

INTERNATIONAL INTELLECTUAL
PROPERTY – SELECTED TOPICS

FALL 2010

Cardozo School of Law

Prof. Hughes

Take Home Examination

Introduction

This is a twenty-four (24) hour, take-home examination. You have 24 hours from the time you access this examination to submit your answers online.

Conditions and your professional commitments

Once you have received this examination, you may not discuss it with anyone prior to the end of the examination period. Nor may you discuss the examination at ANY time with any student in the class who has not taken it. Nor may you collaborate on the exam.

Professor Hughes permits you to use any and all inanimate resources. **The only limitations on outside resources are those established by the law school for take home examinations.**

By turning in your answers you certify that you did not gain advance knowledge of the contents of the examination, that the answers are entirely your own work, and that you complied with all relevant Cardozo School of Law rules. Violations of any of these requirements will lead to discipline by the Academic Standing Committee.

The Examination consists of two parts. Part I is a set of true/false questions. In Part II, you are to chose TWO (2) of the three essay topics.

GOOD LUCK

*Happy holidays to everyone, thanks for working hard
on these difficult materials*

PART I. TRUE/FALSE QUESTIONS**(30 points)**

This part of the exam is worth 30 points. Each answer is worth 2 points. Note that there are 17 questions, so in the same spirit as the LSAT and other standardized tests, you can get 2 wrong and still get a maximum score on this section.

Please answer the True/False questions with a simple printed list of the question numbers followed by "True" or "False" or "T" and "F", i.e.,

- 6. True
- 7. False
- 8. False

This list should come BEFORE your essay answers and be on a separate page from your essay answers.

If you are concerned about a question, you may write a note at the beginning of your essay answers, but only do so if you believe that there is a fundamental ambiguity in the question.

TRUE OR FALSE

- 01. In *Harvard College v. Canada (Commissioner of Patents)* (2002), the Canadian Supreme Court concluded that the words "manufacture" and "composition of matter" in the context of Canada's Patent Act are not sufficiently broad to include higher life forms like mammals.
- 02. If a country qualifies as "Least Developed" under TRIPS Article 66, it currently has absolutely no obligations under the TRIPS Agreement.
- 03. If Thailand provides a seven (7) year term of trademark registration for foreign registrants, but only a five (5) year term of trademark registration for domestic registrants, Thailand will be in violation of its TRIPS obligations.

04. Even if DARJEELING is a protected geographical indication in India and is a registered certification mark in the US for tea, the United States can permit non-confusing uses of phrases like "Darjeeling-like" or "Darjeeling style" without violation of TRIPS Article 23(1).
05. If Thailand provides a seven (7) year term of trademark registration for all foreign registrants, but gives a special, additional three year "grace" period [which includes full trademark protection] to trademark registrants from ASEAN countries (an association of southeast Asian countries), Thailand will be in violation of its TRIPS obligations.
06. Article 10(1) of the European Union's 1996 Database Directive establishes a 15 year term of protection for qualified databases with a single renewal for another 15 years when the database is revised or otherwise receives "substantial new investment," creating a maximum term of protection for 30 years.
07. If the only form of intellectual property protection for computer programs in Argentina is a *sui generis* form of protection against "unfair competition," Argentina will be in violation of its obligations under TRIPS Article 10 despite the language of TRIPS Article 1(1).
08. The principle of "national treatment" in TRIPS Article 3 requires that a WTO country treat citizens of other WTO Members exactly the same as it treats its own citizen under the country's intellectual property laws.
09. In *Harvard v. British Union for the Abolition of Vivisection* (2004), the European Patent Office Board of Appeals concluded that the morality and *ordre public* standards of Article 53 of the European Patent Convention (revised 2000) are concerned the "publication or exploitation" of an invention, not with the morality of patenting a particular invention or of the morality of that invention per se.
10. In the settlement of *Greece – Enforcement of Intellectual Property Rights for Motion Pictures and Television Programs* (DS125), Greece amended its Copyright Law to provide "an

additional enforcement remedy for copyright holders whose works were infringed by television stations operating in Greece" and shut down over a dozen (12) pirate television stations.

