

FRIDAY FORTNIGHTLY: THE IP & COMPETITION NEWSLETTER (ED. 2021 WEEK 44 NO. 18)

Dear Readers,

In this edition, you will find an overview of the key developments in Competition, Copyright, Design, Patents and Trademarks for the period September - October 2021.

The Innovation Legal Aid Clinic's (TILC) information initiatives - Friday Fortnightly and IP Talks - are open to contributions by students and alumni from the intellectual property law programmes offered at the Faculty of Law, Maastricht University.

We very much look forward to your feedback, inputs and suggestions.

With kind regards,

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1. Competition law

1.1 *Super League* challenges UEFA and FIFA's anti-competitive conduct in court

Earlier this year, Real Madrid Club de Fútbol, Juventus FC, and Football Club Barcelona (together founding members) came together to establish the *Super League* (SL). The League soon fell apart due to pressure from UEFA (Union of European Football Associations) and Fédération Internationale de Football Association (FIFA). Though the Madrid Commercial Court promptly ordered preliminary injunctions against UEFA and FIFA, the damage to the League was already done. This initial backlash did not prevent SL's founding members from initiating fresh legal proceedings at the commercial court, *Juzgado de lo Mercantil n.º 17 de Madrid, Spain*.



Considering the potential EU-wide impact of the outcome and the issues involved, the Madrid court has referred a set of questions to the Court of Justice of the European Union (CJEU) for a preliminary ruling. Notably, the Madrid court requested clarity on the legality of the requirement by FIFA and UEFA for a prior approval before a “third-party entity” like SL can set up a “new pan-European club” – in other words, whether such a requirement is an abuse of dominance and/ or is an anti-competitive agreement (Article 102 & Article 101 Treaty on the Functioning of the European Union, TFEU). Second, whether FIFA and UEFA's exclusive assignment to themselves as “sole authorities for marketing of [sports] competitions” is in contravention of Article 101 & 102 TFEU? Third, whether these “restrictions on competition” by FIFA and UEFA could possibly “qualify for exceptions laid down in Article 101 TFEU” or benefit from an “objective justification for the purpose of Article 102 TFEU”.

Sources: DW, 19 October 2021, available [here](#). DW, September 2021, available [here](#). CJEU, September 2021, available [here](#). LinkedIn, 1 July 2021, available [here](#).

Image source: Getty Images, available [here](#).

1.2 IHS Markit/S&P merger receives Commission's conditional approval



On 22nd October, the European Commission, conditionally approved S&P's \$39 billion acquisition of IHS Markit. S&P is a leading provider of financial services, and IHS is a research-driven company that offers market forecasts and pricing for bonds and credit default swaps (CDS).

The merger is a response to the peculiar conditions of the computerized financial markets, whereby firms need to scale up quickly to operate profitably in the market. The key remaining competitor to the merged entity is London Stock Exchange Plc.

The Commission's phase I merger investigation indicated that the merger would adversely impact competition in the relevant market for the price assessments of oil, coal, biofuels and petrochemicals; loan identifiers; leveraged loan market intelligence and leveraged loan indices.

To receive the Commission’s approval, the parties offered a set of structural remedies that include divestment of IHS Markit’s Oil Price Information Services (OPIS) in commodity price assessments market and the divestment of S&P Global’s CUSIP Issuance and data licensing business and leveraged loan 100 index family and the accompanying intelligence product in the financial data and infrastructure market.

The parties are now awaiting approval from the US, UK and Canadian antitrust authorities. The merger is expected to materialize by quarter 1 of 2022.

Sources: Commission Press Publication, 22 October 2021, available [here](#). Bloomberg, 22 October 2021, available [here](#). PR Newswire, 22 October 2021, available [here](#).

Images source: Getty Images, available [here](#).

1.3 Commission initiates investigation against Gazprom



Russia’s state-owned enterprise, Gazprom, is Europe’s leading supplier of energy and accounts for over 40 per cent of total gas imports to the EU. In 2018, the European Commission concluded one of its longest (2011-2018) investigations in the energy sector. This led to the imposition of fines and change of business practices by Gazprom in Central and Eastern Europe.

Recent energy crisis in the EU has led to start of another round of investigations against Gazprom. As part of the process, the Commission has sent across a set of questions to relevant stakeholders to determine the cause for this recent increase in energy prices.

To ascertain the case, the Commission may potentially look at aspects such as how anti-competitive contractual restrictions between “wholesale gas suppliers such as Gazprom and European retail gas suppliers” has contributed to this price jump.

