



WORLD  
INTELLECTUAL  
PROPERTY  
ORGANIZATION

# WIPO MAGAZINE

GENEVA - DECEMBER 2009 - No.6

2

## 2009 WIPO ASSEMBLIES

8



## COPYRIGHT TO THE FORE

Performers, Wikimedia  
& Creative Commons,  
Music Sampling

28



## IP FOR DEVELOPMENT

## **WIPO - Italy International Convention on Intellectual Property and Competitiveness of Micro, Small and Medium-sized Enterprises (MSMEs)**

December 10 and 11, 2009

Villa Lubin, Rome, Italy

The Convention will provide MSME stakeholders in government, national research and development centers, universities, the private sector and civil society with an opportunity to discuss policies and strategies for supporting IP-based entrepreneurship for a competitive MSME sector.

Participation is open to officials from national IP offices, SMEs associations, chambers of commerce, entrepreneur associations, national SME finance institutions, private equity providers, national trade facilitation institutions, SME training institutions and other SME support institutions, including civil society organizations involved in supporting the development of internationally competitive MSMEs.

For more information or to register, please visit [www.wipo.int/meetings/en/2009/wipo\\_sme\\_rom\\_09/index.html](http://www.wipo.int/meetings/en/2009/wipo_sme_rom_09/index.html)

## **Calendar of Meetings**

### **NOVEMBER 16 TO 20 ■ GENEVA**

- *Committee on Development and Intellectual Property (CDIP)*

### **NOVEMBER 16 ■ GENEVA**

- *Nice Union: Ad hoc Working Group*

### **NOVEMBER 16 TO 20 ■ GENEVA**

- *Nice Union - Preparatory Working Group*

### **NOVEMBER 23 TO 26 ■ GENEVA**

- *Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications*

### **NOVEMBER 25 ■ GENEVA**

- *Symposium on Future Challenges of International Law: The Way Forward in Patenting Biotechnology*

### **NOVEMBER 30 TO DECEMBER 4 ■ GENEVA**

- *IPC Union - IPC Revision Working Group*

### **NOVEMBER 30 TO DECEMBER 4 ■ GENEVA**

- *WIPO Audit Committee - Fifteenth Meeting*

### **DECEMBER 7 TO 11 ■ GENEVA**

- *Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore*

### **DECEMBER 14 ■ GENEVA**

- *Information Meeting on Limitations and Exceptions for Educational Activities*

### **DECEMBER 14 TO 18 ■ GENEVA**

- *Standing Committee on Copyright and Related Rights: Nineteenth Session*

### **JANUARY 25 TO 29, 2010 ■ GENEVA**

- *Standing Committee on the Law of Patents: Fourteenth Session*

# CONTENTS

- 2     **2009 ASSEMBLIES** - MEMBER STATES GIVE STRONG SUPPORT
- 6     **ECUADOR 2009** - A BICENTENARY CELEBRATION
- 8     IMPROVING THE **STATUS OF PERFORMERS**: EFFORTS AND PERSPECTIVES
- 12    **WIKIMEDIA** LICENSING POLICY CHANGE - A CONUNDRUM
- 15    **IP OUTREACH**  
**CREATIVE DIRECTIONS**
- 16    **THE SONG REMAINS THE SAME**  
A REVIEW OF THE LEGALITIES OF MUSIC SAMPLING
- 20    IS **SAMPLING** ALWAYS COPYRIGHT INFRINGEMENT?
- 22    LEGAL USE OF **DIGITAL CONTENT** - MAKING IT CLEAR AND SIMPLE
- 24    **THE INOVA SUCCESS STORY** - TECHNOLOGY TRANSFER IN BRAZIL
- 26    WHAT YOU DON'T KNOW ABOUT **TRADEMARKS**
- 28    ENHANCING USE OF **IP FOR DEVELOPMENT**

# 2009 ASSEMBLIES - MEMBER STATES GIVE STRONG SUPPORT

The 2009 Assemblies of the Member States of WIPO – the first of Director General Francis Gurry’s mandate – marked the beginning of a new era for the Organization. The Assemblies ran from September 22 to October 1, and for the first time a high-level ministerial segment led off the series of meetings. Member States showed strong support for the Organization’s strategic goals throughout the event, and renewed the mandate of the Intergovernmental Committee on Intellectual Property, Traditional Knowledge, Folklore and Genetic Resources (IGC).

## Transform ideas into reality

Mr. Gurry welcomed over 40 ministers to the high-level segment of the Assemblies, noting that their participation reflected the expanding recognition of “IP as a major means of creating a secure environment for investment in innovation and creativity and for the diffusion of innovative and creative products and services.” He urged the Organization’s 184 Member States: to work together to ensure the IP system serves as a stimulus for developing solutions to the global challenges confronting policymakers across the world; to find a “balanced way forward” in advancing the Organization’s norm-setting agenda; and to demonstrate flexibility and understanding in addressing the issues at hand.

The Director General outlined progress in the Organization’s strategic realignment program, and

highlighted the initiatives launched to develop a service-oriented culture. Mr. Gurry noted that negative growth rates in WIPO’s registration and filing systems were anticipated for 2009 but that, while demand was expected to be sluggish through 2010, he was confident that 2011 would see positive growth. He said “it is clear that the long-term trend is one of intensified use of the IP system in which knowledge and education are at the center of the economy, development and social change.”

Mr. Gurry underlined that improving the capacity of developing and least developed countries (LDCs) to benefit from the knowledge economy was the principle underlying the adoption of the WIPO Development Agenda. “We are now at the stage where we must transform that idea into an operational reality,” he said. “That transformation will occur only if there is a collaborative effort and engagement on the part of the Member States and the Secretariat.” Mr. Gurry stressed the need for Member States and the Secretariat to “be ambitious and identify and execute projects that make a difference.”

The Director General appealed to Member States to seek common ground in advancing the normative work of the Organization as failure to do so would damage multilateralism and open the way to bilateral and plurilateral arrangements at a time when use of technologies is increasingly global. Mr. Gurry said, “Global use of technology calls for a global architecture of norms to ensure that technologies are indeed available everywhere.”

## Ministers endorse progress toward strategic goals

The high-level segment of the Assemblies endorsed WIPO’s progress toward its strategic goals, saying this marked a new era for the Organization and its ability to ensure the IP system helps meet an increasing number of global challenges. Ministers emphasized that IP is now widely perceived as a key policy tool to promote public interest, innovation and technological progress and a driving force in creating a positive environment for social, economic and cultural development. The ministers took note of the Organization’s commitment to delivering effective services under the Development Agenda and WIPO’s capacity-building programs.

The meeting provided an opportunity for ministers to exchange experiences, share concerns and convey their national IP priorities. It was also an important means of raising the profile of IP issues within senior policymaking spheres at the national and international levels. Many ministers backed the call to renew the IGC’s mandate in a way that allows for concrete outcomes. The high-level segment also welcomed the Organization’s response to the challenges confronting the IP system and its engagement in global issues, including climate change, food security, public health and technology transfer.

## WIPO and Kenya to Intensify Collaboration on Patent Information

On the sidelines of the ministerial segment of the Assemblies, Kenya's Minister for Industrialization, Mr. Henry K. Kosgey, and Mr. Gurry signed a cooperation agreement covering access to and dissemination of national patent documents. This is the latest in a series of agreements between WIPO and intellectual property (IP) offices of developing countries to enhance access to patent information. Similar agreements exist with the African Regional Intellectual Property Organization, Brazil, Cuba, Israel, Mexico, Morocco, Peru, Republic of Korea, Singapore, South Africa and Viet Nam.

Under the agreement, WIPO will provide technical assistance to the Kenyan Industrial Property Institute (KIPI) for the digitization and dissemination of Kenyan patent documents via PATENTSCOPE®. Better access to information about the status of patents in Kenya and abroad offers local companies and inventors a clearer picture of the competitive landscape when developing innovations to compete in national and international markets. Similarly, access to the wealth of patent information published worldwide can act as a stimulus for local innovation. More than 1.8 million patents are applied for around the world each year, and only a fraction of them will eventually be in force in Kenya.



Photos: WIPO/Arrou-Vignod & Hepkins-Hall

"If this Organization is to retain its relevance in rule making, we must be able to deal with all the frequencies of the spectrum of technological development," Mr. Gurry said. "We must be able to make rules both for the latest developments in technology and for traditional knowledge systems." In this regard, he called for the renewal of the mandate of the WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) on terms that would lead to tangible results at the international level.

Mr. Gurry drew attention to "tumultuous developments" that signaled "a fundamental challenge for the institution of copyright." He noted that, while the objective of copyright was to "provide a market-based mechanism that extracts some value from cultural transactions to enable creators to lead a dignified economic existence while at the same time ensuring the widest possible availability of affordable content," the question was "how to realize that objective amid the convergence of the digital environment." The Director General enjoined Member States to consider a "global consultation" in the coming year on the fundamental question of how to finance culture in the 21<sup>st</sup> century. In view of the global nature of piracy, he called on governments to reflect on "how we can make copyright work in a digital environment where there is no difference in quality between the original and the copy and where the means of reproduction and distribution are available to everyone at insignificant cost."

The Director General cited some early concrete results in relation to the Organization's new strategic objective: Coordination and Development of Global IP Infrastructure. These include digitization programs for IP offices in developing countries and the establishment of technology and innovation centers, as well as database tools offering LDCs access to scientific and technical publications free of charge.

The Director General referred to the Patent Cooperation Treaty (PCT) roadmap, accentuating that "it's about finding ways to increase, on a voluntary basis, work sharing to decrease unnecessary inefficiencies and to improve the quality of the output of the international patent system and thereby contribute to management of the unsustainable backlog of 4.2 million unprocessed patent applications around the world." Mr. Gurry stressed that it "is not a norm-making exercise." He referred to various plurilateral initiatives to address this question stating that the "objective of the roadmap is to bring all of these initiatives under the multilateral umbrella of the PCT."

Lastly, the Director General highlighted WIPO's renewed engagement in debates on global public policy issues, such as climate change, stating that "technological innovation will be central to global efforts to deal with the challenges of climate change." He added that "the experience of the IP system and the IP community in the creation and the commercialization and the diffusion or transfer of technology can make a very valuable contribution."



## IGC wins support

Member States renewed the mandate of the IGC, adopting a clearly defined work plan and terms of reference to guide the Committee's work over the next two years. They agreed the IGC would undertake negotiations with the objective of reaching agreement on a text of an international legal instrument (or instruments) that would ensure the effective protection of genetic resources (GRs), traditional knowledge (TK) and traditional cultural expressions (TCEs). The decision also provided for three inter-sessional meetings of working groups to take place in 2010/11, in addition to the four regular IGC sessions.

Over the next two years, the IGC will continue to build on its previous work – the basis for text-based negotiations being existing working documents on GRs, TK and TCEs. The IGC is to submit to the 2011 General Assembly the text (or texts) of an international legal instrument(s) which would ensure effective protection of GRs, TK and TCEs. That session of the General Assembly would then decide on whether to convene a Diplomatic Conference. The Director General affirmed that this "significant" decision gave the IGC "a robust and clear mandate over the next two years." He called this "a real step forward" for the Organization.

