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Hosting Service Provider Liability

W. Gregory Voss
Professor, Business Law Department
Toulouse Business School

The Court of Justice of the European Union (ECJ) rendered a decision in February 2012 in SABAM v. Netlog NV, which, in light of the e-Commerce Directive, among other instruments, precluded a national court from a general injunction on filtering hosted content as a preventative measure, at its expense and for an unlimited period. Netlog runs an online social networking platform that SABAM – a Belgian authors’ rights collecting society – claimed allowed users to make use through their profile of music and audio-visual works in SABAM’s repertoire. SABAM sought a cease and desist undertaking from Netlog, which refused claiming this would amount to “general obligation to monitor”.

Citing Article 15(1) of the e-Commerce Directive for the prohibition of the adopting by national authorities of “measures which would require a hosting service provider to carry out general monitoring of the information that it stores”, particularly those requiring an intermediary provider to “actively monitor all the data of each of its customers in order to prevent any future infringement of intellectual-property rights”, the court held against SABAM. Thus, this case confirmed an earlier jurisprudential reversal from the principle of “take down, stay down”, and against a general obligation to monitor.

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3. Id. ¶¶ 33-34.
4. “Take down, stay down” refers to a general obligation, once illicit content has been notified to the intermediary, for the intermediary to generally monitor that it remains down. The ECJ in SABAM referred by analogy amply to Case C-70/10, Scarlet Extended v. Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM), (Nov. 24, 2010), available at http://curia.europa.eu/juris/celex.jsf?celex=62010CJ0070&lang1=en&type=NOT&ancre=, involving an internet service provider, in which a similar result was obtained.
GLOBAL

WIPO UDRP Panel Decisions Reflect Advantages of Mark Owners in Establishing Claims

In 1999, the UDRP (Uniform Domain Name Resolution Policy) was adopted by ICANN in order to offer trademark owners an alternative to litigation in cybersquatting complaints. While trademark litigation arising from domain name disputes can be lengthy and cost-prohibitive, UDRP disputes are resolved within 45 days for as little as $750 (USD). Individual panelists, serving one of four service providers, decide UDRP disputes. Remedies under the UDRP are limited to cancellation or transfer of the registration of the infringing domain name.

Complainants seeking relief under the UDRP must prove that (1) the disputed domain names are identical or confusingly similar to a trademark or service mark in which Complainant has rights; and (2) respondent has no rights or legitimate interests in respect of the disputed domain names; and (3) the disputed domain names have been registered and are being used in bad faith.

In UDRP proceedings, the complainant bears the ultimate burden of proof, however, UDRP panels recognize that strict compliance often requires the impossible task of proving a negative because such information is frequently within the sole possession of a alleged infringer.\(^1\)

UDRP panels consistently find sufficiently confusing similarity where a domain name includes a registered mark in its entirety. Recent decisions reflect this pattern. In CBS Radio Inc. v. ROS Promotions LLC, decided November 13, 2012, the panel found confusing similarity where the allegedly infringing domain included numbers in addition to the registered mark.\(^2\) Similarly, the domain name, gmtech2.org, was found to be confusingly similar to well-known trademark, GM. In a decision published November 21, 2012, the panel held that “tech2” did not dispel confusion.\(^3\) The addition of a third party trademark does not lessen the confusing similarity of an infringing domain name, as illustrated in Incase Designs Corp. v. Juliane Kuefer, decided November 26, 2012.\(^4\) There, the panel found confusing similarity where the respondent combined the Incase trademark with Apple Inc.’s MacBook trademark.

Typosquatting—where disputed domain names vary from well-known trademarks by minor variations—may also lead to a finding of confusing similarity.\(^5\) For example, the panel held that “houtwire.com” was confusingly similar to the Hotwire trademark.\(^6\)

In instances of typosquatting, UDRP panels may find bad faith based upon the combination “of use for apparent commercial gain in the promotion of sponsored links, and evident awareness by the [alleged infringer] of the possibility for confusion.”\(^7\) Bad faith also exists where domain names indicate that the alleged infringer has used the disputed domain names “to attract, or to attempt to attract, for commercial gain, Internet users to websites by creating confusion with the Complainant’s trademarks as to the

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1. See Altria Group, Inc. v. Steven Company, WIPO Case No. D20101762.
6. Id.
7. Id.
affiliation of those websites.’