11. In Professors Hugenholtz and Okediji's article *Contours of an International Instrument on Limitations and Exceptions*, the professors are concerned that the "three step test" for copyright exceptions is becoming too restrictive and they propose different international instruments – treaties, declarations, joint recommendations, etc. – to ensure that countries have flexibility in their copyright exceptions.
12. Article 20 of the Dispute Settlement Understanding provides that if [a] a panel decision is unappealed and [b] there is **no** agreement "otherwise . . . by the parties," the maximum period from the establishment of the panel to the date the Dispute Settlement Body considers the decision is twelve (12) months.
13. In *Canada – Patent Protection of Pharmaceutical Products* (DS 114), the WTO panel concluded that "legitimate interests" in TRIPS Article 30 means the precise legal rights of the party in question.
14. Article 15 of the PROPOSAL BY BRAZIL, ECUADOR, AND PARAGUAY . . . TREATY PROPOSED BY THE WORLD BLIND UNION (SCCR/18/5) clearly establishes that the copyright exceptions required by that proposed treaty would extend only to the blind and persons with visual impairments that cannot be corrected (by lenses, surgery, etc) "to give visual function substantially equivalent to that of a person who has no visual impairment."
15. In *United States – Section 110(5) of the Copyright Act* (DS160), the WTO Panel agreed with the European Union that for a copyright exception to be a "certain special case" permissible under TRIPS Article 13, it must be establish, in advance, "explicitly each and every possible situation to which the exception could apply" and must serve a "special purpose" in terms of social policy.

16. The Dispute Settlement Understanding establishes an "Appellate Body" composed of seven members, three of whom serve on any one case.
17. In *European Communities – Protection of Trademark and Geographical Indications for Agricultural Products and Foodstuffs* (DS174), the Panel concluded that the EU Origins Regulation imposed an impermissible limitation on the protection of trademarks, beyond any limitation or exception to trademark law acceptable under TRIPS Article 17.

PART II – ESSAY QUESTIONS

(70 points)

In this part of the Examination, you should choose TWO of the three topics available for essays. Each essay should be in the range of 700-1000 words; each essay counts for 35 points. Professor Hughes takes on no obligation to read any one essay beyond the 1000 word limit. The essays will count equally. Please include a word count (such as "This essay is 787 words") at the end of EACH essay answer.

* * *

You work in the office of Mona L. Jaconde, the new Australian Minister of Trade. Minister Jaconde is a strong believer in balanced, well-enforced intellectual property laws.

Minister Jaconde is preparing to leave for a multilateral trade ministers meeting on intellectual property issues. Although she will be accompanied by the head of "IP Australia" (the government organisation that administers the patents, trade marks, designs and plant breeder's rights system) and people from the Copyright Law Branch of the Attorney-General's Office (responsible for copyright policy in Australia), she wants to be well-prepared herself for issues that might arise. She has asked her staff, including you, to prepare short briefing papers (no more than 1000 words each) that she can review on several topics.

Choose two of these three topics. Assume Madame Jaconde is a former law professor and at least once taught a survey course in intellectual property.

A. NEGOTIATING GEOGRAPHICAL INDICATIONS

As you know, "geographical indications" (GIs) were one of the most debated issues in establishing the TRIPS Agreement and the subject continues to be an area of tension between the European Union and "New World" countries – Australia, Argentina, Canada, Chile, New Zealand, South Africa, and the US. You also know that Article 23(4) of the TRIPS Agreement provides for negotiation of *some kinds of international registry* for at least for wine names:

Article 23(4) In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system.

The European Union (EU) and some developing countries have insisted that this negotiation be expanded to an international registry for all GIs.