## Approved program and budget

Member States signaled strong support for the Organization's strategic realignment with the endorsement of a program and budget for the 2010/11 biennium that boosts WIPO's development-related activities, emphasizes the need to advance the Organization's normative work and further upgrades its services to the private sector.

Member States approved a budgetary allocation for 2010/11 of CHF 618 million, which represents a 1.6 percent (CHF 9.8 million) decrease compared to the current financial period, reflecting the impact of the global economic crisis on WIPO's services. Almost one-fifth (some CHF 118 million) of the Organization's budget is allocated across programs for capacity-building and development-related activities to strengthen the participation of developing and least developed countries in the benefits of the knowledge economy. An additional CHF 4.5 million was specifically allocated for the implementation of Development Agenda projects.

The Assemblies also approved the construction of a new conference hall with a capacity of 900 seats

as well as several new, smaller meeting rooms in the main headquarters building to cater for increasing demand for consultations associated with WIPO meetings. Member States earmarked CHF 64 million for that project, to be covered from WIPO reserves (CHF 24 million) and the extension of an existing commercial loan (CHF 40 million). The new hall, designed by Behnisch Architekten of Stuttgart, Germany, gives priority to sustainability. Local wood, natural light, hybrid ventilation combining natural and mechanical means, and a cooling system drawing water from nearby Lake Léman are among the most significant environmentally-friendly features of the new hall.

## Accelerated implementation of Development Agenda

Delegations strongly supported the project-based approach proposed by the Committee on Development and Intellectual Property (CDIP), which will accelerate efficient implementation of the Development Agenda. Member States reaffirmed their commitment to the Development Agenda, identified as a key priority for the Organization, and stressed the importance of ensuring adequate human and financial resources were allocated to its implementation. The CDIP is to develop a coordination mechanism for monitoring, assessing and reporting on the implementation of recommendations, and will submit a report on the subject to the 2010 General Assembly.

## New Partnerships to improve the status of Performers

WIPO signed an agreement on September 23 with the International Federation of Musicians (FIM) and the International Federation of Actors (FIA) to support efforts to improve recognition of the significant contributions made by actors and musicians around the world. The agreement, signed by Mr. Gurry, FIA President Agnete G. Haaland and FIM President John Smith, seeks, in particular, to help improve the status of performers in developing countries.

For more information see "Improving the Status of Performers: Efforts and Perspectives" on page 8.

## Standing Committees

Member States noted the status of work relating to the three issues currently under discussion within the Standing Committee on Copyright

## Signatories freeze the London Act of the Hague Agreement

Delegates in Extraordinary Meeting of the Contracting Parties to the 1934 (London) Act of the Hague Agreement moved on September 24 to simplify the international design registration system by suspending the earliest of the three Acts governing the Hague Agreement Concerning the International Deposit of Industrial Designs. The decision streamlines the administration of the Treaty.

The Hague Agreement Concerning the International Deposit of Industrial Designs of November 1925 consists of three different Acts – the London Act of 1934, the Hague Act of 1960 and the Geneva Act of 1999. On September 24, the 15 signatories of the obsolete 1934 London Act decided to freeze that Act from January 1, 2010.

That decision will reduce the complexity of the system and focus greater attention on the 1999 Geneva Act, which enhances the existing system by making it more compatible with registration systems in countries where determining the acceptability of an application for industrial design protection is contingent on examination. The Geneva Act also introduces a modified fee system, the possibility of deferring publication of a design for up to 30 months and the ability to file samples of the design rather than photographs or other graphic reproductions. The latter features are of particular interest to the textile and fashion industries.

Under this decision, from January 1, 2010, no new designations under the 1934 (London) Act may be recorded in the International Design Register. However, designations under the Act made before that date will not be affected. It was unanimously agreed that the next step would be to terminate the 1934 (London) Act. The Hague Union Assembly amended the Common Regulations under the Hague Agreement to reflect that decision the following week.

and Related Rights (SCCR): the rights of broadcasting organizations; the rights of performers in their audiovisual performances; and exceptions and limitations.

The General Assembly noted a report on the work of the Standing Committee on the Law of Patents (SCP), including the Committee's decision to commission five studies on: exclusions, exceptions and limitations, including a public policy, socioeconomic and developmental perspective; technical solutions to improve greater access to, and dissemination of, patent information; client-attorney privilege; transfer of technology; and opposition systems.

### PCT Assembly appoints new authorities

The Assembly of the PCT appointed the Egyptian Patent Office and the Israel Patent Office as International Searching and Preliminary Examining Authorities under the PCT, bringing the total number of such offices to 17. The appointments become effective on dates to be notified by the offices.

Member States also adopted a number of amendments to the regulations under the PCT which will enter into force on July 1, 2010. These concern: clarification of the extent to which authorities may define the scope of the supplementary international search that will be offered; a requirement that applicants filing amendments indicate the basis of those amendments in the application as filed; and improvements to the

process for establishing equivalent amounts of certain PCT fees in different currencies.

### Madrid Union Assembly

The Madrid Union Assembly took note of the WIPO study on the possible introduction of additional filing languages – Arabic, Chinese, Dutch, German, Italian, Japanese, Portuguese and Russian – in the Madrid System for the International Registration of Marks, in a way that would be operationally and economically viable. Introducing additional filing languages would require specific agreements with the offices of interested contracting parties. As a first step, the Assembly approved the implementation of a pilot project involving the participation of interested offices.

### Appellations of Origin

Members of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration amended a number of rules governing that system to improve accessibility of information regarding the fate of international registrations in member countries. Interested parties will be able to more easily determine the status of protection of an internationally registered appellation of origin in a given member country, through a formal framework for communicating a "statement of grant of protection."

# ECUADOR 2009 - A BICENTENARY CELEBRATION

The first day of the WIPO Assemblies was crowned with a colorful glimpse of Ecuador's rich artistic and cultural heritage. During an evening concert, Ecuadorean folk dancers, *Nuestro Manantial* (Our Spring), and the talented band of musicians, *Siembra* (Sowing), that accompanied them captivated ministers, delegates and staff with their striking costumes and rhythmic and joyful performance – given added zest in the context of the country's celebration of its bicentenary (1809-2009). These performances offered vibrant demonstration of the wealth and diversity of Ecuador's folklore.



Photos: WIPO/Castonguay

The event also marked the opening of a unique exhibition with images, smells, flavors and fine textures that offered a window on the richness and diversity of Ecuadorean art and culture – both traditional and modern. Featured alongside a selection of works by contemporary artists Alegria Polit and Telmo Herrera were two of Ecuador's most famous exports, the world-renowned Montecristi hat and Cacao Arriba.

## Modern Expressions:

Ms. Polit's works were drawn from her "Mirrors" series, inspired by a belief that images reflected in mirrors identify with the soul or spirit of the person. "I see mirrors and art as a window to the spirit," she said. "My 'Mirrors' are clear and simple ways of crossing into a different dimension, in which the image no longer reflects us, but simply teaches us the harsh or wonderful truth of who we are."

Her work captures a vision of a world that defines the personality and character of Ecuador's ethnic diversity – a personality that exudes warmth, resourcefulness, hospitality, happiness and peace.

"Black Sounds," the theme of Mr. Herrera's selection of works, reveals the power of the artist's imagination. His abstract creations depict the force, passion and spontaneity that should characterize our lives. Mr.

Herrero's creative journey is rich with experience. Drawn to the arts from an early age, he became a prolific poet, novelist and storyteller. His passion for creativity then led him to the theatre, inspiring him to fulfill his life-long ambition to paint and develop his unique abstract style.

Photo: Joao Cardoso



Photo: WIPO/Martinez Dozal





## Echoes of the past:

### Montecristi - The Prince of Hats

The finely woven Montecristi hat, often referred to as the “Panama” – where it was worn by laborers hewing out the Panama Canal at the beginning of the 20<sup>th</sup> century – or the prince of straw hats, is considered to be one of the most fashionable summer hats around. Made by skilled weavers in the small town of Montecristi, revered by European royalty, statesmen and film stars alike, the Montecristi gained popularity in the 1940s when it became the fashion choice of Hollywood stars, featuring in film classics such as *Gone with the Wind* and *Casablanca*.



Photos: WIPO/Castonguay

Hat weaving, a skill passed down from generation to generation, has flourished along the coast of Ecuador since the 1600s. The hats are made from the plaited leaves of the indigenous toquilla straw plant *cardulovica palmate*. Each hat is unique, hand-woven by a single weaver from eight strands of fiber and, depending on the quality required, can take up to five months to weave.

### Arriba, Arriba! - Classy Cacao!

The exhibition also featured Ecuador’s first geographical indication, the world renowned *Arriba Cacao*, prized for its earthy, floral aroma and flavor. Its unique qualities put it in a class of its own.

Legend has it that Ecuador’s “fine aroma” cacao is called “Arriba” because when a Swiss *chocolatier* navigating the River Guayas in the 19<sup>th</sup> century asked workers unloading a cargo of cocoa beans from their canoes where the rich aroma he smelled came from, they responded, “del río arriba” meaning “from up the river” (from **cacao** trees, pods and seeds, we get **cocoa** beans, butter and powder).



Photos: IEP

Photo: WIPO/Castonguay

Ecuador’s “Arriba” cacao has since come to be synonymous with high quality. Capable of satisfying the most demanding of palates, it has become a strategically important element in the chocolate industry. Barely 5 percent of the world’s cocoa is considered “Fine Aroma,” and Ecuador is responsible for producing nearly 63 percent of it.

Ecuador is the seventh largest producer of cacao in the world producing over 3 percent of the global total. An estimated 500,000 hectares are currently devoted to cacao cultivation. Also known as “cacao nacional”, reflecting the symbolic importance of this crop, *Arriba Cacao* belongs to the “Forastero” botanical variety and is the country’s third largest agricultural export.

# IMPROVING THE STATUS OF PERFORMERS

## Efforts and Perspectives

"I can take any empty space and call it a bare stage. A man walks across this empty space whilst someone else is watching him, and this is all I need for an act of theatre to be engaged."<sup>1</sup> Peter Brook's famous statement may also be appropriate in considering the legal status of performers, as performances can be viewed from many different angles, considered in different lights.

First, performances are intimately related to intellectual property (IP) rights. There are rights in the performance itself, but also rights in the pre-existing literary and artistic works being performed – be they music or text of both. Second, performances shape, transmit and preserve cultural identities and traditions. Performances are clearly linked to cultural diversity but also to cultural industries, which have a significant impact on economic development.

Moreover, performances are labor intensive, often involving employment relationships. Contracts and collective bargaining agreements can both facilitate the exercise of rights by producers and improve working conditions of artists, not least through IP remuneration. Thanks to advances in technology, performers can not only walk across the "empty spaces" of theatres but also movie, television and computer screens.

### FIM and FIA

On September 23, WIPO signed an agreement (see box page 4) with the International Federation of Musicians and the International Federation of Actors (known by their French acronyms, FIM and FIA, respectively) to promote recognition of the significant contributions by actors and musicians around the world to culture, economy and society. The agreement seeks, in particular, to improve the status of performers in developing countries and highlights the connection between IP and labor and the special concerns of cultural workers from the viewpoint of development and cultural diversity. It provides for the organization of joint activities to strengthen performers' networks and improve their economic and legal status as well as to raise awareness of the need to support performers as key contributors to the creative industries of all economies, particularly in developing countries.

