

THE WIPO JOURNAL:

ANALYSIS OF INTELLECTUAL PROPERTY ISSUES

GENERAL EDITOR: PROFESSOR PETER K. YU

CONTENTS

2013 VOLUME 4 ISSUE 2

Articles

Exclusive Ownership Versus Open Commons
Geertrui Van Overwalle

Compulsory Licensing
Cristiano Antonelli

The International Legal Framework for the Protection of Utility Models
Henning Grosse Ruse-Khan

The Protection of Geographical Indications for Handicrafts
Delphine Marie-Vivien

WIPO's New Treaty and "New" Copyright for Audio-visual Performers?
Adebambo Adewopo

Finding the Law
Midjohodo Franck Gloglo

"ATRIP Passes 30" Symposium

ATRIP Passes 30: An Introduction
Graeme B. Dinwoodie

ATRIP: Its Formation and Its Lively Adolescence
William Cornish, Glen Weston and Alberto Bercovitz Rodriguez-Cano

ATRIP and the Changing Environment—A Retrospective
Joseph Straus

The Geneva Meetings
Horacio Rangel-Ortiz

From Exhaustion to Enhancement
François Dessemontet

ATRIP: A Sweet Remembrance
S.K. Verma

Musing over ATRIP
Ysolde Gendreau

2005–2007: Focusing on the IP-Competition Law Intersection(s)
Gustavo Ghidini

ATRIP and Publications
Annette Kur and Jan Rosén

Taking ATRIP Down Memory Lane
Peter K. Yu



WIPO
WORLD
INTELLECTUAL PROPERTY
ORGANIZATION



THOMSON REUTERS

EDITORIAL BOARD

General Editor: Professor Peter K. Yu

Kern Family Chair in Intellectual Property Law & Director, Intellectual Property Law Center, Drake University Law School, United States

Editorial Board:

ARGENTINA

Professor Guillermo Cabanellas

Cabanellas, Etchebarne, Kelly & Dell'oro Maini, Buenos Aires

GERMANY

Professor Joseph Straus

Professor of Intellectual Property and Patent Law, Universities of Munich and Ljubljana, Marshall B. Coyne Visiting Professor of International and Comparative Law, George Washington University Law School, Washington, D.C.

INDIA

Pravin Anand

Managing Partner, Anand and Anand, Mumbai

JAPAN

John A. Tessensohn

Shusaku Yamamoto, Osaka

SOUTH AFRICA

Brian Wafawarowa

Founder and Managing Director, New Africa Books; Chairman, African Publishers' Network

SWEDEN

Professor Jan Rosén

Professor in Private Law and Vice Dean, Stockholm University

SWITZERLAND

Professor Thomas Cottier

Managing Director of the World Trade Institute and Professor of European and International Economic Law, University of Bern

UNITED KINGDOM

Professor David Llewelyn

Professor of Intellectual Property Law, School of Law, King's College London; Partner White & Case, London

UNITED STATES

Professor Keith Maskus

Professor of Economics, University of Colorado, Boulder

Published in association with Thomson CompuMark, West and Scientific.

SWEET & MAXWELL



THOMSON REUTERS

Guidelines for authors: The WIPO Journal is a peer reviewed journal.

We welcome the submission of articles, comments and opinions. In general the most acceptable length for articles is between 7,000 – 10,000 words, comments approx. 3,000 words and opinions approx. 1, 500 words.

All contributions must be in English. Please submit your contribution electronically as a Word document, paginated, double spaced (including footnotes). A summary in no more than 150 words should be included. Papers to be considered for submission should be sent to: *thewipojournal@thomsonreuters.com*. The paper will be considered by the General Editor and if appropriate sent for peer review to members of the Editorial Board.

Submission of a paper will be held to imply that it contains original unpublished work and is not being considered for publication elsewhere.

Editorial changes may be made to reflect Sweet & Maxwell house style.

Copyright in all contributions remains with the contributors. The publishers acquire all publication rights.

The views expressed in the WIPO Journal are of the authors and should not be considered or interpreted as those of the World Intellectual Property Organization (WIPO).

The armorial bearings, flag, other emblems, abbreviation and name of the World Intellectual Property Organization, WIPO, are protected under article 6ter of the Paris Convention for the Protection of Industrial Property and may not be used, copied or reproduced without the written authorization of WIPO.

Annual subscription: £52 (2 issues)

The WIPO Journal

Volume 4 Issue 2 2013

Table of Contents

Articles

Exclusive Ownership Versus Open Commons: The Case of Gene Patents <i>Geertrui Van Overwalle</i>	139
Compulsory Licensing: The Foundations of an Institutional Innovation <i>Cristiano Antonelli</i>	157
The International Legal Framework for the Protection of Utility Models: Unmatched Flexibility for Domestic Experimentation? <i>Henning Grosse Ruse-Khan</i>	175
The Protection of Geographical Indications for Handicrafts: How to Apply the Concepts of Natural and Human Factors to All Products <i>Delphine Marie-Vivien</i>	191
WIPO's New Treaty and "New" Copyright for Audio-visual Performers?: A Pan-African Perspective <i>Adebambo Adewopo</i>	206
Finding the Law: The Case of Copyright and Related Rights Enforcement in the Digital Era <i>Midjohodo Franck Gloglo</i>	220
ATRIP Passes 30: An Introduction <i>Graeme B. Dinwoodie</i>	232
ATRIP: Its Formation and Its Lively Adolescence <i>William Cornish, Glen Weston and Alberto Bercovitz Rodriguez-Cano</i>	235
ATRIP and the Changing Environment—A Retrospective <i>Joseph Straus</i>	242
The Geneva Meetings: Bogsch, Ledakis and ATRIP <i>Horacio Rangel-Ortiz</i>	248
From Exhaustion to Enhancement: Recounting Four Decades of Research and Teaching in Intellectual Property <i>François Dessemontet</i>	254
ATRIP: A Sweet Remembrance <i>S.K. Verma</i>	260
Musing over ATRIP <i>Ysolde Gendreau</i>	264

2005–2007: Focusing on the IP-Competition Law Intersection(s) <i>Gustavo Ghidini</i>	267
ATRIP and Publications <i>Annette Kur and Jan Rosén</i>	269
Taking ATRIP Down Memory Lane <i>Peter K. Yu</i>	278

This journal may be cited as (2013) 4 W.I.P.O.J. 00

The WIPO Journal is published by Sweet & Maxwell, 100 Avenue Road, London NW3 3PF part of Thomson Reuters (Professional) UK Limited (Registered in England & Wales, Company No 1679046. Registered Office and address for service: Aldgate, 33 Aldgate High Street, London, EC3N 1DL).

For further information on our products and services, visit www.sweetandmaxwell.co.uk

Computerset by Sweet & Maxwell. Printed and bound in Great Britain by Hobbs the Printers Ltd, Totton, Hampshire.

No natural forests were destroyed to make this product; only farmed timber was used and re-planted.

Each article and case commentary in this volume has been allocated keywords from the Legal Taxonomy utilised by Sweet & Maxwell to provide a standardised way of describing legal concepts. These keywords are identical to those used in Westlaw UK and have been used for many years in other publications such as Legal Journals Index. The keywords provide a means of identifying similar concepts in other Sweet & Maxwell publications and online services to which keywords from the Legal Taxonomy have been applied. Keywords follow the taxonomy logo at the beginning of each item. The index has also been prepared using Sweet & Maxwell's Legal Taxonomy. Main index entries conform to keywords provided by the Legal Taxonomy except where references to specific documents or non-standard terms (denoted by quotation marks) have been included. Readers may find some minor differences between terms used in the text and those which appear in the index. Please send any suggestions to sweetandmaxwell.taxonomy@thomson.com.

Copies of articles from W.I.P.O.J. and other articles, cases and related materials can be obtained from DocDel at Sweet & Maxwell's Yorkshire office.

Current rates are: £7.50 + copyright charge + VAT per item for orders by post and DX.

Fax delivery is guaranteed within 15 minutes of request and is charged at an additional £1.25 per page (£2.35 per page outside the UK).

For full details and to order contact DocDel on:

- Tel 01422 888 019
- Fax 01422 888 001

• Email sweetandmaxwell.docdel@thomson.com

• Go to <http://www.sweetandmaxwell.co.uk/our-businesses>

Please note that all other enquiries should be directed to Sweet & Maxwell, 100 Avenue Road, London, NW3 3PF; Tel 020 7449 1111; Fax 020 7449 1144.

Crown copyright material is reproduced with the permission of the Controller of HMSO and the Queen's Printer for Scotland.

The armorial bearings, flag, other emblems, abbreviation and name of the World Intellectual Property Organization, WIPO, are protected under article 6ter of the Paris Convention for the Protection of Industrial Property and may not be used, copied or reproduced without the written authorization of WIPO.

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, or stored in any retrieval system of any nature without prior written permission, except for permitted fair dealing under the Copyright, Designs and Patents Act 1988, or in accordance with the terms of a licence issued by the Copyright Licensing Agency in respect of photocopying and/or reprographic reproduction. Application for permission for other use of copyright material including permission to reproduce extracts in other published works shall be made to the publishers. Full acknowledgement of author, publisher and source must be given.

Thomson Reuters and the Thomson Reuters Logo are trademarks of Thomson Reuters. Sweet & Maxwell ® is a registered trademark of Thomson Reuters (Professional) UK Limited.

Exclusive Ownership Versus Open Commons: The Case of Gene Patents

Geertrui Van Overwalle*

Professor of Intellectual Property Law, University of Leuven, Belgium; Professor of Patent Law and New Technologies, University of Tilburg, the Netherlands

☞ Biotechnological inventions; Licensing; Ownership; Patents; Sequence listings; United States

1. Introduction

On August 16, 2012, yet another episode unfolded in the so-called *Myriad* saga, as the US Court of Appeals for the Federal Circuit (CAFC) released its ruling on the patentability of genetic tests for familial breast and ovarian cancer. This decision upheld the patentability of isolated genes, but called into question Myriad's method claims directed at the comparison or analysis of gene sequences.¹ The American Civil Liberties Union and Public Patent Foundation filed a petition for a writ of *certiorari* on September 25, 2012, asking the Supreme Court to reconsider the CAFC's ruling, and the question of patentability of human genes. The Supreme Court granted *certiorari* on November 30, 2012, indicating that they will examine the case. Oral arguments were held on April 15, 2013.

Inspired by the ongoing academic conversation on distinct modes of ownership and their respective impact on exclusivity and competition,² this article is a further attempt to analyse the current problems in gene patenting through the lens of ownership and exclusivity. In particular, this article systematises the relation among modes of ownership, modes of licensing and their impact on access and use, and explores how individual and collaborative license policies may assist in constructing an "open commons" governance regime.³

The categorisations and qualifications suggested in this article are meant to be helpful intellectual tools for analysing complex legal architectures and are not an end in themselves. The debate on ownership, licensing and openness should not be led astray by semantic subtleties and incongruities. What counts is the effect licensing measures achieve in fulfilling the objective of accessibility and sharing in practice, disregarding the way in which ownership and licensing arrangements can be qualified.

* The author wishes to express her gratitude to Margaret Chon, Reto Hilty, Alexander Peukert and Katherine Strandburg for their constructive comments on an earlier draft of this paper. The author also gratefully acknowledges the support of the Vancraesbeeck Fund.

¹ *Association for Molecular Pathology v Myriad Genetics, Inc.* 689 F.3d 1303 (2012). For more details, see Duke Institute for Genome Sciences and Policy, "BRCA Patent Lawsuit", available at <http://www.genome.duke.edu/centers/cpg/Myriad> [Accessed April 9, 2013]. For a comparative US-European analysis of this issue, see Isabelle Huys, Gert Matthijs and Geertrui Van Overwalle "The Fate and Future of Patents on Human Genes and Genetic Diagnostic Methods" (2012) 13 *Nature Reviews Genetics* 441; Isabelle Huys, Geertrui Van Overwalle and Gert Matthijs, "Gene and Genetic Diagnostic Method Patents: A Comparison under Current European and US Patent Law" (2011) 19 *Eur. J. Human Genetics* 1104.

² See Reto Hilty, "Individual, Multiple and Collective Ownership: What Impact on Competition?" in Jan Rösen (ed.), *Individualism and Collectiveness in Intellectual Property Law* (Cheltenham: Edward Elgar Publishing, 2011); Annette Kur and Jens Schovsbo, "Expropriation or Fair Game for All? The Gradual Dismantling of the IP Exclusivity Paradigm" in Annette Kur and Marianne Levin (eds), *Intellectual Property Rights in a Fair World Trade System* (Cheltenham: Edward Elgar Publishing, 2011); Alexander Peukert, "Individual, Multiple and Collective Ownership of Intellectual Property Rights—Which Impact on Exclusivity?" in Annette Kur and Vytautas Mizaras (eds), *The Structure of Intellectual Property Law: Can One Size Fit All?* (Cheltenham: Edward Elgar Publishing, 2011).

³ This article builds further on an earlier article where the author started to engage in this dialogue: see Geertrui Van Overwalle, "Individualism, Collectivism and Openness in Patent Law: From Exclusion to Inclusion through Licensing" in Rösen (ed.), *Individualism and Collectiveness in Intellectual Property Law* (2012).

2. Individual ownership

2.1 Concept

Ownership refers to the right a legal system grants to a person or a group of persons allowing the grantee(s) to exercise the maximum degree of control over a scarce resource.⁴ In other words, ownership refers to any kind of attribution of legal protection of (intangible) subject matter to a person or group of persons by way of specific regulation.⁵ Individual ownership refers to a *single* person acquiring a *single* protection right. Translated into the patent context, individual ownership refers to *one* inventor⁶ holding *one* patent right (see also Table 1).

2.2 Individual ownership and “blocking patents”

The exclusivity provided for by individual ownership may well foster innovation, but it seems predestined to have a problematic impact on genetics. This derives from the very nature of human genes and the character of patent claims on genes. Patent claims on genes are generally difficult, if not impossible, to invent around. Consequently, gene patents emerge as blocking patents. The term “blocking patent” is not clear and can be used in different ways. In its widest sense, *any* patent is by definition a blocking patent, as a patent confers upon its proprietor the right to stop others from making, using, offering for sale, selling or importing the patented invention.⁷ Used in this sense, the notion “blocking patent” is a tautology. We apply the term in a more narrow sense and take the view that a blocking patent is a patent covering *essential* features of the invention which cannot be invented around for a certain purpose.⁸ Indeed, a blocking patent is a *relative* concept, as it relates to the presence of two distinct components or layers: an essentiality component and an instrumentality component.⁹ Given that a certain activity or function is envisaged (instrumentality component), an assessment is required as to which elements are essential to perform that activity or function and whether these essential elements are claimed by the patent at stake (essentiality component). Only when the elements are indispensable or essential to achieving a specific result—that is, when the essential elements are a necessary means to an end—and only when they are claimed in the patent, the patent concerned is a blocking patent.¹⁰ In other words, a blocking patent appears when the patent covers essential features of an invention relevant *for* achieving a specific result. In the area of genetic diagnostics, a patent encompassing claims on the entire (or relevant part of the) gene sequence on a common pathogenic mutation or on the fundamental method to determine the association between a mutated gene and an inherited disease is blocking *for* carrying out the genetic test based on nucleotide analysis for that disease. A patent including the same claims is most likely not blocking *for* carrying out the test based on an analysis at the protein level (a so-called protein determination assay).¹¹

Some recent data suggests that a substantial number of gene patent claims are indeed hard or impossible to circumvent and therefore qualify as blocking patents.¹²

⁴ Cf. Ugo Mattei, *Basic Principles of Property Law: A Comparative Legal and Economic Introduction* (London: Greenwood Press, 2000), p.77.

⁵ Hilty, “Individual, Multiple and Collective Ownership” in Rösen (ed.), *Individualism and Collectiveness in Intellectual Property Law* (2011). In the context of this article, we will not enter into the (debated) distinction between the concepts of “property” and “ownership”, but opt for the term “ownership”.

⁶ The patent applicant or patent holder may be different from the inventor. The patent applicant or holder may well be an employer (of the inventor) to whom the right to (apply for) protection has been transferred or to whom the granted patent right (or patent application) has been sold.

⁷ See TRIPs Agreement, art.28.1.

⁸ Geertrui Van Overwalle, “Of Thickets, Blocks and Gaps: Designing Tools to Resolve Obstacles in the Gene Patents Landscape” in Geertrui Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models: Patent Pools, Clearinghouses, Open Source Models and Liability Regimes* (Cambridge: Cambridge University Press, 2009).

⁹ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

¹⁰ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

¹¹ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

¹² Isabelle Huys, Nele Berthels, Gert Matthijs and Geertrui Van Overwalle, “Legal Uncertainty in the Area of Genetic Diagnostic Testing” (2009) *27 Nature Biotechnology* 903.

2.3 Licensing and openness

Blocking patents do not *per se* have a negative impact on openness.¹³ Whether blocking patents have an unfavourable impact on access largely depends on the licensing policy applied by the individual right holder. Real problems arise when blocking gene patents are not licensed or licensed very restrictively. Imagine a patent with claims covering (some or more) DNA sequences that are essential for the diagnosis of a genetic disease, the production of a test kit or the development of a therapy and that is licensed exclusively to one or two laboratories around the world, or not licensed at all. Third parties would be refrained from using (part of) the technology deemed necessary to carry out a diagnosis, manufacture a test or develop a therapy. Such restrictive licensing behaviour may result in barriers to research,¹⁴ hinder development that is instrumental to public health, restrict clinical access and decrease the availability of high quality tests and therapies for patients. The *Myriad* case represents a key example of such a restrictive license policy, resulting in restrained openness and public disapproval.¹⁵ Several studies have documented other restrictive licensing practices in the area of gene based diagnostic genetic services as well.¹⁶

Bilateral licenses

A single right holder may be willing to share the benefit of the (blocking) gene patent with others in an attempt to improve his or her market position. Sharing with *one* person usually takes place under the form of a one-to-one bilateral license¹⁷ in return for a fee or for a license,¹⁸ resulting in restricted access (see Table 1). Sharing with *multiple*, but a limited number of, persons may take place by granting a bilateral license to each of them, resulting in a series of bilateral licenses and royalty fees, but still restricted access (see Table 1). Indeed, in both cases, only restricted access is created, as access and use is limited to a number of well-identified licensees (see Table 1).¹⁹ Furthermore, both access regimes confer access upon payment of a fee, resulting in conditional,²⁰ restricted access.

Licenses of right

The right holder who wants to share the use of his patented invention with an even wider circle of persons, or who is willing to provide access and use to an *unlimited* number of users, may do so by opting for a “license of right” (see Table 1). The license of right is a legal mechanism by which a patent holder voluntarily chooses to give access to the patented invention to *anyone* else.

¹³ The terms “access” and “openness” are used alternately. Access and openness refer to access to *and* use of patented technology: see section 4.1.

¹⁴ In some empirical studies, a negative impact of “blocking” gene patents could not be found: e.g. John P. Walsh, Wesley M. Cohen, and Charlene Cho, “Where Excludability Matters: Material versus Intellectual Property in Academic Biomedical Research” (2007) 36 Res. Pol’y 1184. That can be explained by the fact that these studies focused on biomedical *research* rather than downstream product development.

¹⁵ E. Richard Gold and Julia Carbone, *Myriad Genetics: In the Eye of the Policy Storm* (Montreal: International Expert Group on Biotechnology, Innovation and Intellectual Property, 2008), available at http://www.theinnovationpartnership.org/data/ieg/documents/cases/TIP_Myriad_Report.pdf [Accessed April 9, 2013]; T. Caulfield, T. Bubela and C.J. Murdoch “Myriad and the Mass Media: the Covering of a Gene Patent Controversy” (2007) 9 *Genetics in Medicine* 850.

¹⁶ M.K. Cho, S. Illangasekare, M.A. Weaver, D.G.B. Leonard and J.F. Merz, “Effects of Patents and Licenses on the Provision of Clinical Genetic Testing Services” (2001) 5(1) *J. Molecular Diagnostics* 3; Gert Matthijs, “DNA Diagnostics in Practice” in Geertrui Van Overwalle (ed.), *Gene Patents and Public Health* (Brussels: Bruylant, 2007); Case studies prepared for the Secretary’s Advisory Committee on Genetics, Health, and Society (SACGHS) in (2010) 12(4) *Genetics in Medicine*.

¹⁷ The term “license” refers to licence in the pure commercial sense, excluding material transfer agreements (MTAs): see Esther van Zimmeren, Sven Vanneste and Geertrui Van Overwalle, *Patent Licensing in Medical Biotechnology* (Leuven: Acco, 2011), p.41.

¹⁸ Hence the term “cross-license”, which refers to a special variant of a bilateral licence. A cross-license is generally an agreement between two patent owners, where the patent owners grant each other a licence for the exploitation of the subject matter claimed in the relevant patents. Both patent owners act as a licensor and a licensee, see van Zimmeren, Vanneste and Van Overwalle, *Patent Licensing in Medical Biotechnology* (2011), p.59.

¹⁹ On “restricted access”, see also section 4.

²⁰ On “conditional” versus “unconditional”, see also section 4.

Licenses of right are not new.²¹ Nowadays, they figure in the EU Regulation establishing a European patent with unitary effect²² which provides:

“The proprietor of a European patent with unitary effect may file a statement with the EPO to the effect that the proprietor is prepared to allow any person to use the invention as a licensee in return for appropriate consideration”.

A recent study by legal and economic scholars suggests that a remuneration-based license of right would be attractive to various kinds of patent owners and might encourage a more efficient exploitation of patented knowledge.²³

Licenses of right grant access to the patented invention to *anyone* else, thus creating general access.²⁴ The patent owner agrees to receive a pre-determined remuneration for the use of his invention. If the user pays the required amount, the patent owner has no right to prevent the grantee from using the invention anymore.²⁵ Hence, the terms “remuneration right” and conditional access (see also Fig. 1).

Open source license

Rights holders may also choose to apply for an open source license. The term “open source” originally came up in the context of copyrighted software. Over time, the term acquired several layers of meaning. Some scholars refer to a set of licensing criteria to define open source. A license is open source if it allows anyone, anywhere, for any purpose, to copy, modify and distribute the software (where distribution takes place either for free or for a fee) without having to pay royalties to the (copyright) owner. An open source licence implies “users’ freedom to run, copy, distribute, study, change and improve the software”.²⁶ To be open source, a technology must be protected by intellectual property (IP) or other proprietary rights and distributed on terms that are perceived to be legally enforceable. A technology that is made available under the open source model is indeed not in the public domain, but is owned by the licensor, who makes a legally enforceable promise via the licence agreement not to interfere with others’ freedom to use, improve or circulate the technology²⁷ and thus not to lock them in a web of IP.

Open source principles are currently being tested in technical areas other than software, such as genetics. Some working examples of open source have emerged in the life sciences. A first example was the Biological Open Source (BiOS) License from the Centre for Applications of Molecular Biology in International Agriculture (CAMBIA), a private not-for-profit research institute located in Canberra, Australia.²⁸ Another example is the open source style license policy promoted by Diversity Arrays Technology (DArT) Proprietary Limited.²⁹ However, rather than strictly corresponding to open source

²¹ For more details, see Esther van Zimmerman and Geertrui Van Overwalle, “A Paper Tiger? Compulsory License Regimes for Public Health in Europe” (2011) 42 IIC 4.

²² Regulation 1257/2012 of the European Parliament and of the Council of December 17, 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection, art.8(1), [2012] OJ L361/1. See also Agreement on a Unified Patent Court, Brussels, January 11, 2013.

²³ Robert Cowan, Wim Van der Eijk, Francesco Lissoni, Peter Lotz, Geertrui Van Overwalle and Jens Schovsbo, *Policy Options for the Improvement of the European Patent System* (Brussels: European Parliament, Directorate-General for Internal Policies, 2007), p.67, available at <http://www.europarl.europa.eu/document/activities/cont/200805/20080527ATT30112/20080527ATT30112EN.pdf> [Accessed April 9, 2013]. This report was commissioned by STOA (Scientific Technology Options Assessment) of the European Parliament and coordinated by Bjorn Bedsted of The Danish Board of Technology/ETAG.

²⁴ The terms “general access”, “total access” and “global access” are used as synonyms here. On “general access”, see also section 4.

²⁵ van Zimmerman and Van Overwalle, “A Paper Tiger? Compulsory License Regimes for Public Health in Europe” (2011) 42 IIC 4.

²⁶ See Richard M. Stallman, *Free Software, Free Society: Selected Essays of Richard M. Stallman*, 2nd edn (Boston: GNU Press, 2010).

²⁷ Janet Hope, *Biobazaar: The Open Source Revolution and Biotechnology* (Cambridge, Mass.: Harvard University Press, 2008).

²⁸ C. Dennis, “Biologists Launch ‘Open-Source Movement’” (2004) 431 *Nature (News)* 494. See also R. Jefferson, “Science as a Social Enterprise: The CAMBIA BiOS Initiative” (2006) 1(4) *EconPapers* 13.

²⁹ See Andrzej Kilian, “Case 9. Diversity Arrays Technology Pty Ltd.: Applying the Open Source Philosophy in Agriculture” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

features in every detail, open source efforts in the biotech area deliver “open source-*style*” licenses³⁰ which are “loosely”³¹ based on open source principles.

Open source licenses, encompassing as a matter of principle a promise not to interfere with others’ freedom to use, improve or circulate the patented technology, dismantle the exclusivity principle of patent law. In exchange for unhampered access to improvement innovations, they transform the right to exclude others into a duty to include others on the condition that these others behave in the same sharing way. Open source thus creates total,³² conditional openness, the condition not being monetary remuneration, but covenanted sharing behaviour (see Table 1). The subsequent user can realise his or her commitment to sustain openness in various ways: they can disclose the knowledge relating to their improvement without applying for a legal entitlement (patent), or they can apply for a patent and then establish a special license regime.

Compulsory license

In the case of blocking gene patents and restrictive license behaviour, openness can be achieved by way of compulsory licenses. In response to the *Myriad* case, various European legislatures have introduced a compulsory license for public health.³³ Depending on the specific national regime, these compulsory licenses create semi-open³⁴ or general access (see Table 1).

2.4 Intermediate conclusion

Gene patents are prone to be blocking. However, individual ownership of (blocking) gene patents does not per se hamper access and use. Rather than the individual ownership of gene patents as such, it is the subsequent licensing behaviour which leads to potential access problems. If the individual patent owner non-exclusively licenses such patent to *multiple* interested users, the impact of the blocking patent may be substantially reduced. If that owner decides to license the patent by way of a license of right to *any* user, a blocking patent no longer forms an obstacle at all. Especially in the case where the patent owner only grants exclusive licenses or no licenses at all, real problems of access may emerge, which, however, might be attenuated by taking recourse to a compulsory license (when available).

Bilateral licenses to *multiple* users, beneficial as they may be, only create restricted, conditional access. In contrast, the license of right, the open source license and the compulsory license transform the exclusive right of the individual patent owner into a right to use, thereby creating semi-open or general access. In the case of the license of right and the compulsory license, access is conditioned upon the payment of a fee, thus turning the exclusive right into a right of remuneration or “take now, pay later” rule. In the case of open source, access is awarded in exchange for a sharing behaviour (see Fig. 1).

³⁰ Kilian, “Case 9. Diversity Arrays Technology Pty Ltd.” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

³¹ Kilian, “Case 9. Diversity Arrays Technology Pty Ltd.” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

³² “General access”, “total access” or “open access” are used as synonyms here. On “total access”, see also section 4.

³³ For a detailed discussion, see van Zimmeren and Van Overwalle, “A Paper Tiger? Compulsory License Regimes for Public Health in Europe” (2011) 42 IIC 4.

³⁴ Semi-open access refers to access for a certain category of users (see section 4). Under Belgian law, for example, the applicant for a compulsory license must demonstrate that he has, should the compulsory license be granted to him, the resources or the bona fide intention to obtain resources that are necessary for the actual and continual manufacture and/or application of the patented invention in Belgium (art.31bis, § 2 of the Belgian Patent Act of 1984, inserted April 28, 2005). See van Zimmeren and Van Overwalle, “A Paper Tiger? Compulsory License Regimes for Public Health in Europe” (2011) 42 IIC 4.

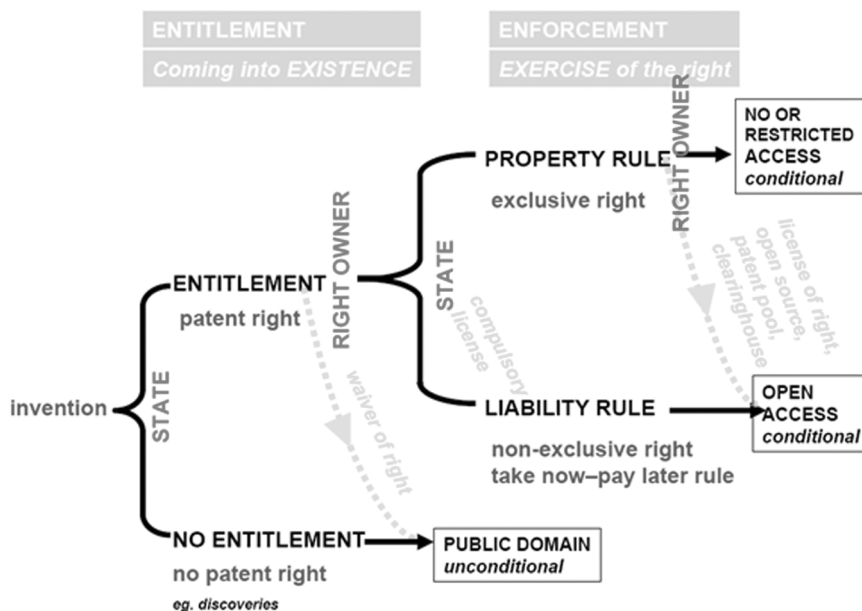


Fig. 1. Various strategies of a knowledge holder [RIGHT OWNER] to establish openness. One way is to waive his (potential) entitlement, resulting in his creation falling into the public domain (unconditional openness). Another way is to license his entitlement to all others, individually through a license of right or an open source license, or collaboratively or collectively through a pool or a clearinghouse, resulting in general, conditional openness. In some cases, the legislature [STATE] enforces semi-open or total, conditional openness by way of compulsory licenses.

3. Multiple and collective ownership

3.1 Concept

Different criteria can be employed to spell out multiplicity. Multiplicity can be defined by looking at the way an IP right *comes into existence*, on the one hand, and by looking at the way in which the IP right is *exercised*, on the other. In other words, multiplicity can be described by pointing to *legal* ownership or by referring to *factual* ownership. This article defines the various modes of multiple ownership on the basis of legal ownership.³⁵

Multiple ownership refers to *multiple* persons *each* acquiring a *single* protection right, resulting in a series of independent rights or *multiple* protection rights. Translated into patent parlance, multiple ownership refers to multiple, independent inventors each holding one, single patent right, resulting in many distinct patent rights (See Table 1). Multiple ownership needs to be distinguished from collaborative or joint ownership which refers to *multiple* persons acquiring *one* single right—in other words, *various* inventors collaborating together, developing one invention and acquiring *one* patent right (see Table 1). Collective ownership also involves ownership of *multiple* persons holding *one* single right, but does not result from

³⁵ The main reason for this choice is that in patent law, legal ownership comes into being by the attribution of a protection right to the inventor by an authorized body (patent office), or by the formal transfer of that right by way of contract by the patent owner to another party. Legal ownership does not come into being through licensing of the right by the patent owner to another party. A license involves the attribution of a right to use to the other party, not the adjudication of a right of ownership.

prior collaboration between the right holders.³⁶ Joint ownership in patent law can be characterised as collaborative ownership, but not as collective ownership.

Individual, multiple, collaborative and collective *ownership* (which are based on the form of legal ownership) is further distinguished from bilateral, collaborative and collective *licensing* (which is based on factual ownership) and from individual and shared *use* (which is based on the scope of actual use) (see Table 1).

3.2 Multiple ownership and “patent thickets”

Multiple ownership may have a negative impact on access when it accumulates into a patent thicket. Although the term “patent thicket” has been widely used over the past years, its exact meaning and scope is still unclear. Robert Merges defines an IP thicket as “a tangled, twisted mass of intellectual property rights, which criss-cross the established walkways of commerce” and where progress requires “numerous contracts with multiple, independent right holders”.³⁷ Shapiro speaks of “a dense web of overlapping intellectual property rights that a company must hack its way through in order to actually commercialize new technology”.³⁸ We define a patent thicket as the existence of (1) *multiple*, (2) *essential* patents necessary to develop *one* product or process, (3) which are held by *multiple*, independent patent owners.³⁹

A patent thicket raises concern because the negotiation of a number of licences can be so difficult and costly and because it can become impossible “to work naturally coherent pieces of technology”.⁴⁰ Patent thickets, per definition, have a higher negative impact on access than blocking patents: even if all patent holders involved display a favourable licensing policy, aggregation problems remain, and the cost of trading patent rights (searching and bargaining costs, cost of multiple license fees etc.)⁴¹ can still be prohibitive.

As of now, empirical data have not yet confirmed the existence of a wide patent thicket in genetics at large.⁴² However, several surveys clearly point to potential problems in the field of diagnostic testing.⁴³ Moreover, it is quite possible that thicket problems in genetic diagnostics grow with the switch from monogenetic testing to multifactorial testing (multiplex diagnostics) and the shift towards diagnostics based on genome-wide association studies driven by the high throughput of platforms for single nucleotide polymorphism (SNP) and the next-generation sequencing possibilities.⁴⁴ Although the *Myriad* case is not an illustrative example of this phenomenon, it has invigorated concerns about the potential negative effects

³⁶ On the distinction between “collaborative” and “collective”, see section 4.

³⁷ Robert P. Merges already introduced the “thickets” metaphor in his article. Robert P. Merges, “Contracting into Liability Rules: Intellectual Property Rights and Collective Rights Organizations” (1996) 84 Cal. L. Rev. 1293, 1295, 1386.

³⁸ Carl Shapiro, “Navigating the Patent Thicket: Cross Licenses, Patent Pools and Standard Setting” (2001) 1 Innovation Pol’y & Econ. 119.

³⁹ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009). Cf. Georg von Graevenitz, Stefan Wagner and Dietmar Harhoff, “How to Measure Patent Thickets—A Novel Approach” (2011) 111(1) *Economics Letters* 6: a patent thicket “usually involves (1) multiple patents or patent applications on (2) the same, similar, or complementary technologies, (3) held by different parties”.

⁴⁰ Hanns Ullrich, “Gene Patents and Clearing Models: Some Comments from a Competition Law Perspective” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

⁴¹ This article will not look into solutions “ignoring the norm”. See Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

⁴² See M.M. Hopkins, S. Mahdi, P. Patel, and S. Thomas, “DNA Patenting: The End of an Era?” (2007) 25 *Nature Biotechnology* 185; K. Jensen and F. Murray “Intellectual Property Landscape of the Human Genome” (2005) 310 *Sci.* 239; Huys, Berthels, Matthijs and Van Overwalle, “Legal Uncertainty in the Area of Genetic Diagnostic Testing” (2009) 27 *Nature Biotechnology* 903.

⁴³ See Hopkins, Mahdi, Patel, and Thomas, “DNA Patenting” (2007) 25 *Nature Biotechnology* 185; Jensen and Murray “Intellectual Property Landscape of the Human Genome” (2005) 310 *Sci.* 239; Huys, Berthels, Matthijs and Van Overwalle, “Legal Uncertainty in the Area of Genetic Diagnostic Testing” (2009) 27 *Nature Biotechnology* 903.

⁴⁴ J.H. Barton, “Emerging Patent Issues in Genomic Diagnostics” (2006) 24 *Nature Biotechnology* 939; SACGHS, *Revised Draft Report on Gene Patents and Licensing Practices and Their Impact on Patient Access to Genetic Tests*, Approved by SACGHS, May 2, 2010, available at http://oba.od.nih.gov/SACGHS/sacghs_documents.html [Accessed April 9, 2013]; Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009). Some authors take the view that whole-genome sequencing will not be hindered by the many gene patents. See e.g. Christopher Holman, “Debunking the myth that whole-genome sequencing infringes thousands of gene patents” (2013) 30(3) *Nature Biotechnology* 240; Nicholson Price, “Unblocked Future: Why Gene Patents Won't Hinder Whole-Genome Sequencing and Personalized Medicine” (2012) 33(4) *Cardozo Law Review* 1601 (see <http://ssrn.com/abstract=1914560>).

of a dispersed patent landscape, affecting further research and development and harming clinical and patient access in the long run.

3.3 Licensing and openness

Various strategies have been suggested to mitigate the alleged hindering effect of patent thickets and to facilitate access to genome-related inventions. One way to achieve this goal is to narrow down patentable subject matter. However valuable the exclusion of gene patents may be, the feasibility and pace to do so will greatly be hampered by processes of domestic and/or international patent law reform. As (centralised) decision-making by state regulators tends not to be very pliable, swift and plastic responses to changing conditions may take quite some time. Another approach, aiming to cut down on the mass of “trivial patents” of dubious merit, is to strengthen patentability requirements and “raise the bar”, or to apply existing standards more stringently and reserve patent protection for “high quality patents”. Reserving the patent premium for high quality inventions is a must, and various initiatives seem to be under way to implement this idea.⁴⁵ But even if only high quality inventions are awarded patent protection, patent thickets may emerge. Yet another, complementary option is to explore solutions which focus on the exercise of high quality patent rights. Swift and plastic responses to the current proliferation problem in patent law might be helped by contractual tools resulting from party autonomy, rather than from legal reform measures resulting from an initiative of the legislator. A first approach in this regard may be the large scale use of individual measures such as licenses of right or open source licences. In a world of technology covered increasingly with IP rights, in which companies are spending large amounts of time and resources in order to obtain licenses to prevent hold-ups from right-owners, large scale use of specially crafted individual measures can already significantly reduce these problems.⁴⁶

An alternative strategy may be the design of tools that organise the transaction of IP rights more effectively, such as patent pools or clearinghouses. A distinction can be made between collaborative and collective tools. To collaborate means “working jointly with others or together especially in an intellectual endeavour”.⁴⁷ Collaborative licensing measures thus refer to measures where people *work together*. Hence, some efforts, such as patent pools, are collaborative in nature, as they presuppose active cooperation between the various rights owners. Collective means “involving all members of a group as distinct from its individuals”.⁴⁸ Collective licensing measures thus refer to measures which *involve* all members. Hence some other initiatives, such as clearinghouses, are collective as they affect all rights holders, without presupposing prior collaboration between them (see Table 1).

The impact of joint ownership on access and the effect of licensing on openness will not be further discussed here.

⁴⁵ For Europe, see European Patent Office, Economic and Scientific Advisory Board (ESAB), *Recommendations for Improving the Patent System* (Munich: 2012). See also ESAB, *Report on the Workshop on Patent Quality* (Munich: 2012). For the United States, see Dan L. Burk and Mark A. Lemley, *The Patent Crisis and How the Courts Can Solve It* (Chicago: University of Chicago Press, 2009), p.220; Martin Enserink, “Biomedical Patents: U.S. Patent Office May Raise the Bar on Gene Claims” (2000) 287 Sci. 1196.

⁴⁶ Cowan, Van der Eijk, Lissoni, Lotz, Van Overwalle and Schovsbo, *Policy Options for the Improvement of the European Patent System* (2007), p.67.

⁴⁷ The term “open and collaborative” was invoked in a letter to the World Intellectual Property Organization, but does not specify the terms. The letter is available at <http://www.cptech.org/ip/wipo/kamil-idris-7july2003.pdf> [Accessed April 9, 2013]. The present explanation is taken from Merriam-Webster’s Online Dictionary, available at <http://www.merriam-webster.com> [Accessed April 9, 2013].

⁴⁸ Merriam-Webster’s Online Dictionary.

Patent pools⁴⁹

The term “patent pool” has acquired different meanings. In its widest sense, a patent pool refers to a loose collection of patents held by different patent owners. In a narrower sense, and as employed here, a patent pool points to an agreement between two or more patent owners to license one or more of their patents to one another *and* to license them as a package to third parties who are willing to pay the royalties that are associated with the license. Licenses are provided to the licensee, either directly by the patentee or indirectly through a new entity that is specifically set up for the administration of the pool (see Fig. 2).

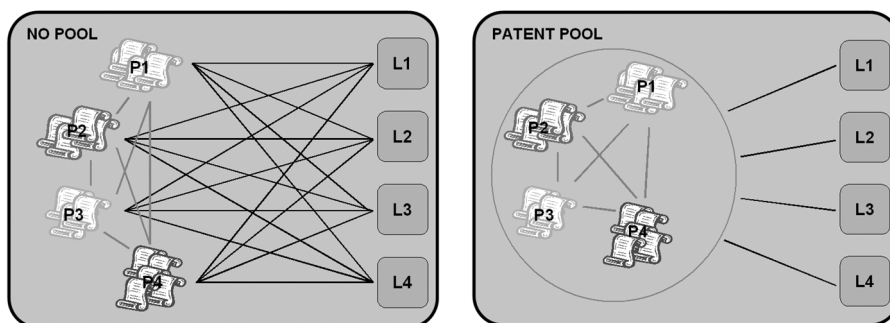


Fig. 2. Comparative illustration of the different licenses needed in the absence or presence of a patent pool. P1-P4 represents the patent holders. L1-L4 represents the licensees. In the absence of a patent pool, licensees have to enter into negotiations with all the patent holders, which is a time consuming and expensive process. By contrast, in the presence of a patent pool licensees turn to the patent pool for acquiring the rights as one package, which results in simplification and a significant reduction of transaction costs.⁵⁰

Patent pools may have significant benefits. In a nutshell, through a mechanism for sharing technical information relating to the patented technology, which would otherwise be kept as a trade secret, pools may eliminate stacking licenses, reduce licensing transaction costs through the introduction of a system of “one stop licensing” for non-member licensees, decrease patent litigation and contribute to the institutionalised exchange of technical information that is not covered by patents. As well as providing a possible solution to the problem of patent thickets, the creation of a patent pool might also stimulate funding for research and development, benefiting all partners in the pool. Patent pools might also carry some risks. In brief, pools might shield invalid patents, entail inequitable remunerations, cover for a cartel and, subsequently, have anti-competitive effects.

Patent pools are not new. The first licensing pool was established in 1856 among members of the sewing machine industry.⁵¹ A further prominent example of an early patent pool is the 1917 aircraft pool that was formed between almost all US aircraft manufacturers.⁵² In the 1990s the patent pool model gained wide interest in the information, communication and entertainment (ICE) sector, and several pools with worldwide coverage were formed. In contrast to the early patent pools, those modern pools usually cover relevant

⁴⁹ This section is largely based on earlier work and the references cited in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009); Geertrui Van Overwalle, Esther van Zimmeren, Birgit Verbeure and Gert Matthijs, “Models for Facilitating Access to Patents on Genetic Inventions” (2006) 7 *Nature Reviews Genetics* 143; Birgit Verbeure, Esther van Zimmeren, Gert Matthijs and Geertrui Van Overwalle, “Patent Pools and Diagnostic Testing” (2006) 24(3) *Trends in Biotechnology* 115.

⁵⁰ Reprinted from Verbeure, van Zimmeren, Matthijs and Van Overwalle, “Patent Pools and Diagnostic Testing” (2006) 24(3) *Trends in Biotechnology* 115, 116, with permission from Elsevier.

⁵¹ Robert P. Merges, “Who Owns the Charles River Bridge? Intellectual Property and Competition in the Software Industry”, available at http://ssrn.com/abstract_id=208089 [Accessed May 14, 2013].

⁵² Harry T. Dykman, “Patent Licensing within the Manufacturer’s Aircraft Association” (1964) 46 *J. Patent Office Soc’y* 646; Robert P. Merges, “Institutions for Intellectual Property Transactions: The Case of Patent Pools” in Rochelle Dreyfuss, Diane L. Zimmerman and Harry First (eds), *Expanding the Boundaries of Intellectual Property* (Oxford: Oxford University Press, 2001), pp.134–138.

patents for one particular standard, rather than covering all patents of an industry. Further, their licensing rules are more complex than those of the early licensing pools. Key examples of modern patent pools in the ICE area are the pool related to the digital video compression standard known as MPEG-2 and the DVD pool. The patent pool concept was translated from ICE to genetics, with the Golden Rice pool being a first, instructive genetic patent pool which gained wide attention.

Requiring as a matter of competition law open and non-discriminatory licensing policies vis-à-vis everyone, patent pools convert the exclusivity principle of patent protection into a liability regime—a “take now, pay later” regime⁵³ introducing a rule that takes the form of “an automatic license without the power to exclude”.⁵⁴ The major difference between an IP right and a liability rule is that the latter does not allow control of follow-on applications: a liability rule allows companies, within a defined period of time, to borrow one another’s innovation on the condition that they contribute to the costs of development⁵⁵ (see Fig. 1). A patent pool is an example of a contractually-constructed liability regime, created when “contracting parties start with property rule entitlements, and wind up subject to a collectively-determined liability rule”,⁵⁶ which takes place when stakeholders voluntarily seek to obtain private ordering with outcomes that differ from what the default rules of IP law might otherwise provide.⁵⁷ Thus, patent pools create general, but conditional openness, the condition being payment of a fee. In exchange for a fee, they turn exclusive patent rights into commonly shared assets (see Table 1).⁵⁸

Clearinghouses⁵⁹

Clearinghouse models might be another approach to facilitate access when many patents are present. The term “clearinghouse” is derived from banking institutions and refers to the mechanism by which cheques and bills are exchanged among member banks to transfer only the net balances in cash. Nowadays the concept has acquired a broader meaning, and the term “clearinghouse” refers to any mechanism by which providers and users of goods, services and/or information are matched.⁶⁰ (See Fig. 3).

⁵³ Merges, “Contracting into Liability Rules” (1996) 84 Cal. L. Rev. 1293, 1302.

⁵⁴ See Jerome H. Reichman, “Of Green Tulips and Legal Kudzu: Repackaging Rights in Subpatentable Innovation” (2000) 53 Vand. L. Rev. 1743; Ben Depoorter, “Property Rules, Liability Rules and Patent Market Failure” (2008) 1 Erasmus L. Rev. 59.

⁵⁵ See Reichman, “Of Green Tulips and Legal Kudzu” (2000) 53 Vand. L. Rev. 1743; Depoorter, “Property Rules, Liability Rules and Patent Market Failure” (2008) 1 Erasmus L. Rev. 59.

⁵⁶ Robert Merges called the process of creating “contracting into liability rules” and the resulting organisations “private liability rule organizations”. Merges, “Contracting into Liability Rules” (1996) 84 Cal. L. Rev. 1293, 1303. See also Merges, “Institutions for Intellectual Property Transactions” in Dreyfuss, Zimmerman and First (eds), *Expanding the Boundaries of Intellectual Property* (2001), p.132.

⁵⁷ See Jerome Reichman and Paul Uhler, “A Contractually Reconstructed Research Commons for Scientific Data in a Highly Protectionist Intellectual Property Environment” (2003) 66(1–2) Law & Contemp. Probs. 315, from which the term “contractually-constructed liability regime” was drawn.

⁵⁸ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009), p.381.

⁵⁹ This section is largely based on previous work in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009); Van Overwalle, van Zimmeren, Verbeure and Matthijs, “Models for Facilitating Access to Patents on Genetic Inventions” (2006) 7 *Nature Reviews Genetics* 143; Verbeure, van Zimmeren, Matthijs and Van Overwalle, “Patent Pools and Diagnostic Testing” (2006) 24(3) *Trends in Biotechnology* 115. See also Geertrui Van Overwalle, “Designing Models to Clear Patent Thickets in Genetics” in Rochelle Dreyfuss, Harry First and Diane Zimmerman (eds), *Working within the Boundaries of Intellectual Property* (Oxford: Oxford University Press, 2010); Esther van Zimmeren, Birgit Verbeure, Gert Matthijs and Geertrui Van Overwalle, “A Clearinghouse for Diagnostic Testing: The Solution to Ensure Access to and Use of Patented Genetic Inventions?” (2006) *Bulletin of the World Health Organization* 352.

⁶⁰ Anatole F. Krattiger, “Financing the Bioindustry and Facilitating Biotechnology Transfer” (2004) 8 *IP Strategy Today*.

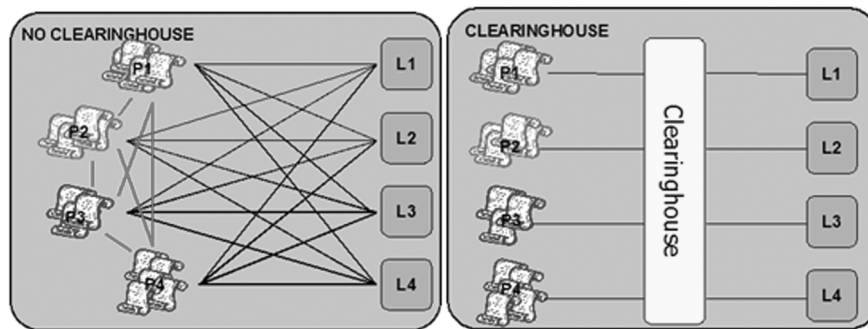


Fig. 3. Comparative illustration of the different licenses needed in the absence or presence of a clearinghouse. P1-P4 represents the patent holders. L1-L4 represents the licensees. In the absence of a clearinghouse, licensees have to enter into negotiations with all the patent holders. In the presence of a clearinghouse, licensees turn to the clearinghouse for acquiring the rights.

Based on the various functions a clearinghouse may fulfil, five types can be distinguished. Two types are of special interest here: the standardised licenses clearinghouse and the royalty collection clearinghouse. The standardised licenses clearinghouse provides access to and standardises licenses for the use of protected inventions. On top of that, the royalty collection clearinghouse sets up a mechanism to collect license fees from users on behalf of the patent holders in return for the access to and use of the inventions. The patent holder is reimbursed by the clearinghouse pursuant to a set allocation formula, which has been negotiated beforehand.

An example of the standardised license clearinghouse is Creative Commons (CC). Classical examples of royalty collection clearinghouses include copyright societies such as the American Society of Composers, Authors and Publishers (ASCAP) or other national agencies.⁶¹

The clearinghouse model found some reception in the biotech area. An example of a standardised biotech license clearinghouse is Science Commons.⁶² A well-established example of a royalty collection clearinghouse in the genetic field is the Medicines Patent Pool.⁶³ Although the Medicines Patent Pool initiative is termed a pool, close examination of its structure and tasks leads us to conclude that it is not a pool proper, but a clearinghouse. It is a one stop shop or a “hub” that facilitates in- and out-licensing of HIV/AIDS related patents: patent holders unilaterally out-license their patents to the “hub”, while qualified users in-license patents of their choice from the hub in exchange for a fee, after which the hub distributes the collected royalties among the patent holders.

A more recent royalty collecting clearinghouse in the agricultural field is *TraitAbility* set up by Syngenta.⁶⁴ The *TraitAbility* e-licensing platform offers breeders and research institutes access to some four patented native traits in commercial vegetable varieties as well as some 40 patented enabling technologies. Key elements of the e-license system include a free research license for academic or not-for-profit parties and a standard license agreement for other entities, with commercial terms adapted for small, medium and large entity sizes; royalty payment is only due if the newly-developed and commercialised variety contains

⁶¹ See Jan Corbet, “The Collective Management of Copyright and Neighbouring Rights: An Example of a Royalty Collection Clearing House” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

⁶² See Think Nguyen, “The Science Commons Material Transfer Agreement Project: A Standard License Clearing House?” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

⁶³ See Jorge Bermudez and Ellen ‘t Hoen, “The UNITAID Patent Pool Initiative: Bringing Patents Together for the Common Good” (2010) 4 *Open AIDS J.* 37.

⁶⁴ See Syngenta E-Licensing, available at <http://www3.syngenta.com/global/e-licensing/en/Pages/home.aspx> [Accessed April 9, 2013].

the patented native trait.⁶⁵ Yet another agricultural clearinghouse is set up by Enza Zaden,⁶⁶ offering a list of some five (native trait) technologies and accompanying varieties for licensing for use in research, breeding and commercial purposes.⁶⁷

Standardised and royalty collecting clearinghouses, if characterised by *ex ante* disclosure of standardised licensing and royalty conditions, also convert the exclusivity principle of patent protection into a liability regime (see Fig. 1), thereby creating general, conditional access, the condition being payment of a fee. This type of clearinghouse also turns the exclusive patent right into shared use (see Table 1).⁶⁸ However, if the licenses offered by the clearinghouse are only available for qualified users (e.g. generic manufacturers, as in the Medicines Patent Pool), the effect, strictly speaking, would be restricted access, even though such an effect might be negligible in practice, as no one—apart from the qualified users—would probably apply. Technology exchange clearinghouses⁶⁹ do not trigger this transformation from a right to exclude to a right to remuneration, as they mainly serve as a marketplace to find licensing partners, where the patent holder keeps the authority to exclude certain licensees and where—in the event the licensee is accepted—licenses are individually crafted.

Open source licenses

An open source license regime can get started from individual ownership, in particular with the willingness of *one* legally entitled patent owner. Hence, we have classified open source under the range of individual license mechanisms. However, as the success of open source will largely depend on the attitude of subsequent knowledge holders to share under the same open source conditions, open source may be qualified as a collaborative licensing measure as well.

It remains to be seen to what extent open source licensing can deal with cumulative technology and subsequent patent fragmentation.⁷⁰ Some cases clearly demonstrate that the open source license model is a viable commercial strategy through the provision of accessory genotyping services in the context of the licensed core technology package. However, it is unclear to what extent the open source-style license offering access to the core technology has facilitated and simplified uptake of this technology.⁷¹ Furthermore, experience seems to suggest that the open source philosophy will be difficult to be put to practice in market segments aiming at the largest potential profit margins, such as the biomedicine sector, unless a specific niche can be identified—likely in an area of limited financial opportunity, where competition with “mainstream” companies would be less intense.⁷²

3.4 Intermediate conclusion

Multiple ownership (the occurrence of multiple, independent inventors each holding one or more patent) is likely to create problems of access in the area of genetics, because multiple ownership may give rise to patent thickets (the existence of *multiple, essential* patents necessary to develop one product or process, which are held by *multiple, independent* patent owners).⁷³

Individual licensing, taking the form of licenses of right or open source licences, may help to mitigate patent thickets. However, collaborative and collective licensing may attenuate the effect of multiple

⁶⁵ See Syngenta E-Licensing, “About E-Licensing”, available at <http://www3.syngenta.com/global/e-licensing/en/e-licensing/About/Pages/About.aspx> [Accessed April 9, 2013].

⁶⁶ See Enza Zaden Beheer B.V., “E-Licensing”, available at <http://www.enzazaden.com/elicensing/> [Accessed April 9, 2013].

⁶⁷ See Enza Zaden Beheer B.V., “Catalog”, available at <http://www.enzazaden.com/elicensing/catalog/index.aspx> [Accessed April 9, 2013].

⁶⁸ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009), p.381.

⁶⁹ See van Zimmeren, Vanneste and Van Overwalle, *Patent Licensing in Medical Biotechnology* (2011).

⁷⁰ Sara Boettiger and Brian D. Wright, “Open Source in Biotechnology: Open Questions” (2006) *Innovations* 45.

⁷¹ This conclusion is based on Kilian, “Case 9. Diversity Arrays Technology Pty Ltd.” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

⁷² Kilian, “Case 9. Diversity Arrays Technology Pty Ltd.” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

⁷³ Van Overwalle, “Of Thickets, Blocks and Gaps” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009).

ownership more adequately and facilitate access to a web of gene patents even more effectively. Collaborative licensing models, presupposing mutual collaboration between the various patent holders, include patent pools. Patent pools create general, conditional openness, the condition being payment of a fee (see Table 1). Collective licensing models, involving all patent holders without requiring prior collaboration, include clearinghouses. Standardised and royalty collecting clearinghouses create *global*, conditional access, the condition being payment of a fee (see Table 1). Open source licenses, encompassing as a matter of principle a promise not to interfere with others' freedom to use, also create global, conditional openness, the condition being covenanted sharing behaviour (see Table 1).

4. Open commons

Having interrogated the concepts of ownership and licensing, and their effect on openness, two questions arise. First, would it be correct to assume that collaborative measures, such as patent pools and clearinghouses, reshape the patent and exclusive ownership regime into a “commons”? And can we conclude that the various architectures establish a commons, and in particular an “open commons” (definitional question)? Secondly, is a commons structure the most appropriate institutional format? And, more particularly, is an “open commons” the most adequate design to govern gene patents (normative question)?

4.1 Openness

Before assessing the commons character of the various licensing architectures in detail, let us clarify some of the terms used in the context of openness. So far, the terms “access” and “openness” have been used alternately in the present article. Both terms refer to access *and* use of patented technology, thus establishing freedom to operate⁷⁴ for follow-on innovators⁷⁵ and end-users.⁷⁶

Access may be further anatomised by focusing on the *level* of openness. Restricted access refers to access which is restricted to a limited, well defined number of users (e.g. a series of clearly identified companies). Semi-open access refers to access for a certain category of users (e.g. generic manufacturers). General, total or global access refers to access which is awarded to an indefinite number of users and where nobody can be excluded.

Access may also be characterised by its *conditional* or non-conditional nature. Conditional access refers to access which is possible in exchange for a certain (monetary or non-monetary) compensation (*quid pro quo*). Bilateral licenses create restricted, conditional access, where a fee has to be paid. Cross licenses also create restricted, conditional access, but differ in the condition which has to be met: access to one's own technology, rather than a fee, has to be given in return for access. Compulsory licenses induce semi-open or totally open, conditional access. Licenses of right, patent pools, standard clearinghouses and royalty collecting clearinghouses are examples of general, conditional access, where a royalty fee has to be paid to obtain access. Open source creates general, conditional access where a certain behaviour has to be displayed in return for access. Unconditional access refers to access which is possible without compensation (free access).

Last but not least, access can be categorised according to the way it *comes into being*. Access can be achieved by knowledge holders themselves through formal rules of contract⁷⁷ (individual, collaborative

⁷⁴ “Freedom to operate” is generally defined as a situation where “the commercial production, marketing and use of a product, process or service does not infringe the patent rights of others (‘third party patent rights’): see van Zimmeren, Vanneste and Van Overwalle, *Patent Licensing in Medical Biotechnology* (2011).

⁷⁵ For example, molecular scientists aiming to improve the recombinant DNA technology.

⁷⁶ For example, geneticists using as a matter of routine in their daily work the recombinant DNA technology patented by Cohen and Boyer.

⁷⁷ For the distinction between formal *legal* rules and formal rules of *contract*, see Tom Dedeurwaerdere, “The Role of Law, Institutions and Governance in Facilitating Access to the Scientific Research Commons” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009), p.365.

or collective license agreements) or by the legislator through formal legal rules (e.g. compulsory license regimes).

Licenses result in shared use, as the legally entitled (individual, multiple or joint) grantees all share the benefit of the exclusive right of the IP owner, be it on certain conditions. Licenses usually do not seem to establish a form of collective use, where the legitimate other users exert their right of use in dialogue with one another.

4.2 *Open commons*⁷⁸

In the commons literature two distinct strands have developed, and two major regimes of commons have been discerned.⁷⁹ On the one hand, there is the “common property” regime,⁸⁰ where “members of a clearly defined group have a bundle of legal rights including the right to exclude non-members from using that resource”.⁸¹ Most of the “common property” regimes involve participants who are proprietors and who have four rights: access, extraction, management and exclusion.⁸² On the other hand, there is the so-called “open commons” regime, where “no one has the right to exclude anyone from using a resource”⁸³ and where anyone can access or use the resource and cannot exclude others. The hallmark of “open commons” is “symmetric freedom to operate vis-à-vis a resource set, generally or with respect to a class of uses in the commons”.⁸⁴ The defining institutional feature of an “open commons” is captured by their core function: “creating freedom to operate, available to more or less all actors in the economy they serve”.⁸⁵ In both approaches, two major criteria can be discerned to discriminate between the two commons regimes. The *first* criterion is the scope of *use* of the resource: in a “common property” regime, the members can access or use the resource and can exclude non-members,⁸⁶ whereas in an “open commons” more or less anyone may use the resource, and no one or group has exclusive rights against anyone else.⁸⁷ The outputs are not subject to exclusive property rights, but rather subject to a regime of full or partial open access.⁸⁸ The *second* criterion is the range of *users* of the resources: in a “common property” regime, a clearly defined group,⁸⁹ a defined set of claimants,⁹⁰ a particular subset of users,⁹¹ is entitled to access and use in contrast

⁷⁸ The term “open commons” is quite distinct from the term “open biotechnology”. Recently, scholars have introduced the term “open biotechnology”. Catchy as it may be, the term is not very helpful, as it is mainly used as a container term for all kinds of projects and approaches fostering open research in the biotechnology sector. For a critical assessment of this concept, see Van Overwalle, “Individualism, Collectivism and Openness in Patent Law” in Rösen (ed.), *Individualism and Collectiveness in Intellectual Property Law* (2012).

