

Question Q194

National Group: France

Title: **The Impact of Co-Ownership of Intellectual Property Rights on their Exploitation**

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INTRODUCTION

First the group reminds, in the following of its previous report on this question, that the different intellectual property rights are treated differently under French law according to their nature:

Enforceable texts:

The regime of co-ownership on intellectual property rights is not harmonised, as two distinct regimes coexist.

General regime: Pursuant to French law, a good belonging to two or more persons is hold in co-ownership. The co-ownership legal system is set out by articles 815 and following of the civil Code. This system applies to all intellectual property rights except for patents and assimilated rights.

Specific regime: The intellectual property Code sets out a specific legal regime regarding the co-ownership of patents and assimilated rights in articles L. 613-29 and following, article L. 613-30 explicitly excluding the common law co-ownership regime.

The freedom to contract principle

If, according to the nature of the intellectual property right, two distinct legal regimes exist under French law, nevertheless, these two legal regimes are always auxiliaries: they are due to apply only if the parties have not conventionally organised their co-ownership relation or if their convention is incomplete.

Article L. 613-32 of the intellectual property Code states that the parties can derogate from the legal regime of article L. 613-29 of the said code at any time.

Articles 1873-1 and following of the civil Code provide that the co-owners can organise their relations conventionally.

QUESTIONS

- 1 ***The regulation of co-ownership may depend on the origin of the co-ownership.***

It may be considered that, in case the object of an intellectual property right (aesthetical, technical or commercial) is jointly created by two or more persons, the rules applicable to such a situation may be different from those applicable to the situation where a co-ownership results from the division of a same right between different people as the consequence, for example, of heritage or a division of a company.

Also, there may be situations where the co-ownership is in reality imposed by a party to the other such as in cases of a technical creation (for example where improvements or modifications of prior creations do not succeed in independent rights).

Therefore, the groups are invited to indicate whether, under their national law, the rules relating to co-owned intellectual property rights make any distinction where the origin of the co-ownership of the rights is not voluntary or where it results from other situations, including the division of a right in the case of an inheritance.

In this context, the Groups may also indicate whether any legal definitions of co-owned intellectual property rights have been adopted in their country and, if so, specify what the definitions are.

In general, the French intellectual property Code (IPC) does not distinguish according to the origin of the co-ownership to determine the regime. However, an analysis of the law can lead to suggest such a distinction. Therefore, the French group considers it is useful to distinguish the “original co-owners” (by common creation) from the “successor co-owners”.

The intellectual property Code does not provide any legal definition of co-owned intellectual property rights.

- 1.1 **The “original” co-owners (generally voluntaries)**

- 1.1.1 ***Pursuant to industrial property right***

Where a right is created by filing, the initial co-ownership supposes the existence of a filing made in common.

In the absence of a contribution to the filing, there may be however, *de facto*, a common invention or a common creation for example of a trademark or of a design and a subsequent action for recovery of a co-owned share which re-establishes the situation in what it should have been originally thanks to the action of those who were simply deprived of their “original” rights on part of an intellectual property right (Design, Trademarks, Patents and assimilated rights, semiconductor product): case law admits indeed the right to exercise an action for recovery of a co-ownership.

Regarding the rights which exist without any filing formality (non registered community industrial designs), they should, *a priori*, belong to the original co-owners if the latter have proceeded, in common, to the first disclosure of the industrial design.

1.1.2 ***Pursuant to intellectual property right***

Pursuant to *droit d'auteur*, only the physical persons who contributed to the creation of a “collaborative work”, i.e. a work created in common by at least two authors, may be the original co-authors of a work of the mind.

The original co-ownership of intellectual property related rights between phonogram producers, videogram producers, or audiovisual communication entities is also possible, as it may also be between performers. Thus they enjoy a co-ownership of the related rights.

1.2 **“Successor” co-owners**

IP rights may be transmitted and/or divided by or between different co-owners by means of a contract, by inheritance, by dissolution or by the execution of an executive measure.

1.2.1 ***Division of an IP right by inheritance***

In practice, it is mainly the literal and artistic creations which are mostly subject to the devolution of a succession. Industrial creations are indeed frequently the property of legal corporate bodies who exploit them during all the duration of the monopoly or until their dissolution.

Droit d'auteur:

The intellectual property Code only provides specific provisions concerning the transmission of property by inheritance under droit d'auteur matters.

Articles L. 123-2 and following of this code detail, within a special order of devolution, the vocation of the moral and economic rights of the deceased author. The general idea of this derogatory regime is to give the deceased a greater liberty in the transmission of his artistic patrimony, in particular regarding the right to disclose his works.

Patents and assimilated rights:

The patents and assimilated rights are submitted to the public policy rules of inheritance set out in the civil Code, which usually establish a co-ownership between heirs or between heirs and legatees. But, in accordance with article L. 613-30 of the IPC, **the co-ownership regime is explicitly excluded for the patents and assimilated rights. Thus, whenever the co-ownership of a patent results from a post mortem transference, it shall follow the specific regime of the co-ownership of the patents and related rights.**

Other IP rights:

The other IP rights are submitted to the public policy rules of devolution set out in the civil Code which usually establish a co-ownership between heirs or between heirs and legatees.

1.2.2 **Division of an IP right by dissolution of a joint estate or of an entity:**

Dissolution of a joint estate:

In theory, the dissolution of a joint estate can generate a situation of co-ownership, eventually enforceable on IP rights.

However, it must be underlined that pursuant to droit d'auteur, article L. 121-9 of the IPC states that *“Whatever matrimonial property regime and under the penalty of nullity of any clause to the contrary contained in a marriage contract, the right to disclose a work, to lay down the conditions for exploiting it and for defending its integrity shall remain vested in the spouse who is the author or in the spouse to whom such rights have been transmitted. This right may not be brought in dowry nor acquired as community property nor subsequently acquired as community property”*.

The droit d'auteur rights forming separate properties, the co-ownership of such rights may not have for origin the dissolution of a joint estate.

Dissolution of an entity:

The dissolution of an entity usually leads to a share of the assets between the ex-associates. However, the dissolution may generate in a situation of co-ownership, as it is stated in article 1844-9 of the civil Code according to which *“All members, or some of them only, may also remain in undivided ownership of all or part of the property of the firm. Their relationships as to that property shall be then regulated, at the close of the liquidation, by the provisions relating to undivided ownership”*.

The industrial creations within the assets of a company may thus be subject to a co-ownership after its dissolution.

Such is not the case for works of the mind which, due to the existence of the author's moral right prerogatives, cannot be subject to a real contribution of property to a company.

1.2.3 **The transmission and/or division of an IP right by the exercise of an executive measure**

The IP rights, intangible rights of movable nature, may be subject to executive measures either individually, or in relation to other elements of business assets and premises (see point 5.3 of the first French Group report regarding question Q194).

- Patents and related rights: due to the independence between the co-owners, the seizure of a property share is possible;
- Trademarks: the seizure follows the common law rules of proceedings for enforcement (auction statement will establish the transfer and will be subject to a publication in the national trademark register);

- Droit d'auteur: moral rights are inalienable. Furthermore, the profits which are entitled to remunerate the authors/co-authors are not liable for seizure pursuant to article L. 121-1 of the IPC.

1.3 Influence of the origin of the co-ownership on its regime

Under industrial property law, the intellectual property Code does not reserve to the "original" co-owners more rights than to the "successor" co-owners.

The fact, for example, of not proceeding in common to the filing of a trademark does not reduce the perimeter of the rights of the one who has acquired, subsequently, a share of the property of the trademark compared to the rights of the one who owned them since the origin. Equally, the original co-owner of a share of a patent, by mention of his name as a co-depositor, does not have more rights than the one who becomes, afterwards, owner of a share of the same right.

On the contrary, under droit d'auteur, only the original co-owners of a collaborative work enjoy a full exercise of the moral rights on their work, given that it is impossible to alienate moral rights (article L. 121-1 of the IPC) and that the moral rights' prerogatives diminish with the devolution of the succession. Besides, only the original co-owners of a collaborative work may benefit from the regime of these types of work, notably concerning the period of protection granted by the droit d'auteur (article L. 123-2 of the IPC).