It is anticipated that the agreement will help to galvanize support for the protection of performers' rights at the international level. Although 19 out of 20 articles were agreed upon, treaty negotiations among WIPO Member States on the protection of audiovisual performances were deadlocked in December 2000 because of a lack of consensus on the issue of transfer of rights from performers to producers. Since then, WIPO has undertaken extensive international consultations to develop information materials on outstanding differences among stakeholders and to improve the understanding of the situation of performers.

### Efforts and perspectives

Four different perspectives on raising the status of performers are presented here by two different groups. First, the views of FIM and FIA are given and, second, those of two UN bodies – the International Labour Organization (ILO) and the UN Educational, Scientific and Cultural Organization (UNESCO) – which have long promoted the rights and welfare of performers. A follow-up article in the *WIPO Magazine* will focus on collective management of performers' rights, a perspective intimately linked to WIPO's mandate. In this regard, WIPO has signed a cooperation agreement with the Association of European Performers' Organisations (AEPO-ARTIS) and the Societies' Council for the Collective Management of Performers' Rights (SCAPR).

Those agreements may create synergies in a number of areas and underline the importance of cooperation among governments, stakeholders and international organizations. They lay the groundwork for a more holistic analysis and for future concerted action to improve the legal and economic status of performers.

### **FIA - The voice of audiovisual performers worldwide** By Dominick Luquer (FIA)

The significant contribution performers make to cultural diversity, economic wealth and social cohesion is well known. Their talent, dedication and expressive skills are major assets to successful cultural productions, generating both employment and wealth. Despite all this, many performers still

<sup>1</sup> Peter Brook, *The Empty Space*, 1968.

find it very difficult to make a decent living from their craft. FIA, created in 1952 and representing today about 100 unions, guilds and professional associations of performers – mainly employed in live theatre, variety shows, television, film productions, radio and new media – campaigns for adequate recognition of the status of performers and better rights, terms and conditions of employment.

FIA regularly organizes regional meetings in Africa, the Americas, Asia and Europe, providing a forum in which performers can share experiences, as well as national workshops to assist them in better contributing to, and developing, thriving and economically sound industries. Strong trade unions and guilds, members of FIA, can negotiate agreements for minimum wage rates in sectors where performers would not otherwise be able to obtain them. Such agreements may include provisions on secondary use with minimum royalties and residuals to be paid to performers.

Over the years, these efforts have converged with various WIPO initiatives aimed at increasing IP awareness within the performing community and among decision-makers; cooperation between the two organizations has therefore proven invaluable. FIA experience has shown that where performers have no rights, cultural industries tend to be weak and disorganized. Empowering performers inevitably leads to structured dialogue, organized representative bodies, greater professionalism and, ultimately, higher quality performances with greater commercial value. Truly a snowball effect.

## The dilemma of modern technologies

IP has always been at the core of FIA's message, and is even more so today. Technological innovations offer new mediums of expression, allowing performers to reach a wider audience; however, these same technologies have also gradually weakened artists' control over their work and image. This is of vital concern to performers. The combined effect of digital technologies and broadband distribution facilities has also created an environment in which audiovisual performances long outlive the original act, taking on a life of their own and reaching hundreds of millions around the globe. Archived material and new productions can find vast audiences that were unthinkable only a few years ago.

But digital files can be copied, tampered with and used in ways that can affect public perception of artists and their careers. Meanwhile, despite expo-

stantial growth in content demand, many performers face recurring bouts of unemployment when they earn no income, even while their work continues to generate revenue and be exploited. It is therefore vital that audiovisual performers get the tools they need to earn a fair living from the ongoing use of their work. Such tools allow them to further hone their skills while contributing to the success of national indigenous cultural productions.

The importance of IP rights, and their enforcement, in empowering performers to negotiate adequate terms and conditions for the exploitation of their work in "new" media is widely acknowledged. FIA campaigned for the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations in 1961, and continues today to campaign for an international instrument to protect audiovisual performances.

## FIM - Defending the rights of musicians

By **Benoît Machuel (FIM)**

Since its inception in 1948, FIM has promoted the recognition of social and IP rights for musicians on a global scale. Its members include organizations for professional musicians – syndicates, guilds and associations – in 65 countries.

FIM's work played a significant role in the adoption of the Rome Convention which, though not ideal, was an essential step forward in the evolution of the copyright system. The 1996 WIPO Performances and Phonograms Treaty (WPPT) set up supplementary protocols to adapt the system to the digital world. These two treaties form a solid base for upholding the moral and economic rights of musicians. Yet, after so many years, the sector still does not have an international instrument for the protection of audiovisual performances. FIM urges WIPO Member States to remedy that situation.

## Activities

Many of FIM's regional activities focus on promoting the IP rights of musicians and lending assistance in updating legal infrastructures so that they are in conformity with the Rome Convention and the WPPT. Unfortunately, amendments to domestic law frequently take place *a minima*, resorting, if nec-



Photo: iStockphotos



essary, to the reservations provided for by the two treaties. Thus, even when these instruments are incorporated into domestic law, significant action is still often required before audiovisual performers can enjoy satisfactory protection of their IP rights.

FIM believes copyright and related rights are an important stake in the development of cultural industries and diversity worldwide. For example, countries with inadequate industrial or collective management infrastructures often witness an exodus of

artists to countries with legal environments enabling them to focus on performing.

The Federation is greatly concerned that the contractual agreements signed by performers often limit

their rights as performing artists. Unless contract clauses provide for equitable compensation to performers ceding their rights to producers, many will not benefit at all from their success. This practice should be discontinued and replaced by a licensing system, limited in time and scope. Special arrangements should also be undertaken in the implementation of certain rights, such as the right of making available to the public, which can be linked to an additional right of remuneration for the artist (as has been done for the rental right under European Union law).

FIM has been multiplying the number of workshops and conferences it organizes in Africa, Asia, the Caribbean and Latin America in order to raise awareness of the importance of copyright and related rights for artists, and the cultural sector as a whole, to national economic development. The cooperation agreement recently signed by FIM, FIA and WIPO strengthens WIPO's long-standing support of FIM's work and has been applauded by Federation members.

## UNESCO – Promoting creativity

By Petya Totcharova (UNESCO)

UNESCO has produced a set of international legal instruments aimed at promoting creativity and creative diversity, which focus on enhancing artists' rights. In 1952, the UNESCO General Conference adopted the Universal Copyright Convention, which has played an essential part in extending copyright protection worldwide. UNESCO's key role

in the adoption and administration, jointly with the ILO and WIPO, of the Rome Convention is evidence of its commitment to creating an enabling legal environment for performers and other stakeholders partaking in the creative process.

The following UNESCO administered instruments recognize and promote the contribution of artists to global cultural development:

- The 1980 Recommendation Concerning the Status of the Artist, a non-binding, landmark instrument that affirms the right of artists to be considered cultural workers;
- The 2001 UNESCO Declaration on Cultural Diversity, which reconfirmed the need for due recognition of the rights of authors and artists; and
- The 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, which entered into force on March 18, 2007. This Convention strives to create an enabling environment in which diversity of cultural expression is affirmed and renewed. Thus, the Convention aims to promote conditions in which cultures can flourish and interact freely in a mutually beneficial manner. More specifically, it provides that Parties should endeavor to recognize the important contributions of artists, and that national measures for protecting and promoting the diversity of cultural expression should aim to support artists and others involved in creating cultural expressions. Further, the Convention identifies strengthening of the cultural industries in developing countries as one of the major means for fostering a dynamic cultural sector in these countries. Providing support for creative work and facilitating the mobility of artists from the developing world are highlighted as essential factors. While the Convention does not deal specifically with IP, it recognizes in its Preamble the importance of IP rights in sustaining those involved in cultural creativity.

## Operational program and activities

The World Observatory on the Social Status of the Artist ([www.unesco.org/culture/fr/statusoftheartist](http://www.unesco.org/culture/fr/statusoftheartist)), a web tool for periodic follow-up of the 1980 Recommendation, is one of an array of operational tools and programs set up for artists by UNESCO. Regularly updated, the Observatory contains a collection of practical information useful for artists and other stakeholders in the creative process, and is also one of the operational means for the implementation of the 2005 Convention.

The Observatory brings together information on essential aspects of the social status of artists in



UNESCO member states. It contributes to the analysis of the social status of artists worldwide, stimulates public authorities' awareness and promotion of the 1980 Recommendation, measures progress made in its implementation at the national level and upgrades information on the work and living conditions of artists and creators.

UNESCO has mobilized extrabudgetary resources and developed activities that foster creativity within the framework of the International Fund for the Promotion of Culture. It has also encouraged artist mobility through a funded residency program and promoted creative industries through the Global Alliance for Cultural Diversity, a web platform for public-private partnerships. In addition, UNESCO is currently implementing the Pilot Project on Poverty Reduction through Employment Creation and Trade Expansion in Creative Industries in Selected Developing Countries, jointly with the ILO, the UN Conference on Trade and Development (UNCTAD) and the Secretariat of the African, Caribbean and Pacific Group of States (ACP).

## **ILO - Working conditions and rights of performers**

**By John Myers (ILO)**

Since its foundation in 1919, the ILO's work in relation to artists and performers has been partly shaped by the early involvement of trade unionists representing performers in its governing structures. ILO's efforts in the field of culture, entertainment and the performing arts have focused primarily on actors, musicians, dancers and technical workers in theatre, television and the film industry (and, to a lesser extent, writers, producers and directors), who have traditionally belonged to collective organizations.

Given the impact on employment of live performers and in the face of technological developments – such as recorded music, cinema, radio and the transition from silent films to talking movies – the ILO has argued, since the 1920s, that performers should be paid not only for their original performance, but also any subsequent commercial use thereof which is also a fruit of the performer's labor. A commitment to artists' rights lay behind the ILO's role in the adoption of the Rome Convention.

More recently, the ILO has organized research studies and global meetings focused on the conditions of employment and work of performers (1992), the impact of information technologies on employment, working conditions and industrial relations in the media and entertainment industries (2000), and on the future work situation of

performers and other media and entertainment workers in the information society (2004). It has also assisted in promoting employment in the cultural industries; strengthening workers' organizations and trade unions among musicians, actors and other professionals involved in the performing arts (through FIM, FIA and UNI-MEI<sup>2</sup>); and developing pilot schemes for social protection of artists and performers.

With funding from the European Commission, the Pilot Project on Poverty Reduction, mentioned above, is currently working to strengthen the creative industries in five selected ACP countries – Fiji, Mozambique, Senegal, Trinidad and Tobago and Zambia. The goal is to contribute to poverty reduction and sustainable development by promoting an enabling environment for creativity, cooperation and exchanges; strengthening the independence and viability of the cultural sector in the ACP States; as well as safeguarding cultural diversity and fundamental cultural values. It aims to reinforce the capacities of policymakers and decision-makers, cultural operators and certain domains of culture and cultural industries in these ACP countries.

