



## INTERNATIONAL HEADLINES NEWSLETTER

January 2019

International and Foreign Law Committee

Co-Chair's      - Debora Plehn-Dujowich: ✉  
                         - Rich Stockton: ✉

### ANNOUNCEMENTS:

- Registration is open for the AIPLA Mid-Winter Institute in Tampa, Florida, USA. To register and to book your hotel room please click [HERE](#).
- The International and Foreign Law Committee will partner with the IP Practice in Latin America Committee and with the IP Practice in Europe Committee, to bring you a **joint program at the Mid-Winter Institute in Tampa**. We will host a joint committee meeting where panelists will discuss cross-cultural issues when dealing with foreign counsel and clients in Latin America, Europe and Japan. Speakers will include Kevin C. Kunzendorf (Sughrue), Simon Wright (JA Kemp), Eduardo Camero de Gamma (Dannemann), and the panel will be moderated by Holger Tostmann (Wallinger). For more info see preview program [HERE](#).

Newsletter Editor – *Debora Plehn-Dujowich* ✉

AIPLA Staff Liaison – *Chen Wang* ✉

AIPLA Board Liaison – *Robert L. Stoll* ✉

## AIPLA Event Updates:

- **IPOS Delegation Meets with AIPLA** On September 26, 2018, AIPLA Leadership and AIPLA Harmonization Committee members represented AIPLA at a meeting of the Industry Trilateral and the Group B+ Sub-Group in Geneva, Switzerland. The AIPLA delegation included Lisa Jorgenson, AIPLA Executive Director, Chen Wang, AIPLA Deputy Director for Regulatory Affairs, Tony Venturino Co-Chair of the AIPLA Harmonization Committee, and Committee member Tom Moga who is also incoming Co-Chair of the AIPLA Harmonization Committee. The Industry Trilateral and Group B+ Sub-Group meeting on September 26, 2018, focused on continued discussions of the key issues being considered by the Industry Trilateral and the Group B+ Sub-Group in an attempt reach consensus on a broad package of substantive legal matters, including grace period, prior user rights, conflicting applications, 18 month publication, and prior art. The Group B+ Sub-Group meeting was attended by representatives from patent offices of Australia, Canada, Denmark, European Patent Office, Germany, Hungary, Japan, South Korea, Spain, Switzerland, United Kingdom and the United States. The Industry Trilateral delegation was composed of representatives from AIPLA, Business Europe, IPO, and the Japanese Intellectual Property Association. Fore more details click [HERE](#).
- **AIPLA Hosts Danish Patent and Trademark Office at AIPLA Headquarters** On October 29, 2018, AIPLA hosted Danish Patent and Trademark Office leaders Mr. Sune Stampe Sorensen, Director General and Ms. Ann Rejnhold Jorgensen, Director, Policy and Legal Affairs. AIPLA representatives at the meeting were lead by Executive Director Lisa Jorgenson and Deputy Executive Director Chen Wang. AIPLA committees represented were: IP Practice in Europe Committee (Co-Chairs Kathleen Lemieux and Ray Farrell and immediate past Co-chair Enrica Bruno) and the Patent Harmonization Committee (Co-chair Anthony Venturino and committee member Alan Kasper). Fore more details click [HERE](#).
- **ID5 Annual Meeting** Patty Hong was the AIPLA Representative that attended the User Session at the **ID5 Annual Meeting** in Seoul, Korea on November 6, 2018. She also represented AIPLA and gave a presentation at an International Conference on the [Hague System for the International Registration of Designs](#) organized by the Korean Intellectual Property Office (KIPO) in cooperation with the World Intellectual Property Organization (WIPO) in Seoul, Korea on November 7, 2018 (Hague Program). Patty gave a presentation that provided the U.S. practitioner's perspective on IP Protection for Industrial Designs in the 3-D Printing Age. For more details click [HERE](#).

- **Comments to Saudi Authority on IP on the Budapest Treaty** AIPLA responded to a Request for Public Consultation on the Budapest Treaty by the Saudi Authority for Intellectual Property. For more details click [HERE](#).
- **TM5 User Session** On November 2, 2018 in Seoul, Korea, the Korean Intellectual Property Office (KIPO) hosted TM5 User Session, as part of Day 2 of the meeting of the TM5 Offices (which are European Intellectual Property Office (EUIPO), Japan Patent Office (JPO), KIPO, China's National Intellectual Property Administration (NIPA) and United States Patent and Trademark Office (USPTO)). AIPLA was represented by Mr. Jeong-Ho (John) Lee. For more details click [HERE](#).
- **IP Practice in Israel Committee Meets in NYC and Tel Aviv** On December 14, 2018, members of the IP Practice in Israel committee met in NYC (top row) and Tel Aviv (bottom row), together with friends and colleagues.