Therefore, there is a fundamental difference between original and successor co-owners of a work of the mind however, less than a distrust towards the co-owners, the difference seems to recover the general protection rule of the creators who innervate all the French droit d'auteur.

1.4 The particular case of the forced co-ownership due to the improvement or the modification of a prior creation

There may be situations whereby a creator modifies or improves a prior creation without the consent of the initial creator.

Under droit d'auteur, the author of a first work incorporated in a second work is not legally a "co-owner" of the composite work created by the author who used his work, unless he also participated in the creation of the second work. This being said, the author of the composite work must exercise his rights "subject to the author of the pre-existing work", so that in practice, the author of the first work and the author of the second work have competitive rights on the composite work.

Regarding "technical" creations, such as a software, such dependence of the later work towards a prior work is common. It occurs when the author of a software source code assigns a licence with a right of modification by third parties. In such cases, the third party will either add supplements or bring modifications to the original software. In the first case, it is possible to divide the properties in subgroups likely to fill each separate technical function. In the second case, such division is not possible. **The property of the original software author is progressively "colonised" by the rights of the second author on his own creations.**

In this case, it is often anticipated, when a contract regulates the relations between the parties, that within a certain time the second author will be free to use the composite software without any prerogatives towards the first author, subject to the respect of his moral rights (in particular his paternity right). The rationality of this share is that the obsolescence of software goods being fast, after 3, 5 or 10 years according to the case, the imprint of the first author will be dissolved in the work of the second author. We could eventually contractually fix the starting point of this dissolution leading to the disappearance of all patrimonial rights of the first author where a certain threshold percentage of the number of lines of the software code has been exceeded.

The code does not provide any auxiliary legal provision on this type of situation.

Under industrial property right (patents and assimilated rights), the accomplishment of an improvement or a modification of a prior creation may create a situation of dependence. However, there are no cases of co-ownership, only the necessity for the owner of a junior patent to depend upon the licence of a senior patent if he wants to exploit his own patent.

2 *An active debate, during the ExCo of Singapore, took place with regard to the notion of exploitation of an IP right.*

More specifically, the groups were highly divided on the issue of outsourcing or sub-contracting the exploitation of an IP right.

This question, of great importance concerning patents, is related to the problem of subcontracting when the co-owner of a patent, who, generally, and at least in accordance with the position expressed by the AIPPI in its 2007 Singapore resolution, has the personal right to exploit his own part of the patent, in particular by manufacturing and selling the goods or processes covered by the patent, must subcontract partially or totally the manufacturing of the good covered by the patent.

The ExCO of Singapore in 2007 reached no common position regarding whether the right to exploit a patent should also cover the right to subcontract, especially the manufacturing of all or part of the invention, subject matter of the patent.

Thus, the groups are invited to present the solutions offered by their national legislation on this specific point.

The European Commission has, in its communication dated 18th December 1978 (OJEC No C1 of the 3rd January 1979) defined the subcontracting agreements as “a contract, resulting or not from a third party order, by which an entity, the contractor, enforces, following his directives, another entity, the subcontractor, to manufacture the goods, provide services or execute the works which are intended to be delivered to the contractor or executed for his own account”.

For the analysis, the question asked can usefully be compared to the provisions characterising a supply of counterfeiting means (L. 613-4): absence of consent of a patent owner and supply to a person non-authorised to exploit.

By analogy, subcontracting should not be considered as counterfeiting the co-owned IP rights as:

- It is made with the consent of the co-owner holder, contractor,
- At the same time the goods resulting from this subcontracting/the subcontract are delivered to a person authorised to exploit (the contractor co-owner of the right).

This subcontracting, which confers no autonomy to the subcontractor regarding the exploitation of the right, does not require the licensing of the exploitation of the patent.

3 *The working guidelines established for the ExCo of Singapore also contained the question related to the possibility for the co-owner of an IP right to license his right to a third party.*

No distinction however was made, in this context, between a non-exclusive and an exclusive licence.

Likewise, no differentiation was made regarding the number of licences which could be given by a co-owner in a case where the non-exclusive licence would be permitted by the national law.

And if the AIPPI has adopted a resolution on the conditions of granting a licence, it also appeared during the debates at the ExCo that different or more precise solutions could have been obtained had the Working Commission established a distinction according to the nature of the licence.

Thus, and in order to improve the work of the ExCo, the groups are invited to specify how the differences in the nature of the licences (non-exclusive or exclusive) have an impact on the solutions of their national laws regarding the licensing of an IP right by the co-owner.

The French Group invites to refer to point 4 of its previous report stating the conditions whereby a licence may be granted by a co-owner whether the licence is exclusive or not.

For your information, point 4 of the previous report is reproduced hereunder:

“The question to be asked is that of the qualification of the assignment of a licence: administration or disposal act?”

This question is all the more important since, following the adoption of the law of 23 June 2006, French law has established a distinction between these two types of acts. Indeed, until the adoption of this law, unanimity was required for all acts whether they were of disposal or administration. Yet, pursuant to the provisions introduced by the law of 23 June 2006, an act of administration can be made with

the majority of at least two-third of the co-ownership, whereas the acts of disposal require the consent of all the co-owners.

Consequently,

- *If granting a licence is an act of administration, the consent of at least 2/3 of the co-ownership will be required,*
- *If granting a licence is an act of disposal, unanimity will be required.*

The French Group considers that granting an exclusive licence, leading to the impossibility for the other co-owners to exploit the right, must be qualified as an act of disposal, requiring therefore the consent of all the co-owners.”

4 One of the most difficult questions which appeared during the discussion at the ExCo of Singapore concerned the possibility to transfer or assign a co-owned share of an IP right.

However, the problem seemed so complicated that the Working Commission finally decided to withdraw its resolution proposition on this point.

In reality the debates showed that the solutions concerning the right to transfer or assign could differ due to the very big variety of situations related to the transfer of co-owned share.

In particular, one could imagine that the transfer is operated on the whole share of the co-owned IP right, but also that it may only consist in the assignment of part of a co-owned share, therefore creating an additional co-owner of an IP right.

And such a transfer of part of a share of an IP right could be used to overcome the limitation which could exist on the granting of licences by the co-owners.

The Groups are therefore invited to precise their position on the question of the transfer or the assignment of a share of a co-owned IP right, taking in consideration the different situations which may occur (the transfer of the whole share of a co-owned IP right or the transfer of only part of the share of a co-owned IP right).

At the time of the previous report, the French Group had dealt with the question of the voluntary assignment of a co-owned share (cf. point 5.1 of the previous report reproduced hereunder in point 4.1)

The French Group revealed by studying the reports of the other national groups, that in Canada, regarding patent matters, a co-owner may transfer the totality of his share without obtaining a previous authorisation by the other co-owners, but that the transfer of a only part of a patent share supposes, subject to penalty, the authorisation of the other co-owners. Indeed, this transfer leads to the dilution of the patent's rights.

4.1 The assignment of a share

Article 815-14 of the Civil Code provides for a strict regime for the assignment of a share.

The coparcener is required to notify by an extra-judiciary act to the other coparceners the price and the conditions of the projected assignment as well as the name, the registered address and profession of the person who offers to acquire the right.

All coparceners have then a month to tell the grantor, by an extra-judiciary act, whether or not they wish to exercise their right of pre-emption at the price and conditions that were notified.

In case of pre-emption, the person who exercises it has two months following the date of despatch of his response to the seller to realise a bill of sale.

Past this delay, the pre-emption declaration is automatically void, fifteen days after the formal notice stayed without effect (without prejudice of damages which could be solicited by the seller).

If several coparceners exercise their pre-emption right, they are reputed, subject to a contrary convention, to have acquired the whole portion put on sell proportionally to their respective share in the undivided property.

Article 815-14 states that all assignment or all sale by auction of a property held in co ownership is void if made in contempt of the provisions aforementioned.