Of potential relevance to performers was the International Labour Conference's adoption of the 2006 Employment Relationship Recommendation. Many media and entertainment workers are employed on short-term or temporary contracts or work under subcontracting arrangements. The lack of continuity in employment, combined with their "independent" employment status, may lock them out of social security schemes, paid holidays, maternity leave and safety and health protection. The Recommendation covers the:

- formulation and application of a national policy for reviewing, clarifying and adapting the scope of relevant laws and regulations, to guarantee effective protection for workers who perform work in the context of an employment relationship;
- determination of the existence of such a relationship, relying on facts relating to the performance of work and worker remuneration, notwithstanding the expression of any conflicting description of that relationship in other arrangements agreed between the parties; and
- establishment of an appropriate mechanism – or use of an existing one – for monitoring developments in the labor market and the organization of work, to enable the formulation of advice on adopting and implementing measures concerning the employment relationship.

<sup>2</sup> UNI-MEI is a global union organization in media, entertainment, arts and sports. It represents staff – freelance, independent and contract workers – in these sectors. UNI-MEI, FIM and FIA form the International Arts and Entertainment Alliance.

# WIKIMEDIA LICENSING POLICY CHANGE - A CONUNDRUM

Dr **Herkko Hietanen**, the contributor of this article, wrote his PhD thesis on Creative Commons licensing. He is a researcher at the Helsinki Institute for Information Technology, a visiting scientist at MIT and a research fellow at Berkman Center for Internet and Society at Harvard. He is also a partner of Turre Legal, a firm specialized in advising clients who use and develop open licensing services and products.

The Wikimedia Foundation has taken the Free Culture movement a major step towards Creative Commons (CC) licensing – a welcome move as CC licenses are well-suited to such collaborative projects. Nevertheless, the transition raises a number of legal questions.

video and audio. For example, the GFDL requires that a fairly long license text be included with each copy of a licensed work.

Launched in 2002, with the primary purpose of simplifying online licensing and collaboration, CC has evolved to become the *de facto* standard for open content licensing. It provides flexible tools defining the levels of freedom offered by licenses. Authors can choose to grant a set of rights varying from fairly limited distribution and reuse rights to public domain dedications. The Free Software Foundation (FSF) has accepted some CC licenses as fitting their definition of “free.” However, the CC license and the GFDL are not interchangeable.

Wikimedia announced in spring that it would change its primary licensing from the GNU\* Free Documentation License (GFDL) to the Creative Commons Attribution Share-Alike License (Share-Alike), a change that will affect the *Wikipedia* and

Wiktionary sites. The decision is a step toward simplified licensing.

Copyright laws make it necessary to obtain permissions for use even when working on collaborative projects. Licenses granting those permissions, therefore, reduce legal friction. For decades, the free software and open source movements have relied on copyleft licensing, such as the GFDL, which grant reuse and reproduction rights to everyone. Such licenses also play a significant role in collaborative Web 2.0 development.

## Collaboration of FSF, CC and Wikimedia

At the time of *Wikipedia's* inception in 2001, the GFDL was the leading open content licensing option available. But it was originally designed for software manuals and not best suited for multi-user collaboration projects like *Wikipedia*, which span different media, such as photos,

Wikimedia's change of licensing policy followed amendments to the GFDL by FSF last year that explicitly allow changes to Wikimedia's licensing strategy. The new GFDL 1.3 version includes a clause, in the small print, giving Massive Multiauthor Collaboration (MMC) sites such as wikis a time-limited opportunity to relicense to CC's Share-Alike license the materials the public contributed to them under the GFDL.

## The vote

Over 17,000 registered *Wikipedia* and Wikimedia editors participated in the community voting process that led up to Wikimedia's April decision. When the polls closed, 75 percent were in favor of the license amendment, 10 percent were opposed, and the remaining 15 percent had no opinion regarding the change. However, there is no way of knowing the opinion of the tens of thousands of *Wikipedia* contributors who did not vote. They did not approve nor disapprove the licensing change.



Wikipedia opening page

\*The GNU Project was launched in 1984 to develop a Unix-like “free software” operating system (see [www.gnu.org](http://www.gnu.org))

## What changed?

---

The biggest change is that the over six million articles currently available on *Wikipedia* and Wikimedia's other wikis can be more easily combined with tens of millions of works that use similar CC licenses.

The licensing change affects all Wikimedia content. Nearly all existing content is relicensed with the attribution-share-alike Creative Commons licenses.

The site-wide copyright statements and terms of use have been updated on all of Wikimedia's English-language wikis – with non-English wikis soon to follow.

Wikimedia requires dual-licensing of new community edits, but it will allow imports of Share-Alike-only content from third parties. Importing GFDL-only content from third parties is no longer allowed.

Authors and editors are required to consent to being credited by re-users; at minimum, this will be done through a hyperlink or URL to the article to which they are contributing. The GFDL required the whole license text to follow the licensed work. CC licenses require only that the link to the license and the licensor's copyright information be preserved.

CC licenses will not solve that problem of interoperability between open licenses. However, many of the works hosted by Wikimedia will be dual-licensed, and re-users can choose to use these works with either license.

---

The way the Wikimedia change was brought about therefore raises serious questions. How could a small part of the community vote for a license change affecting all contributing right owners? The answer is in the small print of the GFDL text, which states that new versions of the license can be introduced.

### Legal problems of the transition

The approach used to introduce the new licenses is problematic on two counts. First, the GFDL does not disclose which Share-Alike license MMCs can use. There are over 50 official versions of CC licenses, which are translated into several languages. Among these, for example, the official Share-Alike license has ten English language localized versions, as Australia, Canada, England, Hong Kong (SAR), New Zealand, Scotland, Singapore, South Africa and the U.S. have their own version of it – each based on the template license in English. All the localized licenses share the key legal provisions; however they all have subtle differences. The U.S. version is most similar to the template license, including the long legal boilerplates common in the U.S. legal system, while England's version is simplest and more user-friendly. Wikimedia chose to use the "unported" license that was designed to act as a tool for translation and localization of the licenses.

Second, it brings in two additional parties: FSF, which could introduce new licensing terms affecting the licenses of works that use previous versions of the license; and MMC sites, which can choose to relicense the works with a Share-Alike license. It is unclear as to who has the authority to make decisions regarding relicensing, seeing that the GFDL defines an MMC as any World Wide Web server that publishes copyrightable works and provides prominent facilities for users to edit those works.

Let's illustrate the problem with an example. Unaware of the existence of CC licenses, a writer may have licensed a book in 2003 with GFDL version 1.2. Say that, in 2005, a user took a chapter from that book and posted it as a *Wikipedia* article, which is permitted by the license. Then, in 2008, the work was made available under GFDL version 1.3 – again the license permits relicensing with a later version of the license. In 2009, a group of *Wikipedia* editors decided to make the article available with one of the CC licenses. That makes two license changes in six years, with the original licensor possibly unaware of either of them.

It is a matter of legal debate as to whether clauses covering future possibilities are valid in the case of licensors who were unaware of exploitation or licensing options not yet invented



## What is Creative Commons?

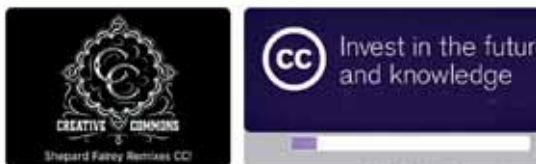
Creative Commons is a non-profit organization dedicated to making it easier for people to share and build upon the work of others in a manner consistent with the rules of copyright. CC provides a set of licenses that help authors and right owners to change copyright's *all rights reserved*-default to more permissive *some rights reserved*. CC is a parallel movement to Free and Open Source software movements. It is trying to create a creative atmosphere where asking permission is no longer

necessary, because permission is already granted with the licenses. CC's licenses are free to use and CC provides tools to mark creative works with the freedom the creator wants it to carry, so others can share, remix, use commercially, or any combination thereof.

While the movement originated in the U.S., it has grown to be a global one. CC licenses have been localized and translated to over 50 jurisdictions. CC has managed to become the de-facto standard of open content licensing. *Google* and *Yahoo*, among other search

engines, support CC's machine readable legal metadata, making the location of works easy. There are tens of millions of works licensed with CC licenses. *Yahoo's* photo service *Flickr* hosts over 130 million CC-licensed photos. Amateur photographers are not alone; academia and open access publishers have welcomed CC with open arms.

While the open content movement provides a healthy alternative to restrictive copyright management, it is still commercially a marginal phenomenon. But, so was the open source movement for years before it became a multibillion dollar business.



at the time of initial distribution. Most European countries have laws nullifying such agreements.

The idea that a third party would change the parameters of existing agreements between licensors and licensees was not well received by the open content community. What if the changes do not express the licensor's intent? A licensor may have opted to use the GFDL to avoid the work's being distributed as part of CC licensed works. The GFDL's future clause places some limitations on the new license version. Article 10 states that "new versions will be similar in spirit to the present version, but may differ in detail to address new problems or concerns."

The license clause enabling the interoperability of future versions and the clause providing for a change of license policy are open agreements that can later be defined by a third party. Such agreements are typically deemed legally invalid, as copyright licenses are normally interpreted narrowly. The whole idea of licenses as dynamically changeable by a community – whether by CC, FSF or Wikimedia – further underlines the communal nature of CC licensing and GFDL. At the same time, the arrangement further distances the license from individual management of property rights. Nevertheless, introducing new versions of licenses is practical in a world where technology

creates new uses for licensed works, and provides a way to fix errors in license texts, to respond to changes in laws and to adapt to new forms of media, distribution and use of works.

In an open letter<sup>1</sup> posted in December 2008, FSF's president Richard Stallman noted that "FSF has been talking with the Wikimedia Foundation, Creative Commons and the Software Freedom Law Center for a year" to plan the license-migration path. FSF has taken pains to ensure the transition is fairly and ethically conducted, and that changes respect the spirit of the license. A few months after the transition, it seems everything has gone smoothly and contributing right owners whose works are relicensed do not object enough to complain. If the implementation of the change proceeds as expected, it will be an extremely important victory for Creative Commons and the Free Culture movement.

<sup>1</sup> [www.fsf.org/blogs/licensing/2008-12-fdl-open-letter](http://www.fsf.org/blogs/licensing/2008-12-fdl-open-letter).



# CREATIVE DIRECTIONS

Creative Directions, an intellectual property (IP) education initiative of the New Zealand Ministry of Education, is an online professional support kit designed to help teachers encourage student creativity and raise IP awareness. This article was submitted to the *WIPO Magazine* by the Intellectual Property Office of New Zealand.\*

Creative Directions' primary aim is to boost teachers' ability to engage in conversations about IP with their students, to assist them in:

- understanding the value of their own creativity;
- knowing how to respect and be inspired by others' creative works; and
- developing an entrepreneurial attitude.

The Creative Directions professional online support kit is tailored to the New Zealand media studies curriculum and covers everything from performers' rights through to New Zealand school licensing schemes. It gives teachers guidance in helping students learn about IP.

The kit stimulates students and teachers to think about the IP assets they create – and use. New Zealand media studies students often have out-of-school careers as musicians, photographers or web designers. They want to show their work to family, friends and fans as well as future employers, while avoiding potential legal hassles.

To be successful, the kit had to immediately capture interest by being relevant and target-audience focused. Text was carefully crafted so that key messages were clear and not overloaded with information.

## Behind the scenes

Creative Directions is no traditional textbook or IP outreach program; its online format combines

practical information, classroom-ready material and hyperlinks to information on IP, so that students can start learning about IP in a varied and stimulating way.

