

CREATION IN THE ON LINE WORLD

1.- The protection of creation

Creation (artistic, economic, scientific,...) requires hard work, effort and money and its outcome, **the intangible assets, are becoming more and more valuable**, even sometimes they are the only assets of a company/creator.

This important and necessary **investment in creation is protected** by intellectual property regulations and their interpretation by courts in order to avoid its unlawful exploitation, regulations which seek to find a balance between creation's freedom/ free competition and protection of investment/ unfair competition.

2.- Is creation protected on line?

2.1.- Intellectual property's regulations do not distinguish between real and on line world. Not only is illegal the imitation of a competitor's distinguishing mark in the product's packing but also its imitation in a non authorised Web page. However some issues described below must be considered when dealing with **on line protection** and the technological proceedings have to be analysed and understood to determine infringements, giving answer to questions such as: **Decides the entrepreneur on which Web pages would be its banner visible? How are keywords managed? Is it enough to protect the source code?**

2.2.- First of all, some issues of on line intellectual property's protection have special features which must be considered.

Because on line there are no country's borders it is sometimes difficult to determine the **applicable law and which courts have jurisdiction in the matter**. As there is no worldwide regulation, they must be determined according to the regulations in force in the States involved. To determine jurisdiction and applicable law are considered,

between other criteria, the defendant's domicile, where the damage occurs and computer/server's location. Due to these difficulties disputes arising from on line issues are being increasingly resolved by arbitration.

Regarding the verification of infringements, a new kind of evidences is needed: **information in electronic format (electronic discovery)**. The Spanish Civil Procedure Law allows the use of electronic evidences: i) as private or public document, ii) by means of an expert's report, to prove the authenticity and integrity of the electronic evidences provided or to evaluate some other facts (for example, number of a website's visits); iii) through witnesses or iv) by judge's inspection. Like other elements of evidences, electronic ones can be obtained before the beginning of the proceedings (*diligencias preliminares, prueba anticipada*), during the oral hearing (*juicio oral*) other after it (*diligencias finales*). Electronic Discovery is limited by human rights and fundamental freedoms, especially, by the right to privacy.

To identify the defendant is often difficult and more difficult to sue him (domicile in far distant countries), but **the intermediary service providers are also in some circumstances liable for the information's transmission, its automatic temporary storage (caching) and its storage (hosting) and for the providing of links to contents**. Intermediary service providers have neither a general obligation to monitor information/contents nor a general obligation to seek actively facts or circumstances indicating illegal activity. However they are liable **when they have actual knowledge of illegal activity or information and they not act expeditiously to remove the information/links**. Case law fixes some criteria to limit the obligations of intermediary services providers although **these criteria are not always the same in all courts, especially, regarding search engines, P2P networks and services like those provided by *You Tube***.

2.3.- Besides, there are new types and procedures to infringe on line protection of creation.

For instance, **metatags are very important instruments to localize Websites using Web search engines.** Therefore, a competitor could include in the metatag of his Web pages the trade mark of another company so that when an internet user performs a search on the basis of this trade mark his Website is included in the list of results with the Website of the trade mark's proprietor (**metatagging**). **That could be considered as an infringement of the trade mark law and/or the unfair competition law.**

This situation can also result from the use of keywords. If a competitor reserves the trade mark as a **keyword of a referencing service**, his Website will be displayed in the list of results, even if his products or services imitate those of the trade mark's proprietor. The Court of Justice of the European Union in its judgement of 23 March 2010 (Cases C-236/08, 237/08 and 238/08)¹ has settled that: i) the proprietor of a trade mark is entitled to prohibit an advertiser from advertising, on the basis of a keyword identical with that trade mark which that advertiser has, without the consent of the proprietor, selected in connection with an internet referencing service, goods or services identical with those for which that mark is registered, in the case where that ad does not enable an average internet user, or enables that user only with difficulty, to ascertain whether the goods or services referred to therein originate from the proprietor of the trade mark or an undertaking economically connected to it or, on the contrary, originate from a third party; ii) an internet referencing service provider which stores, as a keyword, a sign identical with a trade mark and organises the display of ads on the basis of that keyword does not use that sign in the course of the trade and therefore is a lawful use; iii) an internet referencing service provider cannot be held liable in the case where that service provider has not played an active role of such a kind as to give it knowledge of, or control over, the data stored, provided that, having obtained knowledge of the unlawful nature of those data or of that advertiser's activities, act expeditiously to remove or to disable access to the data concerned.

By means of P2P networks audio and video files can be shared on line without copyright owner prior permission (author other media firm) and this sharing is not limited to a certain amount of copies (digital copies *v.* material copies). **According to present Spanish case law the provider of a file-sharing service cannot be held liable**

¹ The text of said decision is available at www.uaipit.com, case law section.

because he does neither reproduce nor make available to the public any data, and even though **they could be considered in some circumstances that they collaborate to the copyright infringement**, collaboration in these activities is not illegal according to regulations presently in force in Spain (*Ley de Servicios de la Sociedad de la Información*)².

Domain names raise also new conflicts. Computers find one another in Internet through a series of numbers (**IP address**) which the **Domain-Name-System (DNS)** translate into a series of letters so that humans can remember them easier. A domain name comprises two elements, the registered name and the internet domain (geographical, such as .de and .es or general such as .com and .org). **In the registered name are included words and notions which identify on line its owner, his services and products. Although according to present regulations the domain name is not a distinguishing mark, it can be regarded in some cases as one of the regulated distinguishing marks (trademarks, names of persons, designation of origin, ...)**

Because of the distinguishing function of domain names, some applicants register domain names including distinguishing marks without the prior consent of their proprietor in order to obtain an economical benefit by selling the registered domain name to the proprietor of these distinguishing marks, to obstruct the on line activity of the proprietor or to attract visits to the site of the domain name's owner so that visitors buy his products or services or just visit it (*cybersquatting, whoisquatting*). These unlawful actions **infringe the Spanish Trademarks Law³, the Unfair Competition Law⁴ and other regulations protecting distinguishing marks and names of persons.** New mechanisms to prevent these illegal activities have been set up in the last decade such as the compulsory fulfilment of specific conditions to authorize the registry of general domain names (for instance, to obtain a domain .museum the applicant must be a museum, an association of museums or a professional of this area). Also it is projected the creation of a new data base which will make possible that the domain name's register verify the similarity of an applied domain name to a previous registered trade mark before the registration of the referred domain name (*Trademark Clearinghouse*).

² Law 56/2007, of December 28 concerning Measures for Promoting the Information Society; available at www.uaipit.com, legislation section.

³ Law 17/2001, of December 7 on Trade Marks; available at www.uaipit.com, legislation section.

⁴ Law 3/1991 on Unfair Competition, available at www.uaipit.com, legislation section.

3.- Conclusion

Even though it is possible to protect on line intellectual property's infringements by means of present regulations, maybe the digital revolution requires a new economic model. **In the future the prestige of a product or service might come not from the trade mark but from its reputation in the Social Media.** Maybe our conception of intellectual property rights based on the **classic notion of property** should be renewed.

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