However, the question of the assignment of part of a co-owned share had not been foreseen and therefore is subject to the following development. (4.2)

4.2 The assignment of part of a co-owned share

4.2.1 Trademarks, Designs, Software and Databases (beyond droit d'auteur)

Article 815-14 of the Civil Code regulates the assignment of "*all or part of the undivided property*".

Consequently, the assignment of part of a share follows the same regime as the assignment of a whole share.

4.2.2 Patents and assimilated rights

The intellectual property Code does not consider specifically the question of the assignment of part of a patent share.

In the absence of specific provisions, in accordance with the general rule according to which '*there is no need to distinguish where the law does not distinguish*', it seems that the assignment of part of a patent share follows the same regime as the assignment of a whole share.

4.2.3 Droit d'auteur

No text foresees the specific question relating to the assignment of part of a share of a droit d'auteur.

Once more, the assignment regime of a whole share must apply.

- 5 ***The exercise of an IP right held in co-ownership by two or more co-owners, each of whom has, as a rule, the right to exploit his right of co-ownership, can also raise difficulties regarding competition rules.***

Co-owned IP rights can confer to the co-owners a dominant position on the market and their agreement relating to their co-owned IP rights (when for example it prohibits conceding licences) may also be considered as eliminating competitors from the market.

The groups are therefore invited to explain if their national law had to treat such situations and explain which solutions were adopted in such cases.

French Substantive law is not really developed in this domain, the doctrine is very little advanced and case law is non existent.

It is mainly in community law and in the frame of the provisions relating to “the improvements and agreements on research and development in common” that the case of co-ownership has been dealt with.

The French Group, in order to determine the guidelines enforceable to the co-ownership agreements in its relation with competition law, recommends extending the scope of the rules established in presence of a unique IP right owner. This extension should however take into account the specificities relating to the co-owned intellectual property rights.

The rules referred to by the French Group were elaborated for the most by community case law and applied subsequently by national courts.

- 5.1 **May a co-ownership consent be qualified as an “agreement” within the meaning of article 81 of the treaty?**

When several entities decide to resort to a common exploitation, via a co-ownership agreement, of intellectual property rights, they expose themselves to the rule prohibiting cartels if their agreements prevent the exercise of free competition by other entities, especially when these agreements prevent the exploitation of the patents by other entities (by refusing for example to grant licences to third parties for the exploitation of the intellectual property in question). The restrictions to competition imposed by the execution of a co-ownership agreement must therefore be indispensable to reach the objectives set out in article 81§3.

Notably, the Commission could impose particular restrictions to limit the effects of co-ownerships on competition. The French Group had knowledge of a case where a co-ownership was created on a patent portfolio by “succession”, two companies each having retrieved part of the assets of the original owner and agreed on having a co-ownership of the portfolio which was useful for both “successors”, thus becoming co-owners:

The European Commission analysed this case and accepted this situation **but imposed on the successive co-owners extremely strict conditions regarding**

the management of the co-owned a portfolio as well as its exploitation, in particular compelling the absence of exchanges between the co-owners, imposing on them intermediaries hold by the secret as well as the designation of a mandatory bold to assign licences for these patents to third parties.

Regarding the legal co-ownership, i.e. not organised by a co-ownership agreement, no agreement in the meaning of the article aforementioned seems to be required, even though the French Group questions itself on the possible existence of situations where a legal co-ownership would constitute a cartel within the meaning of article 81 aforementioned.

5.2 The exemption cases of article 81 and the execution of the co-ownership agreements

General rule

Restrictions to competition resulting from the execution of a co-ownership agreement must be indispensable and therefore fulfil the four cumulative conditions imposed by article 81§3, to benefit of exemption, that is to say:

- Efficiency gains,
- Contribution of a fair part of the profits to the consumers,
- Indispensable character of the exemptions,
- No elimination of the competition.

Applicability of the exemption Regulations to the co-ownership agreements

5.2.1 *Exemption Regulation n°772/2004 of 7 April 2004 on the application of article 81§3 of the Treaty to categories of technology transfer agreements*

According to the definition provided by the Regulation itself, are considered as technology transfer agreements assignments of patents, know-how, software copyright and a combination thereof, where part of the risk associated with the exploitation of the technology remains with the assignor.

The assignment of one of the cited rights may in practice be limited to the assignment of a share of this right, leading to the establishment of a co-ownership. The text of the Treaty having not excluded *a priori* the co-ownership from the definition, the French Group considers that the exemption Regulation n°772/2004 may apply to a co-ownership convention, notwithstanding it fulfilled the cumulative conditions aforementioned.

The scope of the Regulation is however limited as it only applies to agreements consented between two parties (two co-owners maximum).

Beyond the market-share threshold to be respected (article 3), the exemption will be granted under the condition that the concerned agreements do not contain certain restrictions with important anticompetitive effects. In this respect, the regulation lists a certain number of characterised restrictions (article 4 and 5) for which nothing indicates that they are not enforceable to co-ownership agreements.

5.2.2 The exemption Regulation n°2659/2000 of 29 November 2000 on the application of article 81§3 of the Treaty to categories of research and development agreements

Frequently co-ownership agreements are consented in order to enable the common exploitation of the solutions resulting from a previous research accomplished by the parties: *"it is mainly within the framework of the provisions relating to the improvements and the agreements on research and development in common that the co-ownership has been dealt with"*.

The European Commission admitted that no community provision is opposed to the constitution of co-owned intellectual property rights achieved in common. The Commission would have notably granted the exemption solicited to a research and development agreement providing the filling of "common patents" resulting from works, without expressing any *"reserves against the expression of co-ownership"*.

In order to benefit from the regulation provisions aforementioned, the co-ownership agreement must fulfil the following conditions:

- Accessibility of the solutions resulting from the works to all the parties;
- Exploitation of the solutions by all the parties;
- Exploitation of the solutions protected by intellectual property rights or constituting a know-how determinant for the manufacturing or the use of the final products;
- Manufacturing and delivery by the entity charged with the manufacturing and the delivery to all the parties to the agreement.

5.3 Exercise of co-owned intellectual property rights and abuse of dominant position (article 82)

The Competition Council (Conseil de la concurrence) considers that "even in a situation of dominant position, the simple fact for a company to file patents and to defend the rights which result from it is not excessive ". However, "the exercise of a right would not be tolerated by competition law since it would constitute an excessive exploitation of the dominant position resulting from its holding ".

This remark seems all the more important as the co-ownership agreements can be factors of emergency situations where companies in co-ownership would be in a dominant position. This could be for example the case if two or several main companies on a definite market came to conclude such an agreement. Similarly, when one of the co-owners transfers his share or abandons it to the other co-owners: the latter could then be in a dominant position on the said market.

Even though the national and community courts did not express themselves specifically on cases of co-owned intellectual property rights, the French Group considers that there is, a priori, no obstacle to expand to these cases the solutions brought out within the framework of a unique entitlement. However, this transposition could sometimes collide with the specificity of the execution of the co-ownership agreements.

5.3.1 *The legitimate character of the refusal to grant an exploitation license within the framework of a co-ownership agreement.*

According to the Court of Justice, the fact of reserving to the holder of an IP right the profit of its exploitation, by refusing to grant a license, emerges from the substance of intellectual property right and would not constitute in itself an abuse of dominant position. The Court of Justice indeed judged that " *the refusal, on behalf of the holder of an intellectual property right, even though it would be the fact of a company in a dominant position, would not constitute in itself an abuse of this one* ".

From then on, and legitimately, the holders of intellectual property rights held in co-ownership can refuse to grant exploitation licenses to third parties.

5.3.2 *The application of the essential facilities theory to co-ownership agreements*

In the hypothesis where the co-owners of an intellectual property right in a dominant position refuse to grant a license, these could (subject to certain conditions) see themselves opposed the theory of the essential facilities.

Because the Competition Council (*Conseil de la concurrence*) considered that there are " *no reasons, a priori, to contest that an intellectual property right can be considered as an essential facility* ".

According to the French Group, it is not justified to subtract co-ownership agreements from the scope of this case law.