Just as students in media studies themselves collaborate on multimedia works, representatives from the Ministry of Education and the Intellectual Property Office of New Zealand (IPONZ), the music and film industry and teachers worked together to produce the Creative Directions kit as a public-private sector partnership. The project began with a series of round table discussions on the content, layout and interactive design of the kit. Teacher feedback and classroom trials helped to hone information delivery.

Content was continually reviewed to ensure it covered:

- what IP is about, from creation through to commercialization;
- how to legally acquire material for classroom-based teaching and student projects; and
- whom to contact for specific information or industry insights.

## Learning experiences

The public-private sector partnership helped transform Creative Directions into a robust teaching and learning tool. The starting point was the pedagogy of the national curriculum framework for which information was gathered and reworked into the discovery and investigation format of the kit.



The project brought together a group of dedicated, talented people with a wealth of varied academic and life experience. That knowledge pool was tapped by asking probing target-audience focused questions, and such open discussion generated new content for Creative Directions.

*“Everyone, including the teacher, is a learner.”*

**The New Zealand National Curriculum (2007), page 34.**

Everyone who worked on Creative Directions learned something new – whether about the number of IP assets and owners that can be involved in a single multimedia product or how students' attitudes change when they discover they have already built up an IP portfolio of original copyright works.

\* © Crown Copyright, 2009

# THE SONG REMAINS THE SAME

## A Review of the Legalities of Music Sampling

This is an updated and abridged version of an article by **Ben Challis**, music industry lawyer and visiting professor in law, Buckinghamshire New University, first published on the Internet in 2003. It discusses the extent to which sampling copyrighted music and lyrics without permission is legal, providing relevant examples from U.K. and U.S. case law.

Sampling can be defined as incorporating pre-existing recordings into a new recording, whether part or all of a tune (a melody) and/or the lyrics.

Copyright subsists in sound recordings and in the music and lyrics to songs. The U.K. Copyright, Designs and Patents Act 1988 (CDPA) provides that only the owner of a work can

copy it; issue copies or lend or rent copies of the work to the public; perform, show or play the work in public; broadcast it; and make an adaptation of the work, or do any of the above in relation to an adaptation. Any kind of sampling without the consent of the copyright owner amounts therefore, *prima facie*, to infringement. In both the U.K. and U.S., sampling a song without permission constitutes an immediate copyright infringement – or unauthorized use of copyrighted material owned by another.

Sampling without permission usually violates two rights – copyright in the sound recording (owned by an artist or record company) and copyright in the song itself (owned by the songwriter or music publishing company). Before carrying out sampling, one must first seek the original copyright owners' consent – or that of their agent, such as collection societies (for example, the Performing Right Society or Phonographic Performance Ltd. in the U.K.) that manage copyright on behalf of owners.

Sampling without permission usually violates two rights – copyright in the sound recording (owned by an artist or record company) and copyright in the song itself (owned by the songwriter or music publishing company). Before carrying out sampling, one must first seek the original copyright owners' consent – or that of their agent, such as collection societies (for example, the Performing Right Society or Phonographic Performance Ltd. in the U.K.) that manage copyright on behalf of owners.

### Count the cost

U.S. attorney Michael McCready points out that in almost all circumstances a license must be obtained before sampling. The results of failing to do so can be disastrous.

Dr Dre protégé Truth Hurts learned this lesson to its cost in 2003. Truth Hurts used a four-minute sample from Indian composer Bappi Lahiri in its debut album and single "Addictive", without permission or acknowledgement. A federal judge ruled that "Addictive" be removed from shelves unless the composer was credited as the author of the sampled work.

Similarly, The Verve counted the cost of a borrowed melody when faced with a court action they settled with ABKCO – owners of the Rolling Stones' "The Last Time" – for 100 percent of the royalties resulting from the exploitation of The Verve's "Bittersweet Symphony," which borrowed from the Stones' work.

In 1990, U.S. rapper Vanilla Ice also paid the price for using the recorded bass line and melody of the Queen/David Bowie track "Under Pressure" in his "Ice Ice Baby" single – losing 100 percent of his royalties to the stars.

Mr. McCready cautions that sampling without a proper clearance license leaves the sampler open to heavy penalties in the U.S. Even at a basic level, a copyright infringer is liable for "statutory damages" that generally run from US\$500 to US\$20,000 for a single act of infringement. If the court determines infringement was willful, damages can run as high as US\$100,000. The copyright owner can also get a court to issue an injunction forcing the infringer to cease violating the copyright owner's rights. And the court can order the recall and destruction of infringing albums.

Photo: The Verve



**The Verve's "Bittersweet Symphony" borrowed from the Rolling Stones' "The Last Time".**

## “Get a license or do not sample”

In *Bridgeport Music, Inc. v. Dimension Films*, 410 F.3d 792 (6<sup>th</sup> Cir. 2005), the U.S. federal appeals court ruled that recording artists must clear each musical sample in their work – even minor, unrecognizable “snippets” of music. The lower court had ruled artists must pay when the sample of other artists’ works used by them is recognizable, but that it was legal to use musical snippets as long as they were not identifiable. The decision by the 6th Circuit Court of Appeals threw out that distinction. The court asked “If you cannot pirate the whole sound recording, can you ‘lift’ or ‘sample’ something less than the whole?” The Court’s answer was “no,” and it added “Get a license or do not sample – we do not see this as stifling creativity in any significant way.”

The case centered on the N.W.A. song “100 Miles and Runnin’,” which samples a three-note guitar riff from “Get Off Your Ass and Jam” by 1970s funkmaster George Clinton and Funkadelic. In the two-second sample, the guitar pitch has been lowered, and the copied piece was “looped” and extended to 16 beats. The sample appears five times in the new song. N.W.A.’s song was included in the 1998 film *I Got the Hook Up* produced by Dimension Films, who argued the sample was not protected under copyright law.

Bridgeport Music, owners of the copyright in the Funkadelic song, appealed the lower court’s summary judgment in favor of Dimension Films. The lower court said in 2002 that the riff in Clinton’s song was entitled to copyright protection, but the sampling “did not rise to the level of legally recognizable appropriation.” The appeals court disagreed, saying a recording artist who acknowledges sampling may be liable, even when the source of a sample is unrecognizable.

In simple terms, this means any sample used without permission is an infringement. In both the U.K. and U.S., copyright owners have available a range of remedies against sampling – including

injunctive relief and damages. However, two legal doctrines have given limited hope to would-be samplers.

## The U.K.: “Substantial use”

U.S. and U.K. law provides tests to determine infringement in related, but not identical, doctrines. Both seem to have reached the conclusion that any “recognizable” use would infringe, such that infringement occurs whenever a listener hearing a bar of music can easily identify a similar sounding piece of music. The U.K. “substantial use” doctrine provides that infringement must relate to a “substantial” part of the original work – each case being decided on its individual merits, depending on the context.

*“At its best, sampling benefits society by creating a valuable new contribution to modern music literature. At its worst, sampling is vandalism and stealing. . . .”* **Gregory T. Victoroff in *Sampling*.**

When this defense was tested in *Produce Records Limited v. BMG Entertainment International UK and Ireland Limited* (1999), the court reinforced the view that sampling sound recordings without the consent of copyright owners is *prima facie* infringement. The Los Del Rio hit song “Macarena,” produced by BMG, sampled a seven-and-a-half-second section of The Farm song “Higher and Higher,” a copyrighted recording owned by Produce Records. No clearance had been obtained to use the sample, so Produce Records brought proceedings against BMG for breach of copyright. BMG applied to strike out the proceedings on the basis that the sample could not be argued to constitute a substantial part of “Higher and Higher.” BMG argued this was a question for the judge to decide when comparing the two recordings.





Produce Records introduced expert evidence from a forensic musicologist demonstrating

that parts of “Higher and Higher” were more recognizable and memorable than others. BMG’s strike-out application was rejected; it was accepted that judges were not expert musicologists, and could be assisted by expert evidence as to whether sampling was substantial or not, and also by extrinsic factual evidence. [BMG eventually settled out of court.]

Prior to that decision, an unwritten “three-second rule” was used according to which sampling three seconds of a work or less would not lead to legal action against the sampler. This is in fact *not* the case.

The owners of lyrics are in the same musical boat. In 2002, it was held that even short sampling of lyrics requires copyright clearance: In *Ludlow Music Inc v. Robbie Williams* and others, Robbie Williams was obliged to pay damages to Loudon Wainwright III because of the similarity of lyrics in his song “Jesus in a Camper Van” to Wainwright’s earlier work.

### The U.S.: “substantially similar” and “fair use”

According to U.S. law, infringement occurs when a recording or composition fails a “substantially similar” test. A work that is substantially similar infringes the original work unless the very limited doctrine of “fair use” applies.

In *Acuff-Rose Music v. Campbell*, 114 S.Ct 1164/510 US 569, 575 (1994), the U.S. Supreme Court reversed the decision of a lower court that found 2 Live Crew’s parody of Roy Orbison’s “Oh, Pretty Woman” to be copyright infringement and not fair use as a matter of law. The Supreme Court disagreed, stating that the use of prior work could be fair, but whether it was had to be de-

termined case by case. The case at hand was not one of fair use [on remand, the parties settled out of court], but the following test for substantial similarity was adopted thereafter:

- (1) Does the plaintiff own a valid copyright in the material allegedly copied?
- (2) Did the defendant copy the infringed work?
- (3) Is the copied work substantially similar?

For works said to be substantially similar to an earlier work, there seems to be very limited defense of fair use. But, to qualify for fair use, a sample must be used for purposes such as parody, criticism, news reporting, research, education or a similar non-profit use. Using a sample merely because it sounds good is simply not enough to qualify for protection as fair use – indeed quite the reverse. Mr. McCreedy insists the rumor that one “can use four notes of any song under the ‘fair use’ doctrine” is utterly false. “One note from a sound recording,” he points out, “is a copyright violation.”

### The limits

The U.S. case of *Newton v. Diamond*, F.3d 1189, 73 U.S.P.Q.2d (BNA) 1152 (9th Cir. 2004) puts some limits on the doctrine that any use without permission is infringement. In 1992, the Beastie Boys got a license from ECM Records to sample a copyrighted sound recording from James W. Newton Jr.’s flute composition, “Choir.” The group sampled and used a six-second, three-note sequence and looped it throughout its song “Pass the Mic,” featured on the Capitol album *Check Your Head*.

In 2000, Newton sued the Beastie Boys, alleging the remix infringed the “heart” of his flute composition, and that the band should have obtained a license from him, the composer of the underlying work, in addition to a license to use the recording. The U.S. Appeals Court, affirming the court of first instance’s decision, held there was no infringement, because use of the sample was minimal, there were no substantial similarities between the two works nor would the

## Copyright in the U.K.

---

The United Kingdom was the first country in the world to enact a formal copyright law (*Statute of Anne*, 1709). Generally speaking, copyright law serves the fundamental purpose of protecting creative works from misuse and unwanted exploitation and, in so doing, allows creators to generate income from their works. It could be argued that copyright protection, and its subsequent provision of economic incentive, were among the underlying factors driving the U.K. to become the world's first industrialized society and it used the resulting wealth, confidence and influence to found an Empire (including Australia, Canada, India, South Africa, U.S. colonies, etc.). The legacy of British notions of copyright continue to be witnessed today – in language, thought and statute – throughout the western world, among English-speaking peoples and beyond.

