

I – The legal framework of ownership and overlaps

A. Introduction: the problem

1. The phenomenon of overlaps

When we look at a product we seldom realise the wide range of intangible goods it often embodies.¹ The design of the product, defining its appearance, may also be seen as an indication of origin (shape trade mark); its logo may be a work protected by copyright but can constitute a trade mark as well; additionally, some of the functional features of the product may be protected by patents (or utility models/petty patents).² Thus several underlying intangible goods coexist in that single product: its aesthetic appearance, its ability to indicate an origin and its functionality.

Furthermore, the same intangible achievement might be protected by more than a single Intellectual Property right. For example, goodwill³ – an intangible good – might be protected simultaneously by trade mark and design laws. It is true that one of the purposes of trade mark law is to protect

1 On the notion of intangible goods (*immaterialgüter*) and Intellectual Property in general see N P de Carvalho, ‘Towards a Unified Theory of Intellectual Property: The Differentiating Capacity (and Function) as the Thread That Unites All its Components’ [2012] JWIP 251; A Rahmatian, ‘Intellectual Property and the Concept of Dematerialised Property in S Bright (ed) *Modern Studies in Property Law* vol 6 (Hart Publishing 2011) 361; H-P Göttling, ‘Der Begriff des Geistigen Eigentums’ [2005] GRUR 353; A Ohly, ‘Geistiges Eigentum?’ [2003] JZ 545.

2 A Kur, ‘Cumulation of IP Rights Pertaining to Product Shapes. An “Illegitimate Offspring” of IP Law?’ in G Ghidini and L Genovesi (eds), *Intellectual Property and Market Power* (Eudeba 2008) 613, 614.

3 Defined classically as “the attractive force that brings in custom” *e I.R.C. v Muller & Co’s Margarine Ltd.* [1901] A.C. 217, 224, per Lord Macnaghten. On the notion see B E Cookson, ‘The significance of goodwill’ EIPR [1991] 248.

goodwill in a certain sign⁴ whilst the protection dispensed by design law to that intangible good (goodwill) is only a consequence of the protection of another intangible good: the aesthetic appearance.⁵ In fact, almost all IP rights protect more than one intangible good, even though they are devised with a function, an objective. They aim to protect a certain achievement or investment. As stated in CJEU's jurisprudence, developed mainly in the field of exhaustion, each IP right has its *specific subject matter*.⁶

When two IP rights protect the same “manifestation”, be it a computer program,⁷ an original database or the shape of a product, this results in the so-called overlapping protection of Intellectual Property rights, also called objective cumulation (cumulation regarding the same object).

4 In most recent times the CJEU has simultaneously recognized several functions to trade marks and established an additional requirement for infringement: the adverse affection of a protected function of the trade mark. The functions mentioned by the Court in an apparently non-exhaustive list are “not only the essential function of the trade mark, which is to guarantee to consumers the origin of the goods or services, but also its other functions, in particular that of guaranteeing the quality of the goods or services in question and those of communication, investment or advertising” (Case C-487/07 *L'Oréal v Bellure* [2009] ETMR 55 para 58). On the origins of the theory see T Cohen Jehoram, ‘The Function Theory in European Trade Mark Law and the Holistic Approach of the CJEU’ (2012) 102 *The Trademark Reporter* 1243.

5 With a similar analysis cf G Dinwoodie, ‘Trademark And Copyright: Complements or Competitors?’ in J Ginsburg and J Besek (eds), *Adjuncts and Alternatives to Copyright* (ALAI-USA 2002) 506, 518.

6 Case 78/70 *Deutsche Grammophon* [1971] ECR 487 para 11. This notion has been criticised as illogical and wrong C G Miller, ‘Magill: Time to abandon the “specific subject matter” concept’ [1993] EIPR 415. To our purposes it is just another way of highlighting that each Intellectual Property Right has function(s) that explain its form. Making that analysis in the context of trade mark law see I S Fhima, ‘How Does ‘Essential Function’ Doctrine Drive European Trade Mark Law?’ [2005] IIC 401.

7 Which can be decomposed in two different realities: software, protected by copyright and a computer implemented invention, protected by patents.

This phenomenon of overlaps,⁸ i.e. the co-existence of different exclusive rights whose object is the same, occurs more and more as a result of the expansion of intellectual property⁹ and poses a whole range of problems.¹⁰

The term “**object**” is used here to signify the manifestation that will attract protection. In the case of overlaps the object of the converging rights is the same although the intangible **subject matter** is normally different. For instance in the case of databases, copyright protects the expression, i.e. the original arrangement, whereas the *sui generis* right will protect the investment put into the creation of such a database. The same happens with a logo that attracts both copyright and trade mark protection. The logo is the object, while the subject matter for copyright is the original expression (the work) and for trade mark law it is the sign indicating commercial origin. Object is

8 Also referred to as cumulation or concurrence, T Cohen Jehoram et al, *European Trademark Law* (Kluwer Law 2010) 555. On the several understandings of convergence of G Dinwoodie, ‘Concurrence and Convergence of Rights: The concerns of the US Supreme Court in Intellectual Property Law’ in W Grosheide and J Brinkhof (eds), *Articles on Crossing Borders between traditional and actual Intellectual Property Law* (Intersentia 2004) 5-12.

9 R Moufang, ‘The interface between patents and plant variety rights in Europe’ (WIPO-UPOV/SYM/03/06) 4; A Kur and H Grosse Ruse-Khan, ‘Enough is Enough – The Notion of Binding Ceilings in International Intellectual Property Protection’ (2008) Max Planck Institute for Intellectual Property, Competition & Tax Law Research Paper Series No. 09-01, 8 <<http://ssrn.com/abstract=1326429>> accessed 16 August 2013 (“...until now, the development of international IP protection has been a one-way route – once rights have been inscribed into the text of an IP convention, they basically become sacrosanct for now and the future. Revision conferences (with only a few remarkable exceptions) have regularly served the purpose of further strengthening the position of right holders; hardly ever was an effort undertaken to question or curtail incumbent rules”). G Dinwoodie, ‘Trademark and copyright’ (n 5) 504 also points out the practical relevance of opportunistic litigation; A Quaedvlieg, ‘Concurrence and Convergence in Industrial Design: 3-Dimensional Shapes Excluded by Trademark Law’ in W Grosheide and J Brinkhof (eds), *Articles on Crossing Borders* (n 8) 23, 25 speaks of an “osmosis between the formerly separated terrains of technical subject-matter, marketing and culture”.

