

INTELLECTUAL PROPERTY

PAST & FUTURE

*A compilation of articles  
in Spanish & English by Luis C. Schmidt*

*Para mis hijas Marie y Ana Sofi.*

*Para Erika.*

*Luis*

*Para Por, Juanita y Pau.*

*Fernanda*

He graduated in 1986 from Universidad Nacional Autónoma de México (UNAM) holding a JD degree as well as a Masters in Intellectual Property Law from Franklin Pierce Law Center in the United States. He has furthered his postgraduate studies at other prestigious academic institutions, including Georgetown University, the University of Amsterdam and Universidad Panamericana.

Mr. Schmidt is the author of over 100 articles in Intellectual Property law matters, a contributor to two books on copyright law and a regular lecturer out post-graduate level. He sits on the board of directors at Copyright World and has acted as both Secretary and President of the board of la Asociación Mexicana para la Protección de la Propiedad Intelectual (AMPPI) and the Mexican Group of the International Association for the Protection of Industrial Property (AIPPI). Notwithstanding his success on law grounds, Mr. Schmidt's work has now reached multiple areas now with the release of his poetry Book "De la Catarsis al Éxtasis".

Mr. Schmidt's work at Olivares & Cia., is extensive, reaching most areas of media. He has a large practice in many industries, including film, television and radio production, distribution, exhibition or broadcasting; music publishing and sound recording production, distribution and publishing; as well as software. He has specialized in protecting Intellectual Property rights on the Internet.

As hard as it is to find updated global Intellectual Property information, a compilation of articles by a worldwide ranked copyright specialist willing to share his knowledge and experience is a valuable tool to have.

The articles listed in this compilation are not only the result of years of continuous learning, but they are the gathering of years of practice.

The first time when we had Luis C. Schmidt's the articles of in our hands; it was clear that knowledge required to be systematized. The use of this information, experience and thoughts, should assure the sharing of a valuable resource of investigation and learning for students, academics, professionals, investigators and all person eager to learn about the different routes of Intellectual Property.

For students, this compilation is a clear evidence of how Intellectual Property has developed through the time and therefore, a clue to find out what can the industry expect in the following years. The leap that must be taken from the books and theory to the actual practice is likely to be difficult for students that have been taught with classical theories

that have now been left behind because of technological and globalization needs envisaged by the Intellectual Property system.

As a young attorney this could be one of the greatest compilations ever, because through its pages there is an uncountable knowledge, which will help as an introduction as well as a path to follow.

Multidisciplinarity is one of the most valuable assets in this compilation, as Intellectual Property cannot be considered as an individual subject matter but as a whole, taking into consideration its particular characteristics and areas of opportunity to address them in an efficient and prompt manner.

Luis C. Schmidt is one of the greatest lawyers in Mexico, specialist in different subjects of Intellectual Property. During his life he has developed an unthinkable amount of knowledge that through his articles is shared.

Consider this compilation as a gift of knowledge from one of the greatest minds in Intellectual Property in Mexico, and use it to enlarge your panorama regarding issues in the industry, even before they are there.

This concept grounds the raising of this compilation in an electronic format that will enhance the searches of information. Likewise, will let the users carry and use it as soon as required, anytime, anywhere.

Having accomplished this work is the conclusion of a step that will assure the massive distribution of this valuable work of investigation. Moreover, it will assure the answers to many questions of coming generations.

- **Mariel Soriano, Fernanda Díaz and Sergio Rangel.**

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## I. COPYRIGHT RELATED ARTICLES

### **COPYRIGHT LITIGATION 2010**

*European Lawyer Reference Series, Copyright Litigation 2010.*

#### **1. SOURCES OF LAW**

**1.1. What are the principal sources of law and regulation relating to copyright and copyright litigation? (Briefly describe the role of international, federal or state laws and relevance of court decisions, list and briefly describe relevant statutes and international treaties).**

The sources of national law relating to copyright law and copyright litigation are:

- Federal Copyright Law of 1996 (the Copyright Law);
- Industrial Property Law of 1991;
- Federal Penal Law of 1931;
- Federal Civil Code of 1928;
- Federal Code of Administrative Proceedings of 1994;
- Federal Code of Civil Proceedings of 1943;
- Federal Code of Penal Proceedings of 1931;
- Customs Law of 1995 (the Customs Law); and
- Cinematography Law of 1992.