### Harmonization Committee – Tony Venturino 📧 and David Hill 📧

- David Hill reports on the US Bar/JPO Liaison Council Meeting [more](#)

### International and Foreign Law – Debora Plehn-Dujowich 📧 and Richard Stockton 📧

- Richard Stockton provides a summary of the 40th session of WIPO's Standard Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) [more](#)

## **International and Foreign Law’s Subcommittee on the Arab Region – Motasem Abu-Ghazaleh and Nabil Salame**

- Amro Hattab from Abu-Ghazaleh Intellectual Property (AGIP) provides an article on design patent rights and whether they may be in danger *more*

Feel free to send comments and recommendations to Committee Co-Chairs by clicking the envelope next to their name: .

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# AIPLA



## INTERNATIONAL HEADLINES NEWSLETTER

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By: David Hill

### **US Bar/JPO Liaison Council Meeting**

**October 22, 2018**

The annual meeting of the US Bar/Japan Patent Office Liaison Council was held on October 22, 2018 at the offices of the Sughrue law firm in Washington, DC. Following welcoming remarks from the Chair of the Council, Ray Farrell, and the Director General of the JPO Patent Examination Department, Takashi Yamashita, the Council held an open discussion of the highlights of USPTO Director Iancu's policy initiatives, led by David Hill of the Finnegan law firm, a delegate to the Council from the Wyoming State Bar. This was followed by a presentation by Director General Yamashita on the JPO's Recent Updates, and a discussion of the JPO Guide to Licensing Negotiations Involving SEPs by Keiuke Seki, a JPO Examiner in the fields of Chemistry, Life Sciences, and Material Science. The U.S. Perspective on recent SEP Developments was presented by Monica Barone of Qualcomm, one of the AIPLA delegates to the Council.

After a lunch break, Ko Nakamura of Osha Liang, representing the Houston IP Law Association, provided a USPTO update on a number of recent changes in the PTO. Yuki Maruyama, Assistant Director of the JPO International Policy Division, then discussed the JPO's Global Cooperation initiatives, including the JP-US Collaborative Search pilot, the collaborative search project with WIPO for PCT applications, and the JPO's availability as an International Search Authority for PCT applications. Nahoko Ono from the Lerner

David law firm and a delegate representing the ABA-IP Law Section, provided and update on recent software-related patent eligibility developments in the U.S. This was followed by an update on patent eligibility in the life sciences area by Nat Phan, an observer to the Council and a sole practitioner from Alexandria, Virginia. Time was provided for an open discussion of US Bar experiences practicing before the JPO, and JPO tips and observations for US applicants.

The Council and their guests from Japan then retired to the Fogo de Chao restaurant for a joint dinner.



# AIPLA



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### **Summary of 40<sup>th</sup> Session of WIPO's Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications ("SCT")**

*By: Richard Stockton  
Co-Chair International and Foreign Law Committee*

I attend the 40<sup>th</sup> session of WIPO's SCT ("SCT/40") on AIPLA's behalf, held November 12-16, 2018. The following is a summary of the proceedings, along with commentary as appropriate.

#### **Convening of SCT/40 and Opening Statements**

Alfredo Carlos Rendon Algara, Director General (DG) Adjuncto of Mexico's IMPI, was elected to chair SCT/40. The chair of many prior SCT sessions, Mr. Adil Elmaliki, was not present because he is no longer DG of the Moroccan Industrial and Commercial Property Office (OMPIC). He was recently appointed governor of Morocco's Essauoira province.

WIPO Brands and Designs Sector Deputy DG (DDG) Binying Wang then convened SCT/40 in DG Francis Gurry's absence. Wang is reportedly "China's candidate" for WIPO

DG after DG Gurry retires (there are at least 7-8 other possible candidates).<sup>1</sup> Marcus Höpferger served as the lead representative for the WIPO Secretariat.

Regarding other matters to be discussed, GRULAC said it gives great weight to the protection of country names. The Africa Group reaffirmed its support of discussion of country names. DDG Wang also briefly addressed domain name work of the SCT. Regarding geographic indications (GIs), she said “impressive progress” has been made, and the SCT will need to decide on follow up work.

