

NEWSLETTER

IP / MEDIA



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INTELLECTUAL PROPERTY LATEST NEWS

Implicit assignment of copyright between assignee and sub-assignee

Bordeaux Court of appeal, January 11, 2024, no. 23/02805

Maison Villevert had entrusted Optima and its manager with the creation of the graphic universe for bottles of spirits marketed under Maison Villevert's own brands. After a twenty-year collaboration, a dispute arose in 2021 during a competitive bidding process for one of the brands. Optima offered to formalize an assignment of its copyrights on the creations made for the brands in the spirits house portfolio, but Maison Villevert refused. Optima and its manager then sued Maison Villevert for copyright infringement.

The Court of Appeal upheld the pre-trial judge's decision, stressing Optima's lack of standing to bring proceedings. It considered that there had been an implicit transfer of copyright in the creations, given the nature of the order, which necessarily involved the reproduction of packaging elements for the production and marketing of the bottles. In addition, the judges considered certain elements such as quotations and e-mails referring to the transfer of rights. The existence of such an implicit transfer deprives the plaintiff of standing to sue, thus enabling the defendants to claim that the action is inadmissible.

In addition, the Court ruled that Optima's manager had not provided any evidence of his authorship of the disputed works and was therefore declared inadmissible to sue for trademark infringement and nullity.

If implicit assignments of copyright are accepted by case law, this only concerns assignments between assignees and sub-assignees. Assignments of copyright between the author of a work and the first assignee are subject to strict formalities and require a written agreement.



INTELLECTUAL PROPERTY LATEST NEWS

Trademark revocation: choosing the right wordings

General Court of the European Union, January 24, 2024, T-603/22, Agus sp. z o.o. / EUIPO - Alpen Food Group BV

The Polish company Agus owns the European Union trademark ROYAL MILK for various food products in class 29, in particular for "milk and milk products excluding ice cream and milk desserts". One of Agus's competitors, the Dutch company Alpen Food, brought an action before the EUIPO for revocation of the ROYAL MILK trademark. While Agus succeeded in proving genuine use of the trademark for "milk powder for food use", this was not the case for the other dairy products referred to in the trademark wording.

In its decision of January 24, 2024, the General Court of the European Union recalls that when a trademark is registered for different products belonging to a broader category that can be subdivided into independent sub-categories, genuine use must be demonstrated for each of these sub-categories. To determine whether a sub-category is independent or not, the purpose and destination of the goods must be considered. In the case in point, the EU General Court held that "milk powder for food use" was to be considered an independent sub-category of "milk and milk products excluding ice cream and milk desserts". As a result, Agus can retain its rights to this part of the dairy products covered by its trademark, despite the revocation pronounced for the other dairy products.

This decision underlines the importance of the choice of wording when filing a trademark application, and the need to be precise about the goods and services selected when registering the application, and to target only goods and services whose exploitation is envisaged or likely within the 5-year period, to avoid revocation.

Impact of the late addition of prior right in an application for a declaration of invalidity of community design

General Court of the European Union, December 13, 2023, T-10/23, Light Tec Ltd / EUIPO - DecoTrend GmbH

Since 2017, DecoTrend has owned a Community design for garlands and lampshades, representing an eighteen-pointed star. An invalidity action was brought by Light Tec, claiming several prior rights. Later, the applicant Light Tec invoked a new prior right based on a patent.

The EU General Court confirmed the rejection of the application for declaration of invalidity, pointing out that only the initial application sets out the subject matter of the dispute, and that it is impossible to add other prior design after it has been filed. The EUIPO must therefore only examine the prior design mentioned in the initial application for invalidity. This is a reminder of the need for a thorough search to identify all existing prior designs before launching an action.



INTELLECTUAL PROPERTY LATEST NEWS

Modification of the burden of proving exhaustion of trademark rights

ECJ, January 18, 2024, C-367/21, Hewlett Packard / Senetic

Hewlett Packard markets its IT products under the EU brand "HP" via authorized representatives, restricting their sale to end users or network members. Products carry serial numbers that enable HP to track their destination, but they do not allow third parties to distinguish whether they are intended for the EEA market or not.

The Polish company Senetic acquired HP products from sellers in the EEA. Although the latter did not have the status of distributors of HP products, they claimed that the marketing of the products did not infringe Hewlett Packard's exclusive rights.

Hewlett Packard initiated an infringement action in Warsaw. Senetic's defense was exhaustion of rights, claiming that the products had previously been marketed in the EEA by Hewlett Packard or with its consent.

