

G-NEWS

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GORODISSKY & PARTNERS
PATENT AND TRADEMARK ATTORNEYS
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Parallel indepen- dent creation: is it possible?

Courts' approaches to settlement of disputes on copyright infringement.



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It is rather difficult to imagine a situation where two people, independently from each other, create similar works. However, practice has shown that it may happen. Thus, for example, it is possible that the works are based on the same ideas, which themselves are not protectable, but the form of their expression may become a copyrightable subject-matter that is granted legal protection by law. Authors may use the same means for the expression of their ideas, which results in creation of similar works. In such a case, a copyright conflict may arise, to resolve which the following questions are of importance: who has a priority right and whether there has been an adaptation.

The issue whether the independent creation is possible, arises not only in resolution of disputes on copyright infringement. This issue was addressed by courts in the cases on recognition of the authorship of engineering solutions, as well. In particular, when considering case No. SIP-153/2015, the Intellectual Property Rights Court stated in its Decision dated July 12, 2016: «Based on the meaning of the provision stated in Article 1361 of the Civil Code of the Russian Federation, the civil legislation does not exclude possible development of identical or equivalent engineering solutions simultaneously by several persons in the course of parallel creation. In this case, independent creation implies not only creation of identical or equivalent engineering solutions simultaneously by several persons in the course of parallel creation. » page 2

In this case, independent creation implies not only creation of identical or equivalent engineering solutions during the same period of time. Such solutions may be created during different periods of time if the engineering solution, which had been created earlier, has not been disclosed, and the person that has created the analogous or identical engineering solution later has had no information on the technical results earlier achieved by another person in the relevant area».

Thus, as one of the key points to determine whether it is possible to create identical or equivalent engineering solutions by different persons independently from each other the court recognized that it had been objectively impossible for the inventor of the later solution to have information on the technical results earlier achieved by another inventor.

Considering this range of problems with regard to conflicts of copyrights in works, the courts take into account this fact as well. In particular, such approach has been applied for resolution of case No. A40-137876/2015, which is described below.

1. Cottonsocks the Sheep



2. Zhuzha the Sheep



Carte Blanche Greetings Ltd., UK, initiated an action with the Commercial Court of Moscow for claiming compensation for infringement of the exclusive copyright in the design work for Cottonsocks the Sheep character from «Me To You My Blue Nose Friends» series.

The claim was filed against LLC «Chocolate Toys» being the manufacturer of confectionery products, with which the Sheep toy named «Zhuzha» was being sold, and against several sellers of such products.

Our firm represented LLC «Chocolate Toys», which, as the manufacturer of the disputed products, was the key defendant.

In such circumstances, the court of appeal reasonably concluded that it was necessary to dismiss the claim

In support of its claims, the claimant referred to the exact copying of its work in Zhuzha the Sheep toy being distributed by the defendants.

Objecting to satisfaction of the stated claims, we affirmed that the documents provided by the claimant did not confirm the

claimant's ownership of the copyright in Cottonsocks the Sheep character, since they contained certain internal discrepancies which undermined their reliability and relevance to this character.

But the main defence argument was that our client used its own sheep character created by Lyubov Yunal, artist, who had created the images of eight Small Miracle characters from Sweet collection, including the image of Zhuzha the Sheep, and had granted the rights to their use, including the right to reproduction and adaptation, to LLC «Chocolate Toys» under an exclusive licence agreement.

Exercising its rights of the exclusive licensee, «Chocolate Toys» instructed its employee Boris Prokhorov, whose employment duties included the duty to design toys and other products of the company, to develop a three-dimensional figure of Zhuzha the Sheep toy based on its image. Thus, in April 2014, Zhuzha the Sheep toy, which thereafter was patented by our client as an industrial design under patent of Russian Federation No. 95071, came into the world.

Therefore, we insisted that artist Lyubov Yunal had created her own original work, which was used by another author, Boris Prokhorov, to create a derivative work, which had been granted legal protection as an independent copyrightable subject-matter and then as an industrial design.

Registering the said industrial design of the defendant's toy, the Russian PTO examined the claimed appearance of Zhuzha the Sheep toy for its compliance with the patentability criteria provided for in Article 1352 of the Civil Code of the Russian Federation and recognized such solution to be new and original.

