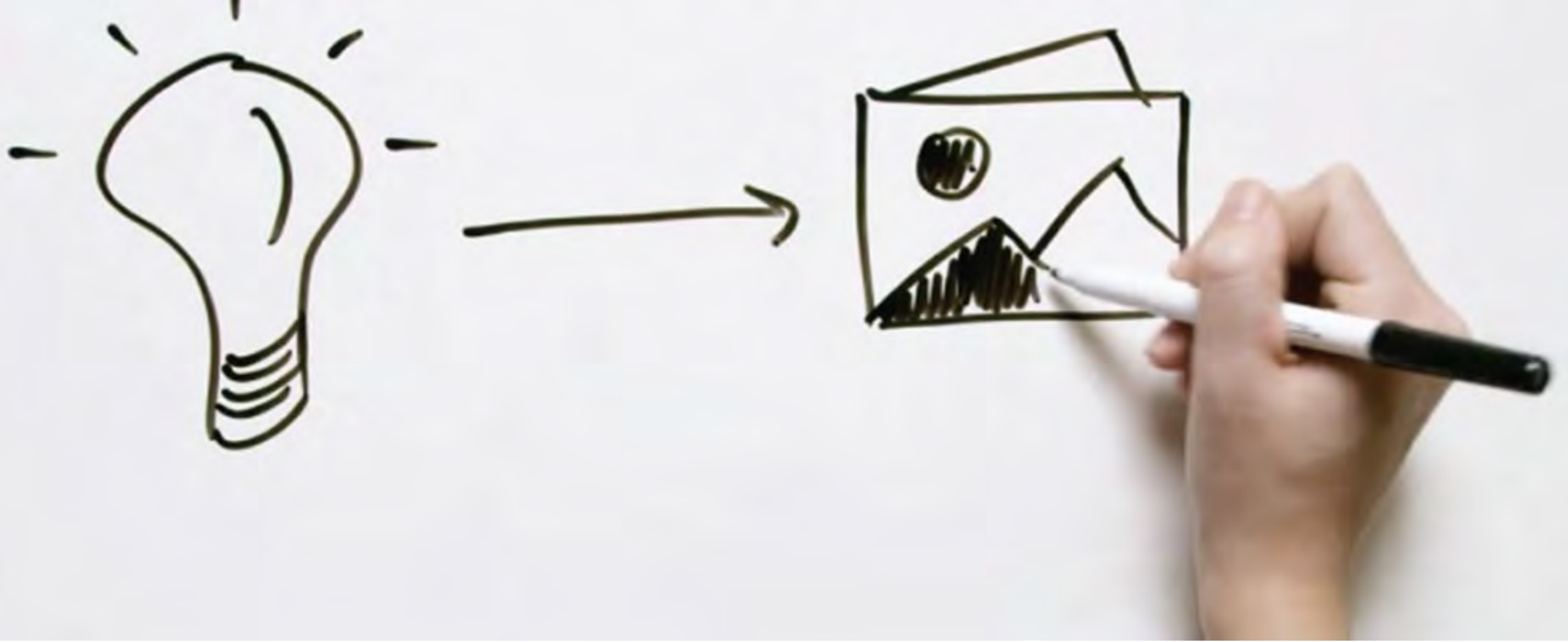


UNDERSTANDING INTELLECTUAL PROPERTY

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Session 6

INTRODUCTION

- Intellectual property (IP) is the product of the MIND
- It is treated as an asset, capable of being owned, sold and licensed BUT only when expressed/recorded



THE LAW PROTECTS THE EXPRESSION OF
THE IDEA, NOT THE IDEA

DIFFERENT TYPES OF IP

- Patents
- Design Rights
- Trademarks
- Copyright
- *Sui Generis* Rights
- Geographical Indications of Origin
- Trade Secrets



ONE PRODUCT – MANY IP RIGHTS

Trade marks

- NOKIA
- Product '208'
- Start-up tone

Copyright

- Software
- User manuals
- Ringtones
- Start-up tone
- Images



Designs

- Form of overall phone
- Arrangement and shape of buttons
- Position and shape of screen