The ECJ ruled on the burden of proof, stating that, while in principle the burden of proof lies with the defendant, in this case the defendant had difficulty proving exhaustion due to the confidentiality of the sources of supply. Placing the burden of proof on the defendant would thus be tantamount to enabling the trademark owner to counter parallel imports of goods bearing the trademark. In these circumstances, each court of the Member States must modify the allocation of the burden of proof for the exhaustion of rights conferred by the trademark concerned by placing on the owner of the trademark the burden of proof that the individual items of the goods in question were first put on the market by him or with his consent outside the territory of the EEA. If such proof is provided, it will be for the defendant in the infringement action to provide evidence to the contrary, i.e. that these items were imported into the EEA by the trademark owner or with his consent.

No revocation action for the assignor of a trademark except for deceptiveness

French Supreme Court, February 28, 2024, no. 22-23.833

In February 2012, Pmjc acquired the assets of the company Jean-Charles de Castelbajac, which was the subject of insolvency proceedings. This transfer included several French word trademarks.

However, in June 2018, Pmjc brought an action for unfair competition and trademark infringement against the founder of the Jean-Charles de Castelbajac company, alleging that the latter, through another company, was pursuing his professional and artistic activities. As a counterclaim, the founder asked for the revocation of Pmjc's rights in the trademarks for deceptiveness and alleging misleading practices between late 2017 and early 2019, because it was suggested that he had participated in their creation although this was not the case. In a ruling dated October 12, 2022, the Paris Court of Appeal declared that Pmjc had forfeited its trademark rights for various products and services. Pmjc has appealed to the French Supreme Court.

The Court of Cassation confirmed the principle that the assignor of trademark rights is bound by the terms of article 1628 of the French Civil Code, and is therefore not entitled to bring an action for revocation of these rights on the grounds of trademark deceptiveness, as this would be aimed at evicting the assignee. However, it adds that the guarantee of eviction in favor of the assignee ceases when the eviction is due to his own fault which occurred after the transfer, in the present case by the exploitation of the trademarks under conditions likely to effectively mislead the public or to create a serious risk of deception.

MEDIAS, ENTERTAINMENT AND ADVERTISING LATEST NEWS

Meta and Tiktok challenge DSA's moderation tax

Meta and TikTok have initiated legal proceedings before the ECJ. They are challenging the method of calculation and payment of a new tax introduced by the Digital Services Act. This tax, which is intended to fund the EU's social network moderation teams, is based primarily on the number of platform users and is collected annually, up to a limit of 0.05% of the liable company's profits.

To be continued...

For more information on the Digital Services Act, please read our article on the subject: [link](#).

Identification data that can be communicated by hosting companies

Paris Court of appeal, Pôle 1, Ch. 2, December 21, 2023, Meta Platforms Ireland Ltd / ANPAA

In a ruling of December 21, 2023, the Paris Court of Appeal clarifies the identification data that hosting providers must disclose in the context of legal proceedings. In this case, the Association nationale de prévention en alcoologie et addictologie (Anfaa) had identified 19 Instagram accounts alleged to have posted illicit advertisements for alcoholic beverages and requested the communication of identification data of the authors of publications on Instagram for the purposes of criminal proceedings.

In accordance with the decree of October 20, 2021, the Court finally ordered Meta to communicate to Anfaa only the surnames, first names or company names of the holders, the pseudonyms used and the associated email or account addresses.

Apple and Microsoft partly exempted of their DMA obligations

On February 12, 2024, the European Commission announced the closure of four market investigations launched on September 5, 2023, under the Digital Markets Act (DMA).

It concluded that Apple and Microsoft should not be considered as gatekeepers for Apple's iMessage messaging service, Microsoft's Bing online search engine, Edge web browser and Microsoft Advertising online advertising service. Apple and Microsoft are nevertheless designated as gatekeepers for the other services.

However, in the event of a significant change in market share, this decision may be reassessed.



MEDIAS, ENTERTAINMENT AND ADVERTISING LATEST NEWS

Publication of the updated list of very large online platforms and search engines

C/2024/1320, February 5, 2024

The updated list of very large online platforms and search engines has been published in the EU Official Journal of February 5, 2024. Here are their names:

AliExpress, Amazon Store, App Store, Bing, Booking.com, Facebook, Google Maps, Google Play, Google Search, Google Shopping, Instagram, LinkedIn, Pinterest, Pornhub, Snapchat, Stripchat, TikTok, Twitter, Youtube, Wikipedia, XVideos, Zalando



Canal+ condemned for unfair competition

Paris judicial court, Ch. 3, January 25, 2024, no. 21/06222

On March 16, 2020, as part of the Covid-19 pandemic containment plan, the Canal+ Group announced that its channels would be free-to-air until March 31, 2020. TF1 contested this decision, arguing that it infringed the rights it held to some of the films broadcast, and unfairly competed with the group's channels. TF1 therefore served formal notice on Canal+ to make good the damage caused by the free-to-air broadcast. The encrypted channel defended itself by arguing that this was an exceptional operation linked to the health crisis. The TF1 group companies then sued Canal+ for infringement and unfair competition.