– excerpt from "Sampling and New Independent Dance Labels: The Importance of Understanding Copyright Law" by Jenna Bruce, Howes Percival LLP ([www.howespercival.com](http://www.howespercival.com))

---

average person recognize the appropriation of the composition.

In 2003 a New York federal court also upheld the fair use doctrine by dismissing a lawsuit against Sony Music Entertainment and rappers Ghostface Killah, Raekwon and the Alchemist, for copyright infringement. The plaintiff, Abilene Music, accused the rappers and Sony – who released the album – of infringing its copyright in the well-known song "What a Wonderful World." The infraction allegedly occurred when the trio made slang references to marijuana in a rap that began with a variation on the first three lines of the song popularized by Louis Armstrong. The defendants successfully argued that, while the song's lyrics were adapted from "What a Wonderful World" they were protected as fair use under the U.S. Copyright Act.

In granting a summary judgment for Sony and the rappers, Judge Gerard Lynch said the rap was clearly a parody, intended to criticize and ridicule the cheerful perspective of the original song. The judge also noted the rap made key changes to the lyrics and overall effect of the lines, and was not an imitation of the original. The Judge held that, whereas the first three lines of "Wonderful World" describe the beauty of nature, the rap version read more like an invitation to "get high" with the singer. The slang reference to marijuana and the dark nature of

the rap tune were in stark contrast to the mood of beauty in the original song.

In another decision, the U.S. District Court allowed *The Source* magazine (published on CD) the right to use short sections from two Eminem tracks (and up to eight lines of lyrics in print) under the fair use doctrine for the purposes of criticism and review, because the tracks contained allegedly racist lyrics written when the rapper was a teenager. That is really what is meant by fair use – criticism, reporting and review – and is quite different from putting lyrics or samples into another recorded musical work.

### Act with caution

Despite those cases, the fair use doctrine is very limited, and it would be unwise for anyone using a recorded sample to rely on it, except in a carefully prescribed context and with sound legal advice.

In general terms, one must almost always obtain permission and a license from the copyright owner to use a sample. Neither the "substantial use," "substantially similar" or "fair use" tests are free sampling passes! The words of U.K. judge Justice Peterson in 1916 still hold true: "If it's worth copying then it's worth protecting." Samplers beware!

---

# IS SAMPLING ALWAYS COPYRIGHT INFRINGEMENT?

In this article, Polish IP lawyers **Tomasz Rychlicki** and **Adam Zieliński** present a case for the recognition of musical works that use sampling to make new derivative works.

Have you ever turned on the radio, heard a song for the first time, and thought there was something vaguely familiar about parts of it? Well, you may have been listening to what today is termed "sampling." Over the last couple of decades, it has become an increasingly popular way to make music. Sampling is simply the extraction of fragments from existing musical works, which are used in the

composition of creative, new pieces. One can immediately see why it has engendered a number of copyright litigation cases.

One example that caught the headlines earlier this year was the hit song "Please don't stop the music" by

Rihanna. Parts of the song had been sampled from Michael Jackson's 1983 hit "Wanna be startin' something" for which Rihanna claims she sought his permission. However, it turns out that Jackson had, himself, sampled that fragment from "Soul Makossa", by Afro funk jazzman Manu Dibango from Cameroon. First recorded in 1972, it is considered by many to be the first disco song. Manu Dibango, now 75 years old, is suing both Jackson and Rihanna for copyright infringement in the French courts.

## The U.S. case: thou shalt not steal

The U.S., the cradle of sampling, also saw the birth of the first music sampling litigation cases. In federal court case *Grand Upright Music Ltd v. Warner Bros. Records*<sup>1</sup> (1991), the judge began his sentence with a biblical quote – "thou shalt not steal." He then granted an injunction to Grand Upright Music to prevent further copyright infringement

of the Gilbert O'Sullivan song "Alone Again" by Warner Bros. Records, whose signed artist, rapper Biz Markie, had sampled it in a track on his *I Need a Haircut* album. The quote was symbolic of the way in which U.S. courts would thereafter deal with sampling. The decision changed the *modus operandi* of the hip-hop music industry which, from then on, had to ensure all music sampling was preapproved by copyright owners.

The authors of this article ask: Are there legal arguments that could enable courts to decide differently on sampling? This article discusses the possibilities by analyzing the current situation in Poland.

## The Polish case

Sampling is common in Poland, and not just with rappers. Some artists who sample seek, and are granted, approval from the original authors; others turn a blind eye to this requirement. The music industry has been effective in discouraging cases involving sampling from being taken to court. As a result, there has been little development of Polish case law on sampling. If even a shadow of a dispute threatens to arise, the parties manage to swiftly reach an agreement.

Consider the following hypotheses, which fall well within the boundaries of the Polish Law on Authors' Rights and Related Rights:

- Can sampled works be considered derived works?
- Can sampled works be considered new works based on the right of quotation?

## Samples – derived works?

Polish law does not use terms such as "sample" or "sampling." It does, however, define derived works (derivatives), which are understood to be transformations or adaptations of existing works bearing features of originality, creativity and individu-



Photo: iStockphoto

<sup>1</sup> 780 F. Supp. 182 (SDNY 1991).

ality. Authors of derivative works intending to disseminate their creations need the consent of the author of the original work.

Works that feature sampling, therefore, can be deemed derived works containing elements of artistic works taken from an original source, but they are, nevertheless, the creative works of their makers. In which case, the original author should be mentioned as the creator/author along with the creator of the new work, and the derivative work must cite the name of the original track that was sampled. A derived work encapsulates both the creative features of an original work and the innovative endeavors of another person, and both must be recognized.

## Kutiman, *ThruYou*

---

One of the finest examples of a work created from sampling is Kutiman's *ThruYou*. Ophir Kutiél, his real name, produced all the music and videos for *ThruYou* using YouTube clips. He painstakingly meshed together little bits from disparate clips to create a work that has been described in several reviews as "brilliant."

Using mostly the works of amateur musicians – what he calls "ordinary people like myself sitting in their homes" – he created *ThruYou* in two months and released it on the Internet in March this year. He has not made a penny from the album, but in less than a month it had rocketed him to fame.

More information at: <http://thru-you.com>

---

If that is the case, could the sampling in the U.S. cases mentioned in the previous article be considered derived works? Apart from significant departures from statutory requirements – non-recognition of the author and title and, above all, failure to seek the consent of the original author – in most cases, probably yes. If so, however, should all cases of sampling be considered derived works? In our opinion – no! Here is why.

## Using quotations

Article 29, Paragraph 1 of the Polish Law on Authors' Rights provides for the possibility that authors and creators may quote other works: "it shall be permissible to reproduce in the form of quotations, in works that constitute an integral whole, fragments of disclosed works or the entire contents of short works to the extent justified by explanation, critical analysis or teaching or by the characteristics of the kind of creativity concerned." By extrapolation, new works containing samples as part of the creative work of an artist – but that are not simply mixes and remixes of other works – could be recognized as cases of lawful quotation.

In other words, a work created in such a way could be recognized as an independent work incorporating quotations. An example of a musical quotation from the "pre-sampling" era would be a musical variation – defined as a work "referring to a subject, motif or another work" and the result of "a creative processing of that work." In which case, creative sampling can be recognized as an activity justified by the type of works involved and, by the same token, fulfilling the Article 29 requirement. This signifies that, to avoid a charge of plagiarism, the author or original artist and source of the work must be mentioned – but not necessarily in the title – without the need to seek permission, the quotation right being a statutory license.

## Sparking controversy

The above arguments regarding the Polish Law on Authors' Rights may well spark controversy, since sampling has never been extensively covered in Polish case law or legal and academic analyses. But it is the legal opinion of the authors that sampling does not constitute copyright infringement if the right of quotation is properly executed.

There is of course an enormous difference between the cheap plagiarism understood by some as "derivative works," and the original and creative endeavor in which samples form a starting point for creating new works that could fall under the "right of quotation" rule rather than be considered derivative works. Each case requires thorough, individual analysis. But creative freedom, such as sampling, can, and should, be defended and treated as a part of the progress of art, which, in turn, furthers the development and enrichment of human culture.

---

# LEGAL USE OF DIGITAL CONTENT – MAKING IT CLEAR AND SIMPLE

Is your organization still receiving daily deliveries of piles of newspapers and specialized journals for management and staff? Probably not. The Internet is now the preferred method of delivery and distribution of such content. But the legal use of digital content does raise a number of questions for the librarian or resource manager which **Lesley Ellen Harris**, a lawyer, author and educator specializing in copyright and licensing, will answer in this article. Ms. Harris publishes *The Copyright & New Media Law Newsletter* and maintains a Q&A copyright blog ([www.copyrightanswers.blogspot.com](http://www.copyrightanswers.blogspot.com)). Her book, *Licensing Digital Content: A Practical Guide for Librarians*, Second Edition, is available from ALA Editions ([www.alastore.ala.org](http://www.alastore.ala.org)).

Suppose your organization has just signed a license agreement to access an electronic database or periodical. You know that signing a license is different from purchasing a hard copy of the same content for shelf access. Use of the content is subject to certain terms and conditions set out in the license agreement. But what are your obligations to inform others – the end users of the database or periodical – about those terms and conditions?

Are you now the “copyright police,” required to monitor each search, access, download or print-out from the database or periodical? Must you educate users about the terms and conditions of use and inform them that they are responsible for ensuring they use any licensed content legally? Do you have any obligations at all? Your first source for answers is in the license itself.

## Read the license

It is important to look for clauses in the license setting out licensee obligations. For example, there may be a clause stating that employees, patrons, the public and other authorized users should be notified of the terms and conditions in the license. But if so, how? Should users be required to read a copy of the license prior to accessing the database? A summary of the terms and conditions, written in straightforward language, is likely to be more helpful – perhaps including specific examples of what is permitted under the license.

The summary should include a contact name or e-mail address for further questions. And many licensing questions can be expected, including:

- Can I send a PDF copy of an article to a patron or client by email?
- Can I post an image from the licensed database on our library’s (or organization’s) intranet or website?
- Can I print a copy of an article I access?
- Can I forward a copy of an article to another librarian in our library, or to a fellow employee currently posted in a different country?

And, if the answer to any of those questions is no, the inevitable follow-up question will be: Why not? Or, in some cases, the “but-I-could-with-the-print-version” reply. For instance, *why can’t I forward all the articles from a particular periodical to all the librarians in our library – isn’t that the same as circulating the print periodical?*

## Educational initiatives

Whatever the approach, ensuring the legal use of licensed electronic content is not easy and must be dealt with on various levels. The first step may be to provide users with the basics about copyright law and to explain that a license agreement gives permission to use content, not ownership of the content. The next step may be discussing how permissions work, and how license agreements set out specific terms and conditions of use.

Libraries or organizations with several licensed databases and periodicals may consider holding regular in-house educational seminars on using licensed content, how a contract is adhered to and the terms and conditions often found in digital license agreements. Seminar participants typically gain a thorough under-



standing of the legalities of using electronic content as well as of some of the specific limitations under particular licenses. For those not able to teach such seminars, many organizations and professional associations offer online courses, and this is also a popular topic at library conferences.

## Copyright warnings

Another way to educate users about the legal use of licensed content is to include copyright information on each reproduced article or item in the database (e.g., content owner's name and email address). The content owner may already have opted to place that information on each item, so that it displays automatically.