Patents and utility models

- Data-processing methods
- Operating system
- Operation of user interface

Trade secrets

- Some technical know-how kept 'in-house' and not published

THE IMPORTANCE OF IP

1. IP is an essential business asset in the knowledge economy: *ARM Holdings*
2. IP protects small innovative firms: *Gore & Associates: GORE-TEX[®]*
3. IP is needed to enable the release of IP into the public domain under controlled conditions: *Creative Commons*
4. IP helps guarantee standards for public benefit by means of licensed trade marks: *Fairtrade International (FAIRTRADE)*

THE IP SYSTEM



The IP system is there to help innovators protect their inventions, designs, brands and artistic works. It provides them with ownership over their work and the rights to exclude competitors from the production, import or sale of infringing goods.

INTELLECTUAL PROPERTY LAWS

- Copyright Act (Chapter 415 of the Laws of Malta)
- Patents and Designs Act (Chapter 417 of the Laws of Malta)
- Trademarks Act (Chapter 597 of the Laws of Malta)
- Trade Secrets Act (Cap 589 of the Laws of Malta)
- Criminal Code (Chapter 9 of the Laws of Malta)
- Commercial Code (Chapter 13 of the Laws of Malta)
- Civil Code (Chapter 16 of the Laws of Malta)
- Enforcement of Intellectual Property Rights (Regulation) Act (Chapter 488 of the Laws of Malta)
- Intellectual Property Rights (cross-border measures) Act (Chapter 414 of the Laws of Malta);

PATENTS |

PATENTS

A legal title which grants the holder the exclusive right to prevent others from making, using or offering for sale, selling or importing a product that infringes his/her patent without his/her authorisation in countries for which the patent was granted for a limited time.

In return for this protection, the holder has to disclose the invention to the public.



PATENTS

Requirements for a Patent:

- I. Novelty
- II. Inventive Step
- III. Capable of Industrial Application

Duration: 20 years

Patents protect inventions which solve technical problems:

- ✓ chemical substances, pharmaceuticals
- ✓ processes, methods, uses
- ✓ Products, devices



PATENTS

What is not patentable?

- a. Discoveries, scientific theories and mathematical methods;
- b. Aesthetic creations;
- c. Schemes, rules and methods for performing mental acts, playing games or doing business and programs for computers;
- d. Presentations of information

Computer Software is not patentable, however the European Patent Office has decided that inventions relating to non-patentable items are in fact protectable if there is a technical feature which has novelty to the prior art (something which exists) - so it has to do something technical in an inventive (non-obvious way).

THE AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS - WTO)

- Patents are available for any inventions in all fields of technology
- Whether processes or products
- All inventions should be patentable as long as they are new, involve an inventive step, and are capable of industrial application.

Europe does not patent discoveries, but the US does.

DESIGN RIGHTS



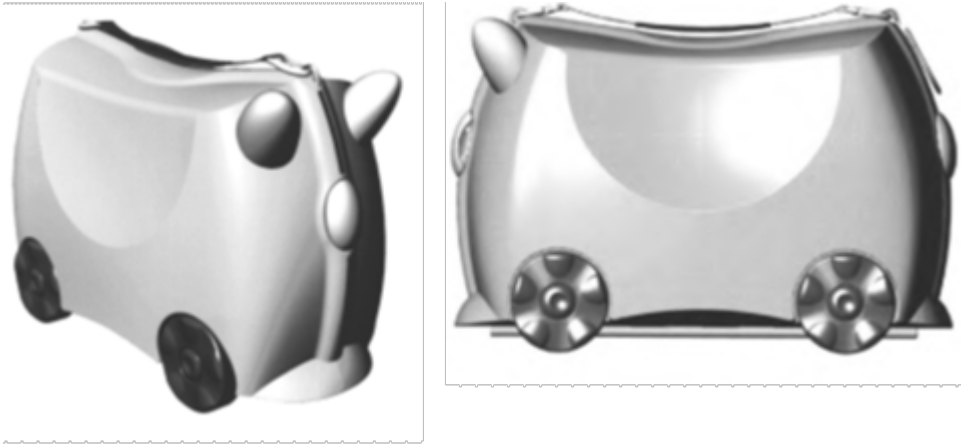
DESIGN RIGHTS

Protection for outward appearance of a product or part of it, resulting from the features (in particular, the lines, contours, colours, shape, texture and/or materials) of the product itself and/or its ornamentation

