



Summaries of Resolutions – Rio de Janeiro 2015

Q244 – Inventorship of Multinational Inventions

Innovations today often involve co-inventors that are citizens of or resident in different countries. The requirements of different countries may conflict such that co-inventors cannot comply with laws of both.

In this Resolution, AIPPI sought to address the issues around conflicting filing laws, in particular, first filing requirements, secrecy reviews and foreign filing licenses, as well as the threshold issue of laws regarding the determination of inventorship.

AIPPI resolved that a person should be considered a co-inventor if they make an intellectual contribution to the inventive concept, determined on the basis of the content of the patent or application. This should be consistent regardless of the residency or location of the inventor, their citizenship, the governing law of their employment or the country in which the intellectual contribution was made. Patent offices should provide administrative mechanisms to correct the designation of inventors.

AIPPI further resolved that no country should impose a first filing requirement, require a foreign filing license, or insist on a prior secrecy review. Recognizing that elimination of these requirements (where they exist) may take time, AIPPI resolved that if a first filing requirement is imposed, it should not apply to inventions involving a co-inventor who is resident in or a citizen of another country. Furthermore, a foreign filing license obtained in one jurisdiction should exempt all co-inventors from first filing obligations in and obtaining foreign filing licenses from any other country. Foreign filing licenses should be made available at a reasonable cost and within a reasonably short time period.

If a country conducts secrecy reviews, it should be limited to predefined technical fields which could affect national security and safety, and sufficient information should be published about such fields to enable inventors to understand whether a secrecy review is required.

Finally, AIPPI resolved that a government imposing a secrecy order has a duty to review that order with reasonable frequency. A secrecy order should be lifted where the subject matter has become publicly available through a source other than the inventor or applicant, and there should be effective means to protect the legitimate interests of parties that may be adversely affected by the imposition or lifting of a secrecy order.

Q245 – Taking unfair advantage of trademarks: parasitism and free riding

Protection against the taking of unfair advantage of trademarks (commonly referred to as "free riding" or "parasitism") is increasingly invoked in a number of jurisdictions.

AIPPI decided to study this topic in order to explore several aspects such as the desirability of and requirements for such protection.

AIPPI's Resolution supports the right of a trademark owner to take action and secure remedies against the taking of unfair advantage of the reputation or distinctive character of their trademark. Under trademark law, such action should be possible at least in civil and administrative proceedings.

AIPPI resolved that the trademark owner should establish the following requirements: that the trademark has a reputation, that a connection is made by the relevant public between the third party sign and the reputed trademark, and that there is a taking of unfair advantage by the third party of the reputation or distinctive character of the trademark.

However, AIPPI also resolved that this protection should not be absolute. Limitations and defences should at least be available in case of parody, freedom of expression and lawful comparative advertising, with the burden of proof on the party involving the limitation or defence.

Q246 – Exceptions and limitations to copyright protection for libraries, archives and educational and research institutions

While various international treaties generally address the topic of this Resolution, and almost all national/regional legislation provides for exceptions and limitations to copyright protection to libraries, archives and educational and research institutions, there are very different approaches to such exceptions and limitations.

AIPPI resolved that there should be such exceptions and limitations, and that they should be adapted to the digital network environment to achieve a fair balance between the legitimate interests of the copyright holders and the public. Further, such exceptions and limitations should be consistent with the Three-Step Test as defined in the Berne Convention.

With reference to libraries and archives, AIPPI resolved that the exceptions and limitations should apply to public and private libraries and archives that are not-for-profit and publicly accessible. A non-exhaustive list of exceptions and limitations is included, with equitable remuneration payable in stated circumstances.

With regard to educational and research institutions, AIPPI resolved that the exceptions and limitations should allow reproduction and communication of reasonable and limited portions of works to teachers, pupils, students and researchers. This should be for the sole purposes of giving or receiving instruction, and preparing therefor, within their premises and/or by making them available online in a restricted manner. Again, equitable remuneration should be payable in stated circumstances.

Other aspects of the Resolution include: adequate safeguards to ensure the lawful and legitimate exercise of the exceptions and limitations, including technological protection

measures for digital content; automatic permission without the need to apply for prior permission to a court of relevant authority; and use of orphan works only for purposes connected with their mission in the public interest.

AIPPI also resolved that the permitted exceptions or limitations should in principle not be capable of being overridden by contract, in view of the public interest underlying them; and should only be overridden when rights to access information, education and freedom of quotation are not unduly restricted.

Finally, AIPPI encouraged efforts by private organisations to facilitate the use of works through contractual arrangements and compensation to rights owners.

Q247 – Trade secrets: overlap with restraint of trade, aspects of enforcement

While various reforms of trade secrets laws are currently pending around the world, several aspects of trade secret laws remain unharmonized. AIPPI set out to harmonize the intersection of trade secret protection and prohibitions on restraints of trade, the principles for valuation of loss and the quantum of damages in relation to trade secret violations, as well as certain procedural measures available in court proceedings relating to trade secret violations.

In relation to the intersection of trade secrets with restraints of trade, AIPPI resolved that a person should not be restrained from fairly using their general knowledge, skills, and experience that is useful for a specific job in all enterprises in a sector, which is generally known among or readily accessible to persons within the circles that normally deal with the information in question. Further, in relation to employment relationships, AIPPI resolved that the standard of confidence should be the same for all employees irrespective of whether seniority or other duties impose varying obligations.

With respect to the remedies available for the holder of a trade secret, AIPPI resolved that as a general rule, actual or threatened unauthorized acquisition, disclosure, or use of trade secrets should be enjoined. However, while injunctive relief is the primary remedy, the holder of a trade secret should also be entitled to recover compensation based on the value of the trade secret prior to the unauthorised acquisition, disclosure or use. Compensation should include the actual loss (including lost profits and reputational loss), compensation for the unjust enrichment caused by the misappropriation that is not taken into account in calculating the actual loss, or both. Where the amount of actual loss and/or unjust enrichment is not proved, there should as a minimum be an entitlement to a reasonable royalty measured by the court.

As to procedural measures relating to court proceedings involving trade secrets, AIPPI resolved that suitable means should be available for the preservation of trade secrets, such as confidentiality orders; in-camera hearings; sealing, omitting or redacting documents; and orders preventing any person involved in the litigation from disclosing an alleged trade secret without the prior approval of the court.

Finally, AIPPI resolved that courts should have the authority to issue orders *ex parte* to preserve potential evidence and prevent disclosure and use of the alleged trade secret the subject of the proceeding. AIPPI's Resolution also highlights the importance of procedural safeguards for the defendant, including that the applicant be liable to the defendant for any loss caused by the unjustified granting of an *ex parte* application.