- The obligation for a unique holder or for co-owners to grant a license is a strong outrage on their intellectual property right, this obligation must thus remain exceptional. Therefore, the national and community case law framed in a rigorous way the conditions in which this obligation can apply.

But, in the hypothesis where all the criteria would be gathered and only in this case, the dominant position of companies in co-ownership could, it seems, be considered as being abusive and contrary to article 82 of the EC Treaty.

6 *The groups are invited to investigate once more on the question of the applicable law which could be used to govern the co-ownership of various rights which coexist in various countries.*

This point was left aside for further study of paragraph 9 of the resolution adopted in Singapore.

And more specifically, the Groups are requested to indicate if their national laws accept that an IP right held in co-ownership, even in the absence of contractual agreement between the co-owners, may be ruled by the national law of the country which presents the closest connections with the IP right.

If that was the case, what will be, in the opinion of the groups, the elements to take into consideration to assess this connection?

the Groups of the European Union countries in this context are asked to indicate if they consider that the Council Regulation of 17 June 2008 (No 593/2008), also called " Rome I ", may be applied to co-ownership agreements.

The French Group in its previous report dealt with the question of the conflict of laws and had made reference to the draft of Rome 1 Regulation (cf. 9.1) which is partly reproduced, hereunder.

The courts rule that the exploitation of an intellectual property right can be governed by a foreign law: the co-ownership of an intellectual property right has an international character, provided that the parties are domiciliated in various States and/or that the co-ownership concerns intellectual property rights located or exploited in several States.

The determination of the applicable law will depend on the existence or not of a co-ownership contract.

6.1 In the absence of a contract

The legal system of the co-ownership of patent is established by article L.613-29 of the intellectual property Code whereas the legal system of the co-ownership of the other intellectual property rights is set by articles 815-1 and following of Civil Code.

First of all, as for the co-ownership of copyright, the applicable law is the one of the countries where the protection is claimed, so that there will be as many applicable laws as States in which the protection is asked.

For the other kinds of rights, both of the abovementioned legal systems have no vocation to govern the relations between the co-owners of intellectual property rights, filed under the priority of a French right: *" the co-ownership system governed by article L 613-29 of the intellectual property Code applies only to the French patents or to the French part of an European patent, and not to the foreign extensions "*.

As regards the co-ownership of community trademarks, article 16 of the EC Regulation 40/94 expounds that the applicable law is the one of the State where the first holder registered on the trademark register has his residence or his firm, provided that this last one is located within the Union, in the contrary according to the following co holders in accordance with their order of registration. In the hypothesis where none of the co holders is established within the Union, the law of the seat of the OHMI will be applied, namely the Spanish law.

Concerning community industrial designs, the same rule applies, according to article 27 of the EC Regulation 6/2002.

6.2 In presence of a co-ownership agreement

When applying the rule of the autonomy of the will, the parties can elect the law they wish to subject their contractual relation.

However, in the absence of designation of the applicable law, it is advisable to refer to the choice of law rule such as expressed by the Rome convention of 19 June 1980, which constitutes the French international private law independently of the nationality of the parties. It is interesting to note that the Council Regulation of 17 June 2008 (No 593/2008), also called " Rome I ", substituting itself within the European Union (with the exception of Denmark) to the Rome Convention, will come into effect on December 17th, 2009. Therefore, at the time of the drafting of the present report and during the conference of Buenos Aires, the Rome Convention will always be the unique instrument in force within the European Union. Furthermore, this Agreement shall remain enforceable concerning Denmark.

Article 4(1) of the Rome convention (and article 4 (2) of the EC Regulation No 593/2008) provides that the contract is governed by the law of the state which presents the closest connections or by the law of the state where the party who supplies the characteristic service has his usual residence, being observed that the criterion of priority fastening is the one of the "most narrow links".

Concerning assignment or license matters, it is considered that the link between several contracts which proceed of the foreign extension of an initial contract concluded within a purely national frame and subject to the local rule can constitute a hint.

However, determining the applicable law according to the place of the State where the characteristic service must be supplied seems to be more difficult to hold concerning co-ownership, because the contract contains obligations which are under the responsibility of the parties without it being possible to determine the characteristic service.

This is why the criterion of the closest connection must be hold.

7 Finally, the groups are also invited to present all other problems which appear as relevant towards the present question and which would have been discussed neither in the present working guidelines, nor in the previous ones for the ExCo of Singapore in 2007.

7.1 What is the fate of the co-ownership in case of a "vacancy" of a share?

The "vacancy" of an IP right share can be defined as the time during which a share has no owner. This situation can result either from the disappearance of a person who used to occupy this quality, or from the refusal of a person to occupy this quality.

If, for example, two companies register a trademark in common and one falls in compulsory liquidation, it is possible that the sentence closing the liquidation intervenes without attributing the property share of the trademark to a new owner. If the company, which stayed in bonis decides, after having lost interest in the trademark, to exploit it, one can wonder to what extent he has rights on this trademark.

Also, in the hypothesis where the co-owner of an IP right, a physical person, dies without any heir, without identified heir or without a heir accepting the succession, a share of the property of this right will be vacant.

Must be added to these hypothesis, that of the co-owner not giving any more sign of life, which is not a real case of vacancy (except if a declarative judgment of death has been pronounced - articles 89 and following of the civil Code) because the renunciation of an IP right cannot normally be presumed (see question 8 of the first report of the French Group on question Q194).

The vacancy of a share must be differentiated from its abandonment which is inevitably voluntary. In this respect, it does not seem possible to apply to the vacancy the special rules which the intellectual property code dedicates to the abandonment of a share of a co-owned patent, if for no other reason than just because no notification of the vacancy to the other co-owners is naturally possible.

The vacancy of a share can have serious consequences on the co-ownership. Indeed, let us recall, for example, that the renunciation to Patents and assimilated rights and to trademarks and drawings and models supposes the consent of all the co-owners, as well as the accomplishment of formalities of renewal of a trademark or of extension of a drawing and model (see question 8 of the first report of the French Group on the question Q194).

The intellectual property code and the rules of the civil Code on co-ownership do not evoke exactly the hypothesis of the vacancy of a share of property.

However, the intellectual property code contains measures relative to the vacancy or to the escheat (vacancy of a succession) of copyright or similar rights of copyright, which seem perfectly applicable to the hypothesis of co-ownership of such rights:

7.1.1 Copyright

- Article L121-3: "In the event of manifest abuse in the exercise or non-exercise of the right of disclosure by the deceased author's representatives referred to in Article L121-2, the first instance court may order any appropriate measure. The same shall apply in the event of a dispute between such representatives, if there is no known successor in title, no heir or no spouse entitled to inherit. Such matters may be referred to the courts by the Minister responsible for culture."

- Article L122-9: "In the event of manifest abuse in the exercise or non-exercise of the rights of exploitation by the deceased author's representatives referred to in Article L121-2, the first instance court may order any appropriate measure. The same shall apply in the event of a dispute between such representatives, if there is no known successor in title, no heir or no spouse entitled to inherit. Such matters may be referred to the courts, inter alia, by the Minister responsible for culture."

7.1.2 Copyright related rights :

- Article L211-2: "In addition to any person having a justified interest, the Minister responsible for culture shall be entitled to take legal action, particularly where -there is no known successor in title or where there is no heir or no spouse entitled to inherit."

If the intellectual property code refers to the vacancy only in relation to literary and artistic property, it is unmistakably because it is in this domain that the difficulty arises with most acuity. Unlike the industrial property where the co-owners normally have to appear on a national register, the identification of the heirs of a dead author can be very delicate (all the more so as several heirs' generations can succeed one another). After various researches, a co-owner can decide for a vacancy of a share and decide to authorize certain exploitations, for example of an audiovisual work.

Now it can occur that no identified heirs show themselves on the occasion of this exploitation. The demonstration of the researches made (with the Service Domains, authors' companies) to find them will not necessarily be sufficient to escape the infringement grievance. It can thus be planned to make, preventively, a kind of legal action in escheat to obtain from the competent Court a decision in ex parte proceedings authorizing the exploitation.