Wherever and whenever access to licensed content is made available, patrons, researchers and other end users should be explicitly made aware of copyright law and license agreements. For example, a copyright notice should be posted near computer terminals from which databases or periodicals may be accessed. In the case of remote access, a copyright notice should appear prior to a user's being granted access to content. The wording of such a notice may be agreed upon with the content owner.

The library should also make information on copyright law and license agreements easily accessible to users, via its own website, intranet, as a listing of links to other websites and/or on a shelf in the library. Using some form of digital rights management (DRM) may also help to ensure appropriate use of licensed content, including using a password-protected site and encryption. Some find this a good method while others find DRM burdensome, in that it can make accessing licensed content more difficult.

Having a focal point can also be useful. Where the license is unclear, or the activity involved not specifically addressed in the license, the



Photo: iStockphotos

end user would then have someone to contact – a librarian or a person experienced in negotiating and interpreting license agreements – who can provide a quick, practical answer. Generally, a legal opinion is not necessary, and consulting a lawyer for each question may be time-consuming and expensive. It is well worth having a librarian or other qualified person become a part- or full-time copyright librarian who can manage copyright and licensing issues for the resource center or organization.

## Increasing the number of legal users

Ensuring that licensed content is used legally is a multifaceted task. It involves understanding the license, explaining the terms clearly and getting support from senior management – both in terms of budget and time – for the training of end users. Training is crucial in instilling greater confidence among end users in using licensed content and perhaps even increasing its use, thereby contributing to overall growth in the legal use of licensed content.

# THE INOVA SUCCESS STORY – TECHNOLOGY TRANSFER IN BRAZIL

In this article, journalist **Rachel Bueno** explains why the technology transfer office of the university that is her employer is considered a model for other Brazilian science and technology institutions.

The University of Campinas (Unicamp), a leading public higher education institution, filed its first three patent applications with Brazil's National Institute of Industrial Property (INPI) in 1989. Twenty years later, Unicamp, now internationally recognized for its excellence in teaching and research, ranks second only to Petrobras, Brazil's mighty petrochemical company, in the number of patent applications filed at INPI, with 591 to date. Much of this success can be attributed to the work of Inova Unicamp Innovation Agency,

the first technology transfer office (TTO) to be established in a Brazilian university.

Created in 2003, Inova employs more than 50 people and carries out a wide range of activities, including

explaining the importance of intellectual property (IP) protection to the academic community; preparing and filing Unicamp's national and international patent applications; negotiating technology license agreements; and managing the University's incubator for start-up companies.

In 2008 alone, Inova filed 51 patent applications with INPI and 12 internationally via the Patent Cooperation Treaty (PCT); registered 13 trademarks and the authorship of 10 computer programs; licensed out three of its technological innovations to industry; and finalized over 30 collaborative research agreements with Brazilian companies and institutions, which are expected to bring some 8 million reais (R\$) – just under US\$5 million – in investment to Unicamp. By the end of 2008, five Unicamp laboratory technologies had been commercialized in Brazil, earning the University some R\$900,000 in royalties.

## A paradigm shift

Unicamp President, Prof. Fernando Costa, explains, "The creation of Inova showed that technological innovation is a key element of development in Brazil. Although companies should always remain the main innovators in a country, Unicamp is aware of the major role that universities can play in less developed national innovation systems." Prof. Costa emphasized that Unicamp had not lost sight of its fundamental mission – to provide high-quality teaching, conduct first-class research and extend knowledge-based services and other resources to society at large – while creating a significant IP asset portfolio.

Inova has brought about a paradigm shift in most of Unicamp's 22 campuses and research centers. When Inova was launched, the Faculty of Medical Sciences had four patents in the works and had never licensed out a single technology. By the end of 2008, it had filed 33 patent applications and signed four licensing agreements with industry. The effect on PCT use was also remarkable. Before Inova, Unicamp had filed only one international patent application; by the end of 2008, it had filed 32.

Unicamp's Institute of Chemistry has gone the furthest in implementing what it has learned about the importance of protecting IP. At the time of writing, the Institute had submitted 214 patent applications. Prof. Fernando Galebeck, the main inventor of two technologies that have been licensed out by Unicamp, notes that the process of transferring technology to industry "has been extremely positive" for the research carried out at his laboratory, bringing in "additional and substantial resources" and helping to create "a climate of greater enthusiasm and more concern about the relevance of the results." He underscores that "if we don't have patents and we don't license them, inventions won't be transformed into real commercial products and processes. And if we only pub-



**Prof. Oswaldo Alvez (right) and researcher Odair Pastor Ferreira holding the materials used to produce Fentox.**

## Technology licenses yield commercial products

Five products based on technologies licensed out by Unicamp are available in the Brazilian marketplace:

- **A test to identify the main cause of genetic deafness in newborn babies.** This award-winning technology, developed by the Center of Molecular Biology and Genetic Engineering, was licensed in 2004 to the diagnostics company DLE, which commercialized it in 2005.
- **A phytotherapeutic medicine, produced from a substance found in soybeans, to treat menopausal symptoms.** The Faculty of Food Engineering filed two patents for this technology which it licensed to Steviafarma in 2004. The medicine was launched in 2007 following the approval of the National Health Surveillance Agency (Anvisa).
- **A polymer-clay nanocomposite (Imbrik) that can be used as raw material for a wide range of products.** Imbrik was invented at the Institute of Chemistry, and its production process licensed to Orbys Tecnologia de Nanocompositos Poliméricos in 2005. Two years later, another company, LCM Bolas, used it for producing Nanoball, a more durable and resistant tennis ball.
- **A reagent for *in-situ* and *ex-situ* destruction of environmental contaminants.** Developed at the Institute of Chemistry, the reagent was licensed to Contech Produtos Biodegradáveis in 2007 and is marketed under the brand name Fentox.
- **A fecal test for parasitological diagnosis.** Immunoassay signed an agreement with Unicamp in 2008 for the commercialization of the TF-Test (Three Fecal Test), developed at the Institute of Biology. The company is producing and distributing the test to several hospitals and clinical analysis laboratories.

lish the results, we will have to pay tomorrow for the fruits of our own work”.

Prof. Licio Velloso, an inventor from the Faculty of Medical Sciences, created a synthetic insulin-based substance for treating diabetes mellitus that was licensed in 2006 to Aché Laboratórios. Aché plans to invest R\$2 million during the initial development of the drug, which is being carried out in conjunction with the University. According to Prof. Velloso, initial tests will conclude in the first half of 2010.

### Challenges and achievements

Still, Inova faces a major challenge when it comes to convincing faculty, researchers and students that their inventions can be transferred more easily to society if they protect their IP. “We received a total of 72 invention reports in 2008,” says Prof. Roberto Lotufo, Inova’s Executive Director. “Nevertheless, we still have a long way to go in raising the academic community’s awareness of the importance of protecting intellectual property.”

Another challenge for Inova is the revision of Unicamp’s IP policy to align it with both the 2004 Federal and the 2008 State Innovation Laws. An extensive proposal is now under study by a special commission within the University.

Prof. Lotufo highlights the results of the InovaNIT project as one of their important achievements. InovaNIT’s objective was to assist other public science and technology institutions in Brazil in establishing TTOs, as required by the Federal Innovation Law. Prof. Lotufo notes that “from its beginning, in

July 2007, to December 2008 the project assisted 186 institutions and had a total of 539 people participating in the 24 courses it offered.” A collection of articles by course instructors was published in 2009.

Inova forecasts that it “will probably receive fewer royalties from technology license agreements in 2009 compared to 2008, but we cannot say whether the reduction is linked to the financial crisis.” Other factors may cause royalty income to fluctuate, such as changes in licensed product distribution or commercialization channels.

Unicamp received a major boost in 2008 when substantial state funding came in for the construction of a Research and Innovation Hub on the main campus in Campinas. The Hub will include laboratories dedicated to collaborative research projects as well as a business incubator infrastructure for 50 start-up companies.

Inova’s future objectives are similar to its initial goals: “to be more professional in the way we manage IP and commercialize technology; to bring more collaborative research projects to Unicamp; and to stimulate technological entrepreneurship and the development of a local innovative environment.



**Production of the TF-Test developed at the Institute of Biology.**

Photo: Inova

# WHAT YOU DON'T KNOW ABOUT TRADEMARKS

The two articles that follow were first published in the *INTA Bulletin*, the biweekly newsletter of the International Trademark Association. In the first, readers will discover that they all draw from the trademark graveyard and may even have contributed to trademark deaths. In the second, they will learn that dead trademarks can come back as zombies. Both articles were written by **Timothy J. Lockhart**, Willcox & Savage P.C. (U.S.), and member of the INTA Bulletin Features – Policy & Practice Subcommittee.

## Did you know... There's a Trademark Graveyard?

Reprinted with permission from *INTA Bulletin*, Vol. 63, No. 923 – December 15, 2008, Copyright © 2008 the International Trademark Association

Cellophane. Escalator. Zipper. Once they were trademarks; now they are not. What happened? Each mark became so popular that people began using it as the generic name for the product it branded – cellulose sheets, powered stairs and sliding fasteners in this case – and eventually the mark became the name for that product. In other words, the mark died and was buried in the “trademark graveyard.”

That graveyard actually exists – it is called a dictionary, which is where a former mark may officially appear as a generic name. In fact, *Merriam-Webster's Collegiate Dictionary* (10<sup>th</sup> ed.) gives the derivation of the word zipper as “Zipper, a trademark.” That dictionary also shows that “thermos,” a long-time generic in the U.S. for vacuum-insulated containers, was originally a trademark.

But trademark rights vary country by country, so THERMOS still receives protection as a trademark in some jurisdictions – the U.K., for example. Similarly, Canada still regards YO-YO as a trademark for a brand of the popular spinner-on-a-string, even though a U.S. court declared it a generic term for such toys over 40 years ago.

## Maintaining trademark health

Trademark owners sometimes put their marks on a “health maintenance program”, running advertisements to remind the public the marks are not generic names and should not be used as such. Xerox Corporation's “anti-genericide” ads are perhaps the best known, such as “When you use ‘xerox’ the way you use ‘aspirin,’ we get a headache.”

It humorously makes the point that the company does not want XEROX to become a generic term for photocopiers the way ASPIRIN did for pain relievers. At least in the U.S. – ASPIRIN is still a mark in many places.

Anti-genericide ads appear most frequently in publications aimed at writers and editors – *Writer's Digest* and *Editor & Publisher*, for instance – giving trademark owners a better chance of keeping generic use of their marks out of print, thereby avoiding the quickest route to the trademark graveyard.



**“When you use ‘xerox’ the way you use ‘aspirin,’ we get a headache.”**

Another way to keep marks out of the graveyard is to ensure there is already a generic name for the branded good or service in question, even if the name has to be invented by the trademark owner – which could well be the case with a unique new product. Examples include “correction fluid” for liquid WITE-OUT products and “inline skates” for ROLLERBLADE products. In

fact, the *Wikipedia* entry for ROLLERBLADE carefully notes that “Rollerblade is a type of inline skate” and that the term is a “registered trademark.”

Yet another technique for avoiding the graveyard is to consistently use the word “brand” between the mark and the generic name – for example, KLEENEX brand tissues and BAND-AID brand bandages. Several of Johnson & Johnson's U.S. registrations for its various BAND-AID trademarks include the word “brand” as part of the mark.