⁷⁹ Yochai Benkler, “Between Spanish Huertas and the Open Road: A Tale of Two Commons?” in Michael Madison, Brett Frischmann and Katherine Strandburg (eds), *Commons in the Cultural Environment* (Oxford: Oxford University Press) (in press). See also Charlotte Hess and Elinor Ostrom, “Ideas, Artifacts and Facilities: Information as a Common Pool Resource” (2003) 66(1–2) *Law & Contemp. Probs.* 111, 121.

⁸⁰ Some authors speak of a “positive commons” in this regard, referring to “a common in which resources are jointly owned and so use of those resources by any one commoner depends on all the commoners having consented”: see Peter Drahos, “A Defence of the Intellectual Commons” (2006) 16(May/June) *Consumer Pol’y Rev.* 3.

⁸¹ Hess and Ostrom, “Ideas, Artifacts and Facilities” (2003) 66(1–2) *Law & Contemp. Probs.* 111, 121.

⁸² Hess and Ostrom, “Ideas, Artifacts and Facilities” (2003) 66(1–2) *Law & Contemp. Probs.* 111, 125–126.

⁸³ Hess and Ostrom, “Ideas, Artifacts and Facilities” (2003) 66(1–2) *Law & Contemp. Probs.* 111, 125–126.

⁸⁴ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁸⁵ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁸⁶ Hess and Ostrom, “Ideas, Artifacts and Facilities” (2003) 66(1–2) *Law & Contemp. Probs.* 111, 121.

⁸⁷ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁸⁸ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁸⁹ Hess and Ostrom, “Ideas, Artifacts and Facilities” (2003) 66(1–2) *Law & Contemp. Probs.* 111, 125–126.

⁹⁰ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁹¹ Carol Rose, “The Comedy of the Commons: Custom, Commerce, and Inherently Public Property” (1986) 53 *U. Chi. L. Rev.* 711.

to “open commons” where resources are available to “the unorganized public”,⁹² “an open or undefined class of users”.⁹³

Following the first arm of the study of the commons and applying the definition of Elinor Ostrom, the individual and multiple ownership regimes, which provide non-exclusive licenses to multiple, but *limited* amount of others and establish restricted or semi-open access (see all “restricted, conditional access” infrastructures in Table 1), can be qualified as “common property” regimes. Following the second arm of the study and drawing on insights from Yochai Benkler,⁹⁴ it seems that individual and multiple ownership regimes, which provide non-exclusive licenses to a *non-limited* amount of others and establishing global access (see all “global, conditional access” infrastructures in Table 1), can essentially be qualified as an “open commons” (see Fig. 4).

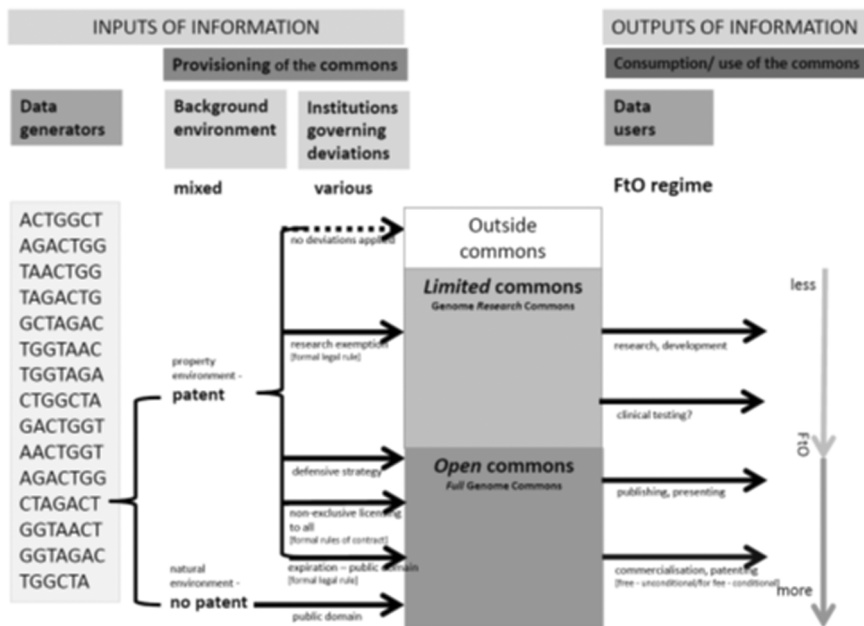


Fig. 4. Provisioning and consumption of the Genome Commons⁹⁵

It has been suggested that “common property” regimes are most appropriate for resources whose scale is large but defined,⁹⁶ whereas “open commons” arrangements are more adequate for the management of larger ranges of resources open to the entire public or at least to some very large and largely undefined set of users.⁹⁷ As genes and their informational content encompass large classes of resources, which benefit greatly from access *and* use to develop follow-on innovations, the ideal type of management structure

⁹² Rose, “The Comedy of the Commons” (1986) 53 U. Chi. L. Rev. 711.

⁹³ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁹⁴ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁹⁵ This figure is adapted from Geertrui Van Overwalle, “The Genome (Data) Commons: An ‘Open Commons’?” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁹⁶ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁹⁷ Benkler, “Between Spanish Huertas and the Open Road” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

would be the “open commons” model, where resources are managed under symmetric access and use rules and where access and use cannot be refused, without needing permission from an owner to use.⁹⁸ But what about conditional or non-conditional access in the “open commons” model? In order not to compromise the incentive for downstream innovators, it may be advisable to require from the follow-on innovators having a commercial intent to pay a reasonable compensation for such uses.⁹⁹

5. Final conclusion

The *Myriad* case has fuelled the debate on the role of knowledge and patent protection in human genomic science. The debate has been very intense over the past decade, as concerns have deepened over access and use in the field of human genetics and health care. Individual ownership of gene patents is cumbersome, for it may result in blocking patents. Multiple ownership of gene patents is disquieting, as it may lead to patent thickets. Blocking patents and patent thickets may ultimately frustrate research and development instrumental to public health, restrict clinical access and decrease the availability of therapies for patients.

The alleged detrimental impact of individual and multiple ownership may be mitigated by the use of creative individual licensing regimes and the establishment of collaborative and collective platforms facilitating the fluid exchange of patents from patent holders to third party users. The effect of blocking patents and patent thickets may be attenuated by well tailored individual and collaborative/collective licensing mechanisms.

The experience with special license regimes in the life sciences is fascinating because it depolarises the debate around proprietary and non-proprietary regimes. In cases of individual and multiple IP ownership, formal rules of contract—taking the form of licenses of right, open source licenses, pools and clearinghouses—create (quasi-)total openness. Through the shaping of license policies, exclusive or proprietary rights are used to leverage access, promote dissemination and safeguard downstream use rights. The notion of promoting access through rights that exclude is indeed the underlying paradox of IP law and policy.¹⁰⁰

The paradoxical effect of collaborative and collective mechanisms on private entitlements was suggested by Robert Merges as early as 1996.¹⁰¹ He found that these organisations ease some of the tensions created by strong IP rights and may play a valuable role in facilitating transactions in IP rights.¹⁰² However, his efforts (as well as later writings from other scholars¹⁰³) have mainly focused on collaborative and collective measures, such as patent pools and copyright collecting societies, in specific industries such as ICE and music. Our research has aimed at carrying the debate further by reflecting upon the potential role of both collaborative/collective *and* individual licensing measures in different technological areas, such as genetics. Both individual license schemes, taking the form of a license of right or an open source license, and collaborative/collective license structures—taking the form of patent pools, standardised patent clearinghouses or royalty collecting patent clearinghouses—moderate the effect of IP exclusivity and turn the individual and multiple IP ownership regime into (semi-)open infrastructures.

⁹⁸ Van Overwalle, “The Genome (Data) Commons” in Madison, Frischmann and Strandburg (eds), *Commons in the Cultural Environment* (in press).

⁹⁹ Reichman and Uhler, “A Contractually Reconstructed Research Commons for Scientific Data in a Highly Protectionist Intellectual Property Environment” (2003) 66(1–2) *Law & Contemp. Probs.* 315, 452.

¹⁰⁰ Cf. Anthony Taubman, “Several Kinds of ‘Should’: The Ethics of Open Source in Life Sciences Innovation” in Van Overwalle (ed.), *Gene Patents and Collaborative Licensing Models* (2009). See also: Geertrui Van Overwalle, “Turning Patent Swords into Shares” (2010) 330(6011) *Sci.* 1630.

¹⁰¹ Merges, “Contracting into Liability Rules” (1996) 84 *Cal. L. Rev.* 1293, 1295, 1386.

¹⁰² Merges, “Institutions for Intellectual Property Transactions” in Dreyfuss, Zimmerman and First (eds), *Expanding the Boundaries of Intellectual Property* (2001).

¹⁰³ Josh Lerner, Marcin Strojwas and Jean Tirole, “The Design of Patent Pools: The Determinants of Licensing Rules” (2007) 38 *RAND J. Econ.* 610; Shapiro, “Navigating the Patent Thicket” (2001) 1 *Innovation Pol’y & Econ.* 119.

Recent studies have tried to recast the debate on managed-access property initiatives and develop a theoretical framework based on the work of Elinor Ostrom.¹⁰⁴ These scholars take up the challenge of better understanding the governance of environments where the resources to be produced are pieces of information—cultural and scientific knowledge—which are distributed through institutions supporting pooling and sharing of knowledge and which lead to “constructed cultural commons”. Further reflection on the commons concept and the way in which individual and collaborative/collective licensing measures reshape the patent and exclusive ownership regime into a reconstructed commons has led to conclude that individual and multiple ownership regimes, which provide non-exclusive licenses to multiple, but *limited* amount of others, establish a “common property” regime, whereas individual and multiple ownership regimes, which provide non-exclusive licenses to a *non-limited* amount of others, create an “open commons”. The ideal type of governance structure for genes and related informational content would be the “open commons” model, where resources are managed under symmetric access and use rules and where access and use cannot be refused, be it for fee or for free. In order not to compromise the incentive for downstream innovators, follow-on innovators having a commercial intent would be allowed access as well, but would be required to pay a reasonable compensation for such uses.

Coming into EXISTENCE of rights				EXERCISE of rights					
Number of inventors	Number of rights awarded		Problem	Number of licensees	Type of license		Effect on openness		
one inventor	one right	<i>individual ownership</i>	blocking patent	no one			no access*		individual use
				one 3rd party	bilateral license		restricted, conditional** access		s h a r e d use***
				multiple others	multiple bilateral licenses		restricted, conditional access	<i>“common property”</i>	
				indefinite number of others	“license of right”		global, conditional access	<i>“open commons”</i>	
					o p e n source license		global, conditional access		
	compulsory license		semi-open or global conditional access						
multiple inventors	multiple rights	<i>multiple ownership</i>	p a t e n t thicket	one another	cross-licenses		“club”, restricted access		s h a r e d use—no collective use
				one other (platform)	bilateral license				
				indefinite	sublicenses				
					patent pool	<i>collaborative licensing</i>	global, conditional access	<i>“open commons”</i>	

¹⁰⁴Michael J. Madison, Brett M. Frischmann and Katherine J. Strandburg, “Constructing Commons in the Cultural Environment” (2010) 95 Cornell L. Rev. 658.

					clearing house	collective licensing	global conditional access	"open commons"	
multiple inventors	one right joint ownership	collaborative ownership		one multiple indefinite					
one/multiple inventors	no IP						global unconditional access	public domain	

* access means: access *and* (legitimate) use

** *monetary* condition: payment of fee; *non-monetary* condition: sharing behaviour

*** *shared* use (points to relation between owner and user): use shared between the legal owner and licensee(s), whereby the licensor and the licensee(s) can exert their right independently; *collective* use (points to relation between users): use shared between connected licensees, whereby the licensees exert their right as a group

Table 1. Overview of different forms of ownership in patent law and their constituting elements (number of knowledge holders, number of attributed rights), as well as differing licensing strategies (number of licensees) and their effect on openness.

Compulsory Licensing: The Foundations of an Institutional Innovation

Cristiano Antonelli

Professor of Economics, University of Turin; Carlo Alberto Fellow, Collegio Carlo Alberto

☞ Compulsory licensing; Economic theory; Innovation; Know-how; Patents; Royalties

Introduction

Compulsory licensing has been practiced for quite a while in the copyright world. Recently, its use has also been advocated in patent law and especially in the debates on trade related intellectual property rights. The shift of compulsory licensing from copyright to patent law can be considered an important institutional innovation that can help to speed up the pace at which technological knowledge is generated and the rate of introducing technological innovations.

To date, the analysis of compulsory licensing has been implemented on the assumption that the markets are the exclusive perspective for the products embodying new knowledge. Much progress can be made with the tools of the economics of knowledge, implementing the analysis of the direct role of compulsory licensing in generating new knowledge.

Compulsory licensing *cum* royalties has not yet been analysed in sufficient depth with the tools of the economics of knowledge. This article aims to use this framework of analysis to expand the analytical foundations of this important institutional innovation so as to facilitate its fast diffusion and widespread adoption. From an analytical viewpoint, compulsory licensing seems an intriguing device that, when coupled with mandatory royalties, may help to address in an innovative way the well-known Schumpeterian trade-off between static and dynamic efficiency.¹

Recent advances in the economics of knowledge have confirmed the medieval wisdom that it is necessary to stand on giants' shoulders to make knowledge.² The generation of new technological knowledge is possible only if the stock of existing knowledge can be used as an input. All barriers and delays in the access to existing knowledge risk reducing the capability to generate new technological knowledge. Intellectual property right regimes based upon exclusivity may increase the incentives to generate new technological knowledge, but reduce the efficiency and the actual viability of the knowledge generation process. This risk is all the more relevant when the levels of knowledge fungibility are high. The costs of all barriers to the access to existing knowledge are larger the greater the scope of the application of new

* I acknowledge the funding of the European Union Directorate-General for Research and Innovation with Grant No 266959 to the research project "Policy Incentives for the Creation of Knowledge: Methods and Evidence" (PICK-ME), within the context of the Cooperation Program/Theme 8/Socio-economic Sciences and Humanities (SSH), and the support of the Collegio Carlo Alberto with the project "Incentives Policies for European Research" (IPER). A preliminary version of this article has been presented at the International Workshop ESDS-MIP11-Université Catholique de Lyon-GATE/Université Lumière Lyon 2 "Nouveaux comportements d'innovation et nouvelles fonctions du brevet" in Lyon in December 2011. I acknowledge the useful comments of many workshop participants, the anonymous referees, Elisabetta Ottoz and Franco Cugno.

¹ J.A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper and Brothers, 1942).

² The quote is often attributed to Isaac Newton. A few centuries before, however, John Salisbury, in his *Metalogicon*, had attributed quite the same sentence to Bernard of Chartres: "Dicebat Bernardus Carnotensis nos esse quasi nanos, gigantium humeris insidentes, ut possimus plura eis et remotiora videre, non utique proprii visus acumine, aut eminentia corporis, sed quia in altum subvenimur et extollimur magnitudine gigantea." J. Salisbury, *Metalogicon (The Metalogicon of Salisbury)* (San Francisco: University of California Press, 1955) (1159), p.167. It seems clear that Sir Isaac was actually standing on the shoulders of a giant.

technology is. Compulsory licensing for technological knowledge, especially if it exhibits high levels of fungibility, can substantially increase the rate of generation of new technological knowledge.

This article contributes to the debate on the role of compulsory licensing within intellectual property right regimes in three ways. First, it articulates the advantages of mandatory licensing as an institutional innovation that can provide a fertile solution to the new and old trade-offs of intellectual property right regimes. To do this, it applies the tools of the economics of knowledge to show why compulsory licensing can be considered an actual improvement in the allocation of property rights and hence a reduction of social costs. Secondly, the article stresses the limits of the attempts implemented so far for basing the search for the optimum levels of royalties on the analysis of the markets for products that embody the new technological knowledge. Finally, it provides a simple approach based upon the economics of knowledge that enables the identification of the optimum level of royalties.

The rest of the article is structured as follows. Section 2 elaborates the implications of the new understanding of knowledge as both input and output to grasp the importance of compulsory licensing with an optimum level of royalties. Section 3 presents compulsory licensing as an institutional innovation. Section 4 synthesises the results of the literature on the effects of compulsory licensing and stresses the limits of the analysis implemented so far exclusively on the markets for the products that embody new technological knowledge. Section 5 presents a simple model that makes it possible to identify the correct levels of royalties, building upon the recent achievements of the economics of knowledge. The conclusion summarises the results of the analysis.

Intellectual property rights when knowledge is both an output and an input

For quite a long time the economics of knowledge has focused attention on the negative consequences of the limited appropriability, non-excludability and intrinsic information asymmetries of technological knowledge as an economic good. Limited appropriability and non-excludability limit:

- the benefits stemming from generation and exchange in the marketplace;
- the incentives to allocate resources to generate it; and
- the opportunities for division of labour and hence specialisation.

These limits make the case for market failure. Because knowledge is “worse than standard economic goods”, markets are unable to allocate the correct amount of resources into the generation of technological knowledge. Public intervention is deemed necessary to help sustain the generation of adequate quantities of knowledge in the economic system.³

Figure 1 below illustrates the point. The dotted line of the actual schedule of the marginal product of knowledge in value (VP’K) lies below the levels of the straight line that it would exhibit were it a normal economic good. Because of limited appropriability and non-excludability, the value of the knowledge that has been generated is lower than it would be with standard goods. For a given cost schedule of research, development and learning (R&D) activities, the equilibrium level is found in B rather than in A, and the system is led to engage in levels of R&D activities that are lower than equilibrium levels with standard goods.

³ K.J. Arrow, “Classificatory Notes on the Production and Transmission of Technical Knowledge” (1969) 59 Am. Econ. Rev. 29; K.J. Arrow, “Economic Welfare and the Allocation of Resources for Invention” in R.R. Nelson (ed.), *The Rate and Direction of Inventive Activity: Economic and Social Factors* (Princeton: Princeton University Press for the National Bureau of Economic Research, 1962); R.R. Nelson, “The Simple Economics of Basic Scientific Research” (1959) 67 J. Pol. Econ. 297.

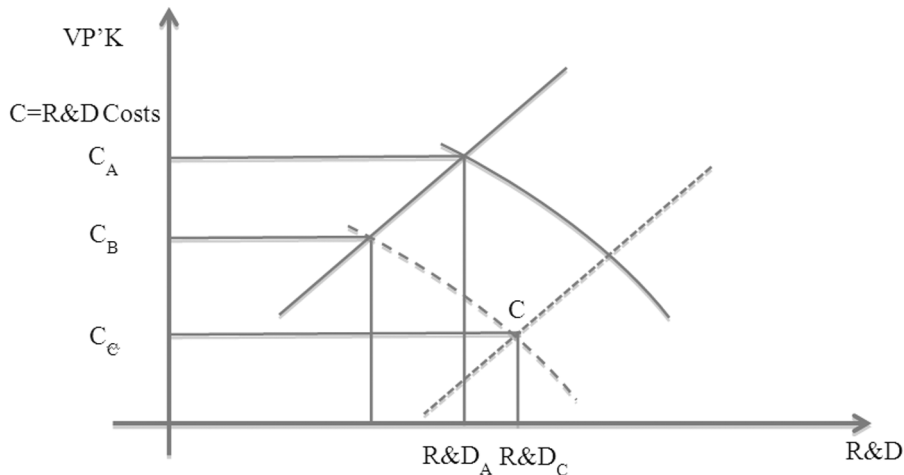


Fig.1

The size of the segment $R\&D_A - R\&D_B$ measures the undersupply of R&D activities in the economic system engendered by the “worse than standard economic goods” characteristics of knowledge.

Intellectual property rights are an important institutional remedy as they enable “inventors” to (better) appropriate the results of the generation of technological knowledge and its application to the production of other goods. As a consequence, intellectual property rights, and specifically patents, can increase the incentives to generate new technological knowledge and contrast the risks of market failure and undersupply. Repeated attempts to build up a consensus to dismantle intellectual property rights highlighting their negative consequences on the product markets have failed.⁴

Much attention has been paid to the analysis of the consequences of the characteristics of patents in terms of breadth, length and assignment procedure in the attempt to identify the best mix from the viewpoint of the trade-off between the negative effects of patents on the actual levels of appropriability (in terms of static efficiency in product markets) and their positive effects (in terms of dynamic efficiency) and hence the incentives to introduce further innovations.⁵

The growing empirical evidence provided by the economics of knowledge has progressively made clear that the generation of new technological knowledge consists of the recombining of existing modules of knowledge. Technological knowledge is at the same time an output and an input of the recombinant generation of new technological knowledge, and external knowledge is an essential, or even indispensable, input. Eventually knowledge enters the production function of all goods; as such, it is a double input: an input into the generation of new technological knowledge and an input into the generation of all the other goods.⁶

According to recent advances in the economics of knowledge, new technological knowledge is generated by means of the recombination of existing technological knowledge. As Brian Arthur writes:

⁴ M. Boldrin and D.K. Levine, “The Case against Intellectual Property Rights” (2002) 92 Am. Econ. Rev. 209; F. Machlup and E. Penrose, “The Patent Controversy in the Nineteenth Century” (1950) 10 J. Econ. Hist. 1.

⁵ I. Ayres and P. Klemperer, “Limiting Patentees’ Market Power without Reducing Innovation Incentives: The Perverse Benefits of Uncertainty and Non-injunctive Remedies” (1999) 97 Mich. L. Rev. 986; R. Gilbert and C. Shapiro, “Optimal Patent Length and Breadth” (1990) 21 RAND J. Econ. 106.

⁶ M.L. Weitzman, “Hybridizing Growth Theory” (1996) 86 Am. Econ. Rev. 207; M.L. Weitzman, “Recombinant Growth” (1998) 113 Q.J. Econ. 331.

“I realized that new technologies were not ‘inventions’ that came from nowhere. All the examples I was looking at were created—constructed, put together, assembled—from previously existing technologies. Technologies in other words consisted of other technologies, they arose as combinations of other technologies.”⁷

The theoretical analysis of technological knowledge has unveiled and stressed new characteristics that had previously received less attention—namely indivisibility and hence complementarity and cumulability—and, most importantly, non-exhaustibility. Because of non-divisibility, new technological knowledge necessarily impinges upon the stock of knowledge. Hence, it can be generated only if and when existing technological knowledge can be used as an intermediary input. Its non-exhaustibility makes these repeated uses not only possible, but more and more effective along with the increase of the stock of knowledge.⁸

Figure 1 illustrates the point. The position of the dotted cost schedule of R&D activities, well below the straight line, would be appropriate if knowledge were a standard good. The dotted line accounts for the positive effects of knowledge non-exhaustibility and non-divisibility. The costs of conducting R&D activities are lower than those of any other standard good, because of the positive effects of knowledge externalities stemming from its non-exhaustibility and cumulability. Because of non-exhaustibility and cumulability, technological knowledge, once generated, adds onto the stock of existing knowledge and can be used as an intermediary input into the generation of new technological knowledge again and again. When the positive effects of knowledge non-exhaustibility are accounted for and the role of knowledge non-divisibility is properly considered, the equilibrium is found in point C. The amount of R&D activities in the system is now R&DC, well above the levels of a standard good. In fact, on the vertical axis, the size of the segment C_B-C_C measures the reduction in the costs of R&D activities made possible by knowledge externalities. Therefore, because of non-exhaustibility and cumulability, the equilibrium costs of knowledge are lower than those of standard economic goods, and the equilibrium quantities are far larger. Knowledge exhibits idiosyncratic characteristics that make of it a good far “better than standard economic goods”.⁹

Technological knowledge appears to be “better than standard economic goods” to the point that the increase of total factor productivity growth can be accounted for by the amount of knowledge that, like a pure externality, spills from inventors to third parties.¹⁰ Building upon this intuition, the first wave of models of the new growth theory elaborated an interpretative framework, according to which a system, where existing knowledge generated for a specific purpose by an agent spills freely into the atmosphere and is used as an intermediary input in the production of other goods by third parties, can experience fast rates of growth of both output and productivity.¹¹

The empirical evidence about the relevant absorption costs that are necessary to actually benefit from knowledge spillovers have brought an appreciation of the role of both the systemic conditions and the intentional strategies of actors in qualifying the access to existing knowledge. It stressed the role of pecuniary knowledge externalities—as opposed to pure externalities—in shaping the actual costs of the use of the stock of knowledge. As pecuniary knowledge externalities can measure the actual costs of external knowledge, they can account for the differentiated rates of productivity growth across regions, countries and firms.

The discovery of the dual role of technological knowledge as both an input and an output throws new light upon intellectual property right regimes. It becomes clear, in fact, that all barriers and delays to the

⁷ W.B. Arthur, *The Nature of Technology: What It Is and How It Evolves* (New York: Free Press, 2009).

⁸ P.A. David, “Knowledge Property and the System Dynamics of Technological Change” in *Proceedings of the World Bank Annual Conference on Development Economics* (Washington: World Bank, 1993).

⁹ C. Antonelli, “Models of Knowledge and Systems of Governance” (2005) 1 J. Institutional Econ. 51.

¹⁰ Z. Griliches, “Issues in Assessing the Contribution of Research and Development to Productivity Growth” (1979) 10 Bell J. Econ. 92; Z. Griliches, “The Search for R&D Spillovers” (1992) 94 Scandinavian J. Econ. 29.

¹¹ P.M. Romer, “The Origins of Endogenous Growth” (1994) 8 J. Econ. Perspectives 3.

use of existing knowledge as an input into the generation of new technological knowledge may increase the appropriability and hence the incentives to generate new technological knowledge. However, these barriers and delays may damage or even hinder the possibility of generating new technological knowledge, as they impede the necessary use of the indispensable stock of knowledge as an intermediary input.¹²

Intellectual property right regimes based upon full excludability force inventors to invent and reinvent, bearing duplication costs that reduce the overall efficiency of the generation process. In extreme cases, an actual case for knowledge rationing takes place when existing knowledge cannot be used at all and when no inventing around can overcome the non-availability of the existing knowledge. Inventors may be forced to wait until the expiry of the patent to use it as an input into the generation of new technological knowledge with major social loss in terms of reduced pace of technological advance.¹³

The discovery of the dual role of knowledge as an output and an input reveals a second additional, inter-temporal, bundle of trade-offs. The exclusive intellectual property rights traditionally associated with patents provide patent holders at time t with the exclusive use of knowledge as an input in the production of knowledge at time $t+1$. Hence patent holders can generate new technological knowledge at incremental costs, while all the other knowledge producers should bear the full costs of rediscovering the knowledge that the inventor possesses. In order to generate new technological knowledge that uses the incumbent technological knowledge as an input, patent holders bear only the costs of the additional costs, while the costs of the existing knowledge are already sunk. Patent holders enjoy the benefits of substantial economies of scale from which non-patent holders are excluded.¹⁴ If prospective inventors cannot replicate the existing technological knowledge by means of reinvention strategies, the monopolistic rights are likely to stay forever and actually increase over time, as the working of knowledge cumulability displays its exclusive effects over historic time. In both cases, it is clear that monopoly rights at time t are likely to become persistent and convey asymmetric cost advantages that are most likely to reduce not only static efficiency in product markets, but also dynamic efficiency in the long-term generation of knowledge.¹⁵

From a social viewpoint, it is clear that a new bundle of dynamic knowledge trade-offs is at work. Patents have negative effects not only because they imply monopoly rights in the markets for products that apply technological knowledge, but also because they may delay and create twisting asymmetries in the sequential generation of new technological knowledge.

As Michael Heller and Rebecca Eisenberg note, the strengthening of the intellectual property right regime that has characterised the last decades may actually deter innovation and make the case of an anticommons.¹⁶ The current intellectual property right regime, together with high transaction costs in the markets for knowledge and excess expectations of patentees on the value of their knowledge assets, produce a fragmented knowledge landscape where owners of small complementary bits of knowledge are unable to participate in the collective effort that is necessary to generate new knowledge as an output while using existing knowledge as an input.¹⁷

At the same time, however, it remains clear that intellectual property rights play a key role not only in securing the necessary appropriability, and hence the incentives for generation of technological knowledge, but also to contrast the active search for secrecy, as the extreme remedy implemented by “inventors” to

¹² David, “Knowledge Property and the System Dynamics of Technological Change” in *Proceedings of the World Bank Annual Conference on Development Economics* (1993).

¹³ A.B. Jaffe and J. Lerner, *Innovation and Its Discontent: How Our Broken Patent System Is Endangering Innovation and Progress and What Can Be Done about It* (Princeton: Princeton University Press, 2004); L. Buzzacchi and G. Scellato, “Patent Litigation Insurance and R&D Incentives” (2008) 28 *Int’l Rev. L. & Econ.* 272.

¹⁴ The economies of density engendered by exclusive intellectual property rights have the consequence that the slope of the long term cost curve for the generation of technological knowledge is negative for patent holders and positive for non-patent holders obliged to invent around. C. Antonelli, “Knowledge as an Essential Facility” (2007) 17 *J. Evolutionary Econ.* 451.

¹⁵ C. Antonelli, F. Crespi and G. Scellato, “Inside Innovation Persistence: New Evidence from Italian Micro-data” (2012) *Structural Change & Econ. Dynamics*.

¹⁶ M.A. Heller and R. Eisenberg, “Can Patents Deter Innovation? The Anticommons in Biomedical Research” (1998) 280 *Sci.* 698.

¹⁷ P.A. David, “Mitigating ‘Anticommons’ Harms to Research in Science and Technology: New Moves in ‘Legal Jujitsu’ against Unintended Adverse Consequences of the Exploitation of Intellectual Property Rights on Results of Publicly and Privately Funded Research” (2010) 2 *WIPO J.* 58.

reduce non-appropriability. Without effective intellectual property rights, “inventors” may try and disguise the knowledge that they have been able to generate, relying upon secrecy, with great harm for the generation of new technological knowledge. Patents, even with exclusive property rights, do disseminate effective information about the existence of new technological knowledge.¹⁸

The understanding of the new trade-off has encouraged the search for a new functionality of patents, trying to combine their indispensable role of enforcing the necessary property rights on technological knowledge with the need to increase the dissemination and access to existing knowledge.¹⁹

In the new approach, intellectual property rights are necessary both to prevent the active use of secrecy and to increase appropriability. At the same time intellectual property rights may become an obstacle not only to static efficiency and the working of competitive product markets, but also to the actual use of technological knowledge as an input into the sequential generation of new technological knowledge. The critical levels of the exclusivity of intellectual property rights emerge as the key issue that may solve the intrinsic contradiction.²⁰

The positive experience of free software has attracted much attention in this context and suggested that this specific evidence might be generalised. Software provides strong evidence about the central role of knowledge complementarity and cumulability in the recombinant generation of new technological knowledge. New software produced by each developer impinges upon the source that has been generated in the past and in the myriad of applications that have been and are being generated by other developers at each point in time. In the software industry, it seems quite clear that a bottom-up spontaneous mechanism of knowledge governance, centred on the practice of a general public licence to the advances in software source made available by each developer to any other, has become the common practice.²¹

The spreading of the FLOSS (Free Libre Open Source Software) practice in a fast growing industry characterised by high levels of knowledge complementarity and cumulability, coupled with clear evidence of the fast advances of software technology, has suggested the viability of an intellectual property right regime based upon the citation mechanism and led to articulate the hypothesis that the gains of free access to new technological knowledge embodied in the advances in the software source were sufficient to counterweight the lack of incentives associated with intellectual property rights.²²

On closer analysis, however, it seems that the specificities of the software industry matter more than has been recognised. In the case of free software, the social recognition of the contribution made available by each “inventor” and implemented by the general public license that provides each developer a cite, and hence the social recognition of its contribution, plays a crucial role. Specifically it seems that free access to software made available by the software expert along with its social recognition is compensated for by the increase of reputation and direct valorisation in the adjacent markets of professional services. The markets for professional services are not only adjacent, but strictly complementary to the markets for software: the assistance of the developer in the actual implementation of a new program is, in fact, absolutely necessary for its effective use. In other words, the proximity of the markets for professional services to the markets for software works as a crucial compensating mechanism, as it creates complementary rewards that compensate for the lack of direct appropriation. As in the academia, where publications qualified by citations secure chairs and hence long-term salaries, each quote carried by the general public license is often worth more than a penny in the working of adjacent professional markets.²³

¹⁸ A. Arundel, “The Relative Effectiveness of Patents and Secrecy for Appropriation” (2001) 30 Res. Pol’y 611; J. Bessen, “Patents and the Diffusion of Technical Information” (2005) 86 Econ. Letters 121; W.M. Cohen, R.R. Nelson and J.P. Walsh, “Protecting Their Intellectual Assets: Appropriability Conditions and Why U.S. Manufacturing Firms Patent (or Not)” (2000) National Bureau of Economic Research, Working Paper No. W7552; F. Cugno and E. Ottoz, “Choosing the Scope of Trade Secret Law When Secrets Complement Patents” (2011) 31 Int’l Rev. L. & Econ. 219; F. Cugno and E. Ottoz, “Trade Secrets vs. Broad Patent: The Role of Licensing” (2006) 2 Rev. L. & Econ. 209.

¹⁹ P. Corbel and C. Le Bas (eds), *Les Nouvelles Fonctions du Brevet* (Paris: Economica, 2011).

²⁰ Antonelli, “Knowledge as an Essential Facility” (2007) 17 J. Evolutionary Econ. 451.

²¹ R.M. Stallman, *The GNU Project* (Sebastopol: O’Reilly, 1998).

²² J.M. Dalle, P.A. David, M. den Besten, and W.E. Steinmueller, “Empirical Issues in Open Source Software” (2008) 20 Info. Econ. & Policy 301.

²³ M. Trajtenberg, “A Penny for Your Quotes: Patent Citation and the Value of Innovations” (1990) 21 Rand J. Econ. 172.

The appreciation of the crucial role of the professional rewards to the citations stemming from the general public license limits the possibility of a generalised use of an intellectual property right regime based upon implicit or explicit citations. Where and if adjacent markets—where the professional reputation can be effectively valorised—are missing, the lack of appropriability has negative and direct effects on the incentives to generate new technological knowledge and ultimately the supply of new knowledge.²⁴

Compulsory licensing as an institutional innovation

Compulsory licensing, along with royalties, is a major institutional innovation that is being used by a growing number of countries. It is the result of the recombination of the copyright regime with the patent regime. It can be regarded as a new mechanism of knowledge governance that seems able to enable a better allocation of property rights and hence a reduction of social costs.²⁵

Compulsory licensing has been practiced ever since the Paris Convention for the Protection of Industrial Property of 1883. It was regarded as a technical specificity originating in the copyright regime that might be applied to the patent legislation in special circumstances beyond the limits of the Berne Convention for the Protection of Literary and Artistic Works.²⁶

Its application is now spreading, especially under the pressure of the debates on the Agreement on Trade-Related Aspects of Intellectual Property Rights. Compulsory licensing is emerging in the international arena stirred by the globalising economy as the result of a spontaneous and collective bottom-up process of social governance of knowledge commons, based upon the implementation of the grafting of copyright tradition into patent law, thus making possible a new and superior allocation of intellectual property rights. Its first applications were found in pharmaceuticals and health care products.²⁷ It is now spreading to biotechnologies and information and communication technologies. From this viewpoint, it shares the characteristics of an emerging and collective process similar to FLOSS with the specific characteristic that, here, actors are not individual software developers, but many small industrialising countries that try and participate in the generation of new technological knowledge.²⁸

Compulsory licensing combines a reduction of the exclusivity of the patent regime with the identification of a royalty for the use of proprietary knowledge. Intellectual property rights on new knowledge are recognised so that the use of proprietary knowledge can take place by third parties without authorisation, but after registration and the payment of a royalty.²⁹

A reduction of the exclusivity of intellectual property rights seems useful in reducing the negative effects on the use of technological knowledge as an input into the generation of new technological knowledge and yet preserving the key role of intellectual property rights to favour the dissemination and social availability of existing technological knowledge. The reduction of exclusivity needs to be balanced by the royalties that the users of patented knowledge should pay to inventors. Royalties are necessary to provide inventors with a reward for undertaking risky R&D activities and, in general, to cope with all the costs associated with the introduction of technological innovations.

Compulsory licensing differs sharply from compulsory licensing *cum* royalties. In the former framework, knowledge holders are deprived of all economic rights and cannot contrast the free use of their proprietary

²⁴ C. Antonelli, "Knowledge as an Essential Facility" (2007) 17 J. Evolutionary Econ. 451.

²⁵ R.H. Coase, "The Problem of Social Cost" (1960) 3 J.L. & Econ. 1.

²⁶ R.P. Merges, "Compulsory Licensing vs. the Three 'Golden Ladies' Property Rights, Contracts and Markets" (2004) 508 Pol'y Analysis 1.

²⁷ See Regulation 816/2006 of the European Parliament and of the Council of May 17, 2006 on compulsory licensing of patents relating to the manufacture of pharmaceutical products for export to countries with public health problems [2006] OJ L157/1; C. Chien, "Cheap Drugs at What Price to Innovation: Does the Compulsory Licensing of Pharmaceuticals Hurt Innovation?" (2003) 18 Berkeley Tech. L.J. 859; M. Scherer and J. Watal, "Post-TRIPS Options for Access to Patented Medicines in Developing Nations" (2002) 5 J. Int'l Econ. L. 913.

²⁸ E. Ostrom, *Governing the Commons: The Evolution of Institutions for Collective Action* (Cambridge: Cambridge University Press, 1990).

²⁹ J. Reichman and K. Maskus, (eds), *International Public Goods and Transfer of Technology under a Globalized Intellectual Property Regime* (Cambridge: Cambridge University Press, 2005); J. Reichman, "Of Green Tulips and Legal Kudzu: Repackaging Rights in Subpatentable Invention" (2000) 53 Vand. L. Rev. 17.

knowledge from third parties. In the latter framework, however, the users of the patented knowledge are expected to inform the patentee that they are going to use the knowledge and are willing to pay the royalties. Patentees that discover a user that did not declare itself and did not pay the royalties can claim that an infringement has been taking place and ask the judicial power to act against the clandestine user. Conversely, the patent holder cannot refuse the prospective user the right to access the patented knowledge and can only ask for the payment of the royalty.

The introduction of compulsory licensing *cum* royalties can be regarded as a major institutional innovation. Its introduction can be advocated as a tool to contrast the creation of barriers to entry and monopoly, especially in sensitive product markets such as health care and pharmaceuticals. Indeed, compulsory licensing should be used not only to favour competition in the product markets, but also to foster the generation of new technological knowledge.

From this specific viewpoint, it seems clear that the negative consequences of exclusive intellectual property rights are all the stronger the larger the scope of application of technological knowledge is. Barriers and delays to the use of technological knowledge that has a limited scope of application have smaller negative consequences than barriers and delays to the use of technological knowledge that has a wide scope of application. In the latter case, intellectual property rights with high levels of exclusivity slow down and may actually impede the advances of a large portion of the scientific and technological frontier.³⁰

The introduction of compulsory licensing *cum* royalties seems most promising for general purpose technologies and technological knowledge with high levels of fungibility. The negative effects of the exclusivity of intellectual property rights are all the stronger the wider their scope of application is. The new understanding of the mechanisms underlying the generation of technological knowledge enables an understanding that the reduced availability of existing knowledge has stronger negative consequences the larger the products and derivative advances in technological knowledge that rest upon unlimited imitation and use as an intermediary input into the generation of new technological knowledge.³¹

Compulsory licensing *cum* royalties should combine the positive effects of the rewards from generation of technological knowledge and the introduction of technological innovations with the positive effects of the reduction of monopolistic power in product markets and of access and actual use of technological knowledge once generated. Compulsory licensing *cum* royalties deprives inventors of the exclusive property right so that they can no longer impede the imitation of innovations and the use of technological knowledge, but entitles them to royalties based upon the actual use of their new technology and innovation.³²

The economics of compulsory licensing in product markets

The economics of compulsory licensing, so far, has focused exclusively on the effects on both users and producers of technological knowledge in the markets for products that embody technological knowledge.³³

The modelling exercises based upon the analysis of downstream product markets show how the introduction of an institutional innovation based on the fine tuning of the characteristics of intellectual property rights can help to foster the rate of technological advance that is put at risk both by the uncontrolled weakening of patents and by the intentional creation of new fences and limitations to the use of existing technological knowledge.

³⁰ Antonelli, "Knowledge as an Essential Facility" (2007) 17 J. Evolutionary Econ. 451.

³¹ M. Reitzig, "The Private Value of 'Thickets' and 'Fences'" (2004) 13 Econ. Innovation & New Tech. 443.

³² J. Barton, "Reforming the Patent System" (2000) 287 Sci. 1933; J. Penin, "Patents versus Ex-post Rewards: A New Look" (2005) 34 Res. Pol'y 641.

³³ P. Tandon, "Optimal Patents with Compulsory Licensing" (1982) 90 J. Pol. Econ. 470.

Compulsory licensing *cum* royalties enables the reduction of the levels of exclusivity of intellectual property rights with positive effects both in the markets for products that embody new technological innovations and in the markets for knowledge. Compulsory licensing has positive effects in terms of:

- a reduction of monopolistic power in product markets that is compatible with the identification of the rewards for inventors that are necessary to avoid the use of secrecy; and
- the dissemination of knowledge that is necessary to foster the generation of new technological knowledge.

Compulsory licensing enables the solution of the arrobian paradox, according to which the social surplus of innovation is larger in competitive markets than in monopolistic ones, but the incentives to innovate are stronger in the latter than in the former. The identification of the correct levels of royalties, however, is crucial to substantiate the effective use of this important institutional innovation.

Figure 2 helps us to understand the point. Let us assume that C_1 are the costs of a good sold in a monopolistic market at price P_1 . Before innovation, the equilibrium quantity is Q_A . The introduction of an innovation reduces the costs to C_2 . These new costs include the innovation costs, but no rewards for the innovator. In a monopoly, the new price would be P_2 , and the new equilibrium quantity Q_B . In a competitive market, the price would coincide with C_2 , and the new equilibrium quantity would be Q_D .

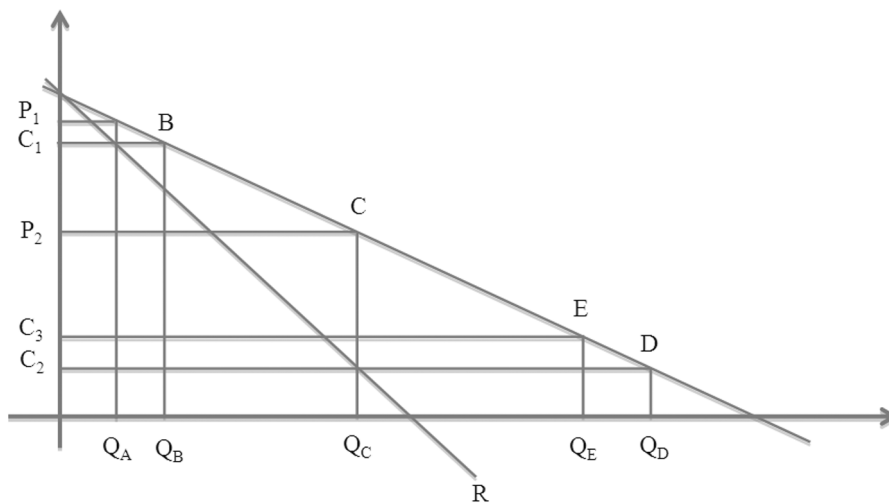


Fig.2

Inspection of Fig.2 confirms that, in monopolistic product markets, the consumer surplus is lower than in the competitive market, but in the competitive market there are no profits. Yet the competitive market enables maximisation of the social surplus defined as the sum of profits and consumer surplus. From the social viewpoint, the competitive market is clearly superior, but there are no rewards for the innovator, and hence the incentives to innovate are completely missing. The economic system risks a dramatic undersupply of the technological knowledge that is necessary to introduce the innovation than enables to reduce the costs from C_1 to C_2 .

From an ex-post perspective, assuming that the profits stemming from the introduction of an innovation do incentivise their introduction, it seems clear that competitive markets are superior in terms of static efficiency, but absolutely inferior in terms of dynamic efficiency.³⁴

Let us now consider the case that compulsory licensing is introduced with royalties that are fixed at the level R . Royalties are a cost for the producer and a revenue for the producers of the technological knowledge that is necessary for the introduction of innovations. Hence, costs increase from C_2 to C_3 . C_3 includes both the costs of the product after the innovation and the rewards for the activities that have made possible the generation of technological change and the introduction of the innovation. Compulsory licensing implies that there are no barriers to entry to imitators: competitive markets can substitute monopolies. In a competitive market, where all firms can use the new technology, the price would coincide with the new costs. The new equilibrium is found in E , and the system would produce the quantity Q_E .

The equilibrium in E combines royalties with consumer surplus. Royalties indeed provide incentives to innovate. The key question concerns their correct levels: royalties that are too high create static inefficiency, while too low they end up in dynamic inefficiency.

In the E solution, the consumer surplus is larger than the monopolistic solution identified by point C . As a result the social surplus of compulsory licensing with royalties is larger than in the monopolistic product markets and yet provides the appropriability that is necessary to yield incentives. Compulsory licensing enables the combining of the benefits of incentives for “inventors” and hence for innovators with the social goal of increasing as much as possible the social surplus stemming from the generation of technological knowledge and the ensuing introduction of innovations. The E solution, however, does not provide any hint that the future consumers’ surplus is actually maximised by the current levels of royalties.

The E solution has been selected with a rule of thumb procedure that does not necessarily lead to the maximisation of dynamic efficiency. The maximum levels of dynamic efficiency would be actually identified only if it were possible to select the “correct” amount of royalties that combine the optimum incentive to introduce innovations with the maximum levels of consumers’ surplus at time and in the following periods.

The analysis has focused on the markets for the products that embody new technological knowledge in an attempt to identify the correct level of royalties starting from the analysis of their characteristics. The levels of royalties affect at least three categories of agents: the holders of patents or the innovators, the users of the patent or the imitators, and finally the customers of the products that have been produced with the innovation.

F.M. Scherer, with a path-breaking empirical study on the propensity of firms to fund R&D activities after compulsory licensing and to innovate, found that the consequences were negative, but only to a limited extent.³⁵ This result is important, but does not shed any light on the actual optimum levels of royalties. More recently, Petra Moser and Alessandra Voena provide interesting evidence on the effects of compulsory licensing on the users of knowledge.³⁶ The effects were absolutely positive with an increase in innovation activities for users estimated at around 20 per cent. In this case, however, compulsory licensing was enforced without royalties as a part of the Trading with the Enemy Act enforced in 1917 by the United States against German patents. The positive effects on US users should be confronted with the negative effects on patent holders in order to assess the general effects of compulsory licensing.

The main results of this approach are the identification of the characteristics of the markets for the products, such as the price and revenue elasticity of the demand, the type of rivalry on the supply side, and the extent to which barriers to entry prevent imitation that affect the conduct of both innovators and

³⁴ Schumpeter, *Capitalism, Socialism and Democracy* (1942).

³⁵ F.M. Scherer, *The Economic Effects of Compulsory Patent Licensing* (New York: New York University Monograph Series in Finance and Economics, 1977).

³⁶ P. Moser and A. Voena, “Compulsory Licensing: Evidence from Trading with the Enemy” (2012) 102 *Am. Econ. Rev.* 396.

imitators. This approach, however, has not provided any clear-cut definition of the optimum level of the royalties that are associated with compulsory licensing.³⁷

So far, the identification of the correct level of royalties remains unsettled. The limits of this approach are more and more evident with:

- the failure of patent pools where the literature has not been able to elaborate a coherent methodology for the identification of the levels of royalties undermining their practical application³⁸;
- the spreading of patent thickets as a strategic tool to reduce the risks of non-appropriability and the increasing limits to the use of technological knowledge to generate new technological knowledge³⁹;
- the increasing levels of litigation and legal costs⁴⁰; and
- the spreading of “trolls” that try and maximise the benefits stemming from knowledge indivisibility in terms of complementarity among patents.⁴¹

The lack of a correct methodological approach to identify the correct levels of royalties limits the application of compulsory licensing to the field of drugs and medical products, typically in developing countries.⁴²

The identification of the correct level of royalties is crucial.⁴³ Non-exclusive property rights, with no rules about the correct level of royalties, would give patentees the right to ask for huge royalties that would varnish the actual non-exclusivity with the well-known negative effects that are all the stronger when innovation is cumulative.⁴⁴

A step forward is necessary towards the identification and implementation of a methodology to identify the correct level of royalties to which all parties involved in non-exclusive property rights—sellers and customers—should stick. This implies a shift of intellectual property rights away from the property rule towards the liability rule. The distinction is important: as with an entitlement protected by property rule, a collective decision can be made with respect to the content of an entitlement, but not upon the value of the entitlement. An entitlement protected by a liability rule, instead, involves a collective decision on the value of the entitlement.⁴⁵

The analysis of the upstream generation of knowledge as a good per se that is not yet embodied in new products, but is strictly necessary to introduce product or process innovations, seems to offer a promising opportunity to solve the problem.

Optimum royalty in the generation of knowledge

The economics of knowledge by now provides a large set of analytical tools and ammunitions to try and identify the crucial level of royalties, directly analysing the knowledge generation activity rather than the markets for products that embody new technological knowledge. Knowledge is a collective activity that uses knowledge as a necessary input for the generation of new knowledge as an output.

³⁷ J. Lanjouw and J. Lerner, “The Enforcement of Intellectual Property Rights: A Survey of the Empirical Literature” (1997) NBER Working Paper 6296.

³⁸ J. Lerner and J. Tirole, “Efficient Patent Pools” (2004) 94 *Am. Econ. Rev.* 691; J. Lerner, M. Strojwas and J. Tirole, “The Design of Patent Pools: The Determinants of Licensing Rules” (2007) 38 *RAND J. Econ.* 610.

³⁹ C. Shapiro, “Navigating the Patent Thicket: Cross Licenses, Patent Pools, and Standard Setting” (2001) 1 *Innovation Pol’y & Econ.* 119.

⁴⁰ B.H. Hall, “Patents and Patents Policy” (2007) 23 *Oxford Rev. Econ. Pol’y* 568.

⁴¹ C. Chien, “Of Trolls, Davids, Goliaths, and Kings: Narratives and Evidence in the Litigation of High-Tech Patents” (2009) 87 *N.C. L. Rev.* 1571; C. Chien, “Predicting Patent Litigation” (2011) 90 *Tex. L. Rev.* 283.

⁴² Chien, “Cheap Drugs at What Price to Innovation” (2003) 18 *Berkeley Tech. L.J.* 859.

⁴³ Scherer and Watal, “Post-TRIPS Options for Access to Patented Medicines in Developing Nations” (2002) 5 *J. Int’l Econ. L.* 913.

⁴⁴ G. Llobet, “Patent Litigation When Innovation Is Cumulative” (2002) 21 *Int’l J. Industrial Org.* 1135; C. Shapiro, “Injunctions Hold-up and Patent Royalties” (2010) 12 *Am. L. & Econ. Rev.* 280; C. Shapiro, “Navigating the Patent Thicket” (2001) 1 *Innovation Pol’y & Econ.* 119.

⁴⁵ G. Calabresi and A.D. Melamed, “Property Rules Liability Rules and Inalienability: One View of the Cathedral” (1972) 85 *Harv. L. Rev.* 1089.

More specifically, the rich literature of the economics of knowledge shows that each firm can generate new knowledge as long as it can rely upon the knowledge activity implemented at each point in time by all the other firms with which it can interact. External knowledge is acquired by means of transactions enriched by interactions. The mix of transactions with interactions is made necessary by the tacit component of knowledge. At the same time, external knowledge cannot be considered a stock. Knowledge exists as long it consists of an ongoing activity. External knowledge is always and necessarily a flow of competences practiced by other agents in the system.

The analysis of the knowledge generation function, as distinct from the knowledge production function that includes knowledge as an input, enables an important step forward. Following Zvi Griliches, the knowledge production function applies to all other goods and explicitly includes knowledge as an input, next to the traditional inputs such as capital and labour.⁴⁶ The knowledge generation function applies only to the upstream activities that make it possible to generate new knowledge.⁴⁷ Building upon Martin Weitzman, the generation of knowledge can be considered as the result of a recombination activity of all existing knowledge available at each point in time.⁴⁸ The diverse knowledge items that exist at each point in time are dispersed in a myriad of possessors and used in a variety of activities. The stock of knowledge does not exist independent of the learning activity of the agents that possess and use it. A bit of knowledge that is not used is lost. External knowledge is the basic indispensable and non-disposable input that feeds the eventual generation of new knowledge. The knowledge possessed by all the other agents is external to each agent and yet is a crucial input into the recombinant generation of new knowledge. R&D activities together with learning processes enable existing knowledge items to recombine into new knowledge. No generation of new knowledge is possible without access to and use of existing knowledge.

Access to external knowledge by each agent requires a complex set of transactions with interactions. Because of the tacit component of knowledge, perfect, impersonal, spot transactions are not sufficient to transfer knowledge. Dedicated, personal interactions are necessary. The price of knowledge plays an important, though not exhaustive, role in the actual acquisition of external knowledge and in its effective use in the recombinant generation of new knowledge.

The specification of a knowledge generation function and the appreciation of the dual role of knowledge as both an input and an output provide the opportunity to identify the correct price for knowledge. The identification of the correct levels of royalties is, in fact, possible as soon as we jointly consider their positive and negative effects on the economics of the generation of technological knowledge. High levels of royalties engender high revenues for the knowledge producer as well as higher costs. Technological knowledge is, in fact, both an output and an input—more specifically, a necessary and indispensable input for the production of new technological knowledge. Hence, technological knowledge is found twice in the generation function of the inventor, both on the revenue and the cost side.

This frame enables to identify an optimum level of royalties.

Let us assume that, at the system level, it is possible to identify the amount of new knowledge Y that the system is willing to use. Y is generated with the following Cobb-Douglas production function:

$$(1) F(R\&D, K_n) = R\&D^\alpha K_n^{1-\alpha}$$

where $0 < \alpha < 1$.

In particular, $F(R\&D, K_n)$ represent the additional level of knowledge produced, Y , given the two productive factors employed: R&D and initial quantity of knowledge (K_n). As in the standard Cobb-Douglas

⁴⁶ Z. Griliches, "Issues in Assessing the Contribution of Research and Development to Productivity Growth" (1979) 10 *Bell J. Econ.* 92.

⁴⁷ R.R. Nelson, "The Role of Knowledge in R&D Efficiency" (1982) 97 *Q.J. Econ.* 453.

⁴⁸ Weitzman, "Hybridizing Growth Theory" (1996) 86 *Am. Econ. Rev.* 207; Weitzman, "Recombinant Growth" (1998) 113 *Q.J. Econ.* 331.

we assume that the two productive factors are complements with a certain degree of substitutability. In other words, the production of knowledge requires a minimum amount of the productive factors R&D and K_n , so that even if royalties are very large, the production cannot rely exclusively on the factor R&D, and some minimum amount of K_n must be used in any case. Let us call this minimum amount $K_{n\min}$.

Assuming linear costs g of R&D and K_n , and a price for the royalties R , the profit function is the following:

$$(2) \Pi(R\&D, K_n) = R F(R\&D, K_n) - g R\&D - R K_n.$$

In the range of substitutability, the firm chooses the level of R&D that maximises her profits:

$$(3) \quad \frac{d\Pi}{dR\&D} = 0 \Rightarrow R \cdot \alpha \cdot R\&D^{\alpha-1} K_n^{1-\alpha} - g = 0 \Rightarrow R\&D^* = \left(\frac{\alpha R}{g}\right)^{\frac{1}{1-\alpha}} K_n^*$$

Similarly, the level of K_n that maximises the firm's profits is

$$(4) \quad \frac{d\Pi}{dK_n} = 0 \Rightarrow R \cdot (1-\alpha) \cdot R\&D^\alpha K_n^{-\alpha} - R = 0 \Rightarrow K_n^* = (1-\alpha)^{\frac{1}{\alpha}} R\&D^*$$

Considering that $Y = R\&D^\alpha K_n^{1-\alpha}$,

$$(5) \quad Y = \left(\frac{\alpha R}{g}\right)^{\frac{\alpha}{1-\alpha}} K_n^{*\alpha} K_n^{*(1-\alpha)} = \left(\frac{\alpha R}{g}\right)^{\frac{\alpha}{1-\alpha}} K_n^* \Rightarrow K_n^* = Y \left(\frac{g}{\alpha R}\right)^{\frac{\alpha}{1-\alpha}}$$

and, by substituting (5) in (3)

$$(6) \quad R\&D^* = Y \left(\frac{\alpha R}{g}\right)$$

The revenue function is:

$$(7) \quad RV(R) = R \cdot Y$$

From expression (7), the revenue function is linear with respect to R as shown in Fig.3 with the bold straight line increasing from the origin.

The total costs are the sum of the cost component related to R&D and the cost component related to K_n :

$$(8) \quad C = C_{R\&D} + C_{K_n}$$

In the substitutability range (namely when $K_n > K_{n\min}$), both cost components depend on R, as expressed by (5) and (6). The cost components in the substitutability range are then:

$$(9) \quad C_{R\&D}(R) = g \cdot R\&D^* = g \cdot Y \cdot \left(\frac{\alpha R}{g}\right) = \alpha \cdot Y \cdot R$$

and

$$(10) \quad C_{K_n}(R) = RK_n^* = R \cdot Y \left(\frac{g}{\alpha R}\right)^{\frac{\alpha}{1-\alpha}} = Y \cdot \left(\frac{g}{\alpha}\right)^{\frac{\alpha}{1-\alpha}} \cdot R^{\frac{1-2\alpha}{1-\alpha}}$$

In the substitutability range, the quantity of productive factors used depends on R. Indeed, if R increases, the production of Y relies more on R&D and less on K_n . In particular, from the expressions above, we see that the component of cost related to R&D is linear with respect to R, while the convexity with respect to R of the cost component related to K_n depends on the value of α . In particular, if

$$\frac{1 - 2\alpha}{1 - \alpha} < 0$$

namely if $\alpha > 1/2$, the component of cost related to K_n , C_{K_n} , has the form of a hyperbole.

This case is shown in Fig.3 where the productive factors are substitutes for $R < R^*$. In this interval, C_{K_n} is represented by the thin hyperbole and $C_{R\&D}$ is represented by the thin line. Their sum is shown by the bold curve $C(R)$.

When R increases beyond a certain value (that we denote R^*), K_n cannot further decrease and the combination and amount of productive factors remains constant at $K_{n\min}^*(R^*)$ and $R\&D_{\max}^*(R^*)$. This implies that beyond R^* (namely, out of the substitutability range) the component of cost related to R&D remains constant with respect to R, while the component of costs related to K_n increases linearly with R:

(11)

$$C = g \cdot R \cdot D_{max}^* + R K_n^* \min$$

We thus have that, out of the substitutability range, revenues increase linearly (with the multiplicative factor being the given level of Y), and costs increase linearly (with the multiplicative factor being $K_{n\min}$). The situation is represented in Fig.1 for values of $R > R^*$. $C_{R\&D}$ is the thin horizontal line, while C_{Kn} is the thin increasing line. Their sum is shown by the bold increasing line for $R > R^*$.

Assuming that the slope of the revenue curve (Y) is lower than the slope of the cost curve (K_n) (namely, that the quantity of additional knowledge produced is lower than the initial level of knowledge used), it is evident from Fig.3 that an optimal level of R exists, where profits are maximized. This level corresponds to R^* .

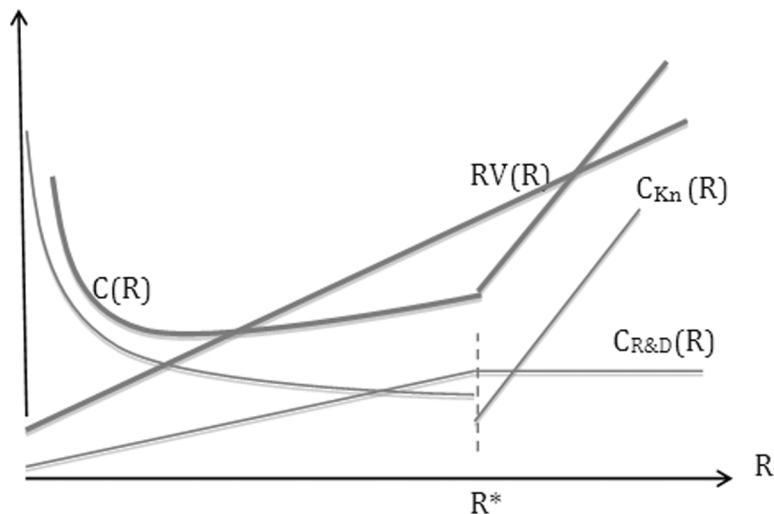


Fig.3: Cost and revenue function for $\alpha > \frac{1}{2}$ and complementary productive factors, with $Y < K_n$

The model has shown the strict interdependence between active and passive royalties when the stock of technological knowledge is considered as an input into the production of new technological knowledge.