Except for these particular cases, it will be undoubtedly necessary to apply to the vacancy of an IP right share the general measures of the Civil code, in particular the measures of article 539 according to which " *the properties of the persons who died without heirs or whose successions are abandoned belong to the State* ", those of article 811 and following on the successions in escheat, and possibly article 713 which provides that " *The goods without any master belong to the township on where the goods are located* ".

It must however be underlined that the parties, who can decide to contractually organize the co-ownership of their IP rights (articles L. 613-32 of the IPC and 1873-1 of the Civil code), can envisage the hypothesis of the vacancy or the escheat of a share in the agreement which binds them.

One could wonder whether the agreement should not establish, within the provisions governing the auxiliary regimes, an attribution of the vacant shares to the co-owner(s) remaining at the date of the observation of the vacancy. This mechanism could be imagined subject to certain strong guarantees. So, an intervention of the judge to validate a possible record of vacancy would certainly be necessary.

7.2 **What is the incidence of the judicial recognition of a co-ownership situation on acts concluded previously to this recognition?**

It is not rare that the existence of a situation of co-ownership of an IP right is proclaimed by a court order. As it has already been mentioned, the actions for recovery can indeed only concern the simple share of a patent property, of a trademark or of a work of the mind. Thus arises the question of the fate which should be reserved to the acts agreed by the one who presented himself to third parties as the unique owner of the IP right prior to the recognition of a situation of co-ownership.

There are several possible answers to this question :

- nullity of all the acts ;
- nullity of the only acts which cannot be made by a single co-owner ;
- validity of all the acts ;
- validity of the acts made previously to the definitive justice order recognizing the existence of a co-ownership but end of their effects beyond ...

This question joins another, very controversial in doctrine, regarding the sharing of a co-ownership, which will not directly be dealt with here. It will be simply underlined that if one considers that the IP rights are ruled by the legal system regarding co-ownership, each party can ask for the sharing in application of the provisions of article 815 of the Civil code ("*No one may be compelled to remain in undivided ownership and a partition may always be induced, unless it was delayed by judgment or agreement* "). The sharing having a declarative effect which erases retroactively the co-ownership period (article 883 of the Civil code "*Each coheir shall be deemed to have succeeded alone and immediately to all the effects comprised in his share, or falling to him through auction, and never to have had ownership of the other effects of the succession* "), one can consider that the licenses which were granted during the co-ownership by co-owners other than the one to whom were attributed the IP rights will be non-evocable to this last one if such a sharing is possible.

This question is strictly bound to that of the possible restitution, in favour of the co-owner restored in his rights, of the fruits which the visible owner may have perceived when he claimed himself to be the only holder of the rights. The classic provisions of the Civil code will be normally applicable to settle this issue, in particular the one according to which " The fruits made by the simple holder belong to him only if he possesses in good-faith " - article 549 - (For an application: Paris, March 24th, 2006, Orelis c / T.A.M.I.).

7.2.1 **Case of the transfer of the right**

If the apparent owner assigned the IP right to a third party, the assignment does not prevent the action for recovery of property against the assignee of the right, who can undoubtedly prevent it thanks to the appearance theory if he demonstrates his good faith. In that case, the co-owner restored in his rights can normally claim towards his co-owner, at the very least, a restitution of part of the assignment price.

7.2.2 Case of the exclusive licence

If the apparent owner of an IP right has granted to a third party an exclusive license, this license cannot prevent the action for recovery of property against the exclusive licensee of the right, who can undoubtedly prevent it thanks to the appearance theory if he demonstrates his good faith.

The Paris First instance court judged that if the plaintiff in the framework of an action for recovery of property only claims for a share of the co-ownership, he can ask for compensation but the contracts agreed by the apparent owner must remain as an effective rule (TGI Paris, October 21st, 1987, Dossier Brevets 1998. III.2).

But, following this decision, the Court of Cassation considered that, if the license is a contract which produces effects continuously in the time, the appearance theory can apply only as far as this appearance persists. It thus judged, regarding the claim of the whole patent property, that the exclusive licensee could not claim to conserve the profit of this license since the owner restored in his rights challenged such a possibility (7 February 1995, N° of appeal: 93-12212):

This solution seems to be directly transposable to the co-ownership of a patent, of assimilated rights and of copyright because the exclusive exploitation licenses of these rights require, unless otherwise agreed, the consent of all the co-owners.

It is also transposable to the other IP rights, in cases where the restoration of the co-owner in his rights questions the validity of this type of act of disposal (the authorization requires at least 2/3 of the co-ownership - see question 4.2 of the first report of the French Group on the question Q194).

7.2.3 Case of non exclusive licence

Regarding Patents and assimilated rights, unless otherwise agreed, a co-owner can grant non-exclusive licenses to third parties. The fact that the co-ownership results from a court order should not thus question the validity of these licenses. The co-owner restored in his rights can however lean on the provisions of article L. 613-29 of the IPC to claim for compensation ("*Each joint owner may exploitation the invention for his own benefit subject to an equitable compensation of the other co-owners who do not personally exploit the invention or who have not granted a license.*").

Regarding Copyright, the solution drawn by the « Cour de cassation » in its decision of 7 February 1995 will be a priori applicable.

For the other IP rights, in cases where the restoration of the co-owner in his rights questions the validity of this type of act of disposal (the authorization requires at least 2/3 of the co-ownership), the solution drawn by « Cour de cassation » in its decision of 7 February 1995 will be a priori applicable.

7.3 Rules relating to conflicts of jurisdiction

It is advisable to operate a distinction between the rules relating to rules of jurisdiction resulting from the EC community Regulation No 44/2001 and the internal rules of conflict such as they result from articles 42 and 46 of the civil procedure Code and articles 14 and 15 of the civil Code establishing a privilege of jurisdiction for the benefit of the French nationals, being observed that this privilege is expressly excluded by the EC Regulation No 44/2001.

As for the applicable law issue, it will be necessary to distinguish whether there is a contract or not and in the hypothesis of the existence of a contract whether the place of the « forum » was designated.

Besides it is advisable to underline that the Protocol on the judicial competence and the recognition of the decisions of the European patent convention contains specific rules of competence relative to the actions which tend to assert a right to obtain a patent instituted against the holder of a European patent demand.

7.3.1 *The European patent convention*

Subject to articles 4 and 5, article 2 provides that when the holder of a patent application is domiciled in one of the State contracting parties, the action against this one must be brought before the jurisdiction of the aforementioned State.

Subject to articles 4 and 5, article 3 provides that when the holder of a patent application has no residence in one of the State contracting parties and when the plaintiff is domiciled in one of the States contracting parties, only the courts of this State have jurisdiction to know of this action.

Article 4 regarding the actions which oppose an employer to his employee provides that have jurisdiction the courts of the State contracting according to which the law of the right of the European patent is determined, pursuant to the second sentence of article 60(1) of the CBE.

Article 5 concerns the written agreements between the parties containing a jurisdictional clause.

It is advisable to indicate that in the absence of an agreement on a rule of conflict of jurisdiction pursuant to article 5 or non application of articles 2 - 4, article 6 provides that only the courts of the German Federal Republic have jurisdiction.

7.3.2 **The EC Regulation No 44/2001 system**

As a preliminary observation, it is advisable to underline that article 22 (4) of the aforementioned regulation conferring exclusive jurisdiction, regarding registration, validity of intellectual property rights, for the benefit of the courts of the State in which the title was delivered cannot be applied to the co-ownership

Indeed, this text, which is a text of exception, is of strict interpretation, as well as the ECJ ruled it in its decision *Duinjstee*, 15 November 1983 (Case C-288 / 82).

As a consequence, only the general or special jurisdictional rules can be retained.

(i) In the absence of contract

The rule of general competence promulgated in article 2 must apply, so that the court of the place of the defendant's residence will have jurisdiction.

In the hypothesis of a plurality of defendants, the defendant can benefit from an option of competence, because article 6 (1) provides jurisdiction to the court of the place of residence of only one of the defendants, subject to the existence of a narrow link between the demands and to avoid incompatible solutions if they were separately heard.

