worldwide.	This proposition of law is wrong and not backed by any provision of the Copyright statute or conventions. This sentence goes against the assertion of plaintiff. Indian court is concerned only with the rights as enacted under section 14 of Indian Act. An owner of copyright by virtue of Indian copyright Act has right to issue copies only in India. He will have such right in all those countries which extend copyright to Indian works but as per their laws and in their law such a 'right to issue copies' should be enacted. <b><i>There is no world wide right or copyright.</i></b> Such writing by the Court displays a zeal to write new laws for the whole world, which is not the job of the court.
69. Applying these principles to the present case, it can be seen that the plaintiff no. 1, 3 and 5 are the <i>worldwide owners of the books</i> and their copyright as mentioned and averred in the plaint. The plaintiff nos. 2, 4 and 6 are the exclusive licensees licensed to publish the said books in India and other territories.	The plaintiffs are the owners of copyright in each country separately. They are not world wide owners of the books. Plaintiffs enjoy copyright in India by virtue of s 40 read with International copyright Order. The copyright enjoyed by a national of Berne member in each member of Berne Convention in sum total is the copyright enjoyed by such owner which is being referred by High Court as world wide copyright. <b><i>This difference in all countries on one hand and 'world wide' has a great consequence. This introduces play at the borders of each country which cannot be controlled by other government or a court not having jurisdiction.</i></b> Our submission is that Delhi High Court is missing this lack of power or extra assertion of power overseas, simply because defendant is a national of India. <i>There is no worldwide ownership for any of IP rights including copyright as pointed out earlier.</i>
Para 69 later part The plaintiffs' grievance is that Defendant no. 3 Technischer Overseas Pvt. Ltd. which is a bookseller in Delhi is purchasing the said Low Price Editions (LPE) of the books meant for the Indian market and the territories defined from the plaintiffs no. 2, 4, 6 and is offering the said low prize books from the websites www.alibris.com, www.biblio.com to territories outside the prescribed ones on the book is infringing the copyright of the plaintiffs.	The conduct of defendant is to the disliking of plaintiffs, but is not illegal nor infringement of copyright in India. Defendant has bought legally issued copies. The stipulations made by publisher or licensee are not binding on buyer even after they are printed on copy of book. In Indian legal system we are well aware that many times conditions declared by owners are not legally enforceable, e.g., 'the rights of admission reserved', 'Principal can refuse admission in absolute discretion' and so on; they are not upheld by courts. Similarly all the conditions prescribed by copyright owner are not enforceable. The buyer is a principal to principal purchaser and can do everything not prohibited by copyright law. Buyer of the book is unfettered by stipulations of publishers. Notice or constructive notice is not binding on him. If the plaintiffs wanted to secure the conduct of 'every buyer' or 'all off the shelf buyers', it could be done by contract. Stipulation on front page or on copyright page, does not get incorporated as a condition of sale. Moreover, if the court wants to favour such restrictions then it will still be violation only of contract terms not amounting to infringement of copyright in s 14 or s 51. Once a copy is issued, the matter of copyright is over and an Indian court will not look at overseas territories as Indian Copyright Act is limited to Indian territories. The books are authorised and legal copies. Buyer is free to do anything with the book but not to violate s 14 rights of copyright owner in India. If the copyright is violated outside India, it is not the business of Indian courts. <b><i>The right in the book in India and for Indian Court is exhausted by issue of copy and sale,</i></b> but copyright in content of book – like performance, broadcast, making film, adaptation would continue, but not the movement or sale of book.

