

Intellectual Property Law

M.A.N.chandratilaka.

Attorney-at-law

- *“I am excited about the opportunities presented by the internet because it allows artists to communicate directly with fans. But the bottom line must always be respect and compensation for creative work. I am against internet piracy and it is wrong for companies like Napster and others to promote stealing from artist online”*

Elton John.



Content

- Introduction
- Earlier law & Global Treaties
- IP Act No.36 of 2003
- Case law

Why protection is vital?

- Legal recognition and protection
- Unlike personal property intellectual property cannot be possessed
- Unlike personal property intellectual property cannot be occupied
- Money value
- Easy to copy.

Cont...

- It encourage further creations
- Enhance investment
- It has major effect of technology transfer
- Create new industries and employment
- Enhance the quality of life
- It attempts to achieve a balance between creators rights and interest of society.

What is intellectual Property?

- 1.It comprises of all which emanate from the exercise of the human brain and which are original
- 2.It is a right attached to the IP which are legally protected from being infringed by others.

- They are incorporeal or intangible property rights associated with creative effort or commercial reputation and goodwill.

How are these rights created?

- Some of these rights are created by registration such as patent, industrial design, trade marks and some by creation and publication such as copyrights and some by prior user such as trade mark.

How are these rights protected?

- These rights are protected by registration(except copyrights)and by legal action(civil and criminal)

Cont...

- Foundation of IP is its money value
- There is a special relationship with human brain.
- IP itself is inherently intangible

IP is a kind of property.



IP IS A FORM OF PROPERTY WITH SOME UNIQUE FEATURES OF ITS OWN.

IP is an asset.

IP has a monetary value.

IP can be owned, transferred, sold or licensed.

It is a kind of intangible property.

To be protectable ,it must be expressed in a discernible (visible, evident)form or way.

Evolution of IP law in SL

- SL had its origin during the British colonial period
- British inventors Ordinance 1859
- Patents Ordinance 1906
- Trade marks Ordinance 1888
- Design Ordinance.....
- Code of IP Act No.52 of 1979
- IP Act No.36 of 2003(current law in force)

IP Act No.36 of 2003



The International Arena on IP

- Paris Convention(since 1952)
- Madrid Agreement(since 1952)
- Nairobi Treaty(since 1984-Olympic Symbol)
- Bern convention(since 1959)
- Universal copy right convention(since 1983)
- TRIPS Agreements
- WTO(since 1995)
- Trade Mark Law Treaty(since 1996)

NIPO of SL

- This is a government Dept.
- Headed by an officer “the Director General of IP”
- He is an independent /autonomous administrator
- Decisions of Director General can only be challenge before the Court.

Sources of the Law (place where one must look to discover the substance and rules of law)

- **Statutes**

Rules and Regulations made under the Act

Civil procedure code

Judicature Act

The Code of Criminal Procedure Act

The High Courts of the Provinces(Special Provisions)Act

Customs Ordinance

- **Judicial Decisions**

International Human Right Law



- Who Will Own Your Next Good Idea?

(The Atlantic Monthly, September 1998)

- “Because copyright is the mechanism for establishing ownership, it is increasingly seen as the key to wealth in the Information Age.”

(Charles C. Maan)

Copy Right-Part 2 of the Act

- Copyright means the rights given by law to the creators for their literary and artistic works. The rights takes two forms (a) economic rights and (b) moral rights. The economic rights include the right to reproduce, sell, rent, distribute, communicate to the public, translate etc whereas the moral rights cover the right to claim the authorship and right to oppose distortion or mutilation of the work.

Original works protected

- (a) books, pamphlets, articles, computer programs and other writings ;
- (b) speeches, lectures, addresses, sermons and other oral works ;
- (c) dramatic, dramatic-musical works, pantomimes, choreographic works and other works created for stage productions ;
- (d) stage production of works specified in paragraph(c) and expressions of folklore that are apt for such productions ;
- (e) musical works, with or without accompanying words ;
- (f) audiovisual works ; (g) works of architecture ;
- (h) works of drawing, painting, sculpture, engraving, litho-graphy, tapestry and other works of fine art ;

Protected Rights(economic rights)

Covers entire work as well as Substantial part thereof.