## **Industrial Designs at SCT/40**

### *Design Law Treaty (DLT)*

In convening SCT/40, DDG Wang repeated a familiar refrain: the “last General Assembly [(GA)] was not able to reach a decision on holding of a DipCon [Diplomatic Conference] on the DLT [Design Law Treaty], but nevertheless we need to continue to work to reach agreement as requested by the GA, which will be discussed again at the next Assembly next October.”

A DLT DipCon has been discussed for years without much progress. The hang-up continues to be (a) proposed DLT Article 3 language (urged primarily by the Africa Group) requiring applicants to disclose “genetic resources, traditional knowledge or cultural expressions” (“GRTKF”) in design applications and, to a lesser extent (b) capacity building and technical assistance (*i.e.*, money and manpower to assist developing member states with DLT implementation).

The Africa Group has been accused of insisting on this requirement less for its actual merit (indeed, it is difficult to see how it applies to industrial design in many circumstances), and more as a bargaining chip toward commencing work on a GRTKF treaty or other international legal instrument (via the Intergovernmental Committee on IP and GRTKF).

The Latin America and Caribbean Group (GRULAC)<sup>2</sup> expressed regret for not reaching agreement on the DLT, noting that it is important to be “pragmatic.” The Africa Group

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<sup>1</sup> At least eight candidates appear to be interested so far in addition to Ms. Wang, from jurisdictions like Singapore, France and Argentina. By protocol, and not necessarily a strict rule, DG Gurry cannot run again. Also, as DG Gurry is from Australia, a “Group B” jurisdiction (see footnote 2), there is some precedent to the DG position moving to another informal group.

<sup>2</sup> At SCT, informal groups often speak on behalf of their constituent members. The groups active at SCT/40 included (1) Asian Group, (2) African Group, (3) Latin American and Caribbean Group (GRULAC), (4) Central Europe and Baltic States Group (CEBS) and (5) Group B (many developed countries). China is also considered a “group” of sorts. The US and European Union often operate independently, although EU countries may also be in CEBS or Group B. These groups originate from traditional UN custom and

noted that “[i]t’s clear that all need to make extra efforts to understand concerns of one another so we can make progress.” Canada on behalf of Group B said that it was “disappointing” that consensus was not reached on the DLT at the last GA. “Some delegations were not prepared to consider a facilitated proposal.” The US, EU and other groups that have spoken strongly against DLT inaction in the past seem to have largely given up sharing their frustrations on the record, instead opting to have the situation resolved through higher level negotiations at annual WIPO GAs.

However, all is not lost for the DLT. The “ID5” consortium of the governmental IP offices of the US, Japan, Korea, European Union and China continues to explore the possibility of agreeing to adapt their laws and practices to the DLT’s provisions. As the ID5 offices receive more than 75 percent of the total industrial design applications filed worldwide, ID5 implementation of the DLT would be a major step forward.

### *Industrial Designs and Graphical User Interfaces (GUIs)*

At the end of SCT/39 in March 2018, the SCT decided that “further work [was] desirable on certain existing issues identified in documents SCT/39/2 and SCT/39/3, in particular on proposals 1, 3, 9 and 10 in document SCT/39/3, while issues related to novel technological designs could be undertaken in a subsequent phase.”

Consequently, the SCT requested the Secretariat to invite Members and others such as accredited Non-Governmental Organizations (NGOs) to submit further input, including detailed questions they would like answered, concerning “(1) the requirement for a link between GUIs, Icons, Typeface/Type Font Designs and the article or product and (2) the methods allowed by offices for the representation of animated designs” and “to prepare a draft questionnaire on the basis of the received inputs and questions, for consideration at the SCT at its next session” (see document SCT/39/10, paragraph 9).

The result of this work is the draft questionnaire on GUIs at SCT/40/2, which comprises 35 questions (with draft questions and input received as late as August 2018). 11 Members, 1 Intergovernmental Organization (the EU) and 5 NGOs responded. Some members provided examples.

The EU and US responded favorably to the draft questionnaire. In particular, the EU noted the helpfulness of the information session at SCT/39 regarding GUIs and how much it appreciated hearing about novel technologies from user associations.