Objecting to the claimant's arguments on the exact copying of its work,

we provided the opinion of an expert from the Moscow State Stroganov Academy of Industrial and Applied Arts, who carried out a comparative analysis of the disputed items and reasonably concluded that there were no borrowings. At the same time, the expert concluded that similar elements manifested by both Cottonsocks the Sheep and Zhuzha the Sheep characters (their seating, childlike proportions, etc.) were not original, since they were intrinsic to all such toys.

When considering this case, the court of the first instance suggested that the claimant should produce evidence proving that the defendant's authors had physical opportunity to become aware of the claimant's work, which might have been used to create the defendant's works. In particular, the court requested the claimant to provide the documents confirming sale of any products bearing the image of its sheep in the Russian Federation prior to the date of creation of the image by Lyubov Yunal. However, the claimant failed to provide such evidence.

Following the examination of the case files and consideration of the claimant's and the defendants' arguments, the court of the first instance in its Decision dated August 26, 2016, recognized that the claimant had the copyright to Cottonsocks the Sheep character, but it dismissed the stated

claims, having concluded the following: «Taking into account that in virtue of Article 1257 of the Civil Code of Russian Federation, the author of a work shall be a person by whose creative work it has been made, and the person indicated as the author on the original or on a copy of a work or otherwise in accordance with Clause 1 of Article 1300 of the Civil Code of Russian Federation, shall be considered its author, unless proved otherwise; the court, having assessed the evidence produced in accordance with Articles 64, 67, 68, and 71 of the Commercial Procedure Court of Russia, has deemed the right of L. A. Yunal's authorship to the disputed work as proved, which excludes infringement of the claimant's rights by the defendant, when using such work.

In addition, even if one admits that the works under consideration are confusingly similar, this fact may not serve as a ground to acknowledge the defendant to be an infringer and to award a compensation from it, since the «confusing similarity» concept is not applicable in copyright because if there is objective evidence of independent creation of works by different authors, the said works shall be subject to the same legal protection».

When appealing against such decision in the Ninth Commercial Court of Appeal, the claimant changed its arguments on the exact copying of its character and began insisting on the fact that the court of the first instance had not resolved the key issue of the dispute, i.e. whether the defendant's character was derivative from the claimant's character and whether the claimant's rights were observed, when creating such derivative result of intellectual activity.

Rejecting the appeal arguments, in its Resolution dated December 01, 2016 the court of appeals supported the conclusions of the court of the first instance on protectability of the defendant's works, but, at the same time, it assessed under a different angle the claimant's evidence produced in support of the protectability of the Cottonsocks the Sheep character and the claimant's copyrights in it.

The panel of judges accepted our objections to the claimant's evidence, which had already been put forward in the court of the first instance, and found that neither the statement of claims, nor the affidavit provided by the claimant specified those audiovisual works, to which the claimant had referred in support of its rights to this character. Though the affidavit contained the image of a sheep, the entire document as such dealt with «Me To You Teddy Bear» and the distinctive features of the Teddy Bear's image making it possible to distinguish the true Teddy Bear from its false representation. In addition, the claimant had provided no documents, from which the distinctive features possessed by Cottonsocks the Sheep would follow.

In such circumstances, the court of appeal reasonably concluded that it was necessary to dismiss the claim.

The claimant's attempt to appeal against the judicial acts under the cassation procedure failed as well. By the Resolution dated April 25, 2017 the Intellectual Property Rights Court acknowledged the courts' conclusions to be legal and reasonable and upheld the adopted judicial acts. No further appeal against the judicial acts on this case to the Judicial Chamber of the Supreme Court of the Russian Federation has followed.

It should be noted that the above example of finding by court of independent creative work is not the only one.

Along with this case, we had a winning case on the claim filed by LLC «Le-Grand» on infringement of copyright, where we also assisted the defendant (case No. A40-234524/2015). In this case, we succeeded in proving that our client, LLC «Decor Rus» legally used in its products the disputed design of curtain rails systems developed not by the claimant's author, but by famous German company Möller GmbH & Ko. KG.

Adopting the judicial acts in the defendant's favour, the court of appeals and the court of cassation, apart from other arguments, took into account the fact that the claimant's design work had become known to the third parties much later than the product catalogues of Möller GmbH & Ko. KG, containing the images of its systems in the disputed design, were published. In addition, the courts took into consideration our arguments on participation of the German company in various Moscow design exhibitions, where the product samples in this design were exhibited, as well as on supply of the disputed products to Russia, including to the defendant, prior to commencement of production and sale of the claimant's products in the same design. These arguments served for the courts as a ground to acknowledge the fact that the German company had its own copyright in the disputed design which had been consented to the use by our client. In such circumstances, the courts found no grounds for satisfaction of the claims.