From a regulatory viewpoint, the implications of this analysis are straightforward and consist in the direct extension of the existing regulatory body on essential physical facilities such as telecommunications, energy, transportation etc. Existing knowledge is an essential facility. At the same time, intellectual property rights should be enforced. Their use and access should be implemented with a shift of intellectual property rights away from the property rule towards the liability rule that implies a collective decision valid *erga omnes* on their value and access conditions.⁴⁹

Applications for patents should be integrated with the identification of the research costs that have been incurred to generate the new technological knowledge. The declaration of the costs incurred should be

⁴⁹ Antonelli, "Knowledge as an Essential Facility" (2007) 17 J. Evolutionary Econ. 451; J.P. Choi, "Compulsory Licensing as an Antitrust Remedy" (2010) 2 WIPO J. 75.

supported by appropriate accounting evidence. Patent offices are expected to acquire the competence that is necessary to assess the consistency of the costs declaration so as to limit the drawbacks of inefficiency in knowledge generation and/or opportunistic behaviour in declaration. Moreover, in order to counterweight the creation of spurious incentives to opportunistic behaviour of inefficient inventors, renewal fees will be calculated as a share of the costs that have been admitted by the patent office.

Once the patent is granted, compulsory licensing applies, and the use of patents by third parties cannot be limited, provided the request for a licence is registered and royalties are paid.

The royalties will be calculated as a share of the costs. The level of the royalty for the prospective user should be lower than the costs incurred by the inventor. The royalty should be fixed at a level that prevents the substitution by users involved in the generation of new knowledge of current R&D expenses to existing knowledge. If the royalty is fixed at 50 per cent of the costs, patents with a number of requested licenses below two would incur losses. When the number of licenses is larger than two, however, inventors make profits. The actual levels of the inventor's profits will be influenced by the relevance of the patent. Because the costs incurred for the generation of new technological knowledge are fixed, the average costs of patents with a wide application will decrease over time favouring the increase of the profits.

On the demand side, knowledge generators will try and identify the best mix of knowledge inputs according to their content and their costs. On the supply side, the generation of technological knowledge can become a specialised industry where firms compete in the generation of useful knowledge that can be patented and used with no exclusivity by third parties. The identification of mark-ups can help to foster the entry of new competitors in specific domains. Inventors of minor inventions will barely cover costs. Inventors of radical inventions will gain major profits stemming from the difference between the fixed royalty and the declining average costs of the patent.⁵⁰ The entry in the knowledge generation industry, however, is open as there are no barriers to entry determined by exclusive intellectual property rights. High profits in specific domains are likely to attract the entry of new competitors, while inventors might want to exit from scientific and technological domains with low demand for licenses.⁵¹

Because of compulsory licensing and the consequent right to use the existing knowledge, though at a price paid to the patent holder, we can assume that Schumpeterian competition takes place in both product and knowledge markets with a plurality of firms both upstream and downstream that enter and exit. Many firms try and generate new technological knowledge using the stock of existing knowledge as much as many firms try and introduce technological innovations in the product markets.

A Marshallian selection process based on entry and exit with the failure of less attractive innovations and firms is likely to take place. At each point in time, a plurality and variety of innovations are being introduced. The Marshallian selection process applies to both firms and innovations and leads to the social optimum in terms of the amount of new technological knowledge identified by the maximum difference between the consumer surplus and the cost of generating new technological knowledge and introducing technological innovations.

Compulsory licensing bears direct effects on patent design and especially on their breadth and duration. Compulsory licensing reduces the relevance of both scope and duration, since their implications on the exclusivity of property rights are swept away from the right to use a patent provided that a fee is paid.⁵²

The systematic application of compulsory licensing *cum* royalties opens new opportunities for knowledge exploitation, favouring the direct valorisation of knowledge as a commodity embodied neither in goods

⁵⁰ Patent offices might be given regulatory powers to reduce the unit royalty for patents that have been heavily licensed.

⁵¹ To increase the levels of actual competition in the markets for products, the direct exploitation of a patent by the inventor through the creation of a firm should be impeded. The inventor, however, can retain the right to use the knowledge generated and patented to generate new knowledge. Clearly the inventor has the incentive to acknowledge the royalties paid to its own knowledge generating activity.

⁵² Ayres and Klemperer, "Limiting Patentees' Market Power without Reducing Innovation Incentives: The Perverse Benefits of Uncertainty and Non-injunctive Remedies" (1999) 97 Mich. L. Rev. 986.

nor in knowledge intensive property rights and becoming an alternative both to vertical integration in the direct application of new knowledge in the production of other goods and to venture capitalism.⁵³

Compulsory licensing *cum* royalties make possible the working of the markets for knowledge favouring the meeting of the demand and the supply for knowledge. Moreover they can help to encourage the interaction between knowledge producers and knowledge users. Knowledge users have a clear interest in purchasing technical assistance and support by knowledge producers. At the same time, knowledge producers have an interest in assisting prospective knowledge users and add to the royalties the revenue stemming from their assistance. Compulsory licensing becomes an incentive to the growth of markets for knowledge transfer services that become strictly adjacent and complementary to the markets for knowledge. From this viewpoint, compulsory licensing favours the actual consolidation of a knowledge economy.⁵⁴

Conclusions

The identification of the dual role of technological knowledge as both the output of a generation process and an essential input into the recombinant generation of new technological knowledge allows important progress towards the identification of the correct price for knowledge.

Knowledge is characterised by the idiosyncratic characteristics of limited natural appropriability, non-exhaustibility, indivisibility, and hence cumulability and complementarity. Its efficient generation requires at the same time its unconditioned use as an input and its full exploitation as an output. With too little appropriation, knowledge externalities are very high, as much as the efficiency of the knowledge generation process, but the exploitation conditions are so bad and the incentives so low that nobody is willing to engage in the generation of knowledge. Too much appropriation reduces the uncontrolled leakage of knowledge spillovers, limits knowledge externalities and improves exploitation conditions, but reduces the viability and efficiency of the generation process.

In this context, intellectual property rights play a central role. These rights are necessary to enable the appropriability of technological knowledge, to favour its dissemination in the economic system and to prevent the systematic use of secrecy. The tuning of their characteristics is also necessary in order to reduce their negative consequences in both the product markets and knowledge markets. The exclusivity of intellectual property rights and specifically patents is a crucial characteristic that deserves much attention and analysis. The reduction of the exclusivity of patents by means of the systematic use of compulsory licensing seems to yield positive effects in both product and knowledge markets.

The identification of the correct level of royalties associated with compulsory licensing is crucial to implementing the effective viability of this major institutional innovation and to favouring its fast diffusion with widespread adoption.

Compulsory licensing *cum* royalties enables the combination of the need to secure the rewards to innovators with the goal of increasing as much as possible the social surplus stemming from the introduction of innovations. The analysis of the pay-off of the levels of royalties on the economics of knowledge generation enables the identification of the correct levels of royalties.

The fine tuning of intellectual property right regimes with their recombination and based upon the reduction of the exclusivity of patent legislation with the enforcement of royalty rights can become a major institutional innovation. The advantages of dynamic efficiency are maximised under the constraints of the appropriate conditions for the implementation of static efficiency. Compulsory licensing gives a new functionality to the patent system as it becomes an essential tool for increasing the dissemination of technological knowledge, and hence its repeated use as an intermediary input, while at the same time a

⁵³ B. Coriat and B. Weinstein, "Patent Regimes and the Commodification of Knowledge" (2012) 10 *Socioeconomic Rev.* 267.

⁵⁴ A. Arora, A. Fosfuri and A. Gambardella, *Markets for Technology* (Cambridge, Mass.: MIT Press, 2001).

mechanism that favours the working of the markets for knowledge, securing appropriate rents to innovators and inventors.

The International Legal Framework for the Protection of Utility Models: Unmatched Flexibility for Domestic Experimentation?

Henning Grosse Ruse-Khan*

Senior Research Fellow, Max Planck Institute for Intellectual Property and Competition Law (Munich); Associate Fellow, Centre for International Sustainable Development Law (Montreal)

☞ Bilateral investment treaties; Bilateral trade agreements; International law; TRIPs; Utility models

1. Introduction

International intellectual property (IP) treaties cover various IP rights in varying degrees of detail and comprehensiveness. Hence, the treaty obligations to which the contracting parties must adhere equally vary.¹ For utility models, international IP law so far contains relatively few provisions and consequently few relevant treaty obligations with which the contracting states must comply. In essence, this means that the policy space that countries enjoy in designing their national systems of utility model protection is quite broad.²

However, more recent tendencies to include in Free Trade Agreements (FTAs) comprehensive additional obligations on the protection and enforcement of IP rights beyond those in the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS”) may change this to some extent. Although additional protection for utility models is certainly not at the core of these TRIPS-plus obligations, some recent examples exist and will be discussed briefly below. These examples are relevant not only to those countries that have agreed to bilateral or plurilateral FTAs, but also to those others that have accepted international investment agreements (IIA) or investment chapters in FTAs. All of these agreements may further limit the policy space on the multilateral level.

* This article builds on a report the author has conducted for WIPO on “Utility Model Protection as an Option to Incentivise Minor and Incremental Innovation”. I would like to thank Ahmed Mukhtar, Punchi Hewage Nishantha Sampath, Owais Shaikh and the anonymous reviewer for their comments and advice. The article, however, solely represents my views, and all errors remain mine.

¹ The WTO Agreement on Trade-Related Aspects of Intellectual Property Rights, for example, contains obligations concerning the protection of copyrights, trademarks, industrial designs, geographical indications, patents, semiconductors and undisclosed information. It includes, via reference, the core obligations of two main pre-existing substantive IP treaties, the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention) and the Paris Convention for the Protection of Industrial Property (Paris Convention). The TRIPS copyright provisions have more of a gap filling character, because the Berne provisions, incorporated via art.9.1 of TRIPS, already contain a significant degree of harmonised minimum standards on copyright protection. The TRIPS trademark (arts 15–21) and patent provisions (arts 27–34), by contrast, are much more comprehensive and detailed, since the Paris Convention does not contain a comparable degree of harmonised minimum standards.

² A recent WIPO study on flexibilities in the international patent system comes to the same result: see WIPO, Committee on Development and Intellectual Property (CDIP), “Patent Related Flexibilities in the Multilateral Legal Framework and Their Legislative Implementation at the National and Regional Level”, March 1, 2010, CDIP/5/4, para.26.

2. Multilateral IP agreements

2.1 The Paris Convention

The definition of industrial property under the Paris Convention for the Protection of Industrial Property (Paris Convention) covers, among other forms of IP, utility models.³ The main consequence for the contracting states is that they are bound to the national treatment obligation under art.2 of the Paris Convention in relation to any system of utility model protection provided in national law. Article 2 states:

- “(1) Nationals of any country of the Union shall, as regards the protection of industrial property, enjoy in all the other countries of the Union the advantages that their respective laws now grant, or may hereafter grant, to nationals; all without prejudice to the rights specially provided for by this Convention. Consequently, they shall have the same protection as the latter, and the same legal remedy against any infringement of their rights, provided that the conditions and formalities imposed upon nationals are complied with.
- (2) However, no requirement as to domicile or establishment in the country where protection is claimed may be imposed upon nationals of countries of the Union for the enjoyment of any industrial property rights.
- (3) The provisions of the laws of each of the countries of the Union relating to judicial and administrative procedure and to jurisdiction, and to the designation of an address for service or the appointment of an agent, which may be required by the laws on industrial property are expressly reserved.”

In essence, art.2.1 requires all contracting states to grant nationals of other contracting states the same protection and remedies against infringement as is available to their own nationals and in relation to industrial property defined in art.1.2. Therefore, any national system of utility model protection may not discriminate against foreign right holders in terms of protection and enforcement.⁴

This national treatment obligation, however, does not create an obligation for Paris Union countries to introduce utility model protection in their national laws. Nor does it require any specific minimum scope or substance of protection if such a system is established. *Contracting parties remain free not to introduce such a system.* If they decide to include utility model protection in their national law, they can freely determine the conditions for not only the scope and substance of utility model protection, but also for limitations and duration. This absence of any substantive minimum standards is one of the main reasons behind the diversity in the design of national utility model systems around the world.⁵

Beyond the national treatment obligation described above, the Paris Convention contains a right of priority under art.4, which applies to utility models.⁶ Therefore, Paris Union countries which envisage a system of utility model protection have to allow for a grace period of 12 months from the date of the first filing of a utility model registration in one of the Union countries, within which time the right holder may

³ Article 1.2 of the Paris Convention states: “The protection of industrial property has as its object patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition”.

⁴ See G.H.C. Bodenhausen, *Guide to the Paris Convention* (Geneva: United International Bureaux for the Protection of Intellectual Property, 1968), p.29.

⁵ This diversity can be assessed from many angles. According to a recent WIPO study, utility model systems can be categorised into (1) patent-type regimes and (2) three-dimensional regimes: see CDIP, “Patent Related Flexibilities in the Multilateral Legal Framework and Their Legislative Implementation at the National and Regional Level”, 2010, para.26. Other areas where national regimes diverge concern (1) the scope of protectable subject matter; (2) the conditions for protection (especially the type of novelty required and whether some form of inventiveness is at all a condition); (3) the granting procedure (substantive examination or mere registration); and (4) the duration of protection (which usually varies between 5 and 15 years). For a list of some of the key differences, see Annex II of the CDIP study. In essence, the about 70 national systems of utility model protection do contain important differences when it comes to the details and specific elements of the system. These differences reinforce the general insight that, for IP protection, no “one size fits all” approach is suitable. The absence of any relevant substantive obligations on the multilateral level allows countries more room to tailor protection to domestic needs than in cases of other IP rights.

⁶ See Paris Convention for the Protection of Industrial Property 1971, arts 4A.1, 4B and 4C.1.

register the utility model in other Union countries. Furthermore, it is permissible to file a utility model in a Union country with such a system by virtue of a right of priority based on the filing of a patent application, and vice versa.⁷ Finally, art.4 allows an industrial design to be filed in a Union country by virtue of a right of priority based on the filing of a utility model, but the priority period will be six months, instead of 12, as with all industrial designs.⁸

In terms of substantive obligations, art.5A of the Paris Convention also applies, with the necessary modifications (*mutatis mutandis*), to utility models, even though that provision addresses national limitations to patent protection.⁹ Article 5A provides:

- “(1) Importation by the patentee into the country where the patent has been granted of articles manufactured in any of the countries of the Union shall not entail forfeiture of the patent.
- (2) Each country of the Union shall have the right to take legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exercise of the exclusive rights conferred by the patent, for example, failure to work.
- (3) Forfeiture of the patent shall not be provided for except in cases where the grant of compulsory licenses would not have been sufficient to prevent the said abuses. No proceedings for the forfeiture or revocation of a patent may be instituted before the expiration of two years from the grant of the first compulsory license.
- (4) A compulsory license may not be applied for on the ground of failure to work or insufficient working before the expiration of a period of four years from the date of filing of the patent application or three years from the date of the grant of the patent, whichever period expires last; it shall be refused if the patentee justifies his inaction by legitimate reasons. Such a compulsory license shall be non-exclusive and shall not be transferable, even in the form of the grant of a sub-license, except with that part of the enterprise or goodwill which exploits such license.
- (5) The foregoing provisions shall be applicable, *mutatis mutandis*, to utility models.”

Therefore, by virtue of art.5A(5) of the Paris Convention, the limits imposed in sub-sections (1)–(4) on the ability of Paris Union Countries to forfeit or revoke patents or to introduce compulsory licenses, especially for failure to work,¹⁰ apply also to utility models. These provisions are primarily relevant in the context of importing protected products and their local working, whereas utility model protection is primarily utilised by local residents.¹¹ The obligations contained in art.5A are, therefore, unlikely to play an important role in the practice of utility model protection.¹²

Nevertheless, allowing some form of compulsory licensing may be an issue to consider for any country with a system of utility model protection. In this context, art.5A(2) explicitly allows “the grant of compulsory licenses to prevent the abuses which might result from the exercise of the exclusive rights conferred by the patent”. While failure to work is mentioned as an example, this is not exhaustive, and other forms of abuse can also be addressed by compulsory licensing, and, if that has not proven to be sufficient to tackle the abuse, by forfeiture in accordance with art.5A(3).¹³ Article 5A(4) then contains further relevant obligations for the compulsory licenses issued to tackle “failure to work or insufficient

⁷ See Paris Convention for the Protection of Industrial Property 1971, art.4E.2.

⁸ See Paris Convention for the Protection of Industrial Property 1971, art.4E.1.

⁹ See Paris Convention for the Protection of Industrial Property 1971, art.5A(5).

¹⁰ The concept of failure to work refers to the situation that a holder of a patent (or, in our case, a utility model) has obtained an exclusive right, but refrains from working the invention (or innovation) locally—usually through the manufacture of the protected product or the industrial application of the protected process: see Bodenhausen, *Guide to the Paris Convention* (1968), p.71.

¹¹ For statistics on the registration of utility models, see WIPO, *World Intellectual Property Indicators* (Geneva: 2011), pp.95–96.

¹² See also Bodenhausen, *Guide to the Paris Convention* (1968), p.73.

¹³ See Bodenhausen, *Guide to the Paris Convention* (1968), p.70.

working”. As mentioned above, the issue of local working will usually not be relevant to utility models. For all other cases of abuse, art.5A(4) does not apply.

More importantly, the obligations in art.5A(2)–(4) do not apply to measures other than those whose purpose is to prevent abuses.¹⁴ That means that a country is free to introduce compulsory licenses (or other limitations to utility model protection) for other reasons, such as to promote the public interest or to allow the utilisation of utility models necessary for follow-on innovation.¹⁵ In essence, art.5A of the Paris Convention does, therefore, leave significant flexibility in design exceptions and limitations to utility model protection. It will primarily be relevant to compulsory licenses addressing failure to work—a scenario which does not seem to have practical significance for utility models.

The Paris Convention further addresses utility models in arts 5D and 11.¹⁶ In essence, its core obligation in relation to utility models is that of national treatment, which prohibits treating nationals of other Union countries less favourably in terms of protection and enforcement of utility models rights. The Paris Convention, nevertheless, does not contain any obligations on how a system of protection and enforcement of utility models must look and hence leaves all freedom in its design to the domestic legislator.

2.2 The WTO TRIPS Agreement

The Agreement establishing the World Trade Organisation (“WTO”) contains as Annex 1C the TRIPS Agreement. The substantive scope of TRIPS is defined in art.1.2, whereby “the term ‘intellectual property’ refers to all categories of intellectual property that are the subject of Sections 1 through 7 of Part II” of the Agreement. As the subject of these sections in TRIPS does not in any way refer to utility models, TRIPS does not contain any *independent* obligations on the protection and enforcement of utility models.

In art.2.1, however, WTO Members are obliged to “comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967)”.¹⁷ That means that the substantive obligations of the Paris Convention, including those on utility models described above, are made part of TRIPS and hence obligations under the WTO Agreements.¹⁸ Compliance with these provisions of the Paris Convention can, therefore, be tested under the WTO dispute settlement system.¹⁹ For the protection and enforcement of utility models, this arguably means that compliance with the core national treatment obligation in art.2.1 of the Paris Convention can be challenged by a WTO Member in front of a dispute settlement panel established under the WTO Dispute Settlement Understanding (DSU).²⁰ In case the national laws of a WTO Member are found to be inconsistent with this obligation, and the Member fails to correct this inconsistency, the DSU allows the complaining Member, as a last resort, to suspend equivalent obligations vis-à-vis the defendant.²¹

¹⁴ Bodenhausen, *Guide to the Paris Convention* (1968), p.70.

¹⁵ Compare the discussion of the international flexibilities related to exceptions and limitations from utility model protection in s.4 of this article.

¹⁶ Article 5D prohibits national requirements from indicating or mentioning the utility model as a condition for recognising the right to protection. Under art.11, “the countries of the Union shall, in conformity with their domestic legislation, grant temporary protection to patentable inventions, utility models, industrial designs, and trademarks, in respect of goods exhibited at official or officially recognized international exhibitions held in the territory of any of them”.

¹⁷ To be exact, this obligation is limited to the TRIPS provisions contained in “Parts II, III and IV of this Agreement”. These parts, however, address all relevant questions of protection, enforcement, acquisition and maintenance of IP rights under TRIPS.

¹⁸ See “United States—Section 211 Omnibus Appropriations Act of 1998”, Report of the Appellate Body, January 2, 2002, WT/DS/176/AB/R, paras 124–125.

¹⁹ The System for settling disputes over the compliance with WTO treaty obligations is primarily set out in the WTO Dispute Settlement Understanding.

²⁰ A similar debate concerning the scope of WTO/TRIPS obligations in relation to trade names has been the subject of the “Havana Club” dispute in the WTO. Here, the Appellate Body overruled the panel’s decision that, due to the limitation in art.2.1 to pts II, III and IV of TRIPS, the Paris Convention obligations in relation to trade names are not part of WTO law: see “United States—Section 211 Omnibus Appropriations Act of 1998”, Report of the Appellate Body, 2002, paras 333–338. Whether the exact same reasoning would apply to the Paris Convention obligations concerning utility models is not completely clear. Nevertheless, good arguments speak in favour of such an understanding of art.2.1 of TRIPS: The qualification in art.2.1 (which limits compliance with arts 1–12 and 19 of the Paris Convention to pts II, III and IV of TRIPS) is better to be understood as a limitation to issues of availability, scope and use (pt II), enforcement (pt III), acquisition and maintenance of IP (pt IV)—rather than conditioning compliance with the Paris Convention to the fields of IP covered in pt II (which would exclude utility models). Hence, the obligation to comply with arts 1–12 and 19 of the Paris Convention is limited to the issues addressed in pts II, III and IV of TRIPS, but not to the fields of IP covered in pt II.

²¹ See *Understanding on Rules and Procedures Governing the Settlement of Disputes* 1994, art.22.3.

In sum, TRIPS does not add to the international treaty obligations which a Paris Union Member State has in relation to utility models. The main non-discrimination (national treatment) obligation flowing from the Paris Convention where a country decides to introduce a system for protecting utility models would, however, be enforceable via the WTO dispute settlement process.

As noted in a recent WIPO publication, the other multilateral treaties which refer to utility models, such as the International Patent Classification (“IPC”)²² and the Patent Cooperation Treaty (PCT),²³ also do not contain any substantive minimum standard of protection.²⁴ The resulting flexibility in designing a utility model system is almost unique in comparison to other IP rights. Section IV below highlights some of the key aspects of this policy space—in particular vis-à-vis the now “highly regulated” patent system.

3. Regional and bilateral agreements

3.1 Free trade and economic partnership agreements

Beyond the multilateral treaties described above, relevant international obligations pertaining to utility models may result from bilateral, plurilateral or regional agreements which increasingly contain additional obligations concerning the protection and enforcement of IP rights. Most of these obligations go beyond the multilateral standards enshrined in TRIPS; hence, they are frequently referred to as “TRIPS-plus”. Although additional protection for utility models is certainly not at the core of TRIPS-plus obligations in FTAs, it may nevertheless affect the policy space available under the multilateral IP system. The following examples of IP provisions in FTAs relating to utility models indicate how even areas of IP so far unregulated on the international level are increasingly subject to international treaty obligations.

In 2008, the European Union concluded the first so called Economic Partnership Agreement (“EPA”)²⁵ with a group of Caribbean States. This EU-CARIFORUM EPA contains a comprehensive chapter on IP which in turn has one provision on utility models:

“ARTICLE 148—Utility models

A. Requirements for protection

- (a) The EC Party and the Signatory CARIFORUM States may provide protection for any products or processes in any fields of technology, provided they are new, involve some degree of non-obviousness and are capable of industrial application.
- (b) The EC Party and the Signatory CARIFORUM States may exclude from protection all those products and processes the prevention within their territory of the commercial exploitation of which is necessary to protect ordre public or morality, human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by their law.
- (c) The EC Party and the Signatory CARIFORUM States may also exclude from protection:
 - (a) diagnostic, therapeutic and surgical methods for the treatment of humans or animals;

²² The IPC covers not only patents for invention, but also inventors’ certificates, utility models and utility certificates.

²³ In the PCT framework, references to an application for the protection of an invention shall be construed as covering applications for patents for inventions, inventors’ certificates of addition, and utility certificates of addition.

²⁴ CDIP, “Patent Related Flexibilities in the Multilateral Legal Framework and Their Legislative Implementation at the National and Regional Level”, 2010, para.26.

²⁵ The EPAs the European Union is currently negotiating are the continuation of the trade relations Europe has with African, Caribbean and Pacific (ACP) states. Other recent FTAs the European Union has concluded—for example, with South Korea, Colombia and Peru, as well as a group of Central American States—do not contain any provisions on utility models.

- (b) subject to Article 150, plants and animals other than micro-organisms, and essentially biological processes for the production of plants or animals other than non-biological and microbiological processes.
- (d) The provisions of this Article shall be without prejudice to existing legislation in the EC Party or the Signatory CARIFORUM States.
- B. Term of protection
The term of protection available shall not end before five years, nor exceed ten years, counted from the filing date, or where priority is claimed, from the priority date.
- C. Relationship to patents
 - (a) All other conditions and flexibilities provided for patents in Section 5 of the TRIPS Agreement shall apply mutatis mutandis to Utility Models, in particular any that might be required to ensure public health.
 - (b) An application for the grant of a patent may be converted into an application for utility model protection provided the request for conversion is made before the patent has been granted.”

While the general question of whether to introduce a system of utility model protection remains optional under art.148.1 of the EPA, the provision does contain several requirements on how such a system has to be designed if a contracting party decides to introduce utility model protection into its domestic law in the future:²⁶

- (1) Such a system must be available for “any products or processes in any fields of technology” (art.148A.1)²⁷;
- (2) Requirements of protection are novelty, “some degree of non-obviousness” and industrial application (art.148A.1);
- (3) The grounds for excluding certain subject matter from protection are equivalent to those recognised in art.27.2 and 3 of TRIPS (art.148A.2–3);
- (4) The term of protection must be a minimum of five and a maximum of ten years (art.148 B); and
- (5) The conditions and (only) those flexibilities provided for patent rights in arts 27–34 of TRIPS apply also to utility model protection (art.148C).

These are significant constraints on the existing flexibilities for designing a utility model system under the multilateral framework. The “grandfathering clause” in art.148A.4 of the EPA operates in a way that these constraints are only relevant to those contracting parties aiming to introduce utility model protection, while those with “existing legislation” on the matter are exempted from any obligations under art.148. If confronted with such a provision in future FTA negotiations, a country should carefully analyse the impact such a provision may have on the policy space it currently enjoys under the multilateral system.

To find such a comprehensive rule in an agreement that the then European Community (now the European Union) negotiates is even more surprising given that the European Union itself has no common system for the protection of utility models.²⁸ Among EU Members, there is a considerable degree of

²⁶ Since art.148A.4 makes the obligations contained in art.148 subject to “existing legislation in the EC Party or the Signatory CARIFORUM States”, contracting states which already have a system of utility model protection are not affected.

²⁷ It remains unclear from the ordinary meaning of the text whether: (1) once a country introduces utility model protection, that protection must be available for “any fields of technology”; or (2) the text lays out a flexibility that allows an implementing country to limit protection to “any fields of technology” as it deems fit.

²⁸ While the European Commission presented a proposal for a Directive approximating the legal arrangements for the protection of inventions by utility model in 1997 (COM (97) 691) and an amended proposal for a Directive on June 28, 1999 (COM (1999) 309), work on this amended proposal for a Directive has been suspended since March 2000, mainly because the majority of the Member States considered that priority should be given to the Community Patent: see European Commission, “Consultations on the Impact of the Community Utility Model in Order to Update the Green Paper on the Protection of Utility Models in the Single Market”, SEC(2001) 1307, para.2.

diversity. With the notable exceptions of the United Kingdom, Sweden and Luxembourg,²⁹ most EU Member States do provide for a system of utility model protection.³⁰ However, these systems of protection vary significantly in that they either (1) show close proximity to the patent system; or (2) are limited to protecting three-dimensional structures.³¹ It might be interesting to analyse whether a future introduction of utility model systems in EU Members bound to the EU-CARIFORUM EPA conforms with the obligations contained in art.148.

Also, the trade agreements concluded by Japan, which are usually also referred to as “Economic Partnership Agreements”, sometimes contain provisions on utility model protection. For example, the Japan-Indonesia EPA addresses utility models in art.109 (concerning the efficient administration of IP),³² art.110 (concerning transparency)³³ and art.121 (on criminal enforcement). The latter provision in particular may have significant implications. It states:

“Each Party shall provide for criminal procedures and penalties to be applied in cases of the infringement of patent rights, rights relating to utility models, industrial designs, trademarks or layout-designs of integrated circuits, copyrights or related rights, or plant breeder’s rights, committed wilfully and on a commercial scale. Remedies available shall include imprisonment and/or monetary fines sufficient to provide a deterrent, consistently with the level of penalties applied for crimes of a corresponding gravity.”

This obligation to provide criminal sanctions for wilful infringements of utility models on a commercial scale arguably does not imply an obligation to introduce a system of utility model protection. However, if a contracting party has such a system in place or chooses to introduce one, it must provide criminal sanctions for the type of utility model infringements described above. In fact, Indonesia does provide for a system of petty patent protection and has introduced criminal liability for intentional infringements of not only ordinary patents, but also petty patents (i.e. utility models).³⁴ This is quite a significant step—especially for a developing country whose scarce law enforcement resources (such as police, public prosecution and criminal courts) may be better utilised elsewhere. Even more importantly, the criminal law enforcement agencies may not be well equipped to deal with the highly complex and technical questions of utility model infringements.

Especially in such an environment, the threat of criminal liability may function as a significant disincentive for companies to develop, produce and market products which may infringe other’s utility model rights. Given that utility models are usually registered without prior substantive examination, this threat may be even graver. In the information technology (IT) sector and other IP-intensive industries,

²⁹ Whereas Luxembourg and Sweden do not have any other means of protection of innovation other than under patent and design laws, the United Kingdom has a second means of protection via its unregistered design right system: see Uma Suthersanen, *Utility Models and Innovation in Developing Countries* (Geneva: International Centre for Trade and Sustainable Development, 2006), pp.11–12.

³⁰ European Commission, “Consultations on the Impact of the Community Utility Model in Order to Update the Green Paper on the Protection of Utility Models in the Single Market”, SEC(2001) 1307, para.3.

³¹ In this regard, the German system is a hybrid which has developed from requiring a three-dimensional form (*Raumform*) for a utility model towards a system with close proximity to the patent system: see Suthersanen, *Utility Models and Innovation in Developing Countries* (2006), pp.12–13.

³² Article 109.2 provides that “neither Party may require the authentication of signatures or other means of self-identification on documents to be submitted to the competent authority of the Party, including applications, translations into a language accepted by such authority of any earlier application whose priority is claimed, powers of attorney and certifications of assignment, in the course of application procedure or other administrative procedures on patents, utility models, industrial designs, or trademarks”. Further, under art.109.5, “each Party shall introduce and implement a system in which a power of attorney for application procedures or other administrative procedures on patents, utility models, industrial designs, or trademarks before the competent authority of the Party may relate to one or more applications and/or registrations identified in the power of attorney or, subject to any exception indicated by the appointing person, to all existing and future applications and/or registrations of that person”.

³³ Article 110 provides, in relevant part, that “for the purposes of further promoting transparency in administration of intellectual property protection system, each Party shall, in accordance with its laws and regulations, take appropriate measures to: (a) publish information on at least the applications for and the grants of patents, the registrations of utility models and industrial designs, and the applications for registration of, and the registrations of, trademarks and new varieties of plants, and make available to the public information contained in the dossiers thereof”. An equivalent provision contains art.117 of the Japan-Malaysia EPA.

³⁴ See arts 130–131 of the Indonesian Patent Act and the discussion by Christoph Antons, “Patent Enforcement in Indonesia” in Reto Hilty and Liu Kung-Chung (eds), *The Enforcement of Patents* (The Hague: Kluwer Law International, 2011).

one product is often covered by several—if not hundreds—of technology-related IP rights, such as patents, industrial designs or utility models. Imposing criminal liability (even if limited to wilful and commercial scale infringements) may seriously affect the incentive for companies to introduce new, value-added products into the market, based on improving existing products. This is particularly problematic since agreeing to criminal sanctions as an international obligation makes it much more difficult to modify or withdraw from such a regime. Contrasted with the necessary steps for amending national laws, an international obligation is almost cast in stone, as it requires the consent of all parties to the agreement to renegotiate the treaty text. A country should therefore proceed very cautiously before accepting such an obligation in an international agreement.

3.2 *International investment agreements*

Finally, and beyond IP provisions in FTAs, IIAs or investment chapters in FTAs may further limit the policy space for designing a utility model system according to the domestic development needs. To the extent that utility models are considered as an investment under IIAs or investment chapters of FTAs, the obligations to protect investments made by foreign investors have to be taken into account. Under IIAs, two countries or more enter into reciprocal obligations concerning the investments made by investors of one contracting state in the territory of the other contracting state (the so-called host state). These obligations are substantive standards of treatment owed in relation to foreign investments, such as regulating the expropriation of investments or demanding fair and equitable treatment for investments.³⁵ Often, these IIAs provide for a direct right for investors to sue the host state in front of an international tribunal (investor-state arbitration). In these proceedings, investors can claim damages or even the revocation of host state measures which infringe the investor's rights, usually without the need to exhaust local remedies in the host state's domestic legal system.³⁶

Most investment treaties contain a general reference to “intellectual property rights” or “industrial property rights” as a form of investment covered by the respective IIA.³⁷ For example, the 2009 Germany–Pakistan IIA includes in its definition of investment “intellectual property rights, in particular ... utility model patents ... technical processes, know how, and good will”.³⁸ This certainly does not result in any obligation to introduce a specific form of IP rights, such as utility models, if this form of IP right does not exist in the domestic system of the host state.³⁹ However, where a country bound by such an IIA chooses to establish a system of utility models, any rights registered under the national system by foreign investors arguably would fall under the definition of investment and enjoy the substantive standards of protecting foreign investments under the IIA.⁴⁰ In essence that means that state measures limiting the

³⁵ For details on such standards, see Campbell McLachlan, Laurence Shore and Matthew Weiniger, *International Investment Arbitration* (Oxford: Oxford University Press, 2007), pt III; Rudolf Dolzer and Christoph Schreuer, *Principles of International Investment Law* (Oxford: Oxford University Press, 2008), Chs VI–VII.

³⁶ For details on investor-state arbitration, see McLachlan, Shore and Weiniger, *International Investment Arbitration* (2007), Ch.3; Dolzer and Schreuer, *Principles of International Investment Law* (2008), Ch.X.

³⁷ See, for example, art.1.1(d) of the Japan–Pakistan IIA, art.1.1(a)(iv) of the Australia–Pakistan IIA, art.I(a)(iv) of the China–Pakistan IIA and art.1.3(d) of the South Korea–Pakistan IIA. All the cited IIAs are available at <http://www.unctadxi.org/templates/DocSearch.aspx?id=779> [Accessed April 2, 2013].

³⁸ See art.1(1)(d) of the Germany–Pakistan IIA. The full text of the agreement is available at <http://www.pakemb.de/index.php?id=198> [Accessed April 2, 2013].

³⁹ Even if utility models are explicitly mentioned in the definition of investments (e.g. art.74(e)(vi) of the Indonesia–Japan EPA), this entails no obligation to introduce utility model protection. IIAs and investment chapters in FTAs do not create individual (intellectual) property rights, but merely protect (intellectual) property rights as far as they exist in domestic law. This insight has important implications for the scope of IP protection under IIAs. Since they do not create IP rights, the protection offered under IIAs and the investment chapters in FTAs depends on the existence of the relevant type of IP right in the domestic law of the host state. If the latter does not recognise an IP right, or does so only in a limited way, international investment law cannot introduce or expand IP rights as protected investments, even in cases where the relevant definition of investment includes those IP rights. For further details on the effect of including IP rights in the definition of investment in IIAs, see Henning Grosse Ruse-Khan, “Investment Law and Intellectual Property Rights” in Marc Bungenberg, Joern Griebel, Stephan Hobe and August Reinisch (eds), *International Investment Law* (London: Hart Publishing) (forthcoming).

⁴⁰ For a comprehensive study on how IIAs cover IP rights as protected investments, see Rachel Lavery, “Coverage of Intellectual Property Rights in International Investment Agreements: An Empirical Analysis of Definitions in a Sample of Bilateral Investment Treaties and Free Trade Agreements”

protection of a utility model registered by a foreign investor in the host state can be tested against these standards of protection, such as those concerning expropriation or fair and equitable treatment.⁴¹ On the other hand, the practical implications may be less severe since utility models are, generally speaking, registered primarily by domestic applicants; claims by foreign investors relating to the treatment of registered utility models may, therefore, be seldom.⁴²

Overall, the examples given above provide some anecdotal evidence on how the existing policy space under the multilateral framework may be eroded under bilateral, plurilateral or regional agreements concerning IP or investment protection. This is not to be understood as a normative judgement against such agreements, as they may contain important benefits for the negotiating countries. However, countries engaging in such negotiations should carefully assess the often not so clear implications of the IP and investment protection obligations on their ability to tailor their domestic law to local development needs.

4. Key aspects of policy space for designing domestic protection

The previous sections have shown that:

- (1) On the multilateral level, the main international obligation which WTO Members and Paris Union countries owe to one another is to grant national treatment to nationals of other contracting parties. Beyond this duty to abstain from discrimination against foreign right holders when designing a domestic utility models system, the multilateral framework does not contain any relevant⁴³ obligations as to how this system must look like.
- (2) On the bilateral, plurilateral or regional level, however, individual agreements such as FTAs, EPAs or IIAs contain additional obligations concerning the protection of utility models. These generally do not require introducing utility model protection, but where a country bound by those obligations decides to do so, those will impose conditions on how such a system of utility model protection must look like.
- (3) However, in the case of the protection of foreign investments via IIAs, countries have to consider the implications of protecting utility models registered by a foreign investor under the substantive standards of treatment usually available in IIAs. The obligations flowing from international investment law, however, may be less relevant in practice since utility model systems tend to be used primarily by domestic applicants. In any case, countries bound by such additional obligations will have less policy space to design a system of utility model protection in line with its domestic (economic) development needs.

The key flexibilities brought about by the absence of international treaty obligations (leaving aside national treatment) on the multilateral level will now be highlighted. This is best done in comparison with the rather dense regulation of patent protection on the multilateral level. Patent rights are the primary means within the IP system to protect technological innovations. By contrast, utility models, despite significant disparity in national approaches, are generally perceived as a second-tier patent system offering

(2009) 6(2) TDM 1, 4–7, Annex 1. It should be noted that, although few IIAs explicitly address all IP rights, this does not necessarily mean that IP rights not mentioned are not covered, since IIAs generally provide that the lists of covered investments are not exhaustive.

⁴¹ In particular, exceptions and limitations applicable to utility models, the issuance of compulsory licenses, or the effectiveness of enforcement of utility model protection may be challenged under these standards. For details, see Grosse Ruse-Khan, "Investment Law and Intellectual Property Rights" in Bungenberg, Griebel, Hobe and Reinisch (eds), *International Investment Law* (forthcoming); Simon Klopschinski, *Der Schutz geistigen Eigentums durch völkerrechtliche Investitionsschutzverträge* (Köln: Carl Heymanns Verlag, 2011).

⁴² For statistics on the registration of utility models, see WIPO, *World Intellectual Property Indicators* (2011), pp.95–96. The report indicated that non-resident applications (and subsequent grants) represented only a tiny fraction of the overall utility model applications (and grants). However, under international investment law, it is not only the non-residents who may be eligible for protection, since company shares and other assets held in the host country may also be a protected investment.

⁴³ The obligations resulting from arts 5A(1)–(5) of the Paris Convention, in particular those relating to compulsory licenses addressing a failure to work locally the innovation protected by the utility model, are not of real practical significance for a system that tends to be used by local residents for their small and incremental innovations: see s.1 of this article.

a cheaper and quicker alternative protection regime for minor and incremental innovations which may not meet the requirements for patent protection.⁴⁴ Emphasising some important flexibilities vis-à-vis the obligations in the multilateral patent system offers good examples of what can be freely determined by countries in designing a utility model system in accordance with their domestic needs.

This policy space can best be presented along the lines of the main elements of a national IP system:

- (1) protected subject matter;
- (2) requirements for protection;
- (3) rights granted to the right holder;
- (4) exceptions and limitations to the exclusive rights, including compulsory licensing;
- (5) duration of protection; and
- (6) enforcement mechanisms.

(1) Protected subject matter

With regard to the protected subject matter, TRIPS obliges WTO members to make patents “available for any inventions, whether products or processes, in all fields of technology” (art.27.1 of TRIPS). In particular, art.27.1 of TRIPS further demands that:

“patents shall be available and patent rights enjoyable without discrimination as to the place of invention, the field of technology and whether products are imported or locally produced”.

This specific non-discrimination provision has to be distinguished from the general national treatment obligation under art.3 of TRIPS and art.2.1 of the Paris Convention (the latter also applying to utility models).⁴⁵ The TRIPS obligation to protect patents in the same manner regardless of the place of invention, field of technology and place of production is a crucial aspect in the harmonisation of patent protection on the international level as, for example, several developing countries did not grant product patents to pharmaceuticals prior to TRIPS.⁴⁶

For utility models, no such obligation exists. That means that countries can freely determine whether they wish to make such a system available to all fields of technology, or whether they want to limit protection to certain technology sectors while excluding others. Given that utility model systems are often designed as registration systems without a substantive examination as to the requirements for protection (such as local or universal novelty and degree of inventiveness), an exclusion of certain fields of technology which are primarily served by the patent system may be an important consideration.⁴⁷ In that way, a second tier protection system can focus on minor and incremental innovations which often will not meet the high standards of patent protection that are necessary to ensure high patent quality. Tailoring utility model protection to specific fields of technology may be a way of facilitating incremental innovation in, for example, the light engineering sector (such as the automotive spare parts sector, agricultural machinery and machine tools) and other sectors where minor or incremental innovation occur.

Focussing protection on specific fields of technology where small scale innovation appears particularly vulnerable and in need of protection further prevents any abusive registration behaviour in those sectors that are excluded from protection. In particular, in the case of registration only systems, companies may

⁴⁴ See Suthersanen, *Utility Models and Innovation in Developing Countries* (2006), p.ix.

⁴⁵ See ss.1–2 of this article.

⁴⁶ India and Argentina are examples of countries which traditionally excluded pharmaceutical products from patent protection: see UNCTAD and International Centre for Trade and Sustainable Development, *Resource Book on TRIPS and Development* (Cambridge: Cambridge University Press, 2005), p.356.

⁴⁷ Countries such as Germany, for example, have historically limited utility models to three-dimensional models or working tools, thus excluding from protection compounds, processes and initially even machines as such. As an overview of national utility model laws indicates, commonly excluded subject matter may be processes, chemical or biological substances, other substances, compositions or compounds as such, computer programmes, (business) methods, as well as the typical subject matter excluded from patent protection: see CDIP, “Patent Related Flexibilities in the Multilateral Legal Framework and Their Legislative Implementation at the National and Regional Level”, 2010, Annex II.

attempt to use the exclusivity provided by utility model rights to block competitors from offering their products on the market. In this regard, software, pharmaceuticals and high-tech IT products may be amongst those to be excluded from utility model protection, as the need for substantive examination appears particularly important here to prevent abusive and anti-competitive blocking behaviour. The German Utility Model Act (*Gebrauchsmustergesetz*), for example, excludes software, biotech inventions and processes from protection.⁴⁸ In its 2011 review of Australia's innovation patent system, the Australian form of utility models, the Advisory Council on Intellectual Property raised concerns that there is a potential for abusing the system by creating "thickets" of innovation patents around a successful patent to keep competitors away from the market.⁴⁹ Such forms of abuse may be addressed by excluding subject matter from protection which is better suited to a full examination patent system.

Overall, the option to exclude certain fields of technology from utility model protection appears as an important element of flexibility in designing a system that primarily fits domestic needs and responds to demands for encouraging incremental and minor innovations from micro, small and medium enterprises. In light of this insight, any international obligations along the lines of art.148A.1 of the EU-CARIFORUM EPA,⁵⁰ which arguably demands indiscriminate protection for all fields of technology, should not be agreed to without assessing its impact on any future domestic system of utility model protection.

(2) Requirements for protection

As to the requirements for protection, art.27.1 of TRIPS prescribes the three criteria of novelty, inventiveness and industrial applicability (or utility). Beyond this, TRIPS does not regulate in details how these requirements must be implemented in the national laws of WTO Members: for example, it does not contain an obligation for provision of a high or low threshold of inventiveness.⁵¹

For utility model systems, again no international obligation on this matter exists. Countries can, therefore, freely determine what conditions for protection they see fit in their domestic setting. In particular, they can decide on the "degree" of novelty required by demanding an innovation to be universally, regionally or merely locally new,⁵² meaning that the innovation for which protection is claimed has not been available to the relevant international, regional or domestic public prior to the application for registration for utility model protection. Merely demanding local novelty, for example, would further lower the threshold and therefore make protection available to innovations which may be already in use elsewhere, but not domestically.⁵³ While this may be a way to promote local incremental and small scale innovation, it also carries the danger of unreasonably encroaching on the public domain.⁵⁴

Countries also have the flexibility to decide on the level of inventiveness which they wish to require as a condition for protection. The differences in national systems range from the standard applied to patents, via variations of lower levels of inventiveness (referred to as "inventive act", "exceeding the framework of professional skill", "technical addition" or "minimum inventive activity"),⁵⁵ to substituting this requirement with others (such as "creative effort")⁵⁶ or simply abandoning it altogether. The same

⁴⁸ See German Utility Model Act, s.1(2), 2.

⁴⁹ See Australian Government, Advisory Council on Intellectual Property, "Review of the Innovation Patent System: Issues Paper", August 2011, available at http://www.acip.gov.au/library/Innovation%20Patent%20Issues%20Paper_Final_v2.pdf [Accessed April 2, 2013].

⁵⁰ See s.3 of this article.

⁵¹ UNCTAD and International Centre for Trade and Sustainable Development, *Resource Book on TRIPS and Development* (2005), p.358.

⁵² See Suthersanen, *Utility Models and Innovation in Developing Countries* (2006), p.2.

⁵³ For example, under the first German Utility Model Act (*Gebrauchsmustergesetz*, *GebrMG*) of June 1, 1891, novelty was limited to publication or domestic use: see Christopher Heath, "Utility Models in East and West" in *Current Problems of Intellectual Property Law: Writings in Honour of Nobuo Monya* (Tokyo: 1998).

⁵⁴ See the discussion in Uma Suthersanen, Graham Dufield and Kit Boey Chow, *Innovation without Patents: Harnessing the Creative Spirit in a Diverse World* (Cheltenham: Edward Elgar Publishing, 2007), p.41.

⁵⁵ See the different terms used in CDIP, "Patent Related Flexibilities in the Multilateral Legal Framework and Their Legislative Implementation at the National and Regional Level", 2010, Annex II.

⁵⁶ Such as the case in Slovenia and Albania: see CDIP, "Patent Related Flexibilities in the Multilateral Legal Framework and Their Legislative Implementation at the National and Regional Level", 2010, Annex II.

applies to the utility or industrial applicability requirement which most countries require in their national laws.⁵⁷ Countries could also completely do away with any of these requirements or substitute any of them with other requirements more suitable in the respective domestic setting.⁵⁸ Again, there is plenty of flexibility which can be used in a constructive manner in favour of a system tailored towards encouraging local innovation and taking into account any other relevant interests on the domestic level.

(3) Rights granted to the right holder

Under the TRIPS patent regime, art.28 deals with the rights which national laws of the WTO Member States must grant to the patent holder. They are conceived as negative rights to exclude others from utilising the patented invention in all commercially relevant forms.⁵⁹

For utility models, countries may decide not to extend exclusivity to all acts of making, using, offering for sale, selling or importing the protected innovation. They may also choose a completely different system of protection by exchanging the concept of negative rights to exclude others from engaging in certain acts with a form of liability rule whereby the beneficiary of utility model protection cannot prevent the use of the protected innovation, but is entitled to some form of reasonable compensation.⁶⁰ The system of protection then is akin to the situation of statutory licences which apply to exclusive rights in certain circumstances.⁶¹ It primarily means that others, in particular market competitors or second-comers, may use the protected utility model without needing to obtain and negotiate a licence, but against payment of a fee (so called “take and pay” rules).⁶² On the one hand, this may reduce the incentive for investing in new innovations and therefore could decrease the encouragement for incremental and small scale innovations.⁶³ On the other hand, liability regimes have a much lesser impact on the public domain since others remain free to use the protected utility model against the payment of a fee.⁶⁴

In any case, due to the policy space on the multilateral level, all options are on the table for designing a system of utility model protection. This may include seriously taking into account options beyond the traditional concept of exclusive rights.

⁵⁷ Also the case in Slovenia and Albania.

⁵⁸ Malaysia, for example, has implemented a system of utility model protection which does not require an inventive step: see Malaysian Patents Act, s.17A. Other countries, like Germany, initially conceived the system as a form of design protection or limit protection to innovations which are embodied in a three-dimensional form or structure—such as the case in Spain or Portugal: see Suthersanen, *Utility Models and Innovation in Developing Countries* (2006), p.13.

⁵⁹ Article 28 of TRIPS states: “1. A patent shall confer on its owner the following exclusive rights: (a) where the subject matter of a patent is a product, to prevent third parties not having the owner’s consent from the acts of: making, using, offering for sale, selling, or importing for these purposes that product; (b) where the subject matter of a patent is a process, to prevent third parties not having the owner’s consent from the act of using the process, and from the acts of: using, offering for sale, selling, or importing for these purposes at least the product obtained directly by that process. 2. Patent owners shall also have the right to assign, or transfer by succession, the patent and to conclude licensing contracts.”

⁶⁰ Of course, a crucial issue is to determine who decides the amount of compensation and according to which criteria. On the distinction between exclusive rights and liability rules, see Annette Kur and Jens Schovsbo, “Expropriation or Fair Game for All? The Gradual Dismantling of the IP Exclusivity Paradigm” in Annette Kur and Marianne Levin (eds), *Intellectual Property Rights in a Fair World Trade System* (Cheltenham: Edward Elgar Publishing, 2011), pp.408–451.

⁶¹ See art.13(1) of the Berne Convention, which deals with the statutory authorisation of subsequent sound recordings of musical works once the author has already agreed to a recording of her or his work. After this first recording, (other) phonogram producers can then re-record the work against payment of an “equitable remuneration which, in the absence of an agreement, shall be fixed by the competent authority”.

⁶² On liability rules for sub-patentable innovations, see J.H. Reichmann, “Of Green Tulips and Legal Kudzu: Repacking Rights in Subpatentable Innovation” (2000) 53 Vand. L. Rev. 1743.

⁶³ The argument is that an exclusive right offers more protection to the beneficiary of the right (who can actually exclude others from using the protected subject matter and refrain from licensing her or his product) and thereby a greater incentive to innovate.

⁶⁴ Depending on the domestic environment, this right to use could be further limited to certain uses. For example, it could cover only situations where the user can show that she or he needs to rely on a protected utility model to come up with a value added product or to implement a follow-on innovation which would equally be eligible for utility model protection (and which she or he would have to license back to the holder of the first utility model).

(4) *Exceptions and limitations to the exclusive rights*

Another important area to consider concerns exceptions and limitations to the exclusive rights, including options for compulsory licensing. Here, two TRIPS provisions are pertinent in the patent context. First, art.30 allows WTO Members to provide:

“limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties”.

Article 30 therefore functions as a general limitation as to which types of exceptions can be allowed in national patent laws: To comply with this provision, an exception must:

- (1) be limited;
- (2) not unreasonably conflict with a normal exploitation of the patent; and
- (3) not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.

In the WTO dispute *Canada—Patent Protection of Pharmaceutical Products*, two exceptions in Canadian patent law relating to pharmaceutical patents and the market entry of generic competitors were scrutinised under art.30 of TRIPS.⁶⁵ The WTO Panel charged with the case adopted a rather narrow reading of the open and ambiguous terms of art.30 of TRIPS and found one of the Canadian exceptions to be inconsistent with that provision.⁶⁶

Any country considering establishing a system of utility model protection is not bound to exceptions which meet the three conditions of art.30 of TRIPS. It can freely determine which type of use does not require any authorisation of the right holder, whether any compensation is owed for such a use and what kind of conditions apply for invoking such an exception. Given the widespread use of provisions equivalent to art.30 of TRIPS in the context of other IP rights regulated under the multilateral framework,⁶⁷ the policy space available for countries with regard to exceptions applicable to utility models is extraordinary. Any country with a utility model system may therefore consider without any constraints what kind of uses should be exempted from the protection available for utility models.

The other provision in TRIPS which deals with uses without the authorisation of the rights holder is art.31. It regulates a long list of conditions under which countries may envisage compulsory licenses to use the patented invention.⁶⁸ Also with regard to compulsory licensing, the multilateral framework does not contain any equivalent obligations that apply to utility models.⁶⁹ With respect to the issue of local working, countries therefore have the flexibility to design a system of compulsory licenses, where they consider such a system necessary, in accordance with their domestic needs. It could, for example, cover situations similar to those mentioned in relation to statutory licensing (“take and pay” rules) above. These may be cases where a user can show the need to rely on a protected utility model to come up with a value-added product or to implement a follow-on innovation.

⁶⁵ “Canada—Patent Protection of Pharmaceutical Products”, Report of the Panel, March 17, 2000, WT/DS114/R.

⁶⁶ See Henning Grosse Ruse-Khan, “Policy Space for Domestic Public Interests Measures under TRIPS”, available at <http://ssrn.com/abstract=1542542> [Accessed 2 April, 2013].

⁶⁷ See art.9(2) of the Berne Convention, art.13 of TRIPS and art.10 of the WIPO Copyright Treaty in the copyright context; art.17 of TRIPS concerning trademarks; and art.26.2 TRIPS with regard to industrial designs.

⁶⁸ See TRIPS, art.31(a)(i).

⁶⁹ As discussed above, the Paris Convention provisions on compulsory licensing (art.5A) do apply to utility models, as explicitly stated in art.5A(5). The obligations contained therein, however, are primarily relevant to compulsory licenses tackling a failure to use. They do not apply to compulsory licenses for other reasons—such as to promote the public interest or to allow for the utilisation of utility models necessary for follow-on innovation. See s.1 of this article for details.

(5) *Duration of protection*

With regard to the duration of protection, the TRIPS patent regime includes in art.33 a minimum term of 20 years counted from the filing date. For utility models, no multilateral minimum standard exists, and countries have chosen terms between 5 and 25 years.⁷⁰ Given this flexibility, a country should design the duration of protection in the light of the overall objective pursued with the utility model system. If the system is to encourage incremental innovation in certain industrial sectors, the average lifecycle of products subject to protection in the relevant sectors as well as the time needed to develop such products may be key determining factors.

(6) *Enforcement mechanisms*

The multilateral framework for patent protection—and other IP rights falling under TRIPS—contains obligations concerning the enforcement of these IP rights. In pt III of TRIPS, 20 provisions on general enforcement obligations, civil and administrative procedures and remedies (such as injunctive relief and damage awards), provisional measures, border enforcement measures and criminal sanctions set out comprehensive obligations pertaining to the enforcement of IP rights.

The core question that arises in this context is whether these obligations also apply where a country establishes a system of utility model protection. According to the first sentence of art.41.1 of TRIPS which sets out the overall scope of the enforcement obligations of TRIPS:

“Members shall ensure that enforcement procedures as specified in this Part are available under their law so as to permit effective action against any act of infringement of *intellectual property rights covered by this Agreement*, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements”(emphasis added).

The decisive issue therefore is whether utility models are a “form of intellectual property rights covered by this Agreement” in the sense of art.41.1 of TRIPS. If so, then the different types of enforcement measures required in arts 41–61 of TRIPS have to be extended also to utility model protection.

Two provisions are relevant in this regard. On the one hand, art.1.2 of TRIPS states:

“for the purposes of this Agreement, the term ‘intellectual property’ refers to all categories of intellectual property that are the subject of Sections 1 through 7 of Part II”.

As argued above, this term does not include utility models since they are not addressed in any form in ss.1–7 of pt II of TRIPS. On the other hand, art.2.1 of TRIPS states:

“in respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967)”.

As concluded above, this provision means that the substantive obligations of the Paris Convention, including those on utility models, are made part of TRIPS and hence obligations under the WTO Agreements.⁷¹ The reference in art.2.1 also includes the enforcement provisions in pt III of TRIPS. Does this imply that, if a country decides to introduce utility model protection, it must also offer all enforcement tools required under pt III of TRIPS to utility models?

This question must be answered in the negative. Based on art.2.1 of TRIPS, the Paris Convention obligations contained in arts 1–12 and 19 of the Paris Convention also apply “in respect of”⁷² pts II, III and IV of TRIPS. The obligation to grant national treatment where a country introduces utility models

⁷⁰ See Suthersanen, *Utility Models and Innovation in Developing Countries* (2006), p.2.

⁷¹ See “United States—Section 211 Omnibus Appropriations Act of 1998”, Report of the Appellate Body, 2002, paras 124–125.

⁷² TRIPS, art.2.1.

therefore applies to the availability, scope and use (pt II of TRIPS), enforcement (pt III), as well as acquisition and maintenance (pt IV) of utility model protection. In other words, with regard to these issues of IP protection (including enforcement), the national treatment obligation of the Paris Convention also applies to utility models. WTO Members therefore may not discriminate against nationals of other WTO Member States with regard to issues of enforcement.⁷³ It, however, does not mean that the individual obligations contained in pt III of TRIPS concerning IP enforcement apply to utility models protected in the national laws of WTO members.⁷⁴

In sum, the enforcement obligations contained in pt III of TRIPS do not apply where WTO Members envisage utility model protection in their national laws, but they are obliged, by virtue of art.2.1 of TRIPS in connection with arts 1.1 and 2.1 of the Paris Convention, not to discriminate against nationals from other WTO Members to the extent that they offer enforcement remedies and procedures against infringements of utility models. This results in another significant flexibility when designing the enforcement system for (merely registered, not examined) utility models in a manner which takes into account safeguards against abuse—for example, by limiting the injunctive relief remedies or damages unless there is at least a prima facie case that the registered utility model meets the novelty requirement and other requirements for protection.

5. Conclusion

This article has shown the almost unlimited policy space which the multilateral framework leaves in designing a utility model system tailored to domestic needs, in particular for encouraging small scale and incremental innovation. In contrast to the comparable dense international regulation of patent protection, the flexibilities regarding subject matter, conditions for protection, rights granted, exceptions and limitations, duration as well as enforcement measures become evident and indicate the range of options available to a country considering the introduction of utility model protection. Against this background, states should think twice before seriously constraining this flexibility in bilateral or regional agreements.

It should be added that States should also weigh carefully whether the introduction of a system of utility model protection really is in their own interest. Of course, the question of whether a country introduces utility models is a separate policy issue not addressed in this article. The main point here is simply that the insights about the flexibility within the international framework should not pre-determine any decision in favour or against a system of utility model protection. As of now, conclusive evidence about its ability to promote minor innovation, especially by small and medium enterprises (SMEs), is usually lacking.⁷⁵ In an era where over- rather than under-protection of IP is often a problem, policy makers may wish to begin with the premise that, in order to introduce a new system of protection, there should be a convincing case for such a new layer of protection. This conclusion hence should not be understood as favouring the status quo; it rather tries to highlight the need for evidence if countries wish to introduce significant changes to their IP system, especially in the form of adding a new layer of protection.

⁷³ This also follows from the Paris Convention as such, since art.2.1 requires all contracting states to grant nationals of other contracting states the same protection *and same remedies against infringement* as available to their own nationals: compare s.2 of this article.

⁷⁴ This conclusion does not stand against the conclusion reached in s.2.2 of this article, that the Paris Convention obligation to grant national treatment concerning utility models is incorporated into TRIPS by virtue of art.2.1 of TRIPS and hence becomes part of WTO law. As already explained above, this incorporation is limited to the issues addressed in pts II, III and IV of TRIPS.

⁷⁵ There are some indications that, for example, the introduction of utility model protection in Germany served SMEs especially well, as the pre-existing protection gap under patent and design laws significantly affect most of these enterprises: see Heath, "Utility Models in East and West" in *Current Problems of Intellectual Property Law* (1998). Nevertheless, it is almost impossible to establish definitive causal links between utility model protection and innovative activity by SMEs, which in any case depends on a multitude of factors. In the same vein, an IP Australia report on innovation patents reveals the difficulty in objectively measuring whether the Australian innovation patent has stimulated incremental and small scale innovation: see IP Australia, *Review of the Innovation Patent: Final Report* (Woden: 2006), available at <http://www.ipaustralia.gov.au/media/resources/ReviewInnoPatentFinalReport.pdf> [Accessed April 2, 2013]. Nevertheless, the heavier use of innovation patents, as opposed to the earlier petty patents, suggests that stimulation may have occurred to some degree.