Mr. David Gerk of the US said the draft questionnaire is a successful presentation of issues such as the link between designs and underlying articles and the methods for representing animated designs. Regarding Question 11 (“If no link is required in your jurisdiction and your Office is an examining Office, does your Office search for GUI/icon

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practice. *See also* Birkbeck, Carolyn, *The World Intellectual Property Organization (WIPO), A Reference Guide* (2016).

designs that apply to all kinds of articles?”), Mr. Gerk suggested removing the “no link” requirement, as offices like the USPTO require a link yet still search for all kinds of articles (because nonanalogous art may defeat novelty). Mr. Gerk also summarized the ID5’s 2018 meeting in Seoul the week before, noting that one work topic for the ID5 is designs in new technologies, including GUIs and icons. The ID5 expects to publish a study in the coming months on new technologies that may be helpful here.

China suggested adding some basic questions, such as (1) whether the jurisdiction protects GUIs; (2) whether a GUI should be a part of physical product to be protected, or could instead be a virtual product; (3) whether part of a GUI could be protected, and if so, how; and (4) how to protect scenario-based GUIs such as a map-based GUI in an application or a GPS-related GUI.

Japan noted that its design laws are changing and said it would answer the questionnaire under the new law. As the changes are ongoing, Japan requested additional time to answer. Korea suggested eliminating “typeface” from Questions 1-4 and 10.

The regular representative of the International Trademark Association (INTA), Mr. Bruno Machado, provided very detailed additional suggestions for modifying the questionnaire that appeared to derive from an experienced industrial design practitioner.

In summary, the SCT Chair, decided to have the SCT/40/2 questionnaire revised and distributed for completion by January 31, 2019. Subsequently, the Secretariat would compile all received completed questionnaires for discussion at SCT/41, with the compilation being available no later than March 8, 2019.

#### *WIPO Digital Access Service (DAS) for Priority Documents*

The SCT briefly discussed DAS. Korea started accepting DAS for US filings on December 1, 2018. Mr. Machado suggested a mechanism for making users aware of new offices joining the DAS. In summary, the Chair decided to keep DAS on the agenda following comments from the US and others requesting further updates about implementation.

#### *Proposal to Study the Meaning of “International Exhibition” in Exception Provisions*

In document SCT/40/8, Spain proposed a survey to determine how the protection of Article 11 of the Paris Convention is implemented and the meaning of “official or officially recognized international exhibitions” in various member states. Article 11 states:

- (1) The countries of the Union shall, in conformity with their domestic legislation, grant temporary protection to patentable inventions, utility models, industrial

designs, and trademarks, in respect of goods exhibited at official or officially recognized international exhibitions held in the territory of any of them.

(2) Such temporary protection shall not extend the periods provided by Article 4. If, later, the right of priority is invoked, the authorities of any country may provide that the period shall start from the date of introduction of the goods into the exhibition.

(3) Each country may require, as proof of the identity of the article exhibit

The US said that while it supports the study, it has a robust grace period that encompasses trade shows. So Article 11 is somewhat irrelevant in the US. However, the US would be interested in learning about other practices, especially given a lack of clarity and certainty.

In this regard, US entities are still interested in filing outside the US, and so Article 11 remains relevant to US entities. That being said, many products are first unveiled via the Internet, not at trade shows. Moreover, many trade shows are probably not “official”—recall Steve Jobs unveiling the iPhone at the Macworld Conference & Expo. Also, the proposed provisions of the DLT would make this study less relevant. In particular, Article 6 of the DLT provides for a 6-12 month grace period. So while this study has merit, studying a 6-12 month grace for all nations may be a more comprehensive approach to explore going forward.

The Chair concluded that the Secretariat would prepare a draft questionnaire concerning the proposal for consideration at the next session.

### **Trademarks at SCT/40**

#### *International Non-Proprietary Names for Pharmaceutical Substances (INNs)*

The SCT briefly discussed International Non-Proprietary Names for Pharmaceutical Substances (INNs). The Secretariat provided an update on INN data exchange between the World Health Organization (WHO) and WIPO, and execution of a related Memorandum of Understanding. Essentially, WHO information relating to INNs is being provided to member states via WIPO.

#### *Protection of Country Names Against Registration and Use as Trademarks*

For eight sessions, the SCT has been discussing a prohibition on registration and use of country names. This stems from a Jamaican proposal (based on, *e.g.*, use in the US of “Jamaica” for products not from Jamaica), and would track similar restrictions in Article 6ter of the Paris Convention.