The sources of national regulations to laws relating to copyright or litigation are:

- Regulations to the Copyright Law of 1998;
- Regulations to the Industrial Property Law of 1994;
- Tariff for Public Performance in General;

- Tariff for Theatrical Performance;
- Tariff for Film Exhibition;
- Tariff for Public Performance in Hotels; and
- Tariff for Broadcasting of Musical Works.

The sources of international law relating to copyright or litigation are:

- Berne Convention for the Protection of Literary and Artistic Works, Paris Act;
- Universal Copyright Convention as revised in 1971;
- Inter-American Copyright Convention on Literary, Scientific and Artistic Works;
- Convention for the Producers of Phonograms Against Unauthorized Reproduction of their Phonograms;
- Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations;
- Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite;
- Treaty on the International Registration of Audiovisual Works;
- WIPO Copyright Treaty;
- WIPO Performances and Phonograms Treaty;
- Agreement on Trade-Related Aspects of Intellectual Property Rights;
- North American Free Trade Agreement; and
- A number of free trade agreements without specific IP rules.

**1.2. What is the order of priority of the relevant sources, ie which take precedent in the event of a conflict?**

Constitutional fundamentals dictate that federal laws, such as the Copyright Law and international treaties, are of equal application. However, disputes arising from contradictions or loopholes in the federal laws, have lead the Supreme Court of Justice to declare that international treaties pre-empt federal laws. This means that international treaty rules, when drafted as provisions having self-executing scope, shall prevail if federal laws contradict.

## **2. COURT AND ADMINISTRATIVE SYSTEM**

### **2.1. In which courts are copyrights enforced? Are they specialised copyrights courts? If not, what level of expertise can a copyright holder expect from the courts?**

Copyrights can be enforced before administrative, civil or criminal bodies or courts. The action available depends on the type of rights enforced.

Administrative actions can be brought before the Patent and Trademark Office (Mexican Industrial Property Institute or IMPI, by its initials in Spanish) or the Copyright Office. IMPI is in charge of enforcing copyright and neighbouring exclusive economic rights through infringement actions. The reason is that the Copyright Law of 1996 remits copyright enforcement actions to the procedural rules of industrial property law. Since IMPI performed as the enforcer of patent and trade mark rights for many years, it was easy for Congress to insert copyright within IMPI's jurisdiction. IMPI is an administrative body dealing with the registration aspects of industrial property rights. Congress appointed it because of the specialized nature of patents and trade marks and the chance that administrative proceedings could be shorter than judicial proceedings. On the other hand, the Copyright Office – another specialized government body dealing with registration and other administrative endeavours arising from copyright law – had no experience whatsoever in enforcing rights at the time Congress was discussing a new copyright procedural system back in 1996. With the advent of the Copyright Law of 1996, the Copyright Office was empowered to render sanctions against certain administrative violations of Copyright Law, including protection of moral rights of paternity and integrity, but not to enforce economic rights.

Decisions made by IMPI can be appealed before an administrative justice tribunal that reviews all sorts of resolutions coming from bodies or instances of the executive branch. The name of the tribunal can be translated as the Federal Tribunal for Tax and Administrative Affairs. The Tax Tribunal, as it is called in short, has created an *ad hoc* chamber or section that deals exclusively with intellectual property matters. The resolutions of the Tax Tribunal can be reviewed by federal judicial courts, namely circuit courts.

Civil actions can be either brought before federal or local civil courts, when parties dispute remuneration rights, such as unpaid royalties deriving from license, assignment or other contracts, or remuneration rights that authors enjoy from public exploitation of their works after they have assigned their exclusive economic rights to third parties. Likewise, civil actions can be taken to pursue damages from violations to exclusive economic rights. However, such actions are available only after IMPI resolutions declaring infringement of rights have become firm. Civil courts have no specialization in copyright affairs.

Criminal actions can be brought before criminal courts, in the case of copyright piracy activities or infringement that is perpetrated in bad faith and on a commercial scale. The Federal Constitution has conferred on the Attorney General the monopoly to take criminal actions. The role of the Attorney General's Office is to investigate copyright crimes mainly through a specialized unit that gathers district attorneys that are qualified in the field. By contrast, criminal courts have no specialization in copyright law.