Unless such evidence is presented, a new IP right should not be introduced (*in dubio contra* new IP rights such as utility models). This is based on the approach taken by the economist Fritz Machlup in his now famous review of the US patent system:

“If one does not know whether a system ‘as a whole’ (in contrast to certain features in it) is good or bad, the safest ‘policy conclusion’ is to ‘muddle through’ either with it, if one has long lived with it, or without it, if one has lived without it. If we did not have a patent system, it would be irresponsible on the basis of our present knowledge of its economic consequences to recommend instituting one. But since we have had a patent system for a long time, it would be irresponsible on the basis of our present knowledge to recommend abolishing it.”⁷⁶

Hence, unless evidence suggests that introducing such a system of protection actually does more benefit than harm, one is better off retaining the status quo—regardless of the amount of policy space available on the international level.

⁷⁶Fritz Machlup, *An Economic Review of the Patent System* (Washington: Subcommittee on Patents, Trademarks, and Copyrights, Senate Committee on the Judiciary, 1958), pp.79–80.

The Protection of Geographical Indications for Handicrafts: How to Apply the Concepts of Natural and Human Factors to All Products

Delphine Marie-Vivien*

CIRAD, UMR Innovation, Montpellier, France; National Law School of India University, Bangalore, India

☞ Comparative law; EU law; France; Geographical indications; India; Traditional knowledge; Works of artistic craftsmanship

Introduction

Geographical indications (GIs) identify a good as originating in a region, where a given quality, reputation or other characteristics of the good is essentially attributable to its geographical origin.¹ This definition of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) of the World Trade Organization (WTO) safeguards a very old concept: the existence of a link between a product and its place of origin. However far we go back in history, products of a widely different nature have frequently gained in reputation when they bore the name of their region of origin. This applied, for example, to minerals (marble), art objects (bronze or terracotta), cloth (silk), perfume (incense) and agricultural products (honey).² Such examples from ancient times prove that the range of products that have acquired notoriety linked to their place of origin is in fact limitless.

Nowadays, however, in many countries and more particularly in the European Union, GIs are limited to agricultural products and foodstuffs,³ along with wines and spirits, although the European Commission is currently evaluating the feasibility of the protection of GIs for non-agricultural goods.⁴ The European vision can be explained by the interpretation of the link to a given territory primarily through the concept of *terroir*, which emphasises the land and the soil, a result of the monitoring system of the production of wines in France, the birthplace of the modern appellation of origin, in the early 20th century. Such vision influenced the TRIPS Agreement, whereby wines and spirits benefit from a higher level of protection than other goods.⁵ However, the TRIPS Agreement protects GIs for all kinds of goods, beyond agricultural products, thus providing many countries implementing the TRIPS Agreement with the opportunity to protect handicraft goods.⁶ In India,⁷ for example, the first GIs were essentially for non-agricultural and

* The author sincerely wishes to thank Estelle Biénabe for her very relevant critical review of the article and Laurence Bérard and Erik Thevenod-Mottet for their insightful comments.

¹ Agreement on Trade-Related Aspects of Intellectual Property Rights 1994, art.22.3.

² Institut national de l'origine et de la qualité, *Une réussite française: L'appellation d'origine contrôlée* (Montreuil-sous-Bois: 1985), p.11.

³ Products are listed in Annex I of the European Community Treaty and Annexes I and II of EU Regulation 510/2006, which was replaced in 2012 by Regulation 1151/2012. These Annexes may be amended in order to extend or reduce the list of products eligible for the registration of PDO and PGI as long as they constitute agricultural products or foodstuffs.

⁴ In 2008, wines and spirits were integrated into the PDO and PGI categories: see Council Regulation 479/2008 of April 29, 2008 on the common organisation of the market in wine [2008] OJ L148/1.

⁵ F. Addor and A. Grazioli, "Geographical Indications beyond Wines and Spirits: A Roadmap for a Better Protection for Geographical Indications in WTO/TRIPS Agreement" (2002) 5 J. World Intell. Prop. 865.

⁶ J. Audier, "Passé, présent et avenir des appellations d'origine dans le monde: Vers la globalisation" (2008) *Bulletin de l'O.I.V.* 405; B. O'Connor, *The Law of Geographical Indications* (London: Cameron May, 2004).

⁷ E.g. S. Balganes, "Systems of Protection for Geographical Indications of Origin: A Review of the India Regulatory Framework" (2003) 6 J. World Intell. Prop. 191.

non-foodstuff products, which made up two-thirds of the 193 registered GIs as of March 2013.⁸ The tremendous evolution towards GIs for handicraft products also results from the absence of a specific intellectual property tool to protect the traditional knowledge held by a specific group of artisans. The GIs are also used to document such knowledge, even if the object of GI protection is the name alone.⁹ The demand from producers of third countries and now from Europe itself to recognise GIs for non-agricultural goods thus presents a challenge to the European position, be it for the famous Kashmir Pashmina¹⁰ from India, the Savon de Marseille in France, or the two non-agricultural GI products, Guacamayas and Chulucanas to be protected in Europe following the bilateral agreement with Peru and Colombia.¹¹

The divide between agricultural and handicraft products—mainly handmade, be they textiles, embroidery or wood craft—resides in the absence of physical element linking handicraft goods to the soil. While natural factors besides the soil, such as the climate, the origin of raw materials, or environmental elements, can indeed influence product quality for some handicraft products, the territorial link for handicraft goods is based above all on the producers' know-how, skills and practices—that is, on human factors. The issue is whether geographical names designating handicraft goods linked to their place of origin essentially via human practices can be registered as GIs. Can GIs be considered to apply to cultural as much as to natural products? The underlying question addresses the grounds for examining the validity of GIs.

This article sets out to assess the link between the quality, reputation or characteristics of a product and its place of origin, which is the legal criterion of validity of GIs, a specific intellectual property right (IPR). It begins by exploring the various concepts underpinning GIs, building upon a discussion of the various legal definitions of GIs throughout history. The article then examines the various categories of links to origin of GI goods, based on the concepts of natural and human factors. These categories were outlined in the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration of 1958 (Lisbon Agreement),¹² where they were used jointly to qualify the links to a given territory. In order to avoid *a priori* discrimination against certain categories of products, the analysis uses these two concepts both as cumulative and alternative criteria. The article draws on an extensive review of GI specifications resulting from the practices both of producers and of GI examiners from contrasting countries, namely India and France, with reference to other European cases.¹³ The cases selected highlight the various possible combinations of natural and/or human factors in linking products to their origin, beginning with products linked to the territory exclusively through human factors, and then through human factors combined with natural factors, whether in the agricultural or non-agricultural sectors.

Building on the comparative analysis of a wide range of cases, this article highlights the need to consider the concepts of natural and/or human factors in determining the strength of the link to origin for all kinds of goods. The categorisation of goods does not allow for clear discrimination between products that deserve GI protection and those that do not, or between different types of GIs; the link to territory can widely differ or be interpreted differently within the same category of products, while there may be similarities in the nature of the link across whole categories of products. Such insights cast new light on the GI legal regimes in place and lead to a proposal for possible changes. First the article argues that the principle of categorisation of products shall be abandoned. Secondly it is argued that a link to origin based solely on

⁸ Intellectual Property India, "Geographical Indication Registry", available at <http://www.ipindia.nic.in/girindia/> [Accessed June 2, 2013].

⁹ M. Blakeney, "Protection of Traditional Knowledge by Geographical Indications" (2009) 3 Int'l J. Intell. Prop. Mgmt. 357, A. Kamperman Sanders, "Incentives for and Protection of Cultural Expression: Art, Trade and Geographical Indications" (2010) 13 J. World Intell. Prop. 81.

¹⁰ GI Application No.46, filed on December 9, 2005, (2006) 13 Geographical Indication J., Government of India, available at <http://ipindia.nic.in/girindia/journal.htm> [Accessed April 2, 2013].

¹¹ Savon de Marseille is one of the 834 non-agricultural GI products over the 31 countries identified in the "Study on geographical indications protection for non-agricultural products in the internal market", February 18, 2013, Insight Consulting, OriGIn & Redd. For the free-trade agreement between the EU and Peru/Colombia signed on June 26, 2012, see http://trade.ec.europa.eu/doclib/docs/2011/march/tradoc_147704.pdf.

¹² Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration 1958.

¹³ The examples were selected from the analysis of specifications for the entire list of Indian GIs registered by 2010 and from a broad sample of French PDOs and PDIs chosen outside the wine and spirit sector. For more details, see D. Marie-Vivien, "Le droit des Indications Géographiques en Inde: Un pays de l'Ancien monde face aux droits français, communautaire et international", PhD thesis, available at http://hal.cirad.fr/tel-00587307_v1/ [Accessed April 2, 2013].

human or natural factors might be qualified as weaker than a link based on the combination of natural and human factors. Thus two levels of GIs based on the strength of that link shall be established. It suggests the creation of a distinct legal regime for each kind of link, and more particularly for different levels of protection. Such argument contributes to the considerations on the feasibility of the protection of GIs for non-agricultural goods, in the European Union and in France. It also contributes to the international negotiations at the WTO.

Concepts underlying GIs

A look back at the history of GIs reveals that, in France,¹⁴ the first modern law on the protection of appellation of origin of 1905, designed to combat fraud in the sale of goods and adulteration,¹⁵ was created to take account of and protect place names qualifying natural products whose specificity was dependent on natural elements. Previously, place names were protected only for “manufactured” goods.¹⁶ However, the subsequent law of 1919,¹⁷ which gave the court the task of defining appellation of origin in case of conflicts between users, did not discriminate between various kinds of products. Instead, they allowed for handicraft appellations to be protected. Most important was the consideration of the concept of *terroir*,¹⁸ which ultimately included, in addition to the natural environment, the human skills, know-how, practices and knowledge of producers. Appellations designating non-agricultural goods were recognised by the court, according to local, fair and constant use of the appellation of origin. Finally, in 1935, a law was passed which provided for the *appellation d’origine contrôlée* (AOC), initially only for wines and spirits, subsequently extended to cheeses, and nowadays restricted to agricultural, forestry and food products. The French AOC has therefore never been applied to non-agricultural goods.

Later the Lisbon Agreement defines the appellation of origin in detail for the first time:

“the geographical name of a country, region or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors”.¹⁹

The Lisbon Agreement clearly points to the link between the quality and characteristics of the product and its geographical environment. The *travaux préparatoires* of the Lisbon Agreement reveal that the first proposal did not mention the geographical environment, referring rather to “the place and method of production, manufacturing, extracting or assembling of products”.²⁰ This development in the text makes it possible to interpret the concept of human factors: the practices, skills and know-how of the producers incorporated in obtaining the product. The term “the place” has been replaced by “natural factors”, which are more restrictive, focusing on nature, which comprises the climate and the elements of the natural environment (soil, water, clay, caves etc.) that can influence the quality of the raw material or the processing of processed goods. Based on a mandatory combination of human and natural factors, the Lisbon Agreement is very restrictive regarding the strength of the link, but does not discriminate according to the kind of products.²¹

¹⁴ N. Olszak, *Le droit des appellations d’origine et des indications de provenance* (Paris: Tec & Doc, 2001).

¹⁵ Law of August 1, 1905 on the fight against fraud in the sale of goods and adulteration of foodstuff and agricultural products.

¹⁶ Law of July 28, 1824 on the misuse of names for manufactured products: see M. Plaisant and F. Jacq, *Traité des noms et appellations d’origine* (Paris: Librairie Arthur Rousseau, 1921), p.18.

¹⁷ Law of May 6, 1919 on the protection of appellations of origin, JO May 8, 1919, p.4726.

¹⁸ J. Audier, “Réflexions juridiques sur la notion de terroir” (1993) *Bulletin de l’O.I.V.* 423; E. Barham, “Translating Terroir: The Global Challenge of French AOC Labeling” (2003) 19 *J. Rural Stud.* 127.

¹⁹ Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration 1958, art.2. The same definition was introduced in France in 1966: see Law of July 6, 1966 amending and completing the Law of May 6, 1919, art.1, which is now art.L.115-1 of the Consumer Code.

²⁰ As unanimously proposed by the 4th Committee of the work and reports of the Lisbon Conference in 1956.

²¹ Article 2.1 of the Lisbon Agreement refers, with no further details, to product, which thus includes any product.

In contrast, the EU Regulation on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, established in 1992, and replaced by new regulations in 2006 and then in 2012,²² is stricter regarding the kind of products that may benefit from GI protection, which is restricted to agricultural products and foodstuffs,²³ according to a list of individually specified product types. Such a list can be amended, but additions must fit into the general definition of agricultural products or foodstuffs.²⁴ Nevertheless, the EU Regulation is more flexible regarding the definition of the criterion of validity of GIs, the link to origin. Indeed, the protected designation of origin (PDO)²⁵—very similar to the appellation of origin of the Lisbon Agreement, albeit with greater precision on the origin of raw materials that must originate in the geographical area where the production, processing and preparation occur²⁶—has for a long time been accompanied by the need to protect geographical names for products “which cannot be shown to derive a particular flavour from the land, but which may nevertheless enjoy a high reputation amongst consumers and constitute for producers established in the places to which they refer an essential means of attracting custom”, as ruled by the European Court of Justice (ECJ) in the *Exportur* case.²⁷ This distinction has led to the creation of the protected geographical indication (PGI), for products that possess “a specific quality, reputation or other characteristics attributable to that geographical origin, and the production and/or processing and/or preparation of which take place in the defined geographical area”.²⁸

Regarding the link to territory, the PGI definition does not expressly require that natural factors such as the raw materials be sourced in the defined geographical area. From legal practice and jurisprudence, however, it appears that the demarcation of the geographical area of origin of raw material is authorised only if the source of the raw material influences the quality of the final product. Indeed, the ECJ has decided that, for PGI, a foodstuff may be treated as originating from the concerned geographical area if it is processed or produced in that area, even if the raw materials are produced in another region.²⁹ Thus, for PGI, as compared to the PDO, the strength of the link to origin is weak, less stringent and less exclusive.³⁰ This weaker conception of the link is a result of the lower importance attached to natural factors. Practice shows that PGIs are registered for processed products which result from the collective know-how of local producers.

²² Council Regulation 510/2006 of March 20, 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs [2006] OJ L93/12, which replaces Council Regulation 2081/92 of July 14, 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs [1992] OJ L208/1, replaced in 2012 by Regulation 1151/2012 of the European Parliament and of the Council of November 21, 2012 on quality schemes for agricultural products and foodstuffs [2012] OJ L343/1.

²³ In 2008, wines and spirit were integrated into the PDO and PGI categories: see Council Regulation 479/2008 of April 29, 2008 on the common organisation of the market in wine [2008] OJ L148/1. Previously, the production of wines and spirits was regulated by a system of specific rules, due to the then structure of the European market in wine as in other areas of agriculture and food. But the author has chosen not to focus on wines and spirits.

²⁴ Examples include the addition of salt and the withdrawal of mineral waters. Council Regulation 692/2003 of April 8, 2003 amending Regulation 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs [2003] OJ L99/1.

²⁵ Council Regulation 1151/2012, art.5.1. For wines, the appellation of origin is defined in art.34.1 of Regulation 479/2008 as “the name of a region, a specific place or, in exceptional cases, a country used to describe a product referred to in art.33(1) that complies with the following requirements: (i) its quality and characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors; (ii) the grapes from which it is produced come exclusively from this geographical area; (iii) its production takes place in this geographical area; (iv) it is obtained from vine varieties belonging to *Vitis vinifera*”.

²⁶ See Council Regulation 1151/2012, art.5.3.

²⁷ *Exportur SA v LOR SA and Confiserie du Tech SA* (C-3/91) [1992] E.C.R. I-5529, para.28.

²⁸ Council Regulation 1151/2012, art.5.2. Regarding wines, art.34.1 of Regulation 479/2008 states that GI means an indication referring to a region, a specific place or, in exceptional cases, a country, used to describe a product referred to in art.33(1) which complies with the following requirements: (i) it possesses a specific quality, reputation or other characteristics attributable to that geographical origin; (ii) at least 85 per cent of the grapes used for its production comes exclusively from this geographical area; (iii) its production takes place in this geographical area; and (iv) it is obtained from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the *Vitis* genus. Regarding spirits, art.15.1 of Regulation 110/2008 states that GI shall be an indication that identifies a spirit drink as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of that spirit drink is essentially attributable to its geographical origin.

²⁹ *Carl Kühne GmbH & Co. KG v Jütro Konservenfabrik GmbH & Co. KG* (C-269/99) [2001] ECR I-9563: see analysis by G.E. Evans, “The Strategic Exploitation of Geographical Indications and Community Trade Marks for the Marketing of Agricultural Products in the European Union” (2010) 1 WIPO J. 159.

³⁰ L. Bérard and P. Marchenay, *From Localized Products to Geographical Indications: Awareness and Action* (Bourg-en-Bresse: CNRS, 2008).

Finally, in 1994, the TRIPS Agreement defined GIs very broadly, including the concept of appellation of origin. The criterion of reputation introduced in the Agreement, as well as in the definition of the European PGI, provides greater opportunities while opening the door to innovative experiences.³¹ The TRIPS Agreement, however, does not provide any guidelines for evaluating the existence of a link between the product and its geographical origin. The TRIPS GI definition uses the terminology of “geographical origin” taken alone, whereas the first European proposal of July 1988 added the requirement of “including natural and human factors”.³² Because this more restrictive condition was not accepted in the final text—the fruit of a consensus between Old and New World countries—“geographical origin” is open to many interpretations and does not call for the mandatory combination of human and natural factors.

On implementing the TRIPS Agreement, many countries introduced its broad definition into their domestic legal framework. For example, in India, the Geographical Indications of Goods (Registration and Protection) Act 1999 defines GIs in terms identical to the TRIPS definition, while it defines “goods” to mean any agricultural, natural or manufactured goods, handicraft, or industry goods and foodstuffs.³³ It thus formalises the validity of GIs for handicraft goods in India. Nevertheless, in the absence of detailed provisions on the substantive examination of the link to origin in legislation, practice and case law will help define the grounds of validity of GIs for handicrafts and agricultural goods.

Link to origin based essentially on human factors

Handicrafts are usually linked to a given place via human factors such as the practices and know-how of the producers, with few natural factors. Unexpectedly, however, such a focus on human factors also occurs with certain foodstuffs in France and other European countries.

Handicraft goods

Sophisticated know-how

Handicraft goods are usually characterised by sophisticated know-how, skills and practices, with different kinds of know-how contributing to their uniqueness and anchorage in a given place.

For many GIs in the handicraft sector, the method of production is highly intricate and based on the consideration that only manual methods lead to desired results, whilst machine-made copies are of inferior quality. This is illustrated by the Indian GI Kancheepuram Silk,³⁴ for silk woven in the ancient, royal town of Kancheepuram, famous for its temples. The method of production is characterised by the use of thick silk yarn which gives it its heavy weight and bright colours and by the use of two extra shuttles on each side of the loom, besides the shuttle used for the main body of the sari, to weave the borders in contrasting colours. The reputation of Kancheepuram Saris also lies in the use of silver, gold and red silk threads known as “zari”. It is generally accepted that fake Kancheepuram Saris are made of thinner silk yarn, have only one border and do not contain gold.³⁵ The method of production includes dressing the yarn, sizing, the degumming of the yarn, including the number of times it is rinsed and the time required to do so as well as a meticulously detailed dyeing process. The intricate details of the description demonstrate the sophistication of the skills involved.

³¹ The difference between the appellation of origin of the Lisbon Agreement and the GI of the TRIPS Agreement focuses mainly on the criterion of reputation: see D.J. Gervais, “Traditional Knowledge: Are We Closer to the Answers? The Potential Role of Geographical Indications” (2009) 15 *ILSA J. Int'l & Comp. L.* 551.

³² “Guidelines and Objectives Proposed by the European Community for the Negotiations on Trade Related Aspects of Substantive Standards of Intellectual Property Rights”, July 7, 1988, GATT Doc. MTN.GNG/NG11/W/26.

³³ Geographical Indications of Goods Act 1999, s.2.

³⁴ GI Application No.14, filed on October 7, 2004, (2005) 4 Geographical Indication J.

³⁵ Interview with a manager of the weaving service centre of Kancheepuram, December 2006.

In France, meanwhile, the appellation of origin Dentelle du Puy (lace) has been recognised by the court according to the Law of May 6, 1919. The numerous certificates offering guarantees of the independence, impartiality and sincerity that proved the existence of very traditional, local, constant and fair usage were the motivations for the court to reserve the appellation exclusively for handmade lace by artisans whilst excluding machine-made lace.³⁶

In India, other areas of handicrafts are also protected by GIs, such as woodcraft, where the product is entirely hand-chiselled and then painted. Take for example the GI Kondapalli Bommalu for painted wooden figurines.³⁷ Their production requires know-how about selection of wood, cutting and seasoning, woodcarving and painting.

GIs are also registered on the grounds of traditional designs and drawings. While the method of production may be widespread, motifs and drawings are often specific to a region. Such GIs raise issues about their uniqueness—embedded essentially in the designs—which, according to intellectual property laws, are normally protected as “models and designs”.³⁸ Nevertheless, exclusive rights on designs and models are only granted for a limited period of time and only for *new* models and designs, which does not apply to designs in traditional products.

The sophistication of the design may ensue from the technique used and vary according to the degree of mastery of the technique as illustrated by the Indian GIs Pochampally Ikat³⁹ and Orissa Ikat.⁴⁰ Ikat—a Malaysian-Indonesian word for tie-dye—involves the sequence of tying or wrapping and dyeing sections of bundled yarn to a predetermined colour scheme prior to weaving. Two elements distinguish imitations from the originals: they are machine-woven, and above all the motifs are printed after weaving and not created during the weaving process with pre-dyed yarn.⁴¹ The GI Pochampally Ikat is entirely based on the Ikat technique and is described in a very detailed manner. The diamond shaped motifs, or “chowka”, which, because of the recent history of Ikat production in Pochampally, are simpler than Ikat made in other regions of India and are only briefly mentioned in the specification. However, such motifs distinguish Pochampally Ikat from Ikat produced in other places⁴²—for example, the GI Orissa Ikat⁴³ characterised by floral motifs with sophisticated shaded effects. The GIs Pochampally Ikat and Orissa Ikat highlight the situation of creative know-how intertwined with the Ikat technique. The creation of designs cannot therefore be dissociated from the mastery of the technique. Their uniqueness lies in the particular way the technique is applied in a specific place and not only in the type of design.

Absence of the specific origin of the raw material

In many cases, the raw materials used for non-agricultural GI products are not sourced locally, but must nevertheless be of high quality, known as “generic quality”.⁴⁴ In India, for example, quality raw material implies traditional raw material (such as natural dyes)⁴⁵ or timber quality (for woodcrafts).⁴⁶ The use of “fake” raw material, such as synthetic thread, helps identify counterfeits. The quality of the raw material is not attributed to local natural factors. For Indian handicraft GIs, either the geographical origin of the

³⁶ Judgment of the Court of Le Puy of February 19, 1931.

³⁷ GI Application No.44, filed on November 10, 2005, (2006) 13 Geographical Indication J.

³⁸ E.g. TRIPS Agreement, arts 25–26; Hague Agreement Concerning the International Registration of Industrial Designs 1925.

³⁹ GI Application No.4, filed on December 15, 2003, (2006) 13 Geographical Indication J.

⁴⁰ GI Application No.22, filed on February 1, 2005, (2006) 12 Geographical Indication J.

⁴¹ A case between the owner of the GI Pochampally Ikat and an infringer who manufactures saris with machine printed pattern. Complaint to the High Court of Delhi, 887/2005.

⁴² These simplified modern designs are paradoxically more popular with new generations.

⁴³ Applicant’s reply dated November 3, 2005 to the letter from the GI Registry dated October 21, 2005, accessed in the file available at the GI Registry, Chennai.

⁴⁴ For example, it is the case for 46 out of 127 products studied in Insight Consulting, REDD and OriGIn, *Study on Geographical Indications Protection for Non-agricultural Products in the Internal Market: Final Report* (Brussels, 2013).

⁴⁵ PowerPoint presentation of the Assistant Registrar of the GI Registry, Mr Natarajan, September 17–18, 2008, Delhi. The six criteria are: “quality of raw fibre, natural dye, quality of water, colour fastness, durability, and professional skill”.

⁴⁶ For example, the specification of the GI Sankheda Furniture insists on the use of 100 per cent teak wood.

raw material is not described or this origin is far removed from the product's manufacturing zone and indicated on a purely documentary basis without being mandatory. The silk yarn used for the GI Kancheepuram Silk according to the GI specification is bought from Gujarat, situated in North India. The uniqueness of the Indian GI Konark Stone Carving⁴⁷ registered for sculptures of traditional dancers from Orissa is due to the raw material, snake stone. The mineral composition of the stone is described, but its geographical origin is not documented, demonstrating the extent to which this aspect is considered superfluous.

The source of raw material explains the localisation of production, but local sourcing is not mandatory as it is not seen as a condition for obtaining a quality product. For example, the Indian GI Kondapalli Bommalu indicates that the wood comes from the surrounding region of Kondapalli, but the area identified corresponds to the area where the figurines are sculpted—a village of 1.5 square kilometres—and does not include the nearby forests. Similarly, the reputation of the GI Mysore Silk⁴⁸ is mainly due to the silk yarn produced in the ancient kingdom of Mysore where there is a tradition of silkworm farming.⁴⁹ The specification emphasises its uniqueness, attributed to the superior quality of the silk yarn used, a zari consisting of 65 per cent silver and 0.65 per cent gold and a special process of twisting the yarn which gives the fabric its wavy effect. However, there are no provisions on the source of the silk.

While this type of handicraft product also exists in France, experience shows that they may not be granted protection. In the 1990s, the “faïence de Moustiers” producers association drafted an appellation of origin to protect the revival of earthenware production in Moustiers, which attracted many avid prospectors. However, since the raw material (fuller's earth, enamel etc.) was no longer directly sourced from Moustiers, as it had been in the 18th century, the application was not accepted. Indeed, French law has since 1966 incorporated the definition of the appellation of origin of the Lisbon Agreement, which provides for a combination of natural and human factors.⁵⁰ For the same reasons, the applications for Porcelaine de Limoges and Porcelaine de Nevers were rejected. Furthermore, as earthenware or porcelain are neither an agricultural product nor a foodstuff, a PGI application was impossible, revealing the limitations of French and EU regulations.

Foodstuffs

Worldwide, most GIs are for agricultural goods and foodstuffs, widely seen as valid only if natural factors determine the specificity of the product. However, the analysis of European registered PGIs and Indian GIs does not support such an argument. Many agricultural products and foodstuffs are actually linked to their origin mainly through human factors. Yet in France, this acknowledgement has been little exploited, in contrast to the Indian situation.

In India, the first GI registered for a liqueur, Feni, is associated to its geographical origin only through the distillation techniques, traditional know-how.⁵¹ The cashew tree was introduced to Goa by the Portuguese in the 16th century, and the use of cashew apples for the production of the liquor only exists in this Indian state. The apples are collected and crushed to extract the juice, which is then fermented and distilled without the addition of any foreign ingredient, using traditional tools.⁵² The GI specification does not highlight natural factors, mentioning only that the quality of apples varies, depending on soil characteristics

⁴⁷ GI Application No.87, filed on April 9, 2007, (2008) S1 Geographical Indication J.

⁴⁸ GI Application No.11, filed on July 22, 2004, (2004) 3 Geographical Indication J.

⁴⁹ Personal interview with Mr Vijayan, General Director, Karnataka Silk Industries Corporation (KSIC), the GI applicant.

⁵⁰ See *Propriété Industrielle Bulletin Documentaire* (PIBD) regarding *faïences de Moustiers*, 1992, No.509.I.85, ministerial answer No.15479 of June 6, 1991 and official journal of the Senate debate dated September 26, 1991, p.2088; F. Pollaud-Dulian, *Droit de la propriété industrielle* (Paris: Montchrestien, 1999), p.734.

⁵¹ GI Application No.20, filed on December 19, 2007, (2008) 27 Geographical Indication J.

⁵² For more details on this GI, see D. Rangnekar, *Geographical Indications and Localisation: A Case Study of Feni* (Coventry: Centre for the Study of Globalisation and Regionalisation, University of Warwick, 2009, p.64.

and the place of cultivation, which are not demarcated. In contrast, the distillation zone is restricted to Goa.

The United Kingdom PGI Melton Mowbray Pork Pie, a pie made in Melton Mowbray, traditionally linked to the ancient practice of hunting in this area, is another case of a GI on foodstuff that is not obtained from raw materials originating from the area, but that must be of high quality. Yet the process uses traditional methods. Melton Mowbray Pork Pies have a traditional bow walled pastry giving them their characteristic shape. The meat content of the whole product must be at least 30 per cent. The pies must be free of artificial colours, flavours and preservatives.⁵³ A preliminary question referred to the ECJ by the High Court in London regarding the validity of this PGI application was filed but eventually withdrawn. There will therefore be no further clarification by the ECJ of the requirements for registration of PGIs without natural factors, which has been considered valid by the European Commission.⁵⁴

In France, where the GI tool is used for rural development, the presence of natural factors, and particularly the localisation of raw material, is a hotly debated issue. Very few GIs are linked to the origin solely through human factors, even though the situation is changing. One case is the PGI Bergamote de Nancy, for regionally renowned sweets made traditionally with sugar, glucose syrup and natural bergamot essence and used in Lorraine cuisine since the 18th century.⁵⁵ Yet it is difficult to assess the conformity to European criteria of this PGI registered following art.17 of the EU Regulation 2081/92 providing for the automatic acceptance of GI lists presented by the members of the European Union.

The PGI *Pâtes d'Alsace* represents a controversial example due to the mechanisation of the processing and the consequently weak human factor, while no local natural factors are involved, as the raw materials are not sourced locally. The GI specification explains that, since ancient times, *Pâtes d'Alsace* have been produced from flour and eggs. This distinctively Alsatian tradition is based on a production method that, until the 19th century, was essentially domestic and rural, the special domain of the housewife, with recipes and know-how handed down from mother to daughter, using eggs which were easily available from farms. Such pasta is eaten with traditional dishes such as jugged hare, fish matelote or Rhine salmon. According to Norbert Olszak, the application was made largely because a small Italian producer of pasta had begun to produce an imitation that did not contain the same ingredients and involved only two producers.⁵⁶ Yet he suggests that *Pâtes d'Alsace* does not deserve a GI registration. Indeed, in this case, the link to origin does seem too weak to be eligible for the rights conferred on GIs.

Apart from these rare examples of dubious validity, French tradition is reluctant to protect GIs for products where raw materials are not sourced locally. One case is the PGI *Calisson d'Aix* (lozenge shaped sweets made out of ground almonds),⁵⁷ where 70–80 per cent of French calissons are made by eight calisson makers. The local public authorities wanted to boost almond production in the Aix region by introducing to the PGI a large but localised almond supplying zone around Aix, whereas calisson makers at the time were using almonds coming from California. The European Commission objected to the localisation of almonds in the Aix region, as there was no justification for a link between the quality of the almonds and their place of cultivation. The final specification attributed the link to origin entirely to the know-how of the calisson makers.⁵⁸ But this case is still under examination at the French level.

Another controversial case concerns Alsace geranium. Horticulturists wanted to protect the traditional geranium from Alsace, which flourished in the 1950s and is a resistant type which flowers quickly and

⁵³ See *PGI Specification of Melton Mowbray Pork Pie* [2008] OJ C85/17. See also A. Tregear and G. Giraud, "Geographical Indications, Consumers and Citizens" in E. Barham and B. Sylvander (eds), *Labels of Origin for Food: Local Development, Global Recognition* (Wallingford: CABI, 2011).

⁵⁴ *Northern Foods Plc v The Department for Environment, Food and Rural Affairs* [2005] EWHC 2971 (Admin). See also D. Gangjee, "Melton Mowbray and the GI Pie in the Sky: Exploring Cartographies of Protection" (2006) 3 *Intell. Prop. Q.* 291.

⁵⁵ Commission Regulation 1107/96 of June 12, 1996 on the registration of geographical indications and designations of origin under the procedure laid down in Article 17 of Council Regulation 2081/92 [1996] OJ L148/1.

⁵⁶ Personal interview.

⁵⁷ Draft specifications for the PGI Calissons Aix, Union of Manufacturers of Calissons Aix en Provence, version 4, January 4, 2006, p.3, available at <http://www.inao.gov.fr/repository/editeur/pdf/CDC-JGP/calissons-d-aix.pdf> [Accessed April 2, 2013].

⁵⁸ Interview with E. Monticelli.

abundantly. The planting of cuttings in pots and the monitoring of their growth until they are ready to be sold takes place in Alsace. The know-how of local horticulturalists is essential in adapting the cuttings to the cold climate. However, the application was rejected by the French authorities, because cuttings that previously originated from Alsace now come from Kenya and are chosen according to generic quality criteria such as good health.⁵⁹

In conclusion, the French tradition of GI protection does not seem to support products linked to their origin primarily via human factors, whereas European legislation allows for this, meaning that there are different approaches to assessing the link to origin for protecting GIs even within the European Union.

The link to origin via a combination of natural and human factors

Most agricultural products and foodstuffs are linked to their origin through both natural and human factors. The importance of natural factors mainly depends on whether the product is a raw or a processed good. Practice shows that handicraft goods can be linked to a given territory in the same way.

Agricultural goods and foodstuffs

Agricultural raw products obtained from a local variety

When the final product is subject to little processing, as in the case of horticultural goods and cereals, the natural factors influencing the quality of the product are the soil and the climate, while the human factors consist of cultivation methods. Products resulting from the cultivation of an ancient local variety are strongly anchored in their environment, as those varieties are particularly well adapted. GIs can also help to maintain a diversity of varieties as illustrated by the Indian GI Navara Rice, which designates a rice resulting from the crossbreeding of two indigenous varieties from Kerala in South India.⁶⁰ Navara, like Basmati⁶¹ or Rooibos,⁶² is not a geographical name, but the name of a rice variety, named after its short cultivation cycle, endemic to Kerala, according to the GI application. Historical sources from 2500 BC testify to the Ayurvedic medicinal properties of this rice.⁶³ The cultivation process is exclusively organic, since it is used for medicinal purposes, thus involving certain know-how and a specific *modus operandi*. This rice is slowly becoming extinct because of the difficulty of cultivation and low yield.⁶⁴ “Fake” Navara rice is grown in the same geographical zone but from other varieties.

Similarly, the French appellation of origin *Châtaigne d’Ardèche* is characterised by the cultivation of local varieties. For centuries local society was organised around chestnut groves, which began to deteriorate. New varieties resulting from the hybridisation of plants from different regions, more suited to certain technical and marketing criteria, were proposed. As such an innovation would have radically changed the cultivation of chestnut groves, shifting it from the domain of agroforestry to intensive orchard farming, producers rejected it and applied for an appellation of origin to protect local varieties, a mode of cultivation and the landscape. From a census of 66 local varieties, the appellation *Châtaigne d’Ardèche* selected 19 main varieties, specifically ruling out hybrid varieties.⁶⁵ To counter the European Commission’s argument that a common characteristic between the different varieties of chestnuts had not been established, the

⁵⁹ Inao, Comité National des IGP, Labels Rouges et STG, 11 février 2009, Demande d’I.G.P. “Géranium d’Alsace” Demande de reconnaissance en IGP Rapport final 2009-113, Report June 4, 2009.

⁶⁰ GI Application No.17, filed on November 25, 2005, (2007) 17 Geographical Indication J.

⁶¹ D. Marie-Vivien, “From Plant Variety Definition to Geographical Indication Protection: A Search for the Link between Basmati Rice and India/Pakistan” (2008) 11 J. World Intell. Prop. 321.

⁶² E. Biénabe, “Le rooibos d’Afrique du Sud: Comment la biodiversité s’invite dans la construction d’une indication géographique” (2009) 2 *Autrepart* 117.

⁶³ “Susruta Samhita”, Susrutacharya, 2500 BC.

⁶⁴ See Njavara.org, <http://njavara.org> [Accessed April 2, 2008]; G. Prabhakaran, “Njavara Facing Extinction”, *The Hindu*, June 7, 2004.

⁶⁵ See Decree of June 28, 2006 concerning the “Chestnut Ardèche” appellation of origin, art.4: “Chestnuts from local varieties of the species *Castanea sativa* Miller listed in the technical regulations are provided for in art.1 of this Decree. Hybrids are prohibited.”

producers decided to claim that chestnuts come exclusively from old local varieties of *Castanea sativa* species selected over the centuries in different production areas of Ardèche.⁶⁶

In all of these cases, the GI specificity is strongly related to its natural features based on local varieties and shaped by human practices.

Processed products using local raw material

The GI Darjeeling Tea is a significant Indian example of a processed product linked to the origin through human and natural factors,⁶⁷ now also registered in Europe, despite opposition.⁶⁸ Its qualities spring from an exceptional natural environment, including the soil, but above all from the altitude of between 600 and 2,000 metres at which it is cultivated, the steep slopes and very specific weather conditions: wet and cool in summer and dry and cold in winter. Yields are much lower than in non-Darjeeling districts. The species *Camellia sinensis* is used for cultivating all Indian tea. Darjeeling tea leaves are processed in the production area, in the traditional “orthodox” way invented by the British, who adapted the processes from China.

In Europe, and especially in France, processed GI products obtained from local raw material are common features. Such is the case of the olive oil from Nyons processed from olives of the Tanche variety grown in the departments of Drôme and Vaucluse. The “tanche” is a variety typical of this region, particularly well adapted to its mixed climate. The smallest olives are crushed and mixed using traditional methods; the paste is either pressed or centrifuged to extract the oil.⁶⁹

Processing under special environmental factors

A very famous French case is the appellation of origin Roquefort, protected since the 15th century through a royal charter. Protection was granted to the inhabitants of Roquefort along with a monopoly over the maturing process, carried out in well-guarded cellars.⁷⁰ Being the first appellation of origin for cheese in France, it contains provisions on production and refining conditions, “natural factors” referring to both the source of raw materials and the processing environment.⁷¹ The particular character of Roquefort lies, on the one hand, in the characteristics of the milk from traditional breeds of sheep fed according to traditional farming, and, on the other, in the originality of the natural caves of *Roquefort sur Soulzon*, entirely dug from fallen rocks at the foot of Combalou’s limestone cliffs “where a miracle of nature takes place that gives Roquefort its unique flavour”.⁷² The raw material was initially sourced from a very large area, but subsequent to the EU definition of the appellation of origin that provides for mandatory local sourcing of raw material, the milk supplying region was limited to the mid-mountain ranges south of the Massif Central, where there has been a long and particular tradition of sheep farming.⁷³

Quality might be related to environmental factors during processing, in the absence of local raw material. The Indian GI Monsooned Malabar Coffee⁷⁴ is processed following a technique directly linked to climatic conditions. The coffee was once stored for a long time before being shipped, but then underwent a transformation that was initially unexpected because of the weather, which is hot and wet on the Malabar

⁶⁶ See the letter from the European Commission Directorate-General for Agriculture and Rural Development on October 9, 2009 and the interview in April 2010. Décret n° 2010-1290, 27 October 2010 on the AOC “Châtaigne d’Ardèche”, <http://www.legifrance.gouv.fr/>.

⁶⁷ GI Application No.1, filed on October 27, 2003, (2004) 1 Geographical Indication J.

⁶⁸ Commission Implementing Regulation 1050/2011 of October 20, 2011 entering a name in the register of protected designations of origin and protected geographical indications (Darjeeling (PGI)) [2011] OJ L276/5.

⁶⁹ Publication of an amendment application pursuant to article 6(2) of Council Regulation 510/2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs [2007] OJ C73/4.

⁷⁰ M.H. Bienaymé, “L’appellation d’origine contrôlée” (1995) *Revue de Droit Rural* 420.

⁷¹ *Law on the Appellation of Origin Roquefort*, July 26, 1925.

⁷² *Law on the Appellation of Origin Roquefort* 1925.

⁷³ Commission Regulation 938/2008 of September 24, 2008 approving non-minor amendments to the specification for a name entered in the register of protected designations of origin and protected geographical indications (Roquefort (PDO)) [2008] OJ L257/10.

⁷⁴ GI Application No.85, filed on April 5, 2007, (2008) 21 Geographical Indication J.

Coast during monsoon. This process was called “monsooning”, and the resultant coffee became famous. The geographical origin of the coffee is non-specific and includes coffee cultivated anywhere in India. It can be compared to the French PGI *Saucisse de Morteau*, linked to the origin by the slow smoking practice and know-how with wood obtained from softwood forests found throughout Franche-Comté, in particular from the mountainous areas. This practice gives the Morteau sausage its amber colour and smoky taste and is inextricably linked to its manufacturing region.⁷⁵ This example is quite unique in France, where the strategy generally pursued for specifying the product is to localise the source of the raw material. For the *Saucisse de Morteau*, the producers and the French government initially sought to do so, but such a limitation was rejected by the European Commission on the grounds that the zones supplying pork are different from the sausage production zones and that it is not possible to establish a link between the source of the pork and the quality or reputation of the *Saucisse de Morteau*.⁷⁶ Yet *Saucisse de Morteau* is linked to the origin via natural factors such as the local wood used for the smoking of pork.

Handicraft goods

Natural factors as the source of raw material

Twenty-eight appellations of origin for handicraft based on human and natural factors such as raw materials have been registered under the Lisbon Agreement—*Emaux de Limoges* from France is one example⁷⁷—but they are very few in number compared to wines and spirits. In France, the appellation *Poterie de Valauris* was recognised through a judgment of the Court of Cassation on November 18, 1930 for pottery made with local clay.⁷⁸

In India, a rare example of a GI using local raw material is the GI Kashmir Pashmina⁷⁹ for shawls made in Kashmir with the undergrowth of fleece from the mountain goat *Capra Hircus* with a fineness of 12–16 microns. The specification outlines the following steps: procurement of the raw material; combing and cleaning; soaking in clean cold water, draining of the water and mixing with rice flour; the storage of the delicate pads of wool in deep stone pots; spinning of the yarn on the traditional *chakra*; warping, dressing and reeling the yarn; weaving; clipping the loose threads; dyeing; washing and packing. The GI specification retraces the geographical route of the different phases of production and identifies three sub-regions: Ladakh, the grazing ground of the goats where the wool is collected; the outskirts of Srinagar, the capital of Jammu and Kashmir, where the wool is spun; and the entire region of Jammu and Kashmir, where the wool is woven. The link to territory is characterised by different types of know-how, including weaving, and by local raw material. However the Ladakh zone is not demarcated in the same level of detail, especially in terms of latitude and longitude, as the overall GI zone. It suggests that collecting the wool is accorded less importance, combined with a certain disregard for this activity compared to spinning and weaving.

Yet India has a different perspective from that of Europe, where a PDO was registered for Native Shetland Wool,⁸⁰ which designates only the wool, collected and spun in a specific area according to traditional methods. The weaving phase is not included in the PDO, so the fabric can be produced anywhere, according to any method.

⁷⁵ See “SAUCISSE DE MORTEAU” or “JÉSUS DE MORTEAU” (EC No: FR-PGI-0005-0556-26.09.2006, 2009/C; 315/08).

⁷⁶ Institut national de l’origine et de la qualité, Comité national des indications géographiques protégées, labels rouges et STG, PGI application Saucisse de Morteau ou Jésus de Morteau, requests for additional information from the European Commission in response to the Reply of ODG (Organisme de défense et de gestion), File No. 2008-414, November 27, 2008. The first letter of the Commission is dated August 24, 2007, the response of the applicant group is dated August 13, 2008, and the response of the Commission is dated October 3, 2008.

⁷⁷ Registration No.472, December 20, 1967.

⁷⁸ In France, following the implementation of the 1919 law, which allowed for recognition by the courts, courts recognised some appellations of origin for handicraft—for example, the “Emaux de Limoges” appellation through a judgement of the Court of Appeals of Limoges on February 18, 1946 and the “Cholet” appellation through a judgment of ruling of the Court of Appeals of Angers on November 17, 1936.

⁷⁹ GI Application No.46, filed on December 9, 2005, (2006) 13 Geographical Indication J.

⁸⁰ Commission Implementing Regulation 1121/2011 of October 31, 2011 entering a name in the register of protected designations of origin and protected geographical indications (Native Shetland Wool (PDO) [2011] OJ L 289/14.

Natural factors influence the processing

As with agricultural goods, non-agricultural goods can derive their reputation from natural factors which impact the processing. In France, the appellation of origin *toiles de Cholet* has been protected since 1936 by the court,⁸¹ which noted that the reputation of Cholet sheets and textiles was due to the bleaching techniques, consisting of stretching the textiles out on green, wet and clayey meadows. Textiles are bleached with water pumped directly from the ground, of which the quality is seen as exceptional for bleaching and not available anywhere else in the region. Their special weight and strength also depend on the natural elements from the soil and specific local climate conditions.⁸²

Local clay used to mould objects can also be seen as critical in linking the product to its territory. It is not a final element constituting the product, and therefore not a raw material, but it is rather similar to an environmental factor. The Indian GI Aranmula Metal Mirror⁸³ uses the local specific clay gathered from the river of Aranmula to cast the metal mirror.

The need for a homogenised GI legal framework for all products

The above examples demonstrate that, whatever the nature of the product, GIs have been recognised in highly contrasting national contexts, such as those of France and India. For any kind of goods, the analysis of the existence of human and/or natural GI factors provides a useful way to approach and assess the link to origin. There is therefore no reason to treat categories of products differently. Based on this assumption, the question remains as to which conditions, whether for agricultural or non-agricultural goods, GIs deserve protection and what regime should apply.

The validity of GIs based on human factors alone

In practice, GIs based on human factors are widely acknowledged and registered. However, this practice requires further assessment. Is a link to geographical origin via know-how alone legally valid with respect to the definition of a GI? Can know-how be rooted in an area? Can it confer on a product a quality or reputation linked to its geographical origin? Indeed, this link to territory based on human factors is often questioned, with know-how and methods of production seen as easily passed on—not to mention the migration of artisan communities, whose history suggests how weak their roots in a given area can prove to be.⁸⁴ For example, the GI Kancheepuram Silk application states that the weavers were originally from another state, Andhra Pradesh, and migrated 400 years ago when their village was swept away by the sea. In the event of artisans migrating outside their area of origin, would a reservation of the name only to goods produced in the demarcated area be an unfair restriction? Can an artisan, or a group of artisans who migrate, produce an identical product in their new environment? Will the know-how evolve in the course of this migration? How can this be assessed?

The influence of the environment on know-how

First, several criteria are possible. Beginning with the environment, it might be suggested that producers are influenced by their surroundings, including both natural factors and human interactions. As an

⁸¹ Commercial Court of Cholet, January 8, 1936, *Etablissements Béra c. / Syndicat patronal des industries textiles de la région de Cholet*, Regional archives, Conseil général, Département Maine et Loire, côte 143a63.

⁸² Association des Amis du Musée du Textile Cholelais, *La Blanchisserie de la rivière Sauvagean et le blanchiment des toiles à Cholet* (Cahors: 1992). The protection of this appellation is still effective because the same Court of Appeal of Angers decided in 1992 that the trademark “Création Maret Cholet France” that was used to designate woven textile was misleading, since it could be confused with the “Cholet” appellation of origin, if the methods of manufacturing did not meet the appellation criteria: see Cour d’appel Angers, Chambre 1B, February 17, 1992.

⁸³ GI Application No.3, filed on December 8, 2003, (2004) 3 Geographical Indication J.

⁸⁴ See in particular the GIs Orissa Pattachitra, Nirmal paintings and Kota Doria.

illustration, climate, a natural factor, influences the type of produce, e.g. light cotton saris in South India, shawls in the mountainous regions of the Himalayas, specific Geranium in Alsace. For our purposes, it can be accepted that, even though exceptions might still exist, know-how is not blindly “transferred” as is, but adapted when used in new surroundings.

The shared and ancient know-how

Secondly, the definition of the geographical origin requires discussion: “origin refers to a place having a certain meaning thanks to history and to shared know-how”.⁸⁵ The collective nature of know-how that results from its being shared within a community located for a long time in a specific area ensures its continued existence in this place. Individuals isolated from the community, or even small groups cut off from the main community, will not be able to execute this know-how with equal proficiency. This underlies the prominent collective dimension of GIs, resulting from a group of producers sharing their know-how and cross-controlling the quality of the product. In India, as a consequence of the caste system that associates a given community with a specific activity, know-how linked to handicrafts is held by specific groups and passed down from generation to generation.⁸⁶ For example, the GI Pipli Applique Work⁸⁷ is made by artisans from the caste of Darjis, who hand down their knowledge and titles in this way. The idea of a “basin of skills” is introduced when skills are developed over a large area.⁸⁸ The know-how might well then spread among the locals. In the Kancheepuram Silk case, the silk was originally woven only by the Salia community, but now by all the communities within eight kilometres of Kancheepuram, representing 75 per cent of the population of Kancheepuram.⁸⁹ The historical depth of the localisation of the community of producers is the criterion of validity of such GIs. Indeed, the Indian GI Rules state that the link to origin must be demonstrated through the history, in a section specially designed for this purpose: “Proof of Origin (Historical Records)”. In France and other European countries, too, proof of human factors throughout history or pre-existing know-how is required to objectivise the link to territory.⁹⁰ This principle has been expressly implemented in India for the GI Chanderi Sari: producers who want to use the GI must have resided in Chanderi for at least 15 years.⁹¹

The issue of designs

In conclusion, GI goods linked to the origin through mainly human factors such as handicraft goods or foodstuffs cannot be disqualified *a priori* as origin products worthy of benefiting from GI protection, when know-how is shared by a community or a group and has existed for a certain period of time as part of the local culture. The condition of the level of sophistication of these human factors might be added to impart real uniqueness to the product and to compensate for the absence of natural factors. Besides, the link to origin of products characterised by specific designs and resulting from creative know-how seems rather fragile, subject to the risk of changing patterns, following fast-changing fashion in the textiles domain.⁹² However, for traditional designs, GIs, being protected without time limitation, are a more desirable tool of protection than the mere protection of design and models.⁹³ GIs are also much more relevant when it is the protection of a product’s name and reputation that is sought. For example, the

⁸⁵ Bérard and Marchenay, *From Localized Products to Geographical Indications* (2008).

⁸⁶ M.C. Mahias, “Les sciences et les techniques traditionnelles en Inde” (1997) 37 *L’Homme* 105.

⁸⁷ GI Application No.86, filed on April 9, 2007, (2008) S2 Geographical Indication J.

⁸⁸ Bérard and Marchenay, *From Localized Products to Geographical Indications* (2008).

⁸⁹ N.S. Gopalakrishnan, P.S. Nair and A. K. Babu, *Exploring the Relationship between Geographical Indications and Traditional Knowledge: An Analysis of the Legal Tools for the Protection of Geographical Indications in Asia* (Geneva: International Centre for Trade and Sustainable Development, 2007).

⁹⁰ Bérard and Marchenay, *From Localized Products to Geographical Indications* (2008).

⁹¹ Rules of the Chanderi Foundation, GI owner.

⁹² Statement of A. Mohamed Jamuluddin regarding the GI Kancheepuram Silk.

⁹³ Personal interview with Subodh Kumar, Confederation of Indian Industry, April 2010.

Pochampally designation is reputed for its Ikat, and it seems very unlikely at present that the weavers of Pochampally will decide to weave other motifs which are typical of Orissa: they will not abandon their own motifs and above all their name, because the appellation Pochampally is as well known as the appellation Orissa.

Two legal instruments according to natural and/or human factors

The question remains of whether a link to origin solely via human factors should be governed by the same legal regime as the rules applying to the more robust link to *terroir*, which involves a combination of natural and human factors. It is argued that the concept of *terroir* shall not be applied to GIs where soil and nature are not influencing the quality of the product. In such cases, the concept of origin is possibly more appropriate. Then, because of the absence of nature, the link to origin is without doubt weaker. It is proposed to maintain the principle of two legal tools as is the case in Europe with the two categories of PDO and PGI, based on the criteria of human and natural factors—whether individually or combined—which remain relevant irrespective of the nature of the product. This is supported by producers in Europe,⁹⁴ who have reaffirmed their commitment to maintaining this distinction where the EU Commission had initially proposed to merge them.⁹⁵ PDO and PGI categories were eventually retained in the new EU Regulation 1151/2012. In Europe, the use of these criteria of natural and human factors would help to clarify the differences between PDO and PGIs, even if “each protected product is to be seen as an original with its own history, composition and specific quality”,⁹⁶ while opening these categories up to non-agricultural goods. Indeed, at present, it remains unclear on what grounds the distinction between PDO and PGI is based.⁹⁷ For PGIs using raw materials which are not exclusively sourced from the area demarcated by the geographical indication, any risk of consumer confusion on the origin of the raw materials should be avoided. The mandatory mention of such source in the labelling of the processed good is recommended. Such provision has been backed by the European Parliament,⁹⁸ albeit unsuccessfully to date. Ultimately, the question is whether it makes sense to maintain two legal categories if they are not associated with two distinct levels of protection, which is not currently the case in the European Union. Logic would suggest granting a different scope of protection.

Building upon the practice of the Indian GIs, two levels of geographical reference make sense even outside Europe if they are distinguished according to whether exclusively human factors, or a combination of human and natural factors, link the product to its place of origin. The actual revitalisation of the Lisbon Agreement,⁹⁹ which for the first time introduced these criteria of human and natural factors to define appellation of origin, could consider the argument of employing the same criteria in an alternative manner for GIs whose definition is proposed to be introduced in the draft revised Lisbon Agreement.¹⁰⁰

⁹⁴ Proposal for a Regulation of the European Parliament and of the Council on Agricultural Product Quality Schemes, December 10, 2010, 2010/0353 (COD). See also the position of maintaining the concept of appellation of origin in C. Geiger, D. Gervais, N. Olszak and V. Ruzek, “Towards a Flexible International Framework for the Protection of Geographical Indications” (2010) 1 WIPO J. 147.

⁹⁵ See *Green Paper on Agricultural Product Quality: Product Standards, Farming Requirements and Quality Schemes*, October 15, 2008, COM (2008) 0641.

⁹⁶ A. Profeta, R. Balling, V. Schoene and A. Wirsig, “The Protection of Origins for Agricultural Products and Foods in Europe: Status Quo, Problems and Policy Recommendations for the Green Book” (2009) 12 J. World Intell. Prop. 622.

⁹⁷ Geiger, Gervais, Olszak and Ruzek, “Towards a Flexible International Framework for the Protection of Geographical Indications” (2010) 1 WIPO J. 147.

⁹⁸ Committee on Agriculture and Rural Development, “Report on the Proposal for a Regulation of the European Parliament and of the Council on Agricultural Product Quality Schemes (COM (2010)0733-C7-0423/2010–2010/0353(COD))”, July 12, 2011.

⁹⁹ Geiger, Gervais, Olszak and Ruzek, “Towards a Flexible International Framework for the Protection of Geographical Indications” (2010) 1 WIPO J. 147; D. Gervais, “The Lisbon Agreement’s Misunderstood Potential” (2009) 1 WIPO J. 87.

¹⁰⁰ Revised Lisbon Agreement on Appellations of Origin and Geographical Indications, LI/WG/DEV/7/2, March 22, 2013.

The validity of GIs based on human factors: The removal of the categorisation of products

At the WTO level, the distinction provided by the TRIPS Agreement between wines and spirit and other goods¹⁰¹ should clearly be abandoned and replaced by a distinction based on the strength of the link. Such a distinction for wines and spirits reflects a history that has been largely modified with the implementation of GI laws in non-wine producing countries and is no longer justified. The proposal to base the protection on the strength of the link to territory and not on the kind of goods, sheds new light on the current WTO negotiations around the extension of protection currently granted only to wines and spirits to all products.¹⁰²

In Europe, separate regulations are still maintained for wines/spirits and agricultural goods/foodstuff despite the fact that new regulations have been passed. The Study funded by the EU on GIs for non-agricultural goods recommends a third legal instrument for GIs for non-agricultural goods, placed under the governance of the Office for the Harmonisation of the Internal Market. On the contrary, the opportunity of creating a European office dedicated to GIs for all goods shall be better looked at. In France, following the conflicts on the use of the name of the city Laguiole, famous for its knives, the French authorities wish to extend GIs to cover processed products originating in a specific territory.¹⁰³ A French bill on consumption has been presented on May 3, 2013, providing for the creation of PGIs for non-agricultural products and entrusting the National Institute of Intellectual Property with their registration.¹⁰⁴ However, this bill maintains a product approach, as non-agricultural goods can only apply for a PGI and not for a European PDO, even in the presence of natural factors. Such product categorisation at the legal and institutional level in France and other parts of Europe might prevent a necessary dissemination of the GI concept towards producers and consumers. In conclusion, it seems that the innovative experience in countries recently implementing GI laws, such as India, has influenced the French and EU conceptions. But a change of paradigm is urgently required for protecting GIs, as is the implementation of a global system based on the concepts of natural *and/or* human factors with two legal instruments according to the strength of the geographical link, replacing an approach based merely on product categorisation.

¹⁰¹ Addor and Grazioli, "Geographical Indications beyond Wines and Spirits" (2002) 5 J. World Intell. Prop. 865.

¹⁰² G.E. Evans and M. Blakeney, "The Protection of Geographical Indications after Doha: Quo Vadis?" (2006) 9 J. Int'l Econ. L. 575; T. Kongolo, "Any New Developments with Regard to GIs Issues Debated under WTO?" (2011) 33 Eur. Intell. Prop. Rev. 83; E. Thevenod-Mottet, "Avenir des indications géographiques dans le contexte international" (2009) 41 Revue Suisse Agric. 331.

¹⁰³ Answer from France to question No.5 on the European Commission's *Green Paper regarding the scope of application of Regulation No. 510/2006*, January 6, 2009, p.3.

¹⁰⁴ A new article would be added to art.L.115-1-1 of the Consumer Code: "Constitutes a geographical indication, the name of a region or a specific place used to describe a product, other than agriculture, forestry, food or the sea products, which is native and has a specific quality, reputation or other features that can be attributed to its geographical origin and whose production or processing, preparation, manufacture or assembly takes place in the defined geographical area."

WIPO's New Treaty and “New” Copyright for Audio-visual Performers?: A Pan-African Perspective

Adebambo Adewopo

Professor, Nigerian Institute of Advanced Legal Studies; Former Director General, Nigerian Copyright Commission

☞ Africa; Audiovisual industry; Copyright; Film industry; International law; Nigeria; Performers' rights

In the summer of 2012, the World Intellectual Property Organization (WIPO) overcame its well-known historical difficulties with treaty making by adopting a new treaty at its Diplomatic Conference in Beijing, China. Remarkably, the Beijing Treaty on Audiovisual Performances (Treaty) is WIPO's first 21st century treaty. The prospect of the Treaty on the global audio-visual industries is symbolic as it is significant. It is symbolic because of the milestone the Treaty struck by its final adoption, which comes from a protracted history of an arguably unbalanced global architecture of copyright protection, with particular reference to the audio-visual industry. It is significant because of the consequential extension of protection for the first time to audio-visual performances in international copyright law. The debate on the importance of that Treaty will soon flourish in earnest. This article addresses the Treaty's chequered history and delicate substance in the context of the challenges confronting copyright's role in the protection of audio-visual performers. The article identifies Nollywood and Nigeria's video film industry, and more specifically its audio-visual performers, as part of the Treaty's likely beneficiaries. It considers Nollywood's prominent position and rapid growth in the African and global film markets. The article reviews the Treaty in juxtaposition with the extant Nigerian copyright law and suggests that the Treaty's impact is uncertain and that Nollywood's actors, like other audio-visual performers worldwide, will still continue to navigate the uncharted waters of international copyright law.

A prelude

Emerging from a modest beginning in the early 19th century, the film industry, now a major industry, constitutes in every sense an indispensable part of the global economy and culture. That is not only true of Hollywood, whose major studios¹ account for the majority share of the global film revenue, but also of the local and regional film productions in India, China, Latin America and, more recently, Africa, all of which are experiencing considerable attention on the global stage.² Although issues of regulation, censorship and financing attended the early development of the film industry, the role of copyright—and, more broadly, intellectual property—quickly assumed importance both nationally and internationally, particularly in the emergent global intellectual property system, which has secured copyright protection for producers, directors and other constituent players in the film industry.³

¹ Hollywood major studios include Disney, Fox, MGM, Paramount, Sony, Universal and Warner Bros.