While a flow-blown antitrust investigation may take a very long time, it is anticipated that the initiation of the investigation alone, may motivate the energy company “to make gas more [abundant and easily] available” in the internal market.

Source: Politico, 26 October 2021, available [here](#). Competition Policy International (CPI), 26 October 2021, available [here](#). Good Word News (GWN), available [here](#).

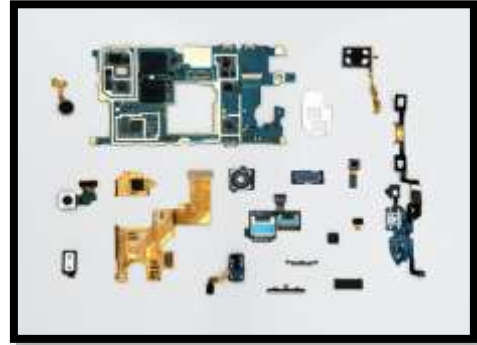
Image Source: Getty Images, available [here](#).

2. Copyright

2.1 US: Right to repair relaxed to further ease diagnosis, maintenance and repair

Article 1201 DMCA (Digital Millennium Copyright Act) offers measures relating to digital rights management software for copyright-protected works. The ever-expanding scope of the Article oftentimes limits the possibility to repair devices.

Following the adoption by the Librarian of Congress, on 28th October, the US Copyright Office's *Exemption to Prohibition on Circumvention of Copyright Protection Systems for Access Control Technologies* entered effect. The regulation offers a new additional set of exemptions to further the 'right to repair'. The new exemption (*Proposed Class 12*) augments the scope of the exemption for repair, maintenance and diagnosis to "all software-enabled devices [...] primarily designed for use by consumers". The requirement to first fit in a specific category of electronic devices has also been relaxed. The new regulation also permits bypassing the technological protection measures (TPM) to enable diagnosis, maintenance and repair. The new rules contain special provisions for people with disabilities and for educators.



Sources: *Bloomberg Law*, 14th of July 2021 available [here](#). *Website of the White House*, 9th of July 2021, available [here](#). *TheVerge*, 27th of October 2021, available [here](#). *US Federal Register*, 21st of October 2021, available [here](#).
Image source: *Pexels*, available [here](#).

2.2 US: Scope of Section 230 (e) of the Communications Decency Act expanded



In *Hepp v. Facebook, et al.*, the United States Court of Appeals for the Third Circuit (Third Circuit) examined the scope of Section 230 of the 1996 *Communications Decency Act*. Whereas, section 230 (c) offers platforms (such as Facebook) immunity for infringing content posted therein; section 230 (e) allows taking IP law into account.

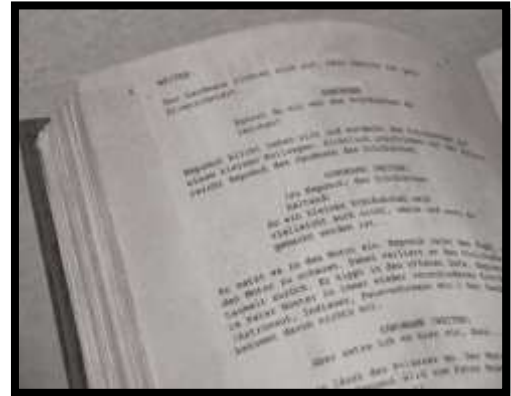
The applicant Karen Hepp, a professional TV anchor on FOX 29's *Good Day Philadelphia* was aggrieved with the use of her photograph (taken without her consent) appear on Facebook's advertisement for *First Met*, a dating app. Hepp alleged violation of her "right of publicity under Pennsylvania's right of publicity statute and common law".

While deciding in favour of Hepp, the Third Circuit offered a wide interpretation to the scope of section 230(e) to conclude that not only traditional property rights, but also non-traditional property rights, such as the right of publicity were relevant for the purposes of the said provision, as the individual invested "time, energy and resources" to develop a reputation. In addition, not only the federal but also the state IP laws could be invoked under section 230(e). Judge Robert Cowen partly dissented from the majority and feared that this wide interpretation could lead to "potential influx" of IP-related claims under section 230(e).

Sources: *WilsonElser*, 29 October 2021, available [here](#). *Judgement of the US Court of Appeals of Third Circuit*, available [here](#).
Image source: *Pexels*, available [here](#).