Design right initially has a life of 5 years from the date of filing and can be renewed in periods of five years up to a maximum of 25 years.



DESIGN RIGHTS



Trunki and Kiddee case

Court said that design law was based on the "overall impression created by a design", which in Trunki's case was "an animal with horns".

[...] this was "significantly different from the impression made by the Kiddee Case, which were either an insect with antennae or an animal with ears".

DESIGN RIGHTS

Requirements:

1. Novelty
2. Individual Character
3. Look not solely dictated by the function and
4. Not against public morality and public order

Design Rights can be

Registered
(25 yrs)

Unregistered
(3 yrs)

Unregistered Community Designs can be useful for products and designs that have an exceptionally short lifespan, where the registration process might take too long compared with the length of time for which the design is expected to be valuable

DESIGN RIGHTS

- If you have logo which is not sufficiently distinctive to be registered as a trade mark (without building up considerable goodwill and reputation in the mark as used), you could still register it as a design.
- A design registration can also be used in addition to trade mark registration to offer dual protection.
- The test for design registration (same overall impression) is different to the main test for trade mark infringement (confusing similarity), therefore a registered design can offer useful additional protection.

TRADEMARKS |

TRADEMARKS

A trade mark is any sign capable of distinguishing the goods and services of one undertaking from those of another.

The Coca-Cola logo, featuring the brand name in its iconic red, cursive script font.The Chanel logo, consisting of two interlocking black 'C's above the word 'CHANEL' in a bold, black, sans-serif font.

TRADEMARKS



TRADEMARKS

- Trademarks need to be **registered**
- The registered owner has exclusive rights for 10 years, which can be renewed indefinitely
- The owner has a right to stop others from using an identical sign on identical goods
- If there is likelihood of confusion, the owner has the right to stop others from using:
 - Identical/similar sign on identical/similar goods
- Right is not absolute: territoriality/speciality
- Right can be lost if not used for 5 years

TRADEMARKS

What forms can trademarks take?

Word Marks; Names; Letters; Figurative Marks; Logos; Sound Marks; Colour Marks; Shape Marks; 3D Marks; Smell Marks; Hologram Marks; Motion Marks, Multimedia Marks

Trademarks must be linked to a class of Goods/Services (45 classes):



Appletree Medical



ABSOLUTE GROUNDS FOR REFUSAL

The following shall NOT be registered as trademarks –

- a. Signs which do not fall within the definition of trademarks;
- b. Trademarks which are devoid of any distinctive character;
- c. Trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;
- d. Trademarks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade (e.g. hoover & geyser)

ABSOLUTE GROUNDS FOR REFUSAL

A sign shall not be registered as a trademark if it consists exclusively of –

1. The shape which results from the nature of the goods themselves;
2. The shape of goods which is necessary to obtain a technical result; or
3. The shape which gives substantial value to the goods.

The court ruled that design features which are aimed solely at achieving a technical result - as in the case of the rotary shaver - cannot be registered as a trademark. In its judgment, which applies throughout the EU, the court said an application to register a shape could be refused if it could be proved to be an "essential functional feature".



ABSOLUTE GROUNDS FOR REFUSAL



- A trademark shall not be registered if it is –
 - a) Contrary to public policy or to accepted principles of morality or
 - b) Of such nature as to deceive the public or likely to deceive the public as to the nature, quality or geographical origin of the goods or service or in any other manner.