Now there are three proposals:

- 32/2 (Jamaica): proposed joint recommendation to prevent registration and use of indications containing country names which do not originate in those countries.
- 39/8 Rev 2 (Switzerland): Protects country/geographic names against monopolization (in TM system and DNS) via lists. The proposal relates to the other two proposals (32/2 and 39/9; see 39/8 rev 2 for relationship explanation).
- 39/9 (Peru): Proposes recognition and protection of nation brands. This would be a treaty. A nation brand is "any sign adopted and used by a Member State to promote its image within and outside the country and to promote, inter alia, tourism, culture, gastronomy, exports or investment by the Member State. The nation brand shall not be time-barred and may not be seized."

As stated previously, Article 6ter of Paris Convention limits nation brands. There is also a proposal to modify the UDRP to permit complaints regarding the registration and use of domain names for certain geographic names (see 31/8/5 Rev).

The main issue is that some Member States want all-out prohibitions on use of country names. However, in the US, for example, this can be handled by geographically misdescriptiveness and other doctrines, where the relevance of the country name to a consumer's purchasing decision is also invoked. Moreover, "lists" present US Constitutional concerns, not only from the First Amendment but also because US federal trademark law is premised on the Commerce Clause.

The EU opened comments by noting the helpfulness of the information session on country names held at SCT/39. The EU also appreciated the summary of exam practices regarding country names in SCT/40/3.

Regarding the Peru proposal (39/9), the EU noted that it provides not just protection of signs, but any figurative elements in any combination. This seems to greatly extend symbols of sovereignty well beyond where they should be protected. For example, protection not limited to any particular product, is indefinite in time, and there is no use requirement. This would be extraordinary strong without fairly balancing with rightsholders. There are legal means to get protection for country names in legislation, so maybe this isn't the right way. EUIPO also just had roundtable with countries regarding country names, and one area of discussion was how to apply a country's reputation to the specific goods and services at issue.

China said that its practice is to examine based on the protection of national sovereignty (a very strict standard). Normally for marks containing country names, registration is refused unless (a) there is government authorization, (b) the mark at issue has other meanings and does not mislead and (c) there is another distinct component in the trademark (*i.e.*, the country name is separate). So we believe scope cannot be too broad.

The US delegation said that it was impressed with the analysis in 40/3. Some countries exclude country names from eligible subject matter, and others do not. Several

proposals start from standard of exclusion of eligible subject matter. In the US, we have some experience with this—we exclude for flags, seals and coats of arms. No one can register them, not even the sovereign. For more than 10 years, domestic governments (*e.g.*, state and local) have complained about this.

We interpret the exclusion very narrowly. Only registrations that suggest sovereign state approval are refused. Variants are not refused because they do not point to a state. They are registrable when not deceptive and distinctive. In the end, an absolute prohibition has been problematic. Some countries want to create licensing revenue or nation branding.

Domestic governments have asked for special legislation along the lines of the proposals. We are trying to avoid these requests, and are instead considering a statutory amendment to make them eligible for registration under certain conditions. Creating a separate system is problematic.

Ultimately, this domestic situation is how we feel about these proposals. We are concerned about special carveouts for particular country names or other geographic names. And if something is excluded as a trademark, it should be excluded for the government too. Having a special government system is also problematic for logistical reasons, including an increase in workload in having another database for examiners to review.

Jamaica still said it favored its proposal.

On the following day, the EU reiterated that it appears that underlying concept of nation branding would greatly extend protection of sovereign symbols as it is not limited to any specific product/service and is infinite in time. This would be too strong and against rightsholders. Japan shared similar sentiments.

Peru responded that it it was proposing something different than the Jamaican/Swiss proposals—namely to ensure protection of investment that countries make in promoting their countries.

A Latin American IP bar association, ASIPI, stated that it has been working on country signs for five years, and it agrees that a nation brand is not the same as a country brand. A nation brand is completely different and gives a different image. It is a *sui generis* sign that has emerged as a result of globalization to promote exports. ASIPI studied and has found imbalances in the nation brand.

The US spoke again: “I’m still trying to wrap my head around the scope of this proposal.” It is perceived that delegations would notify their nation brands (they define, could be anything) to WIPO. WIPO would then notify all WIPO members, and then all of these signs are protected automatically for everybody for all goods and services, and receiving countries must enforce those rights. The nation brand country is the owner,

but has no obligation to do anything. The scope of protection is very broad, and there is no infringement standard (it is absolute).