In determining whether or not an alleged infringer has a right or legitimate interest in the disputed domain name, the panel decision may turn on evidence that the alleged infringer “has been commonly known by, or has made a bona fide use of, the disputed domain names, or that it has, for any other reason, rights or legitimate interests in the disputed domain names.” In the absence of such evidence, the complainant’s prima facie showing of respondent’s lack of rights or legitimate interest may suffice. This burden was met where a respondent registered several domain names utilizing variations of the Motorola marks. The disputed domain names were used to “resolve to web sites containing either no content or links that directed users to sponsored links for other websites, offering goods and/or services relating to the Complainant and/or its competitors.”

Recent WIPO Administrative Panel Decisions

Motorola Trademark Holdings, LLC v. Michael Fournier
Case No. D2012-1990
(Decided 27 November 2012)


Motorola filed a complaint with the WIPO Center on October 9, 2012. The Panel accepted as fact, that the disputed domain names were all registered between November 21, 2004, and November 28, 2004 and that MOTOROLA trademark has been used continually since 1930, is registered in over 100 countries, with the first registration dating from 1943. The Panel also accepted as established that Motorola is the exclusive licensee, in relation to mobile phones, of the RAZR trademark and also owns various trademark registrations consisting of the characters MOTO, either on their own or together with other words or characters, such as MOTOSPEAK and HELLOMOTO.

On the first element (Identical or Confusingly Similar), the Panel found that “each of the disputed domain names is confusingly similar to a trademark in which the Complainant has rights.” Regarding the second element (Rights or Legitimate Interests), the Panel concluded that the Respondent has no rights or legitimate interests in any of the disputed domain names having found that the Respondent “is not a licensee of, or otherwise affiliated with, the Complainant, and has not been authorized by the Complainant to use its MOTOROLA or MOTO trademarks, or its exclusively licensed RAZR trademark.” Furthermore, the Panel concluded that the Respondent failed to provide convincing evidence “that it has been commonly known by, or has made a bona fide use of, the disputed domain names, or that it has, for any other reason, rights or legitimate interests in the disputed domain names.” On the third element (Registered and Used in Bad Faith), the Panel found bad
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faith registration in part because the disputed domain names were registered “many decades after the first use and registration of the MOTOROLA trademark, and before the Complainant first used its MOTO trademark and the RAZR trademark under exclusive license” suggesting that at the time the disputed domain names were registered, the Respondent most likely knew of the Complainant’s trademarks, and knew that it had no rights or legitimate interests in the disputed domain names. The Panel ordered that the disputed domain names be transferred to the Complainant.

**General Motors LLC v. Star King**

**Case No. D2012-1929**

(Decided 21 November 2012)

The Complainant is General Motors LLC of Detroit, Michigan, United States of America (“US”), the Respondent is Star King of Wuhan, Hubei, China, and the disputed domain name <gmtech2.org> was created on May 17, 2012. Complaint was filed with the WIPO Center on September 28, 2012. In a decision rendered on 21 November 2012, the Panel found bad faith registration and use concluding that “[g]iven the notoriety of the Complainant’s trademark and the use of the disputed domain name … the Respondent must have been aware of the Complainant and its trademark.” Bad faith was also found because, according to the Panel, the Respondent “used the disputed domain name in connection with a website that appears to offer products for use with the Complainant’s and other competitor’s products.”

**Revlon Consumer Products Corporation v. Kalle Anka**

**Case No. D2012-2019**

(Decided 23 November 2012)

The Complainant is Revlon Consumer Products Corporation of New York, New York, United States of America, the Respondent is Kalle Anka of Norden, Norway, the disputed domain name, <revlonnailename.info> (the “Domain Name”), was registered on March 30, 2012, and the complaint was filed with the WIPO Center on October 11, 2012.

