

Industrial Property

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INTERNATIONAL UNION

SWITZERLAND

Ratification

of the Additional Act to the Arrangement of The Hague

(7th November, 1962)

In a Note dated 21st November, 1962, we have been informed by the Swiss Federal Political Department that Switzerland deposited on 7th November, 1962, its instrument of ratification in respect of the Additional Act, signed at Monaco on 18th November, 1961, to the Arrangement of The Hague concerning the International Deposit of Industrial Designs or Models of 6th November, 1925, revised at London on 2nd June, 1934.

In compliance with paragraph (3) of Article 7 of the above mentioned Additional Act, the ratification by Switzerland will take effect from the 21st December, 1962.

CONVENTIONS AND TREATIES

Amendments

suggested by the British Government to the English Text of the Convention of Paris for the Protection of New Varieties of Plants which has been circulated by the International Bureau for the Protection of Industrial Property¹⁾

(Except where stated the text already circulated would remain unchanged)

Title Page

Convention of Paris for the Protection of New Varieties of Plants.

Article 2

(1) Each Member State of the Union may recognise the right of the breeder provided for in the present Convention by the grant either of a special title of protection or of a patent. Nevertheless, a Member State of the Union whose national law admits of protection under both these forms may *only provide* one of them for one and the same botanical genus or species.

Article 4

(5) Any Member State of the Union may, on signing the present Convention or on depositing its instrument of ratification or accession, declare that it will apply, *with regard*

¹⁾ Published in *Industrial Property*, January 1962, pp. 6 *et seq.*

to the protection of new plant varieties, Articles 2 and 3 of the Paris Convention for the Protection of Industrial Property.

Article 6

(1) The breeder of a new variety or his successor in title shall [...] benefit from the protection provided for in the present Convention when the following conditions are satisfied:

(a) Whatever may be the origin, artificial or natural, of the initial variation from which it resulted, the new variety must be clearly distinguishable by one or more important characteristics from any other variety whose existence is a matter of common knowledge at the time when protection is applied for. Common knowledge may be established by various references such as: cultivation or commercialisation already proceeding, entry in an official register of varieties already made or in course of being made, inclusion in a reference collection or a precise description in a publication.

A new variety may be defined *and distinguished* by morphological or physiological characteristics. In all cases, such characteristics must be capable of precise description and recognition.

(b) The fact that a variety has been entered in trials, or has been submitted for registration *or registered* in an official register, may not be held against the breeder of such variety or his successor in title.

At the time of the application for protection in a Member State of the Union, the new variety must not have been offered for sale or commercialised, with the agreement of the breeder or his successor in title, in the territory of that State, or for longer than four years in the territory of any other State.

(d) The new variety must be stable in its essential characteristics, that is to say, it must remain true to its description after repeated reproduction or propagation or, where the breeder has defined a particular cycle of reproduction or multiplication, at the end of each cycle.

Article 10

(1) The right of the breeder shall be declared null and void, in accordance with the provisions of the national law of each Member State of the Union, if it is established that the conditions laid down in sub-paragraphs (a) and (b) of paragraph (1) of Article 6 were not effectively complied with at the time when the title of protection was delivered.

Article 13

(2) Such denomination must identify the variety; in particular, it may not consist solely of figures.

The denomination must not be liable to mislead or to lead to confusion concerning the characteristics, value or identity of the new variety or the identity of the breeder. In particular, it must be different from every denomination which designates, in any Member State of the Union, existing varieties of the same or a closely related botanical species.

(3) Line 7: Insert a *comma* after the word "names".

(6) Line 4: Insert a *comma* after "15".

(9) It shall be permitted, in respect of *one and the same product*, to add a trade mark or trade name to the denomination of the new variety.

Article 15

(b) the general secretariat, entitled the Office of the International Union for the Protection of New Varieties of Plants. The Office shall be under the high authority of the Swiss Confederation.

Article 18

(1) The Council shall elect from among its members a *President* and a first *Vice-President*. It may elect other *Vice-Presidents*. The first *Vice-President* shall take the place of the *President* if the latter is unable to officiate.

(2) The *President* shall hold office for three years.

Article 19

(1) Meetings of the Council shall be convened by its *President*.

(2) A regular meeting of the Council shall be held annually. In addition, the *President* may convene the Council at his discretion; he shall convene it within a period of three months if a third of the Member States of the Union so request.

Article 28

(1) The *English*, French and German languages shall be used by the Office of the Union in carrying out its tasks.

Article 31

(2) Line 1: Insert a *semi-colon* after the word "ratification".

Article 38

(2) If such agreement is not reached within six months from the date when the Council was *seized* of the dispute, the dispute shall be submitted to an *arbitral* tribunal at the request of one of the parties concerned.

(4) The *arbitral* decision shall be final and binding on the Member States concerned.

(6) Each of the Member States parties to the dispute shall bear its own costs of representation before the *arbitral* tribunal; other costs shall be borne in equal parts by each of the States.

Testimonium

Line 2: Delete the *comma* after the word "Powers".

Declaration by Italian Signatory

In my *capacity* as Plenipotentiary, I declare that the Government of the Italian Republic, by virtue of the power granted by paragraph (5) of Article 4 of the present Convention, decides to apply Articles 2 and 3 of the Convention of Paris for the Protection of Industrial Property with regard to the protection of plant varieties.

LEGISLATION

KUWAIT

Law

relating to Patents, Designs and Industrial Models¹⁾

(No. 4, of 1962)

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Part two. Designs and Industrial Models

Single Chapter.

Part three. Common Provisions. Offences and Penalties

Single Chapter.

PART ONE

Patents of Invention

CHAPTER I

General Provisions

Article 1

Patents of invention shall, in conformity with the provisions of this Law, be granted for every new innovation liable to be industrially exploited, whether connected with new industrial products, or new industrial processes or means, or with the new application of known industrial means and processes.

Article 2

A patent of invention shall not be granted in respect of the following:

1. inventions, the exploitation of which is against morality or public policy;
2. chemical discoveries connected with food-stuffs, or medicinal drugs, or pharmaceutical compositions, unless such products are produced by special chemical methods or processes, in which case the patent shall not be in respect of the products per se, but of the process of manufacture.

Article 3

A patent is not considered to be new, in whole or in part, in the following two cases:

1. if during the 20 years preceding the date of submission of the application for a patent, the invention had already been publicly used in Kuwait, or its description or design had been advertised in publications in Kuwait, in such a manner as to render possible the exploitation thereof by experts;

¹⁾ This translation is reproduced here with the kind permission of Saba & Co., Patent Agents, Beirut, Lebanon.

2. if within the 20 years preceding the date of submission of the application for patent, a patent of the invention or a part thereof, had already been granted to persons other than the inventor or his assignees, or if within the said period an application for patent for the same invention or part thereof, had already been submitted by others.

Article 4

There shall be established at the Control of Trade Marks, a register called "the Register of Patents of Invention", in which, patents and all descriptions relating thereto, shall be entered in conformity with the provisions of this Law and the Orders issued for the execution thereof.

Article 5

The following persons are entitled to apply for patents of invention:

1. Kuwaitis;
2. foreigners residing in Kuwait, or possessing industrial or commercial organizations therein;
3. foreigners who are nationals of countries according to Kuwait a reciprocity of treatment, or who reside or have real premises in such countries;
4. companies, associations, institutions, or groups of manufacturers, producers, traders or workers established in Kuwait or countries reciprocating the treatment for Kuwait, when such bodies enjoy juristic personality;
5. public establishments.

Article 6

The right to the patent is vested in the inventor or his assignees.

Where the invention is the result of the collective work of several persons, they shall all have equal rights to the patent, except where they otherwise agree.

Where several persons make the invention independent of each other, the right to the patent shall be vested in the person who files his application before the others.

Article 7

When a person charges another with the discovery of a certain invention, all the rights pertaining to such invention shall belong to the former. Similarly, the employer shall have all the rights pertaining to inventions discovered by the worker or employee in the carrying out of the work or employment, when the invention is within the scope of the contract, work or employment.

The name of the inventor shall be mentioned in the patent, and he shall, in all cases, be entitled to a remuneration, but if no agreement is reached in respect of this remuneration, he is entitled to a fair compensation from the person by whom he had been charged to discover the invention, or from the employer.

Article 8

In cases other than those mentioned in the preceding article, and when the invention falls within the scope of activities of the public or private establishment to which the inventor is attached, the employer shall have the option either

of exploiting the invention or purchasing the patent for a fair compensation to be paid to the inventor, provided the option is exercised within three months from the date of the notification of the grant of the patent.

Article 9

The application to obtain a patent of invention, submitted by the inventor within a year from the date of his leaving the private or public establishment, shall be deemed to have been submitted during the period of enforcement of the contract, or work or employment, and both the inventor and employer shall, according to circumstances, have all the rights provided for in the preceding two articles.

Article 10

The patent vests in the patentee, to the exclusion of others, the right of exploiting the invention by all means.

Article 11

The rights created by a patent are not enforceable against a person who, before submitting the application for patent, had in good faith been industrially exploiting the invention or making the necessary efforts for its exploitation. Such person is entitled to exploit the invention for the needs of his establishment, without being capable of assigning such right independently of the establishment.

Article 12

The duration of the patent shall be 15 years as from the date of application. The patentee is entitled to apply for one renewal thereof for a period not exceeding five years, provided the renewal is applied for, during the last year, and provided he proves that the invention is of special importance and no fructification commensurate with his efforts and expenses had been derived therefrom.

The decision of the Control of Trade Marks, in respect of renewal, is subject to appeal before the Kulliyah Court of Commerce.

The duration of patents granted under paragraph 2 of Article 2 hereof, shall be 10 years, not renewable.

Article 13

A fee of 10 Dinars shall be paid on submission of the application for a patent of invention or for the renewal. These fees shall not be refunded in any case.

Article 14

If the subject-matter of the invention is the introduction of modifications, improvements or additions to a previous invention to which a patent was granted, the proprietor of such patent may, in conformity with the provisions of Articles 15 and 16 hereof, apply for a patent of addition, the validity of which shall expire on the expiration of the original patent. A fee of three Dinars shall be paid on submission of the application.

If the original patent is cancelled or revoked, the patent of addition shall remain in force and becomes independent from the original patent, and the duration thereof shall be deemed from the date of this patent.

CHAPTER II

Procedure of Application for a Patent

Article 15

The application for a patent shall be submitted by the inventor or his assign, to the Control of Trade Marks in the Ministry of Finance and Economy, in conformity with the terms and conditions determined by the Implementing Regulations.