- A trademark which consists of a representation of the national flag of Malta shall not be registered. A trademark which contains a representation of the national flag of Malta shall not be registered if it appears to the Comptroller that the use of the trademark would be misleading or grossly offensive

ABSOLUTE GROUNDS FOR REFUSAL



A trademark which consists of or contains –

- a) The arms, or any of the principal armorial bearings of the arms appertaining to the President or the Roman Catholic Archbishop of Malta, or any insignia or device so nearly resembling such arms or any such armorial bearing as to be likely to be mistaken for them or it,
- b) A representation of the Presidential or Episcopal flags,
- c) A representation of the President or the Archbishop, or any colourable imitation thereof, or
- d) Words, letters or devices likely to lead persons to think that the applicant either has or recently has had Presidential or Episcopal patronage or authorisation, shall not be registered unless it appears to the Comptroller that consent has been given by or on behalf of the President or the Archbishop.

RELATIVE GROUNDS FOR REFUSAL

A trademark shall **not be registered** or **may be declared invalid** if:

- The proposed mark is **identical** to an earlier mark, and the goods or services for the proposed mark is identical to the goods or services for which the earlier trademark is protected;
- The proposed mark is either **identical or similar** to an earlier trademark and is to be registered for goods and services identical or similar to those for which the earlier trademark is protected, and there exists a **likelihood of confusion** on the part of the public, including the likelihood of association by the public with the earlier trademark.

An earlier mark: registered but also “well-known” marks.

RELATIVE GROUNDS FOR REFUSAL

A trademark shall **not be registered** or **may be declared invalid** if:

- The proposed mark is identical with, or similar to, an earlier trademark irrespective of whether the goods or services are identical with, similar to or not similar to those for which the earlier trademark is protected, where the earlier trademark has a reputation in Malta/EU and the use of the proposed trademark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trademark.
- rights to a non-registered trademark or to another sign used in the course of trade, were acquired prior to the date of application for registration
- there is an earlier mark with a designation of origin or geographical indication which confers on the person authorised under the relevant law to exercise the rights arising therefrom, the right to prohibit the use of a subsequent trademark.

NB: trademark shall not be refused registration or declared invalid where the proprietor of the earlier trademark or other earlier right consents to the registration of the later trademark.

COPYRIGHT |

COPYRIGHT

- Copyright protects any production of the human mind, such as Literary works; Artistic works; Musical works; Audio-visual works; Databases (including architectural designs – Art.10 – Cap.415)
- This production must be an expression and not a mere idea.
 - The expression must be original.
- The only right that does not require registration



COPYRIGHT

- Cultural value attached to authorship
- Gives the creator of a work exclusive rights over that original work
 - Exception - where computer software or databases are created in employment or by commission, where usually copyright vests with the employer or with the person who gave the commission.
- To subsist, the work must be fixed in a tangible medium of expression
- Lasts for life of author + 70 years *post mortis auctoris*
- Copyright is a property right and may be transferred or assigned by virtue of a private agreement.



Cheese!

COPYRIGHT

- In Malta, copyright has been protected since 1911. Our law transitioned from a Common law system to a Continental one, due to the EU.
- Economic rights
 - relate to the economic exploitation of the work
 - are freely transferable or licensable
- Moral rights
 - relate to a moral interest of the author
 - are always retained by the author
- Exceptions and limitations
 - These rights are limited in that third parties are allowed to use the protected work in certain situations and for certain purposes. These exceptions and limitations are in the public interest.

