Introduction: Intellectual property, unfairness and speech – convergences and development

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Intellectual property has elastic boundaries. The boundaries define the private and the public but at the same time, a boundary of regulation preserves the integrity of a system of regulation where identical rules apply to subject matter sharing similar characteristics. Throughout the history of intellectual property, various new types of subject matter have come to be included as objects of intellectual property protection, and similarly diverse patterns of use have emerged. The current intellectual property system extends protection to innovative ideas, creative works as well as signs, shapes, words, information, data, persona and images which may be subject to claims of property. Additionally, at the boundaries of intellectual property, similar interests and values arising out of conducts or objects have become increasingly regulated and protected as rights under the rubric of related regulations. As a result, more and more efforts and values are being claimed as objects of ownership. Such claims are not merely the domain of intellectual property rights, as written in statutory law. Courts in many jurisdictions seem prepared to afford some degree of proprietary protection by employing conduct-based norms or principles of equity.

Intellectual property looks to the nature of the subject matter i.e. original work, invention, signs, and sees if it is possible to categorize emerging subject matters, such as celebrity images, into existing regimes. A conduct based regulation, in contrast would look at whether the conduct such as using a celebrity image and likeness in the advertising should be sanctioned. In between, there may be a contract of confidence which prohibits the disclosure of personal information concerning celebrity. In some cases where there were legislative changes to allow new subject matters to be protected, the expansion seems real. In others, the

courts may extend or add new causes of actions[1] or acknowledge certain conduct as tort. When a contract based claim is given a property-like effect against the third parties, or a new conduct regulation gets enacted despite the presence of similar or overlapping protection of intellectual property, their impact on the robustness of the public domain have to be also considered.[2]

As new regimes of regulations emerge, the question of how existing intellectual property regimes inform and influence the judicial and legislative creation of "substitute" intellectual property rights must be explored. As property relations and conduct regulations are implemented in different paths, demands for protection for new types of subject matters or new uses lead to academic debates on the boundaries of intellectual property.[3] For traditional subject matters of intellectual property relations such as inventions and creative works, the boundaries of property and conduct may be relatively clearer. In contrast to these, for subject matters which are either at the boundary of intellectual property whose protection as part of the intellectual property right is contested or denied, the boundary of property and conduct may seem even irrelevant. Additionally, when different systems protect the same or similar conducts or objects, the natural course of debate is how these systems interoperate and if there is any synergistic benefit or inefficiency, resulting from duplicative regulation.

Should all investments in anything intangible and "intellectual" – such as product shapes, personality, data and organization of an event – be protected as property? Should there be qualitative differences among the types of investments and achievements and the means of regulation? If so, what should be the standards in regulating these qualitatively different subject matters? These are some of the questions which led to the XIth European Intellectual Property Institutes Network (EIPIN) conferences, held in London and in Munich (2010). The speakers and discussants explored the challenges faced by these disparate systems of regulation, and emerging claims for values resulting from private investments. The conferences explored the very challenges of having property and conduct

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[1] See Westkamp, G., 'Personality rights, unfair competition and extended causes of action,' chapter 3 of this book

[2] See Gibault, L. and P.B. Hugenholtz (2006), *The Future of the Public Domain: Identifying the Commons in Information Law*, Kluwer Law International.

[3] See Dreyfuss R.C., H. First and D.L. Zimmerman (eds) (2010), *Working within the Boundaries of Intellectual Property*, Oxford University Press; compare, Dreyfuss, R.C., D.L. Zimmerman and H. First (eds) (2001), *Expanding the Boundaries of Intellectual Property*, Oxford University Press.

based regulation through discussing convergence and development in intellectual property, unfair competition and publicity in Europe and beyond. Contributors to this book explore the results at the interface of intellectual property and more conduct-specific regulations surrounding what are considered non-traditional subject matters such as personal information, celebrity images and information, product configurations and shapes, sports event organization, keywords for advertisements and other achievements which require investments and efforts. The London meeting concerned personality rights, understood broadly and the presentations ranged from protection regimes under human rights law to specific intellectual property rights, and covered such aspects as protection by unfair competition, trade mark, confidentiality, publicity and specific image or name rights on a comparative basis. In Munich, the discussion continued on the rights and protections of commercially valuable images, information, data against unfair business practices and imitation, in the absence of, or in addition to intellectual property rights, in both civil law and common law jurisdictions, globally.