The application for a patent may not be in respect of more than one invention.

Article 16

The patent application shall be accompanied by a detailed specification of the invention and the manner in which it is to be exploited. The specification must distinctly comprise the new elements for the protection of which the interested person applies, and when necessary the application shall be accompanied by a design of the invention, in the manner prescribed by the Implementing Regulations.

Article 17

The applicant for a patent may exploit his invention from the date of submission of the application.

Article 18

The Control of Trade Marks shall examine the application for the patent and enclosures, to ascertain:

1. that the application is submitted in conformity with Article 15 hereof;
2. that the specification and design give a picture of the invention as to allow the performance thereof by industrialists;
3. that the novelty elements, for the protection of which the interested person applies, are stated clearly and precisely in the application.

Article 19

The Control of Trade Marks may require the applicant to make such amendments in the application as it may deem requisite in accordance with the provisions of the preceding article, within the period determined by the Implementing Regulations. If the applicant fails to do so, he shall be deemed to have renounced his application. The applicant may, within thirty days from the date he is notified of the decision, appeal against the decision of the Control of Trade Marks in respect of such amendments, to the Kulliyah Court, and the Court may approve, quash or amend the decision.

Article 20

If the application for a patent fulfils the conditions laid down in Article 18 hereof, the Control of Trade Marks shall advertise the application in the manner determined by the Implementing Regulations.

Article 21

Any interested person may file with the Control of Trade Marks, within the period determined by the Implementing Regulations, a written notification of his objection to the

grant of the patent, which must contain the supporting causes for such objection.

Article 22

Every decision issued by the Control of Trade Marks in respect of opposition, may be appealed against to the Court, within a period of thirty days from the date of notification thereof to the interested person, and the Court shall speedily decide on the case.

Article 23

Grant of the patent to the rightful proprietor shall be by Order of the Minister of Finance and Economy, and shall be advertised in the manner prescribed by the Implementing Regulations.

Article 24

If it appears to the Control of Trade Marks that the invention pertains to defence affairs or is of military value, it shall immediately refer the application for patent and its accompanying documents, to the General Command of the Armed Forces who shall, within three months from the date of filing the application for patent, oppose the grant of a patent to the applicant, in consideration for purchase of the invention or agreeing with him on the exploitation thereof.

Article 25

The applicant for a patent or the patentee may submit, at any time, an application to modify the specifications or design of the invention showing, at the same time, the nature of and causes for the modification, provided that the modification does not affect the invention itself.

The proceedings to be adopted in respect of such application shall be the same as those pertaining to the application for a patent.

Article 26

Every person is entitled to obtain copies of the applications for patents and the documents pertaining thereto, as well as extracts from the Register of Patents of Invention. He may equally peruse the applications, documents and the Register, in the manner specified in the Regulations.

CHAPTER III

Transfer of Ownership, Pledge and Attachment of Patent

Article 27

Inheritance transfers the right in a patent and all the rights arising therefrom. Ownership of the patent of invention may also be wholly or partly transferred for or without consideration and may also be mortgaged.

The transfer of ownership or mortgage of the patent may not be used in evidence against third parties, except from the date it is entered in the Register of Patents.

Advertisement in respect of the transfer of ownership or mortgage of the patent, shall be made in the manner prescribed by the Regulations.

Article 28

Creditors may attach patents of invention pertaining to their debtor, in conformity with what is laid down in the Law of Prosecution for the Attachment of Movable Property or

whatever the debtor may have with third parties. The Control of Trade Marks is exempt from the provisions relating to the declaration of the garnishee as to his indebtedness to the distrainee.

The creditor is required to notify the attachment and the report (procès-verbal) of the adjudication to the Control of Trade Marks for inscription in the Register. They are not valid against third parties except from the date of the said inscription. Advertisement in respect of attachment shall be made in the manner prescribed by the Regulations.

CHAPTER IV

Compulsory Licensing for the Exploitation of Inventions and Expropriation thereof for Public Interest

Article 29

If the invention is not exploited in Kuwait within three years from the date of the grant of the patent, or if the proprietor thereof fails to exploit it fully to satisfy the needs of the country, or if the exploitation of the invention ceases for at least two consecutive years, the Control of Trade Marks may grant a compulsory licence for the exploitation of the invention to any person in favour of whom the patentee refused to concede the right of exploitation, or stipulated exorbitant pecuniary terms with regard to such concession.

A compulsory licence shall not be granted unless the applicant therefor is capable of exploiting the invention seriously, and the patentee shall be entitled to a suitable compensation. The Control of Trade Marks shall notify the patentee by serving upon him a copy of the said application, and the patentee shall submit to the Control of Trade Marks, within the period prescribed by the Regulations, a written reply to the said application. If the reply fails to reach within the fixed time, the Control of Trade Marks shall decide to accept or refuse the application.

The Control of Trade Marks may subject the acceptance to the conditions that it deems necessary. The decision of the Control may be appealed against to the Court within 30 days from the date of its notification to the person concerned.

Article 30

If the Control of Trade Marks finds, notwithstanding the expiration of the prescribed periods mentioned in paragraph one of the preceding Article, that the failure to exploit the invention is due to causes beyond the control of the patentee, it may grant him a delay, not exceeding two years, for an effective exploitation of the invention.

Article 31

If the exploitation of the invention is of great importance to the national industry, and such exploitation necessitates the utilization of another invention in respect of which a patent had already been granted, the Control of Trade Marks may grant the proprietor of the invention a compulsory licence to exploit the previous invention, in case the proprietor thereof refuses to agree to such exploitation on reasonable terms. On the other hand, the proprietor of the previous invention may be granted a compulsory licence to exploit the subsequent invention, if his invention is of greater importance.

In granting the licences and in fixing the amount of the compensation due to either of the proprietors of the inventions from the other, due regard shall be given to the conditions and requirements referred to in Article 30¹⁾ of this Law. The decision of the Control of Trade Marks, in this respect, is subject to appeal before the Court, within 30 days from the date of notification of the person concerned.

Article 32

By an order of the Minister of Finance and Economy, the inventions may be expropriated for reasons relating to public interest or national defence.

The expropriation may include all the rights arising from the patent or from the application submitted therefor, or may be restricted to the right of exploiting the invention for the needs of the Country.

In this case the patentee is entitled to a fair compensation.

Assessment of the compensation shall be made by a committee formed by an order of the Minister of Finance and Economy. Complaints of the Committee's decision shall be made to the competent Court, within 30 days from the date of notifying the complainant of the Committee's decision.

CHAPTER V

Expiry of the Patent of Invention and its Nullification

Article 33

Rights arising from the patent of invention are extinguished in the following cases:

- (a) the expiration of the protection period conferred by the patent of invention in accordance with the provisions of Article 12 of this Law;
- (b) where the patentee relinquishes his right thereto;
- (c) delivery of a final judgement revoking the patent.

Article 34

The Control of Trade Marks, and every interested person, are entitled to apply to the Court, for the revocation of the patents which may have been granted in contravention of the provisions of Articles 2 and 3 hereof. The Control of Trade Marks shall cancel these patents on the production of a final judgement to that effect.

The Court may, in pursuance of an application from the Control of Trade Marks or from the interested persons, order the addition of any statement in the Register the recording of which had been erroneously omitted therefrom, or the amendment of any statement contained therein which is inconsistent with the facts, or the striking out of any statement recorded without right.

PART TWO

Designs and Industrial Models

Article 35

For the purposes connected with the application of this Law, it shall be deemed a design or industrial model, every

¹⁾ Presumably should read "29".

arrangement of lines or every shape of body, with or without colours, for use in industrial production, by mechanical, manual or chemical means.

Article 36

There shall be established at the Control of Trade Marks, a register called "The Register of Designs and Industrial Models", in which, designs and industrial models and all descriptions relating thereto, shall be registered in conformity with the provisions of this Law and the Orders issued for the execution thereof.

Article 37

The application for the registration of the design or model, shall be submitted to the Control of Trade Marks, in accordance with the terms and conditions set forth in the Implementing Regulations to this Law.

The application may contain a number of designs or models not exceeding fifty, provided they form in their totality a homogeneous unit.

Article 38

The application for registration may only be rejected for non-fulfilment of the terms and conditions referred to in the preceding Article.

The applicant for registration may petition against the decision of the Control of Trade Marks to the Kulliyah Court, within 30 days from the date of being notified of the decision of the Control.

Article 39

On registration, the Control of Trade Marks shall give the applicant, a certificate comprising the following particulars:

1. the serial number and date of the application;
2. the number of the designs and models comprised in the application, and an indication of the industrial products for which they are appropriated;
3. the name, surname, nationality and domicile of the applicant.

The effects of registration shall commence from the date of submission of the application, if the application had fulfilled the legal requirements.

The registration shall be advertised in the manner prescribed by the Implementing Regulations of this Law.

Article 40

Every person is entitled to apply for extracts or copies from the Register.

Article 41

The transfer of ownership of the design or model may not be used in evidence against third parties, except after its inscription in the Register and publication in the manner specified by the Implementing Regulations.

Article 42

The period of legal protection secured by the registration of the design or model is five years, commencing from the date of the application for registration.

The protection may continue for two new consecutive periods, if the proprietor of the design or model applies for

renewal within the last year of each period, in the manner prescribed by the Regulations to this Law.

The Control of Trade Marks shall, during the month following the expiration of the period of protection, notify the proprietor in writing of the expiration of the period. If within the three months following the date of expiry of the protection period, the proprietor fails to submit an application for renewal, the Control of Trade Marks shall strike out the registration.

Article 43

A fee of ten Dinars shall be paid on submission of the application for registration of the design or model, and also on submission of the application for renewal.

This fee shall not be refunded in any case.

Article 44

The Control of Trade Marks shall strike out the registration made in the name of a person other than the real proprietor of the design or model, when a final judgement to that effect is issued by the Court.

The Control of Trade Marks shall, of its own accord or upon the application of the interested persons, effect such striking out.

Article 45

The striking out of the registration or its renewal must be published in accordance with the requirements specified by the Implementing Regulations.

PART THREE

Common Provisions. Offences and Penalties

Article 46

There shall be punished with imprisonment not exceeding two years, and a fine of not less than ten Dinars and not exceeding 225 Dinars, or with either such penalty:

1. any person who imitates the subject-matter of an invention in respect of which a patent had been granted in accordance with this Law;
2. any person who imitates the subject-matter of a design or an industrial model duly registered in accordance with this Law;
3. any person who knowingly sells or offers for sale or circulation, or imports from abroad or acquires with intent to trade, imitated products or materials bearing an imitated design or industrial model, if the invention, design or model is registered in Kuwait;
4. any person who, without right, places on products, notices, trade marks, or packing articles, etc., particulars leading to the belief of his having obtained a patent of invention, or a registration of a design or industrial model.