10 Some recent literature addressing these is N Wilkof and S Basheer (eds), *Overlapping Intellectual Property Rights* (OUP 2012); E Derclaye and M Leistner, *Intellectual Property Overlaps* (Hart Pub 2011); R Tomkowicz, *Intellectual Property Overlaps* (Routledge 2011).

also to be distinguished from “**product**”, the item sold as a unit in the marketplace (a single economic object).¹¹⁻¹²

The criterion to determine what constitutes an **object** should be taken from an economic perspective. An object is what is economically seen as a unit, something which cannot be exploited separately.¹³ Accordingly, if a product has a functional aspect protected by patents and also bears a trade mark, it is clear that both the trade mark and the patent can be exploited independently, since they have different objects. Hence, there is no overlap. On the other hand, if a logo is simultaneously protected by trade mark and copyright there is no way in which one can exploit it without having cleared both rights. The object of the IPRs is the same, so an overlap occurs.

These overlaps have the potential to challenge freedom of competition, freedom of expression and the arts, and free movement of goods by curtailing the use of exceptions, affecting the balance achieved within a certain exclusive right.¹⁴ Another matter of concern is “rejuvenation”. By using several

11 Expression of F Macrez, ‘Cumuls de Droits Intellectuels sur les créations informatiques’ in A Cruquenair and S Dusollier (eds), *Le Cumul des Droits Intellectuels* (Larcier 2009) 87. Unless otherwise noted, all translations found throughout the text are the author’s.

12 In the same vein see A Kur, ‘Cumulation of IPRs’ (n 2) 615. These notions and terminologies are, however, far from established. For instance when addressing the notion of *cumul*, J-C Galloux, ‘Des possibles cumuls de protection par les droits de propriété intellectuelle’ in *L’entreprise face à la contrefaçon des droits de propriété intellectuelle* (Litac 2002) 81, submits that the expression should be reserved for those situations in which “two or more rights, of a different nature, exist together in the same physical object while having partially or totally the same legal subject-matter” (*objet juridique*). He nonetheless distinguishes *cumul* from coexistence on the basis of physical separability (at 82) and concludes that coexistence cases are not problematic. E Derclaye and M Leistner (n 10) 3-5 also adopt a slightly different approach. On the different notions see O-A Rognstad, ‘The multiplicity of territorial IP rights and its impact on competition’ in J Rosén (ed) *Individualism and Collectiveness in Intellectual Property Law* (EE 2012) 55 fn1 (with further references).

13 This is a similar reasoning to the German limits on fragmentation through licencing according to which a licence is not valid unless it encompasses a unity that makes economic and technical sense. The object of the licence must be capable of being exploited by itself (BGH [1992] GRUR 310 *Taschenbuch-Lizenz*; T Dreier and G Schulze, *UrhG Kommentar* (4th edn, C.H. Beck 2013) § 31 rn9).

14 A Kur, ‘Exceptions to Protection Where Copyright and Trade Mark Overlap’ in J Ginsburg and J Besek (eds), *Adjuncts and Alternatives* (n 5) 594; see also M Sennfleben, ‘Overprotection and Protection Overlaps in Intellectual Property Law – the Need for Horizontal Fair Use Defences’ in A Kur and V Mizaras (eds), *The Structure of Intellectual Property Law: Can One Size Fit All?* (EE 2011).

forms of protection, some of which are very long lasting (copyright's duration in the EU is now 70 years after the death of the author)¹⁵ or even potentially "eternal", like trade marks, a right holder can frustrate the purpose of a limited term of protection¹⁶ in systems such as patents, designs, and, to a lesser extent, copyright.¹⁷⁻¹⁸

The specific overlap problem I've chosen to tackle in this paper relates to ownership. What happens when two (or more) different people own different

15 The term has been harmonized in the EU by the Term Directive in 1993, amended in 2001, codified in 2006 in the form of Directive 2006/116/EC of the European Parliament and of the Council of 12 December 2006 on the term of protection of copyright and certain related rights (codified version) [2006] OJ L372/12 (**Term Directive**) and extended by Directive 2011/77/EU of the European Parliament and of the Council of 27 September 2011 amending Directive 2006/116/EC on the term of protection of copyright and certain related rights [2011] OJ L265/1. Despite the multiple legislative interventions, harmonization has not been totally successful as demonstrated by C Angelopoulos, 'The Myth of European Term Harmonisation: 27 Public Domains for the 27 Member States' [2012] IIC 567.

16 G Ghidini, 'From here to eternity? On the overlap of shape trade marks with design protection' in J Drexel, R Hilty, L Boy and C Godt (eds), *Technology and Competition. Contributions in Honour of Hanns Ullrich* 55 ff. (concluding against the overlap between trade marks and designs at 66).

17 Of course this problem must be equated with the scope of protection granted by each of these IP rights, which is not exactly the same. The protection granted by copyright is directed only against copying and limited to a certain expression, whereas the strength of patent protection is far superior. Save for trade marks with a reputation, its protection is limited by the principle of speciality.

18 This is to be distinguished from the situation of "appropriation of the public domain" (works whose copyright has expired) by registering as a trade mark works such as the painting Monalisa (refused in Germany on the ground of lack of distinctive character, see [1998] GRUR 1021). In that situation the work belongs to nobody (or everybody depending on how to regard the public domain). On the topic see J Jankowski, *Markenschutz für Kunstwerke* (Nomos 2012) (concluding that there is no need for an absolute ground of refusal to protect the public domain) and M Senftleben, 'Der Kulturelle Imperativ des Urheberrechts' in M Weller, N Kemle, T Dreier and M Lynen (eds), *Kunst im Markt – Kunst im Recht* (Nomos 2010) 75 ff. In favour of introducing an absolute ground of refusal for such situation with an exception for those who were already exploiting the work as a trade mark before it went into the public domain see A Wandtke and W Bullinger, 'Die Marke als urheberrechtlich schutzfähiges Werk' [1997] GRUR 573, 578. Rejecting such idea and allowing the trade mark see the recent decision by the BGH [2012] GRUR 612 *Medusa*.

rights whose object is the same? How should we approach a situation where objective cumulation is not mirrored by subjective cumulation?¹⁹

The following considerations assume that there are no express contractual provisions dealing with ownership issues.²⁰

2. Why are split ownerships a problem?

The phenomenon of overlapping rights with different owners (split ownership) occurs systematically in relation to copyright and neighbouring rights. It is part of a wider aspect of modern copyright known as fragmentation.²¹ If A records B singing a song composed by C (actually, music by C and lyrics by D), and a third party wants to explore the recording: (s)he will have to gather licences from all these people, unless A has already done so and his licence allows sub-licensing.

The combined efforts of the copyright legislator and the market forces have generated mechanisms to deal with the fragmentation phenomenon such as collective management organizations,²² the connected works doctrine, deemed authorship in movies²³ and compulsory licensing.²⁴ Furthermore, market participants are also cognisant of the necessities generated by fragmentation and act accordingly, mainly through contract.

19 F Verkade, ‘The cumulative Effect of Copyright Law and Trademark Law: Which takes precedence?’ in J Kabel and G Mom (eds) Intellectual Property and Information Law: Essays in Honour of Herman Cohen Jehoram (Kluwer Law 1998) 69, 70.