² See Rob H. Aft and Charles-Edouard Renault, *From Script to Screen: The Importance of Copyright in the Distribution of Films* (Geneva: WIPO, 2011).

³ See Shubha Ghosh, “A Roadmap for TRIPS: Copyright and Film in Colonial and Independent India” (2011) 1 Queen Mary J. Intell. Prop. 146, 149, where the writer traced the role of copyright and other factors in the development of the Indian film industry in comparison with Hollywood.

Significantly, the absence of international protection for audio-visual performances have for a long time plagued the balance of international copyright law since the Berne Convention for the Protection of Literary and Artistic Works of 1886 (Berne Convention)⁴ and more particularly the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome Convention). The latter pioneered and established the international framework for the neighbouring rights regime, but did not offer protection to audio-visual performers.⁵

The first question therefore is that of a moral dilemma. Although the spectrum of Berne's copyright, which undoubtedly laid the foundation for the many faces of the emergent international copyright regimes, progressively admitted new entrants, it nevertheless showed an inherent aversion to any creative enterprise of a "fleeting" nature such as live or unfixed performances. That lacuna in the fixation requirement took almost a century of global history for the Rome Convention⁶ to invent a pseudo-copyright regime that could not have easily passed Berne's threshold. Even then, Rome did not completely cover the entire ground in the context of the protection for audio-visual performers who can be regarded as bona fide members of the film dynasty. With the rights of authors such as screenwriters, artists, producers and other creators firmly secured, the overarching scenario engendered an incomplete theatre of recognition that left the protection of audio-visual performers, the remaining players in the film enterprise, conspicuously at large. This omission undoubtedly leaves a lingering moral question.

Indeed, from Berne to Rome, and eventually to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement), the international character of copyright and neighbouring rights, indeed intellectual property rights (IPRs), have continued to develop in diversity and complexity, breaking new grounds in the nature, object and scope of protection for a newer class of works and component rights in the dynamics of the prevailing socio-economic and technological developments. Successive Berne revisions, the birth of WIPO in the 1970s and the post-Berne era have witnessed and captured the growing international and economic importance of copyright. Significantly, developments have also witnessed conflicts of interests among member states, both among the developed countries of post-industrial Europe and between the industrialised countries and less developed countries. These conflicts culminated in the globalisation era brought about by the TRIPS Agreement, as part of the multilateral trade regime of the Uruguay Round of General Agreement on Tariffs and Trade (GATT)/ World Trade Organization (WTO). Entering into force in 1995, this more recent development ushered in the linking of IPR with global trade and the new information society. The TRIPS Agreement, among other WTO agreements, for the first time covered a whole spectrum of IPRs, including copyright and neighbouring rights, and extended those rights to computer programs and databases, among other IPRs. This undoubtedly marked a watershed in the emergent global IPR system.

Within two years of the TRIPS Agreement, two new WIPO treaties—namely the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT), commonly referred to as the "WIPO Internet treaties"—were signed in 1996 in apparent response to the global digital dilemma that has challenged the IPR architecture. These two treaties, which protect copyright and the neighbouring rights of performers and phonogram producers respectively in the overarching digital dispensation, owe their existence to Berne, the grundnorm, as well as Rome. Consequently, the existing framework of international copyright law has maintained protection to the strictest possible extent of the "classical" copyright in literary, artistic, musical works, including sound recordings, cinematographic films and broadcasts, along with newer technology-based computer programs and databases, as well as the

⁴ The Berne Convention was reported to have considered performance as works of adaptation and to include them. See Silke Von Lewinski, *International Copyright Law and Policy* (Oxford: Oxford University Press, 2008), pp.86, 497.

⁵ This is due to fixation. See art.19 of the Rome Convention, which makes the minimum rights under the Convention inapplicable to performers once they have agreed to incorporate their performance into visual or audio-visual fixation. See also E. Ulmer, "The Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisation—Part III" (1963) 10 Bull. Copyright Soc'y USA 219, 242.

⁶ International (Rome) Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations 1961.

neighbouring rights in performers, both in the traditional and technology-based contexts. The focus on classical copyright issues has sustained the debate, and the protection of audio-visual performers would take several decades to achieve.

In retrospect, the idea of protecting audio-visual performers has engaged international attention for some time. It was clear from the prevalent international framework that, whilst performances could obtain protection, audio-visual performances hardly found protection under multilateral treaties despite the importance and commercial value of movies, TV series and other forms of audio-visual performances that commanded the world stage. Policy makers, diplomatic communities, actors and other audio-visual performers' associations around the world have eagerly awaited an international treaty for the protection of one of the most powerful and creative cultural industries that has heavily relied on intellectual property to advance its fame and fortune.

It is also instructive to view the protection of performers in their audio-visual performances in the context of the development imperative that has animated multilateral norm-setting in the past decades and in particular WIPO's current engagement in the Development Agenda adopted in 2007, a salient fact that has been underscored in the Treaty's preamble itself.⁷ Indeed, "questions raised by economic, social, cultural and technological developments" provide the premise and perspectives for articulating the role of audio-visual performance as an integral part of cultural heritage and development in the pursuits of many developing countries. Therefore, the struggle for the protection of audio-visual performance is associated with the overall development narratives of international intellectual property law to which WIPO, despite the challenges, has shown unparalleled commitment. Consequently, WIPO recorded a momentous feat with the adoption of the Treaty on Audiovisual Performances at the Diplomatic Conference in Beijing, China in 2012, as the first treaty of the 21st century, thereby paving the way for film and TV actors and actresses, among other audio-visual performers, around the world to receive their first taste of protection under international intellectual property law.

When the long-awaited Diplomatic Conference was opened on June 20, 2012 with the Director General of WIPO, Dr Francis Gurry, joined by China State Counsellor Liu Yandong, Beijing Deputy Mayor Lu Wei and over 700 delegates from WIPO member states, NGOs and inter-governmental organisations, it was clear that the Beijing spirit that was spoken of had helped to break almost two decades of gridlock, beginning with the 1996 and then the 2000 Diplomatic Conferences that stood as the low points in the history of finding an acceptable multilateral framework of protection for audio-visual performances.

The making of the Treaty: A historical context

By June 26, 2012, when what is now known as the "Beijing Treaty" was finally signed, a new turn in the TRIP-plus era was heralded, bringing for the first time "audio-visual performers into the fold of the international copyright framework in a comprehensive way".⁸ From the perspective of WIPO's norm-setting activities, the Treaty is both symbolically necessary and politically expedient in the post-TRIPS era, at least since the 1996 Internet treaties, as a counter-measure to WTO's incursion into and dominance of the emergent global IPR system to establish relevance.⁹ To the extent that it was important for WIPO, which has been working assiduously albeit unsuccessfully on a number of projects long before TRIPS, the Treaty is a child of expediency and is therefore significant in asserting WIPO's legitimate intellectual property mandate.

Historical symbolism aside, the functionality of the Treaty as an international instrument in the context of the substantive protection for audio-visual performers in the copyright schema appears to raise the vital

⁷ WIPO Beijing Treaty on Audiovisual Performances 2012, pmb1., recitals 2–3.

⁸ WIPO, "WIPO Beijing Treaty on Audiovisual Performances Is Concluded", available at www.wipo.int/pressroom/en/articles/2012/article_0013.html [Accessed June 2, 2013].

⁹ See Ruth Okediji, "WIPO-WTO Relations and the Future of Global Intellectual Property Norms" (2008) 39 *Netherlands Y.B. Int'l L.* 69, 100–104.

question of whether or not the Treaty will substantially change the position of audio-visual performers. The answer lies in the historical context of the Treaty and its substantive effect. In its historical context, it is necessary to reiterate the intended object and fundamental objective as defined under the Treaty as not for protecting producers who are already protected, but for protecting audio-visual performers by affording film actors and other performers under the Treaty additional income from their work through the sharing of proceeds with producers from the international revenue generated by audio-visual productions.¹⁰ This is instructive in the context of the tensions that attended the 12-year negotiation of the Treaty, because like other performances, audio-visual performers are not protected under any copyright treaties, including the Berne Convention, the Rome Convention and the TRIPS Agreement.¹¹

The factors responsible for a lack of meaningful international protection for audio-visual works are a combination of political, legal and technical developments—political because of the inability to reach a consensus among diplomats, delegates and regional interests in the context of international relations. Before achieving a measure of understanding, for a long time WIPO contracting parties have simply demonstrated far too much diversity and divergence on the issues pertaining to audio-visual performances. Legal because of the inability or, better still, difficulty in crafting an acceptable article of faith that reflects a convergence of interests and systems expressed within the text and context of the instrument. Even with a measure of understanding among the parties, the legal import or effect of any such understanding must be carefully articulated. Technical because of the peculiar nature of audio-visual works in the context of copyright jurisprudence, which raises at least three pertinent issues.

First, audio-visual works involve a multiplicity of underlying works of diverse creators like directors, producers, screen writers, choreographers, performers and others who have variously found their niche rights under copyright law. Hence, care should be taken when providing protection for audio-visual performers lest their rights be unwittingly taken away to the advantage of others, particularly with respect to the producer who readily stands at the door to collect more lucre for his blockbuster movies.

Secondly, the concern about the division of the rights in the single audio-visual product arising from different underlying copyright-protected works needs careful consideration of the impact on the exploitation of the product, particularly in the context of the very wide media available for distribution, including the ubiquitous digital media. The huge cost, including the cost of labour involved in film making, adds an economic dimension to the delicate political, legal and technical issues already addressed.

Thirdly, part of the underlying combination of these issues was the tension among negotiators in arriving at a reasonable degree of certainty regarding the transfer of ownership of the IPR and in effect control in the film, particularly as it involves audio-visual production with an increasing mix of performers of various nationalities and the differences in the national intellectual property laws of the countries whose nationals have featured. On the final analysis, the transfer debate could be said to be the singular factor that obstructed the successful completion and adoption of the Treaty since 2000. For a clearer appreciation of what emerged as art.12 of the Treaty, it is instructive to briefly examine the historical context of the contentious transfer of right article considering the importance and value of economic rights granted to audio-visual performers in the Treaty when in fact other issues have proved relatively less problematic or controversial.

Transfer conundrum and the doctrinal divergences of copyright systems

From the first copyright statute to subsequent copyright laws and treaties, copyright has always reflected economic justification as one of its fundamental postulates, notwithstanding its rich, natural and moral rights legacy. The reward and incentive mantra in the copyright enterprise has evolved as the most passionate pursuit of the community of right holders in today's marketplace. This holds true for the

¹⁰ It also extends the protection to the digital environment, like the previous 1996 WIPO Internet Treaties for performers and phonogram producers.

¹¹ TRIPS covers audio-visual performances only in respect of rights of live broadcasting and communications to the public while limiting other rights to performances fixed on phonograms. See TRIPS Agreement, arts 14(1) and 14(4). See also Rome Convention, art.19.

successive entrants into the commonwealth of copyright holders, including, as it were, audio-visual performers. Hence, the economic prospects that copyright affords lies at the root of the transfer provision that, for several years of the protracted negotiation at the Standing Committee on Copyright and Related Rights (SCCR), polarised delegates and observers alike. The question borders on the nature and mode of transfer of the rights granted to audio-visual performers either by law or agreement, as that is where the value of the protection of audio-visual performances lies. Essentially, transfer of rights deals with the means by which audio-visual performers and other owners of copyrightable works within their audio-visual production transfer their rights to the producer of the work. The sharp disagreement between the United States, with the Hollywood industries, and the European Union loomed large and held the debate to a grinding halt. Significantly, the tension was premised on the doctrinal divergences in the different systems of protection obtainable for audio-visual performers.

The US position reflected its age-old industry practice based on collective bargaining contracts, which in effect sought to warehouse the rights with film producers with a mandatory presumption of transfer. In that regard, there was no recognition or entitlement by the audio-visual performer except by express agreement.¹² Typically, in the US copyright system, an audio-visual performer is not an independent “author” in his or her own right, but a contributor or at best a joint author in an audio-visual work of the producer recognised under work made for hire.¹³ The work for hire rule, which subsumed the performer’s contribution in the motion picture, informed the reliance of audio-visual performers on collective agreements under the guilds, in the absence of statutory exclusive rights applicable under the harmonised EU law for the protection of audio-visual performers. Hence, the American guilds—for instance, the Screen Actors Guild, the largest Guild in the US entertainment industry, and the Performers Guild—have remained the strongest vehicle for the protection of audio-visual performers in the United States. With the Treaty reflecting the practice already in the US audio-visual industry, the Treaty simply had not introduced any change, especially in the multilateral context with divergent systems of protection.

That position was met with a sharp contrast from the European Union, which treated both audio and audio-visual performers on par within the copyright framework and rejected an approach for a mandatory transfer. Indeed, the EU Rental Rights Directive of 1992 had already established a rebuttable presumption of transfer in favour of the audio-visual performer without prejudice to the contractual consent system. This is in tandem with the continental European system, which recognises a whole host of related rights for performers and producers. In effect, the exclusive, economic rights covering statutory remuneration rights as well as moral rights under the European Union are enforceable by contract between performers and film producers.¹⁴ The direct contract in the United States and the indirect contract in the European Union elicited disparate doctrinal values which may not be altogether impossible to synthesise for the international protection of audio-visual performance and which the Treaty eventually succeeded in achieving.

It is significant to note that the Nigerian copyright law on the protection of performers is a variant of the two systems. Common law, as reflected in many copyright statutes of common law jurisdictions in Africa and the Commonwealth, including Nigeria, recognises the producer as the author or the “initial owner” of the audio-visual work, and hence the owner of the bundle of rights and the final product with transfer being automatic. The Nigerian Copyright Act recognises the audio-visual performer only in the

¹² The statutory definition of literary works expressly excludes audio-visual works, which are listed separately in s.102(a)(6).

¹³ See 17 U.S.C. 101, which defines a “joint work” as “a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole” with the question of whether contributors would be considered as “authors” in the copyright sense of authorship. See Julie E. Cohen, Lydia P. Loren, Ruth L. Okediji and Maureen A. O’Rourke, *Copyright in a Global Information Economy*, 3rd edn (New York: Aspen Publishers, 2010), pp. 118–125. Hence, audio-visual performance constitutes a contribution (work) made for hire in a collective work (film) and protected as such. See also *Community for Creative Non-Violence v Reid* 490 U.S. 730 (1989).

¹⁴ See Council Directive 92/100 of November 19, 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property [1992] OJ L346/61; Directive 2001/29 of the European Parliament and of the Council of May 22, 2001 on the harmonisation of certain aspects of copyright and related rights in the information society [2001] OJ L167/10.

limited context of performer's rights under the neighbouring right regime. Hence, it has a shared characteristic with the continental system, whose rights itself is limited and consequently not eligible for transfer.

It was a legitimate concern that the transfer clause must be carefully handled to avoid turning a Treaty that was conceived and meant for the protection of audio-visual performers into a treaty for the protection of producers. Consequently, a number of proposals were advanced during the negotiations. For instance, the International Federation of Actors (FIA) rejected a mandatory presumption of transfer in the Treaty as being unfair. It argued that, even if the American performers accepted it,

"it will put the performers in an impossible situation where they actually have to negotiate the rights granted to them under the treaty back from the producer rather than to be in a negotiating position where the performers license or assign their rights against payment".¹⁵

Canadian proposals suggested that the rule of transfer could be determined by the legislation of the country of origin of the audio-visual work that would leave the solution to each country in its national intellectual property law.¹⁶ Indeed, the world has risen almost unanimously to the necessity for the international protection of audio-visual performers in an increasingly globalised environment that offers an opportunity of immense proportion for the exploitation of audio-visual works, notwithstanding where the works were made.

It is significant to note that there are, admittedly, doctrinal and pragmatic differences in the US and EU approaches to the protection of audio-visual performers. Such protection is entrenched in the continental law concept of neighbouring right, but is absent in the laissez-faire work-for-hire approach in US copyright law. It would appear that the role of contract, collective or otherwise, comprises the shared characteristic on which a common ground can be achieved at the international level. However, the possibility of such a Treaty without a transfer clause was not far fetched given the momentum of the process itself, aside from the sharp tension regarding the clause. Another option was to completely jettison the idea of protecting audio-visual performers in a global milieu where other authors, including producers, have been protected—for instance, under WPPT and the TRIPS agreement. That would have been a case, as it were, of the proverbial throwing away of the "baby with the bath water", which would not augur well for the balance of international copyright law. The ghost of the transfer clause continued to haunt the entire process even when the Treaty could have gone either without it or at the instance of the member state's national law, which many feared might be counter-productive to the interests of the audio-visual performer that the Treaty is meant to protect.

With compromise not promising, WIPO commissioned important studies to help explore the contours of the divergent views with the aim of finding an acceptable solution. Providing useful directions for the ensuing process were the survey on national protection of audio-visual performances in 98 WIPO member states prepared by the WIPO secretariat,¹⁷ the studies on audio-visual performers' contract and remuneration practices in Mexico, the United Kingdom, the United States, France and Germany,¹⁸ and the studies on transfer regarding performers under substantive intellectual property law covering rules on transfer of rights and applicable private international law rules.¹⁹ The findings from the studies reflected the "high

¹⁵ See Bjorn Hoberg-Peterson, "Commentary, Audiovisual Performers Rights: Developments in the WIPO" in Hugh Hansen (ed), *International Intellectual Property Law and Policy*, Vol.6 (Huntington: Juris Publishing, 2001), pp.96-1 to 96-6.

¹⁶ See Hoberg-Peterson, "Commentary, Audiovisual Performers Rights" in Hansen (ed), *International Intellectual Property Law and Policy*, Vol.6 (2001), pp.96-1 to 96-6.

¹⁷ See WIPO, "Survey on National Protection of Audiovisual Performances", August 25, 2005, WIPO Doc. AVP/IM/03/2 Rev.2.

¹⁸ See WIPO, "Study on Audiovisual Performers' Contracts and Remuneration Practices in Mexico, the United Kingdom and the United States of America" April 8, 2003, WIPO Doc. AVP/IM/03/3A, prepared by Katherine M. Sand; WIPO, "Study on Audiovisual Performers' Contracts and Remuneration Practices in France and Germany", March 31, 2003, WIPO Doc. AVP/IM/03/3B, prepared by Marjut Salokannel; Von Lewinski, *International Copyright Law and Policy* (2008), p.508.

¹⁹ See WIPO, "Study 1 on Transfer of the Rights of Performers to Producers of Audiovisual Fixations—Conclusion", May 12, 2004, WIPO Doc. AVP/IM/03/4 Add, prepared by Jane C. Ginsburg and André Lucas.

degree of complexity and diversity of national solutions”,²⁰ which proved helpful to the SCCR. For example, many national intellectual property laws do not have separate provisions for audio-visual performers, only for all performers. While many members have a rebuttable presumption of transfer, some other members have no such provisions regarding presumption of transfer. There are a few with mandatory presumption. The studies helped to produce four alternative texts of the applicable options available as the best possible mechanism that could help regulate transfer of ownership.

Accordingly, the Basic Proposal to the Diplomatic Conference included the following options:

- (i) alternative (E) provides for a mandatory rebuttable presumption of transfer of all exclusive rights under the Treaty to the producer, although this had already been rejected in 1996²¹;
- (ii) alternative (F) provides a mandatory rebuttable presumption of entitlement of the producer to exercise the exclusive rights under the Treaty once the audio-visual performer has consented to the audio-visual fixation of the performance, which had the same fate as the first alternative;
- (iii) alternative (G) precludes a transfer clause, leaving it to national laws; and
- (iv) alternative (H) provides for transfer of the audio-visual performer’s right to the producer by contract or by operation of law as the case may be.

The scope of divergences now appeared to have narrowed down the context of the meaning conveyed by the two words “entitlement” and “agreement”: while the former meant automatic transfer, the latter meant transfer by consent. That is instructive to the final text of the transfer clause contained in art.12 of the Treaty.

Following the mandate of the 19th SCCR session in December 2009, WIPO held regional seminars in three regions, covering Africa, Latin American and Caribbean countries as well as the Asia Pacific. In October 2010, as part of WIPO’s meetings across the regions, Nigeria hosted the African Regional Consultative Forum which, together with other consultation and informal meetings, paved the way for the eventual adoption of the Treaty at the June 2012 Diplomatic Conference in Beijing. It is significant to note that the African regional seminar was hosted by the Nigerian Copyright Commission in collaboration with WIPO.²² The African Group was helpful in articulating a compromise position in order to move the process forward for the conclusion of the Treaty at the next Diplomatic Conference, lest this conference be the third in the row of failed adoption.

In Abuja, the African delegates were unanimous about renewing the African commitment to the objective of providing protection for the benefit of performers through an international treaty, especially for the benefit of African performers who are already attaining some measure of global visibility. The delegates accepted the existing frame as supportive of the interest of audio-visual performers, but expressed concern over the presumption of transfer of rights. In view of the sharp divergences, the delegates recommended that the proposed art.12 provide that national laws should determine the issue of transfer of rights.²³ That position proved significant in that it helped keep faith in the Treaty, sustaining momentum with the consultations that eventually paved the way for its adoption at the Beijing Diplomatic Conference in June 2012 barely two years later. Indeed, the final text of art.12 of the adopted Treaty formally presented at the SCCR in November 2010 reflected the role of national law in the transfer of rights in the audio-visual

²⁰ See Von Lewinski, *International Copyright Law and Policy* (2008), p.509.

²¹ See J. Reinbothe, M. Martin-Prat and Silke Von Lewinski, “The New WIPO Treaties: A First Resume” (1997) 4 Eur. Intell. Prop. Rev. 171, 175.

²² In October 2010, delegates constituting the African Group were from 19 African countries: Angola, Burkina Faso, Cameroon, Central African Republic, Cote d’Ivoire, Ethiopia, Ghana, Kenya, Madagascar, Malawi, Mali, Namibia, Niger, Rwanda, Senegal, South Africa, Togo, Zambia and host Nigeria.

²³ See WIPO, “Analytical Document on the Results and Outcomes of the Regional Seminars for the Asia Pacific Countries and for African Countries on the Protection of Audiovisual Performances”, May 17, 2011, WIPO Doc. SCCR/22/10.

fixations as endorsed at the Abuja WIPO regional meeting.²⁴ It is therefore a remarkable African contribution to international copyright treaty making, *a fortiori* on a subject of immense importance to African cultural industry that Nigeria in particular will continue to play a leading role through Nollywood and the emerging audio-visual industry now at the world stage.

The Treaty in focus

Evidently it has been a protracted journey for audio-visual performers all over the world, including Africa. For a long time to come, the Treaty will continue to raise the question of what audio-visual performers all over the world will stand to gain. The Treaty, which clothes audio-visual performers with the full complement of exclusive rights consistent with what their counterpart phonogram performers and producers receive, appears, to a great measure, to bring something new to existing principles of international copyright law. Until this Treaty, audio-visual performers have not received such a substantive level of protection at the international level. Hence, from the onset, the Treaty states clearly that it purports to protect audio-visual performers "in a manner as effective and uniform as possible".²⁵

In the same vein, the fact that the protection under the Treaty shall neither detract from copyright protection in literary and artistic works nor derogate from existing obligation under WPPT or the Rome Convention unequivocally clarifies the Treaty's intent and purpose *ab initio*. The protection mechanism at its core, as we shall see, frames a conceptual compromise, a compromise which is crystallised in the fusion of competing but not irreconcilable national systems—the system of economic and exclusive rights that are already granted in EU law and the system of contractual rights which forms the basis of the US practice, systems that are not completely alien to the Nigerian and other film industries, all operators in the global film village.

Before considering these exclusive rights, it is interesting to observe the Treaty's broad definitions of the "performer" as including actors, singers, musicians, dancers and other persons who act, sing, deliver, declaim, play in, interpret or otherwise perform literary or artistic works or expressions of folklore. That the definition clearly captures the performers of folklore is important to traditional or cultural performances or to performers who are no longer confined to the precincts of para-copyright or a neighbouring rights regime, but who are purveyors of rich cultural expressions. These performers are now adopted into the family of audio-visual performers in international copyright law. The Treaty defines audio-visual fixation as the

"embodiment of moving images, whether or not accompanied by sounds or by the representation thereof, from which they can be preserved, reproduced or communicated through a device",

a definition of rich historical pedigree.²⁶ In addition to the moral right, the Treaty grants the performers economic rights in their unfixed performances,²⁷ thereby clothing them with the full complement of exclusive rights:

- right of reproduction of their performances fixed in audiovisual fixation in any manner or form²⁸;
- right of distribution covering the new digitally compliant right of making available to the public, both of original and copies²⁹ and by wire or wireless means³⁰;

²⁴ See WIPO, "Report of the Regional Seminar for African Countries on the Protection of Broadcasting Organizations and Audiovisual Performances", November 3, 2010, WIPO Doc. SCCR/21/11, prepared by the Nigerian Copyright Commission.

²⁵ See WIPO Beijing Treaty on Audiovisual Performances 2012, art.1.

²⁶ WIPO Beijing Treaty on Audiovisual Performances 2012, art.2.

²⁷ WIPO Beijing Treaty on Audiovisual Performances 2012, art.6.

²⁸ WIPO Beijing Treaty on Audiovisual Performances 2012, art.7.

²⁹ WIPO Beijing Treaty on Audiovisual Performances 2012, art.8.

³⁰ WIPO Beijing Treaty on Audiovisual Performances 2012, art.10.

- the right of rental³¹; and
- the right of broadcasting and communication to the public with the equitable remuneration rights.³²

The Treaty provides for a term of 50 years from the date of the performance.³³ These exclusive rights are not commonplace in the copyright laws of many African countries and, as such, presents audio-visual performers with an enhanced legal status on par with their counterparts, which is not merely contractual when the Treaty comes into force. For example, the right of distribution is present in Nigeria and Gambia and absent in Kenya, while the rental right is available in Nigeria, Gambia, Kenya and Botswana. The new “right of making available” is only available in Botswana, Gambia and Ghana, among others. However, the Treaty extends protection to audio-visual performers in the digital environment, concerning technological measures and rights management information.³⁴ In apparent recognition of the non-extension of WPPT to fixed audio-visual performances, the Treaty extends legal protection and remedy against circumvention of effective technological measures used by performers in connection with the exercise of their rights as enshrined in the Treaty. It also provides for enforcement actions, including expeditious remedies to prevent against and deter infringement.³⁵

The exclusive rights conferred on audio-visual performers are unprecedented in international copyright law as they are substantive, effective and enforceable. Although one of the effects of the transfer article is to permit the warehousing of those exclusive rights in a contract, the exclusive rights will still retain their substantive flavour as they are merely transferable to the producer, independent of the right to receive royalties or equitable remuneration for use or exploitation of such performances protected by the Treaty. That analogy is clear from the framework of art.12 in its juxtaposition of exclusive and contractual right regimes. The use of collective agreement as a contractual mechanism for transfer requires the role of collective management organisations (CMOs) in the exploitation of the rights of audio-visual performers. Whereas collective agreement as prescribed enables or empowers any CMO to manage and enforce the relevant rights, those rights are not created by CMOs; rather, they owe their creation to law or the Treaty as the case may be. The understanding of that foundation is instructive to the institutional and regulatory framework for CMOs by which the relevant CMO is able to negotiate and grant licences as well as collect and distribute accrued royalties and enforce the rights of its members in its capacity as the lawful agent, licensee or assignee of the right in the work in question. That is instructive to the Nigerian collective administration practice and experience which will be briefly examined later in the context of this discourse.

Indeed, the transfer of rights provision reflected a diversity of protection systems that animated the Treaty’s history and substance. In effect, it gave room for both automatic and voluntary transfer with the recognised role of the national law of the contracting party. A national law may provide for transfer of rights by contract in writing (either individual or collective) or by operation of law where the performer is entitled to receive royalties or equitable remuneration. Evidently, art.12 guarantees protection for the audio-visual performer in systems that support both statutory and contractual rights to achieve a measure of compromise of contending and dominant EU and US systems. That ironically raises the question whether the apparent duplicity or indeed the status quo ante carries with it an inherent ambivalence that would make it difficult to resist the temptation of writing off the Treaty as manifestly absent in a meaningful impact on the existing status of the audio-visual performer in international copyright law. The debate however remains open.

³¹ WIPO Beijing Treaty on Audiovisual Performances 2012, art.9.

³² WIPO Beijing Treaty on Audiovisual Performances 2012, art.11.

³³ WIPO Beijing Treaty on Audiovisual Performances 2012, art.14. Most African countries have a 50 year term.

³⁴ WIPO Beijing Treaty on Audiovisual Performances 2012, arts 15 and 16 respectively.

³⁵ WIPO Beijing Treaty on Audiovisual Performances 2012, art.20.

Copyright regime and audio-visual performers: Nigerian experience

Nollywood in context

It is necessary to preface an overview of the Nigerian copyright law in the context of audio-visual protection under that law to which the Treaty may become applicable with the consideration of the leading position of Nollywood as a film and video industry on the African continent and the diaspora. That is important for a number of reasons in which the audio-visual industry has immense political, economic and cultural importance in African countries and also in the context of the role of existing copyright laws in the development of the film industry in the continent. That fact is reflected, for example, under the Nigerian copyright regime and has implications for the audio-visual industry and its potential interaction with the Treaty itself. First, Nollywood has become one of the world's leading cultural "brands" and an audio-visual powerhouse for the projection of the Nigerian and African cultural heritage expressed, among other means, in audio-visual performances. According to one commentator:

"Culturally, Nollywood is arguably Africa's first mass pop culture phenomenon, enjoying widespread popularity and cultural influence across the continent".³⁶

Secondly, and quite ironically, over the years of tenacity and despite its quality and funding challenges, Nollywood has acquired considerable net worth as a contributor to the economy with even greater potential for future development. Its rise, in spite of those and other challenges, demonstrates the promise of the creative industries in a globally competitive environment and as a vital economic sector for a developing country like Nigeria. Thirdly, Nollywood's talented crew and cast, particularly the latter comprising actors and actresses, have assumed, as in other jurisdictions, the status symbol of celebrities at the commanding echelons of the society and with considerable social, economic and even political value. Fourthly, the menace of piracy and other forms of copyright abuses that involve various forms of massive illegal production and distribution of Nollywood movies, which have continually threatened the economic value of the industry, continues to drive the impetus that would renew international intervention on behalf of actors who form the object of such a Treaty. Fifthly, flowing from the aforementioned is the increasing concern and clamour for substantive protection of audio-visual performers under international copyright law. Consequently, the Treaty has symbolically renewed their profile as stakeholders in the creative enterprise in the robe of right holders properly so called.

Significantly, audio-visual performances can capture and enhance African cultural heritage and creative enterprise, and their protection therefore constitutes an indispensable tool for economic development and international recognition. Indeed, the Treaty will have immense cultural, economic and political implications for African countries considering the prospects of the audio-visual industry, particularly in the context of the impact and the challenges of the digital environment on film making in Africa. With the nature of the protection proposed under the Treaty, African audio-visual performers will experience considerable economic opportunities to exercise a reasonable degree of control over their performances to ensure greater financial returns. The audio-visual industry is therefore well positioned to benefit. As correctly noted in a recent study:

"Nigeria's expansive creative activity is perhaps best symbolized in the recent phenomenal growth of its movie industry, which produces an estimated 1000 low cost movies annually. The industry known as 'Nollywood' is propelled by creative adaptation of digital and video technologies to make

³⁶ Mark F. Schultz, "The Nigerian Film Industry and Lessons Regarding Cultural Diversity from the Home-Market Effects Model of International Trade in Films" in Sean Pager and Adam Candeub (eds), *Transnational Culture in the Internet Age* (Cheltenham: Edward Elgar Publishing, 2012), p.232.

low-budget Nigerian-theme movies. Nigeria ranks, after India (Bollywood) and the United States (Hollywood), as the third largest movie producing nation in the world³⁷.

That achievement, therefore, is not brought about by an accident of history, but by sheer creative genius, enterprise and the coincidence of the technological convergences of the new global knowledge economy that ensured the monumental position and justification for the international protection of audio-visual performances.

The Copyright Act in context

At this juncture, it is important to examine the nature and scope of protection of audio-visual performers under the Copyright Act. Classically, the protection of performers, *a fortiori* audio-visual performers, is not a particularly prominent feature of conventional copyright law, but these performers nonetheless occupy a dominant place in the entire film industry. Consequently, copyright protection for cinematographic film under the Nigerian Copyright Act would appear to stand on a tripartite historical heritage—namely the Anglo-Saxon influence that generally permeate the colonial reception of English common law; the Rome Convention, which was codified in many copyright statutes; and, to complete the tripod, the historical elasticity of copyright over new works which captured motion pictures or audio-visual works in the evolving structure of copyright.³⁸ However, it is interesting to note that it is the producer in the context of a cinematographic film and the (live) performer in the context of a live performance, respectively, that are featured as subjects of protection—the former under copyright properly so called and the other under neighbouring right—but not the audio-visual performer *strictu sensu*.³⁹

The curious distinction in the Act which protects performers in their live musical performances recorded on phonograms or CDs, but not where their visuals (images) are added or where their performances are broadcast by television, recorded on DVD or fixed by audio-visual means, could be said to show the manifestly unbalanced protection of performers and, in effect, discrimination.⁴⁰ Audio-visual performers, however, are not protected as distinct copyright authors. Under the act, they can only rely on contract with producers who are obliged to agree with the audio-visual performers to automatically transfer their audio-visual performances in a fixed cinematographic film. In effect, there is no protection of audio-visual performances, whether in copyright or neighbouring right,⁴¹ because a performance is specifically defined and limited to:

- (a) dramatic performance (which includes dance and mime);
- (b) musical performance; and
- (c) reading or recitation of a literary act or any similar presentation which is or so far as it is, a live performance given by one or more individuals.⁴²

³⁷ Jeremy de Beer and Chidi Oguamanam, *Intellectual Property Training and Education: A Development Perspective* (Geneva: International Centre for Trade and Sustainable Development, 2010).

³⁸ The Nigeria Copyright Act protects an audio-visual work as a cinematographic film.

³⁹ Cinematographic film first received separate protection under the Copyright Act 1970. Until the Copyright Act 1988, performers receive their first protection only as a neighbouring right.

⁴⁰ Copyright Act 1988, s.26(1)(a). While the performer's right relates essentially to the audio-performer, the issue is whether the extension of the right to reproduction in any material form would cover an audio-visual performer. This of course is not the case because what is protected is the subject, not the object, of protection. The subject is the performer *qua* his performance and not audio-visual fixations. Most countries have resolved this discriminatory approach. The attempt made in the Rome Convention is limited in that, since performers incorporate their performances into visual or audio-visual fixations, the minimum right under the Convention becomes inapplicable (art.19).

⁴¹ Copyright Act 1988, s.26; Adebambo Adewopo, "The Copyright Act: A New Profile for Performers Right" (1994) 4 LASU L.J. 97, 49. Although exclusive rights are granted to performers, they do not have a statutory right to assign these rights except to accept the contract with the producer. The effect is that the performers' right is basically governed by contract and not by collective agreements with a CMO. The right to form a CMO is "in respect of any one or more rights of copyright owners", which expressly excludes performers under the neighbouring right regime of the Act. See Copyright Act 1988, s.39 on the definition of a collecting society.

⁴² Copyright Act 1988, s.26.

Evidently, the definition does not cover cinematographic film or motion picture, which is the principal focus of audio-visual performance or fixation as the case may be. Therefore, the clear exclusion supports no other inference than that there is no statutory protection for audio-visual performers under the Copyright Act. The recognition which extended to phonogram performers is with respect to live performances under the neighbouring right regime or a para-copyright regime. It does not extend to audio-visual performers, who can only rely on their contract with producers, akin to the US regime. In the domestic law context, the situation requires delicate harmonisation by strengthening the rights of audio visual performers under an international treaty.

While the Copyright Act protects cinematographic film as one of the six works protected under copyright, distinct from performer's rights in live performances under a neighbouring rights regime, the Act treats the producer and not the audio-visual performer as the person entitled to protection for the film (including the audio-visual fixation) and in whom copyright ownership initially vests. The Act defines "cinematographic film" to include the first fixation of a sequence of visual images capable of being shown as a moving picture and of being the subject of reproduction. The Act also includes the recording of a sound track associated with the cinematographic film and defines the author as the person by whom the arrangements for the making of the film are provided, unless otherwise provided by a contract between themselves.⁴³ Further, the Act provides that vesting authorship in the producer obliges him to conclude, prior to making of the work, contracts in writing with all those whose works, including the audio-visual performer, are to be used in the making of the film.⁴⁴ The producer therefore is the initial owner *qua* author of the audio-visual fixation, which is the cinematographic film under the Nigeria Copyright Act. The Act thereby leaves the audio-visual performer as a party whose rights are contractual in nature, but not as a right holder whose rights derive from the Act. Hence, the present paradigm must change, for the purport and benefit of the Treaty to ensue.⁴⁵

Although the Copyright Act obliges the producer to enter into a contract with the performer, it does not guarantee any right outside the contract, as in EU law. Nor does the Act presuppose any presumption of transfer of right, since there is no exclusive rights in the first place. The Act thereby technically leaves the audio-visual performer at the mercy of the producer. Consequently, in the absence of statutory rights, the protection of the audio-visual performer in relation to the producer can only be governed or regulated by contract and the right to equitable remunerations. In that way, the Nigerian law appears *prima facie* to satisfy the Treaty's laid out scheme, except for the difference in the protection between a performer and an audio-visual performer. The aforesaid position indeed forms part of the transfer of right article in the Treaty and is therefore not totally at variance with the object and effect of the Treaty, which in turn can be effectively extended to nationals of another contracting party under the principle of national treatment.⁴⁶

Because the existing structure of copyright protection under the Nigerian Copyright Act is perceived to be unfavourably skewed against the audio-visual performer, it is important to reflect on the possible impact of the Treaty if Nigeria eventually ratified it. Whereas signing the Treaty does not ensure its application or yet create a binding legal obligation until ratified by member states, Nigeria as a WIPO member state requires its ratification and domestication under Nigerian law. There are two approaches to the application of the Treaty to Nigeria. The first is that, in the absence of statutory protection of an audio-visual performance or of the ratification of the Treaty, the Nigerian audio-visual performer *ab initio* cannot enjoy the benefit of the Treaty except by domestication or ratification. The second is to fit the scheme of protection enshrined in the Treaty into the existing gap as regards audio-visual performers

⁴³ Copyright Act 1988, s.51.

⁴⁴ Copyright Act 1988, s.10.

⁴⁵ Copyright Act 1988, s.59. This author queried the use of the absence of a performance right to assign or transfer and of a moral right as the basis for the inferiority of a neighbouring right in comparison with a copyright. He argued for a "movement towards a schematic fusion of the unequally yoked" category of "neighbouring rights" into copyright with particular reference to live performance.

⁴⁶ WIPO Beijing Treaty on Audiovisual Performances 2012, art.4.

under the Copyright Act through legislative revision. Clearly, the Nigerian Act is still inadequate in the protection afforded to audio-visual performers, a deficiency that the Treaty cannot automatically or directly remedy.

Significantly, compatibility with the Treaty requires legislative amendment to broaden the definition of “performance” to cover audio-visual performance, whether fixed or unfixed. With the current international trend for the protection of audio-visual performers, the current revision exercise of the Copyright Act should enhance the protection of audio-visual performers in their audio-visual performances under copyright or neighbouring right regimes with all the statutory exclusive, remuneration and moral rights in a manner that is consistent with the Treaty. However, as a neighbouring right, the scope and structure of the exclusive rights should be on par with the copyright provisions. As it is, performers in their live performances have already been given protection, albeit under the neighbouring right consistent with the Rome Convention to which Nigeria is a party. The revision needs to be urgently accomplished, considering the prospects and opportunities for the audio-visual industry, which offers Nigeria a comparative advantage regarding the protection of its creative industries within the global intellectual property framework even though the Treaty has yet to enter into force. That the Nigerian audio-visual industry can be a beneficiary of the Treaty is not in doubt. Whether Nigerian copyright law can support the realisation of the objectives and principles remains to be seen in time as our Nollywood stars await the fulfilment of the global dream. The future of audio-visual performers within the context of Nollywood will depend largely on the interaction of the Nigerian copyright system with the objectives and the terms of the Treaty.

To all intent and purposes, the place of contracts, as articulated under the Treaty and indeed under the extant Act, will continue to impact on the role of collective administration as an indispensable vehicle for the development of copyright law and practice. Collective management of rights for some time has been a subject of controversy having serious legal, technical, economic and even political dimensions in many jurisdictions, including Nigeria. In that regard, I will briefly focus on CMOs, which the Treaty has made relevant and which in itself are necessary for the Nigerian audio-visual actors. Audio-visual performances are largely regulated by contractual arrangements such as licenses, assignments and collective agreements which CMOs ordinarily typify. With no exclusive rights as prescribed under the Treaty, audio-visual performers are not protected except for individual contractual arrangements.

Presently, there is no CMO representing audio-visual actors, as there is in the United States and other jurisdictions. It is therefore crucial for audio-visual performers to learn an important lesson from the troubled experience in the music sector in evolving a viable and sustainable collective management system.⁴⁷ In that regard, the existing Actors Guild of Nigeria (AGN) may act as an ideal platform for the active role of functioning as a CMO pursuant to the provisions of the Copyright Act, where circumstances permit. Of course, this arrangement may be more feasible and practicable for audio-visual performers than producers, who are also without a CMO, largely due to the fragmentation and polarisation of the film industry that has always rendered a cohesive and regulatory intervention difficult. At any rate, the substantive protection of producers as copyright holders properly so called has already been secured to the extent that a CMO in that regard can be considered as only a value-added mechanism in the context of collective management. However, the development of a viable CMO machinery in a situation of several and conflicting producers’ associations would continue to make it difficult to establish a desirable single CMO machinery for film producers. Such development would therefore necessitate the consideration of alternative options, such as collaboration, merger or adoption of a guild as a CMO, a fresh formation of a CMO, or the use of trademark, branding mechanisms or models for the purposes of making, marketing and licensing films for a group(s) of producers. These are options that can be further developed and discussed in detail in a separate work. A collective rights management mechanism no doubt presents a

⁴⁷ See Adebambo Adewopo, *Nigerian Copyright System Principles and Perspectives* (Lagos: Odade Publishing, 2012), pp.80–113, on “Collective Administration of Copyright in Nigeria”.

system that can help clarify and enhance the rights of the audio-visual performers consequent upon its positive protection.

Conclusion

At the opening of the Beijing Diplomatic Conference on June 20, when the world's leading actors and actresses—including the Oscar-winning actress Meryl Streep, Spanish actors Javier Bardem and Antonio Banderas, Brazilian Sonia Braga and Chinese Mei Baojiu—all took turns to express their symbolic solidarity to the cause of protection of their audio-visual performances, Dr Francis Gurry, in his opening statement, underscored the significance of the Treaty and declared that for the first time in history, "visual performances were being recorded, reproduced and distributed to audiences, both domestically and internationally". According to Dr Gurry:

"A single recorded performance now had the power to influence tens of thousands of people, instead of the few hundred that were present at a live performance. Given the initial impetus that was provided by silent movies, it is fitting that we should conclude a treaty to protect performance rights in the same year that the Academy Award for the best leading role was awarded to Jean Dujardin, the actor of the silent film (*The Artist*)".⁴⁸

This is eloquently true of the worth and the power of Nigeria's Nollywood and African stars who are deserving of the Treaty, but who may have to wait to see the benefits of this historic enterprise. This important treaty will not enter into force until three months after 30 eligible parties have deposited their instruments of ratification or accession.⁴⁹

⁴⁸ Francis Gurry, "Diplomatic Conference on the Protection of Audiovisual Performances: Opening Ceremony", available at http://www.wipo.int/about-wipo/en/dgo/speeches/dg_dc2012.html [Accessed May 19, 2013].

⁴⁹ WIPO Beijing Treaty on Audiovisual Performances 2012, art.26. With 55 contracting parties to the Treaty, only the Syrian Arab Republic has ratified the Treaty. Her ratification was dated March 18, 2013. See www.wipo.int/wipolex/en/wipo_treaties/parties.jsp?treaty_id=841&group_id=1 [Accessed June 2, 2013].

Finding the Law: The Case of Copyright and Related Rights Enforcement in the Digital Era

Midjohodo Franck Gloglo*

LL.D. Candidate, University Laval, Faculty of Law

☞ Copyright; Digital rights management; Enforcement; Online infringement

Introduction

“Globalization’s biggest enabler is the Internet, which began as a government-funded, mostly academic project and has now become the single most important network facilitating most, if not all, global information flows”.¹

The internet has profoundly transformed our life, through increased ease of access to information.² The prompt, accurate and inexpensive distribution of digital information means that practically anyone can receive or disseminate texts, images, sound, software or data at the touch of a button. Indeed, a person with an ordinary personal computer and a modem can communicate with as many people as a major corporation with millions of dollars in resources.³ However,

“although information itself is a public good and once known would be consumed at zero marginal cost, discovering and making information useful requires inputs that are rival and are susceptible to efforts to exclude”.⁴

In fact, information is the subject matter of ownership. When information is protected by an intellectual property right such as copyright, enforcement of these rights is justified. In this respect:

“[I]ntellectual property is mainly protected by sets of enforceable legal rights granted to ‘owners’ or ‘holders’. These legal rights are intended to solve the economic problem described by Kenneth Arrow as the ‘incomplete appropriability of knowledge’. As intellectual property is intangible and typically easy to copy and transport, it is difficult for business enterprises to capture the full value of investments in it, ie competitors can easily appropriate it. Intellectual property rights (IPRs) are an effort to solve this problem.”⁵

So, intellectual property rights are a set of tools that aim to help their owners, as great producers and diffusers of knowledge and wealth,⁶ to benefit from the “instrumentalities by which the world at large is

* The author gratefully acknowledges the helpful comments of Bobby Fielding on language.

¹ Ramesh Subramania and Eddan Katz, *The Global Flow of Information: Legal, Social and Cultural Perspectives* (New York: New York University Press, 2011), p.1.

² Frederic P. Miller, Agnes F. Vandome and John McBrewster (eds), *Copyleft* (Beau Bassin: Alphascript Publishing, 2009), p.40.

³ Alfred C. Yen, “Internet Service Provider Liability for Subscriber Copyright Infringement, Enterprise Liability and the First Amendment” (2000) 88 Geo. L.J. 1, 2.

⁴ Henry E. Smith, “Intellectual Property as Property: Delineating Entitlements in Information” (2007) 116 Yale L.J. 1742.

⁵ Frederick M Abbott, “Intellectual Property, International Protection” (2010) *Max Planck Encyclopedia of Public International Law*, p.2, available at <http://www.mpepil.com> [Accessed April 9, 2013].

⁶ Lysander Spooner, *A Letter to Scientists and Inventors on the Science of Justice, and Their Right of Perpetual Property in Their Discoveries and Inventions* (Boston: Cupples, Upham & Co., 1884), p.1, available at <http://lysanderspooner.org/node/61> [Accessed April 9, 2013].

enlightened or enriched”.⁷ The issue is how to balance the ownership of useful knowledge with the freedom for anyone to access information on the internet.

For years, controversies about this issue have arisen throughout the world. Many people have been arguing, on the grounds of freedom of speech, that information must be available on the internet, regardless of whichever right is tied to such information. In the United States, for instance, the Senate failed to pass a law that aims “to prevent online threats to economic creativity and theft of intellectual property, and for other purposes”,⁸ mainly because protesters and opponents fought against what they said “represent[s] a dramatic retreat from [the United States’] tradition of leadership in supporting the free exchange of information and ideas on the Internet”.⁹ In the meantime, it should be emphasised that

“counterfeiting and piracy have put down strong digital roots. A report published by online anti-fraud consultants Envisional revealed that around 24% of global internet traffic and over 17% of US internet traffic is estimated to be infringing”.¹⁰

Clearly, in this digital age, the world’s modern and knowledge-based economy¹¹ is seriously challenged by online piracy, and “many copyright scholars believe the law is overdue to be harmonized with the practice and expectations of the user-generated digital-content age”.¹² From this perspective, the question is whether or not freedom of access to information means letting go of responsibility. In other words, if a copyrighted work is made available on the internet by any means, what are the limitations of such availability with regard to the owner’s rights? To respond to this specific question, this article will show that the general principle underlying the protection of copyright and related rights has limitations regarding their use even on the internet. From this perspective, the article will go on to argue that there is a need to enhance the fight against online counterfeiters who are free-riding third parties’ works and weakening the economic growth. Although intellectual property rights vary according to jurisdictions, “the presence of so many generic similarities and the common patterns in which they arise”¹³ allow for comparative analysis in this article.

Fundamentals for copyright protection

Generally speaking, intellectual property rights have State limited exclusivity, in that they do not extend the boundaries of the country in which they are granted. However, “at the age of globalisation, the boundaries between sovereign States have lost their significance”.¹⁴ In fact, the internationalisation of economic activities has shifted rule-making away from the national level and reduced the influence of national legislation.¹⁵ Thanks to bilateral or multilateral agreements, intellectual property rights today extend beyond the boundaries of States.¹⁶ In point of fact, copyright and related rights are universal rights;

⁷ Spooner, *A Letter to Scientists and Inventors on the Science of Justice, and Their Right of Perpetual Property in Their Discoveries and Inventions* (1884), p.1.

⁸ S. 968, 112th Cong. (2011). The bill was introduced on May 12, 2011. “Latest Major Action: 1/23/2012 Senate floor actions. Status: Cloture motion on the motion to proceed to S. 968 withdrawn by unanimous consent in Senate.” Library of Congress, “Bill Summary & Status: 112th Congress (2011–2012), S.968”, available at <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:s.00968> [Accessed May 14, 2013].

⁹ Mark Lemley, David S. Levine, and David G. Post, “Don’t Break the Internet”, 64 *Stan. L. Rev. Online* 34, 37 (2011); “Professors’ Letter in Opposition to ‘Preventing Real Online Threats to Economic Creativity and Theft of Intellectual Property Act of 2011’ (PROTECT-IP Act of 2011, S. 968)”, July 5, 2011.

¹⁰ James L. Bikoff, David K. Heasley, Phillip V. Morano and Liubov Ebralidze, “US Legislation Takes Aim at Websites Dedicated to Infringing Activity” (2011) 33 *World Trademark Rev.* 67.

¹¹ Alain Strowel and François Tulken (eds), *Droit d’auteur et liberté d’expression: regards francophones, d’Europe et d’ailleurs* (Brussels: Larcier, 2006), p.112.

¹² Paul K. Saint-Amour (ed.), *Modernism and Copyright* (Oxford: Oxford University Press, 2011), p.157.

¹³ Joseph H. Siprut, “Are Ideas Really Free as the Air? Recent Developments in the Law of Ideas?” (2011) 51 *Intell. Prop. Rev.* 119.

¹⁴ Yusuf Aksar, *Implementing International Economic Law through Dispute Settlement Mechanisms*, Vol.6 (Boston: Nijhoff Publishers, 2011), p.26.

¹⁵ John H. Jackson and Alan O. Sykes, *Implementing the Uruguay Round* (Oxford, Oxford University Press, 1997), p.333.

¹⁶ For example, through the Patent Cooperation Treaty (PCT) of 1970, an applicant can easily seek a patent on the same invention in as many countries as he or she wants, provided that these countries have signed the PCT and are designated in the application (art.3). It works the same way for a European patent application (European Patent Convention 1973, art.3). Within the jurisdiction of the Organisation Africaine de la Propriété

they do not require any special registration before or recognition of any governmental agency. In addition, they have a double dimension. On the one hand, they serve as trade assets; on the other, they express a great personal feature of the author, which is protected under moral rights.

Definition of copyright

Copyright is a set of intangible and exclusive rights on ideas that are expressed in human creative activities. It is granted to authors and artists to protect expressive works against unauthorised reproduction or distribution by third parties. By expressive works, the law means a very large variety of things:

“such as books, pamphlets and other writings; lectures, addresses, sermons and other works of the same nature; dramatic or dramatico-musical works; choreographic works and entertainments in dumb show; musical compositions with or without words; cinematographic works to which are assimilated works expressed by a process analogous to cinematography; works of drawing, painting, architecture, sculpture, engraving and lithography; photographic works to which are assimilated works expressed by a process analogous to photography; works of applied art; illustrations, maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science”.¹⁷

So, from a grocery list to a doctoral dissertation graded *summa cum laude* (or a book rewarded with a Nobel Prize in Literature), from a simple compilation to a perfectly selected arrangement of pictures, from a sleeper sketch to a sold-out movie, any creative and expressed idea, regardless of the mode or form of expression, is the subject matter of copyright. In fact, copyright protection is not based on the amount of work involved, the so-called doctrine of the “sweat of the brow”¹⁸; all that the law requires is the originality of the work. In short, “copyright protects original works of authorship fixed in a tangible medium of expression”¹⁹ Copyright also serves as protection for the rights of performers in the fixation of their unfixed performances and for the rights of producers of sound recordings and broadcasters. But overall, the main characteristic of copyright protection is that it does not require any specific governmental recognition, or submission of the work. Notwithstanding this lack of requirement, “the rights granted by copyright indirectly subsidize some would-be creators by facilitating financing their work”.²⁰ From this perspective, the excludability of such rights is necessary.

The meaning of copyright exclusivity

“IPRs are negative rights in that they only provide their owner with a right to stop others doing something: they do not confer on their owners a positive right to do something that they could not otherwise do”.²¹

Therefore, any third party’s activity that falls within the protective scope of the exclusive rights of the owner, without their prior authorisation, constitutes an infringement. Among the author’s exclusive rights are the exclusive right of reproduction, which permits authors and other copyright holders to create copies of copyrighted works, and the exclusive right of distribution, which permits authors and other copyright

Intellectuelle (OAPI), a patent or any other intellectual property rights granted by the institution is enforceable in all its member States. See Agreement of Bangui, as Revised, Establishing the Organisation Africaine de la Propriété Intellectuelle, Bangui 1977, arts 8–11. OAPI is a regional institution of 16 former French colonies in Africa that is headquartered in Yaoundé, Cameroon.

¹⁷ Berne Convention for the Protection of Literary and Artistic Works 1971, art.2(1).

¹⁸ *Feist Publications Inc. v Rural Telephone Service Co.* 499 U.S. 340 (1991).

¹⁹ Catherine Geci and Bartha Maria Knoppers, “Patenting of Higher Life Forms: A Canadian Perspective” in Burton Ong (ed.), *Intellectual Property and Biological Resources* (Singapore: Marshall Cavendish International, 2004), p.163.

²⁰ Axel Gosseries, “How (Un)fair Is Intellectual Property?” in Alex Gosseries, Alain Marciano and Alain Strowel (eds), *Intellectual Property and Theories of Justice* (New York: Palgrave MacMillan, 2008), p.13.

²¹ Trevor Cook and Alejandro I. Garcia, *International Intellectual Property Arbitration* (New York: Wolters Kluwer, 2010), p.7.

holders “to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending”.²²

Exclusive commercial use

Intellectual property rights are granted mainly for economic purposes, and “copyright or copyrights” generally have an economic understanding,²³ in that, when understood as property, they are reduced to things that can be alienated in the marketplace.²⁴ That is why when it came down to including intellectual property issues in the General Agreement on Tariffs and Trade (GATT) negotiations, the discussion centred on the economic aspects. In the landmark decision of *Théberge v Galerie d’Art du Petit Champlain Inc.*, the Supreme Court of Canada comprehensively pointed out the importance of this economic aspect:

“Generally speaking, Canadian copyright law has traditionally been more concerned with economic than moral rights. Our original Act, which came into force in 1924, substantially tracked the English Copyright Act, 1911 (U.K.), 1 & 2 Geo. 5, c. 46. The principal economic benefit to the artist or author was (and is) the ‘sole right to produce or reproduce the work or any substantial part thereof in any material form whatever’ (s.3(1)) for his or her life plus fifty years (s.6). The economic rights are based on a conception of artistic and literary works essentially as articles of commerce.”²⁵

Stated this way, the Court made it clear that

“[e]conomic rights should not be read so broadly that they cover the same ground as the moral rights, making inoperative the limits Parliament has imposed on moral rights”.²⁶

So, copyright protection seeks to prevent a third party from unfairly competing with the owner as long as the latter’s right is in force. However, there should be a balance between the owner’s exclusive right and the need for the public to access a copyrighted work, regardless of where the work is made accessible. That is what the law, in certain conditions, means by “fair dealing”.

The doctrine of fair use of copyrighted works

The doctrine of fair use, also called fair dealing in some jurisdictions, has broadly succeeded in the domain of copyright, but it has support in other intellectual property areas.²⁷ In copyright law, the doctrine provides:

“exceptions to copyright, authorizing third parties to use protected works on certain conditions. Such exceptions mirror the public objectives of copyright, i.e. to make creations and information widely available to the public”.²⁸

The fair use is, to a certain extent, an affirmative defence, which allows an alleged copyright infringer to carry the burden of proof on the issue. In this respect, the Berne Convention for the Protection of Literary and Artistic Works provides that Member States shall:

²² 17 U.S.C. s.106 stipulates the exclusive rights in copyrighted works.

²³ Simon Stokes, *Art and Copyright*, 2nd edn (Oxford: Hart Publishing, 2012), p.3.

²⁴ Shubha Ghosh, “When Property Is a Something Else: Understanding Intellectual Property through the Lens of Regulatory Justice” in Gosseries, Marciano and Strowel (eds), *Intellectual Property and Theories of Justice* (2008), p.107.

²⁵ *Théberge v Galerie d’Art du Petit Champlain Inc.* [2002] 2 S.C.R. 336 at [12].

²⁶ *Théberge v Galerie d’Art du Petit Champlain Inc.* [2002] 2 S.C.R. 336 at [22].

²⁷ As far as patent is concerned, fair use is referred to as experimental use. See *Whitemore v Cutter* 29 F. Cas. 1120, 1121 (C.C.D. Mass 1813).

²⁸ International Centre for Trade and Sustainable Development (ICTSD) and UNCTAD, *Intellectual Property Rights: Implications for Development* (Geneva: 2003), p.130.

“permit the reproduction of [copyrighted] works in certain special cases, provided that such reproduction does not conflict with a normal exploitation of the work and does not unreasonably prejudice the legitimate interests of the author”.²⁹

In other words, “fair use and protected uses distinguish copyright from property”.³⁰ Under certain circumstances, the doctrine of fair use involves humorous or comparative use of a protected intellectual asset such as a trademark. In this respect, the Court of Justice of European Union (CJEU) ruled that

“the proprietor of a registered trade mark is not entitled to prevent the use by a third party, in a comparative advertisement, of a sign similar to that mark in relation to goods or services identical with, or similar to, those for which that mark was registered where such use does not give rise to a likelihood of confusion on the part of the public”.³¹

Using the same rationale, US courts also hold that

“an independent dealer may refer to the trade mark of the manufacturer in the promotion and sale of goods. [In such case] there is no use of the mark by the distributor”.³²

In short, the doctrine of fair use or fair dealing means permitting the use of a protected work in a manner that does not interfere with its owner’s business. With the internet revolution, fair use has given rise to significant issues around what it means to interfere with the owner’s business. Various factors have to be considered when it comes down to determining a case with regard to the author’s rights.

The purpose and character of the use

The fair use doctrine supposes a non-commercial use and gives opportunity to the upholding of public policy, even against the author’s will. However, in a potentially competitive activity, the copyright owner cannot easily claim an act of infringement. To the surprise of many, this rationale was set out in a controversial case, *Kelly v Arriba Soft Corp.*, by a US district court in December 1999,³³ which was appealed later to the US Court of Appeals for the Ninth Circuit.³⁴ The case involved the use of copyrighted images through an internet visual search engine. In that case, the court found that “while such use of Kelly’s images was commercial, it was more incidental and less exploitative in nature than more traditional types of commercial use”.³⁵ In fact,

“Arriba was neither using Kelly’s images to directly promote its web site nor trying to profit by selling Kelly’s images. Instead, Kelly’s images were among thousands of images in Arriba’s search engine database”.³⁶

Because the use at issue was more likely transformative than truly commercial, the doctrine of fair use is based on the nature of the use of the protected work by the accused infringer.

²⁹ Berne Convention for the Protection of Literary and Artistic Works 1971, art.9(2). See also WIPO Copyright Treaty 1996, arts 10–11.

³⁰ Ghosh, “When Property Is a Something Else” in Gosseries, Marciano and Strowel (eds), *Intellectual Property and Theories of Justice* (2008), p.110.

³¹ *O2 Holdings Limited v Hutchison 3G UK Ltd.* (C-533/06), June 12, 2008.

³² Neil J. Wilkof and Daniel Burkitt, *Trade Mark Licensing*, 2nd edn (London: Sweet & Maxwell, 2005), p.147.

³³ *Kelly v Arriba Soft Corp.* 77 F. Supp. 2d 1116 (C.D. Cal. 1999).