Article 47

The patentee of an invention, design or model may, during the hearing of the civil or criminal action, obtain from the President of the Kulliyah Court, an order to take all precautionary measures, and in particular the seizure of the imitated products or goods, as well as the machines and tools

that were or may be used in the commission of the offence, and of the goods imported from abroad on their arrival.

The interested person shall support his application, for adoption of these measures, by an official certificate proving the registration of the invention, design or industrial model.

Where necessary, the order issued for adoption of such measures, may cover the calling upon one or more experts to assist in its execution.

Article 48

The Civil Court and the Criminal Court may order the confiscation of the things seized or to be seized, for deducting the price thereof from the fines or compensations, or the disposal thereof in any other way as may be deemed fit by the Court.

The Court may further order the publication of the judgment in one or more newspapers, at the expense of the convicted person.

Article 49

The Implementing Regulations to this Law shall provide for the temporary protection of inventions, designs and industrial models, exhibited at national or international exhibitions, held in Kuwait or in one of the countries according to Kuwait a reciprocity of treatment.

The Minister of Finance and Economy shall issue an order specifying these exhibitions.

Article 50

If an application for a patent of invention is submitted in one of the countries according to Kuwait a reciprocity of treatment, the interested persons or their assignees may apply to the Control of Trade Marks in respect of such invention in conformity with the terms and conditions laid down in this Law, within a year from the date of submission of the application in the foreign country.

In exception to the provisions of Article 3 hereof, the publication of the description of the invention, its utilization or the submission of another application, in respect thereof, within the period provided for in the preceding paragraph, shall have no effect on the application for patent.

The provisions of this article apply to designs and industrial models, provided that the period is six months from the date of submission of the application for registration in the foreign country, without prejudice to the provisions of Article 11.

Article 51

The rights of a patentee are not derogated by the utilization of the invention in land, sea and air means of transport, belonging to one of the countries according to Kuwait a reciprocity of treatment, when they are casually or temporarily in Kuwait.

Article 52

The provisions of this Law are applicable to the inventions, designs and industrial models which enjoy legal protection at the time this Law comes into operation, provided that the application for patent of invention or application for registration of the design and model is submitted within two years from the said date. The duration of the preceding pro-

tection shall be included in the duration of the protection conferred by this Law.

Article 53

The employees of the Commercial Section in the Ministry of Finance and Economy may not, either personally or through a third party, apply to obtain patents of invention or to register designs or industrial models, except after the lapse of at least two years from the date of their leaving the service.

Article 54

The Minister of Finance and Economy shall issue Implementing Regulations specifying the provisions relating to the application of this Law, and in particular:

1. regulating the keeping of registers of patents of invention, designs and industrial models;
2. terms, conditions and intervals connected with the administrative proceedings;
3. terms and conditions connected with publicity and advertisement provided for in this Law;
4. fees relating to the delivery of copies and certificates and to various acts and inscriptions.

Article 55

The Minister of Finance and Economy and the Minister of Justice are charged, every one within his jurisdiction, with the enforcement of this Law which comes into operation after three months from the date of its promulgation in the *Official Gazette*¹⁾.

GENERAL STUDIES

Contemporary Problems of the Rights of the Authors of Scientific Discoveries

By Professor Dr. Stojan PRETNAR, Ljubljana

(Part One)

(Translation)

Contents: I. Introduction. — II. Historical survey of the development of the problem. — III. The theory of the right to scientific discoveries: 1. The concept of the scientific discovery and its place in the legal system. 2. The relation of the scientific discovery to patent rights and copyright. 3. Past doctrine on scientists' rights. 4. The socio-economic principles underlying right to intellectual works. — IV. Substantive law of the Czechoslovak Socialist Republic and the Union of Soviet Socialist Republics (USSR). — V. Conclusions.

I. Introduction

The problem of the rights of the authors of scientific discoveries is far from new. For many years past it has been known under the not altogether suitable name of scientific property, and has been the subject of heated discussion. This

¹⁾ This Law was promulgated in Kuwait *Official Gazette*, No. 373, dated April 15th, 1962.

term was taken from French practice and doctrine, in both of which other kinds of property had been developed earlier: industrial property; literary and artistic property; and commercial property. Recently, the expression has been rightly abandoned, and not on theoretical grounds alone. Not only was there no ownership in scientific discoveries; all efforts were originally turned towards merely bringing such a right into existence as a first step. The term in current use — scientists' rights — though itself not entirely appropriate, none the less answers much better to the realities of the situation, and is also being used by UNESCO in its efforts to solve the problems springing from the present situation¹).

Although all earlier attempts to establish and regulate on the national and international planes the rights of the authors of scientific discoveries have foundered. It would appear however, that the opportunity now arises to review the entire nexus of issues involved and to bring them once more into the forum of international discussion.

There is special reason why the present writer has chosen the pages of *Industrial Property* as his vehicle: it was the Paris Union itself, or more accurately the Deputy Director of the Berne Office, Mr. Gariel, who threw himself wholeheartedly into the efforts made in the 1920s to create the right of which we are writing, and brought his compelling authority and lively intelligence to bear to get things moving in this field. We have him, too, to thank for the fact that our Journal should have devoted so much space to this problem as long as 40 years ago.

Hence the main arguments for again broaching the thorny subject of scientists' rights are to be found in the times in which we live. Whereas a few decades ago the connexion between scientific discoveries and production was fatal for the several attempts to create a special right pertaining to the authors of scientific discoveries, the process of scientific and technological development has in recent times brought with it such a degree of integration between scientific research and production that everything incites us to make yet another attempt to create this right, so desired by everybody, but never yet brought to life.

This process of integration between science and technology has led to a real scientific and technical revolution, which today both reflects the problem of the economic development of each and every individual State and constitutes the crux of world development as a whole.

No problem can really be satisfactorily solved for any length of time by a pragmatic approach. Every one of the new problems with which our times are constantly confronting modern economics, and hence the development of the means of production and production itself, calls for a scientifically sound solution; so, too, conversely, every new scientific discovery clamours to be transformed into a production pro-

cess, in order that it may keep up with the steadily increasing pace of technological development.

These facts, nowadays obvious to everybody, and development trends do not, however, affect merely the integration of the scientific discovery into practical economics; the process also forms a meaningful element of the present-day social and legal system. In this connexion there comes readily to mind the problem of automation, which of necessity brings the working masses, which have hitherto enjoyed full employment, face to face with redundancy.

The first impetus towards the creation of the rights of scientists to their discoveries was given more than eighty years ago; but for the first serious attempts to bring order into a confused situation the world had to wait until the years immediately following the First World War, when the then newly-established world organization, the League of Nations, brought the full weight of its authority to bear in favour of a constructive solution to the problem. However, results were confined to the few positive recommendations that emerged from the countless discussions, recommendations which are still of the greatest importance for a scientific analysis of the problems involved.

Despite the failure of the League of Nations, the idea of creating such a right was kept alight, and after the Second World War the problem was taken up again by UNESCO. The formal point of departure for the new efforts put forth by UNESCO — also a world-wide international organization — was the Universal Declaration of Human Rights of 10th December, 1948, Article 27, paragraph (2), of which reads as follows:

“... everyone has the right to the protection of the moral and material interests resulting from any scientific ... production of which he is the author.”

Strange to say, UNESCO itself had little faith in the success of its own efforts, since it was bound to take account of the earlier failures, and did so with a vengeance. Hence the sceptical conclusion at which it arrived — that the highly complex set of problems involved had never been successfully grappled with²).

This conclusion, formulated in 1953, no longer answers to the facts, since the Czechoslovak Socialist Republic, by the “Inventions, Discoveries and Technical Improvements Act” of 1957, followed by the USSR, by the Decree relating to “Discoveries, Inventions and Rationalization Proposals” promulgated in 1959, have already regulated the problem positively.

During the endeavours made by the League of Nations between the two world wars to introduce international regulation of the problems concerned, the relevant proposals were dismissed on the ground, among others, that the question had never yet been solved on the national plane in any country³).

There is accordingly sufficient practical reason for giving this very complicated subject all the attention it deserves in the present age. A bald, descriptive discussion of the situation would not, however, suffice: given the many vain attempts, made in the past to achieve our goal, the present study must

¹) Cf. UNESCO, *Copyright Bulletin*, Vol. VI. No. 2, 1953: “Scientists' Rights”. This Bulletin, which will be referred to hereinafter as “Bull.”, is published in English and French. All quotations in this translation are taken from the English version. — Some writers had made use of this term even earlier, e. g.: P. Olgner, *Le droit des savants* (Scientists' Rights), Paris, 1937; R. Weiss, *Les premières étapes d'une Charte mondiale des droits intellectuels* (The First Stages of a World Charter of Intellectual Rights), Vol. I, *Droits du savant* (Scientists' Rights).

²) Bull., p. 4: “... the problem has never been solved”.

³) e. g., Holland (Bull., p. 63) and Great Britain (Bull., p. 66 et seq.).

be centred on a theoretical analysis of the earlier failures, so that a new failure can be avoided from the outset. To make the theoretical treatment more easily understandable, it must be preceded by a short historical survey, since the vain endeavours made in the past can be adequately appreciated only in the light of historical happenings. Later, to the chapter on the theory of scientists' rights has been appended an exposition of the positive legislation of the Czechoslovak Socialist Republic and the USSR; and, finally, to round matters off, a few of the conclusions that can be reached are stated.

II. Historical Survey of the Development of the Problem⁴⁾

At the 1879 Congress of the International Literary and Artistic Association (ILAA), a physician, Dr. Déclat, proposed that, on the analogy of the protection of copyright, new therapeutic methods, preparations and substances, by means of which epidemics could be arrested and serious diseases cured, should also be protected. This proposal met with no response, and another ten years were to elapse before, in 1888, a German named Oppert, living in Paris, tabled a proposal, again at an ILAA Congress, this time in Venice, to the effect that the Association should include in its future programme of work the question of the independent legal protection of scientific creations, modelled on copyright but separate from it. At the ILAA Congress held in Berne in 1896, the question came up again: the protection afforded to literary and scientific works should be extended to all works of the intellect, scientific works being brought under the protective umbrella of the law even where not cast in literary shape.