20 A brief and practical approach to contracts regulating ownership can be found in T Golder and A Mayer, ‘Whose IP is it anyway?’ [2009] JIPLP 165.

21 Fragmentation covers both layers of rights (copyright + neighbouring rights), multiple sub-rights (e.g. reproduction and making available) or fields of use (broadcasting, online transmission, performance, etc.). This is also referred to as “atomisation”. Discussing it see ‘Note: A justification for allowing fragmentation in copyright’ [2011] HLR 1751.

22 For an overview see D Gervais (ed), *Collective Management of Copyright and Related Rights* (2nd edn, Kluwer 2010).

23 See below **I.B.2.b** 4.

24 E.g. arts. 9 and 10 Council Directive 93/83EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission (**satellite and cable directive**). This often means granting a remuneration right instead of a property right. M Ricolfi, Collective Rights Management in a Digital Environment in G Ghidini and L Genovesi (eds) (n 2) 383, 388 argues that collecting societies have the effect of shifting copyright from property to liability.

In the case of overlaps involving different IPRs there is no collective management in place²⁵ and market participants seem to be less aware of the problem. This can lead to a tragedy of the anticommons. As defined by Heller: "In an anticommons (...) multiple owners are each endowed with the right to exclude others from a scarce resource, and no one has an effective privilege of use. When there are too many owners holding rights of exclusion, the resource is prone to under use – *a tragedy of the anticommons.*"²⁶ One example presented by the Author was found in post-socialist economies. In the transition – "from Marx to markets" – there was a fragmentation of rights in Moscow's storefronts, multiple rights to the same property were distributed amongst several stakeholders.²⁷ Thus, a person interested in using a shop would need to collect all rights in order to operate. These high transaction costs explained the empty stores in Moscow, an underuse.²⁸ In a later article, with Rebeca Eisenberg,²⁹ Heller makes the same analysis regarding biomedical research and upstream patents, preventing downstream innovation.

It can be counter-argued that blocking effects are not a real problem. After all, IPRs are granted to protect the interests of the owner because society believes they merit protection. To borrow the example given by Peter Prescott QC in *Griggs v Ross Evans*,³⁰ an artist approaches a bank with a proposal for a new logo. "If the bank started to use the artist's version of the logo after all, without his permission, they would be taking advantage of his skill and labour in coming up with the original design. Copyright law prohibits this. But if the artist were to sell his logo to a rival bank and that bank started to use his logo in connection with its business, that would be a misuse

25 Still, some solutions (in the field of patent law) such as clearinghouses and patent pools have emerged (not without problems of their own). On these see G V Overwalle, 'Individualism, collectivism and openness in patent law: from exclusion to inclusion through licensing' in J Rosén (n) 71.

26 M Heller, 'The tragedy of the anticommons: property in the transition from Marx to markets' [1998] HLR 621.

27 Ibid 633 ff.

28 Ibid 639 ff.

29 'Can Patents Deter Innovation? The Anticommons in Biomedical Research' Science 280 (1998) 698 ("...privatization can go astray when too many owners hold rights in previous discoveries that constitute obstacles to future research"); see also M Heller, *The Gridlock Economy: How Too Much Ownership Wrecks Markets, Stops Innovation, and Costs Lives* (Basic Books 2010).

30 [2003] EWHC 2914 [26].

of the business goodwill associated with the [sign]. Trademark law prohibits this.”³¹ These rights are negative rights, rights to control the activity of others³² and requiring several layers of authorization is one way to regulate potential conflicts and to force understandings. One related example of this regulatory use of negative rights is present in the discussions regarding indigenous heritage protection.³³ A solution found in the trade mark statute of New Zealand of 2002, is to grant the right to control the use of Māori or aboriginal symbols by establishing an absolute ground of refusal if a trade mark’s “use or registration would be likely to offend a significant section of the Community, including Māori”.³⁴

Additionally, it can be said, as it is happens with dependent patents,³⁵ that market forces will lead to an understanding and cross-licensing is likely to occur in case it is of interest for both owners to exploit the same object commercially.³⁶ However, even then, the problem is not solved at its root, its extension is limited but the potential for conflict is still there. Furthermore, unlike in most cases of patent dependency³⁷ and other follow-on innovation,

31 Ibid [27].

32 W Cornish, D Llewlyn and T Aplin, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (7th edn, Sweet & Maxwell 2010) 7. It is debated e.g. in the plain packaging dispute, whether TRIPS grants a positive right to use to the trade mark owner (see T Voon and A Mitchell, ‘Implications of WTO Law for Plain Packaging of Tobacco Products’ in A. Mitchell, T. Voon and J. Liberman (eds), *Public Health and Plain Packaging of Cigarettes: Legal Issues* (EE 2012) 109, 115). The same is disputed in face of the text of art. 19 CDR (O Ruhl, *Gemeinschaftsgesamcksmuster Kommentar* (2nd edn, Carl Heymanns 2010) 375). If that is affirmed some of our cases can be framed as a collision of rights and a contradiction in the system (antinomy). This would generate a lacuna due to collision.

33 For an overview see S V Lewinski (ed), *Intellectual Property & Indigenous Heritage* (2nd edn, Kluwer 2008).

34 Art. 17(1)(b)(ii). For a brief analysis see D Zografos, ‘Tradition v Trade marks: The New Zealand Trade Marks Act 2002’ in W Grosheide and J Brinkhof (eds), *Articles on Crossing Borders* (n 8) 279.

35 Also called overlapping patents. Analysing its occurrence see A Christie and C Dent, ‘Non-overlapping rights: a patent misconception’ [2010] EIPR 58.

36 C Shapiro, ‘Navigating the Patent Thicket: Cross Licenses, Patent Pools, and Standard-Setting’ in A Jaffe, J Lerner and S Stern (eds), *Innovation Policy and the Economy* vol 1 (MIT Press 2001) 119.

37 Addressing the problem in the field of biotechnology see e.g. recital 25 and art. 12 of Directive 98/44/EC of 6 July 1998 on the legal protection of biotechnological inventions OJ L213.

there will not always be a mutual interest to exploit the object of the different rights independently.

Although the ownership problem of overlaps has affinities with the one of patent thickets, the origins of these different ownerships in overlaps will very often lie in one single set of events. Thus the relation between the different owners plays an essential role in the analysis. It is, nonetheless possible that two different rights overlap in the same object in spite of their holders being independent and unrelated. This will be the case when a software engineer writes code for a certain program without making a novelty-destroying disclosure and, later on, this technical solution is patented by a third party who independently reached that same solution.³⁸ This is a different situation from the one described *supra* in the *Griggs v Evans* hypothetical.³⁹ It is necessary to distinguish situations of “independent creation”, where no copyright violation takes place from the remainder. In the former the existence of copyright is irrelevant as it produces no blocking effect.⁴⁰

In an excellent article, Alexander Peukert identifies five subcategories of multiple rights or owners:⁴¹

- “Double invention and parallel trade marks”, addressed mainly by rules such as first to file⁴² and prior user rights,⁴³
- “Unilateral combinations/adaptation of protected subject matter”, whose solution is mainly to limit exclusivity,⁴⁴
- “Group innovation/creativity concerning several rights”, where solutions favouring concentration or joint exploitation are mentioned;⁴⁵

38 When it comes to patent law it will be hard to make generalisations as much will depend on the drafting of each particular claim.