(ii) In presence of a contract

A new subdivision must be operated whether the law of the forum was designated or not.

(a) The designated « forum »

Article 23 provides the conditions to which are subject attributive clauses of jurisdiction:

- one of the parties, at least, has to have its place of residence on the territory of the European Union,
- A European Union court must have been designated,
- the agreement regarding the attribution of the jurisdiction must be written.

As a consequence, in the presence of an attributive clause of jurisdiction, the parties cannot subject their dispute to another jurisdiction.

(b) Absence of designation of the « forum »

In this hypothesis, besides the rule of general competence of article 2 and the rule of special competence of article 6 (1), the rule of special competence of article 5 (1) has vocation to apply.

Article 5 (1) provides a rule of general competence based on the place where the obligation used as a base to the demand was or must have been executed.

The difficulty in a co-ownership agreement relies on the different natures of the obligations.

One could wonder which court has jurisdiction when the dispute concerns a plurality of obligations that must be executed in several States.

The ECJ asserted a principle in its Shenavaï decision, 15 January 1987 (Case 266/85) that it is the main obligation amongst several obligations in cause which determines the competent judge. Thus, the Court applied the *Accessorium sequitur principale* rule.

However, if the location of the obligation is impossible to determine, the option of competence of article 5 (1) disappears for the benefit of the rule of the general competence of article 2, as expressed by the ECJ in its decision *Besik vs Wasserreinigungsbau Alfred Kretzschmar*, 19 February 2002 (Case C-256 / 00).

Moreover, this rule had already been operated by the Paris First instance court, in a judgment of the 29 January 1988, which considered that " if article 5 of the Brussels convention allows the plaintiff in contractual matters to assign the defendant where the obligation was executed or must be executed, it is advisable to retain the competence of the courts where the defendant is domiciled, asserted by article 2 of the convention, since is claimed the resolution of a license agreement covering 24 countries including France for non-fulfilment by the patentee of his obligations of information, patent preservation and protection of the licensee against third parties and for lack of reliability of goods built according to his plans".

(iii) The rules of conflict of private international law

No international instrument on attributives clauses of jurisdiction is to this date effective. However it is important to highlight the existence of the Hague Convention of the 30 June 2005 on the agreements of election of for which has not yet been ratified.

Under these conditions, the competent jurisdiction shall be determined by the internal rules of competence.

The first criterion of fastening with French jurisdictions is the place of residence of the defendant, asserted by article 42 of the Code of civil procedure.

Article 46, paragraph 1, offers to the plaintiff an option of competence regarding contractual matters for the benefit of the jurisdiction of the place of delivery of the good or the execution of the provision of a service.

Thus, the developments aforementioned (9.2.1 (b) ii)) apply *mutatis mutandis*.

Besides, the French courts will also have jurisdiction, whenever one of the parties is French by application of articles 14 or 15 of the civil code.

Pursuant to article 14 of the civil code, the foreign defendant can be judged in France due to the violation of an obligation resulting from the co-ownership agreement to the detriment of French national.

Furthermore, pursuant to article 15 of the Civil code, a French defendant can always be brought before a French jurisdiction, for obligations contracted by him abroad, under the reserve that the plaintiff is not a national of the European Union.

The provisions of articles 14 and 15 must be applied whether the co-ownership is governed by a contract or not. It is advisable to note that these articles cannot be invoked against a party domiciled or having his residence on the territory of the European Union.

Proposals for a future harmonization

The Groups are also invited to formulate their suggestions within the framework of a possible national or regional harmonization of the intellectual property rights or, at least, an improvement or a complement to the current solutions.

1 On the origin of the co-ownership

Generally speaking, the French Group is not in favour of the introduction of compulsory legal requirements which would make a difference according to the quality of the "native" or "the successors" co-owners (or even "voluntary or " forced ") because, as a rule, nothing prevents the co-owners from taking into account these elements to contractually organize their co-ownership, originally.

However, the French Group notices that the co-ownerships generated within the framework of successions, can create important consequences, which could lead to a real blocking. The arrival in the co-ownership of persons who were not originally co-owners of the IP right can indeed create conflicts making impossible any unanimity. But such an unanimity is necessary for the fulfilment of certain acts of exploitation (Acts of disposal in this included the exclusive license see below Question 3), or even for the survival of certain IP rights (for example the trademark law).

From then on, one can wonder whether it would be possible and desirable to foresee, in a legislative way within the framework of an auxiliary regime, that the heirs of a dead co-owner should be to assign, to the other co-owners, the co-ownership share of the IP right which returned to them following the death.

An auxiliary system of pre-emption right or option, with compensation of the heirs which could be possibly fixed by the judge in case of discord, could be imagined.

This solution would enable the protection of the *intuitu personae* of the co-ownership originally and would limit the dilution of the right, thus facilitating the exploitation.

A priori, all the co-owners at the time of the succession should be able to benefit from this pre-emption right or option right. In the hypothesis where this mechanism would not be activated by the surviving co-owners within a specific legal delay, the share of the deceased would normally be passed on to his heirs.

2 On the subcontracting

The co-owner of a patent, which has the personal right to exploit the patent, has of this fact the right " to outsource " by subcontracting the manufacturing of the products or of a subset of a product covered by the patent if such is his decision, without having to collect the preliminary consent of the other co-owners or even to have to inform them (and thus all the more, without having to follow the measures relating to the concession of licenses by a co-owner, whether they are "contractual" or result from the "auxiliary" regime).

3 On the concession of exclusive and non exclusive licenses

The grant of an exclusive license is subject to the unanimity rule. As a consequence, the consent of all the co-owners must be required, under penalty of nullity of the exclusive license.

The grant of a simple license by a single co-owner is subject to a simple notification to the other co-owners. The other co-owners must benefit of a reasonable delay to make opposition to the project when it relies on legitimate grounds. One of the legitimate grounds could be the fact of granting a license to the competitor of another co-owner.

4 Transfer of a part of a co-ownership share

No dichotomy should be made between the transfer of a co-ownership share and a only part of a co-ownership share: they should only be operated with the preliminary consent of the other co-owners and, in the absence of an agreement, allow the exercise of the right of pre-emption for both the transfer of a share and the transfer of part of a co-ownership share.

5 Incidence of the exploitation of IP rights held in co-ownership on competition law.

The holding of IP rights in co-ownership as such is not contrary to competition law.

Nevertheless, the common principles of competition law govern the exercise of the IP rights held in co-ownership, in particular as far as the relations between the co-owners could lead to a cartel situation.

6 **Determination of the applicable law and the applicability of the EC Regulation No. 593/2008**

The co-ownership agreements are governed by the EC Regulation No 593/2008, as they are today and until the 17 December 2009 by the Rome Convention.

In the absence of a choice of a law by the parties, the notion of "the closest connection "in the meaning of article 4 (4) of the said Regulation, can be determined in reference to the priority patent application place or the IP right used as a base to an international extension. Thus, the law applicable to the co-ownership agreement will be the law of the state in which the IP right used as a base to the international extensions was filed.

SUMMARY

8 **On the origin of the co-ownership**

The French Intellectual Property Code does not make any distinction depending the origin of the ownership.

Generally speaking, the French Group is not in favour of the introduction of compulsory legal requirements which would make a difference according to the quality of the "native" or "the successors" co-owners (or even "voluntary or " forced ") because, as a rule, nothing prevents the co-owners from taking into account these elements to contractually organize their co-ownership, originally.

However, the French Group notices that the co-ownerships generated within the framework of successions, can create important consequences, which could lead to a real blocking. The arrival in the co-ownership of persons who were not originally co-owners of the IP right can indeed create conflicts making impossible any unanimity. But such an unanimity is necessary for the fulfilment of certain acts of exploitation (Acts of disposal in this included the exclusive license see below Question 3), or even for the survival of certain IP rights (for example the trademark law).

From then on, one can wonder whether it would be possible and desirable to foresee, in a legislative way within the framework of an auxiliary regime, that the heirs of a dead co-owner should be to assign, to the other co-owners, the co-ownership share of the IP right which returned to them following the death.