## **2.2. Is there any administrative body (eg a copyright office)? If so, does it have any jurisdiction in copyright litigation?**

The copyright Office is in charge of registering copyrighted works. Mexico follows a registration system, although registration is voluntary. Registration is 'declarative' and not 'constitutive' of copyright. However, authors or copyright holders have found the registration system to be useful, since registration represents *prima facie* evidence of copyright ownership, and is actually the most practical vehicle to prove ownership. Courts like copyright certificates. As stated above, the Copyright Office is entitled to render sanctions against certain aspects of the Copyright

Law, including moral rights protection, although this latter capacity can only be inferred, since the statute is not express in this respect.

### **2.3. To what extent are courts willing to consider, or are bound by, the opinions of other national or foreign courts that have handed down decisions in similar cases?**

For obvious reasons, courts are not bound to follow resolutions rendered by foreign courts. However, sometimes IMPI or civil courts have been persuaded, or at least become interested, when parties have cited foreign awards in their allegations.

### **2.4. Who can represent parties before the courts handling copyright litigation?**

Licensed attorneys-at-law, empowered by the plaintiff or defendant, if the matter takes place in a judicial court. If the matter is criminal, district attorneys, empowered under law, handle the proceedings. Any person can intervene at IMPI, in the capacity of representative of the conflicting parties. Collecting societies that have fulfilled legal requirements to represent affiliate members can take actions on their behalf. In a recent case, a defendant film exhibitor alleged that the plaintiff, a collecting society representing music composers, had no standing to bring an action since it did not file the powers of attorneys bestowed by its members and required under procedural laws when actions are filed on behalf of others. The Circuit Court stated that the collecting society was not required to show powers of attorney to take the action because it had a 'privileged status'. The defendant moved at the Supreme Court of Justice for *certiorari*, arguing that it was a violation of constitutional principles that the judges recognize that parties enjoy a 'privileged status' in court proceedings. The case has been referred to the Supreme Court and resolution is pending.

### **2.5. What is the language of the proceedings? Is there a choice of language?**

The language of proceedings before the courts or administrative bodies can only be Spanish.

### **3. SUBSTANTIVE LAW**

#### **3.1. What types of works are copyrightable under your law? Does your national law provide for a closed list of copyrightable works or for an open list?**

The Copyright Law has employed the Berne Convention expression of 'literary and artistic works', which are original creations in literature, arts and science. In keeping with this, the notion of copyrightable works is broad and inclusive so as to consider any creative expressions that can be referred to as works of authorship. Likewise, the Copyright Law lists copyrighted works into the following non-exhaustive categories: literary works; musical works; dramatic works; choreographic works; paintings or drawings; sculptures or plastic works; architectural works; works of applied arts, including textile and graphic designs; compilations, characterized as encyclopedias, anthologies, and other related works; photographs, radio programs; films and other audiovisual works; computer software; graphic digital works; audiovisual digital works; and databases.

#### **3.2. Does the author or a work have to be a national of your country for the work to qualify as copyrightable or does a work qualify for copyright protection irrespective of the nationality of the author?**

The author of a work does not have to be a national of Mexico for the work to qualify as copyrightable and therefore, works qualify for copyright protection irrespective of the nationality of the author. The copyright Law states that foreign copyright owners enjoy the same rights as nationals, pursuant to the international treaties to which Mexico has subscribed. As for neighbouring rights owners, the Copyright Law extends protection to performing artists, phonogram (sound recordings) producers or broadcasting organizations who have first fixed their performances, sound recordings or broadcast signals in a foreign land, in conformity with international treaties on neighbouring rights.

#### **3.3. What types of rights are covered by copyright? To what extent are moral rights covered by copyright?**

Generally speaking, copyright affords to authors *ab initio* economic and moral rights. As an exception, copyright confers economic rights on

audiovisual producers and neighbouring rights to video recording producers. Likewise, copyright affords economic rights to commissioners of works in the case of works made for hire.

Moral rights are personal to authors, cannot be transferred and are perpetual.

Economic rights can be divided into exclusive rights to authorize or prohibit and remuneration rights. The latter accrue in favour of authors when they have assigned their exclusive rights to third parties. Authors contributing to audiovisual productions enjoy remuneration rights from the exhibitor, broadcaster or other user of the audiovisuals. All economic rights – both the right to authorize or prohibit and remuneration rights – can be assigned.