39 n 30 and accompanying text.

40 This results from the subjective notion of originality (see A Waisman, ‘May authorship go objective?’ [2009] JIPLP 583, 584).

41 ‘Individual multiple and collective ownership of intellectual property rights – which impact on exclusivity?’ in A Kur and V Mizaras (eds) (n 14) 195, 200.

42 In Europe, art. 60(2) EPC for patents and arts. 6 and 8 CTMR for trademarks. The case of designs is more complex, involving registered and unregistered designs. For the former cf arts. 1(2)(b) and 25(1)(d) CDR. After 16 March of 2013 with the America Invents Act, US patent law abandoned the “first-to-invent” rule.

43 V.g § 12 PatGesetz (see R Kraßer, *Patentrecht* (6th edn, C.H.Beck 2009) 819 ff). Art. 28 of the Agreement on a Unified Patent Court deems national laws on prior user rights applicable to the European Patent with a unitary effect.

44 A Peukert (n 41) 203-207.

45 Ibid 207-208.

- “Parallel territorial rights”, relating both to territoriality and its exceptions and addressed by doctrines such as exhaustion and by the rules of jurisdiction and conflict of laws;⁴⁶ and
- “Cumulation of different IPRs”

The last one is the subject of this study.⁴⁷ According to the same Author:⁴⁸ “This situation entails unique difficulties (...) [and] can only be resolved by applying a ‘horizontal approach in search of overarching, general principles that form the basis of all IP rights’.

3. Methodology

The international IP system does not provide much guidance on how overlaps should be regulated.⁴⁹ Furthermore, the issue of ownership of Intellectual Property in general and copyright in particular is so contentious that it has rarely been touched upon by the numerous multilateral treaties concerning IP.⁵⁰ It is a controversial question, whether or not indirect regulation, through a rule of conflicts of law, can be found in art. 5 BC.⁵¹ In any case

46 Ibid 209-211. The challenges to territoriality are not only caused by the Internet but also by the wider phenomenon of globalisation (G Dinwoodie, ‘Trademarks and Territory: Detaching Trademark Law from the Nation-State’ (2004) 41 *Houston Law Review* 886).

47 As J-C Galloux (n 12) 81 notes there are also possibilities for overlaps between IP rights and rights of other nature (such as the conflict of personality rights and copyright or physical and intellectual property). These will not be addressed. I will neither cover the related problem of having different choice of law rules in overlapping IPRs mentioned by A Ohly, ‘Choice of Law in the Digital Environment – Problems and Possible Solutions’ in J Drexel and A Kur (eds) *Intellectual Property and Private International Law* (Hart Publishing 2005) 241, 249-250.

48 (n 41) 208-209.

49 E Derclye and M Leistner (n 10) 24.

50 P Goldstein and B Hugenholtz, *International Copyright: Principles, Law, and Practice* (2nd edn, OUP 2010) 245.

51 See S Ricketson and J Ginsburg, *International Copyright and Neighbouring Rights* vol 2 (2nd edn, OUP 2006) 1292-1327 (at 1315 “The BC affords insufficient guidance as to the law applicable (...) to designation of initial copyright ownership and authorship status”); P Torremans, ‘Choice of law in EU copyright directives’ in E Derclye (ed), *Research Handbook on the Future of EU Copyright* (EE 2009) 457-479 (stating “Whilst there is therefore no real choice of law rule in the Berne Convention it does seem to push Member States down the road of the law of the protecting country”).

the international system of treaties and conventions is dependent on further action by national legislators.⁵² When it comes to the European Union,⁵³ there's a supranational IP system in place that comprises EU-wide (unitary) trade marks,⁵⁴ designs,⁵⁵ plant varieties,⁵⁶ and geographical indications,⁵⁷ besides a substantial number of harmonisation directives.⁵⁸ These systems of protection interact with national law mainly on the basis of coexistence,⁵⁹ which allow for the so-called vertical overlaps.⁶⁰

The problem at hand will be analysed under European law, focusing on the existing corpus of EU primary and secondary legislation and jurisprudence. When the EU body of law provides no guidance or a national example is required, I will turn mainly to three jurisdictions: Germany, France and the UK, without prejudice of analysing solutions found elsewhere. Germany is chosen for it is the paradigm of a monistic⁶¹ *droit d'auteur* system, France is the typical example of the dualist *droit d'auteur* regime and the UK is the copyright system's representative.

52 Although a few States recognize direct effect to some of its provisions.

53 Except for the Regulation on Supplementary Protection Certificates the countries of the European Economic Area (Switzerland, Iceland, Norway and Liechtenstein) are not part to the unitary systems although they harmonize their laws by means of the Directives (Annex XVII of the EEA Agreement).

54 Council Regulation (EC) No 207/2009 of 26 February 2009, hereinafter **CTMR**.

55 Council Regulation (EC) No 6/2002 of 12 December 2001, hereinafter **CDR**.

56 Council Regulation (EC) No 2100/94 of 27 July 2004 hereinafter **CPVR**.

57 Relating to foodstuffs and agricultural products: Council Regulation (EC) No 2006/510 of 20 March 2006, for wines Regulation (EC) No 479/2008 of the Council of 29 April 2008 and for spirit drinks Regulation (EC) No 110/2008 of the European Parliament and of the Council of 15 January 2008.

58 For a summary analysis of the current EU law on intellectual property see A Kur and T Dreier, *European Intellectual Property Law – Text, Cases & Materials* (EE 2013).

59 Recital 6 and art. 1(2) of the CTMR, Recital 31 and art. 96 of the CDR. When it comes to GIs, only the system set for foodstuffs is exclusive, the one for wines and spirits allows coexistence (DG Agriculture, “Background Paper to the Green Paper on Agricultural Product Quality” (2008) 4). The CPVR has established an exclusive regime (art. 1).

60 E Derclaye and M Leistner (n 10) 43.

61 In dualistic systems moral rights (as opposed to economic rights) are eternal and unassignable (e.g. L-121-1) whereas in a monistic system the economic rights and the moral rights have the same duration. Using Eugen Ulmer's famous metaphor (*Urheber- und Verlagsrecht* (3rd edn, Springer 1980) 116), in a monistic system economic and moral rights are seen as “two branches from the same tree”.