This book has four parts. Part I includes contributions from three authors, each mapping the challenges of regulating confusion, misappropriation and confidence, with intellectual property, unfair competition and *sui generis*. The authors commonly explore whether these apparently disparate systems of regulation inefficiently overlap. First *Kur* provides a convincing framework for discussion through a review of the subject matters and the objects of protection at the interface of unfair competition, trade mark and privacy laws in the European context. She explores regulatory alternatives of unfair competition, intellectual property or a sui generis approach and observes a general tendency of unfair competition to law serve as an "incubator" for a new breed of IP rights. On system interfaces, rejecting mutual exclusivity or intellectual property superiority, she advocates "a middle of the road approach" i.e where the protection under the unfair competition law is sought for achievements that are not or no longer protected by intellectual property, the unfairness of imitation has to be coordinated with the elements of intellectual property based on case-specific analysis. Cautioning against large scale solidification of rights as up-scaling is more of a prevailing tendency in the development of intellectual property, and calling for a gradual distinction, she concludes by calling to discard the rigid object versus conduct formula as theoretical concept as it may prevent a more concrete analysis. *Ohly* carries the theme of system interfaces and overlaps further and identifies the core organizing concepts of regulations as those of confusion and misappropriation, and reviews overlapping regulations and doctrines in European trade mark and unfair competition laws. He first

presents a picture of divergent laws of trade mark and unfair competition in Europe in flux. Against this *panta rhei*, he reviews emerging European unfair competition or unfair trading law[4] in three particular areas in comparison to trade mark law – in misleading practices and trade mark confusion, comparative advertising and keyword advertising. He found the ECJ tests for judging misleading practices under unfair competition law and confusion under trade mark law, indeed, confusing and overlapping, and concludes that a surprisingly high level of protection of misappropriation per se in Europe was established. Similarly, he found under the current European law, while keyword advertising which is not confusing may not infringe trade mark in Europe, it nonetheless may not escape the liability for unfair competition.[5] The third chapter examines non-intellectual property based protection of confidence or other commercially valuable images and data. It questions whether extension causes these protections to be raised to the level of property protection in terms of third party effect. *Westkamp* illustrates – using the example of exclusive licensing agreements between a celebrity and an exploiter – that even within common law countries, approaches may diverge on the concept of breach of commercial confidence as extended causes of action, with examples from the UK, Germany and the US.

Part II turns to specific aspects of personality rights, examining the situation in the UK, the US and Germany specifically from the perspective of commercial appropriations of personality. From the three contributions by *Maniatis*, *Rinkerman* and *Schmitt* it can be observed that – despite entirely divergent "starting points" and doctrinal differences, at least in some cases – acts of appropriation of persona are treated in an effectively similar manner. The chapters also show, however, that the initially opposing categorization of personality rights as commercial assets may lead to divergent results as far as the use of broader causes of action is concerned. Hence, the three chapters discuss the diverging regimes that exist in these jurisdictions, such as the US publicity right as

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[4] Directive 2006/114/EC of the European Parliament and of the Council of 12 December 2006 concerning misleading and comparative advertising, OJ L 376 of 27 December 2006, p 21 (Misleading and Comparative Advertising Directive – MCAD) and Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market, OJ L 149 of 11 June 2005 (Unfair Commercial Practices Directive – UCPD)

[5] See for detailed discussion, Van der Laan, N., 'The use of trade marks in keyword advertising: Developments in CJEU and national jurisprudence', Chapter 10 of this book.

an intellectual right, the extent of the UK passing off action and the specific rights in one's name or image, and the related protection under general tort as exists in Germany.

Part III documents broader converging trends in law where investments generating value call for the protection in the form of right. The four chapters explore achievements that may not meet the standards of protection in intellectual property rights but nonetheless require investments. Investment protection exemplifies clearly a challenge. If a general investment into anything were to give rise to any justified claims for a property or quasi property right to capture the values generated by the outcome, the development of intellectual property truly would follow the principle of "If value, then right" thesis.[6] Should the law protect investment per se and the claims to capture values to the person who invests in any intangible subject matters and if so, which law? If we focus on the property and conduct dichotomy, some of these, such as product shapes and configuration or database, may be approached so as to consider whether the investment on these objects may qualify the person who invested in the achievement to give rise to property claims. Likewise, values arising out of the use of product shapes and databases may be also regulated strictly through regulating the conducts of misappropriation and imitation, without regard to the inherent quality of the objects. Product configuration and shapes, or other smells or images creating an association of consumers with specific products or sporting events, references using protected words and data on consumption pattern all require private investment to develop. Together the chapters in Part III show that in certain instances, the investment in data, product configurations and shapes, images and words are sufficient to generate claims for rights to control the data, product configuration and shapes and words. Thus, *Ericsson* analyses the degree of protection attributed to the investment in sports events, financed by advertising and sponsorship revenues. Although events themselves are valuable, the participating public in a public mega event such as the Olympic Games also contributes to the value of the event itself. At the same time, signs used in the events are a way to communicate and relate with each other for the public. In contrast, events are costly to produce and private investments in the events are invited in the form of sponsorship. In the EIPIN conference in Munich, the topic was approached from two angles – one