But not until the Congress held in Turin in 1898 did matters reach the point of ILAA's itself unanimously adopting a resolution expressing a desire that all previously unprotected works of the intellect should be assimilated to copyright works in the matter of protection. Later, various persons put forward other proposals couched in more specific terms: for instance, the Italian architect, Pesce, formulated the demand that protection should be guaranteed to the authors of technological discoveries; and the Paris lawyer, Vannois, demanded protection also for such scientific discoveries as, for example, methods of decyphering hieroglyphics or restoring illegible or faded historical texts. Vannois also made an attempt to base his proposal on theoretical reasoning, arguing that the legal personality of the authors of works of the intellect should enjoy protection in all their conceivable forms. In this way, he established the previously non-existent category of intellectual rights as an element of natural rights, this in turn later becoming the keystone of the doctrine of the protagonists of the protection of scientific discoveries.

All these unsystematic and sporadic proposals remained strictly inside the magic circle of copyright protection throughout the period so far reviewed. And the problem came to the fore again some decades later within the same framework, when it was taken up by UNESCO, which, however, in includ-

ing it in the work programme of its Copyright Committee, did so only from the organizational and technical standpoint, and not in its substantive aspects.

Only in 1900, relatively late, did the Congress of Inventors' Associations demand that the authors of scientific discoveries be granted at least moral recognition, thereby bringing the solution of the problems involved within the more appropriate scope of the protection of inventors' rights, or, more precisely, patent rights. But in this direction, again, there were no further developments until the end of the First World War.

The first really organized attempts to devise a positive legal solution to the problem of the right to scientific discoveries began in France in 1921. The direct incentive for new proposals was provided by the difficult social situation in which scientific workers found themselves at the end of the First World War, especially as a consequence of the devaluation of the franc. The fear was even expressed that the impoverishment of the scientific worker as a class might lead to a crisis in scientific research itself at the very time when industry was piling up enormous profits as a result of favourable market conditions. The natural way out of this difficult position seemed to the scientific workers to lie in their direct participation in the profits of industry, for which the latter had precisely the application of new technological discoveries to thank. It seemed wrong, and unfair, that industrialists should be rolling in money when those who had laid the foundations of their wealth were condemned to eke out a bare existence. The scientists had a right to fortunes which would never have been amassed but for them⁵⁾.

The first person to propose direct action to secure the protection of the new rights was the journalist Lucien Klotz, who could already take pride in the fact that, as a result of his efforts, the so-called "*droit de suite*" ("continuing rights") had come into force in French law, in the copyright field, in 1920⁶⁾.

After Klotz had published a number of articles on the precarious situation of the scientific worker, two recommendations were considered at his instance in 1921; the first proposed that after the expiry of the protection afforded by a patent an appropriate *droit de suite* should be granted for a definite period to the persons entitled thereto; the second proposed that the author of a scientific discovery should enjoy a special new right, to be defined later. Both recommendations, as drafted by Klotz, were later adopted as resolutions of the French Inventors' Union.

Simultaneously with Klotz's activity, the Engineers' Group of the French Confederation of Intellectual Workers (CTI) took the question under examination and included it among the subjects for its campaign for the reform of the French Patent Act of 1844. The Group's resolution demanded that the reform should provide for recognition of so-called "principles" patents (*brevets de principe*), the subjects of which were physical or mechanical phenomena susceptible of industrial application. The owner of such a patent would not how-

⁴⁾ The historical data are mainly drawn from the following sources: *Bull., loc. cit.*, pp. 4-9; Ermann, *Wissenschaftliches Eigentum* (Scientific Property), Marburg-in-Hessen, 1929, pp. 4-36; and Poignon, *Comment le droit peut-il protéger l'œuvre scientifique?* (How can the law protect scientific works), Paris, 1929, pp. 20-38.

⁵⁾ Poignon, *op. cit.*, p. 23.

⁶⁾ Poignon, *ibid.*, pp. 21-24; Ermann, *op. cit.*, pp. 6 and 7.

ever be able to debar anyone from applying the protected principle and was to be put under an obligation to place its application at the disposal of every person whose invention had led to the industrial application of the discovery.

Here we encounter for the first time the significant feature which was to become characteristic of scientific discovery rights; even later, the possibility of such rights being exclusive was never even considered. Apart from the legal considerations adding emphasis to this particular feature, the general social significance of scientific discoveries comes fully into play. As we shall try to show in the theoretical analysis which comes later in this study, this precise feature was one of the most important reasons why it was impossible to achieve success in the creation of the new rights.

Also in 1921, the Dean of the Faculty of Law at the University of Paris and Member of Parliament, Professor Joseph Barthélémy, began to throw the weight of his great authority behind the campaign for the regulation, or rather the creation, of these new rights. He had already taken an active and leading part in formulating the proposals of the French Inventors' Union. As the starting point for his own work, he took the Union's proposals, together with the recommendations drawn up by Klotz, and by April 1922 had introduced in the French Parliament a bill in the form of an amending act to the Patent Act of 1844. In the explanatory preamble to his proposal, Barthélémy emphasized that it was very high time "to break with the scandalous customs of regarding the treasure-house of science as a mine open to all, where everyone can dig to his heart's content, without accounting to anybody" ⁷⁾.

Curiously enough, Barthélémy's amending bill was based on the law of copyright, rather than on that of patent rights. It provided that the rights of the author of a scientific discovery, like simple copyright itself, should prevail throughout his lifetime and for 50 years after his death. Priority of the idea could be proved in any way or by any means, and the right to protection was not subject to any special formalities. The essence of the rights of the author of the invention should lie in the recognition of his entitlement to appropriate participation in the gains resulting from the industrial application of his idea. Consequently, there is in this case, too, no exclusive monopoly right, but simply the limitation of the right to a legally justifiable claim.

Barthélémy's bill never became law. Nor did a kinder fate await a second bill, drafted for the CTI by a Doctor Dalimier and the lawyer Gallié. Both these drafters took into account the criticisms levelled at Barthélémy's bill, basing their own on the principle of patent law and limiting the new rights demanded strictly to "scientific discoveries" — a limitation which was to remain definitive for all further endeavours in our field.

7) Unofficial translation. — Quoted from Taillefer's report to the International Commission for the Protection of Industrial Property of the International Chamber of Commerce (ICC) in Paris; document 2644 of 11th May, 1927. — The present writer takes this opportunity of expressing his warmest thanks to ICC for having made available to him its documentation, which has apparently not been known to, or at least has not been mentioned by, earlier writers dealing with the historical background to our complicated subject.

None of these French efforts met with any success in France; all the same, they had the merit of constituting the first serious proposals and endeavours aimed at solving a problem which at the time was truly insoluble.

This merit is shared by the CTI, which brought the proposals of Dalimier and Gallié to the notice of the International Committee on Intellectual Co-operation of the League of Nations (the President of the Committee at the time being the well known French philosopher Henri Bergson), and which had placed the problem of scientific property on its programme of work as early as 1922. In this way, the problem transcended the national frontiers of France and for the first time made its appearance on the scene of the international regulation of new rights. The dominant feature of this new era was the efforts of the League of Nations, which provoked a surprisingly lively international discussion of the problem in which not only many States but also all the international organizations in any way connected with the subject took part. Academic scientists, faculties of law, and chambers of commerce and industry in all parts of the world also took the matter up vigorously, their deliberations resulting in many resolutions. The most eminent lawyers, philosophers and scientists took part in the discussions between the two world wars, so that we have to hand for our study of the problem a voluminous and thorough documentation ⁸⁾. In this debate, which suddenly blossomed out into a world-wide discussion of the new rights that were still to be brought into existence, the Serbian Academy of Sciences, with a number of important contributions ⁹⁾, and the Faculty of Law of the University of Ljubljana, with a fundamental analysis of the problems concerned ¹⁰⁾, also took part.

In placing the question of the creation of the new rights on its future programme of work, the International Committee on Intellectual Co-operation of the League of Nations had strongly emphasized that the idea itself underlying the discovery, and not merely its industrial application, enjoyed a right to protection ¹¹⁾. Subsequently, the Committee invited the Italian Senator, Professor F. Ruffini, to prepare the draft of an international convention for the protection of the rights of authors to their scientific discoveries or inventions. The draft was completed in 1923 ¹²⁾.

Ruffini took as the basis for his draft convention the underlying idea of the two French bills of Barthélémy and Dalimier-Gallié, defining the new rights to be created in the following manner:

The subjects of the new rights are (Article 2):

⁸⁾ The main items in this bibliography are to be found in *Bull.*, pp. 25-29.

⁹⁾ "Scientific Property", report by Professor J. Perić (Belgrade), submitted to the Royal Academy of Serbia, Special Editions, Book L. Social and Historical Studies, Book 20, Belgrade, 1924. This treatment of the subject is not mentioned in the *Bull.*

¹⁰⁾ "The views of our scientific institutions on the protection of scientific property", *Glasnik Uprave za zastitu industrijske svojine* (Bulletin of the Office for the Protection of Industrial Property), Belgrade, 1924, pp. 846-499. This study, too, is missing from the bibliography given in the *Bull.*

¹¹⁾ Ermann, *op. cit.*, p. 9.

¹²⁾ The full text of the draft convention and governmental observations thereon will be found in *Bull.*, pp. 58-61. The accompanying explanatory preamble, together with the text of the convention itself, can be consulted in League of Nations document A.38.1923.XII.

“The authors of scientific discoveries or inventions . . .”

The objects of the protection are (Article 3):

“ . . . discoveries, that is to say, expositions and demonstrations of the existence, previously unknown, of laws, principles, bodies, agents or properties of living beings or of matter, and inventions, that is to say, creations of the mind . . . the specifically scientific character of which deprives them of the protection granted to works of industry, art and literature.”

Therapeutic discoveries or inventions are expressly included in this protection (Article 10).

So far as the content of the right is concerned, Ruffini, too, in Article 5 of his draft, expressly denied to the authors of discoveries and scientific inventions an exclusive right to the industrial or commercial exploitation of their creations, while at the same time recognizing their intrinsic right to a royalty in respect of such industrial or commercial applications. The scale of the royalty is to be specified in the contract, and where the parties are unable to agree on the scale, it is to be fixed by the courts.

The right *per se* is established by the furnishing of proof that the author has adequately publicised his discovery or scientific invention, publication in technical reviews, in the proceedings of scientific congresses or in academic papers being deemed sufficient for this purpose (Article 7). The author may, however, also secure recognition of his rights through a “principle” patent, granted on the conditions laid down for the award of an “application” patent (Article 9).

As regards the duration of protection, Ruffini too retained the provision that this should be for the lifetime of the author and for 50 years after his death, even where the right has been established by the grant of a “principle” patent.