An auxiliary system of pre-emption right or option, with compensation of the heirs which could be possibly fixed by the judge in case of discord, could be imagined.

This solution would enable the protection of the *intuitu personae* of the co-ownership originally and would limit the dilution of the right, thus facilitating the exploitation.

A priori, all the co-owners at the time of the succession, should be able to benefit from this pre-emption right or option right. In the hypothesis where this mechanism

would not be activated by the surviving co-owners within a specific legal delay, the share of the deceased would normally be passed on to his heirs.

9 On the subcontracting

The co-owner of a patent, which has the personal right to exploit the patent, has of this fact the right " to outsource " by subcontracting the manufacturing of the products or of a subset of a product covered by the patent if such is his decision, without having to collect the preliminary consent of the other co-owners or even to have to inform them (and thus all the more, without having to follow the measures relating to the concession of licenses by a co-owner, whether they are "contractual" or result from the "auxiliary" regime).

10 On the concession of exclusive and non exclusive licenses

The French Group invites to refer to point 4 of its previous report drafted for the Singapore ExCo.

The grant of an exclusive license is subject to the unanimity rule. As a consequence, the consent of all the co-owners must be required, under penalty of nullity of the exclusive license.

The grant of a simple license by a single co-owner is subject to a simple notification to the other co-owners. The other co-owners must benefit of a reasonable delay to make opposition to the project when it relies on legitimate grounds. One of the legitimate grounds could be the fact of granting a license to the competitor of another co-owner.

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No dichotomy should be made between the transfer of a co-ownership share and a only part of a co-ownership share: they should only be operated with the preliminary consent of the other co-owners and, in the absence of an agreement, allow the exercise of the right of pre-emption for both the transfer of a share and the transfer of part of a co-ownership share.

12 Incidence of the exploitation of IP rights held in co-ownership on competition law.

The holding of IP rights in co-ownership as such is not contrary to competition law.

Nevertheless, the common principles of competition law govern the exercise of the IP rights held in co-ownership, in particular as far as the relations between the co-owners could lead to a cartel situation.

13 Determination of the applicable law and the applicability of the EC Regulation No. 593/2008

The co-ownership agreements are governed by the EC Regulation No 593/2008, as they are today and until the 17 December 2009 by the Rome Convention.

In the absence of a choice of a law by the parties, the notion of " the closest connection ", in the meaning of article 4 (4) of the said Regulation, can be determined in reference to the priority patent application place or the IP right used as a base to an international extension. Thus, the law applicable to the co-ownership agreement will be the law of the state in which the IP right used as a base to the international extensions was filed.

14 Other issues

14.1 What is the outcome of the co-ownership in the situation of the vacancy of a co-ownership share?

A subsidiary legal system should be contemplated.

14.2 What is the consequence of the judicial acknowledgment of a co-ownership on the acts executed prior to that acknowledgment?

Several answers can be contemplated:

- nullity of all the acts
- nullity of the sole acts that could have been executed by a single co-owner
- validity of all the acts
- validity of all the acts executed prior to the judicial decision acknowledging the existence of the co-ownership but cease of their effects thereafter

14.3 Jurisdiction conflict rules

The French Group invites to refer to its previous report drafted for the Singapore ExCo

RÉSUMÉ

1 Sur l'origine de la copropriété

Le Code de la Propriété Intellectuelle ne fait pas de distinction selon l'origine de la copropriété.

D'une manière générale, le Groupe français n'est pas favorable à l'introduction de dispositions légales obligatoires qui feraient une différence selon que la qualité des copropriétaires « originaires » ou « successeurs » (ou encore « volontaires » ou « forcés ») car, en principe, rien n'empêche les copropriétaires de tenir compte de ces éléments pour organiser leur copropriété contractuellement, à l'origine.

Cependant, le Groupe français remarque que la copropriété générée dans le cadre de successions, peut emporter des conséquences graves, pouvant aller jusqu'à un véritable blocage. En effet, l'arrivée dans la copropriété de

personnes non copropriétaires à l'origine du droit de PI peut créer des conflits rendant impossible toute unanimité. Or une telle unanimité est nécessaire pour l'accomplissement de certains actes d'exploitation (actes de disposition en ce compris la licence exclusive voir ci-après Question 3), ou même pour la survivance de certains droits de PI (par exemple le droit de marque).

Se pose dès lors la question de savoir s'il serait possible et souhaitable de prévoir, de manière législative dans le cadre d'un régime supplétif, que les héritiers d'un copropriétaire décédé soient tenus de céder, aux autres copropriétaires, la quote-part de copropriété d'un droit de PI qui leur est revenue à cause de mort.

Un système supplétif souple de droit de préemption ou d'option, avec indemnisation des héritiers éventuellement fixée par le juge en cas de désaccord, pourrait être imaginé.

Cette solution pourrait permettre de sauvegarder l'*intuitu personae* de la copropriété à l'origine et limiterait la dilution du droit, facilitant ainsi l'exploitation.

A priori, tous les copropriétaires au moment de la succession, devraient pouvoir bénéficier de ce droit de préemption ou d'option. Dans l'hypothèse où ce mécanisme ne serait pas activé par les copropriétaires survivants dans un certain délai légal, la quote-part du défunt serait normalement transmise aux héritiers.

2 Sur la sous-traitance

Le copropriétaire d'un brevet, qui a le droit personnel d'exploiter le brevet, a de ce fait le droit « d'externaliser » en sous-traitant la production de produits ou d'un sous-ensemble d'un produit couvert par ce brevet si telle est sa décision, sans avoir à recueillir le consentement préalable des autres copropriétaires ni même à avoir à les informer (et donc a fortiori, sans avoir à suivre les dispositions relatives à la concession de licences par un copropriétaire, qu'elles soient « contractuelles » ou qu'elles résultent du régime « supplétif »).

3 Sur la concession des licences exclusives et non-exclusives

Le Groupe Français invite à se référer au point 4 du rapport dressé pour l'ExCo de Singapour. La concession d'une licence exclusive doit être soumise à la règle de l'unanimité. En conséquence, le consentement de l'ensemble des copropriétaires doit être requis, sous peine de nullité de la licence exclusive.

La concession d'une licence simple par un seul copropriétaire doit faire l'objet d'une simple notification aux autres copropriétaires. Les autres copropriétaires devant bénéficier d'un délai raisonnable pour s'opposer au projet en cas de motifs légitimes. Un des motifs légitimes pourrait être la concession d'une licence par un copropriétaire à un concurrent d'un autre copropriétaire.

4 Cession d'une partie de quote-part de copropriété

Aucune dichotomie ne devrait être faite entre la cession d'une quote-part de copropriété ou d'une partie de quote-part de copropriété : elles ne devraient être opérées qu'avec l'accord préalable des autres copropriétaires et, à défaut d'accord,

permettre l'exercice d'un droit de préemption tant pour la cession d'une quote-part que pour la cession d'une partie d'une quote-part de copropriété.

5 Incidence de l'exploitation des droits de PI détenus en copropriété sur le droit de la concurrence

La détention de droits de PI en copropriété en tant que telle n'est pas contraire au droit de la concurrence

Néanmoins, les principes communs du droit de la concurrence doivent s'appliquer à l'exercice des droits de PI détenus en copropriété, notamment dans la mesure où les relations entre les copropriétaires pourraient conduire à une situation d'entente.

6 Détermination de la loi applicable et applicabilité du règlement CE No 593/2008

Les accords de copropriété sont régis par le Règlement CE No 593/2008, comme ils le sont aujourd'hui et jusqu'au 17 décembre 2009 par la Convention de Rome.

En l'absence de choix d'une loi par les parties, la notion de « *liens les plus étroits* », au sens de l'article 4(4) dudit Règlement, peut être déterminée par référence au lieu du dépôt du brevet de priorité ou du droit de PI servant de base à une extension internationale. Ainsi, la loi applicable à l'accord de copropriété sera la loi de l'État dans lequel le droit de PI servant de base aux extensions internationales aura été déposé.