[6] Dreyfuss, R. (1990) 'Expressive Genericity: Trademarks as Language in the Pepsi Generation', 65 Notre Dame L. Rev. 397, p 405.

concerning the legality of fan collected images of a sport event[7] and so-called "ambush marketing" by non-sponsors using signs and marks in a manner that calls to mind and associates products and goods with a particular event.[8] *Ericsson* explores this second aspect where a claim for new right based on investment in competition is forwarded by sport event organizers on behalf of their sponsors. The right over the signs and symbols of an event organizer is classically recognized under trade mark or unfair competition law. *Ericsson* documents and questions the justifiability of various special legislations enacted globally, as a means to introduce a new form of an association right which goes beyond the protection of the signs or trade mark related to the event itself. *Aplin* then discusses in detail the use of the action for breach of confidence as a means to protect privacy interests, showing in fact that action may be utilized to protect investments in information per se. *Tamura* continues the topic of broad investment protection notions by turning to Japanese law. If a conduct regulation is taken to protect investment, the regulators still need to decide on the threshold of protection. If imitation were to be prohibited from investment, should there be a consideration on how difficult or easily the imitation can be made? In comparison to European examples, *Tamura* provides a legislative example of Japan where a slavish imitation clause in unfair competition law was legislated strictly as a conduct based regulation. He showed that a test devised to regulate this particular conduct of unfair competition of imitating product configuration under the general tort of the Civil Code was unsatisfactory and this has led to the legislation of a clause under an unfair competition prevention act against slavish imitation. In civil law countries, a creation of a new, albeit weak form of right through legislation has faced doctrinal problems of defining fairness, commercial conducts, similarities, confusions as well as users and markets. *Tamura* argues that Japanese law attempted to solve this problem by introducing a conduct specific regulation which requires only the fact of slavish imitation (i.e. identity or near identity of the products) without looking into the inherent quality of the object itself. He argues that by explicitly avoiding qualitative review, only the unfairness of the conduct itself could be regulated and prevented, thereby avoiding overlap with intellectual property protection. The chapter following this focuses more on the specific investments

[7] Dr. T. Ehmann of Jusmeum (http://www.jusmeum.de/) 'Creative Uses in New Media and Unfair Competition Law – The Case of hartplatzhelden.de'. EIPIN XIth Munich, 2010.

[8] G. Schneider of OHIM, 'Enforcing Rights against Unfair Competition in Light of Ambush Marketing'. EIPIN XIth Munich, 2010.

made for advertising and the commercial values generated for advertising. *Van der Laan* explores investment into a particular new form of using words and signs. As pointed out by *Ohly,* the use of a word mark as a keyword used by a search engine creates an interesting dilemma to trade mark and unfair competition law. *Van der Laan* surveys the current status of law in Europe concerning keyword advertising and how the standard under the trade mark law (i.e. trade mark use) and unfairness consideration play into determining the legality of keyword advertising using trade marks. She notes that while a trade mark law based solution would lead to a more harmonized approach, there is a danger of extending trade mark protection to conducts that are traditionally seen to be outside the scope of trade mark uses. In contrast, unfair competition which may lead to a more coherent and nuanced solution would result in divergence as the law is not harmonized.

Part IV changes the perspective to public domain concerns arisng out of increased protection. *Griffiths* explores the manifold problems that have arisen in UK copyright law concerning the possibility of broader and external exceptions or defences to copyright infringement. *Lee* tackles the meaning of the public domain at the junction of property and conduct based regulations and investment protection in general. Robustness of the public domain is without question a necessary condition for creation and innovation. For commercial speeches, signs and information, the public domain functions as a device to allow certain usages without permission. The public domain also functions as a limiting sphere for the over-expansive protection based privacy claim. As the various chapters have successfully demonstrated, at the interface of intellectual property, unfair competition and publicity claims, the signs, words, images and information that are left available may seem to be shrinking. The chapter calls for a restoration of a sense of balance among the various regulations and legislation. *Quaedvlieg,* finally, discusses the scope of image rights from a civil law perspective, clearly showing that the approaches on how such rights can be meaningfully balanced with conflicting interests – such as the freedom of the media – can differ significantly.