This seems very broad, and the US cannot support it—in fact, the US doesn't even see a point to study it. If want to do this, use 6ter, the trademark system or the Madrid system. "We do not have the authority to regulate signs in commerce without consumer deception or without consumer confusion." "We do not have the constitutional authority to implement this."

Switzerland expounded on its proposal, noting that the proposal only wants recognition of a simple principle: the name of a country or area of geographic importance (*e.g.*, capitals) should not be monopolized by an individual. Member states can determine the exact methodology. Also, an internationally recognized list of countries would be established. 13 cosponsors support the Swiss proposal.

It was also noted that ICANN is unveiling a new wave of geographic oriented domains in 2020, and that this topic is all the more important because of these domains.

The EU said it did like the consensus in the Swiss proposal, and that there is no legislative exercise, or interruption of existing practices of descriptiveness.

The US said that that it appreciated the 13 cosponsors' proposal and is open to exploring it. However, it is not really a compromise. At the roundtable at a prior session, some Member states said they exclude country names from eligible subject matter, and some don't. Rather the Swiss proposal seems to be turning ISO lists of countries into a government database with legal effect at the international level. That effect is intended to be taken to ICANN to prevent delegation of gTLDs. But it is also supposed to affect TM systems. The US concluded that it has concerns, but was willing to have informals to discuss the proposal more thoroughly.

The United Arab Emirates voiced support while Australia was against, and Japan remained against.

After a two hour hiatus for informal consultations, Switzerland said it would revise its "list" proposal substantively to make it more workable (no information session/document exchange just yet). Ultimately, the Chair concluded that:

- the SCT had taken note of document SCT/40/3;
- discussions on documents SCT/32/2 and SCT/39/8 Rev.2 would continue at SCT/41; and
- Peru would present a revised proposal (SCT/39/9), called a "restatement," for consideration at a future session.

### *Update on Trademark-Related Aspects of the Domain Name System*

The SCT briefly discussed GDPR and that WHOIS no longer includes contact information. However, when a Uniform Dispute Resolution Procedure (UDRP) complaint is submitted to WIPO as an arbitration, WHOIS information is conveyed on request (WIPO has done almost 40,000 arbitrations, including 3000 this year). The Internet Corporation for Assigned Names and Numbers (ICANN) prepared a specification just for this task.

In looking at an accreditation model for allowing, *e.g.*, IP owners to obtain access to more detailed WHOIS information for legitimate IP rights enforcement, WIPO may have a role in accrediting legit access. The SCT also briefly discussed the resumption of .amazon gTLD delegation procedures. Amazon (the corporation) has made some public interest commitments.

### **Geographical Indications at SCT/40**

The SCT primarily considered two documents:

1. 40/5 prov 2: Answer of questionnaire regarding GI rights.
2. 40/6: Reply to Questionnaire 2, on use/misuse of geographic terms on the Internet and in the Domain Name System (DNS).

At SCT/38, a workplan on GIs was adopted. At SCT/39, two questionnaires were finalized, and the questions were reduced to 82 and then issued. The deadline was 9/10/18; 39 replies were received for (1), and 48 replies were received for (2). The documents were released on 10/15/18. These are provisional documents, so can correct.

Australia suggested leaving the questionnaire open (something Group B already said it supported), in a member-driven inclusive approach (*i.e.*, not the Lisbon Agreement).

The EU noted that (2) was not well developed and needs more work. China pointed out that 2359 GIs are protected in China; their administration is moving under one agency.

The US was "tickled pink" and "delighted" at the responses in the documents. It has been "waiting for 15 years for this exchange of views," and a higher amount of similarities than expected was noted. But there are differences too:

- *Eligible subject matter:* Respondents said current names, place names, nicknames, logos, colors etc. can be included so there is a lot of breadth.
- *Breadth of goods and services covered differs:* Some Member states have moved past pure agricultural goods (the origin of GIs) to handicrafts, textiles and even services.
- *Role of competent authorities:* Sometimes government entities create/organize GIs, sometimes they apply for GIs, sometimes they enforce GIs, sometimes they seek protection overseas for GIs. It would be helpful to have more guidance on

the roles. This is in part because, as enforcement actions are pursued, it is important to know who has legal standing to bring enforcement actions.