COPYRIGHT

- A copyright owner has the exclusive right to authorise or prohibit the doing in Malta in respect of the protected material in its totality or substantial part thereof, either in its original form or in any form recognisably derived from the original:
 - the direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part;
 - the rental and lending;
 - the distribution;
 - the translation in other languages including different computer languages;
 - the adaptation, the arrangement and any other alteration and the reproduction, distribution, communication, display or performance to the public of the results thereof;
 - the broadcasting or rebroadcasting or the communication to the public or cable retransmission;
 - display or performance to the public
- One can therefore use copyrighted work by consent, or else parts/extracts provided this is not “substantial”

COPYRIGHT

- “Fair Use”
- Article 9 of the Copyright Act lists incidents where the copyright owner has no right to authorise or restrict, such as:
 - temporary acts of reproduction,
 - reproductions on any medium made by a natural person for private use,
 - reproduction made by publicly accessible libraries, educational establishments or museums, or by archives, which are not for direct or indirect economic or commercial advantage,
 - the reproduction or communication to the public of a work by way of caricature, pastiche or parody
 - the reproduction, distribution or communication to the public of a work for the purpose of advertising the public exhibition or sale of artistic works, to the extent necessary to promote the event, excluding any other commercial use

SUI GENERIS RIGHTS: DATABASE |

DATABASE

A database is a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means.

Legal protection of databases:

- Copyright protection: Structure (not content); Originality; Authorship; Limited protection
- *Sui generis* protection (15 years): Substantial Investment; Maker

Computer programs used in making databases are excluded

GEOGRAPHICAL INDICATIONS

GEOGRAPHICAL INDICATIONS

Geographical indications identify a good 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 the good is essentially attributable to its geographical origin.

Geographical indications may be used for a wide variety of products, whether natural, agricultural or manufactured.



EXAMPLES OF GEOGRAPHIC INDICATIONS



GEOGRAPHICAL INDICATIONS

Stricter conditions apply to PDOs:

- Link between place name and product is essentially or exclusively due to the particular geographical environment.
- All stages from production, processing and preparation are located in the defined geographical area.
- The qualities or characteristics of the product must be ‘essentially or exclusively due to a particular geographical environment with inherent natural and human factors’.

Applications for the protection of a product name, in order for it to be recognised as a PDO or PGI or TSG, is coordinated and assessed by the Technical Regulations Division (TRD) of the Malta Competition and Consumer Affairs Authority (MCCAA), with the advice of the Standing Committee for Geographical Designations and Indications as given in SL 427.52 and SL 427.53.

TRADITIONAL SPECIALITY GUARANTEED

The Traditional Speciality Guaranteed (TSG) refers to a product for which its specific qualities are related to a composition, methods of manufacturing or processing based on a tradition.

The TSG is intended to define the composition or traditional mode of production of a product; it is not necessarily intended that this will have a link with its geographical origin.

TSG only applies to products or foodstuffs.



TRADE SECRETS |

TRADE SECRETS

A trade secret is information that:

- is not generally known or easily discovered (i.e. secret)
- has a business, commercial or economic value (actual or potential) because the information is not generally known
- is subject to reasonable efforts to maintain secrecy

Protection is **unlimited**, provided the information does not become public knowledge.



TRADE SECRETS

- Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure
- Came into force in 2018 - Trade Secrets Act (Cap 589 of the Laws of Malta)



TRADE SECRETS

- **Unlawful acquisition:** trade secret is acquired without the consent of the trade secret holder by:
 - Unauthorized access to, appropriation of, or copying of any documents, objects, materials, substances or electronic files, lawfully under the control of the trade secret holder, containing the trade secret or from which the trade secret can be deduced; or
 - Any other conduct which, under the circumstances, is considered contrary to honest commercial practices.

Acquisition is lawful if it is by independent discovery

- **Unlawful use or disclosure:** where a person, without the consent of the trade secret holder, is found to have met any of the following conditions:
 - Has acquired the trade secret unlawfully;
 - Is in breach of a confidentiality agreement or any other duty not to disclose the trade secret; or
 - Is in breach of a contractual or any other duty to limit the use of the trade secret.

- Disclosure may be required by law
- Certain disclosures of a trade secret may not be deemed an infringement

TRADE SECRETS

How do you protect trade secrets?