The International Committee on Intellectual Co-operation approved Ruffini's draft, which was then adopted by the Council, and transmitted by the latter to the Assembly, of the League of Nations. The Assembly, however, was more cautious, and, still in 1923, decided first to transmit the draft to all governments for their comments and observations.

Before describing briefly the outcome of this enquiry, it must first be made clear that Ruffini's draft pointed the way for later efforts and drafts, in that he firmly pinned the centre of gravity of the right to the legally justified claim to be granted to the individual authors of scientific discoveries *vis-à-vis* individual industrial or economic enterprises. We dwell with emphasis on this characteristic feature, since it is at the same time the chief weakness not only of Ruffini's draft, but also of all later efforts, which could not break away from this framework. It is precisely this weakness that made inevitable the failure of all subsequent attempts, despite all the good will and endeavour that went into them.

For this reason, the second outstanding idea of our times, that formulated by Professor Gariel, the former Deputy Director of the Berne Bureau for the Protection of Industrial Property, deserves special attention. Professor Gariel, who had both the French draft bills at his finger tips, published his original views on the entire problem in *La Propriété Industrielle* in 1923, before Ruffini had prepared his draft conven-

tion or submitted it to the Committee on Intellectual Co-operation.

Professor Gariel obviously had a highly sensitive appreciation of what was legally possible in the economic sphere in his time, and of the society in which he lived, and he therefore rejected from the outset the concept of an individual right to claims *vis-à-vis* individual enterprises which were economically exploiting a given scientific discovery. In the main, he based his views on two arguments. The first of these is not convincing: that the entire usufruct should go to him who bears the risk inherent in the undertaking, that is, to the owner of the enterprise. The second argument is much more meaningful: by this, in our view, Gariel underscores the social significance of the scientist and his work. Since the scientist works creatively and, in a sense, surrenders his discovery by making it public and thus allowing its assimilation into the production process, he, in Gariel's view, serves industry as a whole; consequently, the latter should set up a national fund from which the scientist could draw his financial recompense for the contribution he makes to economic and technological development.

Despite his feeling for social and economic trends, Gariel too was unable to make much headway with his idea¹³). But it remains to his credit that he brought to light, the essential weakness of Ruffini's draft, and, by laying emphasis on the social role played by the author of scientific discoveries, pointed to the only possible way out. Despite a few favourable votes, Gariel remained isolated in the great debate that raged between the two World Wars. Industry, like the economic spokesmen, also declined to have anything to do with his proposal, rejecting the proposed new method of mulcting them in just as the individual proprietors of economic enterprises had declined their individual liability.

The comments on Ruffini's draft communicated to the League of Nations were hardly encouraging. Only fourteen States replied; of these, only two (Belgium and Holland) expressed their qualified approval of the draft, all the rest rejecting it. The strongest industrial States in the world (France, Germany, Italy, USSR and USA) did not reply at all¹⁴). These negative attitudes had their origins first of all in the structure of society itself; but at the same time they revealed all the weaknesses of Ruffini's draft from the legal standpoint. After the introductory diplomatic courtesies, and even after generous recognition of the need for creating the new rights, first sociological and then legal objections were raised to justify the unfavourable response.

The principal objection, which was later advanced again and again with the utmost persistence, drew its strength from the opposition of industrial circles to new burdens (Austria, United Kingdom). On legal grounds this objection was effectively supported by the argument that an industrialist would never know exactly how much he owed, or to whom, which entailed a risk of multiple court actions and, even if there were no such actions, would introduce an element of uncer-

¹³) Cf. Gariel, “Scientific Property and the Industrial World”, Document 2.136 of the International Chamber of Commerce, February 1926.

¹⁴) *Bull.*, p. 56. Details of replies from Governments follow on pp. 63-68.

tainty into the calculation of production costs (Holland, Sweden). The objection, that to offer financial incentives to the authors of scientific discoveries would harm science itself rather than render it service, since all true scientists were moved only by "idealism" (India, United Kingdom), is not only strange but trite (Ž. Perić expresses the same thought, *op. cit.*, p. 31). A further objection asserts that, no matter how important a particular discovery may be, the scientist responsible for it makes full use of earlier discoveries and earlier knowledge which others have built up¹⁵). Ruffini's draft was also criticized on the ground that the time was not ripe for it and that further work was needed before the problem could be satisfactorily solved (Japan, Sweden, United Kingdom); Holland, on the other hand, rejected the idea of international regulation, on the ground that such protection had not yet been regulated by law by any one individual State. The United Kingdom added the comment that the draft signally failed to bring within the scope of the proposed protection the most world-shaking discoveries, for example, the law of gravity or Einstein's theory of relativity. In the opinion of the Swedish Government, Ruffini's text provided no answer to the question raised by the fact that one and the same discovery could be made simultaneously, separately and independently by different authors. The further objection that, in respect of their duration, the new rights were to be based on the protection granted to patents, and not on that conferred by copyright, was both pertinent and weighty (Austria, Holland). But in our opinion, the United Kingdom had undoubtedly gone to the heart of the matter in emphasising in its reply that only the application of the idea, and not the idea *per se*, could be the object of protection.

On this occasion the Yugoslav Government took no official position *vis-à-vis* Ruffini's draft; but in this connexion the position taken by Professor Perić, which was adopted in turn by the Faculty of Law of the University of Ljubljana merits attention.

Professor Perić concentrated on analysing the draft from the angle of legal doctrine, although the conclusions he reached as a result of this analysis were not altogether clear. Generally speaking, he rejected Ruffini's proposal in an argument in which he came close to Gariel's idea, especially in respect of the suggestion that the State was called upon to regulate, without intermediary, and "for the common weal of society as a whole" the right of scientists to their scientific discoveries¹⁶).

The Faculty of Law at Ljubljana prepared a comprehensive opinion, rounded off by a summary, in which the ideas embodied in Ruffini's draft were cautiously approved, although the authors advocated a reduction to thirty years of the period of protection following upon the author's death. The Faculty thus made Ruffini's draft its own principle, while making the further suggestion that the period of protection of scientific discoveries should last for only 15 years in cases where the discovery at the same time represented an inven-

tion in respect of which the author had not taken out a patent.

Borne down by the weight of all these critical objections and comments, it was out of the question that Ruffini's draft should command any support. The International Committee on Intellectual Co-operation realised that it would have to be substantially expanded or amended. The Committee was also obliged to recognise that the next thing to be done was to ascertain the immediate position of those on whom the burden resulting from the assertion of the new rights would fall, mainly the industrialists. Before the second, so-called Paris draft was drawn up in 1927, two important international organizations active in the economic field embarked upon a thorough discussion of the entire complex of problems: ICC in Paris, through its International Commission for the Protection of Industrial Property, and the International Association for the Protection of International Property (AIPIP). This fact in itself goes to show how much attention was being paid to the problem at this time.

ICC took up the matter for the first time in 1924, cautiously announcing that it could take no final position *vis-à-vis* Ruffini's draft until economic and industrial circles in different countries had clearly made known their views on the matter.

After the negative reception accorded to Ruffini's draft by the governments of so many States, the Institute of Intellectual Co-operation of the League of Nations, which had been set up in the meantime (in 1925), came to see that there was no further point in approaching governments until the representatives of private enterprise had stated their views. The Institute accordingly made a direct approach to ICC, by means of a special memorandum, which ICC retransmitted to its National Committees in the form of a questionnaire, to which it added a few questions of its own. The memorandum emphasized the bond between industry and science, explaining that industry in large measure owed its prosperity to science, and adding that this prosperity would be threatened unless the material situation of scientific workers was substantially improved. The authors of the memorandum saw justification for the speedy international regulation of the problem in the fact that only by the means proposed could the burden which recognition of the new rights of scientific workers would mean for industry be fully and uniformly distributed. It is, moreover, noteworthy that the memorandum of the Institute of Intellectual Co-operation no longer bases its arguments solely on Ruffini's draft, but gives equal prominence to Gariel's theses, which it even regards as a better solution. ICC ought to decide as to which of the two solutions was the more favourable to industry. In the event, Gariel's proposals proved the more acceptable to ICC, one of the reasons for this being Gariel himself had drafted a special report on the subject for ICC and restated his own position and views therein¹⁷).

The Rapporteur of the International Commission for the Protection of Industrial Property at this time was the Paris

¹⁵) This argument, which Perić also adduces (p. 28), is in itself very weak, since it also applies, and possibly *a fortiori*, to inventions, which none the less enjoy strong protection.

¹⁶) Perić, *op. cit.*, p. 31.

¹⁷) Doc. No. 2.136, as mentioned in footnote 13.

lawyer André Taillefer, who was also General Rapporteur of IAPIP. On the basis of the replies received in answer to the Memorandum of the Institute of Intellectual Co-operation and the enquiry carried out by ICC, the latter drew up a comprehensive report¹⁸), in which the disappointing refusal of either individual industrialists, or of industry as a whole (Gariel's proposal), to assume any new burdens was established. Some of the unfavourable replies received also made much of the legal inadequacy of the proposed solution. Taillefer himself came out in his report on the side of the new right, despite its rejection by those who had replied to the questionnaire, mainly on the ground that it met the requirements of the "concept of equity". He thereby committed himself to the defence of an idealistic thesis with no intrinsic content. Taillefer himself, however, believed that, so far as the new definition of the proposed subject of protection was concerned, both Ruffini's draft and Gariel's proposals were too imprecise; he accordingly came to the conclusion that "practical success" in the matter could be achieved only by extending the concept of the patent to cover scientific discoveries as well. Taillefer's creditable and sincere opinions, of course, constituted no decisive counterweight to the arguments of the industrialists, and the International Commission of ICC was obliged to bring its work to a close with a statement that the different views expressed by the various National Committees "do not permit of any opinion being expressed at the present stage as to the ways and means by which this protection could be ensured"¹⁹).

Apart from the efforts made to tackle our problems within the framework of ICC, the subject also came up for discussion at the IAPIP Congresses held in Geneva in 1927 and in Rome in 1928. At both meetings, Dr. R. Weidlich made outstanding speeches on behalf of the German National Committee of IAPIP. In Geneva, he flatly rejected any introduction of new rights for scientists, mainly because of the practical difficulties involved. In addition, he stated emphatically that it would not be proper to introduce such new rights, since honorary rewards, such as the Nobel Prizes, should be enough for scientific workers²⁰).

At the second Congress, in Rome, Dr. Weidlich again intervened energetically, and even went so far as to table a resolution²¹), in which it was asserted on behalf of the German Section of IAPIP that the proposed protection of scientific discoveries would constitute a measure that would shake the existing system of protection of industrial property to its foundations and would create a new source of uncertainty and burdens for industry and impede the course of industrial development, without at the same time bringing corresponding

gains to the scientists. The draft resolution concluded by demanding that, on the foregoing grounds, the question be taken off the IAPIP agenda once and for all.