- *Standard for determining if an applicant is actually representative of the producers.* When the government gets involved it's easier to discern (see the Swiss response for an example).
- *Standard for the amount of proof/nature of proof required to establish a quality link.* This seems to vary by jurisdiction.
- *Generic terms.* What is the weight given to generic terms in evaluating infringement or other conflict—how is genericness factored in?
- *Use requirements.* Some responses show that Members require use within seven years or else there is invalidity. Who needs to prove use?
- *Maintenance of rights.* It is unclear what sorts of renewals are required, or at least they seem disparate.
- *Monitoring of activities.* There does not seem to be a standard for monitoring (regular or irregular).
- *Authorized user registries.* Some but certainly not all Members seemed to have user registries.
- *Scope of infringement.* Different scopes are present in examination and enforcement.

In sum, the US welcomed further responses and suggested a database, although sometimes just showing tick boxes doesn't explain the whole story.

At this point, the Chair summarized the key issues so far in the discussion, and suggested work on compiling a database. Regarding future work, he suggested that we see if we could structure further discussions. A break was taken.

After the break, the US further responded that it spoke with delegations to see if we could move forward at the next SCT session with a continued discussion and exchange of views. The US suggested a half day at SCT/41 with 2 panels and 2 topics such as:

1. *Proof:* The nature and extent of the proof necessary to establish the quality link in a GI application.
2. *The scope of protection for conflicts in identifiers.* Sharing experiences on the scope of protection used when evaluating conflicts between TM and GIs, GIs and GIs or GIs and trade names. What are the tests, and what are the elements?
3. *How do countries evaluate the potential for anticompetitive effects of applicants' control over geographic term:* For example, Australia sends applications to an anticompetition bureau to evaluate while at the USPTO an internal evaluation of applicants' ability to control use of the term is conducted.
4. *How do countries evaluate genericness:* what are the tests, what are the elements?
5. *Homonymous GIs:* how do you establish conditions under which homonymous GIs are used in your market?

The various groups responded that they needed time to consider these topics, and they met over lunch.

In the end, the Chair asked the Secretariat to:

- Invite Members and Intergovernmental IP Organizations with observer status to submit additional or revised replies to (1) and (2) until January 31, 2019;
- Finalize documents SCT/40/5 Prov. 2 and SCT/40/6 Prov. 2. for consideration at SCT/41; and
- Present the information contained in both documents in a database.

The Chair also concluded that half-day information sessions on geographical indications would be organized, with topics discussed at SCT/41. While a starting point could be the suggestions of the US, other proposed topics were solicited.

SCT/41 is scheduled for April 8-11, 2019.

# AIPLA



## INTERNATIONAL HEADLINES NEWSLETTER

January 2019

### **Are Design Rights at Risk?!**

*By: Amro Hattab*

*Executive Director/ Abu-Ghazaleh Intellectual Property (AGIP)*

#### **A reminder of Design definition:**

Design right is a form of intellectual property rights, which aims to protect the shape of products (for 3D goods), and could be used as well for protecting images in a form of (2D products). Designs can be consisting of the creation of shapes, patterns, and/or a combination of different visual elements, including colors; to produce a certain product or commodity.

Designs and Models can be presented in different forms, such as a glassware, vehicle, furniture, software and application icons, toys and packaging. The main goal of filing a design right is to protect the outer-shape of a product, the ornament side, but never the functionality of that design.

Within IP rights, design could be the most variable one between countries and regions, as the validity of design varies between 10 to 25 years. Some of them are subject to renewals or annuities, while in some other countries, no renewal is needed to maintain the validity of the subject design.

Another variable is related to the condition for novelty, where design application has to be new in order to be granted in most countries; while in other countries, no such

condition is required, however, novelty is rarely examined for design applications. Yet, it is essential to file the design before any public disclosure (despite of the availability of grace period in some countries), to maintain the originality of the subject design.

Similar to Madrid system for TMs, it is possible to file one application of multiple designs (up to 100 designs) in several countries/regions (69 territories) through the Hague system. All of which are in one application, one language and one set of fees.

### **Design Application in the Middle East & North Africa:**

Despite of the fact that most countries within the region share same language, culture and maybe history as well, when it comes to IP, major differences exist, and Design law is very much the same.