This work will address mainly the interaction of copyright with other IPRs.⁶² Due to its tendency to cumulate, copyright has been suggestively called the "promiscuous member of the IP village".⁶³ Additionally, the rules on ownership of copyright have hardly been touched upon by the EU legislature which renders this problem even more acute.

4. Sequence

Bearing in mind the controversial and non-harmonised nature of copyright-ownership rules and copyright's central role in overlaps it is convenient devote a whole section to the analysis of their specific regime and to the definition of some essential notions. This will also help us understand where the biggest potential for split ownerships lies and to seek inspiration for possible solutions.

Subsequently, I will turn to specific cases of overlaps (**II**). Five situations have been chosen. Due to the simplicity of the ownership rules, I will start by addressing the case of trademark and designs (**A**). Since it obeys essentially the same principles, the case of trademarks and copyright follows (**B**). To come full circle in the field of "product appearance" overlaps, the case of designs and copyright is examined (**C**). I will then turn to the case of copyright and the database maker's *sui generis* right (**D**), to conclude by studying the interface of copyrighted software and patented computer implemented inventions (**E**). Each of these sections ends with a summary.

From these cases I will draw some conclusions on existing rules and assess the extent of the problem, before proceeding to evaluate possible solutions based on existing law. I will conclude by assessing possible legislative intervention and the form it might take.

Two annexes are found at the end of the document: the first contains a brief analysis of the interface of copyright and designs under Russian law and the second provides the reader with a selection of legislative provisions cited in the text.

⁶² As until now there is not a unitary copyright in the EU, this constitutes a "mixed overlap" (different rights with different territorial scope); E Derclaye and M Leistner (n 10) 32.

⁶³ A Quaedvlieg, 'Overlap/relationships between copyright and other intellectual property rights' in E Derclaye (ed), *Research handbook* (n 51) 480, 483.

B. The ownership of copyright

As William Cornish⁶⁴ puts it: “Throughout the history of intellectual property there has been a fundamental tension between the creator (inventor, author) – whose activity is the key to entitlement – and the investor/entrepreneur – who needs the right in order to turn the subject-matter to commercial account, potentially for the benefit of both...”.

In the field of patent law the solution tends to be alike: the invention belongs to the inventor⁶⁵ unless the inventive activity takes place in the course of his work.⁶⁶ In that case, the invention usually belongs to the employer.⁶⁷ The inventive activity might be eligible for additional remuneration, according to national regulations. The detail of these regulations ranges from the minimalist Portuguese solution: a general statement “if the inventive activity is not specially considered in the payment, the inventor has the right to be remunerated according to the importance of the invention”⁶⁸ to the very detailed German Act on employer’s inventions (*Arbeitnehmererfindungsgesetz*).⁶⁹

When it comes to copyright ownership there is a rather bigger divide.

64 ‘The expansion of Intellectual Property Rights’ in Schricker, Dreier and Kur (eds) *Geistiges Eigentum im Dienst der Innovation* (Nomos 2001) 9,16.

65 There are, of course, problems of “inventorship”, determining if a certain contribution is important/inventive enough for its responsible to be deemed co-inventor.

66 Art. 60 EPC limits itself to determine the applicable law. Hess in R Hacon and J Pagenberg (eds), *Concise European Patent Law* (2 edn, Wolters Kluwer 2009) 64.

67 E.g. S39 of the UK Patents Act of 1977. The situation in Germany is more complex. See S Wolk, ‘Remuneration of Employee Inventors – Is there a Common European Ground? A comparison of National laws on Compensation of Inventors in Germany, France, Spain, Sweden and the United Kingdom’ [2011] IIC 272; S Wolk, ‘EU Intellectual Property Law and Ownership in Employment Relationships’ in *Information & Communication Technology, Legal Issues, Scandinavian Studies in Law* (Wahlgren 2010) 419.

68 Art. 59(2) of the Portuguese Industrial Property Code, providing for a dispute resolution system in case an agreement is not reached on the amount to be paid.

69 For a thorough analysis and an annex with a translation of the law see M Trimborn, *Employees Inventions in Germany: A Handbook for International Business* (Wolters Kluwer 2009). Concerning the situation in the UK see J Pila, ‘Sewing the Fly Buttons on the Statute’ Employee Inventions and the Employment Context’ 32 (2012) OJLS 265; W Cornish, D Llewellyn and T Aplin (n 32) 291 ff. With a French and comparative perspective see J-P Martin, *Droit des inventions de salariés* (3rd edn Lexis Nexis 2005).

1. Author's rights vs. copyright

Copyright laws follow one of two big systems: author's rights (*droit d'auteur*), prevailing in the civil law tradition, based on the personal relation between the creator and the work and the Anglo-American copyright system, which takes a more economic, incentive-based, approach.⁷⁰

One of the major manifestations of the different philosophical underpinnings of these systems is the issue of ownership of rights, specifically whether companies can be initial owners of copyright. While the *droit d'auteur* systems (such as France,⁷¹ Germany,⁷² and most civil law countries) regard the author as a natural person (a perspective which is also found in some international treaties, like art. 15 ICESCR⁷³ and arguably the Berne Convention),⁷⁴ the copyright systems (notably the US⁷⁵ and the UK,⁷⁶ by means of the 'work for hire' doctrine) have no issue with copyright being

70 For a nice overview of the differences see S V Lewinski, *International Copyright Law and Policy* (OUP 2008) 33 ff.; J Ginsburg, 'A Tale of Two Copyrights: Literary Property in Revolutionary France and America' [1990] Tulane Law Review 991 (demonstrating that there was more in common, both in theory and in practice, between the early French and American copyright statutes than what is normally conveyed); A Strowel, *Droit d'auteur et copyright* (Brulyant 1993).

71 Lucas and Lucas, *Traité de la propriété littéraire et artistique* (4th edn, Lexis Nexis 2012) 155-156 (noting that this also seems to result from Infopaq's criterion, as only natural persons are capable of an intellectual creation).

72 § 7 UrhG.

73 UN Committee on Economic, Social and Cultural Rights (CESCR), *General Comment No. 17: The Right of Everyone to Benefit from the Protection of the Moral and Material Interests Resulting from any Scientific, Literary or Artistic Production of Which He or She is the Author (Art. 15, Para. 1 (c) of the Covenant)* (12 January 2006) E/C.12/GC/17, 3 available at: <<http://www.refworld.org/docid/441543594.html>> accessed 24 August 2013.

74 S V Lewinski (n 70) 129 (arguing that "all means of interpretation result in (...) only natural persons are authors in the meaning of the Convention"); A Dietz, 'The Concept of Author under the Berne Convention' 155 (1993) RIDA 2, 26 (with the same conclusion and stating that "the assertion that the simple replacement of employed authors by employers and other producers is permissible under the Convention is extremely questionable").