- Practical

Limited access to information

'Need to know'

Encryption of data

Monitored entry to installations

- Contractual

Restrictive covenants in employment contracts

Non-disclosure agreements

- Fiduciary Duties

TRADE SECRETS

- Fiduciary Obligations in the Maltese Civil Code (Art 1124A)
 - Arise in virtue of law, contract, quasi-contract, trusts, assumption of office or behaviour,
 - When a person receives information from another person, subject to duty of confidentiality and such person is aware or ought, in the circumstances, reasonably to have been aware, that the use of such information is intended to be restricted.
 - Makes use of property or information belonging to another
 - Whether for his benefit or otherwise



ENFORCEMENT



ENFORCEMENT

- Both locally and at EU level, you can appeal a decision of the IPRD/EUIPO
- A Trademark may be subject to Revocation, Invalidation and Limitation
- Patents and Designs are also subject to Revocation, Invalidation and Limitation
- Procedures with the Department of Customs apply with respect of imports of counterfeits



ENFORCEMENT

- Typically, intellectual property claims are tried before the Civil Court
- Patents: Damages - Patents Tribunal; Criminal Offence (puts in circulation or sells)
- Article 298 – Commercial or Industrial Fraud (4m – 1 yr)
 - forging or altering of a mark, design;
 - knowingly makes use of any such name, mark or device forged or altered, without the consent of the owner;
 - puts on the market any goods in respect of which a distinctive trade mark has been registered, after removing the trade mark without the consent
- Article 298B – Violation of Copyright (3yrs/Euro3,000-Euro24,000)

Any person who, in the exercise of any trade or in the course of business or with a view to gain [...] or with intent to cause loss to, or to prejudice, another person:(a) prints, manufactures, duplicates or otherwise reproduces, or sells, distributes or otherwise offers for sale or distribution, any article or other thing in violation of the rights of copyright protected by or under Maltese law, or(b) has in his possession, custody or control any such article or other thing with a view to carrying out any of the acts mentioned under paragraph (a) [...]

ENFORCEMENT

- Enforcement of Intellectual Property Rights (Regulation) Act 2006 transposes Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights
- the right to receive information from the other party; measures to preserve evidence; interim measures; damages

Article 12 (2) – damages:

Negative economic consequences *including lost profits* which the injured party has suffered; **unfair profits made by the infringer**; and (*where Court deems appropriate*) the **moral prejudice** caused to the rightholder by the infringement.

(if Court deems appropriate) **An alternative method of calculation** of damages involves the setting of a **lump sum of damages** payable which shall consider the amount in royalties and fees which would have been due had the infringer requested authorization to use the intellectual right in question.

IPRD/EUIPO/EPO |

IPRD & EUIPO & EPO

IPRD within the Commerce Department

- application for registration of local trademarks, designs, patents, etc.
- issuing of supplementary protection certificates in respect of pharmaceutical products and plant protection products;
- recording of transfers, cancellations, amendments and renewals
- responsible for all IP policy at EU and international level

<https://ips.gov.mt/welcome/>

EUIPO

- application for registration of EU marks, designs, etc.

<https://euipo.europa.eu/ohimportal/en/home>

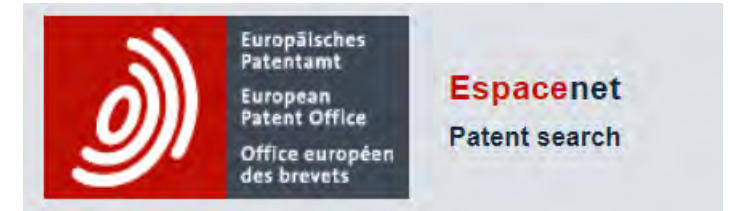
EPO

- application for registration of patents

<https://www.epo.org/>

SEARCHES

- Patents - search for free in Espacenet's 90+ million documents <https://worldwide.espacenet.com/>
- Trade marks and designs - search for free in eSearch plus
- Seek professional advice
 - Is your invention novel, inventive and patentable?
 - Do you risk infringing other people's rights?
 - Who could you license it to?
 - Who could you license from?
 - Who are your potential customers, suppliers and competitors?



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