³⁴ *Kelly v Arriba Soft Corp.* 280 F.3d 934 (9th Cir. 2002), withdrawn by 336 F.3d 811 (9th Cir. 2003).

³⁵ *Kelly v Arriba Soft Corp.* 280 F.3d 934 (9th Cir. 2002). See also *A&M Records, Inc. v Napster, Inc.* 239 F.3d 1004, 1015 (9th Cir. 2001); *CCH Canadian Ltd v Barreau du Haut-Canada* 2004 CSC 13, [2004] 1 R.C.S. 339 at [34].

³⁶ *Kelly v Arriba Soft Corp.* 280 F.3d 934 (9th Cir. 2002).

The nature of the copyrighted work

The fact that a work is published or unpublished is an important factor of its nature. For example, “works that are creative in nature are closer to the core of intended copyright protection than are more fact-based works”.³⁷ So, the scope of fair use is narrower with respect to unpublished works, because the author’s right to control the first publication of his work has greater weight than the use of his work after its release.³⁸ In other words, with respect to the nature of the work, the amount of fair use comes to rescue the accused infringer.

The amount and substantiality of the portion used

The factor concerning the amount and substantiality of the portion used requires fair use to be considered against what the law means by reasonable use. For example, “while wholesale copying does not preclude fair use per se, copying an entire work militates against a finding of fair use”.³⁹ In other words, the fair user must not pursue the same purpose as the copyright owner, meaning he or she must not weaken the copyright owner’s business.

The effect of the use upon the owner’s potential business

The effect of the use upon the owner’s potential business requires consideration not just of the extent of the market harm that the claimed fair use can cause the copyright owner, but also of

“whether unrestricted and widespread conduct of the sort engaged in by the defendant would result in a substantially adverse impact on the potential market for the original”.⁴⁰

For example, a transformative work is less likely to have an adverse impact on the market of the original work than one that merely supersedes the copyrighted work.

The use of copyrighted works on the internet

“The Internet threatens copyright holders because the widespread, unauthorized availability of copyrighted work may interfere with copyright holders’ ability to get paid for use of their works. At the same time, however, Internet technology offers copyright holders the tantalizing prospect of achieving complete, or nearly complete, control over their works. It is now becoming possible to place reasonably secure ‘digital locks’ around any sort of Internet content.”⁴¹

In fact, “electronic information-processing and communication is [a] key technological field in which tremendous advances have been achieved in a very short term”.⁴² This issue, about which there is much concern around the world, has become much more important because information and communication technologies have now become an important tool for business. Indeed, the internet has shortened distances between buyers and sellers and made distance learning available. In short, the internet facilitates easier exploitation of copyright assets, by the use of technologies such as blogs, wikis, online social networking and virtual worlds. Furthermore, the internet makes it hard to find the actual users of such exploited assets. Consequently, it has given a new dimension to the problem of the enforceability of protected assets, such

³⁷ *Kelly v Arriba Soft Corp.* 280 F.3d 934 (9th Cir. 2002).

³⁸ *Harper & Row Publishers, Inc. v Nation Enterprises* 471 U.S. 539, 564 (1985).

³⁹ *Worldwide Church of God v Philadelphia Church of God* 227 F.3d 1110, 1118 (9th Cir. 2000).

⁴⁰ *Campbell v Acuff-Rose Music, Inc.* 510 U.S. 569 (1994).

⁴¹ Alfred C. Yen, “A Preliminary Economic Analysis of Napster: Internet Technology, Copyright Liability, and the Possibility of Coasean Bargaining” (2001) 26 U. Dayton L. Rev. 247, 250.

⁴² ICTSD and UNCTAD, *Intellectual Property Rights* (2003), p.78.

as copyrighted works. It is felt that current national laws and international agreements lack substance, even though sellers are well aware that they

“must deliver goods which are free from any right or claim of a third party based on industrial property or other intellectual property, of which at the time of the conclusion of the contract [they] knew or could not have been unaware, provided that the right or claim is based on industrial property or other intellectual property”.⁴³

Recently, the World Intellectual Property Organization held at its Geneva headquarters a seminar on “IP Management: Copyright in the Digital Age”.⁴⁴ This seminar provides evidence of the global fear surrounding how to deal with intellectual property rights protection on the internet. Unfortunately, the Anti-Counterfeiting Trade Agreement (ACTA),⁴⁵ which has been negotiated, inter alia, “to address the problem of infringement of intellectual property rights, including infringement taking place in the digital environment”,⁴⁶ is likely to die. In short, the international community is supporting the requirement that the free use of copyrighted works on the internet must not decrease the commercial advantages of the owner.

Protecting the economic rights of copyrighted works in the digital era

The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs Agreement) represents an important component of the multilateral trade system, providing ground rules for international commerce in knowledge and information-intensive goods.⁴⁷ For more than a century, intellectual property rights have been weakened—first by developing countries which, until the conclusion of the TRIPs Agreement, did not generally have strong legislation on the issue; and secondly by some developed countries whose legislation did not meet the necessary standards to protect the rights linked to intellectual creations. This obviously generated a huge controversy when the intellectual property issue came up on the agenda of the GATT negotiations during the Uruguay Round.⁴⁸ It should be remembered that the GATT was established in 1947 with the goal of setting out global trade rules as an intermediate step toward the creation of an International Trade Organization,⁴⁹ or more correctly as an alternative to the unsuccessful attempt to create such an organisation at the Habana Conference. In providing minimum rules devoted to strengthening the protection of intellectual property rights, the TRIPs Agreement seeks to balance the rights and obligations of both the producers and users of technological knowledge.⁵⁰

The challenges posed by new technologies for copyright protection

“In the digital environment, it is more difficult for authors to enforce the decision of whether or not to divulge their work. This is because works can easily be placed on the Internet without the authors’ agreement, thus violating their right of divulgation.”⁵¹

⁴³ United Nations Convention on Contracts for the International Sale of Goods 1980, art.42.

⁴⁴ WIPO Academy, “IP Management: Copyright in the Digital Age”, seminar held in Geneva, June 15, 2012, available at http://www.wipo.int/academy/en/courses/executive/ipm_seminar_12.html [Accessed April 9, 2013].

⁴⁵ Anti-Counterfeit Trade Agreement 2011 (ACTA), signed by Canada on October 1, 2011 and by the European Union on January 26, 2012 and subsequently rejected by the European Parliament on July 4, 2012.

⁴⁶ ACTA, recital 6.

⁴⁷ Klaus Günter Deutsch and Bernhard Speyer, *The World Trade Organization Millennium Round: Freer Trade in the Twenty-first Century* (London: Routledge, 2001), p.196.

⁴⁸ The Uruguay Round of the General Agreement on Tariffs and Trade (GATT) started on September 19, 1986 in Punta del Este (Uruguay) and ended by the creation of the World Trade Organization (WTO) on April 15, 1994 in Marrakech, Morocco.

⁴⁹ John H. Jackson and Alan O. Sykes, *Implementing the Uruguay Round* (Oxford: Oxford University Press, 1997), pp.2–3.

⁵⁰ Agreement on Trade-Related Aspects of Intellectual Property Rights 1994, art.7.

⁵¹ Patricia Akester, “The New Challenges of Striking the Right Balance between Copyright Protection and Access to Knowledge Information and Culture”, study commissioned by UNESCO for the 14th session of the Intergovernmental Copyright Committee, June 7–9, 2010, p.4.

The fact of the matter is that restricting the potential of the internet will hamper the distribution of information contained in protected works, but excessive liberty will weaken intellectual property rights protection. In fact, according to the Universal Declaration of Human Rights, everyone has the right to freedom of opinion and expression, which includes the right to “seek, receive and impart information and ideas through any media and regardless of frontiers”.⁵² However, it must be emphasised that even though mankind has the rights “to enjoy the benefits of scientific progress and its applications”,⁵³ everyone is entitled

“to benefit from the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author”.⁵⁴

Clearly, at this stage of our digitised society, it is a serious challenge to balance access to information on the internet and the enforceability of copyrighted works, especially because the protection of intellectual property rights requires, to a certain extent, the proof of infringement on the part of an infringer.

Difficulty in proving a connection between technology providers and online infringers of copyrighted works

There are various kinds of services connected with the internet, and the liability of the service provider may depend on what is being provided. Additionally, the liability may depend on the role played by the provider, whether he or she is connected to the users of the provided facilities. Courts in the European Union, the United States and indeed worldwide have been called upon to adapt the traditional concept of intellectual property rights infringement to new forms of commercial behaviour, especially online business. The landmark criminal case concerning David LaMacchia, a student at the Massachusetts Institute of Technology (MIT), is an illustration.⁵⁵ LaMacchia operated a bulletin board service from the MIT computer system, which invited users to post commercial software on the bulletin board for exchange with other users. He made no personal profit from these activities, which allegedly cost software publishers over \$1 million in lost sales. Because prosecution for criminal copyright infringement was unavailable in the absence of a commercial motive, he was prosecuted under the US Computer Fraud and Abuse Act of 1986. Although the US District Court for the District of Massachusetts found LaMacchia’s act “heedlessly irresponsible, and at worst as nihilistic, self-indulgent and lacking in any fundamental sense of values”, it dismissed the indictment on the grounds that Congress had provided exclusively under the Copyright Act for criminal offences relating to copyright infringement. So, a “back-door” prosecution under the Computer Fraud and Abuse Act was not permitted.

Recently, in *Google France SARL v Louis Vuitton Malletier SA*, the CJEU ruled that a website operator, Google, did not violate EU trademark law by allowing a site user to merrily engage in online trademark infringement. The court reached this conclusion by setting out novel criteria in the light of Directive 2000/31⁵⁶:

“[T]he rule laid down [in article 14 of the Directive at issue] applies to an internet referencing service provider in the case where that service provider has not played an active role of such a kind as to give it knowledge of, or control over, the data stored. If it has not played such a role, that service provider cannot be held liable for the data which it has stored at the request of an advertiser, unless,

⁵² Universal Declaration of Human Rights 1948, art.19.

⁵³ International Covenant on Economic, Social and Cultural Rights 1966, art.15(b).

⁵⁴ International Covenant on Economic, Social and Cultural Rights 1966, art.15(c).

⁵⁵ *United States v LaMacchia* 871 F. Supp. 535 (1994).

⁵⁶ Directive 2000/31 of the European Parliament and of the Council of June 8, 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market [2000] OJ L178/1.

having obtained knowledge of the unlawful nature of those data or of that advertiser's activities, it failed to act expeditiously to remove or to disable access to the data concerned."⁵⁷

Clearly, there must be a strong connection between a technology provider and an alleged online intellectual property counterfeiter to bring a secondary liability lawsuit against the technology provider. In this matter, the reluctance of the courts is disappointing. They do not seem to make any difference among technology providers. In fact, even though World Wide Web browsers (e.g. Internet Explorer, Firefox, Safari) and internet service providers (e.g. Videotron and Bell in Canada) cannot control their users' activities, online content providers and/or creators (organisations, online social media, individuals etc.) have the ability to "take a hard line on intellectual property rights".⁵⁸ In short, the search for technology providers' liability must work on a case-by-case basis.

Consistent refusal to impose liability on technology providers

With regard to the fundamental right of freedom of expression, the *Conseil constitutionnel* of France⁵⁹ ruled as unconstitutional⁶⁰ the setting out of legislation requiring that technology providers either control access to the internet or be found liable in case their facilities permit third parties to infringe intellectual property rights.⁶¹ The law was passed to comply with the European Directive 2001/29.⁶² This gives rise to an important controversy.

Firstly, an international covenant is enforceable at State level without any other consideration as long as that State has signed the covenant.⁶³ In this respect, EU law is integrated into the legal systems of its Member States.⁶⁴ Even more importantly, EU standards create rights and obligations for individuals and can therefore be invoked before national courts.⁶⁵ Secondly, academics have consistently argued the primacy of international law over national law. However, the CJEU has recently dismissed two actions which seek to require that technology providers control their users' activities. According to the Court, EU Directives 2000/31 (electronic commerce), 2001/29 (copyright and related rights in the information society) and 2004/48 (enforcement of intellectual property rights), read together and construed in the light of the requirements stemming from the protection of the applicable fundamental rights, must be interpreted as precluding a national court from issuing an injunction against a hosting service provider that requires it to install a system for filtering information which is stored on its servers by its service users; which applies indiscriminately to all of those users, as a preventative measure exclusively at its expense; and which, for an unlimited period, is capable of identifying electronic files containing musical, cinematographic or audio-visual work in which the applicant for the injunction claims to hold intellectual property rights, with a view to preventing those works from being made available to the public in breach of copyright.⁶⁶

These decisions are a stinging snub in this digital environment, a kind of an open door for large-scale counterfeiting. Of course, "technological barriers to copying could never be totally secure",⁶⁷ but refusing

⁵⁷ *Google France SARL and Google Inc. v Louis Vuitton Malletier SA and Others* (C-236/08, C-237/08 and C-238/08), March 13, 2010.

⁵⁸ ICTSD and UNCTAD, *Intellectual Property Rights* (2003), p.79.

⁵⁹ The *Conseil constitutionnel* is the High Court of France that deals with cases related to the conformity to the Constitution of France of a law passed by the Parliament before that law comes into force.

⁶⁰ *Conseil constitutionnel* of France, Decision 2009-580, June 10, 2010.

⁶¹ Hadopi: The Law Aims at Protecting Copyright on the Internet, art.11, available at <http://www.hadopi.fr/actualites/textes-juridiques> [Accessed April 9, 2013].

⁶² Directive 2001/29 of the European Parliament and of the Council of May 22, 2001 on the harmonisation of certain aspects of copyright and related rights in the information society [2001] OJ L167/10.

⁶³ Vienna Convention on the Law of Treaties 1969, art.18.

⁶⁴ *Costa v E.N.E.L.* (6/64) [1964] E.C.R. 1141, opinion of Advocate General Maurice Lagrange.

⁶⁵ *NV Algemene Transport- en Expeditie Onderneming van Gend & Loos v Netherlands Inland Revenue Administration* (26/62) [1963] E.C.R. 3, opinion of Advocate General Karl Roemer.

⁶⁶ *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)* (C-70/10), November 24, 2011 (for an internet service provider); *Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v Netlog NV* (C-360/10), February 16, 2012 (for a website owner).

⁶⁷ ICTSD and UNCTAD, *Intellectual Property Rights* (2003), p.81.

to distinguish the case of a website owner—a prime technology content provider—from an internet service provider demonstrates the courts’ failure to move with the technological revolution.

The need to push the online copyright enforcement movement forward

Before the internet revolution, “copyright law has struck a careful balance between creators of works of authorship and consumers of copies of those works”,⁶⁸ by giving authors the opportunity to exercise great control over the use of their works. The internet has somewhat changed this situation by allowing consumers to control the flow of copyrighted works at the authors’ expense. In other words, the internet reveals the incapability of authors to set control over their works. However, “there is no need to ‘reinvent the wheel’ for [States] to be creative and adapt basic concepts from a common—or at any rate harmonized—legal order to strengthen”⁶⁹ the protection of intellectual property rights in our digital era. Incredibly, all the recent attempts to address the issue have failed, and this failure comes from the mismanagement of digital rights.

The reasons for failure to address online piracy of copyrighted works

Very often, law and policy makers, as well as jurists, fail to work closely with technical experts when they want to make new laws. There are two main reasons for this.

The first reason comes from the belief that the law has a certain degree of complexity and presents significant problems in respect of its judicial effectiveness.⁷⁰ For this reason, only lawyers and academic experts can correctly lay down the law. Of course, understanding the law is not easy, but explaining it comprehensively is necessary. The fact of the matter is that law applies to ignorant people⁷¹ who can innocently get in trouble. It is therefore the responsibility of policy makers to not just set out the law, but to educate people about it. Failure to take this responsibility has recently caused the ACTA to fall. That international agreement might have succeeded in fighting online piracy. In fact, the sponsors⁷² of the ACTA not only negotiated the agreement amongst themselves, but also wanted to impose their will on the rest of the world.⁷³ Consequently, the European Parliament rejected the ACTA on July 4, 2012, after having signed it on January 26, 2012. Instead, the United States, which negotiated the ACTA as a sole executive agreement have not even ratified it.

The second reason, which to some extent comes from the first, is that people do not trust States’ authorities which have unsuccessfully been asked to “impose justifiable and proportionate restrictions on the right to free speech”.⁷⁴ In fact, all proposed legislations fail to foresee certain potential effects of retrieval from the internet of pirated and counterfeit works. For example, we do not know if such retrieval consists of blocking access to online informative media. In addition, in case the pirates and counterfeiters could not be found, the recent proposed legislations seek to hold technology providers liable. This is contrary to the general principle of the law of liability, which comes from two fragments of Roman law adage read altogether: “*nisi data opera effodisset oculum, non videri damnum iniuria fecisse* (unless he has gouged out the eye, he does not seem to hurt) and *culpam enim penes eum, qui prior flagello percussit*,

⁶⁸ Hannah G. Poteat, “Consumers, Licensors and Digital Media: An Advisory Approach”, paper at the 27th Conference of the American Bar Association Section of Intellectual Property Law in Arlington, Virginia, March 28–30, 2012, p.1.

⁶⁹ Paulo Borba Casella, “Economic Integration and Legal Harmonization, with Special Reference to Brazil” (1998) 2 Uniform L. Rev. 287, 298.

⁷⁰ Oda Essens, Anna Gerbrandy and Saskia Lavrijssen, *National Courts and the Standard of Review in Competition Law and Economic Regulation* (Groningen: Europa Law Publishing, 2009), pp.108–109.

⁷¹ By this expression, I mean people do not have enough knowledge of law. Even jurists can be ignorant of law that is not of their field of expertise.

⁷² These sponsors included Australia, Canada, the European Union and its member countries, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland, and the United States.

⁷³ ACTA, art.39.

⁷⁴ Council of Europe, *Blasphemy, Insult and Hatred: Finding Answers in a Democratic Society* (Strasbourg: Council of Europe Publishing, 2010), p.104.

residere (he who first hits the whip is in fault)”.⁷⁵ In short, the best way to respond to the threat of information and communication technology over intellectual property rights protection is in good management of digital rights.

Digital rights management

Electronic information processing and communication led to great challenges in protecting copyright and related rights. For these challenges, policy makers have to associate with technical experts to understand the way information and communication technologies function. In this respect, content providers as well as e-commerce players have a strong ability to avoid harm to the protected works of third parties;⁷⁶ they can avoid both free-riding or permitting infringement of those works. Overall, setting out an international covenant to stop online piracy is a matter of consensual negotiations. If some countries can take the lead in the role, then developed and developing countries are required to join their effort on this issue. Meanwhile, courts must scrutinise each case, not just from the general perspective, but also with the goal of shutting down free-riders, when it is clear that they are making profits from someone’s works. In fact, the generality of the courts’ decisions and legislations of the recent years

“[have been] such that, in some instances, they would be inimical to the object which they intended to achieve and that they were wide that they could not be properly characterised as being conducive to that object”.⁷⁷

For example, the newly-enacted legislation of Canada, although being detailed, contains such vague provisions⁷⁸ that it will raise serious confusion. In fact, even if

“it is typical for patentees [and any other intellectual property rights holders] to send letters to accused infringers before filing a lawsuit in an effort to provide notice of infringement and to settle the dispute prior to litigation”,⁷⁹

it is not the role of the legislator to set out such a requirement when the goal of the law is to shut down free-riders.

Conclusion

“The Internet has made it considerably easier to access”⁸⁰ copyrighted works online and “permits a degree of anonymity to people who might not publicly”⁸¹ dare to profit from such works. However, while it is very important to protect intellectual property rights, especially copyrighted works on the internet, some people suggest that we should be well aware that

“researchers or students in developing countries would be enabled to get access to virtually the same electronic journals, books, and databases as their counterparts at the world’s leading educational institutions. Hence, the universal realization of the right to development, the right to education, and

⁷⁵ Bénédicte Winiger, *La responsabilité acquiescienne au 19ème siècle* (Geneva: Schulthess, 2009), p.33.

⁷⁶ ICTSD and UNCTAD, *Intellectual Property Rights* (2003), p.79.

⁷⁷ Robin Creyke and Patrick Keyzer, *The Brennan Legacy: Blowing the Winds of Legal Orthodoxy* (Annandale: The Federation Press, 2002), p.53.

⁷⁸ Copyright Modernization Act (Bill C-11), art.41.25(1).

⁷⁹ David Hricik, *Patent Ethics* (Oxford: Oxford University Press, 2010), p.91.

⁸⁰ Canadian IT Law Association, “Federal Court Upholds Constitutionality of Anti-Hate Provisions of the Canada Human Rights Act in the Context of the Internet”, available at <http://www.it-can.ca/2012/10/17/17October2012/> [Accessed April 9, 2013].

⁸¹ Canadian IT Law Association, “Federal Court Upholds Constitutionality of Anti-Hate Provisions of the Canada Human Rights Act in the Context of the Internet”.

the right to freedom of expression, enshrined in the major international and regional instruments for the protection of human rights, will be significantly reinforced in the digital age”.⁸²

In response to this, it is important to mention that copyright protection in the digital era does not hinder access to educational policy as long as the rights of the owners are not ignored. Indeed, rewarding authors of creative works is the best way to have access to more useful and productive information. In addition, protecting intellectual property rights is an issue which, everyone, rich or poor, must come together to work on.

⁸² H. Sun, “Copyright Law under Siege: An Inquiry into the Legitimacy of Copyright Protection in the Context of the Global Digital Divide” (2005) 36 IIC 192, 192, cited by Akester, “The New Challenges of Striking the Right Balance between Copyright Protection and Access to Knowledge Information and Culture”, 2010, p.10.

ATRIP Passes 30: An Introduction

Graeme B. Dinwoodie

President, International Association for the Advancement of Teaching and Research in Intellectual Property (2011–2013); Professor of Intellectual Property and Information Technology Law, Faculty of Law, University of Oxford

☞ Educational institutions; Intellectual property; Research institutions

As William Cornish, Glen Weston and Alberto Bercovitz Rodriguez-Cano note in their account of the early years of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP), ATRIP was born in quite different times. The international development of intellectual property law was superintended in large part by the World Intellectual Property Organization (WIPO) alone; TRIPS was still over a decade away. The geopolitics of the 1980s reflected the ongoing tussle between capitalism and controlled economies, thus (purportedly) rendering intellectual property less relevant for many countries. And digital communication technologies had not yet made national borders as porous as they would become with the commercial development of the internet, an advance that also elevated the importance of intangible products in almost every economy in the world.

Yet, the hallmarks of today's Association (and some of the same challenges) were present then. The academic luminaries present at that first meeting in Geneva recounted by Cornish, Weston and Bercovitz Rodriguez-Cano and who were, along with the Director General of WIPO, Dr Árpád Bogsch, the founding fathers of the Association, came from a wide array of countries. The Association has grown in size, but this diversity remains a defining characteristic—and, indeed, an important goal. The membership in early years, though diverse, inevitably reflected a concentration from those countries (heavily Western European) where intellectual property was already taught and the subject of academic research. But internationalisation was an important goal of the fledgling organisation, as signalled by the crucial involvement of the leadership of WIPO. WIPO too has changed in the intervening time, but its support of ATRIP has been crucial in facilitating the expansion of teaching and research in intellectual property law into new territories. And of course this international focus anticipated shifts in the discipline itself; as intellectual property became a crucial component of trade policy, and international considerations came to shape the content of domestic laws throughout the entire world, ATRIP consciously mirrored this internationalisation. This has included hosting Congresses in a wider range of locales, even if this sometimes created logistical challenges, and seeking to enlarge the membership and leadership to include academics from regions with at one time lesser involvement in intellectual property debates. And if the Association is to fulfil in an increasingly global climate the aspirations that motivated its founding, these efforts must only intensify.

The Association benefited immensely in the early years not only from WIPO's involvement, but also from the institutional support that flowed from the Max Planck Institute in Munich through Friedrich-Karl Beier, the Association's first President. To this day, the organisation operates without a fixed administrative staff, the President (aided by the Executive Committee) using his or her own connections and institutional apparatus to ensure the organisation of Congresses and related activities. This arrangement has worked, partly because of the dedication of my predecessors as President (many of whom have contributed to this symposium) and partly because the commitment of the Max Planck Institute to the organisation has generously been continued by Professor Beier's successors in Munich. Financially, in addition to membership dues, the Association has relied on the support of WIPO, along with one-off local sponsorship

tied to discrete Congresses (although as Surinder Verma notes, the contraction of WIPO support from the level of the early years has important consequences for the involvement of developing country members, to which the Association must be attentive.) The ongoing support of the Fédération Internationale des Conseils en Propriété Industrielle (FICPI) and Edward Elgar Publishing in recent years has also helped, but it remains a challenge for many members to fund attendance, a problem that grows more acute as a philosophy of public austerity infects academic budgets.

As the name of the organisation foretells, ATRIP has from the outset engaged with both research in, and teaching of, the discipline. As intellectual property law has—no doubt aided by the efforts of the Association—moved to the mainstream of academic debate and assumed a secure place in many universities, the balance of these interwoven concerns may have shifted. The production of important research output started early, as is mentioned in a number of contributions to this symposium and nicely treated by François Dessemontet and Josef Straus in their respective contributions. However, in recent years, as discussed by Annette Kur and Jan Rosén, the more formal publication and distribution of scholarship has perhaps assumed a greater prominence, leading to the establishment of a series of ATRIP books highlighting the scholarship of members presented at Congresses and the creation of an essay competition for young scholars. Although ATRIP Congresses typically seek to allow presentations on topics across the range of intellectual property disciplines—a breadth which, as François Dessemontet observes, is increasingly rare these days—the need to develop a book around a cross-cutting scholarly theme has begun to inform the structure of the Congresses, starting with those organised by Ysolde Gendreau and continued under the presidencies of Gustavo Ghidini, Annette Kur and Jan Rosen.

This formalisation of the Association's attention to research projects has not been, and should not be, to the exclusion of concerns for teaching of the subject. Early efforts of the Association to craft syllabi in order to bring intellectual property law to new countries and institutions are mirrored now in the activities of the WIPO Academy, with whom the Association is beginning to work; the need to improve the teaching and comprehension of the subject matter has only grown as intellectual property law has expanded in scope and geographic reach. And the Association has periodically tackled institutional questions relevant to the academic environment in which members teach and write.

But as the percentage of members who are academics alone has grown, the importance of encouraging independent scholarship has become more central to ATRIP's mission. And, as in teaching, the need for the Association's work here may have become more acute. As intellectual property law becomes ever more contested in the political arena, the objective contributions of scholars become ever more vital, a point stressed by both Professors Dessemontet and Straus.

In some respects, the picture painted by this brief summary may appear to present an insuperable challenge for ATRIP: an enhanced need to attend both to teaching and research, in a discipline of ever greater economic importance and political controversy, in a wider array of countries, with ever-limited external support. That the Association continues to play such a valuable role in this milieu speaks volumes for the enduring efforts of the membership and leadership of the organisation. As Ysolde Gendreau points out, it is in some respects quite remarkable that ATRIP has pursued its avowedly global mission, meeting annually without fail, at a time when financial and logistical difficulties put such achievements beyond the reach of parallel national institutions. But perhaps this is because of the size of the original ambition. Perhaps it is because the Association has sought to cross borders that it offers something special, something that its members will not let die. And the borders are not merely geographic. As highlighted by Horacio Rangel-Ortiz, the worlds of the academy and practice are different, but an open chain of communication across that professional border (which some members still straddle) is also important.

ATRIP will continue and flourish, but only if it remains true to the aspirations that prompted its creation over 30 years ago and if it is responsive to new challenges in an era of constrained spending on education and research. This requires in particular a renewed commitment to ensuring the involvement of colleagues

from developing countries, and innovative thinking in facilitating the involvement of new members of the academy everywhere. As Gustavo Ghidini emphasised in his contribution, that will most easily be achieved by harnessing the full range of talents found in the membership of the Association, and by working with partners (both existing and new) to secure the financial and logistical support necessary to make real the ideals articulated in Geneva in 1979.

ATRIP: Its Formation and Its Lively Adolescence

William Cornish

President, Association for the Advancement of Teaching and Research in Intellectual Property (1985–1987)

Glen Weston

President, Association for the Advancement of Teaching and Research in Intellectual Property (1987–1989)

Alberto Bercovitz Rodriguez-Cano

President, Association for the Advancement of Teaching and Research in Intellectual Property (1989–1991)

☞ Educational institutions; Intellectual property; Research institutions

Thirty-four years ago a preliminary Round Table of professors interested in intellectual property (IP) law took place in Geneva, at the headquarters of the World Intellectual Property Organization (WIPO). It was convened by the then Director General of WIPO, Dr Árpád Bogsch, and was carefully fostered from within by Dr Gust Ledakis. Ledakis had been a law professor at George Washington University before joining Dr Bogsch during his time directing copyright matters at UNESCO. He had then followed him to WIPO where he would become Legal Counsel and Deputy Director General. The authors of this article were among those present at that discussion. The others were: Professors Friedrich-Karl Beier, then managing director of the Max-Planck-Institut für gewerblichen Rechtsschutz und Urheberrecht (MPI) in Munich, Manuel Pachon of Colombia, Jean-Jaques Burst of France, Upendra Baxi of India, Mohammed Hosny-Abbas of Kuwait, David Rangel-Medina of Mexico, Baldo Kresalja Rossello of Peru, Esteban Bautista of the Philippines and Januz Szwaja of Poland. The list showed the breadth of vision which Bogsch and Ledakis brought to the task.

Dr Bogsch was a powerful leader of his chosen cause, which was to justify and foster the development of IP rights (IPRs) in a world which also held a goodly supply of doubters, among them economists and public servants. At the same time he had a strong belief in the need for efficient management of UN organs such as WIPO if they were to justify their existence, and he brought his considerable diplomatic and linguistic skills to building the strategic links that the future of the IP ideal needed. In 1977 he and Dr Ledakis had attended a meeting in Salamanca University on the role of patent systems in the economic development of Spain and Latin America. Together they began to envisage how academic contributions could be given a sustaining role in WIPO's international ventures.

The Round Table group of 1979 was assembled to consider the desirability of setting up an international association of IP teachers and researchers, what its major objectives should be, what its organisational needs would be and in what form. The group was clearly in favour of such an association. It could prove useful in bringing the subject closer to the major fields of law traditionally studied in university law faculties. It could contribute to deepening the knowledge base about the increasing range of IPRs by carrying out independent academic research. It could test the potential of other social science disciplines for reaching judgments about the purposes of and justifications for the rights. As to feasibility, it became

clear that WIPO was in a position to underpin the idea by providing aids such as a fine place to meet, travel costs for professors from developing countries to attend meetings, and simultaneous interpretation that would allow language groups to talk to one another.

The idea of such a body may sound commonplace today, but for a young discipline at that time things were different. The world was stricken from East to West by an icy Cold War, in which IP tended to be seen as an instrument for furtherance of competition in unregulated markets, and of little interest where centralised direction of an economy prevailed. At the same time the world was divided from North to South by the claims of the industrialised nations against countries still in process of development which were seeking a New International Economic Order, through the UNCTAD and other fora.

From the 19th century onwards, a few industrialised countries had begun to build what we now encompass within “intellectual property”, particularly where the rights were becoming significant for their own production and distribution sectors. One mark of the relative segmentation that still pertained for many in the latter 20th century was that the subject consisted of “industrial property” (i.e. those rights that a century earlier had received a measure of international recognition through the Paris Convention of 1883—notably patents, trade marks and designs) and “copyright” or “intellectual property” in a narrow sense (led internationally by recognition of authors’ rights in the Berne Convention of 1886). The separation between them was maintained by the fact that the first group of rights were largely secured by registration or deposit and therefore called for patent attorneys and related professionals trained in those processes, while the latter, which arose in Berne countries without formalities, were served by executives, notably those with interests in such institutions as authors’ and publishers’ associations and collecting societies. Much of the teaching of the subject, where it occurred, existed to provide basic learning for those who would join these professions on one side of the divide or the other—the leading teachers being, many of them, practitioners with substantial experience of some aspect or aspects of the whole. One way or another, this involvement could lead to a measure of exclusivity under law and with it a control over admission to the profession itself. The model for this was often the development of legal professions; but while they were largely concerned with their national or regional scenes, IP was early involved in imperial and foreign trade on an international scale. One mark of this, alongside the precocious Conventions of the 1880s, was the creation of specialist international associations such as the International Association for the Protection of Industrial Property (AIPPI), l’Association Littéraire et Artistique Internationale (ALAI), the International Confederation of Societies of Authors and Composers (CISAC) and the International Trademark Association (INTA).

In 1967 WIPO had been formed in order to bring together the administration of the Paris, Berne and other more circumscribed Conventions relating to IP. It had acquired the status of an organ of the United Nations and was seen by its main supporters as the body with the expertise to build up membership of these Conventions and to guide the Contracting States towards augmenting the guarantees of legal protection contained in their terms. After the tensions over the future of Berne at Stockholm in 1967 were resolved by agreement on developing country exceptions in Paris in 1971, WIPO had shown its mettle as a shaper of world policy for the future. By 1980 WIPO was much concerned with raising the very limited international standards of the Paris Industrial Property Convention (a move that would lead to stalemate at Nairobi in 1981, primarily over the issue of the compulsory licensing of patents in developing countries).

WIPO continued to build bridges in various parts of the world which aimed to calm local suspicions about who were the real beneficiaries of IP systems across the globe, while at the same time arming the big rightholders, such as the major players in the pharmaceutical and the sound recording and film industries, with more effective machinery to attack piracy and counterfeiting in countries that were becoming increasingly affluent. During the 1980s, as China began to recover from its Gang-of-Four terrors, one key desire was to persuade it to join the Berne Convention. By 1990–1992 Director General Bogsch and his team were able to lure the Communist-led People’s Republic into the Berne fold. It was a signal achievement

which came at a time when the largest industrial producers—the United States, Europe and Japan—were looking elsewhere for support in their IPR aims—notably through the maturing plan for a World Trade Organization in a GATT reformed during its Uruguay Round. Suddenly the great hope was to require participant countries to adhere to an agreement on trade-related IPRs—the TRIPs Agreement. And, to the surprise of many, the agreement was there in the WTO portfolio of 1994, much as the United States had proposed. But it was not WIPO that had been in charge of the drive to this end.

An association of IP professors could be useful to WIPO in its restless quests for recognition of its objectives. The Constitution of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP) was drafted in 1980 by eight members of the previous year's Round Table and was ready for signature by a meeting convened in Geneva on July 15, 1981. Sixty-nine subscribing members were present, and the solemn moment of the enrolment process proved to be Dr Bogsch's willingness to become a member himself. ATRIP was to have a President for a term of two years, a President Elect, together with four Vice-Presidents (which later were converted to members of the Executive Committee) appointed for each Presidency, as well as a Secretary and a Treasurer. It was envisaged that the responsibility for running it would lie with the President and the Secretary whom he (and later, she) selected for the term of office. Cumbersome though this could be, each new team would take over lock, stock and much of the barrel every other year. It was also expected that there would be an annual meeting of the Association.

Professor Beier emerged as pre-eminently the best person to be the first President (1981–1983), and to indicate an important direction for the new body's interests. Professor Ernesto Aracama Zorraquín of Buenos Aires, well known through his activities in the AIPPI, was nominated the President Elect, in order to become the second President (1983–1985). On the initial Executive Committee were two authors of this contribution, Cornish and Weston, together with Professors Upendra Baxi of Delhi and Janusz Szwaja of Cracow. Michel de Haas of Paris became the Treasurer. Beier enjoyed the incitement to travel embedded in the Association's acronym in English, though a sardonic voice pointed out that its French equivalent described what members would be eating on arrival.

It is right to pay tribute to Professor Beier for the energetic command that he brought to his new post. He added considerably to the list of Association members by inviting many visitors to his Max-Planck-Institut to join ATRIP. The fact that by September 1982 the number of members had already risen to 187 was a considerable achievement and stood as a mark of the close collaboration that was growing between the MPI and WIPO. Beier and his Secretary, Dr Peter Kunz-Hallstein, were able to use the resources of the Institute to establish the programmes of work of the Association and to bring the results before its vigorous annual meetings. He also saw to it that the Association became involved in projects being pursued in other IP-directed organisations. For instance, already by April 1982 Professor Frank Gotzen of Leuven and Dr Adolph Dietz of the MPI brought their considerable knowledge of the *domaine public payant* concept to an investigation of the subject organised by the Copyright Division of UNESCO in conjunction with WIPO.

In 1983 Beier offered the MPI as host to a Meeting, part of which took place within the new building of the European Patent Office (EPO). This allowed for interpretation in English, French and Spanish to continue as before, an indication of the distance that had still to be covered before the tide of "English-for-all" became such an inundation. At the same time, a tour of that Office formed part of the Meeting, as did a session led by its first President and other leading figures concerned with the new European granting system. ATRIP Members present were thus able to observe the largest IP development in Europe that was happening at the time and was making major contributions to patent law that would later find a place in the TRIPs Agreement. After the first three years, tradition settled, at least for a while, that during a Presidency one meeting would be at the WIPO Headquarters in Geneva and the other elsewhere. Accordingly in 1987, the venue was Girton College, Cambridge (President, Cornish (1985–87));

Secretary, Jeremy Phillips). In 1988, for its first venture out of Europe, it went to George Washington University in Washington DC (President, Weston (1987–89); Secretary, William Fryer), and then—to the 1990s—to the University of Salamanca (President, Bercovitz (1989–91), Secretary, Eduardo Galán). The Washington Meeting would also provide a counterpart to that held in Munich, in that the former US Commissioner of Patents, Professor Donald Banner, facilitated a visit to the US Patent and Trademark Office, while the Register of Copyrights, Ralph Oman, and his staff spoke of the functions and procedures of the US Copyright Office.

Teaching frameworks and research opportunities

Given the background to its formation, the young ATRIP devoted a good deal of energy to aiding WIPO in its programmes to promote understanding of the various aspects of IP in the many countries where the subject had little practical relevance and enforcement of rights was merely theoretical. In the early years teaching syllabi were prepared and incorporated into the written proceedings of Association meetings. In 1984 Beier and Aracama each presented a detailed outline of topics to be covered in courses on the subject intended primarily for those who knew little about it but were seeking a reasonably extensive account of its purposes and its puzzles. The two syllabi covered much common ground, but in what they emphasised there were traces of their authors' different backgrounds. The history of IPR systems and the basic objectives that they seek to achieve provided a sound foundation for the detail that then followed in each syllabus. In each the various topics were dealt with on a broad basis—not just the core of patents, copyright and trade marks, but secondary protection such as utility models and neighbouring rights, and alongside them the varying approaches to unfair competition law and trade secrets protection, as well as to rights in plant breeding, whether by traditional methods or through the new excitements of biotechnological implantation in the genome of a plant or an animal. There was considerable emphasis on the nature and range of international law as it impacted on what were mostly national schemes of protection. Accordingly there were major comparisons between the conceptualisations that had emerged in the evolution of these laws country by country.

Aracama's syllabus supported the need for detailed understanding of the complex administrative systems of the main industrial property rights. It also covered such matters as the taxation regimes affecting them. Beier's syllabus was intriguing in that it was prepared in order to deliver a course of lectures at the University of Lesotho which he would cover in a fortnight. Without knowing how much of his plan Beier actually managed to treat in any detail, we can be pretty sure that his enthusiasm for his subject must have carried his audience through one of the toughest intellectual challenges they had confronted. Other members of the Association contributed to the discussion of syllabi, and the Geneva Meeting in 1986 devoted its attention wholly to the subject. Teaching plans were after all a formative conception for almost all who had joined the Association. Exposition of IP as a subject continued to be very much on the agenda. In 1989 Dr Ledakis undertook for WIPO an academic meeting in Beijing to which university teachers from 15 Pacific Rim countries, together with Beier, Cornish and others from ATRIP, met for discussions with a large group of Chinese academics who had taken over the administration of patents in their universities and who were full of ideas about their new subject. In 1990 a Meeting was organised in Costa Rica that was explicitly designed to spread knowledge of what IP was about among academics in Latin America. This called for the raising of special funds for the purpose from a number of supporters in addition to WIPO, notably the Columbus Programme of the standing conference of heads of European and Latin American universities and from a number of European governments in response to approaches from Dr Ledakis. The University of Costa Rica itself was involved, and Professor Bercovitz took the lead on behalf of ATRIP.

At the early Meetings other papers were presented on the difficulties of introducing IP ideas to developing countries. On the one hand there was a pressing need to find materials suitable for study and to encourage

prospective teachers to undertake research abroad which might furnish an academic corps able to deal with the demands of the subject. On the other hand, questions arose over the appropriateness of putting scarce resources into IP teaching when the immediate needs of the country concerned were for basic subsistence of its people without political suppression. Enthusiasts for the IP cause such as Beier and Professor Nébila Mezghani of Tunisia sought to persuade colleagues of the need for a resolution promoting the introduction of compulsory courses on the elements of the subject in all first law degrees. But the resolution was not adopted. It brought both sceptical and directly hostile reactions from some participants. This stressed not only the lack of consequence of such a move for many countries but the question whether some forms of IPRs would not be damaging to economic progress in them. Indeed, as Professor Baxi was waxing against the need to adopt any form of plant variety protection in his country, India, an administrator from the Office of the International Union for Protection of Plant Varieties, who “happened to be passing the door”, came in to put the case for his system from the floor. We learned that, while our discussions were free, in the WIPO Headquarters we were nonetheless wired for sound!

Perhaps the most challenging contribution at the beginning came from Professor Stojan Pretnar of Ljubljana in Slovenian Yugoslavia. Addressing a body very largely consisting of professors who taught in law faculties, he asked: What other disciplines needed knowledge of existing IPRs and their scope? What disciplines in the humanities, social sciences, natural science and engineering could contribute to a rounded analysis of the rights? His fundamental premise was that the theory of intellectual creativity should find an adequate place in university studies across most disciplines, with emphasis given to whatever was most germane to the field in question. Philosophers should consider intellectual creativity in the framework of the history of civilisation. Literary studies, art history and the creative arts should provide knowledge of relevant copyright and related rights. Law schools should broaden their approach with courses on the economic and sociological effects of intellectual creations and concomitant rights. Economists and business schools should consider the relation of intellectual creation to growth, and to the functions of information science, especially when it concerns the commercial utilisation of knowledge, including marketing practices. Engineers, architects, pharmacists and indeed every department involved in technological development should present the history and social impact of IP within their subjects.

His paper was richly suggestive of the polymathic paths that lively minds might follow. It presaged the challenges to be faced by many who were then turning, or have since turned, to the study of IP. Computing was advancing so rapidly as a science and a commercial opportunity that its impact even in 1981 required a combination of new knowledge and experience in anyone discussing the extent to which computer programs should attract either copyright or patent protection, or both. DNA analysis and techniques of transformation were also rising rapidly as central to human, animal and plant biology. Part of the demand from Members for better sources of information from which to build courses was that they would be enabled to explore their subject from these and other perspectives. One function of the Association from the start was its ability to show how we all needed the time and the persistence to intensify our personal knowledge and to pass the same opportunity to the coming generations of our peers. Notably the Washington Meeting, led by a paper from Professor Joseph Straus, spent considerable time on the ways in which biotechnology was presenting new challenges and how an understanding of the science was a necessary underpinning for anyone who wished to approach the legal and moral issues that it raised.

Deeper appreciations of the subject and the controversies that it provoked

From the outset it became clear that membership and attendance at meetings were buoyed up by the range of topics that were brought under review. Certainly the university law teacher was not necessarily constrained to a life of informing students, through lecturing and writing, about the current law and practice in particular countries. As in juristic studies more generally, that approach was giving place to more enthusiastic and questioning stances. A great wave of discussion was building around the very idea that

support of technological innovation and the promotion of culture through new media for its publication and performance should be largely organised around exclusive rights in certain kinds of idea, the protection for each requiring to be shaped to fit the scope of the rights being granted. Meetings of the Association gave attention, in legal as well as practical terms, to areas of IP that lay somewhere beyond the core of the subject. A first contribution of this kind came from Professor François Dessemontet of Lausanne, who drew attention to the need in any IP system for a law protecting confidential know-how involved in technological development. How, for instance, could such a right be justified alongside a patent system built upon the requirement for publication of the invention involved? At the time, for participants from a variety of countries, protection of trade secrets was still a novel idea, the intricacies of which they were encouraged to master.

As well as the business of furnishing IP teaching with a purposeful framework, there were other topics to do with aspects of the subject that were in any case germane to academics working in universities and research institutes. These institutions, and alongside them public departments of government and enterprises engaged in private sector research, might increasingly be concerned with the complex business of turning technological inventions into real world innovations. For instance, a basic issue of patent law, such as that of the grace period which could limit the impact of prior publications, was a topic to which a group of members interested in this field developed attention from 1983 onwards. So was the impact of antitrust law on commercial advantages being extracted from patents and other IPRs. Leading American universities were beginning to show what might be achieved by setting up offices that not only secured the terms of collaboration over research funding but also became involved in the various ways of bringing about the transfer of technology for commercial exploitation. The latter was by no means an activity which would necessarily bring an institution a significant revenue stream from patents, know-how, publications, computer applications or other IP. How such an office could be best managed would depend on many factors, starting from the entitlement to ownership of the IP in research results. Here were difficult questions which those working on IP law were likely to be consulted about, not least when there were confrontational issues between individuals and institutions: individuals when facing expectations from their research collaborators and students, their departments, the central university and research funders; or the university when, for instance, the researchers were dealing with background and foreground knowledge in which other institutions claimed an interest that would continue once an inventor came from another institution or moved on elsewhere. Discussion of how potential disputes could best be resolved was something that most members of the Association were keen to explore. By the fifth Meeting, a session arising out of a collaboration between Professor Bercovitz, Professor Ullrich and Dr Jeremy Phillips, aided by Professors Dessemontet, Lahore, Reboul and Szwaja, led to an enlightening discussion.

On another tack with special implications for academia was the copyright position regarding the new reproduction technology of the day: photocopying for written and depicted information, tape recording of sonic and audiovisual material. Here a preparatory group led by Professor Gunnar Karnell of Stockholm explored two aspects in particular. One concerned the extent to which licences should be necessary when copyright material was incorporated into teaching materials and instructional activities. The other explored legislative or other arrangements that were needed in order to make reprography a useful resource in education. This also provoked a considerable range of responses concerning the international scene and developments in certain individual countries. As today over digital resources, it became clear that there was little objective information about the effects of such new practices on the traditional industries affected, such as publishing. True there was much stakeholder lobbying, but the “evidence” it provided for its assertions was open to questioning, which scholars might be well placed to investigate.

This reflection about what ATRIP did during its first decade should not become just a listing of papers given and countryside visited. In a companionable atmosphere the Association flourished as it grew steadily in size. This was important since the subject to which it devoted its attention was becoming controversial

to a degree that had rarely occurred in the past. By thoughtful studies of the role which IPRs can play in the development of civil societies and in particular of the way that international, regional and comparative law can broaden approaches, academic contributions can be more than the training of professionals to carry forward its current practices. Individuals and associations of many different kinds now seek to influence debates about them. As a group those engaged in academic study of the subject can claim that, for all their individual perspectives, they on the whole bring reflection and objectivity to the task. There were stages in the Association's life when Dr Bogsch appeared nervous of this potential ability to show that party lines were not after all cut in stone rather than sketched in the sand. A tension that would become more apparent in the second decade of ATRIP's existence was in embryo present from the very start and is certain to remain a most vital aspect of its functioning. That is because the bulk of its membership is made up of those who have the opportunity to analyse what IPRs currently achieve—for better or worse—and to evaluate how they should be reshaped to more effective ends. In large measure the members are not people whose self-interest or practical experience points them by magnetic charge to one pole or the other. Rather they tend to recognise that there are numerous points of the compass that deserve to be identified and explored. Those who have charge over policy, whether it is at the national, regional or international level of law-making, are likely to value rational and reasonably independent views of what best to do. Intellectual property, as we know it, brings together systems of rights that are inevitably complex because they are conceived at a level of considerable generality. Accordingly they do not necessarily fit the different inventive and creative ideas across industries as they themselves evolve and expand. From the start the role of ATRIP has been to promote understanding and discussion of the whole field. The Association has a keen future.

ATRIP and the Changing Environment—A Retrospective

Joseph Straus

President, Association for the Advancement of Teaching and Research in Intellectual Property (1993–1995)

☞ Educational institutions; Intellectual property; Legal history; Research institutions

When in July 1981, following a 1979 initiative of the World Intellectual Property Organization (WIPO), the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP) came into being, its Constitution defined among its specific research objectives that it should devote its attention to, inter alia, “the social and economic facts, interests and needs of the present and the future which are relevant to the development of intellectual property” (art.5(1)(i)). The development of intellectual property has always been, and continues to be, largely guided, on the one hand, by most recent achievements (facts), which science and technology continuously generate. On the other hand, intellectual property rules are inseparable from the social and economic conditions, but also ethical perceptions prevailing in a given country or region, as well as from the national and international legal framework controlling those conditions and perceptions. As in the case of scientific and technological achievements, the social and economic conditions are subject to evolutionary developments and changes.

The former Director General of WIPO, Dr Árpád Bogsch, described the role of ATRIP in this context as indispensable

“because without an intellectual property law-*culture*, one cannot intelligently improve the intellectual property system. This *culture* is, at the highest level, created, cared for or cultivated in universities and other scientific institutions.”¹

Dr Bogsch specifically emphasised the importance that ATRIP concentrates on teaching of intellectual property law in developing countries and in the Successor States of the former Soviet Union. Dr Bogsch felt that there was a tremendous need in those countries for more knowledge of the law of intellectual property.²

During my term as ATRIP President, 1994–1995, probably the most dramatic and far-reaching changes, not only in the area of intellectual property, but in the entire international economic and legal order, have taken place in the establishment of the World Trade Organization (WTO) and the adoption as well as the entering into force of its legal order with the General Agreement on Tariffs and Trade (GATT), the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) and a great number of other important legal instruments, such as the General Agreement on Tariffs in Services (GATS), Agreement on Trade Related Investment Measures (TRIMS) and the Agreement on Subsidies and Countervailing Measures (SCM).

In my introductory address at the 1994 Annual Conference in Ljubljana, I emphasised that the only interest which ATRIP legitimately represents directly was the claim of our students, i.e. the future

¹ Árpád Bogsch, “Key-note Address” in J. Straus (ed.), *Current Issues in Intellectual Property: Copyright of Universities—Character Merchandising—GATT TRIPS* (Ljubljana: Slovenian Intellectual Property Office, 1995), p.10.

² Bogsch, “Key-note Address” in Straus (ed.), *Current Issues in Intellectual Property*, p.11.

generations of lawyers, economists, natural scientists, technicians and politicians, to get the best possible and most up-to-date education. At the same time, I pointed out that this responsibility is one which ATRIP shares with bodies in charge of general higher education, as well as with those competent for science and technology and international trade. I predicted that with the entry into force of the WTO Agreements it will become clear that intellectual property has definitely left the area of esoterics and shed its stigma as a narrow field of specialisation. Moreover, because intellectual property would become much more important for the national economy of every country, those competent for international trade, on the one hand, and those responsible for science, technology and innovation, on the other, should become fully aware of the apparently invisible, but economically decisive, links and interactions between these two different fields.³

In order to “intelligently improve” the intellectual property system as set forth in ATRIP’s Constitution and as described by the late WIPO Director General, Dr Árpád Bogsch, one must be well-informed of the latest developments in science and technology, as well as of national and international economic and political developments. Without understanding the basics—for example, of computer software development and application (such as in the area of digital rights management tools) of the production of monoclonal antibodies by hybridoma technology, or of the identification and sequencing of genomic or cDNA and its expression in suitable host organisms—one cannot contribute to the necessary further development of copyright or patent protection in those areas, i.e. adjust them to the changing needs. Likewise, a balanced and intelligent further development of intellectual property also requires the adequate and responsible taking into account of the prevailing factual, i.e. empirical, data as regards the scientific, technological and economic developments.

To meet, as far as possible, such high goals, ATRIP has been keen to adequately address topical issues of the time. At the 1994 Ljubljana Conference, the fundamental question of whether, and to what extent, the copyright in computer programmes protects the user interface generated by that programme, was addressed on the basis of the famous decision of the US Court of Appeals for the First Circuit in *Lotus v Borland*.⁴ At the same time, considerable attention was paid to the legal, political and economic history responsible for the establishment of the WTO and its legal network, especially as regards intellectual property.⁵

The 1995 ATRIP Conference in Seattle had two highlights as regards the better understanding of the relevant technologies and their problems. Thanks to the local organiser, the Center for Advanced Study and Research on Intellectual Property (CASRIP), its then Director, Professor Donald Chisum, and Professor Toshiko Takenaka, who later succeeded Professor Chisum in that function, ATRIP members witnessed the very first, and still somewhat confidential, presentation of Microsoft Windows 95, which reached the market a month later. On that occasion, Mr Van Arsdale from Microsoft addressed the needs and problems of multimedia producers. For most ATRIP members, the presentation on “Biotechnology and the Human Genome Project: Challenges for Intellectual Property” by Dr Leroy Hood, the then chair of the Molecular Biology Department of the University of Washington, one of the world’s most prominent scientists in the area of genomics and molecular biology and a pioneer in sequencing technology,⁶ was a real eye-opener. It laid the foundations for the necessary understanding of the following discussion on relevant US court cases presented by Professor Donald Chisum under the title “The Scope of Intellectual Property Protection of Biotechnology”⁷—an issue, which until now, keeps courts and legal doctrine busy. Adequate attention

³ Joseph Straus, “Opening Address” in Straus (ed.), *Current Issues in Intellectual Property* (1995), p.2.

⁴ Dennis S. Karjala and Peter S. Menell, “The Basic Issues in *Lotus v Borland*” in Straus (ed.), *Current Issues in Intellectual Property* (1995).

⁵ R. Oman, “Intellectual Property After the Uruguay Round” in Straus (ed.), *Current Issues in Intellectual Property* (1995).

⁶ It may be noted that Dr Hood, who is a highly decorated scientist, was awarded the National Medal of Science, one of the highest honors bestowed upon US scientists, by President Obama on December 22, 2012.

⁷ T. Takenaka, “ATRIP 1995” (1995) 2(3) *CASRIP Newsletter*, available at <http://www.law.washington.edu/Casrip/Newsletter/default.aspx?year=1995&article=newsv2i3ATRIP> [Accessed April 19, 2013].

was also paid to the international legal implications of the TRIPS Agreement in a panel discussion addressing “Exhaustion and Parallel Importation after GATT-TRIPS”.⁸

Since the 1995 Seattle Conference the world has experienced changes, which at that time nobody could have predicted. Under the new world economic and legal order established under the umbrella of the WTO, of which TRIPS is an integral and inseparable part, not only high standards for the protection of intellectual property (IP), but also mandatory rules on the removal of barriers of international trade, such as custom duties, subsidies, quotas and many more, have been introduced. Moreover, new and mandatory rules set forth in the WTO Dispute Settlement Understanding (DSU) have provided for new legal checks and balances within the WTO structure, which in the case of a violation of the WTO legal order can, under certain conditions, lead even to cross-sector retaliation. Thus, violation of, for instance, WTO subsidies discipline by one WTO member can result in suspension of the TRIPS obligations of the affected member, and vice versa.⁹ In consequence, the room to manoeuvre of WTO members has experienced substantial limitations not only in the TRIPS area but also in all other areas covered by WTO legal instruments.

In order to fulfil the mission of ATRIP, i.e. to contribute to the development of intellectual property, especially as regards developing countries, one needs to know the relevant “social and economic facts, interests and needs of the present and the future”, to which art.5(1)(i) of ATRIP’s Constitution refers. In other words, one has to be aware of and take into account the prevailing facts, i.e. the relevant empirical data characterising the economic situation of the countries concerned. Such relevant data include the development of a country’s gross domestic product (GDP), foreign direct investment (FDI) and foreign trade balance. In case the specific impact of the new world economic order on the developing world is at issue, a closer look at the relevant economic developments of emerging economies and developing countries since the mid-to-late 1990s is indispensable.

As regards GDP growth in the so-called BRICS countries from 1999 through 2010, the following annual rates have been registered: Brazil 3.05 per cent,¹⁰ Russia 4.6 per cent, India 7.4 per cent, China 9.1 per cent and South Africa 2.8 per cent. As regards FDI, Brazil received \$1 billion in 1993 and \$45 billion in 2008, China received \$10 billion in 1993 and \$124 billion in 2011, and India received \$39 billion in 2010. Although at a somewhat lower level, similar developments can be observed for the growth rates of GDP for developing countries in Africa (5.72 per cent), Asia (5.15 per cent) and Latin America (3.52 per cent) for the same period of time. Contrary to this, the growth rate of the GDP in Japan was 1.63 per cent, the United States 2.42 per cent, “old” EU members 1.49 per cent and “new” EU members 3.16 per cent.¹¹ Since the financial crisis of 2008–2009 and the subsequent Euro crisis, the data for the European Union, Japan and the United States have been much worse, whereas the BRICS countries and most developing countries have been less severely affected.

Symptomatic of the developments since the mid 1990s are the data concerning the top exporters of high-tech goods. Ranking in 1985 were the United States, Japan, Germany, the United Kingdom, France, the Netherlands, Italy, Canada, Hong Kong and Singapore. By contrast, the 2005 ranking revealed China as No. 1, followed by the United States, Germany, Japan, Hong Kong, Singapore, the Republic of Korea, France, the United Kingdom and the Netherlands. Needless to observe, a large portion of Chinese exports of high-tech goods were from foreign subsidiaries or joint venture companies producing in China. How attractive China has become under the conditions of the new global economic order is also impressively demonstrated by the fact that the Chinese government, in 2011 alone, approved 27,712 foreign-funded enterprises, and that practically all important international companies have established in China not only

⁸ W.-F. Hsu, “ATRIP Proceedings, July 21, 1995” in Takenaka, “ATRIP 1995” (1995) 2(3) *CASRIP Newsletter*.

⁹ “United States—Subsidies on Upland Cotton”, Decision by the Arbitrator, August 31, 2009, WT/DS267/ARB/1; “United States—Measures Affecting the Cross-Border Supply of Gambling and Betting Services”, Decision by the Arbitrator, December 21, 2007, WT/DS285/ARB; “European Communities—Regime for the Importation, Sale and Distribution of Bananas”, Decision by the Arbitrators, March 24, 2000, WT/DS27/ARB/ECU.

¹⁰ Brazil has overtaken the United Kingdom in GDP size in 2011 and is now ranked as the sixth largest economy in the world.

¹¹ For details see J. Straus, “A Marriage of Convenience: World Economy and Intellectual Property from 1990 to 2012” (2012) 40 *AIPLA Quarterly Journal* 633, 654–662.

their production sites but also R&D facilities. What is true for China is true for most BRICS and also a number of developing countries, although to a lesser extent. Not much imagination is necessary to realize that this resulted in, on the one hand, an enormous transfer of knowledge and skills to those countries due to the employment of local workers, engineers and scientists, and, on the other hand, job losses in countries like the United States. According to available statistics, between 2001 and 2011 the United States lost to China more than 2.7 million jobs due to the growing trade deficit.¹²

The briefly described situation is the consequence of open international markets and mandatory high protection standards for IP rights resulting from the WTO legal order, now controlled by the checks and balances provided by the mandatory WTO DSU mechanisms. Combined with a stable political environment, a functioning judiciary and high education standards, these standards have generated an environment that attracts international companies to relocate production and R&D activities. Using generally lower labour and regulatory costs, the relocated companies can serve local markets as well as, for the first time in history, the entire globe. The impact of TRIPS and the WTO DSU on economic development can be adequately estimated only if the functional interconnectivity of the WTO legal instruments are taken into account. The entire WTO legal regime is a fragile structure, a result of a compromise achieved after years of controversial negotiations. Thus, any endeavour to substantially amend some of the individual elements without considering the decisive factual interconnectivity of the entire WTO regime may interfere with or may target the economic interests of developing countries. As the data demonstrate, these countries, together with internationally active companies and the newly emerging economies, can by and large be viewed as the real beneficiaries of the WTO regime, despite all of its still existing imperfections.