75 17 USC § 101 and § 201(b).

76 S 11(2) CDPA.

vested in legal persons *ab initio* and employ the term “author” indiscriminately.⁷⁷

There are also countries of a *droit d'auteur* tradition that allow, in specific situations, for copyright to be vested originally in legal persons.⁷⁸ This exception is justified mainly in situations where the dispersion/fragmentation that would otherwise be generated could render the exploitation of a work too impractical.⁷⁹ Countries like Portugal⁸⁰ or France⁸¹ have provisions regarding collective works according to which the promoter of a collective project, often a legal person, might own the copyright in those creations.⁸² Jurisdictions in this tradition have no problem with the transfer of copyright⁸³ to legal persons by means of a contract.⁸⁴

Some other countries, such as Germany or Austria have no exceptions to the creator’s principle (*Schöpferprinzip*).⁸⁵ In these countries, copyright can only be vested in natural persons and, accordingly, ownership is reserved to authors. This also implies that no contractual assignment can occur, copyright is non-transferrable, unless by inheritance.⁸⁶ However, even in the latter

77 According to J Sterling, *World Copyright law* (3rd edn, Sweet and Maxwell 2008) 1209 one has to distinguish between author in the strict sense (“the individual who by creative contribution produces a work”) and in the broader sense (the one defined by law). He also believes the BC refers to an individual (at 207).

78 Which is not really synonymous with recognizing authorship; what happens is a detachment between authorship and ownership by operation of the law. A Dietz (n 74) 12.

79 P Goldstein and B Hugenholtz (n 50) 243.

80 Art 19 PTCA.

81 L 113-2(3) and L 113-5. On this rule in detail and in its wider context see the very well written article by P Gaudrat, ‘Les démêlés intemporels d’un couple à succès: le créateur et l’investisseur’ 190 (2001) RIDA 71-243 (specially 171 ff), the Author considers this solution an “absolute irrationality” (at 193).

82 In a recent decision (22 March 2012, appeal no 11-10132) the French *Cour de cassation* held that this rule also covers moral rights.

83 In fact only the economic rights, as “...the core (moral) rights of the author (i.e. an individual) cannot be transferred” (A Strowel and B Vanbrabant, ‘Copyright licensing: a European view’ in J de Werra (ed) *Research Handbook on Intellectual Property Licensing* (EE 2013) 29, 34).

84 Arts. 13,14 CDADC; L-111-1; A Rahmatian, ‘Dealing with rights in copyright-protected works: assignment and licences’ in E Derclaye (ed), *Research handbook* (n 51) 286, 291 (“...the first assignment splits authorship from ownership”).

85 § 7 UrhG; § 10 ÖUhrG; T Dreier and G Schulze (n 13) § 7 m 1. On the topic see J Seignette, *Challenges to the creator doctrine* (Wolters Kluwer 1994).

86 § 29 UrhG; § 24(3) ÖUrhG.

cases there are provisions dealing with the problem of dispersion, such as the ones regulating copyright in films.⁸⁷

2. Special cases of ownership

Due to its controversial nature, the EU has had a very modest intervention in matters of copyright ownership.⁸⁸ The existing approach is limited to the “technical copyright”, in the Software and Database Directives and certain provisions in the Term Directive.⁸⁹

Copyright remains to a large extent a national creature and in this respect, though the problems are common,⁹⁰ the differences are still marked. Within the EU there are only a few countries – like Ireland,⁹¹ the UK or the Netherlands⁹² – where the “work for hire” doctrine assigns the copyright originally to the employer. Nonetheless most Member States have specific provisions to deal with “problematic” cases of entitlement.

87 § 88-94 UrhG; § 38, 39 ÖUrhG. For the situation under German law see Hartlieb and Schwarz, *Handbuch des Film-, Fernseh- und Videorechts* (5th edn, C.H.Beck 2011) 157 ff.

88 Commission, ‘Staff Working Paper on the Review of the EC Legal Framework in the field of copyright’ SEC(2004)995, 14: “One of the reasons for the scarcity of international and Community rules governing the initial ownership is the sensitivity of the issue and the fact that it is so closely associated with the foundations of copyright and the objectives of the copyright regime in a given country.” In C-518/08 *Salvador Dalí*, a case regarding *post-mortem* entitlement of the resale right, the CJEU confirmed that this is an issue for Member-States to determine.

89 A Quaedvlieg, ‘Authorship and Ownership: Authors, Entrepreneurs and Rights’ in T-E Synodinou (ed), *Codification of European Copyright Law* (Kluwer Law 2012) 197, 207.

90 A Metzger, ‘Vom Einzelurheber zu Teams und Netzwerken: Erosion des Schöpferprinzips?’ in S Leible, A Ohly and H Zech (eds), *Wissen – Markte – Geistiges Eigentum* 79 ff. (highlighting the challenges that networks and hierarchical structures pose to the principle).

91 Section 23(1)(a) Ireland Copyright and Related Rights Act, 2000.

92 Arts 7 and 8 Dutch Copyright Act, analysed by J Seignette, ‘Authorship, Copyright Ownership and Works made on Commission and under Employment’ in B Hugenholtz, A Quaedvlieg and D Visser (eds) *A Century of Dutch Copyright Law* (deLex 2012) 115.

a) Employee's creations

1. Work for hire

Among the several copyright laws in the EU one can find specific solutions addressing employee's creations and the rights of employers. One approach is the aforementioned work for hire doctrine in the tradition of Anglo-American copyright law.⁹³ Pursuant to Section 11(2) of the UK CDPA: "Where a literary, dramatic, musical or artistic work or a film, is made by an employee in the course of his employment, his employer is the first owner of any copyright in the work subject to any agreement to the contrary". This provision creates a presumption of assignment. Unless there is an agreement to the contrary, the copyright will be vested in the employer, often a company. The usual point of controversy when applying this provision is whether the work was made in the course of employment.⁹⁴

The equivalent provisions found in Dutch and Irish law have the same effect.⁹⁵ Unlike in the US,⁹⁶ in the EU "work for hire" type provisions do

93 For a critique of this doctrine see J Ginsburg, 'The concept of authorship' (2002) 52 Depaul Law Review 1063, 1088-1092.

94 W Cornish, D Llewlyn and T Aplin (n 32) 531; J Seignette, (n 92) 129-134 (summarizing Dutch law and presenting a relevant number of factors to aid in the qualification).