The Panel accepted as established, the fact that the Complainant has manufactured and sold cosmetic and beauty products under the trademark REVOLUTION since 1932, that the Complainant is the owner of numerous trademark registrations for the mark REVOLUTION in various jurisdictions, and that the Complainant holds a US trademark registration number 2,886,630 registered on September 21, 2004 in International Class 3, for goods and services including artificial nails and related products. The Panel found that the disputed Domain Name was identical or confusingly similar to a trademark or service mark in which the Complainant has rights. The Panel also found that the Complainant had establish a prima facie case that the Respondent has no rights or legitimate interests in respect of the Domain Name in so far as the Respondent adopted the famous mark REVOLUTION for the purpose of the Domain Name, had no connection with the Complainant and was not authorized by the Complainant to make any such use of its mark. The Panel inferred bad faith registration from the Respondent’s adoption of the Complainant’s famous mark and
the additional term “nailename”. In the view of the Panel, “the Respondent can have had no realistic intention in registering the Domain Name other than to take unfair advantage of the Complainant’s goodwill in the mark.” Regarding bad faith use, the Panel found no evidence that the Respondent has used the Domain Name to resolve to any active website or otherwise. Nevertheless, the Panel concluded that “it has been well established … that the passive holding of a domain name may nevertheless amount to use in bad faith and that all the circumstances of each individual case must be examined.” The Panel ordered that the disputed Domain Name be transferred to the Complainant.

AFRICA

Ghana Ratifies the WIPO Performances and Phonograms Treaty

On November 16, 2012, the Government of the Republic of Ghana deposited its instrument of ratification of the WIPO Performances and Phonograms Treaty. The Performances and Phonograms Treaty was adopted on December 20, 1996. For Ghana, the Treaty will enter into force on February 16, 2013.

Nigeria’s Attorney General Approves Issuance of Copyright Levy Order 2012

As part of its efforts to compensate rights owners for losses stemming from illicit copying of their works, the Nigerian Copyright Commission (NCC) has issued the Copyright (Levy of Materials) Order 2012. On November 15, 2012, the NCC received approval from the Attorney-General of the Federation and Minister of Justice. This approval allows for the implementation of levies on certain materials capable of infringing uses, in accordance with Section 40 of the Copyright Act. Materials affected include items like iPods, USB flash drives, photocopying machines, among many others. Exemptions are available for materials produced in Nigeria for export, legitimate users of materials subject to the levy, and institutions representing disabled persons.


ASIA

China Leads Global Patent Filings

WIPO’s World Intellectual Property Indicators-2012 Edition reveals that China’s patent office became the largest in the world in 2011. Worldwide patent applications exceeded the two million mark, with China accounting for more than 525,000 of those applications. Growth in resident filings pushed China ahead of the United States Patent and Trademark Office. Prior to 2011, only Japan, Germany and the United States had led the world in patent filings.


EUROPE

European Union Parliament Approves the Unitary Patent Package

On 11 December 2012, the European Union (EU) Parliament approved a proposal for a unitary patent.1,2 A unitary patent will

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2 On the proposal for a Council regulation implementing enhanced cooperation in the area of the creation of unitary patent protection with regard to the applicable translation arrangements (COM(2011)0216 – C7-0145/2011 – 2011/0094(CNS)).
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replace the present system. Under the present system put in place by the European Patent Convention, EU patents are granted by the European Patent Organization (a non-EU body) but are not automatically recognized in all 27 EU Member States and have to be validated in each country where protection is sought. The present system also lacks a unified litigation system. The so-called "EU patent package" creates a unitary patent, a language regime and a unified patent court, and was approved in three separate voting sessions. 25 EU Member States are taking part in the new regime; Spain and Italy are currently outside the regime. Under the new system, an inventor can with a single application obtain from the European Patent Organization, a unitary patent that will be automatically valid in all participating EU Member States. Moreover, through the unified patent court, litigation relating to the unitary patents will occur only once for participating countries. It is estimated that the unitary patent could reduce the cost of an EU patent by as much as 80%.