As regards the use of intellectual property rights, especially patents, as important tools for innovation and competitiveness of a national economy, statistics reveal considerable differences for different emerging economies, developing countries, countries of Central and Eastern Europe and the Baltic region, and successor states of the former Soviet Union. In this regard, no doubt, China has been the most prominent promoter of intellectual property. In 2008 it has not only adopted but also implemented the “Outline of the National Intellectual Property Strategy”. To co-ordinate the implementation of this strategy, the State Council approved the establishment of the interdepartmental joint meeting on the implementation of the national IP strategy, which involved 28 departments and organisations. The results of these efforts are best reflected by the fact that the number of patent applications filed with the State Intellectual Property Office (SIPO) between 2001 and 2010 grew, on average, 22.6 per cent per year—or, in absolute numbers, from 62,450 to 391,177 applications per year. In 2011, with 526,412 applications SIPO has overtaken the US Patent and Trademark Office with 503,582 applications. More telling than these figures, however, is the fact that out of those 526,412 applications, 415,829 applications were filed by Chinese applicants. In 2011, Chinese applicants filed 10,545 applications in the United States, 2,548 at the European Patent Office and 1,401 in Japan.¹³ It is also worth mentioning that in that year the number 1 and number 3 applicants under the Patent Cooperation Treaty were the Chinese companies ZTE Corporation and Huawei Technologies Co.¹⁴ Not surprisingly, in a special report on China’s membership in the WTO published in *The Economist*, one can read the following observation: “The marriage of foreign know-how, Chinese labour and the open, global market has succeeded beyond anyone’s predictions.”¹⁵

Compared with developments in China, but also India, not to mention countries like the Republic of Korea, Taiwan and a number of other developing countries, the performance of countries of Central and Eastern Europe as well as the Baltic states (now members of the European Union), as reflected in patent statistics, is extremely modest. With a population of some 90 million, they together filed in 2011 in the

¹² Straus, “A Marriage of Convenience” (2012) 40 *AIPLA Quarterly Journal* 633, 656–662.

¹³ WIPO, *2012 World Intellectual Property Indicators* (Geneva: 2012), p.58.

¹⁴ For more details see “A Marriage of Convenience” (2012) 40 *AIPLA Quarterly Journal* 633, 661.

¹⁵ “Ten Years of China in the WTO: Shades of Grey”, *The Economist*, December 10, 2011, p.18.

European Patent Office 702 patent applications, which is less than half of the applications filed by Austria with less than 10 million inhabitants.¹⁶

By 2013 ATRIP's role as set forth in its Constitution has not changed, although the real world, i.e. the social and economic facts driven by an ever-progressing globalisation and enormous progress in science and technology, has changed to an unpredictable extent. It is the task of ATRIP to make those taught by its members aware of those changes and their consequences and arm them properly for the real world contests. Experts from developing countries should get the skills necessary to use the existing IP regime the same way as it is used by the so-called developed world. This encompasses the use of the WTO dispute settlement instrument for enforcing their rights under the entire WTO regime, including the use and interpretation of the existing, e.g. TRIPS "flexibilities", as regards its national implementation. As Justin Yifu Lin, the former World Bank's Chief Economist, has recently observed, since the world has entered into a new era "developing countries themselves can generate a lot of funds for development both in terms of investment and even in official development assistance".¹⁷ They should use the newly acquired "power" to legally test their rights before endless and costly efforts are undertaken to achieve changes or amendments of, for instance, the TRIPS Agreement. The WTO dispute settlement process could also be used by the least-developed countries, e.g. to test the obligations of the developed countries under art.66(2) of TRIPS, i.e. to provide incentives to enterprises and institutions in their territories for promoting and encouraging technology transfer to least-developed country members in order to enable them to create a sound and viable technological base. For instance, annual reports, which are obligatory and should be monitored, could be tested by the Dispute Settlement Body. To financially enable the least-developed countries to undertake such a move, a fund at WIPO, WTO or the World Bank should be established. Surprisingly, WIPO documents do not reflect any of such discussions.

Of course, the main responsibility for an "intelligent development" of intellectual property at the international level lies with WIPO and its Member States. A closer look at the output of its normative agenda shows that since the adoption of the WIPO Copyright Treaty and the WIPO Performances and Phonogram Treaty in 1996, 16 years have passed before the Beijing Treaty on Audiovisual Performances was signed in June 2012. The test of whether this treaty, the first after 1996 addressing issues of substantive law, really constitutes a major development in the history of international copyright and a success of the multilateral system will be the time needed for its entry into force, which requires the deposit of 30 ratification or accession instruments.

ATRIP should remind WIPO and its Member States of the many outstanding serious and unresolved problems which the international intellectual property regime experiences as a consequence of scientific and technological developments and the progressing globalisation. With 30 per cent of efforts devoted by WIPO and its Member States to normative work, and based on the experience of the last decades, the chances of finding and agreeing on solutions requiring thoughtful and balanced further development of substantive IP law are modest.

The message of the late Dr Árpád Bogsch that "without an intellectual property *law-culture*, one cannot intelligently improve the intellectual property system" should direct WIPO and its Member States and make them aware that an intelligent improvement of the intellectual property system has to be based on existing facts, i.e. as they are revealed in empirical data. If properly taken into account, those data clearly evidence that the improved IP protection standards in the context of the entire WTO legal order worked very well and even predominantly to the benefit of the developing world.

A rational and balanced response to the actual needs of IP generators as well as of its consumers, be they in developing or developed countries, is required in all areas of IP, be it patent, copyright, design,

¹⁶ European Patent Office, "European Patent Applications 2002–2011 Per Country of Residence of the Applicant", available at <http://www.epo.org/about-us/annual-reports-statistics/statistics.html> [Accessed April 19, 2013].

¹⁷ "Development: New World, New Economics" (2011) 284 *OECD Observer* 27.

mark or confidential information. On the one hand, ever-new forms of their exploitation require new approaches for their effective protection at an international level, preferably worked out in the framework of WIPO but possibly also the WTO. On the other hand, mechanisms which already exist to secure a fair and balanced access to protected subject matter are in need of continuous fine tuning. Whoever is working on the improvement and overhaul of the IP system, he or she should bear in mind that the topmost maxim to respect should be rationality, consistency, credibility and workability of the system. The system as such cannot and should not ignore the very basic rule that it must provide enough incentives and securities for a sustainable generation and flow of innovation and that it cannot, and in long term should not, be imposed top down.

The Geneva Meetings: Bogsch, Ledakis and ATRIP

Horacio Rangel-Ortiz*

President, Association for the Advancement of Teaching and Research in Intellectual Property (1997–1999); Professor of International Intellectual Property Law, School of Law, Universidad Nacional Autónoma de México and Universidad Panamericana; Partner, Rangel y Rangel, S.C. (Mexico City law firm)

☞ Educational institutions; Intellectual property; Research institutions

International IP organisations

IP teachers and researchers have always been in touch by reason of their occupation, tasks and academic orientations. Decades before the age of the internet and e-communications, teachers and researchers who wish to interact with others have always found the means for these contacts. Specialists in a particular branch of intellectual property (IP) law know well other specialists in the same area through their writings and presentations. Each group of experts in most areas of IP law, however, is by definition small, and usually does not exceed a reduced group of individuals who know well what their colleagues are doing in their own universities and other academic communities. For each of these groups, the group is the world, and thus many worlds exist in the academic *world*. A similar phenomenon occurs in the world of IP practice.

In the world of practitioners, however, for more than a century there have been formal IP international organisations whose role is to bring together individuals with similar professional attractions and needs. The existence of these international groups has facilitated communication, exchanges, interactions and connections among IP experts from all corners of the globe. Individuals in touch with realities other than their own—and at times also with books—are, as a rule, better practitioners and render better services to the international community and their clients than those who have chosen to isolate themselves from the world in general, including the world of comparative jurisprudence.

The founders of ATRIP: Their background

The oldest, largest and most prestigious international groups—such as the American Intellectual Property Law Association (AIPLA) and the International Association for the Protection of Intellectual Property (AIPPI)—have always made room for the work and efforts of individuals who, in addition to their private practice, are respected scholars, are recognised for their contributions to IP law and practice, have brought standards of excellence to the world of IP practice, making the world where they practice—often chaotic, confused and disorganised—a better world in which to live and practice IP law. I am talking about individuals like Eugène Pouillet, Paul Mathély, Geoffroy Gaultier, Jacques Azema, Yves Saint-Gal (France), Hermenegildo Baylos Corroza, Alberto Bercovitz Rodriguez-Cano (Spain), David Rangel Medina (Mexico), Ernesto Aracama Zorraquín (Argentina), João da Gamma Cerqueira, Tomas Leonardos (Brazil), Baldo Krezalja Rossello (Peru), Stephen Pericles Ladas and Walter Derenberg (USA). These international

* Copyright © 2013 Horacio Rangel-Ortiz.

organisations have also welcome participation in their programmes from some professors fully devoted to academic life (e.g. Prof. Joseph Straus and Prof. Gunnar Karnell in AIPPI and Prof. André Françon in AIPLA).

A. Bogsch, G. Ledakis, G.E. Weston, GW law school and ATRIP

Some of these individuals, (e.g. Prof. Bercovitz Rodriguez-Cano, Prof. Aracama Zorraquín, Prof. Rangel Medina) did attend the first formal Round Table of IP Teachers and Researchers which took place in Geneva in 1979. This meeting was called by Árpád Bogsch, then Director General of the World Intellectual Property Organization (WIPO), and was organised—and actually headed in all substantive and organisational respects—by Gust Ledakis. Bogsch and Ledakis had met many years before at George Washington University (GW) in Washington, DC, where Prof. Glen Weston, former President of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP), was also a professor of law. In 1954 Bogsch, originally a Hungarian citizen, enrolled as an LL.M. student in the evening programme at GW Law School, while working at the US Copyright Office. While attending classes, Bogsch met Gust Ledakis, a Michigan Law School graduate who was teaching International Law at GW. Ledakis worked close to the office of Árpád Bogsch, including in the position of Legal Counsel at WIPO.

The conference called in 1979 was different from others previously convened in the world of international intellectual property. A group of scholars coming from the North, South, East and West, got together in a meeting expressly called to discuss IP teaching and research. Two things were unusual about this meeting: the topic and the participants, specifically the geographic origins of such participants.

Before the 1979 Round Table, teachers and researchers from all parts of the world had already met many times in the past in contexts that had little in common with the Geneva meeting held at the WIPO headquarters. Impromptu gatherings had always taken place in different parts of the world on the occasion of other congregations that allowed teachers and researchers to meet at the end of formal proceedings in a café near the place where the formal meeting of IP specialists had taken place. These were international meetings called to convene all sorts of practitioners from all around the world, including practitioners with an academic orientation. The 1979 Round Table was not an impromptu meeting, nor was it local, regional or sub-regional in nature and scope; it was truly international. Present in this reunion were:

- Prof. Ernesto Aracama Zorraquín—Argentina
- Prof. Manuel Pachon—Colombia
- Prof. Jean-Jacques Burst—France
- Prof. Friederich-Karl Beier—W. Germany
- Prof. Upendra Baxi—India
- Prof. Mohammed Hosny Abbas—Kuwait
- Prof. David Rangel Medina—Mexico
- Prof. Baldo Kresalja Rossello—Peru
- Prof. Esteban Bautista—The Philippines
- Prof. Januz Swaja—Poland
- Prof. Alberto Bercovitz Rodriguez-Cano—Spain
- Prof. William Cornish—UK
- Prof. Glen E. Weston—USA

The participants from WIPO were:

- Dr Árpád Bogsch—Director General
- Prof. Gust Ledakis—Legal Counsel

- Dr Marino Porzio
- Dr Ludwig Baeumer

Professors and Researchers from Developed and Developing Countries

The second Round Table was specifically convened by Árpád Bogsch and Gust Ledakis to draft a Constitution of what the drafters named the International Association of Teachers and Researchers of Intellectual Property, with the ATRIP acronym. It was agreed at this meeting that invitations would be sent out to professors and researchers of IP law in developed and developing nations to attend a meeting in 1981 in Geneva at which time a Charter would be signed and officers would be elected at the new organisation. On July 14–16, 1981, at WIPO, 70 persons from 30 nations attended the foundation meeting of ATRIP. The Charter was signed on July 15, 1981. This included the signature of Prof. Glen Weston who had myself and a small group of his international LLM students at GW Law School for dinner at his place where we saw the pictures taken weeks before by Mrs Betty Weston on that occasion in Geneva.

The first Annual Meeting of ATRIP took place in Geneva on September 20–22, 1982, and was attended by 61 members from 28 countries. The experiment to have IP teachers and researchers from developed and developing countries convened in one single academic forum to discuss IP issues started here, and is still in process. While ATRIP reached its adult life some time ago, when compared to others, the Association is still a young international organisation. Maturity in the world of IP organisations is not calculated in terms of years, but rather of decades and centuries. Several decades will pass before ATRIP reaches the maturity of her older sisters established in the international IP community whose origins relate back to the end of the 19th century: AIPLA 1978, AIPPI 1897, the International Trademark Association (INTA) (formerly the United States Trademark Association) 1878 and LIDC (International League of Competition Law) 1930.

From the Geneva meetings (1979, 1980 and 1981) to the present

ATRIP has reached adult life but is not old enough to remember indefinite deferral of the work of the organisation as the older sisters can, whose activities were interrupted by two world wars. Ever since the Geneva meetings (1979–1981), the Association has met on an annual basis. In the first two decades of ATRIP it was customary to have one Annual Meeting at the WIPO Headquarters in Geneva and the second Annual Meeting of the President's two-year term, usually at the university of the President of ATRIP, or vice versa. The last time ATRIP met in Geneva was during my second year as President of the Association in 1999.

As far as the programmes are concerned, ATRIP continues to include current topics of interest to the academic community. The topic chosen by the Executive Committee headed by Prof. Graeme Dinwoodie for the 2013 Annual Meeting at the University of Oxford, "Is Intellectual Property a *Lex Specialis*?", could not be more current and sophisticated. Unlike other international IP organisations where topics are chosen by the presidents and delegates of national groups, the statutes provide the Executive Committee with ample flexibility and freedom to draft the agenda that will be developed in the two-year period that the presidency of ATRIP lasts. ATRIP is a dynamic and living organism whose programmes and activities depend on the profile, character and personality of the membership, and of the academic preferences and orientation of the President and the members of the Executive Committee.

The ATRIP of our days is not the ATRIP that followed the foundation of the Association during the last two decades of the 20th century. The ATRIP we will see in the next decade, when ATRIP members celebrate the 40th birthday of the Association, most probably, will also not resemble the ATRIP of these days. This is what the process of growing up is all about. This is not a peculiarity of this academic organisation. The best symphonic orchestras in the world change their sound, programmes, audience,

orientation and conductor every decade in average. As a rule these changes are for a good cause, both for the conductor and the orchestra, but above all for the public.

At a time when ATRIP enters the fourth decade of its foundation, it is indeed encouraging to see the interest in the work of the Association of WIPO, under the current leadership of Dr Francis Gurry, a graduate of Cambridge, a pillar of IP aristocracy. It was under WIPO's auspices that ATRIP was born.

IP Teachers and Researchers in Sister Organisations

In recent times, other sister organisations have realised that the goals originally sought when they were created decades ago are invariably better served when their programmes include topics related to IP teaching and research and when adjustments are implemented in their structures to allow for formal and informal discussion of IP teachers and researchers present among their members. Not only have these organisations enriched their programmes in this way, but more importantly some of them have expressly provided the organisational means for practitioners involved in teaching and research activities to formally convene on the occasion of the respective meetings. This allowed for the presentation and discussion of current topics affecting the industry, and the international community in general, where the background of practitioners with an academic orientation may make a difference on the type of solution that should be sought and eventually implemented to correct a particular problem where an IP right is involved—specifically the acquisition, maintenance, exercise, respect and enforcement of such a right.

The world of academy and the world of practice: IP Teachers and Researchers in the work of ASIPI and INTA

Bogsch, Ledakis and the founders of ATRIP (the fathers of the Association) were pioneers in the foundation of an international association originally created to foster communication and interactions among IP professors from all parts of the world, as described by the fathers of the association who sent invitations to professors from developed and developing nations.

Before ATRIP, the last pioneering international IP organisation I knew of was the Inter-American Association of Intellectual Property (ASIPI), whose Charter was signed in Mexico City in 1964. ASIPI was formed by a group of IP practitioners which included the participation of Prof. Dr Ernesto Aracama Zorraquín (Argentina) and Prof. Dr David Rangel-Medina (Mexico), who would later participate in the foundation of ATRIP both in the 1979 Round Table and in the adoption of the ATRIP Charter in 1981. ASIPI was one of the organisations attended by IP practitioners, also attracted to teaching and research activities, who invariably had impromptu meetings to discuss the academic aspects of IP that were of interest to the academic community in the region. ASIPI was not only a pioneer in the world of regional organisations, but was also one of the first regional IP associations to formally incorporate the means and structure within the group to enable discussion and debate among members who, in addition to their private practice, are also involved in teaching and research activities. In the past, ASIPI included an Adjunct Professors Committee, which I had the honour to chair. The efforts of this group are now directed to other needs and objectives broader in nature and scope currently concentrated in the Education Committee of the ASIPI.

The oldest and most prestigious international organisation focusing on international aspects of trademark law has also adopted a chapter of practitioners with an academic orientation. INTA was founded in 1878 (as United States Trademark Association) without a Professors' Committee. In recent years, however, INTA has formally adopted a chapter of Adjunct Professors (the Adjuncts) who do not anymore meet in impromptu reunions on the occasion of the annual meetings of INTA; for now members of the Committee are formally convened with an agenda as part of the programme of the Annual Meeting. In addition to the

Adjuncts Committee, INTA also has the Professors Committee where the distinguished scholar and ATRIP member Prof. Jeremy Phillips has played a leading role.

ASIPI and INTA are two living examples of international organisations that are aware that the worlds of practice and the academy are not—or should not—be perceived as two separate divided worlds, but rather as two domains that must be in permanent communication.

What has been said about the need to foster communication between the IP academy and IP practitioners also applies to the need to foster communication between developing and developed nations. The work of Bogsch and Ledakis provided the means for formal discussions at the multinational level, but more importantly for informal discussions in appropriate environments where the true goals of these associations are invariably met. Some of the most enjoyable—and fruitful—conversations in the world of IP that I have had, have taken place in the halls of conference sites and in buses from the conference site to any particular destination for temporary relaxation after several days of intense formal discussions—or in the middle of such discussions, an ATRIP tradition. The same is true with respect to individuals that I only knew through their writings and with whom I still have a close relationship: academic, professional and personal. Apart from exchanging correspondence and materials and attending the sessions of the academic programme of international organisations like ATRIP, INTA or ASIPI, from time to time we have found time to visit jazz bars and to attend concerts and opera performances—whether in Tokyo, Sofia, Paris, Madrid, London, Milan, Buenos Aires, Washington DC or Mexico City.

Two final words on Ledakis and Bogsch, fathers of ATRIP

As an individual playing a leading role within WIPO, Ledakis was respectful of both substance and form. He, however, was not obsessed with the latter. He was the WIPO person chosen to present the intricacies of a new treaty on integrated circuits preceded by much academic discussion on whether the proposed instrument should be governed by principles of copyright or industrial property. The colloquium on this topic ended with an absolute silence in the room where ATRIP attendants awaited the response to a question he was presented with by a distinguished Italian professor on whether the new instrument was a copyright treaty or an industrial property treaty. Ledakis reflected for a few seconds, and responded, “It’s an *intellectual property* treaty.”

Bogsch was the *pater familias* of international IP, as his Hungarian colleagues and friends like to call him. The last formal meeting where he participated took place in the land where he was born, Hungary, where WIPO organised an international seminar on geographical indications. In a beautiful rustic cabin in rural Eger warmed by a chimney and an equally warmed soup, he approached the rustic table I was seated at with other speakers and asked the waiter to bring two glasses of wine—Eger wine, of course. There, I learned about his discomfort on labelling a seminar *international* when the draft programme he was shown for final approval did not include a speaker from Latin America. The speaker he had in mind for the Eger seminar, however, would be travelling on an academic mission as a WIPO consultant from Mexico City to Ciudad del Este, Paraguay a few days before the Eger meeting. He apologised for having requested that the WIPO consultant travel from Sao Paulo to Paris, and from Paris to Budapest, to take the train that should be arriving at Eger just in time to make a presentation on the law governing geographical indications in international instruments in Latin America, the topic of an article Bogsch had received from the author weeks before, when the draft programme was in process. This was not as impromptu as it appears: Bogsch should have been aware that the academic programme drafted by Prof. André Françon, then ATRIP President, for the ATRIP Annual Meeting that had recently taken place in the Champagne area in Épernay, included the same topic and speaker.

We both knew that would be the last time we would meet, and we drank our glass of Eger wine speculating on the reason for Franz Liszt being buried in Bayreuth, perhaps because of the admiration of the Hungarian composer for the work of Richard Wagner, buried in Bayreuth, in whose funerals he had

performed a requiem years before. I am glad he heard from me what I thought of him as an international man.

Final remarks

The academic world and the world of practice—whether private, judicial or administrative; domestic or international—are often perceived as two separate worlds. They are. From this should not follow that no communication and interaction should exist between these two domains of the IP world. The work of scholars makes sense when the proposals, corrections and observations contained in publications and live presentations are known by others outside the academy, and more specifically when they are taken into consideration—and sometimes, actually implemented—in decision-making proceedings. When the second decade of the 21st century is in progress, it is motivating to see how the example of Bogsch and Ledakis is being followed by other leaders of private international organisations who have followed the steps of these two personalities of international IP, and who have taken steps in the right direction towards making interaction between academy and practice a reality.

From Exhaustion to Enhancement: Recounting Four Decades of Research and Teaching in Intellectual Property

François Dessemontet

President, Association for the Advancement of Teaching and Research in Intellectual Property (1999–2001)

☞ Educational institutions; Intellectual property; Legal history; Research institutions

Introduction

The International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP) was founded in 1981 in the main Meeting Room of the World Intellectual Property Organization (WIPO) Building in Geneva by some 20 professors and researchers in intellectual property (IP). The present contribution wishes to honour the memory of the colleagues who are no longer with us, such as Friedrich-Karl Beier (ATRIP's first President), by showing the impact of our Association on the evolution of academic research in the IP field. This evolution will be better understood when recalling first the general atmosphere of exhaustion surrounding IP four decades ago and comparing it to the present day where the enhancement of IP rights is dominant. Secondly, I will evoke the evolution of teaching and research facilitated by the Annual Meetings of ATRIP and the publication of its Reports, and the resulting emancipation from industry ties.

One caveat is proper here: no general statement on the recent history of IP may fully reflect the diverse stages of the advancement of IP in every country and every continent. Sweeping observations purporting to be true across all borders are likely to be easily refuted by some who know the exact situation in their own legal order since the 1970s. The same could be said about the academic traditions in universities and law schools and faculties that were and are so diverse. Yet, "*tout ce qui est simple est faux, tout ce qui ne l'est pas est inutile*" ("everything that is simple is incorrect, everything that is not is useless"), as generations of professors have told their students in patent law, copyright law, trademark law and other nice and complicated areas of IP law (and in the law generally). So the reader will kindly pardon the abridged summary which is given hereafter on both the state of IP rights in the 1970s and now, and the state of academia in the 1970s and now.

The exhaustion of intellectual property in the 1970s

In the 1970s, IP was in a state of crisis. Its main engine of advancement, the revision of international conventions, had stalled. Important endeavours to revise the Berne and Paris Conventions abruptly ended without any success in Nairobi in 1981, the year ATRIP was founded. These conventions have not been revised in the 40 years since the revisions of Stockholm in 1967 and, to a lesser extent, Paris in 1971. In the following decade, the signature of some stillborn treaties such as the WIPO Treaty on the International Registration of Audiovisual Works did not alter the desolate landscape of IP on the international level. Only in 1994, the year when the TRIPs Agreement was made part of the WTO Agreement, and in 1996,

when the WIPO treaties on copyright and neighbouring rights in a digital environment were signed, did the system radically change.

In most countries, the traditional engine of new legislative developments in IP has been the progress of international law and pressures from large nations trading with smaller ones. The demise of the diplomatic conferences in 1981, which adopted only one mini-treaty on the protection of the Olympic Emblem, reflected the opposition between the Western powers, the Socialist States and developing nations. The emerging world and countries under Russian and Chinese influence were still submerged in an anti-capitalist rhetoric that made the appropriation of creative assets by private right holders unpalatable to most governments outside the Western sphere of influence. These countries harboured little concern about the necessity to enable private entities to market intangible assets by protecting these assets, and at the same time to reward investments in Research and Development, in the Arts and in the New Technologies. African countries were still struggling to protect their traditional coloured textiles and inventions such as lyophilised manioc or a modified iron barrel to spare wood when cooking. Asian nations, led by Japan, had based much of their industry on copycat designs. India held drug patenting in poor esteem, while Italy allowed the counterfeiting of drugs on a large scale until the 1970s.

Not only did the governments disagree on the evolution of the system, but some national authorities of Western countries took a very decided stance against IP and licensing agreements. Suffice it to recall here the *Lear v Adkins* decision of the US Supreme Court in 1969, where one opinion intimated that a licence for know-how might not be valid where the purported transfer of technology encompasses unpatented subject matter, because the public domain must remain free from any contractual encumbrances. Perish the respect of contracts, much less contractual freedom! Since late 1962, the European Commission introduced a very restrictive practice concerning the permissible arrangements for licensing agreements, a practice that was so illiberal that it had to be corrected almost every decade by enacting ever more nuanced restrictions. Of course, the first sale doctrine familiar to the Anglo-American world was converted to the *exhaustion doctrine* in Western Europe, signalling very graphically the thinning out of traditional IP rights such as patents, trademarks and copyrights.

As for the professors, they were divided. On one side, many of them did not foresee in the 1970s the rejuvenation of IP legislation and practice that would happen two decades later. Usual titles for the lectures of the era's distinguished professors were "The Decline and Fall of Intellectual Property" or "The Eradication of Monopolies and the Defense of the Public Domain". In the United States, then-Professor and now-Justice Stephen Breyer deeply questioned the basis of copyright in the *Harvard Law Review*. All in all, there was little enthusiasm for the future of robust IP protection in academic circles, and no consensus on the opportunity to give stronger and longer protection to IP rights. The true spirit of the time was adroitly summarised in the numerous quotations of Fritz Machlup and Edith Penrose's economic analysis of IP. These references suggested that no decisive argument could be invoked in favour of IP, and that IP-based monopolies, if they did not already exist, should not be introduced by law, their main justification being that they had already been introduced a century and a half earlier in industrialised countries. Generations of teachers adopted similar conclusions without always submitting them to the debate they deserved.

On the other side, many professors regretted what they saw as the decline of IP. In Europe as in the United States, there were few professors who focused on IP in those times, and even fewer who would ever discuss the *bien fondé* of existing legislation. No one complained about the lobbying of the patent attorneys grouped in the International Association for the Protection of Industrial Property (AIPPI) and that of the collecting right societies in l'Association Littéraire et Artistique Internationale (ALAI). This writer vividly recalls how a Swiss AIPPI Annual meeting was the scene of a vigorous attempt by the owner of the largest firm of patent attorneys in Zurich to impede the passing of the Munich Convention on European Patents in Switzerland because he feared losing the business of translating foreign applications.

In the end, the Swiss Parliament disregarded that objection, but the academics were curiously quiet during the 1970s. Much later, a powerful French collecting right society was still keeping a close look at the materials published in the most prestigious French review on copyright, and vetoed the publication of contributions that were not along the lines of its policies.

The sociological constraints placed on professors working for the industry and commerce, as well as engineers and chemists associations, were evident in many of the legislative enactments. For example, art.5(c) of the Swiss Unfair Competition Act of 1986 protects against the piracy of “products ready to be put on the market”, notwithstanding that no patent or design protection is available. That concept of the protection of the technical “sweat of the brow” (*Leistungsschutz*) is intriguing in many respects. It obviously does not respect the usual definition of the public domain, and the notion that industry must be able to copy everything that is not patented or otherwise protected by specific IP legislation. Only the influence of the manufacturing tool industry wishing to protect engineering designs against misappropriation by competitors explains that surprising piece of legislation in Switzerland. In the same manner, the United States passed an Act to protect the hulls of vessels, which obviously was inspired by the national shipbuilding industry. No academics appear to have objected. Perhaps too few were interested in boating or obtaining cheap Asiatic counterfeits of well-known US, Australian and European boat designs.

In smaller countries, there were few professors who had experience with IP cases. As a result, outside the United States there were few highly specialised litigators coming always on the same side of the debate. One day they defended a patent or a trademark, and the next day they attacked a different patent or trademark. In copyright they were regularly giving legal opinions at the request of very diverse groups of people with varying interests. A full work week for a copyright professor was one day at the university and then offering opinions for the clients about copyrights: one day a museum rejecting the request to pay royalties for the reproduction of the works exhibited in its galleries, next day a publisher commissioning a collective work, the third day an architect upset about the possible defacing of his building, and the fourth day a collecting right society unhappy with the process of tariff approval. Per force, in their academic capacity they had to play an intuitive balancing act between the interests of many parties, public interests and private claims. In the end, however, they often came out on the side of more protection for a pragmatic reason: the industry and publishing companies were regular clients, while the occasional individual opposing a cease and desist action or a royalties payment was more often a one-time client. It was always possible to distinguish their case from the published views, or to say before the court, as I was told was said by a very learned commentator before the Swiss Federal Tribunal in an exhaustion case: “[t]his case has caused me to rethink, and I would no longer write what I had written some years ago”—which in its openness was the best model to follow for sincere professors who did not want to indulge in more circumvolutions in the next edition of their handbook.

Finally, it should be noted that the 1970s were the time of the giants, those scholars able to embrace the whole of IP, the whole of industrial property and copyright as did Aloïs Troller and William Cornish, or at least the whole of industrial property as the doyen Roubier and the whole of copyright as Eugen Ulmer. The universality of their thinking allowed for a variety of perspectives and cross-fertilisation of ideas. What a difference with the fragmented academic world of today, where one scholar specialises in the librarians’ rights, the other one in software protection by copyright, the third one in patent claims in the pharmaceutical industry, the next one in three-dimensional trademarks etc. The progress of legal knowledge is based on their detailed analyses, yet the whole picture is often lost in the confrontation of ideas between specialists.

All this was before ATRIP. What did the opening of that worldwide forum change in the teaching of law and the writing of scholars? The question of course cannot be answered without first mentioning the present state of the IP landscape.

The contemporary enhancement of intellectual property

One year after the foundation of ATRIP, the United States disappointed the world by rejecting the Caracas Convention of 1982 on the Law of the Sea. It was the beginning of the diplomacy of unilateral pressure and bilateral commercial treaties. As deplorable as that evolution might have appeared to European internationalists at the time, it held in germ the rejuvenation of IP. Through pressure under s.301 of the US Trade Act and through the collaboration of the closest US allies such as Australia, which was first to introduce software protection as the United States had requested in 1985, information technology (IT) finally found its entry into the legislation of many developed countries. Then the protection of integrated circuit topographies (chips) was enacted in many more developed countries on a bilateral basis with the United States. Although such protection was envisioned in an international Washington Agreement, it was deemed not protective enough. The bilateral effort created a united front of powerful Western nations that could then, against concessions in other areas, negotiate with almost every country the draft TRIPs Agreement and force through the assimilation of IP to the important areas of the GATT that were subject to a review by an independent Dispute Settlement Body within the WTO. The creation of that institution and the mechanism allowing for the real enforcement of international obligations of States in the realm of IP rights deserves to be hailed as the most important achievement on the international level in 100 years of international IP conventions.

Having proven its power with the TRIPs Agreement, the United States, which had just ratified the Berne Convention on Copyright in 1988, proceeded to teach the world about copyright and related matters, at least to the extent their movie studios and other content providers found an interest in IP Rights, but not concerning for example *droit moral*.

The internet and other IT issues were the occasion to establish the primacy of IP over the freedom of the Web. The debates around 1995 centred on the total freedom that should be guaranteed (or not) to the public and to access providers, exonerated from all liability the contents of any website. The debates almost 20 years later focus on the adoption or rejection of the Anti-Counterfeiting Trade Agreement (rejected on July 4, 2012 by the European Parliament—the first time that Parliament exercised its Lisbon Treaty power to reject an international trade agreement), the restrictions to be enforced against piracy, the fate of firms like Megaupload that are allegedly aiding and abetting piracy, the Pirate Parties in Europe—in short everything that is a reaction against HADOPI¹ and similar statutes or conventions purporting to enforce IP in the new context of this century.

These epiphenomenal reactions are the proof that IP is much stronger now than 20 years ago. And of course the extension of the duration of copyrights, the provision of additional protection for drugs, the general trend to widen protectable trademarks, the ratification of TRIPs by more than 150 countries including China and Russia, the weakening of antitrust constraints on licensing agreements, even the awakening of the Sleeping Beauty community patent system, not to mention the aforementioned WIPO treaties of 1996 on copyright and neighbouring rights in a digital environment, the WIPO Trademark and Patent Treaties and the immensely increased use of the Patent Cooperation Treaty of 1970, all point to more respect for IP.

In the emerging markets too, the mood has changed, and with it governmental policies. The preparatory work towards the international protection of traditional knowledge and folklore shows a willingness to extend the IP system to new areas, even at the cost of changing some traditional paradigms, such as the individual and private property of intellectual assets. Even though there had been a decided fight against too much IP in medicines under art.27 of TRIPs, the arrangements reached at Doha and subsequent negotiations harmonised the policies of important emerging giants, such as India, with the very IP system.

¹ HADOPI stands for *Haute Autorité pour la diffusion des œuvres et la protection des droits sur internet* (High Authority for the dissemination of works and protection of rights on the internet).

In short, today's landscape is one of many fortresses of IP rights standing aloft and taxing the consumers, with raging wars between the barons of IT such as Apple, Google, Facebook, Amazon and Samsung, and a few sad plains still devoid of legal protection, where advancement should be possible: in Switzerland for example the missing public lending right, the *droit de suite*; in other countries the *droit moral*, the abolition of any reciprocity requirement in the areas in which the Berne Convention allows for it, the strengthening of unfair competition legislation etc.

The co-ordination of domestic legal orders that include increasing intellectual activity and internet transaction is regulated less by international conventions and more by the blossoming of principles on private international law. Conflicts of laws, conflicts of jurisdiction and recognition of foreign judgments are at the core of a handful of projects, the first one having been the American Law Institute's Intellectual Property Principles Governing Jurisdiction, Choice of Law, and Judgments in Transnational Disputes of 2008, followed by the Max Planck Principles on Conflict of Laws in Intellectual Property (CLIP) of 2012, some Japanese and Korean sets of principles, and the International Law Association's formation in 2012 of a Committee to intensify the establishment of generally accepted principles in the area of conflicting laws and jurisdiction. These laudable academic works indicate that nowadays, IP is alive and strong in 200 jurisdictions and that no further breakthrough should be expected in the near future for the harmonisation of international law. The lack of breakthrough also suggests that numerous conflicts remain to be solved.

How does the academic world evolve in this new landscape? Although ATRIP is not the only fertile ground for evolution in this arena, our Association does provide a privileged observatory for IP academics throughout the world.

The first observation is that from 20 colleagues in the beginning, ATRIP has in its first 20 years gained the membership of more than 400 scholars. The vast expansion of new names, new faces and new smiles will not have escaped any of the founding members. That is one of the powerful charms of our annual meetings. Together with that enlargement of the members, a rejuvenation of the membership—culminating in the 2011–2013 period with one of the youngest scholars of the English world as president of ATRIP—has prevented any sclerosis of our Association.

Finally, the geographical diversification of ATRIP is obvious. This is no longer a European-centred reunion of scholars sharing all the same old opinions and taking side in the same old controversies. Rather, the Western Hemisphere, Asia, Australia and Africa are well represented, by reason of the widespread support afforded by WIPO whenever possible. The diversification of academics active in IP and their sheer multiplication in the last decade or two has contributed to the emancipation of most IP scholars from the influence of particular interest groups. Other lawyers present in other associations do speak in favour of their constituency. I am happy to note that, as far as I know, that never happened in ATRIP.

Further, the more routine contacts with American colleagues did bring some fresh air and new methods in the discussion of our cherished topics. Law and economics, of course, but also that peculiar American idea that the public domain is defined by the enactment of IP rights—that contracts might not contravene the definition of the public domain, which is seen as of a higher order, instead of the parity between the law of contracts and the law of IP current in other systems of law. The US system, under which Federal IP law pre-empts the State law of contracts may explain those views, and therefore gives an opportunity to delve into the public policies that recognise and limit both the public domain and the party's autonomy. Yet those US conceptions and debates tend to be imported from very different frameworks, with the highly specialised IP scholars giving perhaps too little attention to the source of the pre-emption doctrine, which is a municipal curiosity rather than a universal concept. All things considered, the US approach does lead to a debate on the principles presiding over the development of IP. It does help scholars to take sides and enlivens the teaching of our cherished discipline.

In sum, ATRIP has been at the centre of the rejuvenation of comparative studies in IP, and its members have been tilling the field with energy and gusto. ATRIP also played an important part in opening the international field to academics of emerging countries, and that will remain one of its merits over the next decades. Far from being exhausted, the present academics are enhancing the true values of a society: art, techniques, publishing, media creation, teaching respect for freedom of speech and information, yet fighting also for noble non-economic values such as *droit moral*. The new types of rights for traditional knowledge and folklore reward the important heritage of the civilisation overseas. The softening of the antitrust laws and respect for licensing agreements and trade secrets further the mutual trust and confidence between partners to a transfer of know-how. IP being enhanced all over the world, the intercontinental dialogue will allow new arguments to be put forward for the populations that are everywhere affected by new rights, as is shown by, for example, the genetically modified agricultural products or copyright on music for the loudly ringing cellphones. An expanded IP requires new academic debates, and ATRIP will remain the perfect forum for those.

ATRIP: A Sweet Remembrance

S.K. Verma

President, Association for the Advancement of Teaching and Research in Intellectual Property (2001–2003)

☞ Educational institutions; Intellectual property; Research institutions

1981 is an important year in the direction of dissemination of intellectual property (IP) knowledge worldwide. It is a year when renowned scholars from different parts of the globe joined together under the umbrella of the World Intellectual Property Organization (WIPO) and created the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP). ATRIP is a milestone in the direction of increasing and disseminating knowledge about IP throughout the world, particularly in developing countries.

“Intellectual property” was a strange term for developing countries at that time. These countries had not reached a level where they could understand the importance of IP in the growth and development of their economies. The Uruguay Round of Trade Negotiations were still far away. ATRIP was primarily the result of the efforts made by the then Director General of WIPO, Dr Árpád Bogsch (1973–1997), whose foresight not only helped in the growth of WIPO in its initial years, but also aimed to bolster WIPO’s work in providing technical assistance to developing countries and in increasing their knowledge about IP rights (IPRs). He played a pivotal role in the creation of the modern IP system and influenced the international IP landscape in an unprecedented way. He also was instrumental in the creation of ATRIP.

With a view to increasing and disseminating IP knowledge worldwide and bringing about some commonality in the teaching of IP laws, the role of academicians was seen as important. In this regard, a meeting of some leading academicians in IP, including Professor Friedrich-Karl Beier, Professor William Cornish, Professor Ernesto Aracama Zorraquín, was convened at Geneva in late 1970s, to which some academicians from developing countries, like India, were also invited. The then Dean of the Faculty of Law at the University of Delhi, Professor Upendra Baxi, participated in the deliberations around the formation of the Association, which was agreed and officially launched in 1981 with the participation of 70 IP teachers and researchers from 30 countries.

In more than three decades of its existence, ATRIP’s growth has been exponential, with more than 300 members from all parts of the world. The best intellects in IP and renowned professors have been associated with ATRIP in one way or another. Reach and scope of its activities has similarly increased through its website, keeping pace with modern technology.

Professor Beier, former director of the Max-Planck-Institut in Munich, was the first president of ATRIP. Afterwards, the office of the President was held by some of the renowned names in the IP field, viz. William Cornish, Glen Weston, Josef Straus, André Françon, Francois Dessmontet, to name just a few. Through their able leadership, ATRIP has now become a premier non-governmental forum of teachers and researchers in the cause of promotion of IP by engaging in academic discussion on important issues emerging therefrom in the greater cause of humanity.

ATRIP is a private international organisation, and its general objectives are to contribute to the advancement of teaching and research in the field of IP law. The Association pursues only educational and scientific objectives without any lucrative aspirations.

My association with ATRIP

My initiation into ATRIP has been quite interesting and accidental. On his return from Geneva in 1981, Professor Baxi, one of the founding members of ATRIP, called me and handed over the ATRIP membership form (electronic access to membership form was not being in vogue then). He suggested that I apply for membership. Professor Baxi was himself not an IP expert—for that matter, at that time there was no expert in the field in India, and less than a handful of teachers in this discipline in the whole country. My interest was in international trade law, and I had not studied or taught IP law until then. I was at a loss, and I told him so. However, he suggested that I take a book on IP from the library and read it. Thus, I ended up becoming a member of ATRIP in 1981 with the payment of the requisite fee, which was also a Herculean job. Repatriation of the membership fee in a foreign currency from India at that time was not an easy task. Subsequently, I came to know that ATRIP granted exemption from fees to members from developing countries. But besides reading a book on patent law by Stephen Ladas, I did not venture into this area any further and completely forgot about ATRIP. I also did not receive any correspondence, not even the notices about the annual meetings, from ATRIP until 1990, when Professor Alberto Bercovitz organised the Annual Congress of ATRIP as its President, at Salamanca, Spain in October 1991.

I attended the ATRIP meeting for the first time in 1993 in Stockholm, when Professor Gunnar Karnell was the President, with financial assistance from WIPO. The next meeting I attended was in 1998 after I had been nominated as a member of the Executive Committee of ATRIP in 1997. But my participation in the Stockholm Congress was instrumental in creating an interest in me about learning the subject in more detail. Because of this interest, I subsequently started teaching IP courses, and IP laws became my prime area of research.

ATRIP's annual conferences

The specific objectives of the Association are to encourage and organise contacts among professors and researchers by correspondence, visits, seminars, symposia and other meetings. Such interactions are useful for structuring new curricula and pedagogy of teaching in IP and understanding comparative and international as well as social and economic aspects of IP laws, all of which are required to teach an IP course. For this purpose, the Assembly of ATRIP meets once a year in an ordinary session, with the aim of debating the ever-new dimensions of this very interesting and important branch of law. The specific objectives of these debates are that more time and attention be devoted by universities and similar institutions to the teaching of IP law; improved teaching materials and methods be used in the field of IP law; and researchers aspiring for teaching positions be encouraged and assisted to attain the knowledge needed to teach in the field of IP law.

The recurring objective of these meetings of ATRIP is to promote the exchange of ideas among IP professors and researchers. As technology blurs borders and makes communication more accessible than ever, it is important that researchers in a field as specialised as this one, which is also enjoying unparalleled expansion and becoming increasingly relevant, be exposed to an extensive variety of viewpoints. It is an endeavour on the part of the Association to see that professors and researchers are assisted in their efforts to realise these objectives.

It is the responsibility of the President of ATRIP to arrange these meetings and set the agenda for the scientific sessions. Generally, the meetings are held in the universities or research centres with which the President has some connection. Sometimes, these meetings, like the one held in Santorini, Greece in 2000, are held at very pristine locations, which add some extra fervour to these meetings. The scientific discussions and debates on the topics under discussion are always a treat to listen to, where all the speakers, experts in their chosen field, present the new dimensions of the topic concerned.

New technologies are posing new challenges to traditional IPRs. Dispassionate and neutral discussions within a scientific community such as ATRIP help in identifying the issues clearly and devising responses to meet new challenges. Its high level discussions help in appreciating the policy positions of different countries and furthering the cause of IP. Generally, at the ATRIP Congress, scientific sessions are held around current topics and focus on the very contemporary elements in IP law, keeping in mind the interest of users and the society at large. These are topics that professors and researchers deal with in their teaching and research. They are good reflections of the views of the scientific community. For example, when TRIPS/WTO was under negotiation, the topics of these sessions reflected the controversial aspects of that time. After TRIPS was concluded and came into force, one session was always devoted to the country reports on TRIPS compliance. Similarly, one session, usually the last session, was devoted to teaching and research in IPRs in the country of the concerned speaker with the aim of knowing about the new thrust of the curricula and also how far it had been enriched by international developments.

The topics are chosen with the avowed goal of having in-depth discussion with a focus on those aspects that have not received much attention in other meetings or gatherings on IP, particularly on issues of technology. The discussions often revolved around “property rights” and the “access dimension”, both intra-country and inter-country—that is, how IP law works differently in the relationship between developed and developing countries.

ATRIP’s first ever Annual Congress in Asia was held in New Delhi, India on October 6–8, 2002. Generally, the Congress is self-financed, and members bear their own expense to attend and participate in these annual meetings. Since it was the first in India, the Government of India was very supportive, and I was able to persuade the Ministry of Human Resource Development and the Ministry of Communication and Information Technology (DIT) to extend a liberal grant to organise the Congress. Approximately 120 scholars from 40 countries participated in this meeting. The meeting was organised by the Indian Law Institute, which I was heading at that time as its director. The next meeting was held in Tokyo on August 4–6, 2003, with the kind help of Professor Katsuya Tamai, who acted as Secretary to the ATRIP Congress 2003. Topics for these two congresses were as varied as biotechnology, plant breeder’s rights, bioethics and IPRs in genetics; traditional knowledge and benefit sharing; compulsory licensing in the TRIPS context; computer software protection; copyright and entertainment media; industrial designs; trademarks, brand names and geographical indications; and small and medium enterprises and IPRs.

In the first two decades of ATRIP’s existence, the topics for scientific discussion were chosen randomly, with an emphasis on very contemporary areas. There was no thematic push, but gradually a theme was identified for each congress depending on the vision of the President of ATRIP at a given point in time. So we came across themes such as “Bridging Aesthetics and Economics” (2005), “Intellectual Property and Market Power” (2006–2007), “Individualism and Collectiveness in Intellectual Property Law” (2010), “Intellectual Property: Methods and Perspectives” (2012) and “Is Intellectual Property a *Lex Specialis*?” (2013).

In the 1980s and 1990s, in the absence of ATRIP’s own website, all correspondence was sent through mail, which was often time-consuming and expensive. Similarly, until 2000, all the scientific papers were put in the Congress folders and handed over to the participants at the start of the Congress, and the papers were not published in book form. Professor Horacio Rangel-Ortiz (1997–1999) brought out the ATRIP Congress papers, presented in Mexico City, in book form for the first time: *Ars Juris* under the auspices of the Universidad Panamericana. This was followed by Professor Francois Dessemontet’s *Creative Ideas for Intellectual Property: The ATRIP Papers 2000–2001*. The Delhi and Tokyo papers were published under the title, *Intellectual Property Rights: A Global Vision*, by the Indian Law Institute in New Delhi.

To bring out the papers in book form was a laudable decision and was the result of the foresight of some of the dynamic members of ATRIP. To set up its own website was also a move to keep ATRIP

reachable in the fast changing technological scene. The obsolete rules for membership also got changed by doing away with the requirement of sponsorship for membership by an existing ATRIP member. Also to spread its wings further, ATRIP introduced the yearly essay competition for young researchers in the area of IP on pertinent IP issues since 2007. These steps have broadened its reach and also made it a much sought after non-governmental organisation for association. Despite its formidable record of activities and incomparable academic minds in the IP field, it has not got its due from the international bodies, apart from observer status at WIPO and the International Association for the Protection of Intellectual Property (AIPPI).

ATRIP—A WIPO baby

ATRIP was conceived and created with the help of WIPO, with the active involvement and support of the then stalwarts in the area of IP law. There was liberal financial assistance extended to ATRIP for many years at the beginning. In the first few years, the congress was held in Geneva every alternate year with the full secretariat support from WIPO, including its simultaneous translation facility. WIPO was also extending financial assistance to participants coming from developing countries, which was very encouraging. This went on until 1998. Thereafter, this support was gradually confined only to the sponsorship of the visits of some participants from developing countries. Although this move reflected the confidence of WIPO in the self-sustainability of ATRIP, it gradually lessened the participation of developing countries, some of which are still far from having real knowledge of IPRs. ATRIP meetings tend to inculcate an interest and desire to learn more about this branch of law among these participants and to implement IPRs teaching in their respective countries. This has gone against the very aim of ATRIP and in the process, ATRIP's membership and debates/discussions have now become more confined to certain Western or Western-oriented countries. This needs some reflection and re-thinking on the part of WIPO and the leadership of ATRIP. The WIPO Academy should associate ATRIP in a constructive manner in its activities.

ATRIP has offered a distinguished contribution, a contribution made possible by the intense engagement and enthusiasm of its members, which must be sustained and strengthened in the interest of humanity at large, with a particular focus on developing countries.

Musing over ATRIP

Ysolde Gendreau

President, Université de Montréal, Montréal; Association for the Advancement of Teaching and Research in Intellectual Property (2003–2005)

☞ Canada; Educational institutions; Intellectual property

The first time the word ATRIP was mentioned to me was in a letter from the one who was to become my doctoral thesis supervisor, Professor André Françon, another former president of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP) (1995–1997). At the time, I was planning my doctoral studies, and several administrative issues had to be settled before I started. After some initial correspondence, it was decided that I would fly to Paris to meet him on the occasion of an international conference he would be attending and which I would also be able to attend. Before the appointed time, however, he informed me that I could also see him at an ATRIP Congress, should the need have arisen. Since there was no need for it, I did not go there before our Paris meeting. Nevertheless, the acronym had struck me, and I made a mental note to enquire about its meaning. To francophone ears, ATRIP immediately conjures up a dish, *tripes*, which is certainly not appreciated by one and all. To anglophone ears, the trips that were evoked by the name certainly sound more appealing.

The amusing reference to travelling was probably not lost on the mind of those who coined the official name of the Association. Indeed, since the goal of ATRIP is to promote research in intellectual property all over the world, travels would necessarily be part of its characteristics. But what is really important is the reason for these trips: the opportunity to discuss among intellectual property scholars the issues that pertain to our professional vocation as scholars and teachers. Throughout the years, even if changes have inevitably taken place, the spirit of ATRIP has been unflinching in this regard. Whether it be with the same means as those that existed at the beginnings of the Association, yearly conferences and the publication of their proceedings, or with new ones that increase its appeal, like its website or its essay competition for junior scholars, the wish of ATRIP to remain relevant in today's academic landscape has been a constant preoccupation.

It would take several years before I could attend my first ATRIP Congress. In order to take part in a meeting, it was considered preferable to be a member of the Association, and this membership could only be conferred sometime after having obtained the doctoral degree. In the meantime, I would hear occasional mentions of these opportunities that were given to scholars from all fields of intellectual property to meet and discuss their work. Apart from the varied geographical provenance of the participants, I became increasingly aware of the advantages that these occasions provided to hear about intellectual property issues that did not immediately bear on one's own area of specialisation within that field. The commitment of ATRIP to the entire breadth of intellectual property law is certainly one of its most positive hallmarks in a world where issues have become so multifaceted, multidisciplinary and integrated.

The other major hallmark of ATRIP, of course, is its scholarly nature. It is the membership of ATRIP, the fact that its members must be academics, that confers it its special ethos. The independence that is associated with academic activities necessarily taints the identity of the institution. The activities that it runs reflect this character. The annual meetings that ATRIP organises are certainly the most traditional kind of activity that scholarly associations put together. If the principle of holding such meetings has not changed over the years, the way they have been orchestrated may have somewhat evolved. From that

point of view, I believe it can be said that the meeting that I put together in Montreal in 2005 marked the beginning of the thematic approach. Before then, it was not really possible to find an overarching theme that would unify the various sessions of a Congress. The thematic approach has some advantages, since it helps both the organiser and the participants to focus on some particular issue. Being bound to a specific topic may help to uncover aspects that may not have been so obvious initially. The obligation to stick to an agenda, however, may mean that important emerging issues are not always dealt with in their infancy. The opportunity to be considered as a precursor of new trends may therefore be slightly less associated with ATRIP as a discussion forum than before. This is not to say that Congress topics as such cannot be at the forefront of intellectual property developments, but the right balance between stimulating thoughts and intellectual prospection is something that should continue to be relentlessly pursued.

Here is an appropriate moment to express my gratitude again to Professor Willem Grosheide, of Utrecht University, for his handling of the second ATRIP Congress that came under my responsibility. Since the mandates of ATRIP presidents are for two years, and it is assumed that one of the meetings will be in their home country, it is necessary to find someone who would be willing and able to supervise more closely the organisation of the second meeting of the presidency in another country. Professor Grosheide demonstrated energetic and efficient enthusiasm in taking charge of the 2004 ATRIP meeting, both for the live event and for the ensuing publication. I wish to every ATRIP president the same easy cooperation with a foreign colleague as I had with him.

Meeting face to face is a communication mode whose value should never be underestimated. Thanks to the support of the World Intellectual Property Organization (WIPO), academics from developing countries have always been able to take part in ATRIP meetings. Their presence is yet another characteristic of the openness of ATRIP. The importance of perspectives from developing countries has risen at an amazing pace since the creation of our Association 30 years ago, to the point where today they are indispensable. The emergence of an intellectual property scholarly community in this world is unmistakable, and no effort should be spared to integrate it in the ATRIP society. To that end, the “trip” part of the name is much more than a wry reference to a certain academic life. If initially the meetings were held so often in Geneva and then, slowly but surely, extended beyond it to other parts of Europe, the increasing willingness to run Congresses in far-flung locations (from a European perspective) underlies the commitment to reach out to the intellectual property communities all over the world. Since it is not always possible to attend every meeting, these occasions to congregate in different places provide rallying points for local intellectual property communities to engage with fellow scholars from outside their areas. Even though Montreal may not be as exotic to some as Singapore or Buenos Aires, it was a privilege for me to coordinate a Congress that provided an opportunity to Canadian intellectual property scholars to meet their international colleagues, and vice versa.

Communication, which is the basis of the sharing of knowledge, requires language, both oral and written. Here is another aspect of ATRIP that has changed over the years. The Montreal meeting in 2005 was the last one where English and French were official languages. As a francophone Canadian president who is based in a francophone university, the decision to hold a bilingual event was a forgone conclusion. For the moment, English is the *de facto* language of the Association. Who knows, however, what the demographics of membership will do in the future? One thing is sure, though: scientific activities that are held in only one language make their publication much easier. On this point too, ATRIP has changed much over the years. For quite some time, the proceedings of the meetings were in-house publications that were not commercially available. While this certainly gave an aura of mystery and exclusivity to the Association, this state of affairs was in contradiction with the mission of openness that is at the core of the ATRIP philosophy. Slowly, commercial publications started to become the norm, but the fact that each depended on the organiser’s own initiatives has meant that there was no standard presentation or marketing strategies. This disorderly situation did little to promote ATRIP as a reference point for scholarly

investigation. It created quite a paradoxical phenomenon, since each organiser who went through the pains of getting the proceedings published naturally acted out of the willingness to disseminate what is the essence of ATRIP activities. The recent agreement with Edward Elgar Publishing as the official publisher of the proceedings of the ATRIP Congresses should therefore be held as an important step in the evolution of the Association.

To the young copyright student on the cusp of the international intellectual property academic world, the promises that ATRIP held at the time I started my doctoral studies continue to define the Association. These promises appeared all the more exciting since nothing of the kind existed in Canada at the time. In those days, if I am not mistaken, at most five law faculty professors could be branded as intellectual property specialists across Canada. There was, of course, no academic association to speak of. Specialised journals, in either English or French, were in their infancy. The few books that were published were written by practitioners. To my eyes, a structure like that of ATRIP bore the hallmark of a mature community that had faith in nurturing scholarly exchanges for the benefit of the professional development of its members and thus of intellectual property law as such.

Drawing parallels between the developments of ATRIP and that of the Canadian intellectual property community is not without irony. There are now about 50 full-time professors in Canada who consider intellectual property as an important part of their activities. This ten-fold increase in number certainly surpasses that of ATRIP membership! The specialised journals are now well-established publications. Books of all kinds—treatises, casebooks, collections of essays, conference proceedings, loose-leaf services and monographs—are no longer exceptional events. Intellectual property law has become mainstream. What is missing is a discussion forum that intellectual property professors could really claim their own. This is not to say that Canadian intellectual property academics have never been able to get together over the years. For some time, the Canadian Association of Law Teachers provided such a forum through its section on intellectual property law. With a change in orientation, the section structure disappeared and, together with other academic areas of specialisation, intellectual property professors lost an annual opportunity to come together. Thanks to some funding possibilities, the colleagues at the University of Western Ontario were able to sponsor four meetings between 2003 and 2009. Changes in the funding structure brought these to a halt, although a 2012 workshop at the University of Ottawa was an attempt to revive the idea.

The challenges are pretty much the same as anywhere else. The poor level of university funding is compounded by the very broad geography of the country. It is somewhat paradoxical that ATRIP, which is an *international* association, should have been able to meet once a year for 30 years now while the Canadian intellectual property community is unable to do so on its own national territory. Is there a Canadian institution which, like WIPO at the international level, believes in the long-term merits of scholarly exchanges and would be willing to support a similar national project? Academic conferences do a lot more for the advancement of their subject matter than provide an opportunity for mere business card exchanges. They afford an environment for stimulating emulation that leads to higher quality scholarly production. With improved research comes improved teaching, the other *raison d'être* of ATRIP. In the knowledge economy of the 21st century, the fostering of better research and teaching in intellectual property deserves to be encouraged, whether it be at the international level or on the more modest national scale.

2005–2007: Focusing on the IP-Competition Law Intersection(s)

Gustavo Ghidini

President, Association for the Advancement of Teaching and Research in Intellectual Property (2005–2007)

☞ Competition; Intellectual property

“Intellectual Property and Market Power.” This was the unitary topic (as well as the title of the ensuing book) addressed by the two Congresses organised during the years I served as the President of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP): in Parma in 2005 and in Buenos Aires in 2006 (where I enjoyed the excellent collaboration of Luis Mariano Genovesi).

The cultural ambition that drove the Executive Committee and myself was multifaceted, but I will emphasise here three main features of our project.

First, most obviously, we highlighted—with a tentatively exhaustive breadth—the systemic relevance of the relationship that so intensely conditions the positive profiles of intellectual property (IP) paradigms. We asked the contributors to examine such relationship vis-à-vis both the normative features that each major IP paradigm hosts (e.g. the regime envisaged by art.31(1) of TRIPs regarding certain derivative patents) and the “intersection” of IP with competition law—antitrust and unfair competition. Please don’t misunderstand me here: several profiles of that relationship had of course been quite well-analysed in a number of contributions presented at previous Congresses. What we aimed at in 2005–2007 was to bring about the full immersion in a topic that, in my opinion, had grown to become the main issue of IP law then and in previous years—the relationship, and *coherence*, of IP rules with constitutional principles.

In this perspective, the scope of the various contributions was all-encompassing, including licensing practices that might leverage the exclusive powers inherent in IP rights’ entitlement, analyses—differentiated paradigm by paradigm, as it must be—of IP law’s “built-in” pro-dynamic competition features; and the modes in which IP law, as regulated at the international level, works—and/or could work—vis-à-vis developing countries.

Secondly, the analytical panorama had to encompass not only the basic paradigms, but also the “hybrids”, like industrial design, as well as the irksome profile of the “overlapping” of different IP layers of protection. Thus, the two Congresses helped to highlight the impacts on dynamic competition determined by the tendencies to “cumulate” different IP instruments to enlarge and/or perpetuate exclusive powers: a specific feature of the over-protectionist approach that characterises many an interpretative *and* legislative expression of the evolution of contemporary IP law (just consider the EU InfoSoc Directive).

Finally, but not at all the least, the diverse contributions were solicited with an eye to reaching farther than the dominant “Western” perspective, where the more familiar concepts and principles of the United States and the European Union addressing dynamic competition traditionally monopolise the stage. Thus, we were able to gather significant contributions from countries and legal systems largely ignored by the then current collective studies on the IP–competition law connection: from Arabic to African to Asian legal frameworks, frameworks which were then usually considered only or mostly in the perspective of

IP related international terms of trade from developed to developing countries. This too was a cultural tenet we wanted to bring to the fore.

In closing, may I state my personal satisfaction, shared by many colleagues, that the two Congresses achieved a good scientific result, as confirmed by the ensuing book, which gathered the Parma and Buenos Aires presentations and was published by Eudeba (Buenos Aires University). My only regret is that a lack of financial resources stopped the publication of a subsequent edition, or distribution of that initial most valuable volume on a greater scale, even beyond ATRIP's constituency. However, the seed, though small, proved vital. And I take the occasion to renew my deepest *grazie* to all the dear Colleagues whose contributions helped to shape and plant it.

ATRIP and Publications

Annette Kur

President, Association for the Advancement of Teaching and Research in Intellectual Property (2007–2009)

Jan Rosén

President, Association for the Advancement of Teaching and Research in Intellectual Property (2009–2011)

☞ Educational institutions; Intellectual property; Legal publishing; Research institutions

Introduction

Publications are essential for academic work, both in the active and passive form. We all want to publish our thoughts, ideas and queries, to engage in academic discourse and also to gain a reputation for ourselves. Vice versa, we depend on others' publications, to learn from them, gather new insights and also instruct our students.