IAPIP never again discussed the problem as a whole. We have expressly singled out Dr. Weidlich's activities for mention because at the time he was a member of the board of *Farben Industrie, AG.*, so that his statements certainly reflected the thinking of German Big Business; otherwise the idea of introducing the new protection could never have been rejected so vehemently.

Such was the climate in which the Paris Draft, already mentioned above, made its appearance in 1927 (at the Rome Congress, in 1928, IAPIP dealt with this draft alone, ignoring Ruffini's text entirely); the new text had been drafted by a Committee of Experts under the leadership of the distinguished Paris lawyer, Senator Marcel Plaisant²²).

The new Paris Draft was much more realistic than Ruffini's text; it no longer made all scientific discoveries without distinction the object of protection, but limited itself to those open to material utilization. The draft goes on to define (restrictively) material utilization as utilization contributory to the production of a commercial commodity²³). This principle is further strengthened by the requirement prescribed in Article 3, that the discovery must lead to the development of new means of production or to new applications of existing means.

So far as the content of the right is concerned, the Paris Draft is identical with Ruffini's text: the author of a scientific discovery enjoys no preventive exclusive right; his right is limited to an appropriate share in the profits, to be claimed from the enterprise exploiting the discovery.

When the Director of the International Institute on Intellectual Co-operation submitted the Paris Draft to the League of Nations in 1928, he did so in an unhelpful frame of mind, since it had proved impossible during the preceding five years to win over the opponents of Ruffini's draft, especially in Germany and the United States of America. In his report, he foresaw that the new draft too would run up against great difficulties, both among scientists (he had legal experts in mind, not those whose rights were directly involved) and in industry²⁴). In an attempt to overcome this resistance, the League of Nations sought yet another solution: its own Economic Committee put forward the suggestion that industrialists should cover by insurance the risks inherent in their liabilities *vis-à-vis* the authors of scientific discoveries. After consultation with a committee of insurance experts, the conclusion was reached that this idea could in principle be put into practice²⁵).

In 1930, the League of Nations transmitted the Paris Draft, completed by the findings of the insurance experts, to

¹⁸) ICC Doc. No. 2.644: "On the protection of scientific property". This report accurately presents and thoroughly analyses the answers received from the eleven National Committees of ICC, including those in all the more important industrial countries of Europe.

¹⁹) Statement made at the session held in June 1927, Document 2.714.

²⁰) Ermann, *op. cit.*, p. 16. The idea of relegating the problem to the area of temporary awards — which admittedly are not based upon or justified by any previously established right — was very prevalent in Germany, where it was also advocated by Professor Heymann. The Prussian Academy of Science also approved of Professor Heymann's position, which is stated in the Professor's own terms in the foreword to Ermann's book (p. XII).

²¹) Ermann, *op. cit.*, p. 16.

²²) *Bull.*, p. 69. See also M. Plaisant, *Traité de droit conventionnel international de la propriété industrielle* (Treatise on international treaty law relating to industrial property), Paris, 1949, pp. 285 *et seq.*

²³) *Bull.*, p. 69: Article 2.

²⁴) The word "industry" is used in the broad French sense in all drafts. It is expressly stated in the explanatory note to the preamble of the Paris Draft that: "In French, the term 'industry' covers all forms of activity in which man is engaged in his efforts to subjugate matter"; *Bull.*, p. 71.

²⁵) *Bull.*, pp. 57, 76, 77.

"all countries"²⁶⁾. However, the success of this undertaking was as limited as that of the attempts made a few years earlier. Of the 17 replies received, only six declared that the governments concerned were prepared in principle to support the new draft; and of these six, only three agreed that an inter-governmental conference should be convened. Among the unfavourable replies were those from Czechoslovakia and Yugoslavia. It was remarkable, too, that France, whose lawyers and sociologists had been the most active protagonists of the introduction of the new right to protection, did not reply at all. The Union of Soviet Socialist Republics likewise sent no reply. Finally, it is interesting to note that Germany and Austria cited the great economic crisis which was threatening the world at the time (1929-1934) in justification of their unfavourable reaction to the new proposals.

(To be continued)^{26a)}

CORRESPONDENCE

(Translation)

Letter from France

By Paul MATHÉLY, Barrister at the Court of Paris

Since the last letter of October 1960, French jurisprudence has not introduced any innovations into the system of protection of industrial property.

Patents

I

Regarding patentability, various decisions have given rise to the application of already established rules under conditions which are noteworthy.

(1) The Court of Paris gave an award on 14th January, 1960 stating the validity of a patent which described a process for the production of a pharmaceutical compound, Phenylbutazone (*Ann. prop. ind.* *], 1960, p. 7, and note by R. Méttetal).

Under the law, the special patent for medical products not having as yet been established at the time, the product, although a novel one, was not patentable as a pharmaceutical compound, but its method of production was entitled to a patent.

The process consisted in setting up a reaction between two given compounds, the n-butyl malonate of ethyl and hydrazobenzene in contact with a certain condensation agent.

Previous to the patent, it had already been possible to obtain certain by-products of dioxo-pyrazolidine (phenylbutazone is a specific by-product of dioxo-pyrazolidine), and

they had been produced by setting up a reaction between a malonate and a hydrazine, in contact with the condensation agent which had been the object of the discovery.

The Court considered that the process patented was not affected by the principle of anticipation, as a result of the fact that certain other by-products of dioxo-pyrazolidine had already been obtained by causing a reaction between a malonate and a hydrazine in contact with the already known condensation agent; and that the process was new, in so far as it applied a reactive substance (n-butyl malonate of ethyl) which had never been used in any former known reactions, and that the choice of this reactive determined the nature and properties of the product obtained.

Consequently, the Court decided that the process was entitled to protection not only as a novel application of a known method, but as a new method in itself.

The award is interesting, in that it demonstrates two rules of law:

- the first rule is that a method can be affected by the principle of anticipation only by an identical or strictly equivalent method; and it should be added, two methods are equivalent when they fulfil the same function and in the same manner and lead to the same result, although they may have different forms;
- the second rule is that the novelty of a process is not invalidated by the fact it might be the application of a general method or the transposition of a known process; this means that the possibility of a selective invention is admitted and that the principle of anticipation by analogy is rejected.

(2) The Court of Paris, in a decision on 2nd April, 1960 (*Ann. prop. ind.*, 1961, p. 1), declared patentable a filing-cabinet composed of a cabinet containing sloping shelves and files made of cardboard folded in two.

The Court considered that this filing-cabinet was an industrial product composed of a combination of known methods: the cabinet and the files, which were known separately, cooperated in reaching a joint result, the advantageous combination of vertical and horizontal filing and the saving in wear and tear of the files; it did not seem important that the combined elements should retain their individual character.

The Court further considered that this product was a novel one, as compared with a previous cabinet composed of a unit with sloping shelves and spring-back binder, on grounds that the substitution of the pocket-file of the patent for the spring-back binder of the anticipated patent produced special industrial results.

(3) Changes in substance are considered patentable when the use of the new substance produces unexpected results, which are not caused only by the character of the substance or when the new substance is combined with other elements to produce an industrial result. On the other hand, when the use of the new substance produces no further results than those inherent in the character of the substance itself, there is no novel application patentable. (R. Plaisant and P. Mathély, *Juris-classeur*, "Brevets d'invention", fasc. VI, No. 23).

²⁶⁾ *Bull.*, p. 57.

^{26a)} Owing to difficulties of paging, *La Propriété industrielle* contains a little more of this study in this number.

*) *Annales de la propriété industrielle, artistique et littéraire* (a quarterly publication, edited in Paris).

It was in that sense that the Court of Paris gave an award on 18th April, 1960 (*Ann. prop. ind.*, 1961, p. 253), by deciding that the substitution of soft rubber for hard rubber in a socket for fluorescent strip-lighting was only a change of non-patentable substance, the substitution producing no industrial result.

(4) An award by the Court of Paris of 25th January, 1960 (*Ann. prop. ind.*, 1960, p. 22 and note by A. Casalunga), may be quoted as pronouncing the invalidity of a patent for lack of novelty, in the presence of a more complex patent by anticipation.

The patent described a rivet forming an articulated joint which could be used in manufacturing wrist-watches. The patent by anticipation described a rivet having the same structure, but in which the male screw, instead of the patented continuous groove, had a groove which enabled disconnection after locking, a feature which was not covered by the patent.

The Court retained the principle of anticipation. It considered that when a patent merely reproduced certain methods belonging to a patent by anticipation with the same arrangement and results, without using other methods which were claimed by it, and which produced an additional result, the principal of anticipation was nonetheless operative.

It should be noted that to simplify an apparatus of the public domain may represent a patentable invention, when simplification leads either to a novel product or to a different industrial result (in that sense: Court of Paris, 19th May, 1956; *Ann. prop. ind.*, 1957, p. 45).

(5) Mention should be made lastly of an award by the Court of Paris of 3rd November, 1959 (*Ann. prop. ind.*, 1960, p. 98), for its exaction of evidence in producing proof of the disclosure of an invention.

The Court decided that the invention could not be considered as disclosed when there was no absolute proof that an arrangement corresponding to that of a patent had been at the origin of the despatch of a catalogue or public sale, and that only two letters addressed to third parties had been produced, the former containing only confidential communications.

II

Under French law, a patented invention is defined by the full description, completed by designs, and the summary has only an indicative value.

This rule was recalled by an award of the Paris Court of 23rd December, 1959 (*Ann. prop. ind.*, 1960, p. 44), which considered that the inadequacy of the summary should not prove detrimental to the patentee by restricting the extent of his rights, and that the summary might conceivably not mention clearly and fully the essential elements of the invention, whereas a careful analysis of the description would enable them to appear clearly.

III

(1) The future of inventions which are carried out by employees in their working hours is not regulated by law but by jurisprudence.

On this subject, several decisions were given, confirming the application of the following principles:

(a) The clause of a working contract assigning to the employer the property of inventions carried out by the employee is licit, when it is limited both as regards the nature of the research in question and its duration (Court of Paris, 1st October, 1960, *Ann. prop. ind.*, 1961, p. 261).

Thus, the property of the invention by the employee may be determined in advance by contract.