The companies TF1 Films Production, TF1, TMC and TFX were initially declared inadmissible to sue for infringement, as they had not proved that they owned the exploitation rights to the films concerned by Canal+'s broadcasts. However, the Court found that the Canal+ group companies had infringed the media chronology by broadcasting films free-to-air on their pay-tv channels, which constituted an act of unfair competition, even in the absence of sanctions by the CSA or grievances from rights holders, justifying the payment of 1.66 million euros in damages to the TF1 group companies.

Children's image rights: the bill adopted

Proposition de loi visant à garantir le respect du droit à l'image des enfants

On December 19, 2023, the Senate adopted on new reading, with amendments, a National Assembly bill aimed at guaranteeing respect for children's image rights. The National Assembly amended the text on final reading on Tuesday February 6, 2024, and adopted it unanimously.

This law aims to make parents more accountable and put an end to the abuses of certain parents who publish images of their children on social networks. It introduces the notion of privacy into the definition of parental authority, thereby enshrining parents' obligation to ensure respect for their children's privacy, including their right to their own image. The family court judge will be able to prohibit one of the parents from publishing or broadcasting the child's image without the agreement of the other parent.

MEDIAS, ENTERTAINMENT AND ADVERTISING LATEST NEWS

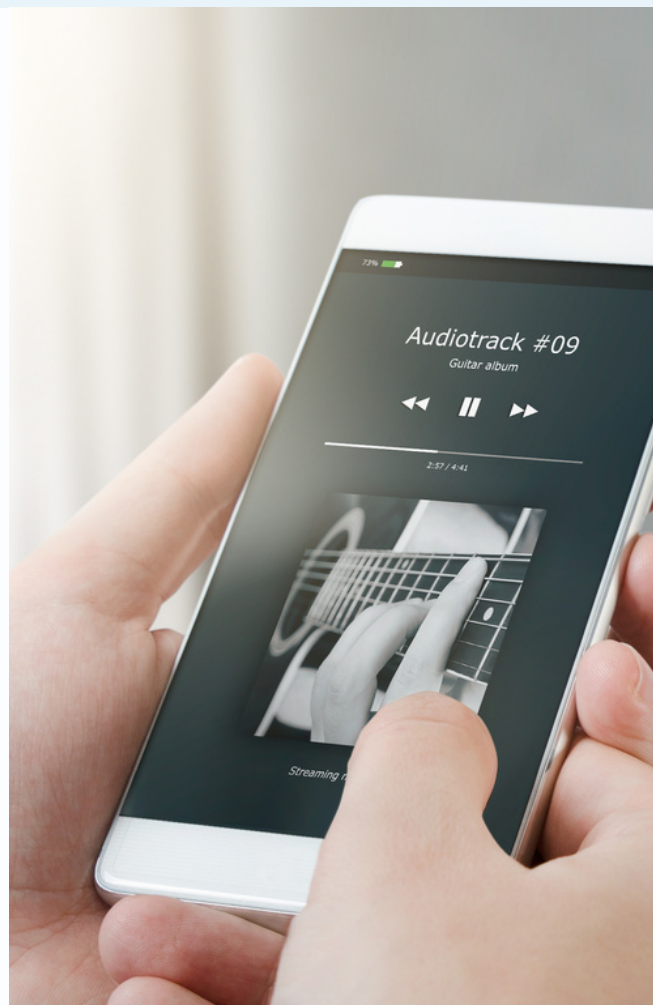
Music streaming: European Parliament adopts its resolution

European Parliament resolution of January 17, 2024 on cultural diversity and conditions for authors in the European music streaming market

On January 17, 2024, the European Parliament adopted a resolution calling for European rules to ensure a fair and sustainable music streaming sector, and to promote cultural diversity. MEPs are also calling for more transparency with regard to algorithms and recommendation tools using artificial intelligence.

In France, measures have been announced, such as a tax of between 1.5% and 1.75% on the sales of music streaming platforms, to fund the Centre national de la musique (CNM) and support the French music sector; this is due to be implemented shortly.

To be continued...



Compliance with pluralism and independence obligations

French Council of State, February 13, 2024, no. 463162

On February 13, 2024, the Conseil d'État ordered Arcom to ensure CNews' compliance with its obligations in terms of pluralism and independence of information.

It emphasized that speaking time should not be limited to the political personalities invited onto its broadcasts but should also take account the opinion represented by all other participants, including commentators, anchors and guests.

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