For an academic association such as ATRIP, all aspects of publication are therefore of central importance. This contribution addresses some of the key issues presenting themselves in this context. Most importantly, it concerns ATRIP's ways and means of publishing the proceeds of its own Congresses, of which an account is given below. The article then describes the manner in which ATRIP has commenced using its own website for enhancing communication with its own members and the academia at large, and for encouraging active participation of young academics through the annual essay competition. Finally, reference is made to the position ATRIP has taken in the political discussion on stricter protection versus facilitation of access to publications in the digital environment.

ATRIP's own publications

The early years: 1980–1999

From the beginning, compiling, publishing and distributing among the academic community the papers that had been presented at ATRIP Congresses figured as an important part of the Association's activities. In the early years, assistance was readily granted by the World Intellectual Property Organization (WIPO), as in so many other respects that helped ATRIP to get on its way.¹ The format of the compilations was not very elaborate, of course; the publications came in the form of "grey papers" with an index and were organised by discipline—patents, copyright, trademarks and others. In order to reduce the costs and effort of copying and distribution, the practice was established that the publications containing the papers of each year's Congress could be picked up by those who attended the Congress in the following year. While that solution had undeniable advantages in terms of efficiency, it also left those who could not travel to the Congresses without any means for accessing the presentations that were made there and the papers eventually resulting therefrom.

¹ William Cornish, Glen Weston and Alberto Bercovitz Rodriguez-Cano, "ATRIP: Its Formation and Its Lively Adolescence" (2013) 4 WIPO J. 234.

The intermediate phase: Book publications 2000–2008

Time was therefore ripe for a change, and it had to come anyhow when WIPO in the 1990s decided to reduce the support previously offered to ATRIP to a quite considerable degree. ATRIP had to learn to stand on its own feet in all respects and how to manage publications—which, as was generally agreed, should definitely be upheld. Publications became a core topic discussed in ATRIP’s Executive Committee meetings as well as in the General Assembly during the following years. Publications did come out in the aftermath of WIPO’s withdrawal, at least every second year, covering the Congresses arranged by the chain of presidents taking office during those years. As no customary way of publication without the support of WIPO had been established, the books were issued in varying forms, experimenting with different modes of editing and funding.

The first of these volumes, produced in book form, comprised the papers presented at the Congresses held in Santorini (2000)² and Lausanne (2001), both organised by François Dessemontet.³ ATRIP took full charge of the financial aspects of the publication. Members received a free copy, but the book was also sold on the market, with all revenues flowing back to the ATRIP account. Not unusual for a book of that kind, however, the income was far less than the costs—in particular considering the copies that had been provided to members. In subsequent publications, ATRIP therefore looked for external funding, renouncing any expectation of gains from commercial sales.

The following volume, prepared under the presidency of S.K. Verma after the Congresses in New Delhi (2002) and Tokyo (2003),⁴ profited from generous funding from Indian state sources and also from the surplus that had been made at the Tokyo Congress, thanks to the organisational skills of the local host, Katsuo Tamai. That volume was distributed to members for free.

A different model was then chosen for the Congress in Utrecht (2004) under the presidency of Ysolde Gendreau. The papers were published as a volume appearing in the “Molengraaff series” under the aegis of the Molengraaff Institute Center for Intellectual Property Law (CIER) chaired by Willem Grosheide, who had organised the Utrecht Congress.⁵ While this helped to achieve an attractive format and careful editing, it severely reduced the visibility of ATRIP as the organisation standing behind the event. It had the even bigger disadvantage that copies of the book were only available at market price—free access to members was therefore precluded, until the publisher finally consented to placing digital files online.

The second year of Ysolde Gendreau’s presidency, featuring the Congress in Montreal (2005), resulted in the publication of a separate book which was more clearly attributed to ATRIP as its main source.⁶ A certain amount of funding was provided this time from the ATRIP account, and, in return, members were again provided with free copies that were distributed centrally from the MPI in Munich.

Lastly, the co-operation between Luis Mariano Genovesi and Gustavo Ghidini resulted in the production of a grand volume comprising the papers presented at the two Congresses held under Gustavo’s presidency, in Parma (2006) and Buenos Aires (2007), both of which had been dedicated to the common theme of “IP and market power”.⁷

² The Santorini Congress was organised with the assistance of Irini Stamatoudi.

³ François Dessemontet and Raphaël Gani (eds), *Creative Ideas for Intellectual Property: The ATRIP Papers 2000–2001* (Lausanne: CEDIDAC, 2002).

⁴ S.K. Verma and Raman Mittal (eds), *Intellectual Property Rights—A Global Vision* (New Delhi: Indian Law Institute, 2004).

⁵ Willem Grosheide and Jan J. Brinkhof (eds), *Articles on Crossing Borders between Traditional and Actual* (Belgium: Intersentia, 2005).

⁶ Ysolde Gendreau (ed.), *Propriété Intellectuelle: Entre L’art et L’argent / Intellectual Property: Bridging Aesthetics and Economics* (Montreal: Editions Témis, 2006).

⁷ Gustavo Ghidini and Luis Mariano Genovesi (eds), *Intellectual Property and Market Power—ATRIP Papers 2006–2007* (Buenos Aires: University of Buenos Aires, 2008).

2008 and onwards

During all those years, the ways, means and costs of publishing the ATRIP papers remained on the agenda as a topic of prime concern. It was generally understood that it was crucially important to the aims and goals of the Association to give ATRIP members access, as fast and complete as possible, to the papers that were presented at the Congresses or that resulted from such presentations. Access should generally be free so as to benefit also those who cannot attend the Congresses, but who remain dedicated to their membership—they should receive a clear signal that in spite of not being physically present at the meetings, they were meant to be fully included in the discourse evolving there. On the other hand, of course, the financial burden resulting from regular publishing activities had to be taken into account, in particular if it should be avoided that the vagaries of external funding hinder the development of a homogeneous book series, clearly bearing the stamp of ATRIP.

A possible alternative to regular book publishing obviously lies in making content available *online* after or during the Congresses. That alternative was often debated—after all, it would hardly raise any costs, and it would perfectly suit the need to give members quick and unimpeded access to the Congress materials. On the other hand, for reasons that many in the academic world still consider as compelling, online publication, even when it occurs through an established and monitored portal, is not regarded as valuable as printed matter. Furthermore, display on the internet would not be able to secure a privileged position for members, unless sophisticated access controls were installed. Such controls often prove to be a nuisance rather than an efficient entry bar.

Rather than opting for free and unconditioned online access, the decision was therefore made in 2008 that a regular ATRIP book series should be set up in co-operation with Edward Elgar Publishing in the UK. Both authors of this article, president and president elect at the time, entered into a contract as series editors for an initial period of three years, with an option of further prolongation. As a crucial element of the contract, it was determined that ATRIP members receive free copies of the books, which under the contract are delivered to ATRIP for a reduced price. In addition, the books are also sold on the market, getting the benefit of Edward Elgar's widespread distribution net and advertising schemes.

The first volume coming out as the fruit of this cooperation comprised selected papers from the ATRIP Congresses in Munich (2008) and Vilnius (2009), organised under the presidency of Annette Kur. The book, under the title of "The Structure of Intellectual Property Law", was co-edited by Annette Kur and Vytautas Mizaras, the latter having been the local host of the Vilnius Congress.⁸ The following two volumes, *Individualism and Collectiveness in Intellectual Property Law* and *Intellectual Property at the Crossroads of Trade*,⁹ were related to the topics of the Congresses in Stockholm (2010) and Singapore (2011)¹⁰ and edited by Jan Rosén, who held the presidency during those years. ATRIP is now on a second three-year-term with Edward Elgar, and the volume comprising the papers of the Chicago Congress (2012), dealing with "Intellectual Property: Methods and Perspectives", will come out next. A further volume will relate to the upcoming ATRIP Congress in Oxford 2013, addressing intellectual property (IP) law as *lex specialis*. The two latest Congresses were organised under the presidency of Graeme Dinwoodie who will also serve as the editor of the books.

Making the decision to enter into a regular publishing contract did not only have financial and organisational repercussions. It also meant that the Congresses, in a more deliberate and structured manner than before, had to be organised around a *common topic* that would then become the theme of the book. Of course, previous Congresses had also sought to formulate thematic guidelines that would provide a

⁸ Annette Kur and Vytautas Mizaras (eds), *The Structure of Intellectual Property Law: Can One Size Fit All?* (Cheltenham: Edward Elgar Publishing, 2011).

⁹ Jan Rosén (ed.), *Individualism and Collectiveness in Intellectual Property Law* (Cheltenham: Edward Elgar Publishing, 2012); Jan Rosén (ed.), *Intellectual Property at the Crossroads of Trade* (Cheltenham: Edward Elgar Publishing, 2012).

¹⁰ The congress in Singapore was organised with the joint assistance of the National University of Singapore, represented by Ng-Loy Wee Loon and the IP Academy, represented by David Llewellyn.

“red thread” for all of the individual sessions. However, according to the traditional format, the sessions had been rather strictly divided according to the various disciplines—the copyright, patent, trademark sessions etc.—without an ambition to find a common formula for all IP matters dealt with during each Congress. In addition, the volumes appearing in the wake of Congresses usually took the form of simple compilations of available papers, without much editing of the contents.¹¹ For instance, the books included some “country reports”, which form a regular (and important) feature of ATRIP Congresses even though they were not dedicated to a common topic. That format was no longer apt for a regular book series, which requires a much stricter selection of contributions, accepting for the final publication only those that are substantially relevant to the overarching theme on which the scientific programme of the Congress had focused. Moreover, although it was understood that all the different IP disciplines should be addressed in the volumes, the texture was to become more integrated, switching from field-by-field analysis to a holistic approach.

Identifying common topics and structuring the Congress around them is a daunting task for the organiser, but also for the speakers, who must file their presentations into the frames of the given theme. Nevertheless, it is felt that by adopting this somewhat more ambitious setting than what was the rule in the past underpins ATRIP’s unique character as an exclusively academic organisation.

The new format was first tested in broad style in the first (2009) volume of the series with Edward Elgar, which had as its topic the structure of IP law as it emerges throughout the various disciplines. The aim was to explore the commonalities between the different branches of IP law as well as their inherent diversities, in order to sharpen the perception of common features of legal fields that have remained separate until now as well as to highlight the need for more differentiated treatment in others. In response to the underlying question of to what extent does one size does (or does not) fit all, the chapters in the book address the fundamental policies and economic foundations of IP law, the general principles governing scope, in particular concerning limitations and exceptions, as well as the basic rules of constructing ownership, transfer and other contractual matters. Furthermore, as a necessary counterpoint to the risk of overstating commonalities in the international context, the volume also addresses the quest for flexibilities under the TRIPS Agreement and post-TRIPS agreements.

The two following volumes exposed quite different and individualised approaches to IP law. The 2010 volume from the Stockholm Congress, *Individualism and Collectiveness of Intellectual Property Law*, embraced fundamental, eternal and yet very contemporary elements in IP law dealt with in all parts of the world. The point of departure was that certain classic values are embedded in the protection of human effort and the creativeness of individuals. Through the contributions of a good number of very renowned writers, the book examined the relationship of such basic values to the questions inherent both in individual creativeness in a collective setting and in the tendency to build national, regional or global monopolies based on IP rights. The respect for original ownership, the occasional need for collective management of IP rights, the idiosyncrasies of co-ownership of rights and the ever-present tension to be found in the encounters between exploitation of IP rights and competition law were all extensively explored in this book.

The 2011 book is the fruit of the ATRIP Congress held in Singapore that year under the common theme “Intellectual Property at the Crossroads of Trade”. The Singapore programme also allowed the Congress to embrace many fundamental and intrinsic elements of contemporary IP Law, with a certain reference to the region in which the Congress was held. The strain was laid on goods in transit, exhaustion of rights, bilateral and international agreements, cross-border licensing and trade in goods of cultural heritage. Again, it should be stressed that this book, just as the two preceding ones in the new series, was not merely a compilation of those per se very interesting presentations made at the Congress, but a selection of essays

¹¹ Of course, some exceptions from that rule had applied before, in particular concerning the volume edited by Grosheide and Brinkhof (eds), *Articles on Crossing Borders between Traditional and Actual* (2005), which had the disadvantage that the book was hardly recognizable as an ATRIP volume.

specifically written for this publication and under a concise structure, though naturally connecting to the authors' oral presentations at the Singapore Congress. The book is divided into two sections. Part I concerns IP licensing, exhaustion and competition law, whereas Part II offers aspects on the Anti-Counterfeiting Trade agreement.

Just as the titles of the 2011 Congress and the resulting book are closely connected with the location of Singapore at the hub of trading routes between the hemispheres, the motto selected for the Congress in Chicago (2012) took its cue from the host city's renown as the home of law and economics, a methodology that has loomed larger in IP law scholarship (and policymaking) in recent years. The Congress expanded on the theme by exploring the diversity of methods used and perspectives displayed in scholarship and their specific use and value for IP. The book, which is expected to come out in late 2013, will give an in-depth account of these efforts. Finally, the upcoming Congress in Oxford (2013) will investigate to what extent IP laws is so "special" that it displaces or conflicts with generally applicable legal rules, whether of private, public or procedural law.

ATRIP online: Website and related matters

As its foremost aim, ATRIP aspires to the creation and strengthening of a worldwide network between teachers and researchers in the IP field.¹² Apart from congregating annually at various places from around the world to share knowledge and insights, an important element is to improve the possibilities for communication and mutual information even beyond those events. In the early years, little could be done in that context but to provide a list of members that was delivered in looseleaf format with the promise of permanent update—an ambition which was, and still is, very difficult to fulfil.

With the advent of the digital age, however, new possibilities were available for improving the information of members and enhancing ATRIP's visibility vis-à-vis the outside world. An important step in this direction was taken by the establishment of the ATRIP website at www.atrip.org. The website was set up with the efforts of former ATRIP Executive Committee member William Fryer III, who secured the IP address initially, then to be handled by a webmaster in Sweden under the control of the law faculty of Stockholm University. Regarding the contents, a workable compromise had to be found between the wish to offer as full and comprehensive information as possible and the practical restrictions ensuing from the fact that operating an ambitious website implies tackling a continuous workload and numerous responsibilities—a task that ATRIP with its relatively loose structures and its lack of a permanent, full-time secretariat would hardly be able to muster. Regarding, in particular, the transformation of the membership list from a looseleaf brochure to an electronic file to be made available via the website, caution over data protection provisions warned against a full disclosure of the names and addresses of members without securing prior consent. In spite of those restrictions which have resulted in a rather modest format, the website currently offers updated information on ATRIP's organisation, its statutes, its members (where individual consent has been granted) and how to become a member. For the annual Congresses, a separate website is usually established, the link to which can be easily found on the ATRIP website.

A further achievement of ATRIP, also on view on the website, is the annual ATRIP Essay Competition, which is open for young scholars under 33 years of age. The essay competition project, initiated by Gustavo Ghidini and organised and run by Jan Rosén, has since 2007 selected three winners each year, whose essays are published in full text on the ATRIP website. Those essays all answer to high demands on writing skills and show the elevated standards of an ever-rising number of young researchers. The author of the number one essay is invited to speak at the following ATRIP Congress, with travel and accommodation costs covered by ATRIP. Since 2009 the Fédération Internationale des Conseils en Propriété Industrielle

¹² Cornish, Weston and Bercovitz Rodriguez-Cano, "ATRIP" (2013) 4 WIPO J. 234.

(FICPI) has very benignly decided to support ATRIP by taking care of those costs. In addition, the winner will receive a prize consisting of books published by Edward Elgar Publishing.

ATRIP's position on access to publications

While ATRIP was developing its independent profile in regard to its own publications and its online appearance, the forms and conditions of access to digital content became a topic for the academic community at large. Electronic publishing gained ground and was soon considered as nearly indispensable. Although traditional forms of publishing remained the preferred source of reference, the unmatched facility of searching and retrieving content on the internet made it strongly desirable for both authors and users of academic literature that electronic versions of articles and books are available as well.

This creates a problem in the first place for publishers who must develop policies for either countering or meeting such demands. On the other hand, academic authors themselves are caught in a certain dilemma: they want easy access to the works of others for themselves and for the instruction of students, and they want their own works to be disseminated as broadly as possible; nevertheless, they certainly need publishers as well, to assure a consistent level of quality in terms of editing and production, and for structured marketing. In addition, totally free and uncontrolled access to online content might easily lead to abuse and plagiarism.

Forming a position in this regard is not easy; nevertheless, it is exactly about those issues that an association like ATRIP is definitely qualified to articulate the views of the academic community.

The challenge was therefore accepted when ATRIP received a request by the Committee on Culture, Science and Education of the Parliamentary Assembly of the Council of Europe to assist in a hearing held by the Committee in Paris as an element in the preparation of a Parliamentary resolution on a report on "Copyright in Today's Information Society". A draft report had been prepared on the issue by Luis Arnaut, which laid much emphasis on the imminent dangers for copyright holders ensuing from the (then) much-debated business schemes for mass digitisation of books and archives by private commercial actors such as Google.¹³ While the concerns motivating the draft report and envisaged resolution were also serious from the perspective of ATRIP, it was found that it would be too narrow to focus solely on the negative aspects of mass digitisation and that the positive potential of such measures—provided they are well-monitored and respect individual authors' rights where that is necessary—should equally be addressed in the text. To that aim, a written statement was formulated and circulated within the Executive Committee of ATRIP in which it found consent. Submitting that the balanced view expressed therein is still of interest to date, the Statement (which is available on the ATRIP website in English and French) is rendered here in full text:

- “1. The motion for a Resolution on Copyright in Europe rightfully refers to the seminal importance of access to information and copyright practices, and to the challenges posed by technical developments, in particular digitization, and by emerging business models involving the establishment of large-scale databases offering digitized content.
2. As an association for the promotion of teaching and research in intellectual property, ATRIP and its members are concerned by these developments in several ways. Most academics are also authors of textbooks or articles, and are therefore interested in an efficient protection of their creative work. At the same time, they are also aware that wide dissemination and accessibility of scientific information in the online environment are at the core of today's knowledge economy. Scholars depend on the availability of works created by others, in

¹³ It is probably not wrong to assume that from a political viewpoint, the envisaged resolution by the Council of Europe Committee was meant to underpin the efforts undertaken in Europe to boost an alternative model to the Google project, in the form of "Europeana".

order to conduct their own research, and they also have a vital interest in facilitated access to teaching material. Between those interests, a fair balance must be found.

3. The draft resolution makes reference to Google's (and possibly other search engines') plans to digitize entire library stocks and store them in commercial databases. A risk is perceived that this might hamper free access to information, as well as encroach upon the copyright of those whose books and articles are subject to such digitization and storing. It is indeed incontestable that a risk for copyright violation is involved in those efforts, and that they must be monitored closely already for that reason. However, if and to the extent that the boundaries of copyright are respected—which depends on the consent of rightholders eventually given, and/or on the way in which use is made of the protected content—the efforts undertaken by search engines are not as such detrimental. On the contrary, they may actually render a useful service to users, by enhancing the possibility to retrieve publications and identify relevant content. This, in itself, would contribute to enhancing the level of accessibility of the wealth of information presently stored in libraries.
4. However, there is a danger involved with such business models. This risk concerns competition law rather than copyright. If certain search engines become sole source-databases for library stocks and/or other sources of information and knowledge, this may lead to serious distortions on the market for informational products and services, potentially resulting in misuse of dominant positions, most notably in excess pricing. For this reason, the developments in this field must be subject to adequate control, in particular by the competition authorities. However, it cannot be demanded and expected that the service eventually rendered by publicly accessible databases such as search engines must always be free of cost for users. Whereas this may well be the case—in particular if the service is financed by other sources than by charging fees on the users, like e.g. by advertising—that decision must ultimately be left to the database producer. It is another issue that access to the library as such—if it is a public library—must and will remain free.
5. Apart from that, it is of vital importance for the future of copyright that law and practice are geared towards conditions which, while respecting the right of the authors, are favourable to wide dissemination and use of informational content. Re-use of knowledge and knowledge sharing were always at the heart of scientific methods, and have become even more important in recent years. For the first time, the internet offers the technological opportunities to constitute a comprehensive representation of knowledge. Copyright legislation must take account of the amplified importance of scholarly contents as input for follow-up scientific research and technological innovation as well as the new technological opportunities promising unexpected dimensions to scientific discourse.
6. Steps in that direction are considered in the EU Commission's *Green Paper on Copyright in the Knowledge Economy*.¹⁴ Based inter alia on the thought that free movement of knowledge and innovation should be regarded as the 'Fifth Freedom' in the European Union, measures are suggested for further investigation which aim at providing a clearer and more reliable framework for exceptions and limitations. In particular, the Green Paper addresses exceptions for the benefit of public libraries and archives as well as for people with disabilities, for dissemination of works for teaching and research purposes, and—possibly—for user-generated content. Without commenting on the proposal in any detail, it can be stated here that the initiative taken by the Commission is to be welcomed.¹⁵ Even if it results in

¹⁴The Green Paper is available at http://ec.europa.eu/internal_market/copyright/docs/copyright-info/greenpaper_en.pdf [Accessed April 19, 2013].

¹⁵For a more detailed reaction, see Statement by Max Planck Institute for Intellectual Property, Competition and Tax Law, available at http://www.ip.mpg.de/files/pdf1/comments_on_the_green_paper1.pdf [Accessed April 19, 2013].

certain mandatory restrictions of exclusive rights, this does not necessarily jeopardize the interests of authors generating scientific content.

7. Authors of scholarly works are typically not driven by the aim of securing royalties earned through selling copies of their publications. Scholarly literature is predominantly royalty-free literature. As a rule, scholars write for reputation and impact. They want their publication to be highly visible among their peers and the public. Visibility requires wide dissemination and accessibility of works; a goal that perfectly corresponds with the demands of the public at large in the knowledge society. Of course, it is also crucial that full respect is paid to an author's right of integrity and attribution. This is guaranteed by moral rights stipulated in the relevant copyright laws as well as in relevant ethical norms of science. There should be no doubt that those rules retain or even increase their importance in the digital environment.
8. Financial incentives remain to be relevant for the publishers, who must receive a fair chance to recover the costs implied in their important and prestigious business. However, this does not mean that the present operating conditions for the publishing industry must be preserved under all circumstances. If new models for publishing emerge which are better equipped to provide for satisfactory, quality-oriented and efficient ways of dissemination of knowledge, there is no reason to foreclose the market to them. On the contrary, market entry barriers for new providers of informational services and their technologies should be kept low, in order to provide for efficient competition.
9. Apart from competition among commercial enterprises, initiatives taken by authors and scientists to explore alternative forms of 'open access' publication should also be encouraged. Such initiatives become more important as the market power of publishing companies in certain areas tends to increase,¹⁶ with the result that the prices charged are no longer justifiable by the need to recoup the investments made. The situation is particularly unfortunate if the scientific content published in specialised journals is to a large part provided by persons working in publicly funded research institutions, with those institutions then being forced to 'buy back' the same content for excessively high prices. Promoting open access models based on a solid legal foundation could be one way of addressing the problem, as was set out in the 'Berlin-Declaration'¹⁷ launched on initiative of the German Max-Planck-Society, which has been signed by more than 250 European scientific institutions, and which is also recommended for consideration by the Council of Europe."

Beyond publications—Should ATRIP embrace politics?

Until now, the Statement on access to publications has remained the only instance when ATRIP took an explicit position on matters involving legal politics. Such abstinence is not a matter of self-evidence in these times, when more and more academics tend to take sides one or the other with regard to the many highly contested issues presenting themselves particularly (though not only) in copyright. It is also of note in this context that ATRIP from its beginnings was admitted as an NGO to the sessions of WIPO bodies; it was represented there on many occasions, inter alia by William Fryer III and in particular by François Curchod. However, that position was used rather to observe international developments unrolling at their source, and not to provide distinct input from the academic community. It is open for debate whether that reserved attitude should be replaced by a more pro-active approach. On the one hand, giving a voice to the academia as an important and independent player would certainly make a valuable contribution to many debates; on the other hand, however, the attempt to form common opinions over controversial

¹⁶ For an analysis of the situation, see the European Commission's Study on the economic and technical evolution of the scientific publication market in Europe, available at http://ec.europa.eu/research/science-society/pdf/scientific-publication-study_en.pdf [Accessed April 19, 2013].

¹⁷ The Berlin Declaration is available at <http://oa.mpg.de/lang/en-uk/berlin-prozess/berliner-erklarung/> [Accessed June 2, 2013].

subjects might polarise the membership and deprive ATRIP of one of its most appealing features, namely that it provides a basically neutral network and meeting point for all who are active in teaching and research of intellectual property, irrespective of their political standpoints and convictions.

At least for the time being, therefore, ATRIP remains basically “apolitical” and takes a stand only exceptionally. Such exceptions are most likely to concern topics like publication that are intimately linked to academic activities. Another example of this is the discussion begun at the recent Congress in Chicago, where the merits and drawback of peer reviewing and its increasing role in the evaluation of academic writing were identified as a topic of common concern. It waits to be seen whether that will lead to practical steps such as the elaboration of a catalogue of “best practices” in order to enhance security and transparency of evaluation schemes in the international environment. In any case, the keen interest triggered by the debate confirms once more that our role as suppliers and “consumers” (as well as reviewers) of academic publications provides a powerful leitmotiv permeating our professional lives.

Taking ATRIP Down Memory Lane

Peter K. Yu*

Kern Family Chair in Intellectual Property Law and Director, Intellectual Property Law Center, Drake University Law School

☞ Conferences; Intellectual property; International organisations

This symposium collects the reminiscences of the past and current presidents of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP). As shown in this collection, the World Intellectual Property Organization (WIPO) has played an instrumental role in both the formation of ATRIP and the development of intellectual property as a field of teaching and research. In the past three decades, WIPO has also offered important and continuing support to ATRIP Congresses. It not only has made available its staff (including members of the WIPO Academy), but has also provided generous funding support to ATRIP delegates from developing countries.

Given the close and longstanding ties between WIPO and ATRIP, it is logical for *The WIPO Journal* to pay tribute to the latter and to document the historical origins and noted accomplishments of this transnational professional academic organisation. Through a trip down memory lane, we not only can learn more about the organisation's rapid growth and past challenges, but can also better understand the development of the intellectual property field in general. This symposium should be of great interest to all intellectual property professors and researchers, in particular past and present ATRIP members.

Of great interest are the historical origins of ATRIP (including WIPO's role in the early and much lesser known Round Tables), the focus of its early annual meetings on the teaching of and research in intellectual property (in particular the discussion and dissemination of syllabi of intellectual property courses),¹ the subsequent exploration of intellectual property issues relating to universities and other academic institutions, the relationship between the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) of the World Trade Organization (WTO) and the session on national reports (which remains active and is often held on the last day of an ATRIP Congress) and the emergence of specific conference themes in the mid-2000s (which now lend themselves to books published in the ATRIP Series by Edward Elgar Publishing).

In addition, the symposium contributions reflect both the foresight and pioneering effort of WIPO and ATRIP leaders, many of whom have now become elder statesmen in the intellectual property field. The contributions also vividly capture the camaraderie among intellectual property professors and researchers—a trait that, sadly, is not always present in the legal academia. Perhaps because the intellectual property field did not come of age until two decades ago, scholars in this field have always been more open, collegial and supportive of each other, even when they disagree on key issues and developments.

While I was putting together this symposium with the useful advice and tremendous assistance of Professors Graeme Dinwoodie and Annette Kur, Professor Horacio Rangel-Ortiz sent me a digital copy of *20 Years of ATRIP (1979–1999)*. This 6" x 8.5" commemorative booklet was put together during

* Copyright © 2013 Peter K. Yu.

¹ On the teaching of intellectual property law, see Jeremy de Beer and Chidi Oguamanam, *Intellectual Property Training and Education: A Development Perspective* (Geneva: International Centre for Trade and Sustainable Development, 2010); Yo Takagi, Larry Allman and Mpazi A. Sinjela (eds), *Teaching of Intellectual Property: Principles and Methods* (Cambridge: Cambridge University Press, 2008); Peter K. Yu, "Intellectual Property Training and Education for Development" (2012) 27 Am. U. Int'l L. Rev. 311; Peter K. Yu, "Teaching International Intellectual Property Law" (2008) 52 St. Louis U. L.J. 923.

Professor Rangel-Ortiz's presidency. The limited space in this symposium and the visually deficient textual format do not allow me to do justice to this priceless collection of conference programs and summaries, lists of ATRIP leaders and participants and, most important of all, the nostalgic, historic colour photos taken by Professor Glen Weston and his wife, Betty. As acknowledged in the commemorative volume, these rare photos provided "a virtual pictorial history of the creation and amazing growth of ATRIP". The more time passes, the more valuable these photos have become.

Personally, I was pleasantly surprised to find observers from China and Thailand amongst the participants of the Conference of Law Professors of Intellectual Property.² Held on October 10–12, 1979, this WIPO-sponsored event inspired the formation of ATRIP. I am also delighted to see Professor Guo Shoukang, now undeniably one of China's "national treasures" in the intellectual property field, among one of the signatories of the ATRIP Charter and serving as an early vice-president of the organisation.³ The early participation of Asian scholars and researchers in ATRIP is important, because a conventional view exists that Western and Latin American intellectual property professors and researchers have historically dominated the organisation.

The participation of Chinese scholars is also interesting from an international standpoint. It shows how much the international intellectual property system has advanced in the past three decades. Only three months before the 1979 foundational conference, China signed the Agreement on Trade Relations between the United States of America and the People's Republic of China. This bilateral agreement marked China's reopening to the outside world and its early commitments to protecting the copyrights, patents and trademarks of foreign nationals. In fact, China did not accede to the WIPO Convention until March 1980. It took four more years for China to accede to the Paris Convention for the Protection of Industrial Property and another eight before China joined the Berne Convention for the Protection of Literary and Artistic Works in July 1992.

This contribution does not seek to capture the extent and richness of the information provided in the 20th anniversary commemorative booklet—a feat that is impossible to achieve. Instead, I included below, in chronological order, some key information about all the pre-ATRIP Round Tables and ATRIP Congresses.⁴ Readers will notice that I have provided more information on those Congresses that were held in the first two decades of ATRIP. The reasons are twofold. First, I had the benefit of now hard to find organisational records from the 20th anniversary booklet. Complementary to the contributions to this symposium, this commemorative volume is a wealth of information. Secondly, information about the ATRIP Congresses held from 2000 onwards is now freely available on the ATRIP website. The site includes not only conference programs and hyperlinks to individual conference websites, but also the organisation's Constitution, photos taken at various Congresses, a list of all the winners of past ATRIP essay competitions, a list of books in the ATRIP Series published by Edward Elgar Publishing, as well as other useful information.

In closing, I would like to express my deepest gratitude to the past and current ATRIP presidents. Without their eager and immediate responses amidst their busy schedules, this symposium would not have been possible. I am also grateful to Professor Ysolde Gendreau for inviting me to present a paper at my first ever ATRIP Congress in Montreal. Even though her Congress had already been filled with towering

² Coincidentally, Marino Porzio also attended this conference as a WIPO staffer. A Chilean lawyer and a future WIPO Deputy Director General (1980–1987), Porzio would return to the China scene less than three decades later as one of the three panellists for *China—Measures Affecting the Protection and Enforcement of Intellectual Property Rights*, the WTO dispute between China and the United States over the inadequate enforcement of intellectual property rights under the TRIPS Agreement.

³ Other Chinese scholars who served on the ATRIP Executive Committee are the late Professor Zheng Chengsi and his protégé, Professor Xue Hong.

⁴ Information about the events held during 1979–1999 was drawn directly from the 20th anniversary commemorative booklet. To ensure accuracy and readability, some of the information is taken verbatim without separate attribution. Information about the events held afterwards was drawn or reconstructed from the ATRIP website, the websites of past ATRIP Congresses as well as other sources. The author also benefited from the insights and recollections of past ATRIP presidents.

giants in the intellectual property field, she still worked tirelessly to reach out to mere junior scholars like me. So, a big thank you for welcoming me into the ATRIP family with open arms. *Merci beaucoup!*

As Confucius says in the *Analects*, “At fifteen I set my heart upon learning. At thirty, I had planted my feet upon the ground” (*wu shi you wu er zhi yu xue / san shi er li*). ATRIP has both learned well and been on solid footing, thanks in large part to the dedicated efforts of the organisation’s past presidents, executive committees and senior members. It is indeed an honour to pay tribute to all those who have worked tirelessly to advance the field of intellectual property law. It is also a privilege for me to be involved in a symposium that would allow us to hear directly from the past and current ATRIP presidents.

In the preface to the 20th anniversary commemorative booklet, Professor Rangel-Ortiz wrote:

“[T]he annals of ATRIP are contained in thousands of pages, that one day will have to be organized and summarized by someone attached to ATRIP with the same affection, emotion and devotion as Glen and Betty Weston.”

While this symposium cannot fill this void, I do hope that you have enjoyed this collection of reminiscences while waiting for this monumental task to be completed one day.

Conference of Law Professors of Intellectual Property

Geneva, Switzerland
October 10–12, 1979

This meeting was sponsored by WIPO.

Delegates: Ernesto Aracama Zorraquín (Argentina), Manuel Pachon (Colombia), Jean-Jacques Burst (France), Friederich-Karl Beier (West Germany), Upendra Baxi (India), Mohammed Hosny Abbas (Kuwait), David Rangel-Medina (Mexico), Baldo Kresalja Rossello (Peru), Esteban Bautista (The Philippines), Januz Swaja (Poland), Alberto Bercovitz Rodriguez-Cano (Spain), William Cornish (United Kingdom) and Glen Weston (United States)

Observers: Li Meili (China), Tang Tsungshun (China), Wang Zhengfa (China), Wu Yungchi (China) and Garnjana Krit (Thailand)

WIPO Participants: Árpád Bogsch (Director General), Gust Ledakis (Legal Counsel), Marino Porzio and Ludwig Baeumer

Roundtable of University Professors on the Teaching of Industrial Property Law

WIPO, Geneva, Switzerland
April 9–11, 1980

At this meeting, eight intellectual property professors gathered to draft the ATRIP Constitution. The drafters agreed to extend invitations to the 1981 Charter Meeting to intellectual property professors and researchers in both developed and developing countries.

Participants: Ernesto Aracama Zorraquín, Jean-Jacques Burst, Friederich-Karl Beier, Januz Swaja, Alberto Bercovitz Rodriguez-Cano, William Cornish, Glen Weston and Gust Ledakis

1981 Charter Meeting of ATRIP

WIPO, Geneva, Switzerland
July 14–16, 1981

Dr Árpád Bogsch, WIPO Director General at that time, hosted a reception in the WIPO lobby after the signing of the ATRIP Charter. He also agreed to join the organisation himself.

Participants: 70 participants from 30 nations

Elected Officers: Friederich-Karl Beier (President), Ernesto Aracama Zorraquín (President Elect), Upendra Baxi (Vice-President), William Cornish (Vice-President), Januz Swaja (Vice-President), Glen Weston (Vice-President), Michel de Hass (France) (Treasurer) and Hans Peter Kunz-Hallstein (West Germany) (Secretary)

First Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
September 20–22, 1982

By the time of this meeting, ATRIP had already attained 194 members from 39 countries.

Participants: 61 members from 28 countries

Social Activities: a reception hosted by the faculties of the Universities of Geneva and Lausanne at a nearby villa in Geneva

Second Annual Meeting of ATRIP

European Patent Office Headquarters, Munich, West Germany
September 5–7, 1983

Participants: 74 members from 28 countries

Social Activities: a welcoming reception hosted by the Max Planck Institute for Foreign and International Patent, Copyright and Competition Law (Max Planck Institute), a cocktail party hosted by the president of the European Patent Office, an excursion to Schloss Ringberg (a castle near Tegernsee in Upper Bavaria belonging to the Max Planck Society) and a Bavarian dinner

Elected Officers: Ernesto Aracama Zorraquín (President), William Cornish (President Elect), Gunnar Karnell (Sweden) (Vice-President), Nébila Mezghani (Tunisia) (Vice-President), Januz Swaja (Vice-President), Glen Weston (Vice-President), Alberto Bercovitz Rodriguez-Cano (Treasurer), Jeremy Phillips (United Kingdom) (Secretary) and Friederich-Karl Beier (Ex-Officio Member)

Third Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
September 16–19, 1984

Participants: 53 members from 25 countries

Social Activities: a demonstration of computerised intellectual property materials and a dinner at the University of Lausanne

Fourth Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
September 16–18, 1985

Social Activities: an optional pre-meeting tour to visit the 15th century castle of the Count of Gruyeres and the Gruyeres Cheese Factory, a lunch at a mountainside restaurant near Mount Moléson and a visit to and dinner at the 16th century Le Part Dieu Monastery

Elected Officers: William Cornish (President), Glen Weston (President Elect), Guo Shoukang (China) (Vice-President), Gunnar Karnell (Vice-President), Vito Mangini (Italy) (Vice-President), Nébila Mezghani

(Vice-President), Alberto Bercovitz Rodriguez-Cano (Treasurer), Jeremy Phillips (Secretary) and Ernesto Aracama Zorraquín (Ex-Officio Member)

Fifth Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
July 14–15, 1986

This meeting was convened as a meeting of the Working Group on Teaching Material, organised by ATRIP and WIPO.

Participants: 15 members from 11 countries

Social Activities: a dinner party hosted by Dr and Mrs Gust Ledakis in celebration of their wedding anniversary

Sixth Annual Meeting of ATRIP

Girton College, Cambridge
July 19–21, 1987

At this meeting, Dr Gust Ledakis, WIPO Legal Counsel at that time, presented to Professor Glen Weston a surprise birthday cake and card signed by ATRIP members, along with several humorous small gifts.

Participants: 65 members from 29 countries plus guests

Social Activities: a dinner at the college dining hall, visits to the 11th century Ely Cathedral in Ely and the Ickworth House in Bury St Edmunds and possibilities to attend the Cambridge Festival 1987 and the International Congress of Organists (held in the same week as the ATRIP Meeting)

Elected Officers: Glen Weston (President), Alberto Bercovitz Rodriguez-Cano (President Elect), André Françon (France) (Vice-President), Guo Shoukang (Vice-President), Gunnar Karnell (Vice-President), Krishnaswami Ponnuswami (India) (Vice-President), Joseph Straus (West Germany) (Treasurer), William Fryer III (United States) (Secretary) and William Cornish (Ex-Officio Member)

Seventh Annual Meeting of ATRIP

National Law Center, George Washington University, Washington DC
July 24–27, 1988

This meeting included a demonstration of LEXIS for computerised legal research and an open meeting of the Working Group on Teaching Material.

Participants: 363 participants, 24 family members, 7 guest speakers and 24 observers

Social Activities: an optional pre-meeting sightseeing tour of Washington, a tour of the US Patent and Trademark Office (arranged by Professor Donald Banner of John Marshall Law School, the former US Commissioner of Patents), a visit to the US Copyright Office (arranged by Professor Waldo Moore of George Washington University, the former Deputy US Register of Copyrights) and a dinner reception in the Madison Building at the Library of Congress (hosted by the Chemical Manufacturers Association, the National Agricultural Chemicals Association and the Pharmaceutical Manufacturers Association)

Eighth Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
July 10–12, 1989

At this meeting, the position of the vice-president was replaced by the membership of the Executive Committee (ExComm). The Committee was expanded to include two additional members, and its size has further varied in subsequent meetings.

Participants: 48 members and 9 guest speakers and observers

Social Activities: a reception at the WIPO lobby, a champagne party hosted by Dr Bogsch, a visit to the Chateau of the Order of Malta in the suburb of Geneva, a dinner at L'Auberge du Cedre Bleu and optional post-meeting tours of the Nestlé Industrial Research Centre in Vers-Chez-Les-Blancs and the Swiss Intellectual Property Office in Berne

Elected Officers: Alberto Bercovitz Rodriguez-Cano (President), Gunnar Karnell (President Elect), Antonio Chavez (Brazil) (ExComm Member), François Dessemontet (Switzerland) (ExComm Member), André Françon (ExComm Member), Guo Shoukang (ExComm Member), Umesh Kumar (Lesotho) (ExComm Member), Stanislaw Soltysinski (Poland) (ExComm Member), Joseph Straus (Treasurer), Eduardo Galán (Spain) (Secretary) and Glen Weston (Ex-Officio Member)

Ninth Annual Meeting of ATRIP

Herradura Hotel, San José, Costa Rica
September 17–21, 1990

This meeting was convened as a Symposium on Intellectual Property, University and Industry in Latin America, jointly sponsored by ATRIP, WIPO and the University of Costa Rica. The majority of the participants were professors and teachers in Latin American universities as well as rectors from European and Latin American universities.

Social Activities: a WIPO reception at San José Holiday Inn, a buffet reception at the University of Costa Rica and a tour of the countryside, visits to the Irazu Volcano National Park in the Central Volcanic Range and the Basilica of Our Lady of the Angels in Cartago (the old colonial capital of Costa Rica), a lunch at Charrarra Recreation Park, a drive by coffee and banana plantations, a visit to the campus of the University of Costa Rica, and a performance of songs and dances by the National Company of Dance at Melican Salezar Theater

10th Annual Meeting of ATRIP

School of Law, University of Salamanca, Spain
October 6–9, 1991

Social Activities: a tour of Las Escuelas Mayores, Las Escuelas Menores and Patio des Las Escuelas, a guitar concert at the Church of Colegio Mayor of the Archbishop Fonseca (with Professor Antonio Palao, Department of Musical Education, University of Salamanca) and a tour of the town of Alba de Tormes

Elected Officers: Gunnar Karnell (President), Joseph Straus (President Elect), André Françon (ExComm Member), Guo Shoukang (ExComm Member), Baldo Kresalja Rossello (ExComm Member), Vito Mangini (ExComm Member), G.L. Peiris (Sri Lanka) (ExComm Member), Stanislaw Soltysinski (ExComm Member), Theo Bodewig (Germany) (Treasurer), Lars Pehrson (Sweden) (Secretary) and Alberto Bercovitz Rodriguez-Cano (Past President)

11th Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
June 29–July 1, 1992

Participants: 53 members plus guest speakers and observers

Social Activities: a visit to the Swiss Military Museums, hors d'oeuvres and cocktails on the patio of the restaurant Domaine des Penthes, a small reception at the WIPO foyer and a banquet at Restaurante Vieux-Bois (a training school for hotel chefs and managers)

12th Annual Meeting of ATRIP

Stockholm School of Economics, Sweden
August 17–19, 1993

Social Activities: a banquet on board sightseeing boat Prins Carl Philip, and a visit to and dinner reception at the Prins Eugen Waldermarsudde Museum (with entertainment by a string ensemble)

Elected Officers: Joseph Straus (President), André Françon (President Elect), Theo Bodewig (Treasurer), Bojan Pretnar (Slovenia) (Secretary) and Gunnar Karnell (Ex-Officio Member)

13th Annual Meeting of ATRIP

Ljubljana, Slovenia
July 11–13, 1994

Social Activities: an evening reception in honour of Dr Bogsch at the National Museum, a concert at the old Town Hall (performed by the Slovene Octet), a visit to Postojnska Cave near Postojna and a farewell dinner at the outdoor auditorium on the site of the Annual Festival of Music

14th Annual Meeting of ATRIP

University of Washington, Seattle, United States
July 19–21, 1995

The position of the Secretary was eliminated at this meeting. Since the founding of ATRIP, the Max Planck Institute has provided indispensable support as a quasi-secretariat.

Local Host: Professor Donald Chisum

Social Activities: a reception at the Columbia Center Club (hosted by a local law firm), a dinner at Jazz Alley Restaurant, a tour of the University of Washington campus (including a meeting at the Human Interface Lab), a boat tour of Seattle's harbour and a salmon buffet dinner prepared by the Tillicum Indian Tribe in the Long House on Blake Island

Elected Officers: André Françon (President), Horacio Rangel-Ortiz (Mexico) (President Elect), John Asein (Nigeria) (ExComm Member), Donald Chisum (United States) (ExComm Member), Ysolde Gendreau (Canada) (ExComm Member), Theo Bodewig (Treasurer) and Joseph Straus (Past President)

15th Annual Meeting of ATRIP

Casablanca, Morocco
September 5–7, 1996

This meeting was the first ever ATRIP Annual Meeting in Africa.

Local Host: Moroccan Industrial and Commercial Property Office

Participants: over 80 participants from 30 countries

Social Activities: a lunch hosted by Wali of Casablanca at Royal Golf Arifa, a dinner hosted by the Minister of Trade, Industry and Crafts at Hotel El Mansour, a cocktail reception provided by the French Chamber of Commerce and Industry in Morocco, a dinner offered by the President of the Chamber of Commerce and Industry of Casablanca, a closing dinner at the restaurant Riad des Délices, a guided tour

of Casablanca (United Nations Square, the Medina, the Royal Palace, Anfa, the Cornice and the Great Hassan II Mosque), and an excursion to Marrakech

16th Annual meeting of ATRIP

School of Law, University of Paris II, France
July 7–9, 1997

Social Activities: a welcome cocktail party hosted by the Institut de Recherche en Propriété Intellectuelle Henri-Desbois, a gourmet luncheon at Teatre Salon (given by Comité Interprofessionnel des Vins de Champagne), a winery tour of the Caves of Moët & Chandon, a visit to the Rheims Cathédrale and a farewell dinner at the Senate Salon in the Palais du Luxembourg (the home of the French Senate)

Elected Officers: Horacio Rangel-Ortiz (President), François Dessemontet (President Elect), Kingsley Ampofo (Ghana) (ExComm Member), Donald Chisum (ExComm Member), Ysolde Gendreau (ExComm Member), S.K. Verma (India) (ExComm Member), Zheng Chengsi (China) (ExComm Member), Theo Bodewig (Treasurer) and André Françon (Past President)

17th Annual Meeting of ATRIP

School of Law, Universidad Panamericana, Mexico City
August 24–26, 1998

This meeting started with an “In Memoriam” tribute to the late Professor Friederich-Karl Beier, ATRIP’s founding president. The tribute was delivered by Professor David Rangel-Medina, another founding father of ATRIP.

Participants: approximately 100 participants and accompanying persons from 36 countries from 4 continents

Social Activities: a reception at the library of the Rangel Family, a reception at the Franz Mayer Museum (hosted by the Mexican Group of the International Association for the Protection of Industrial Property (AIPPI)), a recital at the concert hall of the Museo de El Carmen in South Mexico City (with Mexican soprano Irasema Terrazas and Mexican pianist Jesús Herrera), a reception at the patios and gardens of the Museo de El Carmen (hosted by François Curchod, WIPO Deputy Director General at that time), a reception at the Museo Nacional de Arte (hosted by Professors Bernardo Gomez Vega and Horacio Rangel-Ortiz)

18th Annual Meeting of ATRIP

WIPO, Geneva, Switzerland
July 7–9, 1999

Participants: approximately 110 participants and accompanying persons from 40 countries from 4 continents

Elected Officers: François Dessemontet (President), S.K. Verma (President Elect), Kingsley Ampofo (ExComm Member), William Fryer III (ExComm Member), Ysolde Gendreau (ExComm Member), Bojan Pretnar (ExComm Member), Feer Verkade (The Netherlands) (ExComm Member), Zheng Chengsi (ExComm Member), Annette Kur (Germany) (Treasurer) and Horacio Rangel-Ortiz (Past President)

19th ATRIP Congress

Santorini, Greece
September 17–19, 2000

Local Host: Irini Stamatoudi

Participants: approximately over 150 members and guests

Publication: François Dessemontet and Raphaël Gani (eds), *Creative Ideas for Intellectual Property: The ATRIP Papers 2000–2001* (Lausanne: CEDIDAC, 2002)

Social Activities: a performance of opera aria at sunset over the crater

20th ATRIP Congress

University of Lausanne, Switzerland

September 19–21, 2001

This congress was held the week after the US terrorist attacks on September 11, 2001. As a result, ATRIP members from the United States were unable to attend the event. Members attending the ATRIP Congress sent a heartfelt message of sympathy to their US colleagues.

Publication: François Dessemontet and Raphaël Gani (eds), *Creative Ideas for Intellectual Property: The ATRIP Papers 2000–2001* (Lausanne: CEDIDAC, 2002)

Elected Officers: S.K. Verma (President), Ysolde Gendreau (President Elect), Kingsley Ampofo (ExComm Member), William Fryer III (ExComm Member), Luis Mariano Genovesi (Argentina) (ExComm Member), Gustavo Ghidini (Italy) (ExComm Member), Jean-Louis Goutal (France) (ExComm Member), Bojan Pretnar (ExComm Member), Jan Rosén (Sweden) (ExComm Member), Katsuya Tamai (Japan) (ExComm Member), Annette Kur (Treasurer) and François Dessemontet (Past President)

21st ATRIP Congress

New Delhi, India

October 6–8, 2002

This congress was the first ever ATRIP Congress in Asia. The event was organised by the Indian Law Institute and supported by the Indian Ministry of Human Resource Development and the Indian Ministry of Communication and Information Technology.

Participants: 120 participants from 40 countries

Publication: S.K. Verma and Raman Mittal (eds), *Intellectual Property Rights—A Global Vision* (New Delhi: Indian Law Institute, 2004)

Social Activities: a guided tour of Agra (including visits to Taj Mahal, Agra Fort and Sikandra)

22nd ATRIP Congress

Tokyo, Japan

August 4–6, 2003

Local Host: Professor Katsuya Tamai

Publication: S.K. Verma and Raman Mittal (eds), *Intellectual Property Rights—A Global Vision* (New Delhi: Indian Law Institute, 2004)

Social Activities: a reception at the Library Cafe and a banquet in the Tower Hall in Roppongi Academy Hills

Elected Officers: Ysolde Gendreau (President), Gustavo Ghidini (President Elect), Adebambo Adewopo (Nigeria) (ExComm Member), Luis Mariano Genovesi (ExComm Member), Jean-Louis Goutal (ExComm Member), Willem Grosheide (The Netherlands) (ExComm Member), Charles McManis (United States) (ExComm Member), Jan Rosén (ExComm Member), Katsuya Tamai (ExComm Member), Annette Kur (Treasurer) and S.K. Verma (Past President)

23rd ATRIP Congress

Utrecht University, The Netherlands
July 26–28, 2004

Local Host: Professor Willem Grosheide

Publication: Willem Grosheide and Jan J. Brinkhof (eds), *Articles on Crossing Borders between Traditional and Actual* (Belgium: Intersentia, 2005)

Social Activities: optional post-meeting excursions to The Hague, Delft, Park “De Hoge Veluwe” or Rotterdam

24th ATRIP Congress

University of Montreal, Canada
July 11–13, 2005

Theme: “Intellectual Property: Bridging Aesthetics and Economics”

Publication: Ysolde Gendreau (ed.), *Propriété Intellectuelle: Entre L’art et L’argent / Intellectual Property: Bridging Aesthetics and Economics* (Montreal: Editions Témis, 2006)

Social Activities: a dinner reception hosted by the law firm of Fasken Martineau, a visit to the Notre-Dame Basilica of Montreal (featuring the show “And Then There Was Light”) and an optional post-meeting visit to see the “High Renaissance Art in Florence” exhibition and to the gardens of Rideau Hall, the Governor General’s residence

Elected Officers: Gustavo Ghidini (President), Annette Kur (President Elect), Kingsley Ampofo (ExComm Member), François Curchod (France) (ExComm Member), Luis Mariano Genovesi (ExComm Member), Willem Grosheide (ExComm Member), Charles McManis (ExComm Member), Jan Rosén (ExComm Member), Xue Hong (China) (ExComm Member), Annette Kur (Treasurer) and Ysolde Gendreau (Past President)

25th ATRIP Congress

Parma, Italy
September 4–6, 2006

Theme: “Intellectual Property and Market Power (I)”

Publication: Gustavo Ghidini and Luis Mariano Genovesi (eds), *Intellectual Property and Market Power—ATRIP Papers 2006–2007* (Buenos Aires: University of Buenos Aires, 2008)

Social Activities: a visit to the old city centre in Parma, a dinner reception at the restaurant La Corale Verdi, a gala dinner reception at Romani Restaurant in Vicomero di Torrile, and an optional post-meeting tour of the Castles of the Duchy of Parma and Piacenza

26th ATRIP Congress

University of Buenos Aires, Argentina
July 16–18, 2007

Local Host: Professor Luis Mariano Genovesi

Theme: “Intellectual Property and Market Power (II)”

Publication: Gustavo Ghidini and Luis Mariano Genovesi (eds), *Intellectual Property and Market Power—ATRIP Papers 2006–2007* (Buenos Aires: University of Buenos Aires, 2008)

Elected Officers: Annette Kur (President), Jan Rosén (President Elect), Andrew Christie (Australia) (ExComm Member), François Curchod (ExComm Member), Luis Mariano Genovesi (ExComm Member), Willem Grosheide (ExComm Member), John Kiggundu (Botswana) (ExComm Member), Charles McManis (ExComm Member), Xue Hong (ExComm Member), Alexander Peukert (Germany) (Treasurer) and Gustavo Ghidini (Past President)

27th ATRIP Congress

Justizpalast, Munich, Germany
July 21–23, 2008

This congress brought ATRIP Members back to Munich 25 years after the late Professor Friederich-Karl Beier of the Max Planck Institute hosted the association's second annual meeting.

Theme: “Can One Size Fit All?”

Publication: Annette Kur and Vytautas Mizaras (eds), *The Structure of Intellectual Property Law: Can One Size Fit All?* (Cheltenham: Edward Elgar Publishing, 2011)

Social Activities: a reception at the Max Planck Institute, a reception hosted by the City of Munich, a reception hosted by the European Patent Office and a dinner at restaurant Bamberger Haus

28th ATRIP Congress

University of Vilnius, Lithuania
September 13–16, 2009

Local Host: Dean Vytautas Nekrošius

Theme: “Horizontal Issues in Intellectual Property Law: Uncovering the Matrix”

Publication: Annette Kur and Vytautas Mizaras (eds), *The Structure of Intellectual Property Law: Can One Size Fit All?* (Cheltenham: Edward Elgar Publishing, 2011)

Social Activities: a dinner reception at the Vilnius City Hall, a banquet in Shakespeare Boutique Hotel and a guided tour of Trakai (including a visit to the historic Trakai Island Castle)

Elected Officers: Jan Rosén (President), Graeme Dinwoodie (United Kingdom) (President Elect), Andrew Christie (ExComm Member), José Antonio Gómez Segade (Spain) (ExComm Member), John Kiggundu (ExComm Member), Christian Le Stanc (France) (ExComm Member), Alberto Musso (Italy) (ExComm Member), Tana Pistorius (South Africa) (ExComm Member), Xue Hong (ExComm Member), Alexander Peukert (Treasurer) and Annette Kur (Past President)

29th ATRIP Congress

Stockholm University, Sweden
May 23–26, 2010

Theme: “Individualism and Collectiveness in Intellectual Property Law”

Publication: Jan Rósen (ed.), *Individualism and Collectiveness in Intellectual Property Law* (Cheltenham: Edward Elgar Publishing, 2012)

Social Activities: a dinner buffet reception at the Stockholm City Hall, a waterways tour and dinner on board steamer MS Gustafsberg VII and a tour of the Frescati Gardens

30th ATRIP Congress

National University of Singapore
July 25–27, 2011

Local Host: Professors David Llewellyn and Ng-Loy Wee Loon

Theme: “Intellectual Property Law at the Crossroads of Trade”

Publication: Jan Rósen (ed.), *Intellectual Property at the Crossroads of Trade* (Cheltenham: Edward Elgar Publishing, 2012)

Scheduled Social Activities: a gala dinner at the Pod in the National Library (with a panoramic view of Singapore), a bum boat tour of the Singapore River and a Peranakan dinner

Elected Officers: Graeme Dinwoodie (President), Tana Pistorius (South Africa) (President Elect), Susy Frankel (New Zealand) (ExComm Member), Daniel Gervais (United States) (ExComm Member), José Antonio Gómez Segade (ExComm Member), Christian Le Stanc (ExComm Member), Alberto Musso (ExComm Member), Ng-Loy Wee Loon (Singapore) (ExComm Member), Jens Schovsbo (Denmark) (ExComm Member), Alexander Peukert (Germany) (Treasurer) and Jan Rosén (Past President)

31st ATRIP Congress

Chicago-Kent College of Law, Illinois Institute of Technology, Chicago, United States
July 29–August 1, 2012

Theme: “Intellectual Property: Methods and Perspectives”

Social Activities: a dinner reception at the Chicago Cultural Center and an architectural boat cruise

32nd ATRIP Congress

Pembroke College, Oxford, United Kingdom
June 23–26, 2013

Theme: “Is Intellectual Property a *Lex Specialis*?”

Social Activities: a dinner reception at Pitt Rivers Museum and a formal dinner featuring Lord Justice Mummery of the Court of Appeal (England and Wales)

Cumulative Index



This index has been prepared using Sweet & Maxwell's Legal Taxonomy.

Africa

- Beijing Treaty on Audiovisual Performances, 206—219
- copyright in musical works, 20—27

ATRIP

see **International Association for the Advancement of Teaching and Research in Intellectual Property**

Audiovisual industry

- Beijing Treaty on Audiovisual Performances, 206—219
- pop culture and IP law, 63—72

Brand names

- branding, culture and IP, 50—62

Brazil

- collaborative and collective authorship, 44—49

Celebrities

- Beijing Treaty on Audiovisual Performances, 206—219
- pop culture and IP law, 63—72

China

- Confucianism, 1—9
- history of law and culture, 103—110

Civil disobedience

- semiotic democracy and disobedience, 50—62

Collective licensing

- EU competition policy and cultural diversity, 35—43

Collective works

- collaborative and collective authorship, 44—49

Competition

- collective licensing, 35—43
- competition law and IP, 266—267

Compulsory licensing

- patents, 157—173

Copyright

- Beijing Treaty on Audiovisual Performances, 206—219

- musical works, 20—27
- online enforcement, 220—231

Culture

- Brazil, 44—49
- China
 - Confucianism, 1—9
 - history of law and culture, 103—110
- collaborative and collective authorship, 44—49
- collective rights management, 35—43
- conceptions of culture, 10—19
- geographical indications, 92—102
- handicraft goods, 191—205
- India
 - copyright and culture, 111—120
 - cultural and utilitarian approaches, 28—34
- Jewish tradition, 129—137
- musical works, 20—27
- pop culture, 63—72
- semiotic democracy and disobedience, 50—62
- South Africa, 20—27
- TK Licences and Labels Initiative, 73—82

Democracy

- semiotic democracy, 50—62

Digital rights management

- copyright enforcement online, 220—231

European Union

- collective rights management, 35—43

Folklore

see **Traditional knowledge**

France

- handicraft goods, 191—205

Genetics

- patent ownership and licensing, 139—156

Geographical indications

- cultural heritage, 92—102
- handicraft goods, 191—205

India

- copyright and culture, 111—120

Cumulative Index

- cultural and utilitarian approaches to IP, 28—34
- handicraft goods, 191—205
- Indigenous peoples**
 - China, 1—9
 - conceptions of culture, 10—19
 - South Africa, 20—27
 - South East Asia, 83—91
 - TK Licences and Labels Initiative, 73—82
- International Association for the Advancement of Teaching and Research in Intellectual Property**
 - annual meetings and congresses, 278—290
 - changing environment, 242—247
 - competition law and IP, 266—267
 - exhaustion and enhancement of IP, 254—259
 - formation and early history, 235—241
 - Geneva meetings and ATRIP founders, 248—253
 - introduction, 232—234
 - personal reminiscences, 260—263, 264—266, 278—290
 - publications, 269—277
- Internet**
 - copyright enforcement, 220—231
- Islamic law**
 - compatibility of modern IP law, 121—128
- Jewish law**
 - Jewish tradition as IP, 129—137
- Joint authorship**
 - collaborative and collective authorship, 44—49
- Labelling**
 - TK Licences and Labels Initiative, 73—82
- Licensing**
 - collective licensing in EU, 35—43
 - patents
 - compulsory licensing, 157—173
 - human genomics, 139—156
 - TK Licences and Labels Initiative, 73—82
- Musical works**
 - Beijing Treaty on Audiovisual Performances, 206—219
 - EU collective rights management, 35—43
 - online copyright enforcement, 220—231
 - pop culture and IP law, 63—72
 - South Africa, 20—27
- Parody**
 - pop culture, 63—72
- Patents**
 - compulsory licensing, 157—173
 - human genomics, 139—156
 - utility models, 175—190
- Performers**
 - Beijing Treaty on Audiovisual Performances, 206—219
 - pop culture and IP law, 63—72
- Semiotics**
 - semiotic democracy, 50—62
- Sequence listings**
 - patent ownership and licensing, 139—156
- South Africa**
 - copyright in musical works, 20—27
- South East Asia**
 - traditional knowledge and cultural expressions, 83—91
- Traditional knowledge**
 - China, 1—9
 - conceptions of culture, 10—19
 - handicraft goods, 191—205
 - Licences and Labels Initiative, 73—82
 - South Africa, 20—27
 - South East Asia, 83—91
- Utility models**
 - international legal framework, 175—190