- Reproduction
- Translation
- Adaptation, arrangement or transformation
- Public distribution
- Rental
- Importation
- Public performance

Moral rights

- The right to have his name
- The right to use a pseudonym and not to have his name indicated on the copies
- The right to object to any distortion, mutilation or other modification....which would be prejudicial to his honor or reputation.

Derivative works protected

- (a) translations, adaptations, arrangements and other transformations or modifications of works ; and
- (b) collections of works and collections of mere data(data bases), whether in machine readable or other form, provided that such collections are original by reason of the selection, co-ordination or arrangement of their contents.

Works not protected

- Any official text of a legislative, administrative or legal nature, as well as any official translation thereof ;
- News of the day published, broadcast, or by any other means.(SEC.8)
- Simple works such as titles of books or short slogans,non-original works and works of which the period of protection has lapsed.

Protected rights

- Economic rights-
reproduction,translation,adoption,public
disribution,rental,public display,broadcasting
etc
- Moral Rights-To have or not to have his name,
to object any action or modification which
would be prejudicial to his honour or
reputation.

Duration of copy right

- the economic and moral rights shall be protected during the life time of the author and for a further period of seventy years from the date of his death.

Limitation of Rights

- each of the protected rights is limited to a specific period of time
- The rights may be waived by the owner of copyright
- By an act authorized by the owner of copyright
- In respect of a work which is obscene,immoral,defamatory,blasphemous,irr iligious,...
- FAIR USE

Fair use

- Following are not considered as infringement of Copy Right; criticism, comment, news reporting, teaching, scholarship or research,
- In determining whether the use is fair or not depend on several factors.

Fair Use-Factors to be considered...

- The purpose and character of use(comercial nature or non-profit educational nature)
- The nature of the copyright work
- The amount and substantiality of the portion used. The effect of the use..

Acts of fair use

- Private reproduction
- Quotations
- Teaching purposes
- Libraries and archives
- Current affairs and information
- Computer programs
- Importation for personal purposes

Case law

- Vasantha Obeysekera v A.C.Alles
- Kumaratunga v Data Management systems
- Kartha Singh v Ladha Singh
- Walter v Lane
- A&M Records v Napster
- Lalitha Sarathchandra v Sannasgala.

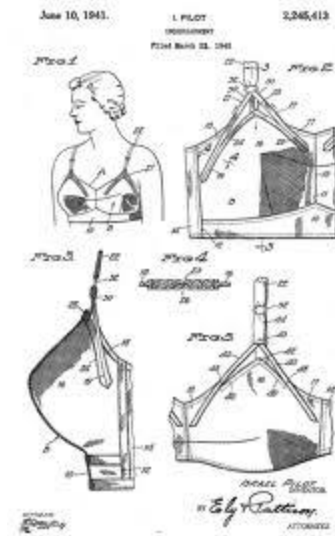
Industrial Designs-part 3 of the Act

- What is Industrial Design
- It is the ornamental or aesthetic aspect of an article. It does not have any functional character. A design can be three dimensional such as shape of an article (design for a toy, bottle, jewelry or chair etc.) or two dimensional such as pattern or lines.(design for a greeting card etc).

Case law

What is Industrial Design

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Patent

- In January, Real Network sold 190 patents to Intel covering technology for media players,
- Microsoft's \$550 million patent sale to Facebook
- In April, Microsoft sold 650 patents to Facebook,

- Lipitor, a cholesterol-lowering drug used to help reduce heart attack and stroke risk, represents one of the most valuable patents in history. It expired on June 28, 2011. What does this mean for Pfizer, the inventor?
- Pfizer filed a patent application for Lipitor on 2/26/91, which issued on 12/28/93. The product was launched in the market in 1997, with revenues peaking at \$12.6 billion in 2006. By the end of 2009, total revenue was greater than \$105 billion.