95 Ns 91 and 92 .

96 17 USC § 101 and § 201(b). The doctrine is however limited, the work must have been specifically commissioned, there must be a written agreement and the work must fall into one of the eligible categories (A Briges, 'Navigating the interface between utility patents and copyrights' in N Wilkof and S Basheer (eds) (n 10) 1, 11); A S Wernick, 'The work for hire and joint work copyright doctrines after CCNV V. REID: "What! You mean I don't own it even though I paid in full for it?"' (1990) 13 Hamline Law Review 287).

not cover commissioned works.⁹⁷ These might, nonetheless, be a fertile ground for implied licences or even ownership in equity.⁹⁸

2. Presumed assignment or licence⁹⁹

In the context of labour contract or commissioned works most countries of the civil tradition understand that the author remains the owner of his work.¹⁰⁰ However, for some creations like software,¹⁰¹ advertising, newspaper articles or photographs¹⁰² there are different solutions in place. For instance French law has a presumption that the commissioned advertising

97 J Seignette ‘Authorship’ (n 92) 127 fn84 (Dutch law); R Clark, S Smyth and N Hall, *Intellectual Property in Ireland* (3rd edn, Bloomsbury 2010) 355; Laddie, Prescott and Vitoria, *The modern law of copyright and designs*, (4th edn, Lexis Nexis Butterworths 2011), vol I 946. The previous English law covered specific commissioned works like photographs. The current Portuguese law has a specific provision on photographs (art. 165 PTCA) according to which the copyright in that work is the commissioner’s. That rule is also found e.g. in Italy (art. 88 ItalCA).

98 *Griggs v Evans* (n 30) [35] (“Now, it is often the case that a copyright work is commissioned by a client: the client pays for the work to be created, but nothing is said about copyright. It is clear that the free-lance artist is the legal owner of the copyright, for section 11 of the Act so provides. But who is the owner in equity?”); Laddie, Prescott and Vitoria, *ibid*, vol I 1973-4 (“Ownership in equity can arise where the circumstances are such that the copyright, although belonging to the author at law, can properly be regarded as being held on trust by him for another person who is entitled to call for an assignment in order to perfect the legal title”).

99 In this section I only address examples of statutory provisions. Implied licences (also in the employment context) and ownership in equity are considered below at **III.B.3.**

100 According to § 43 UrhG, unless a different result arises from the nature or content of the employer/commissioner relationship with the employee/commissioned, the former will not have any special treatment regarding exploitation rights (but can benefit from an implied licence (cf below n 333)). In a more restrictive vein cf. L-111-1 and art. 14 PTCA. There are also States, like Greece, which have an express provision establishing a general presumption of transfer of economic rights in the context of employment (limited to the fulfilment of the purpose of the contract) (art. 8 of the Greek Copyright Act).

101 Art. 2(3) of the Computer Programs Directive, for its analysis see **II.E**.

102 n 97 .

work is licenced for that use¹⁰³ and professional journalist assign (by operation of the law) their copyright in newspaper articles.¹⁰⁴

Another example found in some countries – and not only those which have copyright in official documents¹⁰⁵ – is a general presumption of assignment of copyright in favour of the State.¹⁰⁶

b) Several authors

The area of works in which more than one original contribution is involved is a controversial one, “fraught with problems”,¹⁰⁷ and the national solutions vary as does the terminology.¹⁰⁸ It is therefore convenient to present a small definition for each of the following terms – drawn from the comparison of national laws –and to briefly describe their treatment.

1. Joint Works

Works of joint authorship are those in which more than one person contributes to their final form.¹⁰⁹ Each author’s contribution must be original, inseparable and indistinguishable in the final result.¹¹⁰ Every contributor deemed an author will be entitled to copyright in the joint work;¹¹¹ hence

103 L-132-31.

104 L-132-36.

105 Art. 2(4) BC leaves it for Member States to decide. For instance, Portugal (arts. 7 and 9) and Italy (art. 5) deny it, whereas the Netherlands (art.11) and the UK (S 163-167) grant it.

106 As in Italy (art. 11) and in the UK (s11(2)).

107 D Marchese, ‘Joint ownership of intellectual property’ [1999] EIPR 364. See also the AIPPI summary report to question Q194 “The Impact of Co-Ownership of Intellectual Property Rights on their Exploitation” available at <<https://www.aippi.org/download/committees/194/SR194English.pdf>> accessed 28 August 2013.

108 S Ricketson and J Ginsburg (n 51) vol I 363.

109 This is to be distinguished from a derivative work, which is a new work based on a prior existing one (E Ulmer (n 61) 190).

110 S10 CDPA (also *Ray v Classic FM Plc* [1998] ECC 488 [27]); § 8UrhG; art. 10 ItalCA; § 11(1) ÖUhrG. This is the so-called “strict approach” to joint authorship. Other countries do not require inseparability. For a comparison see M Walter in M Walter and S V Lewinski (eds), *European Copyright Law* (OUP 2010) 526 ff.

111 There are other cases of joint ownership, Laddie et al (n 97) vol I 964.

the permission of all authors is needed for a joint exploitation.¹¹² Since this unanimity rule is prone to create tensions among the joint authors, there are some solutions in place to overcome the lack of consensus. French law, under the broader notion of collaborative works, states that, in the absence of common agreement, it will be up to courts to settle the dispute.¹¹³ German law provides that a joint author cannot refuse the publication, exploitation or alteration against good faith.¹¹⁴ Italian and Portuguese laws deem the general provisions on common property applicable,¹¹⁵ which means that the contribution of each author is presumed equal¹¹⁶ and the disputes among the parties can be settled by the courts.¹¹⁷

The Software Directive (art.2(2)) and the Database Directive (art. 4(3)) mention “joint works” but do not define it or extract further consequences. The Term Directive (art. 1(2)), as the Berne Convention (art. 7bis), refers to joint authorship but leaves it likewise undefined.

2. Connected works

Connected works are works which, although independent, are combined to be exploited in common.¹¹⁸ Classic examples are choreography and music

112 W Cornish, D Llewlyn and T Aplin, (n 32) 540 describing the situation under English law.

113 L-113-3.

114 § 8(2) UrhG. Similarly § 11(2) ÖUrhG provides that a co-author can sue the remainder for consent when the refusal has no sufficient reason (*ohne ausreichenden Grund*).

115 Art. 10 3rd paragraph ItalCA; art. 17 PTCA. See also AIPPI’s summary report (n 107).

116 Art. 10 2nd paragraph ItalCA; L C Ubertazzi, ‘Spunti sulla comunione in diritto d’autore’ [2003] AIDA 506 (discussing whether this presumption is rebuttable); To the same effect, in English law, see *Bamgbose v Reed* [2004] 5 EMLR 61, 74. Critical of the current approach to joint authorship see L Zermer, ‘Contribution and collaboration in joint authorship: too many misconceptions’ [2006] JIPLP 283.