For example, the option of having a design registration in Qatar is not available, while in other countries design law is available for prosecution; but enforcement-wise there are some challenges. Below is a summary of major differences:

<b>Country</b>	<b>Design Term (Validity)</b>	<b>Novelty Requirements (Absolute) Mandatory (Yes)/Not Mandatory (No)</b>
<b>Algeria</b>	10 years - Renewable for 10 years	Yes
<b>Bahrain</b>	10 years – Renewable for 5 years	Yes
<b>Egypt</b>	15 years – Renewable for 5 years	Yes
<b>Gaza</b>	15 years – Renewable for 5 years	Yes
<b>Iraq</b>	10 years – Annuity per year	Yes
<b>Jordan</b>	15 yeas – Not Renewable	Yes
<b>Kuwait</b>	15 years – Not Renewable	No
<b>Lebanon</b>	25 years -Renewable once for 25 years	Yes
<b>Morocco</b>	25 years – Renewable for 5 years	No
<b>Oman</b>	15 years – Renewable for 5 years	Yes
<b>Pakistan</b>	10 years – Renewable for 10 years	Yes
<b>KSA</b>	10 years – Annuity per year	Yes
<b>Sudan</b>	15 Years – Renewable for 5	Yes

	years	
<b>Syria</b>	5 years – Renewable twice for 5 years	Yes
<b>Tunisia</b>	15 years – Not Renewable	No
<b>Turkey</b>	25 years – Renewable for 5 years	Yes
<b>UAE</b>	10 years – Annuity per year	Yes
<b>West Bank</b>	15 years – Renewable every 5 years	Yes
<b>Yemen</b>	10 years – Not Renewable	Yes

### **Design Intersection with other IP Rights:**

As explained above, design rights' main or sole purpose is to protect the visual design of a tangible object, whether in 3D or 2D format, but cannot we rely on Copyright law to protect such designs, or even consider the Trademark law for other objects?! Or maybe unfair completion law!

### **Design as a Trademark:**

So, for example would you rather protect your client's bottle design as a 3D trademark or as an industrial design? Let us try and discuss the advantages of each alternative:

#### **Under Trademark law:**

Longer life, as the design will be renewed indefinitely.

No novelty requirements.

Easier enforcement, especially at Borders and Customs.

#### **Under Design Law:**

Shorter processing time for the registration.

Usually less costly.

Can include multiple designs within one application.

Whenever I am approached by a client seeking for a guidance on what to consider out of the two options, my answer will always remain as "it depends". The answer to the following questions will help the client in choosing the most convenient option:

- Will this design be used for a long period over 15 years?
- Does this design present a product design out of many other products line?
- How many designs are we talking about?
- Do you consider this design a representation to your identity?
- Is this design sufficiently distinguished without any wording or logos?

If the design is to be used for a short term, and involves several versions, and is still novel, then filing the same as an industrial design will be the wise option.

Otherwise, if the design is planned to represent a corporate identity, and sufficiently distinguished, and will remain in use for years to come, then trademark would be the option.

### **Design as a Copyright:**

Some patterns can be filed as copyright applications, especially the 2D ornamental designs. In such cases, would you rather file them as Design applications or as copyright? Similar to the case of the trademark, the answer depends on several variables, such as; the importance of the design, the territories where the design is to be used, the novelty, budget and number of designs. The advantages of each approach are summarized below:

#### **Under Copyright law:**

Longer life.

No novelty requirements.

Official filing is not a necessity.

Much less costly.

#### **Under Design Law:**

Better enforcement in some circumstances (for similarities).

Focus on commercial side of the design rather than the art side.

Licensing opportunities.

Based on the above, if the design is unique, new, original, commercially important to the owner, and very much distinctive, then to consider filing the same as an industrial design makes a lot of sense. Otherwise, and if the pattern is not of high importance (part of a design), or subject to change, and the budget is limited, then copyright might be the option for such uses.

### **The Hybrid Era:**

Why cannot we have both rights for the same design? Why cannot we start with one IP right and then move to the other available option before the expiry of the first one?

This is becoming very common now, especially when filing a design as a 3D TM, where such application is usually rejected, unless proved to be distinctive over time, and using the design for a considerable period will definitely support such entitlement. So, the reasonable approach is to start with the design application as Industrial design and then (just before the expiration of the design) to convert the same into a 3D TM.

Same scenario can be also considered for filing 2D design, where we can apply it as an Industrial Design as well as a CR. In fact, we applied for Industrial designs in the countries where the product is commercially used, while in other countries, where product is scheduled to be shipped in few years' time, it was filed as a CR.

This explains the fact that despite of the intersection between ID and other IP rights, the numbers for new filings are steadily increasing (almost 5% a year) in major regions, namely US & EU, as many owners are in fact considering the hybrid option for their products.

Finally, I would like to emphasize that there are no set or static best practices for such cases, as there are too many variables that are needed to be examined and considered when choosing the suitable IP right to protect your design.