Advantages

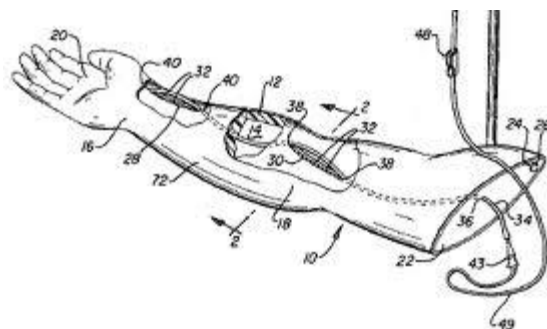
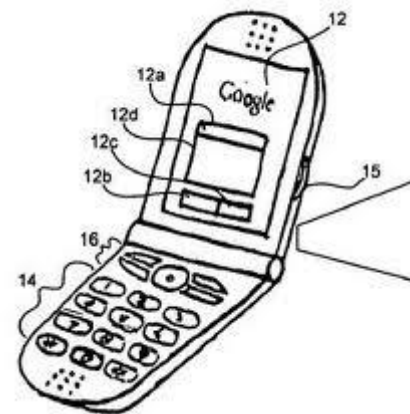
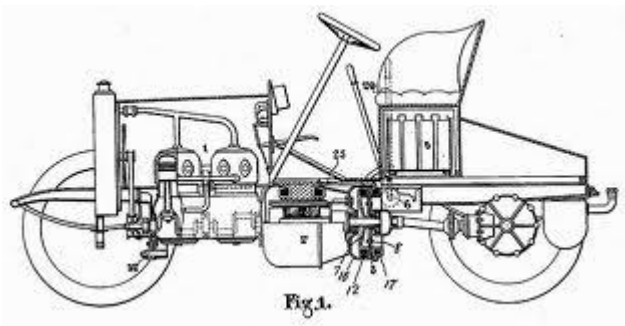
- Patents provide protection in a variety of ways. They give the owner the exclusive right to exclude someone from practicing the invention in the market. They protect something functional or utilized. They allow for abnormal market profits inherent in the monopolistic nature of a patent, and patent owners can price skim if patent utility presents a strong value proposition. Furthermore, patents can command treble damages for willful infringement.

disadvantages

- Patents are expensive. One patent can cost anywhere from \$10,000 to \$50,000. An international patent can cost upwards of \$250,000! Patents have short useful lives, with the typical statutory life of 20 years or less. Patents require full disclosure, revealing specific design information to competitors. Patents lose value every day on a present value basis. Finally, patents are expensive to defend.

Patents-part 4 of the Act

- A Patent is granted to an “invention” which means an idea of an inventor which permits in practice the solution to a specific problem in the field of technology. An invention may relate either to a product or a process.



What is a Patent?

- The State grants the inventor, by means of a patent, the right to exclude others from making, using and selling the qualified invention for a period of 20 years from the date of application for patent. The owner of the patent can use, sell or license the patented technology and derive financial benefits.

What is a patent?

- A right in the nature of a monopoly
- Granted for a limited period of time
- In respect of an invention.

What is an invention?

- An idea of an inventor
- Which solves a specific problem
- In the field of technology

What is a patentable invention?s.63

- It should be new
- It should involve an inventive step
- It should be industrially applicable

What is not patented

- (i) discoveries, scientific theories and mathematical methods;
- (ii) plants, animals, biological process for the production of plants
- (iii) schemes, rules or methods for doing business, performing purely mental acts or playing games
- iv) methods for treatment of human or animal body by surgery or therapy and diagnostic methods practiced on human or animal body
- (v) inventions which are necessary to protect public order, morality including human animal or plant life, health, or to avoid serious prejudice to environment.

How is patent obtained?

- Application is made to the director general of intellectual property with the appropriate fee.