117 M Bertani, *Diritto d’autore europeo* (G. Giapichelli Editore 2011) 81.

118 Thus forming a civil law society (G Schricker and U Loewenheim, *Urheberrecht Kommentar* (4th edn C.H. Beck 2010) 263) regulated under § 705 ff. BGB (on the applicability of these rules see G Spindler, ‘Miturhebergemeinschaft und BGB-Gesellschaft’ in A Ohly et al (eds), *Perspektiven des Geistiges Eigentums und Wettbewerbsrecht – Festschrift für Gerhard Schricker zum 70. Geburtstag* (C.H. Beck 2005) 539).

in ballet, text and graphic arts in illustrated books or the junction of music and text in operas or songs.¹¹⁹

Some copyright statutes have specific provisions to deal with this situation. For instance the German Copyright Act provides that each author must ask for permission of the other for exploitation when according to good faith that authorization is expectable;¹²⁰ the authors remain otherwise free to exploit their work independently.¹²¹ Though similar, the Italian regulation for composite works (*opere composite*) is very detailed and limited to music-dramatic works, musical compositions with words, choreographic works, and pantomimes.¹²² The legislation tries to strike a balance by according the right to economic exploitation to the author of the most relevant work¹²³ and allocating the profits in the proportion of each author's contribution.¹²⁴

3. Collective works

According to French law, collective works are those created by the initiative of one (legal or natural) person who gathers and manages the contributions of several people.¹²⁵ In this case the copyright belongs to the organizer.¹²⁶ Common examples are dictionaries,¹²⁷ encyclopaedias or newspapers.¹²⁸

119 U Loewenheim, *Handbuch des Urheberrechts* (2nd edn, C.H. Beck 2010) § 11 rn1.

120 § 9 UrhG.

121 Like the same lyrics with a different melody or vice-versa (U Loewenheim (n119) § 11 rn11). Art. 38 ItalCA expressly states that each of the authors of a collective work retains the right to use his own work separately. French law contains the same provision but only mentions works of different genre (L-113-3).

122 Arts. 33-37 ItalCA. T Margoni and M Perry, 'Ownership in complex authorship: a comparative study of joint works in copyright law' [2012] EIPR 22, 25-26 (describing the rules in detail and informing that some authors defend its extension by analogy).

123 V M de Sanctis, *I soggetti del diritto d'autore* (Giuffrè 2005) 88.

124 Cf art. 34 considering the author of the musical part the prevailing and art. 37, stating that where music has not the main function or value (*funzione o valore principale*) the right of exploitation belongs to the author of the pantomime, choreographic work or to the author of the literary part in the revue (*rivista musicale* – a specific kind of multi-act show).

125 L-113-2.

126 L-113-5. Same in art. 5 Dutch Copyright Act and arts. 7 and 38 ItalCA..

127 E.g. the French *Petit Robert* decision [2005] RIDA 236.

128 M Vivant and J Navarro, *Code de la propriété intellectuelle* (Lexis nексis 2013) 185.

Italian law has the same solution and mentions these works expressly.¹²⁹ According to Alessandro Ferretti,¹³⁰ the ownership of copyright is a normative attribution of creativity in the collective work. In fact, the copyright in the collective work is independent of the possible copyright of each contributor in his specific contribution.¹³¹ If the contributions are distinguishable and protected by copyright, in order to exploit the collective work, its creator will still need to clear the rights regarding each contribution.¹³²

As with the notion of joint works, both the Software Directive (art. 2(1)) and the Database Directive (art. 4(2)) mention the term “collective works” but leave it undefined and so does art. 1(4) of the Term Directive.

4. Copyright in cinematographic works

The protection of cinematographic works under copyright poses several challenges. These difficulties depart from the qualification: how many works are there in a film and how to look at them?¹³³ As stated in the “Study on the conditions applicable to contracts relating to Intellectual Property in the European Union”:¹³⁴ “The ownership of rights on audiovisual works (...) raises combined issues of multiple authorships and of creation under employment and/or commission”.

129 Arts. 3, 7 and 38 ItalCA.

130 *Diritto d'Autore* (Simone 2008) 53.

131 Although under French law the notion of collective works presupposes indistinguishable contributions.

132 K Garnett, G Davies and G Harbottle, *Copinger and Skone James on Copyright* vol I (16th edn, Sweet & Maxwell 2011) 236. A collective work is often also a collection. However, the criterion to define them is different. A collective work is a work which has more than one contributor and a collection is a work which gathers different elements (protected works or not) and “by reason of the selection and arrangement of its contents, constitutes an intellectual creation”, art. 2(5) BC; see also recital 13 of the Term Directive. A murky usage of the terms is often found in literature and statutes (e.g. art. 3 ItalCA employs “collective works” (*opere collettive*) for what is really a collection).

133 On the topic see P Kamina, *Film Copyright in the European Union* (CUP 2002). The multimedia works pose analogous difficulties.

134 L Guibault and B Hugenholtz, Final Report (study no ETD/2000 /B5-3001/E/69), at 27.

The BC addresses the problem briefly in art. 14bis but the provision is of little practical significance.¹³⁵ It is nonetheless worth pointing out the limitation contained in art. 14bis(2)(b), according to which: “in the countries of the Union which, by legislation, include among the owners of copyright in a cinematographic work authors who have brought contributions to the making of the work, such authors, if they have undertaken to bring such contributions, may not, in the absence of any contrary or special stipulation, object to the reproduction, distribution, public performance, communication to the public by wire, broadcasting or any other communication to the public, or to the subtitling or dubbing of texts, of the work”. This provision aims at strengthening the position of the film producer and to make the exploitation of a film easier.¹³⁶

In the EU there was (and still is) a large diversity of national solutions regarding authorship in cinematographic works.¹³⁷ Abandoning more ambitious plans of complete harmonization,¹³⁸ the Term Directive in its art. 2(1) limits itself to determine that copyright vests, “by operation of the law, directly and originally in the principal director”.¹³⁹ Member states remain free to designate other co-authors.¹⁴⁰ Regardless of ownership the Directive (art. 2(2)) determines that the duration of copyright is calculated from the death of the last of four people listed therein.

135 S Ricketson and J Ginsburg (n51) 379 ff (with a detailed analysis of the negotiations).

136 T Dreier in T Dreier and B Hugenholtz (eds), *Concise European Copyright Law* (Wolters Kluwer 2006) 62.

137 For a comparison of national laws see P Kamina (n 133) 137 ff; A Manthey, *Die Filmrechtsregelungen in den wichtigsten filmproduzierenden Ländern Europas und den USA* (Nomos 1993).

138 M Walter (n 110) 546.

139 This provision is to be distinguished from art. 1(5) of the Satellite and Cable Directive. The effect of the latter was not horizontal but limited to determining the beneficiary the right of communication to the public by satellite (“even if under national law authorship in films is attributed to another person, such as the film producer”, B Hugenholtz in T Dreier and B Hugenholtz (n 136) 274). Likewise, article 2(2) of the Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version) was limited to the allocation of the rental and lending right. See also Case C-277/10 *Martin Luksan v Petrus van der Let* (CJEU 9 February 2012) para 72, hinting at the inconformity of Austrian copyright law with the directive.

140 M Walter (n 110) 546.