According to one the member of the European Parliament (MEP), Bernhard Rapkay (S&D, DE), "Today's vote is good news for EU economy and especially for European small and medium enterprises (SMEs)."


On 11 December 2012, Advocate General Bot of the European Court of Justice (ECJ) delivered a much-anticipated opinion on the validity of Council Decision of 10 March 2011 authorizing enhanced patent cooperation in the area of the creation of unitary protection. It is the first time the Court is called on to consider the legality of a decision authorizing enhanced cooperation since the enhanced cooperation mechanism was created by the Treaty of Amsterdam. The question in this case was whether enhanced cooperation in the area of the creation of unitary patent protection complies with relevant provisions of the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU). In two separate actions, Spain and Italy challenged the 10 March 2011 Council Decision and asked the Court to annul the contested decision. In support of their action, the two countries raised six pleas in law: (1) lack of competence; (2) misuse of power; (3) failure to respect the judicial system of the Union; (4) breach of the ‘last resort’ condition; (5) violation of the first paragraph of Article 118 TFEU, Article 326 TFEU and the first subparagraph of Article 20(1) TEU; and (6) violation of Articles 327 TFEU and 328 TFEU. With respect to the first plea, Spain and Italy claimed that the contested decision infringed Article 20(1) of the TEU because the Council lacked the competence to establish enhanced cooperation on the creation of the unitary patent. Article 20 of the

4 On the proposal for a Council regulation implementing enhanced cooperation in the area of the creation of unitary patent protection with regard to the applicable translation arrangements (COM(2011)0216 – C7-0145/2011 – 2011/0094(CNS)).
6 Council Decision of 10 March 2011 authorising enhanced cooperation in the area of the creation of unitary patent protection (2011/167/EU). The Decision authorized 25 of the 27 Member States of the European Union to establish enhanced cooperation between themselves in the area of the creation of unitary patent protection.
7 Id. ¶ 26.
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**TEU** provides that “Member States which wish to establish enhanced cooperation between themselves within the framework of the Union’s non-exclusive competences may make use of its institutions and exercise those competences by applying the relevant provisions of the Treaties, subject to the limits and in accordance with the detailed arrangements laid down in this Article and in Articles 326 to 334 of the Treaty on the Functioning of the European Union.” On the first plea, the Advocate General proposed that “the Court should reject as unfounded the plea alleging lack of competence to set up enhanced cooperation with a view to the creation of the unitary patent.” The Advocate General proposed that the Court reject the remainder of the pleas as either unfounded and/or inadmissible. The job of the ‘advocates-general’ of the ECJ is to present opinions on the cases brought before the Court.


**NORTH AMERICA**

**Canada’s Copyright Modernization Act Takes Effect**

On November 7, 2012, most provisions of Canada’s Copyright Modernization Act came into force. The Act aims, among other objectives, to better address rights of copyright holders in light of technological advances—like the Internet. The Act also strives to align Canadian copyright law with international standards.


**Mexico Accedes to Madrid Protocol**

On November 19, 2012, Mexico acceded to the Madrid Protocol for the International Registration of Marks. The Madrid Protocol is part of the Madrid System for the International Registration of Marks (Madrid system) and offers trademark owners a cost effective way to register their trademarks internationally. With Mexico’s accession, the total number of members of the international trademark system comes to 89. The treaty will enter into force with respect to Mexico on February 19, 2013. Other countries that acceded to the Madrid system in 2012 include the Philippines, Colombia, and New Zealand.

**SOUTH AMERICA**

**Panama Accedes to 1991 Act of the UPOV Convention**

On October 22, 2012, the Government of Panama deposited its instrument of accession to the 1991 Act of the International Convention for the Protection of New Varieties of Plants. The International Union for the Protection of New Varieties of Plants (UPOV) is designed to provide and promote an effective system of plant variety protection, in order to encourage the development of new varieties of plants for the benefit of society. The 1991 Act will enter into force for Panama on November 22, 2012.