In addition, taking into consideration all facts of this case, the Intellectual Property Rights Court in its Resolution dated February 03, 2017 acknowledged that the claimant's actions on filing this claim was aimed solely to cause damage to the defendant and to restrict competition on the market of

The above examples confirm that independent creation may exist and it is taken into account by courts when resolving conflicts

selling curtain holders. Such actions have been classified as an abuse of rights, which, in accordance with Article 10 of the Civil Code of the Russian Federation, is not allowed and constitutes an individual ground to reject protection of rights.

The claimant appealed against the resolutions of the court of appeals and the court of cassation in the Judicial Chamber on Economic Disputes of the Supreme Court of the Russian Federation. However, by the Ruling dated May 19, 2017, the Supreme Court of the Russian Federation found no grounds to reconsider this case, thereby upholding the adopted judicial acts.

Thus, the above examples confirm that independent creation may exist and it is taken into account by courts when resolving conflicts.

Events

(conferences, seminars, news)

11.09.2017 // MOSCOW

Eurasian Patent Office (EAPO) awarded Valery Medvedev, Eurasian Patent Attorney, Managing Partner, Gorodissky & Partners, Blinnikov Gold Medal to commemorate his contribution to the development of the Eurasian Patent Convention.

Our sincere congratulations!

The Blinnikov Gold Medal an Award of the EAPO dedicated to the memory and established in honor of the first President of the Eurasian Patent Office Dr. Victor Blinnikov, a prominent professional of the Russian and Eurasian IP law and practice.

The Medal is awarded to specialists, inventors and organizations in the field of intellectual property who made significant contribution to the development of innovations and legal protection of patent rights in the Eurasian region.



Photo (from left to right): Dr. Grigory Ivliev, Chairman of the EAPO Administrative Board, Head of the Russian PTO, Dr. Saule Tlevlesova, President of EAPO, Valery Medvedev, Eurasian Patent Attorney, Managing Partner, Gorodissky & Partners

30-31.08.2017 // SHANGHAI

Vladimir Biriulin, Partner, Head of Legal Practice (Gorodissky & Partners, Moscow), spoke on «Effective strategies for protecting your IP in Russia» at the Global IP & Innovation Summit 2017 hosted by «Managing Intellectual Property» magazine in Shanghai, China. The Summit brought together around 450 leaders in corporations, industry associations and leading legal experts.

22-27.08.2017 // KUBINKA

Viktor Stankovskiy, Partner, Russian and Eurasian Patent Attorney, Regional Director (Gorodissky & Partners, St. Petersburg), spoke on «Patenting at advanced navy technical innovations» at the Roundtable «Perspectives for development of intellectual potential of the military forces and military-industrial complex of the Russian Federation» of the

International Forum «ARMY-2017» held by the Navy General Headquarters in Kubinka, Moscow region. The Roundtable gathered representatives of the Navy Scientific Committee, defense industry enterprises, N.G. Kuznetsov Naval Academy and other military and civil educational institutions.

2-3.08.2017 // ALMETYEVSK

Albert Ibragimov, Russian and Eurasian Patent Attorney, Regional Director, Maria Andriushina, Airat Galimov, Russian Patent Attorneys, and Anton Khomyakov, Ph.D., Patent Agent (all of Gorodissky & Partners, Kazan), spoke at the Training program «Patenting of inventions and utility models for product engineers» in Almetyeysk (Tatarstan) by Gorodissky in cooperation with the «TATNEFT Personnel Training Center» within the education project of the firm – Gorodissky IP School.

27-29.07.2017 // NAGOYA

Gorodissky & Partners sponsored the participation of 11 inventors from Russia in the 13th International Exhibition of Young Inventors (IEYI), held by the Japan Institute of Invention and Innovation (JIII) in Nagoya, Japan.

This year the Exhibition gathered over 200 students aged 6-19 years from 20 countries and Russia was represented for the first time. Russian inventions were awarded with four bronze and one silver medals.



Photo: Russian delegation (second from right: Yury Kuznetsov, Partner, Head of Patent Practice, Gorodissky & Partners, Moscow)



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