What is the nature of the right granted by the patent? s.84

- An exclusive right to exploit the patented invention
- An exclusive right to assign or transmit the patent.
- An exclusive right to grant licences

Marks





Coca-Cola



TM



Microsoft

- Google, in the filing for its initial public offering, worried that the term “Google” could one day become synonymous with “search”—resulting in both a loss of trademark protection and reduced brand value. Google’s trademark—now the most valuable on the planet, according to Brand Finance—is worth an estimated \$44 billion, or 27% of the firm’s overall value, measured by market capitalization

- **Google**-Trademark value: \$44.3 billion
(Company market capitalization : \$164 billion)
- **Microsoft**-Trademark value: \$42.8 billion
(Market cap: \$204 billion)
- **Walmart**-Trademark value: \$36.2 billion
- **IBM**-Trademark value: \$36.2 billion
- **Vodafone**-Trademark value: \$30.7 billion

Marks

- “mark” means a trade mark or service mark ;
- “trade mark” means any **visible sign** serving to **distinguish the goods** of one enterprise from those of another enterprise ;
- “service mark” means any visible sign serving to distinguish the services of one enterprise from those of an other enterprise ;

What is a mark?

- A mark- trademark or service mark- is a visible sign that is capable of distinguishing the goods or services of different enterprises. A trademark relates to goods whereas a service mark relates to services. In addition, there are two more kind of marks – certification marks and collective marks. A certification mark is a mark which meets a defined standard of the goods or services as certified by the owner of the mark who licenses others to use it. A collective mark is a mark serving to distinguish the origin or any other common characteristic of goods or services of different enterprises which use the Mark under the control of the registered owner.

What constitutes a mark?

- A mark may consists of a word, a symbol, a device, letters, numerals, a name, surname or geographical name, a combination or arrangement of colors and shapes of goods or containers etc. The visible sign must always be capable of distinguishing the goods or services of different enterprises (it must be distinctive)

Registered and unregistered marks

- A registered mark is a mark registered under the law and with National Intellectual Property office. You can use a mark even without registration. Unregistered marks can be protected under the unfair competition law or common law action for passing off.

Why registered?

- It is highly recommended that you register your mark. The registration of the mark gives its owner exclusive right to use it, assign it and license it. You can enforce these rights easily and effectively through court- civil or criminal or both. You can retrain others from using your mark or a mark deceptively resembling your mark. You are even entitled to claim damages. It is the prima facie proof of the ownership.

Function of a mark

- Identification
- Guarantee the quality of the goods/services
- Advertising
- Indicates the source of goods or services.

ADMISSIBILITY OF MARKS

- The exclusive right to a mark shall be acquired, by registration.
- Registration of a mark may be granted to the person who—
- (a) is the first to fulfill the conditions of a valid application ; or
- (b) is the first to validly claim the earliest priority for his application :

Registrable marks

The marks which are not inadmissible under sections 103 and 104 of the IP Act can be registered. A mark is inadmissible if it is not capable of distinguishing your goods or services from those of others and if it is deceptively similar to the other registered or well known marks.

Marks inadmissible on objective grounds

- which consists of shapes or forms imposed by the inherent nature of the goods or services or by their industrial function ;
- which, is incapable of distinguishing the goods or services of one enterprise from those of another enterprise ;
- which does not represent in a special or particular manner the name of an individual or enterprise ;
- which is, according to its ordinary signification, a geographical name or surname ;

Shapes or Forms

- A mark which consist of shapes or forms imposed by the inherent nature of the goods or services or by their industrial function shall not be registered.
- *Re coca cola,*
- *Unilever PLC's trade mark Application*

Descriptiveness

- A sign or indication ,which is descriptive of the goods or services concerned ,is not admissible as a mark.

(Descriptiveness covers "kind, quality, quantity, intended purpose, value, place of origin or time of production or of supply of goods or services concerned.")

- A word may be so utterly descriptive of the goods concerned as to be totally unregistrable- “Electrics” for electrical apparatus, is one such.
- “BABY-DRY” for nappies

Marks incapable of distinguishing the goods or services.

- A mark shall not be registered which is incapable of distinguishing goods or services of one enterprise from those of another enterprise.
- Letters and numerals, colors, signs common to the trade, geographical names and surnames, signatures,...