(b) Failing a contract containing other provisions, inventions carried out by an employee during his working periods and with the material of the firm, are the property of the employer. More particularly, the invention of the employee is described as a service invention and belongs to the employer when it is the result of work undertaken by the employee during his periods on duty and within the terms of his working contract (Court of Paris, 6th July, 1959; *Ann. prop. ind.*, 1960, p. 51). In particular, this was the case with an invention carried out by the Chairman Director-General of a limited company, the latter having a research service, the Chairman himself undertaking to supervise the research, and the invention being included within the study programme of the firm, and had been carried out in the laboratories and at the expense of the firm (Court of Paris, 9th May, 1961; *Ann. prop. ind.*, 1961, p. 266).

When these conditions are not fulfilled, the invention belongs to the employee (Court of Paris, 10th November, 1959; *Ann. prop. ind.*, 1960, p. 58).

(c) The fact that an employer, in taking out a patent, may include the name of an employee who is the inventor, gives no property rights in the invention to the latter (Court of Paris, 21st January, 1960, and Note by C. Massalski; *Ann. prop. ind.*, 1961, p. 15).

But it should not be thought that a reference of this kind is devoid of juridical consequence: under certain collective work contracts, the employer is obligated to pay service inventions.

(2) Licence contracts were the subject of two decisions.

An award by the Supreme Court of 22nd February, 1960 (*Ann. prop. ind.*, 1960, p. 50), recalled that the licensee, failing any contrary stipulation in the licence contract, was not obligated to make the annual payments on the patent.

An award by the Court of Paris on 10th November, 1959 (*Ann. prop. ind.*, 1960, p. 58) stated that when no time-limit had been stipulated, the patentee was entitled at any moment to put an end to the licence contract. But this decision may have been dictated by special circumstances; it is often admitted that a licence contract having as its object a temporary monopoly, is concluded for the duration of the patent failing any other stipulations on this point.

IV

(1) The Court of Paris had before it the question of determining whether the supply, with a view to its novel application, of a product belonging to the public domain and already covered by a patent, represented an infringement of that patent.

In an award on 28th November, 1960, the Court replied in the negative to that question (*Ann. prop. ind.*, 1961, p. 245, and Commentary by P. Mathély).

The Court decided on the one hand that the supplier of the product who did not himself manufacture or use the patented article could only be an accomplice, and, on the other, complicity in the act of infringement was not punishable.

These two grounds are highly controversial.

Firstly, a party who places on sale a product belonging to the public domain, with the intention of having it benefit by a patent, would appear to be a co-author of the infringement to be committed under the general principles of penal law. The co-author is guilty to the same degree as the main author (In that sense: Supreme Court, 14th August, 1937, 6th February, 1912 and 26th July, 1861; *Ann. prop. ind.*, 1938, p. 194; 1913, p. 162 and 1861, p. 289).

Further, although the supply of a known product with a view to its patented application is not an act of co-authorship, but merely of complicity, it should nonetheless undergo a penalty. Doctrine is unanimously opposed to jurisprudence which does not consider complicity in infringement as an offence: for this, jurisprudence is in contradiction with the provision in the Penal Code stipulating that the accomplice in an offence is liable to the same penalty as the main offender.

(2) An award by the Court of Lyon of 25th May, 1960 (*Ann. prop. ind.*, 1961, p. 11) applied the theory of "personal possession".

The Court decided that to have created the patented product, prior to the application for a patent, but only as a prototype which was not for public sale, did not represent anticipation, but entitled the manufacturer to a right of personal possession over the invention which would check the action introduced for infringement.

Designs and Models

(1) The Court of Paris had once more occasion to pronounce on the question of liability to protection of a model, when its constituent elements are considered as separate from those of the invention.

In an award of 30th March, 1960 (*Ann. prop. ind.*, 1960, p. 82), the Court pronounced the invalidity of a model dealing with a metal strip for the manufacture of bottle caps: the award mentioned that the characteristics of the model did not correspond to any research of an esthetic or decorative order, but only to the intention of adapting the object very accurately to the industrial objective in view.

(2) Regarding the ownership of the model, the Supreme Court, in an award on 8th June, 1959 (*Ann. prop. ind.*, 1960, p. 74), considered that an action for counterfeit of a model was legitimately rejected, the latter having been registered in France but created by a third party abroad, when the applicant did not supply evidence that he was the representative of the creator and had therefore no right to carry out registration in his name.

(3) Under the law of 14th July, 1909, an action for counterfeiting of a model is receivable only from the date its registration has been made public.

According to the procedure in force, two operations are carried out, the dates of which appear on the identification certificate of the model: the first operation is the opening of registration; the second is the public exhibition of photographic reproductions of the article registered.

Which of these dates should be chosen as that of publicity?

The Court of Commerce of Perpignan, by a decision of 5th January, 1960, and the Court of Paris, in an award of 16th February, 1960, gave contradictory answers to this question (*Ann. prop. ind.*, 1961, p. 23, and the Note by P. Mathély).

It would seem, in conformity with the letter of the law and logically, to consider, as did the Court of Perpignan, that the model is published, not dating from the beginning of deposit, but from the placing on sale to the public of reproductions of the article deposited.

Trade Marks

I

The question of validity of trade marks gave rise to abundant and interesting decisions in jurisprudence.

(1) For a sign to represent a valid trade mark, the law demands that it have a distinctive character with regard to the products indicated.

What is a distinctive character?

To be distinctive, it is doubtless unnecessary for the sign to be either original and novel in itself; it is sufficient for it to have relative novelty: this means that the mark may validly be represented by a known, ordinary sign, provided that sign was not currently used to designate the product in question.

But does the mere fact of novelty in the business in question suffice to give the sign a distinctive character? Is it not also necessary that the sign should not be thoroughly commonplace, and should be able to arrest the attention of the customer?

The Supreme Court answered this question in an award on 10th February, 1960 (*Ann. prop. ind.*, 1960, p. 117, and reference to a Note by R. Dusolier).

In the case submitted to the Court, it was a question of a mark representing a packing — a bottle — deposited to designate an anti-rust product: the bottle was of standard shape, but had never been used before to pack a product of the sort. The Supreme Court decided that invalidity of the mark had legitimately been pronounced, since the bottle was of a shape which was in common use and called "standard model", and that the shape could not arrest the attention of the buyer.

This means that the mere relative novelty of the sign is insufficient to endow it with a distinctive character and that to be a valid mark, the sign must contain an additional fancy or original element.

But care should be taken not to set up this conclusion as a general rule. The decision just mentioned was given in an extreme case which explains and justifies it.

(2) Evaluation of distinctive character and consequently of validity of the mark is a mere *de facto* question.

(a) Thus, the following were declared valid:

— the mark "Club", to designate Port wines, for it is not indispensable (Court of Paris, 26th October, 1959; *Ann. prop. ind.*, 1960, p. 125);

— the mark "Reblochonnette", to designate cheeses: in comparison with the original title "Reblochon", this appellation has an arbitrary and fanciful character, for it is a derivative of the latter; and it cannot be said that it is a mere diminutive of "Reblochon", for small cheeses being entitled to this denomination are described under the regulations in force by the term "small reblochous" and not "reblochonnets" (Court of the Seine, 1st February, 1960; *Ann. prop. ind.*, 1960, p. 146);

— the mark "Miel-Epil" to designate products for removing superfluous hair: the combination of the words "Miel" (honey) and "Epil" (shaving) is arbitrary, the more so as the product contains no honey; it cannot be concluded that the trade mark is deceptive, honey never having been considered as possessing properties for removing hair (Court of Paris, 1st April, 1957; *Ann. prop. ind.*, 1961, p. 296);

— the mark "Baby-Soupe", to designate soups: the denomination is a coined expression and derives sufficient originality to be entitled to protection through the inversion of the terms and concise effect produced by the unusual juxtaposition of two short nouns, the first taken from English, the second from French (Court of the Seine, 17th February, 1960; *Ann. prop. ind.*, 1961, p. 302).

(b) On the other hand, the following were declared as invalid:

— the mark "Conque Royale", to indicate gingerbread: the denomination is merely the combination of the name "Conque", the usual name of the product, and the adjective "Royal", usually used to describe products of superior quality (Supreme Court, 24th June, 1958; *Ann. prop. ind.*, 1959, p. 113);

— a mark representing a packing in synthetic resin with the shape and aspect of a lemon, to designate lemon juice: the container having the form of the fruit is of an essentially descriptive character as is the emblem itself (Court of Paris, 1st October, 1958; *Ann. prop. ind.*, 1959, p. 114, and commentary by R. Dusolier: the distinctive character should have been supplied by the fact that the shape of the fruit was used as a packing, which was neither necessary nor descriptive);

— the mark "Microminiature", to designate very small toy automobiles: the mark is composed of the word "Miniature", already used to designate small toy automobiles, and of the prefix "Micro", in current use in similar expressions (Court of Lyon, 28th March, 1960; *Ann. prop. ind.*, 1960, p. 138);

— the mark "Mousse", to designate rubber articles, for it describes exactly and technically the characteristics of the

product (Court of Paris, 20th April, 1961; *Ann. prop. ind.*, 1961, p. 278).

(3) Jurisprudence does not permit a person who is prosecuted for counterfeit of a mark to recall the existence of prior similar marks in arguing the invalidity of the mark with which he is confronted: only the owner of a mark which had been deposited previously may invoke ownership with regard to a later depositor and claim invalidity of the latter's mark; the party prosecuted for counterfeit is powerless to oppose prosecution by previous deposits over which he cannot prove that he has acquired some kind of right.

The Court of Paris applied this jurisprudence in an award on 24th November, 1959 (*Ann. prop. ind.*, 1960, p. 130).

II

Ownership of a mark is acquired either by deposit or by use.

Use may be carried out on behalf of a third party: thus, when the licensee of a patented apparatus, in designating the apparatus ceded by licence, uses a mark chosen by joint agreement between him and the patentee, he should be considered as having used the mark in his capacity as licensee for the account of the patentee, and is not entitled to preserve it at the expiry of the licence contract (Court of Paris, 10th November, 1959; *Ann. prop. ind.*, 1960, p. 58).

The use of a mark entailing rights consists only in using it vis-à-vis the public. Thus the ordering and printing of a catalogue bearing the mark adopted are in themselves, outside of dissemination among the customers, inadequate to create any privative right (Court of Paris, 21st December, 1960; *Ann. prop. ind.*, 1961, p. 192).

But once the right has been acquired, no one can infringe it, even an administration: thus, the administrative decision to designate a place known as "Aux Heaumes" cannot be detrimental to the acquired rights on the trade mark "Château-Les-Heaumes" (Court of Bordeaux, 29th June, 1960; *Ann. prop. ind.*, 1961, p. 283).