2.3 US: Miller can terminate the transfer of his copyright under Section 203

The applicant Arthur Miller wrote the screenplay for the hit horror film *Friday the 13th* (1980). Miller wrote the screenplay in about two months, while working mostly from his home office. During the process of writing, he closely interacted with Sean S. Cunningham, the producer, director and writer of the film. Miller, however, received the “sole writing credit”. About a year later, Cunningham entered into an agreement with Georgetown Productions for financing the film. In exchange, the financier enjoyed “complete control” over the screenplay.



In 2016, Miller served the notice of termination as required under section 203 of the Copyright Act (1976). As per the said provision, a copyright owner who has transferred his rights may terminate the transfer, unless it is a work “made for hire”.

To determine whether Miller’s screenplay was a work “made for hire”, the US Court of Appeals for the Second Circuit (Court) relied on the 13 factors established in *Community for Creative Non-Violence v. Reid*. The Court principally assessed the first five of the thirteen Reid factors (namely, hiring party’s control over work routine (1); skill set required for the work (2); employee benefits (3); tax treatment of the hired (4) and whether the hirer can assign additional projects to the hired (5)). Miller’s discretion in planning his daily work schedule and his work from home routine greatly worked to his advantage. Overall, the Court ruled that the applicant was an independent contractor and could accordingly, successfully recover his copyright.

*Sources: Finnegan, 28 October 2021 available [here](#). Decision of the US Court of Appeals of Second Circuit, 30th of September 2021, available [here](#).
Image source: Unsplash, available [here](#).*

3. Design

3.1 Ferrari S.p.A. v. Mansory Design: partial designs protected as unregistered Community Designs

On 2nd December 2014, Ferrari, the Italian racing and sports car manufacturer, introduced its top-of-the-range limited edition FXX K model via a press release. The press release included two photographs – one with a side view, and the other with a front view of the car.

Shortly thereafter, Germany-based Mansory Design, specialists in personalization (“tuning”) of high-end cars, started selling distribution kits to modify the Ferrari’s 448 model and look more like the FXX K model.

Ferrari approached the German court on grounds that marketing of the said components by Mansory Design constituted an infringement of one or more of its unregistered Community designs. Following a series of unsuccessful of appeals by Ferrari, the matter finally reached the German Federal Court of Justice (the Bundesgerichtshof, BGH) on a



point of law. The BGH stayed the proceedings, and referred the following two questions to the CJEU. First, whether “the making available mint to the public [...] of the image of a product in its entirety” also meant that the design of the parts of that product had also been made available (para 26). Second, if the answer to this were in the affirmative, must the image of a part of the product, in order to be considered as a separate design from that of that product, present, “a certain autonomy and consistency of form” in order to establish that “the appearance of that part is not completely lost in the appearance of that product” (para 27).

The CJEU, on 28th October, ruled that Article 11(2) shall be interpreted as meaning that the making available to the public of images of a product may also entail the making available of the design of a part of that product. As regards the second question, the CJEU said that, in order for a part of a product to be protected as a design, “it is necessary [that the part or its component] constitute a visible section of the product or complex product, clearly defined by particular lines, contours, colours, shapes or texture” (para 52).

Sources: InfoCuria case-law, 28 October 2021, available [here](#). Allen & Overy, 04 November 2021, available [here](#).

Image Source: Wikimedia Commons, available [here](#).

4. Patent

4.1 States inch closer to the preparatory phase of the UPC



On 27th October 2021, the UPC (Unified Patent Court) Preparatory Committee held its hybrid-meeting in Luxembourg. The meet emphasized that with Slovenia’s ratification of the UPC Agreement and the Protocol on the Provisional Application of the UPC Agreement (PAP-Protocol), a total of 12 States have admitted the same. For the UPC to turn into a reality, two additional requirements be met – first, one more member is required to ratify it; and second, the UK must extend its support to the protocol. In anticipation that these two conditions shall soon be met, the Chairman of the Committee initiated

a discussion on the “draft Declaration on the authentic interpretation of Article 3 of the PAP-Protocol following UK’s withdrawal from the Unitary Patent System (UPS)”. As per the rules of public international law, this Declaration shall ensure that the PAP-Protocol enters force, once the required 13 Member States have agreed on the same.

It is expected that the UPS may commence work soon, and in any case, latest by early 2022.

Sources: Unified Patent Court Report, 28 October 2021, available [here](#). Kluwer Patent Blog, 28 October 2021, available [here](#).