Immoral, scandalous and anti-
social marks

Misleading marks

Names of Individual and Enterprises

- A name must be represented in a special or particular manner.(not in ordinary manner-uncommon manner)
- The name-includes name and surnames.

Geographical names and surnames

Armorial bearings ,flags or other emblems etc

- A mark which reproduces or imitates armorial bearings, flags or other emblems, initials, names or abbreviated names of any state or any inter governmental international organizations shall not be registered unless authorized by the competent authority.

Inadmissibility on the ground of third party rights

- Misleading similarity
- Misleading resemblance to a used and unregistered mark
- Misleading resemblance to a used trade name
- Well known marks and trade names
- Marks applied for by agents or representations.

Who can register?

- individual (s),
- company,
- partnership,
- association etc

Period of validity and renewal

- The registration is valid for a period of 10 years from the date of application and is renewable on the payment of the fee for further periods of 10 years. For the fee please refer to the fee schedule.

Protection abroad

Marks registered in Sri Lanka are valid only in Sri Lanka. If you do business in other countries it is advisable for you to register the mark in those countries. You have to make applications in each country where you seek the protection under the respective national law. (Sri Lanka is not a member of the Madrid System.) However, you can claim priority under the Paris Convention

Trade names

- A trade name is the name under which you do your business- your name, partnership name etc. Your trade name can be protected under the IP Act. However, it can be registered as a mark only. Thus, it is advisable to register your trade name as a mark.

REQUIREMENTS OF APPLICATION AND PROCEDURE FOR REGISTRATION

- (1) An application for registration of a mark shall be made to the Director-General in the prescribed form and shall contain —

- A request for the registration of the mark ;
- The name, address of the applicant and, if he is resident outside Sri Lanka, a postal address for service in Sri Lanka ;
- Five copies of a representation of the mark ;
- A clear and complete list of the particular goods or services in respect of which registration of the mark is requested, with an indication of the corresponding class or classes in the international classification, as may be prescribed.

- The applicant or his duly authorized agent must sign it.
- Where the application is filed through an agent, it shall be accompanied by a power of attorney granted to such agent by the applicant.

Publication of the application

- Sec 111(7)

Opposition to registration

- Ground of opposition are also grounds of inadmissibility under sec.103 & 104
- The “Notice of opposition” must be given within 3 months.
- “Certificate of registration”

Recognized rights

- To use the mark
- To assign or transmit the registration of the mark
- To conclude license contracts in respect of the mark

Unregistered marks

- Unfair competition
- Well known marks
- Passing off action

Limitation of rights

- Use for Identification or information
- Lawful goods

Marks cont....

- Associated marks
- Collective marks
- Certification marks
- Trade names

Remedies –civil law

- Injunctions
- Damages
- Such other relief as the court may deem just and equitable

Criminal liability

What is GI

- It is a name or sign that is used on goods and that indicates that the goods have special quality, character or reputation because they are originating from specific place (country or a place of a country). (like Ceylon Tea, Ceylon Cinnamon, Ceylon Sapphire, Nuwaraeliya Tea and Ruhunu Curd.)

Why protected

- As they carry the symbol of quality , character or reputation of the particular goods help greatly commercialize the goods. The abuse or misrepresentation are harmful to both the owners of GI and the consumers.

Trademark v. GI

- A mark is a sign serving to distinguish the goods or services of different enterprises. GI indicates and informs the consumers and traders that a product is originating from a place and has some special quality, character or reputation.

How protected

- The law protects GI s by prohibiting the use of it for the goods that are not actually originating from the respective place. The court can issue injunctions to stop such use. In Sri Lanka GIs are protected without registration. GIs can also be protected under the laws of unfair competition and certification marks and collective marks. The misrepresentation as to GI is an offence too.

Protection abroad

- GI of Sri Lanka can be protected in all the member countries of WTO under the national law of the particular country. (For Ex. In India you can register it. In USA you can register it as a certification mark)