For France and Spain, the ideal "multilateral system of notification and registration" for GIs is the Lisbon Agreement (1958), which we also discussed [Coursepack #3]. The core of the Lisbon system is set out in Articles 5 and 6 of the Lisbon Agreement:

Article 5 [International Registration; Refusal and Opposition to Refusal; Notifications; Use Tolerated for a Fixed Period]

(1) The registration of appellations of origin shall be effected with the International Bureau, at the request of the Authorities of the countries of the Special Union, in the name of any natural persons or legal entities, public or private, having, according to their national legislation, the right to use such appellations.

(2) The International Bureau shall, without delay, notify the Authorities of the various countries of the Special Union of such registrations, and shall publish them in a periodical.

(3) The Authority of any country may declare that it cannot ensure the protection of an appellation of origin whose registration has been notified to it, but only in so far as its declaration is notified to the

International Bureau, together with an indication of the grounds therefor, within a period of one year from the receipt of the notification of registration, and provided that such declaration is not detrimental, in the country concerned, to the other forms of protection of the appellation which the owner thereof may be entitled to claim under Article 4, above.

(4) Such declaration may not be opposed by the Authorities of the countries of the Union after the expiration of the period of one year provided for in the foregoing paragraph.

(5) The International Bureau shall, as soon as possible, notify the Authority of the country of origin of any declaration made under the terms of paragraph (3) by the Authority of another country. The interested party, when informed by his national Authority of the declaration made by another country, may resort, in that other country, to all the judicial and administrative remedies open to the nationals of that country.

(6) If an appellation which has been granted protection in a given country pursuant to notification of its international registration has already been used by third parties in that country from a date prior to such notification, the competent Authority of the said country shall have the right to grant to such third parties a period not exceeding two years to terminate such use, on condition that it advise the International Bureau accordingly during the three months following the expiration of the period of one year provided for in paragraph (3), above.

Article 6 [Generic Appellations]

An appellation which has been granted protection in one of the countries of the Special Union pursuant to the procedure under Article 5 cannot, in that country, be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin.

In the Lisbon "system," once a country notifies the international registry (at WIPO) that an "appellation of origin" is protected, each other country has only one year to protest OR it *must* protect the appellation. To countries like Australia, Chile, and the US, this is too much bureaucracy, requiring each country to protest each registration. Smaller countries would be unable to protest the hundred of registrations the EU would file. The whole system would be a *de facto* "clawback" program for the EU. On the other hand, the EU continues to be outraged over use in New World countries (not to mention Russia and China) of GIs like "Feta," "Champagne," "Parma," and "Parmesan."

It has now been over a decade since the WTO Members accepted their obligation to negotiate the system described in TRIPS Article 23(4), but there has been little or no progress. Minister Jaconde would like for you to come up with a new compromise proposal for a "multilateral system of notification and registration of geographical indications." You should write the "rules" (like Article 5 above) and explain them. She wants something strong enough for the EU to think they succeeded and weak enough to keep Australia's "New World" allies happy.

B. PATENTS, RESEARCH, AND GENETIC RESOURCES

As you know, there is a wide variety of exceptions to patent law for research. There is also a substantial number of countries that require disclosure in a patent application of any genetic resources used in the invention, particularly where the genetic resources came from within that country. Brazil, China, Germany, Italy, Norway, and Switzerland all have different types of requirements to disclose genetic resources.

The Malaysian parliament has just passed an amendment to Malaysia's patent law establishing new exceptions, including a special exception for research.

The new law also addresses genetic resources. Instead of requiring genetic resource disclosure in the patent application, Malaysia has decided to create an exception – that is, to make the patent unenforceable in court – when a patent applicant failed to disclose the genetic resource, *if the resource came from Malaysia*. This is similar to Brazil's laws, although part of the new Malaysian law has some similarity to Article 5 of China's patent law. But unlike the Brazilian and Chinese laws, Malaysia has a provision to protect genetic resources of *some* third countries, under special agreement. Here is the new Malaysian law:

Article 35bis Exceptions for Research and Inappropriate Use Of Genetic Resources

In the following circumstances, the court will dismiss any patent infringement claim:

- [1] Where the infringement claim is based on a patented invention being used for purposes of medical or public health research;
- [2] Where the infringement claim is based on a patented invention that was invented or created with genetic resources that were obtained from the territory of Malaysia without the disclosure of said fact in the patent application;
- [3] Where the infringement claim is based on a patented invention that was invented or created with genetic resources that were obtained from the territory of Malaysia in violation of laws and/or administrative regulations or without the prior, informed consent of any indigenous people that inhabit the particular geographic area from which the genetic resources were obtained;
- [4] Where the infringement claim is based on a patented invention that was invented or created with genetic resources that were obtained from the territory of a third country without the disclosure of said fact in the patent application pursuant to (2) above, where and only where that third country has entered into an agreement with the Republic of Malaysia to protect the genetic resources of Malaysia on similar terms.

Minister Jaconde would like an analysis on what problems, if any, this creates for Malaysia's TRIPS obligations.

C. WHEN IS IT ©OPYRIGHT?

Different countries have different "originality" requirements for copyright protection. In the 1980s and 1990s, the United States and continental European countries seem to converge on a fairly high requirement – the "modicum of creativity" in the United States (the 1991 *Feist* decision) and the "original and individual character" standard in the Netherlands and other European countries (the 1991 *Romme v. Van Dale Lexicografie* decision). But subsequent court decisions confirmed that other countries do not agree. Although we did not study these decisions, Australia continues to protect works under "sweat of the brow" (the 2002 *Telstra Corporation v. Desktop Marketing* decision) as does India; Canada has adopted a test of originality between the American and Australian standards (*Law Society of Upper Canada v. CCH Canada*, 2004).

We have studied how, in the face of inconsistent originality standards in Europe – and questions about the impact of such standards on the production of databases – the European Union (EU) implemented its 1996 Database Directive. The 1996 Database

Directive establishes a special, *sui generis* form of protection for databases that do not meet copyright's "originality" standard. The EU gives this *sui generis* protection to databases from another country "only if such third countries offer comparable protection to databases" (This is the combined operation of Article 11(2) and Recital 56 of the Directive). A third country must apply to the European Commission for recognition that it provides "comparable protection."

In 2008, the Brazilian Supreme Court announced that Brazil follows France and the Netherlands with a demanding originality standard for copyright protection. This greatly concerned the Brazilian Congress, which quickly passed an amendment to Brazil's Copyright Law in order to protect large, unoriginal databases:

New Article 79bis [of Brazil's Copyright Act]

(1) Notwithstanding anything in this law to the contrary, for an database or collection of data ("database") for which there has been, qualitatively or quantitatively, a substantial investment in obtaining, verification, or presentation of the data, that database shall enjoy all rights and protections under this law for fifteen (15) years, measured from the first of January of the year following the date of completion of the database.

(2) Any substantial change, evaluated qualitatively or quantitatively, to the contents of the database in (1) above, including any substantial change from successive additions, deletions or alterations, which would result in the database being considered to be a substantial new investment, evaluated qualitatively or quantitatively, shall qualify the database resulting from that investment for another term of protection under (1), but in no case shall the rights and protections provided under this Article extend beyond sixty (60) years.

Earlier this year, Brazil filed a formal request with the European Commission for a determination that Brazil provides "comparable protection" to the 1996 Database Directive.

Given that the Brazilian law is part of Brazil's copyright law and given that Australia already provides protection to unoriginal databases under "sweat of the brow" copyright, advise Minister Jaconde on whether Australia should also demand EU recognition that Australia gives "comparable protection." What is likely to happen if the EU recognizes the Australian and Brazilian laws? What are the possible disputes and outcomes?

Remember, just two of these three topics!

*Thanks for an enjoyable class.
Congratulations to anyone graduating – and to our SIPO col-
leagues on the completion of their semester.*

END OF EXAMINATION MATERIALS/International Intellectual
Property – Selected Topics/Fall 2010/Professor Justin Hughes