III

The scope of entitlement to the mark has been defined by the following decisions:

(1) It is an unvarying principle that a combined mark is protected not only as a whole, but as regards its separate elements, if they are liable to protection in themselves and distinctive. Thus, a deposit referring to a vignette and a denomination protects them both, and that the owner may invoke only the vignette (Court of Paris, 24th November, 1959; *Ann. prop. ind.*, 1960, p. 130).

When the mark consists of an emblem, the latter is protected in genere, i. e., independently of the particular form which was given to it in the deposit. The only exception is when the emblem is descriptive or commonplace: it is then protected only in the form of the deposit. In that sense, it was decided that a mark composed of a Maltese Cross to designate chloride of lime was imitated by another mark consisting of a Savoy Cross (Supreme Court, 3rd June, 1959; *Ann. prop. ind.*, 1960, p. 120, and Note by R. Dusolier).

(2) A mark is special when it is the object of an appropriation only for the products referred to in the act of deposit or for similar products. It was considered that almond wafers and chocolate were to be classified as similar products, for they were intended to be used as desserts, sold in the same departments and liable to be considered by the customers as being of the same origin (Court of Paris, 26th April, 1960; *Ann. prop. ind.*, 1960, p. 163).

In application of the same principle, a mark used to designate knitting machines was not considered as a counterfeit of an identical mark deposited for articles of underwear. The applicant had referred to the widely known reputation of his mark to obtain protection, even for different products. But this claim was not accepted because neither the period of existence of the mark, nor the publicity expenses carried out, nor dissemination of the products under this mark had been so great as to justify the mark being considered as having a definite reputation with the public at large (Court of Paris, 7th December, 1959; *Ann. prop. ind.*, 1960, p. 167).

(3) Property right is absolute and imprescriptible. Thus, the firm which owns since 1808 the mark "Au Bon Marché", was able to forbid the use of this denomination by a merchant in the Var, who had however used it since 1880 (Court of Aix-en-Provence, 22nd November, 1960; *Ann. prop. ind.*, 1961, p. 286).

IV

(1) Evaluation of imitation of a mark leaves room for a great many hazards.

In conformity with current jurisprudence, it was decided, for example, that the denomination "Dictone" was a fraudulent imitation of the mark "Dictaphone", because "Dictone" was an abbreviation of "Dictaphone", of which it reproduced the first syllable "Dict" and the last consonance "One", which gives both words the same visual and auditive aspect (Court of Paris, 28th January, 1960; *Ann. prop. ind.*, 1960, p. 174).

Two decisions of the Court of Paris illustrate the severity of the judges in certain specific cases: it was decided that the denomination "Sura" was a counterfeit of the mark "Suralo", of which it reproduced the characteristic element, and that the denomination "Clemro" imitated the mark "Baroalem", of which it reproduced the original syllables by reversing them (decisions of 22nd June, 1959, and 28th April, 1960; *Ann. prop. ind.*, 1960, p. 202 and 206). On the other hand the same Court of Paris considered that the denomination "Sulfidol" was not an illicit imitation of the mark "Sulfidol", in the pharmaceutical products trade, the root "Sulf" being in current use, and the various terminations being sufficient to avoid confusion between the two signs taken as a whole (decision of 30th June, 1959; *Ann. prop. ind.*, 1959, p. 160).

An original decision was reached by the Court of Paris on 4th March, 1959 (*Ann. prop. ind.*, 1959, p. 140, and Note by A. Le Tarnec): the Court decided that the mark "La Vache Sérieuse" was an illicit imitation of the mark "La Vache qui Rit" to designate cheeses. The Court was of the view that evaluation of an imitation should not be confined to

consideration of the material similarities perceptible to the senses, but should include subjective elements which created an impression in the minds of the public. This is equal to admitting intellectual resemblances and to penalizing imitation by contrast.

Lastly, it was decided that the denomination "Riz-Flash" was not an imitation of the mark "Riz-Eclair", for the twofold reason that the English word "Flash" is not the literal translation of the French word "Eclair", and that in any case the word "Flash" has become of current use in French, with a meaning which is not identified with that of the word "Eclair" (Decision of 3rd November, 1959; *Ann. prop. ind.*, 1960, p. 194).

(2) The substitution of products was the subject of a most interesting decision in law by the Court of Paris on 6th February, 1960 (*Ann. prop. ind.*, 1960, p. 187, and Note by G. Gaultier).

A merchant had sold to a customer, on his verbal request of a product under a trade mark, a product which did not originate from the productions of the holder of the mark.

The Court considered that a case of this kind did not represent the offence of fraudulent use of the mark, the material addition of the mark on the product or its packing not having taken place; but it decided that the case was nonetheless an infringement of the ownership of the mark protected by the law.

This consecrates the theory that the owner of a mark benefits by general civil action with regard to any usurpation of the mark, although usurpation may not take the form of one of the counterfeit offences defined by the law.

V

Evaluation of the damages due by the usurper of the mark raises a difficulty.

The mark confers no monopoly on the product. Research should therefore be carried out to determine the extent to which the use of the mark usurped enabled the usurper to carry out sales to the detriment of the owner. Account should also be taken of the depreciation of the mark. It was in that sense that the Court of the Seine gave a decision on 9th December, 1958 (*Ann. prop. ind.*, 1961, p. 303).

Trade Name

Is the namesake of a previously established merchant entitled freely to use his name in the same trade?

Current jurisprudence decided that anyone who actually and personally carries on an industry or a business is entitled and even should use his family name in all the acts of his profession: the formerly established namesake can merely impose upon him certain conditions in the use of the name, for example, the addition of the first names, to avoid harmful confusion. The only exception is when the second namesake uses his name fraudulently, in particular, by carrying out an operation of lending his name: prohibition of the use of the name is then pronounced.

But are the rules the same when the second namesake is a legal entity, represented by a physical person who lends it

his name? A decision by the Court of Douai on 15th March, 1960 (*Ann. prop. ind.*, 1961, p. 57, and Note by R. Collin) considered that a firm could include in its commercial name the surname of one of its partners, in the presence of a pre-established namesake, only if it had legitimate reasons for so doing. It would seem the latter was the case only when the partner was practically identified with the company, or when the company has received as an asset a fund which is already known under the name of the partner.

Freedom of Commerce and Industry

The decree of 24th June, 1958, completing the legislative order of 30th June, 1945, on prices established a new offence: refusal to sell; a merchant who refuses to meet the requests of the buyers when the articles ordered are available and the requests are normal and made in good faith is liable to a penalty under summary jurisdiction.

Three actions introduced on the basis of this text gave rise to judicial decisions (Court of Bordeaux, 11th July, 1960, and Supreme Court, 13th July, 1961; Court of Lyon, 9th December, 1960, and Supreme Court, 13th July, 1961; Court of Paris, 7th February, 1961; *Ann. prop. ind.*, 1961, p. 23, and Note by J. Lassier; Supreme Court, 11th July, 1962, unpublished).

Firstly, the question was raised as to the legality of the decree of 24th June, 1958: the decree was enacted under a law by proxy but was enacted by a Government which was not the same as the Government in Office at the time the law was passed. The Supreme Court pronounced in favour of the legality of the decree.

In the first action introduced, a biscuit manufacturer was reproached with having refused to deliver an order of goods under a trade mark, and to have proposed to supply goods of the same quality under a neutral packing bearing only the name of the manufacturer and the indication of origin. The Supreme Court, in a decision on 13th July, 1961, given on an appeal in the interest of the law, annulled a decree of release of the Court of Bordeaux; the decree of the Supreme Court proclaimed that the buyer was purchaser of the mark as well as of the product and that the fact of refusing to supply goods under their usual mark was a refusal of sale which was liable to penalty. Under conditions which are noteworthy, this consecrates the economic value and juridical scope of the mark.

In the second action, a distributor was reproached with having refused to sell electrophones to the retailer of an emporium on grounds that the retailer was not normally qualified to sell apparatus of this category. The Court of Lyon released the distributor, because the order was not in conformity with commercial usage. Here again, the Supreme Court annulled a decision, considering that the appeal judges had not gone into the circumstances according to which these apparatus were widely known and of a simple technique accessible to the public, and had not examined whether the same conditions of professional qualification were required of the other retailers. This is tantamount to demanding that the reasons which are liable to legitimize a refusal of sale should be strictly evaluated and defined.

In the third action, a general sales agent of cameras, and organiser of a network of exclusive representatives was reproached with having refused to meet an order from a retailer who was not one of his agents. The Court of Paris pronounced a penalty on grounds that the existence of an exclusive concession did not annul the prohibition of refusal of sale. The Supreme Court also annulled this decision. It stated that a contract of exclusive concession, when it establishes mutual obligations and does not entail limitation of the liberty of the agent to fix the sales prices, may result in rendering juridically unavailable to third parties the goods held by the seller; it concluded therefrom that the decision after appeal was not justified, because it had inflicted a penalty without seeking to know whether the exclusive concession invoked was not the result of the spirit of voluntary limitation of competition prohibited under the law. This means that not all exclusive contracts of concession are condemned indiscriminately, but under certain conditions they are considered legitimate.

Unfair Competition

The acts establishing unfair competition are highly diversified.

It is interesting to indicate that jurisprudence considers it as unfair competition for a third person not party to a contract to take part knowingly in infringement of that contract.

Such a case was judged with an employer who engaged a former employee of a competitor, despite a clause of non-competition. (Court of Paris, 26th June, 1959; *Ann. prop. ind.*, 1961, p. 212).

A case was also judged regarding a merchant who imported machines for re-sale, despite the existence of an exclusive agent in France (Court of Paris, 22nd June, 1960; *Ann. prop. ind.*, 1961, p. 222). But to have involved his responsibility, evidence had to be brought that he was aware of the exclusive concession (Court of Paris, 29th June, 1959; *Ann. prop. ind.*, 1961, p. 227).

BOOK REVIEW

Die Vergütung von Arbeitnehmererfindungen im privaten Dienst, nebst Erläuterungen (Compensation for employees' inventions of private enterprises, with commentaries), by *Schade-Schippel*. Extract from the work of Reimer-Schade-Schippel entitled "The law relating to employees' inventions". 1 volume, 134 pages, 23 × 16 cm. Published by Erich Schmidt, Berlin, 1960. Price: DM 12.60.

This separate off-print is an extract from the excellent commentary by Edouard Reimer on the law relating to employees' inventions and constitutes, in itself, a complete study on questions relating to compensation for employees' inventions. The problems covered are dealt with in such a manner as to provide quick and reliable reference for practical every-day use.

A. K.