Committee Conference Call Dates. First Quarter 2013: Unless otherwise indicated, all Committee calls start at noon EST.

Please join us for the IIPR Steering Committee Conference Calls on the following dates:

- January 15, 2013
- February 19, 2013
- March 19, 2013

Program Proposal Period. January 7 Deadline:

The ABA Section of International Law is now accepting program proposals for the 2013 Fall Meeting in London, UK. The deadline for submissions will be January 7, 2013. We would like to have the International Intellectual Property Committee well represented among the program proposals. Please develop your program proposals now, and consider submitting them before the holiday period. Committee leadership is available to help those preparing programs, so do not hesitate to contact IIPR Committee leadership for assistance. The Section is looking for diverse speakers, including in geography and those who have not previously been speakers. Also, creativity in program format is appreciated, with interactivity a plus.

Teleconference Report

Our December 5, 2012 teleconference on Canadian Copyright reform was a great success thanks to our knowledgeable and dedicated speakers, Sarah Kilpatrick, David Kent, Stephen Zolf, and Jerry Cohen. The speakers discussed the provisions in Bill C-11 that are now in force and the five recent Canadian Supreme Court cases on copyright, as well as comparing the new state of copyright in Canada to the U.S. and forecasting what is to come. Teleconference participants will receive a complimentary copy of the program audio recording. For those who were unable to attend the program and are interested in the topic, the MP3 recording of the program will be available for purchase in the ABA Web Store by early 2013. Keep an eye out for it!

Task Forces on Proposed Chinese Law Regulations, Guidelines and Amendments

Our Committee has been involved in another multi-committee cooperative policy task force effort in the field of Chinese law involving IP, together with the SIL China Committee and the Intellectual Property Section. On December 3, 2012, we submitted comments to the State Intellectual Property Office (SIPO) on the Draft Inventors' Remuneration Regulations for the People's Republic of China.

This followed our previous policy initiative with the SIL International Antitrust and China Committees, as well as the Section of Antitrust Law. On October 30, 2012, we submitted comments to China's State Administration for Industry and Commerce (SAIC) on SAIC's Draft Guide on Anti-Monopoly Law (AML) Enforcement in the Field of Intellectual Property Rights. In both cases, these comments received ABA blanket authority.

Prior to that, on September 7, 2012 the Sections of International Law and Intellectual Property Law submitted comments to the Chinese intellectual property office (SIPO) on proposed amendments to the Chinese Patent Law. This Task Force, which included members of the Intellectual Property Rights Committee, as well as the China Committee and the Section of Intellectual Property Law, worked under the ABA's blanket authority procedure to comply with a tight deadline to get these comments out.

Thanks to all involved in the process!

Up-Coming WIPO Event

About the International Intellectual Property Committee

The International Intellectual Property Committee of the American Bar Association Section of International Law (ABA-SIL) deals with intellectual property problems arising out of differences in the laws of various countries; issues concerning the negotiation and implementation of international agreements affecting intellectual property rights; the rights of United States citizens to obtain intellectual property protection in other countries and the rights of foreign authors, inventors and producers to obtain intellectual property protection in the United States.

To join or learn more about the ABA Section of International Law visit: http://www.abanet.org/intlaw/membership/home.html. If you have any difficulties, please contact the International Section office at 202-662-1660.

Reminder

The materials and information included in this newsletter do not reflect endorsement by the American Bar Association, the Section of International Law, or the International Intellectual Property Committee.

Newsletter Announcement: Next Issue

Next Issue to be Released March 2013

We welcome voluntary contributions of case reviews, book reviews, proposed or pending relevant legislation, news items, useful links and relevant information concerning upcoming events of possible interest to members of the international intellectual property committee for inclusion in future issues of this newsletter; contributions may be sent by email to uchee@uark.edu.

Submissions must be received by February 15, 2013

For questions, suggestions or problems, contact Prof. Uche Ewelukwa, uchee@uark.edu

Thank you again for your interest and participation!

Mallory Langston, JD Candidate, University of Arkansas, provided editorial assistance.

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