## Avoid the graveyard

But even a careful owner may not be able to avoid a mark's death by genericide in certain places. Although Xerox Corporation has kept XEROX from

becoming synonymous with “photocopy” in much of the world, the mark has reportedly become generic in Bulgarian, Portuguese, Romanian and Russian.

Google Inc. seems determined not to let GOOGLE enter the graveyard even though the mark is often used, at least informally, as a generic term for conducting an Internet search. In 2006 *Merriam-Webster* began defining “google” as a verb meaning “to use the Google search engine to obtain information about (as a person) on the World Wide Web,” and the *Oxford English Dictionary* also includes the verb, although capitalized.

Perhaps recognizing that limited use of a mark as a generic name helps to show the mark’s popularity, Google has indicated it does not necessarily object to the use of “google” to mean searches run with its proprietary engine. If use is restricted

in that way, the mark is more likely to remain a mark, and a strong one at that.

For example, in the 1970s and 1980s the owner of the LEGO mark conducted a campaign to persuade customers to call its products “LEGO blocks” or “LEGO toys.” Although they continued to refer to LEGO brand products as “legos,” customers did not use the term for competing products. So the LEGO mark has remained alive and well.

Ironically, the most popular marks face the greatest threat of entering the trademark graveyard. So, as is the case when goods with a desirable brand are counterfeited, a genericide problem is, in one sense, a sign of success. Who knew the prospect of burying a mark would have a bright side?

## Did You Know... There Are “Zombie” Brands?

Brands are born. Brands die. But some brands come back to life – often a different life – sustained by residual goodwill in consumers’ minds.



Examples include ATARI, IRIDIUM and NUPRIN, each of which is now used differently from when it first became popular. Dead or dying brands considered for revitalization are called ghost brands, orphan brands and – perhaps most fittingly given their prospective “reanimation” – zombie brands.

The growing number of trademarks has significantly increased the potential value of zombie brands. A company that can successfully revive a zombie brand, with its residual value – sometimes high – of “brand equity,” can save the hundreds of thousands that would otherwise be spent on educating the public about a new brand.

Why do brands become zombies? Often because a single company has two competing

product lines, whether through corporate mergers and acquisitions or for other reasons, and decides to divest itself of one. For example, Procter & Gamble once owned the WHITE CLOUD mark for bathroom tissue but, because it also owned the mark CHARMIN for the same goods, decided to discontinue using the WHITE CLOUD mark. Another business began using the mark and concluded a licensing deal with Wal-Mart, so that WHITE CLOUD tissue is now sold exclusively in Wal-Mart stores.

A U.S. company that specializes in acquiring and reviving dead brands helped bring NUPRIN (for pain medicine) and EAGLE SNACKS (for snack foods) back to life. River West Brands LLC, founded in Chicago in 2001, is now evaluating how to reintroduce BRIM for coffee. The company’s research shows that nine out of ten U.S. consumers over the age of 25 still remember BRIM as a trademark for coffee, largely because of the highly

successful advertising slogan “Fill it to the rim – with Brim!” What many consumers may not remember, however, is that BRIM was formerly a mark for decaffeinated coffee. A reintroduced BRIM brand is likely to cover caffeinated coffee and perhaps other coffee products. So zombie brands can have value not only thanks to brand equity but also because consumers tend to remember the marks better than the particular goods or services they identified.

The *BrandlandUSA* blog lists “100 Dead Brands To Bring Back” along with reasons why. These marks include HOTSHOPPES, KRESS and (perhaps less persuasively) STUDEBAKER. In July 2007, the blog spotlighted WOOLWORTH’S as its “Dead Brand of the Month,” noting that the mark was still alive in some countries but not in the U.S., its home country.

For companies hoping to capitalize on brand equity in dead or dying marks, coming across a zombie may be an instructive, not scary, experience.

Reprinted with permission from *INTA Bulletin*, Vol. 63, No. 14 – August 1, 2008, Copyright © 2008 the International Trademark Association.

For more detailed information see “The Zombie Trademark: A Windfall and a Pitfall” by Jerome Gilson and Anne Gilson LaLonde in *INTA’s law journal The Trademark Reporter*® Vol. 98 No. 6 (November-December 2008)

# ENHANCING USE OF IP FOR DEVELOPMENT

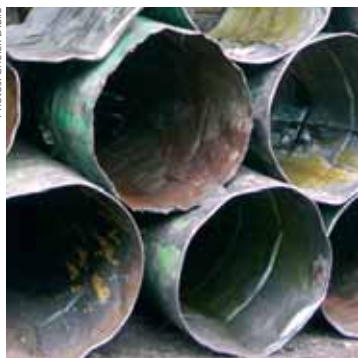
WIPO hosted an international conference on November 5 and 6 to help improve understanding among the donor community of the key developmental role of intellectual property (IP), to encourage their support for IP-related development projects and improve access by developing countries, particularly least developed countries (LDCs) and countries in Africa, to donor funding for such projects.

The Conference demonstrated to donor agencies the relevance of IP to development and explained how developing countries can use IP to facilitate their economic, social and cultural development,

Amongst those real life presentations, Tadesse Meskela, General Manager, Oromia Coffee Farmers Co-operative Union (OCFCU) in Ethiopia talked about how IP had been used to alleviate poverty

in 2008. This premium has permitted the OCFCU to build schools and a health post, to provide clean water to coffee farmers as well as a warehouse with machinery for cleaning coffee.

Photos: Cheick Diallo



**Cans and other materials collected by Cheick Diallo's team around Bamako, which are recycled in his workshop into award-winning furniture designs.**



in particular in relation to the Millennium Development Goals. The three main conference themes – aid for trade; science, technology and innovation for development; and the digital divide – were discussed in a series of high level roundtables with senior policymakers that were interspersed with presentations of real life examples of IP in action in developing countries from a diverse set of presenters.

addressing issues such as lack of decent living conditions, and access to social services, such as schools and health clinics. Since the creation of fair trade marks and registration of Ethiopian coffee trademarks – Harrar, Sidamo and Yirgacheffe (see *WIPO Magazine* 5/2007, *Making the Origin Count: Two Coffees*) – the OCFCU sales value per year has increased from US\$180 thousand in 2001 to over US\$20 mil-

Cheick Diallo from Mali, impressed the audience with images of his award-winning furniture made from recycled materials gleaned from the streets of Bamako. This self-taught furniture designer set up his workshop 12 years ago. He now has 12 people in his employ and exports furniture to France, Germany, Italy, South Africa, the U.K. and the U.S. Convinced that there is place on the international market for good quality prod-



Photos: Tadesse Meskela

**The increased earnings of the OCFU since the creation of fair trade marks and registration of Ethiopian coffee trademarks – Harrar, Sidamo and Yirgacheffe – have permitted them to build schools and a health post.**

ucts from Africa, he used the media to promote his designs. One of the challenges of his success has been that counterfeit copies of his unique designs have started to appear in European markets and, somewhat ironically, he was the one accused of copying European originals. He was shocked to realize that though he could prove the designs were his, he had no recourse as his works were not protected. He strongly believed that IP protection was indispensable and there was a great need to raise awareness of its importance in Africa.

community and offering an opportunity for developing countries to engage with the bilateral and multilateral development agencies on IP-related issues and for WIPO to foster partnerships in support of improved access to funding for developing countries. By bringing together representatives of developing countries and organizations such as the World Bank, the African Development Bank, the U.K.'s Department for International Development, USAID, as well as WIPO's existing donors, it created an ideal opportunity to begin that dialogue and partnership building.

opment. Work is now underway to build on the momentum given by the Conference and WIPO will be engaging with its current donors, potential donors and developing country Member States to take this work forward.

While implementation of the WIPO Development Agenda is provided for under the Organization's regular budget, developing partnerships and access to extra-budgetary resources is seen as a means of broadening the impact of WIPO's development work in general and speeding up imple-



Photos: Cheick Diallo

The conference was organized as one of the projects designed to implement WIPO Development Agenda Recommendation 2. It was a first and important step in building a relationship between WIPO, its Member States and the donor

The final review session of the Conference began to map out some of the next steps in terms of how WIPO can support its developing country Member States to develop partnerships and mobilize resources for IP and devel-

mentation of recommendations under the WIPO Development Agenda in particular.



# NEW PRODUCTS



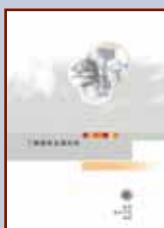
## **WIPO Development Agenda**

Arabic No. L1015/A, Chinese No. L1015/C, English No. L1015/E,  
French No. L1015/F, Russian No. L1015/R, Spanish No. L1015/S  
Free of charge



## **Understanding Industrial Property**

Chinese No. 895C  
Free of charge



## **Understanding Copyright and Related Rights**

Chinese No. 909C  
Free of charge

Purchase publications online: [www.wipo.int/ebookshop](http://www.wipo.int/ebookshop)

Download free information products: [www.wipo.int/publications/](http://www.wipo.int/publications/)

The above publications may also be obtained from WIPO's Product Marketing & Distribution Unit: 34, chemin des Colombettes, P.O. Box 18, CH-1211 Geneva 20, Switzerland | Fax: +41 22 740 18 12 | e-mail: [publications.mail@wipo.int](mailto:publications.mail@wipo.int)

Orders should indicate:

- (a) the number or letter code of the publication desired, the language, the number of copies
- (b) the full address for mailing
- (c) the mail mode (surface or air).

For more information contact  
**WIPO at:**

**Address:**  
34, chemin des Colombettes  
P.O. Box 18  
CH-1211 Geneva 20  
Switzerland

**Telephone:**  
+41 22 338 91 11

**Fax:**  
+41 22 733 54 28

**Visit the WIPO website at:**

[www.wipo.int](http://www.wipo.int)

**and order from the WIPO Electronic  
Bookshop at**

[www.wipo.int/ebookshop](http://www.wipo.int/ebookshop)

or its New York Office at:

**Address:**

2, United Nations Plaza  
Suite 2525  
New York, N.Y. 10017  
United States of America

**Telephone:**

+1 212 963 6813

**Fax:**

+1 212 963 4801

The *WIPO Magazine* is published bimonthly by the World Intellectual Property Organization (WIPO), Geneva, Switzerland. It is intended to help broaden public understanding of intellectual property and of WIPO's work, and is not an official document of WIPO. Views expressed in articles and letters by external contributors do not necessarily reflect those of WIPO.

The *WIPO Magazine* is distributed free of charge.

If you are interested in receiving copies, contact:

Product Marketing & Distribution Unit  
WIPO  
34, chemin des Colombettes  
P.O. Box 18  
CH-1211 Geneva 20  
Switzerland  
Fax: +41 22 740 18 12  
e-mail: [publications.mail@wipo.int](mailto:publications.mail@wipo.int)

For comments or questions, contact:

**The Editor, *WIPO Magazine***

[WipoMagazine@wipo.int](mailto:WipoMagazine@wipo.int)

Copyright ©2009 World Intellectual Property Organization

All rights reserved. Articles contained herein may be reproduced for educational purposes. No part may, however, be reproduced for commercial purposes without the express consent of the Communications Division, World Intellectual Property Organization, P.O. Box 18, CH-1211 Geneva 20, Switzerland.