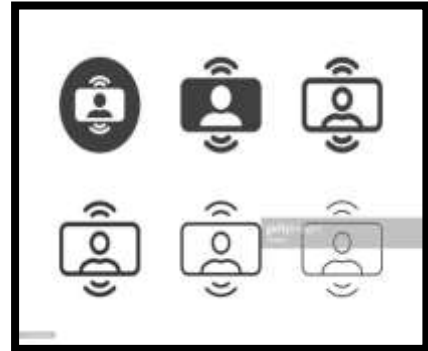
Image source: Getty images, available [here](#).

4.2 EPO’s Enlarged Board on the legality of videoconferencing in oral proceedings

On 28th October, the Enlarged Board of Appeal of the European Patent Office (EPO) issued its final decision in case G-1/21. The case deals with the legality of oral proceedings by videoconference (cf. Friday Fortnightly Week 24 Ed. 14, News 6.1, available [here](#)). As per the

decision, even in the absence of a prior consent of all the interested parties, videoconferencing is permissible. However, such a videoconference shall be limited to “a period of general emergency” only.

In this decision, the referred question “[can] oral proceedings under Article 116 EPC be replaced by a video conference without the parties’ consent?” was reformulated by the Enlarged Board as follows: “[d]uring a general emergency impairing the parties’ possibilities to attend in-person oral proceedings at the EPO premises, is [...] a videoconference compatible with the EPC if not all of the parties have given their consent [...]?”.



The Enlarged Board stated that “[the videoconference format] (combined with written submissions) normally is sufficient to comply with the principles of fairness of proceedings and the right to be heard”. As for the role of the parties’ consent, the Enlarged Board then justified the use of videoconferencing without everyone’s active consent on the following grounds: the necessity of videoconference as a suitable (even if not equivalent) alternative (1); specific circumstances affecting the parties’ ability to attend oral proceedings in person (2) and a discretionary decision of the board of appeal summoning parties to the oral proceedings (3).

Furthermore, the “Guidelines on Hearings by Videoconference” by the European Court of Human Rights (ECtHR) was approvingly cited in the decision. Like the ECtHR, the parties to appeal proceedings before the EPO often come from different countries and the COVID-19 pandemic, for example, has clearly affected their ability to attend these proceedings in person.

Sources: JUVE Patent, 28 October 2021, available [here](#). The official website of the EPO, 28 October 2021, available [here](#). Decision of the Enlarged Board of Appeal, 16 July 2021, available [here](#).

Image source: Getty images, available [here](#).

4.3 Ericsson v. Apple: Dutch court lifts anti-anti-suit injunction



On 18th October, the Court of The Hague (Rechbank Den Haag) lifted a five-day ex-parte anti-anti-suit injunction (AASI) against Apple and rejected Ericsson’s request for a pre-emptive AASI. The oral hearing was held on 8th October. During the hearing, Apple denied having requested an anti-suit injunction (ASI) on an earlier occasion and promised that would not do so (“[Apple] nog nooit een ASI heeft gevraagd en ook niet voornemens is dat te doen”). The final outcome thereof will be determined in the main preliminary injunction proceedings scheduled for 18th November.

This is in alignment with the approach of the Munich & Düsseldorf Regional Courts. Earlier this year, in *InterDigital v. Xiaomi*, the Munich I Regional Court adopted the doctrine of pre-emptive strike and granted an AASI against Xiaomi. Subsequently, the Düsseldorf Regional Court invoked this doctrine and granted General Electric and Mitsubishi an AASI against Xiaomi.

In order to cope with rising ASIs due to the unreasonable use of forum shopping, it is necessary to protect national jurisdictions against foreign interference. A pre-emptive AASI, to some extent, might be an equitable solution, especially when facing the not so FRANDly issues in the world of SEP.

Sources: *JUVE Patent*, 27 October 2021, available [here](#). *FOSS Patents*, 26 October 2021, available [here](#). *Decision of the Court of The Hague*, 18 October 2021, available [here](#).
Image Source: Getty images, available [here](#).

5. Trademark

5.1 Lobster Logo for Confectionery is “distinctive”: General Court

On the 6th October 2021, the General Court (GC) upheld the judgement of the EUIPO, stating that a lobster logo was “distinctive” for confectionery.

In 2017, the Russian company PAO Moscow Confectionery Factory “Krasnyj Octyabr” filed for a figurative mark representing a lobster for confectionery goods in Class 30. The EUTMR was subsequently registered. A few months later, the Ukrainian company *Dochirnie pidpriemstvo Kondyterska korporatsiia ‘Roshen’* initiated cancellation action pursuant to Arts.7(1)(b) and (c) EUTMR (European Union Trademark Regulation), on the grounds that the mark was neither distinctive nor descriptive. In support of its claim, *Roshen* claimed that confectionery manufacturers have used the mark “RAKOVYIE SHEJKI” (meaning red lobster necks in Russian) in combination with an image of a red lobster for their products in the former Soviet Union (USSR) between 1925-1989. To substantiate this, *Roshen* produced evidence showing the use of the image during the said period in the USSR. The claim was, however, rejected by the Cancellation Division of the European Union Intellectual Property Office (EUIPO).