<p>Para 100 100. I have examined this submission and feel that in the present case the doctrine of first sale even if it is applicable does not curtail the rights of the owner due to the following reasons: a) At the outset, again, I would like to reiterate the three propositions a) the meaning of copyright has been defined under Section 14 of the Copyright Act as is clear from the opening words of the Section; b) The rights of the owner have to be looked into as per Section 51 of the Act while measuring infringement; c) The rights of the owner may be broader than that of the licensee. The court said, "in the present case, the first sale has been effected by the exclusive licensees plaintiff nos. 2, 4, 6 and their rights are limited and are subject to the conditions and limitations imposed by the agreement. That being so, the applicability of the first sale doctrine qua the sales effected by the exclusive licensee to the defendants will at best exhaust the rights of the exclusive licensees to complain and not the rights of the owner. <i>The right of the owner to complain for remaining infringement in unauthorised territories for violation of the permission granted and violation of the rights will remain intact.</i></p>	<p>This author submits again that section 14 is limited to India in relation to all the clauses a), b) and c) in para 100 as stated by Court and any attempt to internationalize copyright through section 14 is unwarranted. The copyright is enjoyable in each country per local law. <i>World-wide business in books thrives on driving through various differences in laws of states.</i> Our submission is that there is no further infringement happening in India and the Delhi High Court is competent to look at the territory of India alone. There is no quarrel if the plaintiffs are seeking to control infringement in countries of import and court is looking at the infringement in those territories, then it has to be seen as per law of those countries and not by stretching the opening words of s 14 or reading copyright in territories beyond India in s 14(a)(ii). In our response we do not divide licensees and owners and we look at the book containing copyright material and all the rights vested in the book to whomsoever they belong which means cumulative of rights of both the licensee and owner as enshrined in Indian Copyright Act. There is no such distinction as is sought to be made out by the Court. <i>Once a licensee introduces or issues the copies in market, such copies are issued by, for and on behalf of copyright owner.</i> Once a book is valid under s 14 (a)(ii), it is always valid, unless law of a foreign country prohibits it in its territory. The IP right in the book shall exhaust as such, without any distinction that owner or licensee have different rights as artificially made out by the court. There is no concept of <i>remaining infringement</i> in unauthorized territories. The question of violation of permission may arise till the time book is in hands of licensee. The question of infringement arises only because rightholders may be and are different for same book in different countries. Once a book is issued, and bought by third party, the movement of the book cannot be curtailed, but if there is a different copyright owner or even licensee he may assert infringement in country of import.</p>
<p>Para 106 106. The defendants' argument that the first sale doctrine will exhaust the rights of the plaintiffs internationally is incongruous and the same will lead to absurd results in as much as the defendants are the purchasers of the books with notice from the exclusive licensee and not from the owner of the copyright. Accepting the contention of the defendants would again be nugatory to the principle of the ownership and license. The owner has full right to enjoy the property and if the property is purchased from the owner only then will the owner lose his rights. The same is applicable in the present circumstances. <i>The purchaser after purchasing from the exclusive licensee cannot by claiming the principle of exhaustion or extinguishment of rights defeat the rights of the owner.</i> This is the only harmonious interpretation possible by invocation of doctrine of first sales in the present case.</p>	<p>Irrespective of whether India applies national or international exhaustion, the enjoyment of the 'property in book' does not depend on India applying exhaustion—it depends on the country of import (where the books shall reach after the sale), whether it follows international exhaustion or International exhaustion with riders. As stated the scheme of Indian copyright law does not warrant introduction of such artificial cleavage between owner and licensee. The difference in their right to sue is well understood. In this case, the owners and licensees are on same side of plaintiffs. Notice printed on the book is of no avail as law does not permit such <i>segmentation of territories under right to issue of copies</i>, therefore whether owner sells the book or licensee sells the book, it has been sold with the consent of owner of rights. <i>In fact the world over increasingly such actions as present are treated as abuse of IPR (Copyright).</i> Copyright is such a right which will not be lost irrespective whether the book is bought from owner or licensee. It is the book containing copyright content which is subject matter of sale. <i>All the rights in bundle of copyright are to be respected by every successive owner of the book.</i> The property in book is to be differentiated from copyright in book. The movement of the book cannot be stopped by copyright owner in India or export from India, as there is no enabling law. The copyright owner can stop it at borders of any other country, where he has such right in accordance with law of that country. There is no need for court to harmonise and the Delhi High Court will not lose its moral strength if it says that the conditions imposed by publisher/ distributor have only moral/ persuasive value, but no legal value. In fact the judge should have passed stricture against the plaintiffs for bringing this matter to court as abuse of IPR. It is not our case that the conduct of defendant is good but it is surely not illegal and does not constitute infringement of copyright in India, whatever it may be in another country. If the defendant was bound by contract, he could be enjoined in compliance of the concerned contract. If it is a contractual violation, still it shall not be infringement of copyright and hence the Copyright Law has nothing to do with it.</p>

There are submissions made by the author for the purpose that the judges may see the view point and do not display any bias or partiality. The author has a sincere and zealous zeal to advance the cause of MNCs engaged in publishing business. The author also states that if Parliament makes such laws controlling the movement of permitted / authorized books he would not have objection, but such laws will have to be defensible under freedom of Trade, Commerce and intercourse. On the basis of copyright law, the market segmentation cannot be achieved by existing law from the country of export. Enhancement of rights of copyright owners, if necessary, should be conceded in an appropriate manner not through adversarial court room verdicts.

\* \* \* \* \*