7 Autres problèmes

7.1 Quel est le sort de la copropriété en cas de « vacance » d'une quote-part ?

Un système légal supplétif harmonisé devrait être envisagé.

7.2 Quelle est l'incidence de la reconnaissance judiciaire d'une situation de copropriété sur les actes passés antérieurement à cette reconnaissance ?

Plusieurs réponses sont envisageables :

- nullité de tous les actes ;
- nullité des seuls actes qui ne peuvent être effectués par un seul copropriétaire ;
- validité de tous les actes ;
- validité des actes effectués antérieurement à la décision de justice définitive reconnaissant l'existence d'une copropriété mais cessation de leurs effets au-delà...

7.3 Règles de conflit de juridictions

Le groupe français invite à se référer à son précédent rapport dressé pour l'ExCo de Singapour.

ZUSAMMENFASSUNG

8 Zum Ursprung der Miteigentümerschaft

Das französische geistigen Eigentums Buch macht doch keinen Unterschied nach der Ursprung der Miteigentümerschaft.

Die französische Gruppe unterstützt grundsätzlich keine Einführung von zwingenden Gesetzen, die einen Unterschied nach Eigenschaft der Miteigentümer in „ursprüngliche (Miteigentümer)“ oder „Nachfolger“ (oder auch „freiwillige (Miteigentümer)“ oder „gezwungene (Miteigentümer)“) machen; da die Miteigentümer grundsätzlich nicht daran gehindert werden, diese Eigenschaft zu berücksichtigen, um ihr Miteigentümerschaft ursächlich vertraglich zu gestalten.

Jedoch macht die französische Gruppe darauf aufmerksam, dass die Miteigentümerschaft, das durch eine Erbschaft entstanden ist, schwere Auswirkungen nach sich ziehen kann, die zu einer völligen Sperrung führen können. In der Tat kann die Aufnahme einer Person, die ursächlich nicht Miteigentümer am Recht des geistigen Eigentums war, im Kreise der Eigentümer zu Konflikten führen, die die Einstimmigkeit bei der Abstimmung verhindern. Nun ist aber gerade diese Einstimmigkeit für die Ausführung von manchen Nutzungshandlungen erforderlich (Verfügungshandlung, darin enthalten die ausschließliche Lizenz, siehe Punkt 3), wie die Entscheidung über die Verlängerung von gewerblichen Schutzrechten (z.B. einer Marke).

Infolgedessen stellt sich die Frage, ob es möglich und wünschenswert wäre, gesetzlich ein ergänzendes Recht zu schaffen, das die Erben eines verstorbenen Miteigentümers verpflichtet, den anderen Miteigentümern den Anteil der Miteigentümerschaft eines Rechts am geistigen Eigentum zu überlassen, welches ihnen durch einen Todesfall zuteil wurde.

Ein flexibles ergänzendes System von Vorkaufsrecht oder Wahlrecht, mit einer Entschädigung der Erben, welche im Fall einer Uneinigkeit vom Richter festgelegt würde, könnte vorstellbar sein.

Diese Lösung könnte das Prinzip der „*Intuitu personae*“ der ursächlichen Miteigentümerschaft wahren, die Auflösung des Rechtes einschränken und somit die Nutzung des geistigen Rechts erleichtern.

Von vornherein sollten alle Miteigentümer im Moment der Nachfolge dieses Vorkaufs- oder Optionsrecht nutzen können. Falls diese Option nach einer bestimmten gesetzlichen Frist von den überlebenden Miteigentümern nicht genutzt worden ist, wäre der Anteil des Verstorbenen üblicherweise auf die Erben zu übertragen.

9 Über Ausgliederungen

Der Miteigentümer eines Patents, der das persönliche Recht zur Nutzung des Patents hat, hat somit das Recht, über eine „Ausgliederung“ durch Vergabe der Produktion eines Produktes oder einer Produktgruppe, die durch das Patent geschützt sind, zu entscheiden, ohne dazu weder das vorherige Einverständnis der anderen Miteigentümer einholen noch diese informieren zu müssen (und ohne den Vorschriften, die die Lizenzerteilung von einem Miteigentümer regeln, folgen zu müssen, seien sie „vertraglich“ oder durch ein „ergänzendes System“ geregelt).

10 Über die Erteilung von exklusiven und nicht-exklusiven Lizenzen

Das französische Gruppe ladet ein, sich auf seinen vorigen Bericht (Punkt 4) für den ExCo in Singapur zu beziehen.

Die Erteilung von einer Exklusivlizenz erfordert die Einstimmigkeit. Infolgedessen muss die Zustimmung aller Miteigentümer eingeholt werden, anderenfalls ist die Exklusivlizenz nichtig.

Die Erteilung einer Einzellizenz durch einen einzigen Miteigentümer erfordert eine einfache Benachrichtigung der anderen Miteigentümer. Die anderen Miteigentümer sollen eine angemessene Frist haben, um gegen diesen Plan mit berechtigten Gründen Einspruch zu erheben. Ein berechtigter Grund könnte die Lizenzvergabe eines Miteigentümers an den Konkurrenten einer anderen Miteigentümerschaft sein.

11 Abtretung eines Anteils der Miteigentümerschaft

Es sollte kein Unterschied zwischen der Abtretung des Miteigentümerschaftsanteils oder nur eines Teils eines Miteigentümerschaftsanteils gemacht werden: sie müssen nur erfolgen, wenn die anderen Mitinhabern vorherig zustimmen, und falls es keine Zustimmung gibt, die Ausübung eines Vorkaufsrechts sowohl für die Abtretung einer Miteigentümerschaftsanteils als auch für die Abtretung eines Teils eines Miteigentümerschaftsanteils ermöglichen.

12 Auswirkung der Nutzung von in Miteigentümerschaft gehaltenen geistigen Rechten auf das Wettbewerbsrecht

Der Besitz von Rechten des geistigen Eigentums in Miteigentümerschaft verstößt grundsätzlich nicht gegen das Wettbewerbsrecht.

Dennoch müssen die Rechtsgrundsätze des Wettbewerbsrechts auf die Ausübung der in der Miteigentümerschaft gehaltenen Rechte des geistigen Eigentums Anwendung finden, besonders insoweit als die Beziehungen zwischen den Miteigentümern zu einer Absprachesituation führen können.

13 Bestimmung des anwendbaren Rechts und Anwendbarkeit der Verordnung EG 593/2008

Die Vereinbarungen über die Miteigentümerschaft sind in der Verordnung EG 593/2008 geregelt sowie sie es heute und bis zum 17. Dezember 2009 durch das Römische Übereinkommen sind.

Mangels Rechtsauswahl durch die Parteien kann der Begriff der „engsten Verbindungen“, im Sinne von Paragraph 4(4) dieser Verordnung, hauptsächlich mit Bezug auf den Ort der Anmeldung des Patents bestimmt werden oder mit Bezug auf das Recht des geistigen Eigentums, das als Basis für eine internationale Ausbreitung dient. Deswegen ist der Miteigentümerschaftsvertrag von dem Recht des Staates geregelt, in dem das Recht auf geistiges Eigentum als Basis für eine internationale Ausbreitung hinterlegt wurde.

14 Andere Probleme

14.1 Was ist das Verhängnis der Miteigentümerschaft im Falle der Vakanz eines Anteils?

Ein gesetzliches Ergänzungssystem sollte betrachtet sein.

14.2 Welche Rechtsfolge hat die gerichtliche Anerkennung einer Miteigentümerschaft auf den angenommenen Akten?

Mehrere Antworten werden betrachtet:

- Nichtigkeit aller Akten;
- Nichtigkeit der einigen Akten die von einem einzigen Miteigentümer nicht angenommen werden können.
- Gültigkeit aller Akten;
- Gültigkeit der vor der gerichtlichen Entscheidung angenommenen Akten aber danach Wirkungsauflöfung

14.3 Internationale Gerichtsbarkeit

Das französische Gruppe ladet ein, sich auf seinen vorigen Bericht für den ExCo in Singapur zu beziehen.