On appeal, the Board of Appeal rejected the claims of lack of distinctiveness and descriptiveness. The Board opined that the claims were not substantiated by the evidence produced. Regarding the claimed lack of distinctive character, the evidence produced failed to address the relevant public (in the European Union), and also the relevant time period (the evidence was from an earlier period in another territory, and not applicable as of 2016, at the time the mark was filed). As regards “descriptiveness”, the Board held that the consumer was able to see the lobster as an indicator of commercial origin as the mark was neither geographical in nature nor did it not correspond to the appearance of the goods or even relate to the composition or taste of the goods.

Roshen appealed to the General Court. The GC upheld the Board of Appeal’s decision in entirety. In particular, it found that the lobster logo was distinctive enough to indicate commercial origin to the consumer.

News and Image Source: *Judgement of the General Court of 6 October 2021*, available [here](#).

5.2 Gucci's G: *Its different, says Italian Supreme Court*

In its decision dated 7th October, the Italian Supreme Court (SC) decided on the “enhanced protection” for well-known trade marks. The trademarks under consideration were two national marks comprising of G, shaped only slightly differently from Gucci's G-shaped mark. The Italian SC disagreed with the lower courts that in light of Gucci's mark being “well-known to the final consumer”, they were unlikely to fall into the trap of the new mark. In other words, the lower courts opined that there was “no likelihood of confusion”. The SC differed and was of the opinion that the relevant issue was not whether those who purchased the product could be deceived of its origin; in fact, the consumers may choose such a product on account of its “strong resemblance” to the well-known trade mark, and accordingly, pass-on the same as “original” to a “less attentive” or a brand



unconscious individual. As a next step, the matter returns to the Court of Appeal that will assess the validity of the newly registered mark in light of this “enhanced protection test” for a well-known trade mark (Gucci).

News & Image source: IP Kitten, 27 October 2021 available [here](#).

5.3 Champagne: The Sparkle that always sizzles

Spanish Company “GB” uses the sign “Champanillo” alongside two sparkling champagne glasses to promote its brand. The *Comité Interprofessionnel du Vin de Champagne* (CIVC) had earlier filed two successful oppositions against the Champanillo trade mark in 2011 and 2015, on grounds that Champagne is a Protected Designation of Origin (PDO), and that “Champanillo” infringes this PDO. CIVC initiated proceedings against GB. The matter reached by way of appeal before the *Audencia Provincial de Barcelona* (Provincial Court) that decided to stay its proceedings and request the CJEU for an interpretation of the Regulation 1308/2013 dealing with protection of products covered by a PDO.



In its opinion, the CJEU held that the Regulation 1308/2013 offers a wide-protection and extends to both goods as well as to services. In other words, all the potential uses that may benefit from the reputation of a product covered by the PDO are covered. Further, it does not seem that such a protection be limited to cases “where the products covered by the PD and the products or services for which the disputed sign is used are *comparable or similar*”. Moreover, there is no indication in the Regulation that protection “extends to cases where the sign refers to products or services which are different from those covered by the PDO”. On the issue of “evocation”, the “decisive criterion” is the image formed in the mind of the consumer on seeing the disputed name. In other words, the question is whether the consumer conjures a “sufficiently clear and direct link between that name and the PDO”. Moreover, there could be instances of both unfair competition and an infringement of the PDO, even though the presence of the former was not a pre-requisite for a finding of infringement.

News & Image Source: BrandWrites, 11 October 2021, available [here](#).

6. Events

6.1 IP Talks (Again!)



The first edition of the IP Talks for the academic year 2021-2022 took place in a hybrid mode. Alexandra Mărginean presented the recent case of [trade mark protection for the red sole of Christian Louboutin's famous high heels](#). As it is a colour mark positioned at the sole of high heels, it cannot be considered a shape mark, that could then fall under the grounds of refusal.

There were over 10 student participants at the Talk. The students discussed whether this type of protection could also apply to other brands in the fashion industry. They also critically evaluated whether the judgment would be the same under the new EU trade mark rules and whether the scope of protection for the red sole could also extend to other colour soles. Will you like to present at or participate in the next IP Talks?

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