**3.4. What defences are available to an alleged infringer? To what extent can 'fair use' or 'fair dealing' be used as a defence? If these doctrines do not exist, are there any comparable limitations?**

Alleged infringers can bring defences on different grounds. The first layer of defence is that the plaintiff: i) is not the author of the work or has no rights to it; or ii) that the creation does not qualify as a copyrightable work. The second layer of defence is that the defendant: i) did not use or exploit (copy in whole or part, distribute, publicly perform or transform) the work; or ii) that the use made was permitted by the law because of a limitation of economic rights, or was made outside the scope of the law, in particular the infringement provisions.

**3.5. Is there a requirement of copyright registration? Is copyright registration required to enforce a copyright, ie to obtain damages or other relief? Is a copyright deposit required? Is a copyright notice required? What are the consequences, if any, for failure to make a copyright deposit or to display a copyright notice?**

Copyright protection is not subject to registration, not even to recover damages or other forms of relief. The Copyright Office registers works, but copyright holders do not have an obligation to register. Deposit is not considered under Copyright Law. A copyright notice is also not a requirement for protecting rights or for taking actions. However, the

Copyright Law considers it an administrative infringement, subject to fines, if notices are not properly affixed onto copies of works subject to distribution. That provision goes against the domestic system and attempts to adhere to Berne Convention principles.

### **3.6. How long does copyright protection last?**

The term of protection of economic rights is life of the author plus 100 years. The term is applicable to every work without exception. The Copyright Law does not provide special terms for work-for-hire or other situations, in which the life plus 100 years rule cannot be applied.

### **3.7. How is copyright infringement assessed? Is actual copying to be proved or is substantial similarity sufficient to establish infringement?**

The Copyright Law is unclear in this respect. In principle, from the reading of the statute, it appears that in order to infringe, copying needs to be literal. However, in practice courts have decided cases using the doctrine of substantial similarity.

### **3.8. Are there any particularities of assessing copyright infringement for specific types of works (eg software)?**

The Copyright Law does not contemplate particularities for assessing infringement of any works, including software. In practice, infringement shall be examined taking into consideration the nature or category of works. For example, copying of musical works shall depend on issues like the musical structure, metric and sequence, harmony or melody used. In the particular case of software, theories like abstraction tests are valid and can be followed.

### **3.9. Can a copyright be enforced against a trade mark, a domain name, a trade name, a pseudonym or other distinctive signs?**

Copyright can certainly be enforced against trade marks consisting of artworks or copyrighted designs. Likewise, the Copyright Law affords copyright related rights – called ‘reserved rights’ – to characters, titles of publications and artistic names. The law grants infringement actions against users of reserved rights when used without consent, no matter if used as trade marks or distinctive signs. However, if the user of the copyrighted work or reserved rights obtains a trade mark registration, it

will require cancellation based on the copyright or reserved rights. Reserved right holders can also request the transfer of domain name registrations by virtue of the Local Dispute Resolution Policy (LDRP), in connection with .mx domains.

### **3.10. On what grounds can a copyright be invalidated?**

Copyright can be invalidated on the basis that it is not a copyrightable work of authorship, but merely a non-original expression of an idea. Copyright registrations can be annulled for the same reasons as in paternity disputes between a registrant and the true author or copyright owner.

### **3.11. To what extent can enforcement of a copyright expose the copyright holder to liability for an antitrust violation?**

A copyright holder can be exposed to liability for antitrust violation to the extent that they carry out an uncompetitive practice by using the work in abuse of the respective rights. For example, that by using the work the right holder excludes competitors from the market.

### **3.12. Are there any grounds on which an otherwise valid copyright can be deemed unenforceable, owing to misconduct by the copyright holder, or for some other reason? Is there a time limit for bringing an infringement action?**

Nothing in addition to the foregoing.

### **3.13. Can a copyright holder bring a lawsuit claiming both copyright infringement and unfair competition for the same set of facts?**

A copyright holder can bring legal actions claiming both copyright infringement and unfair competition for the same facts. The two actions are not mutually exclusive. A copyright action would focus on the protection of a work – for example, computer software that is distributed or commercialised in a particular form. Unfair competition would focus on the uncompetitive practices that a person carries out in order to distort the market – for example, by making and distributing unauthorized copies of the software, or using marks and other distinctive features of the original product with the result that consumers become confused.

## **4. PARTIES TO LITIGATION**

### **4.1. Who can sue for copyright infringement (copyright holder, exclusive licensee, non-exclusive licensee, distributor)? Does a licensee need to be registered to be eligible to sue?**

The copyright holder, as the owner of the economic or moral rights, is eligible to sue for infringement; royalty collection or recovery; cancellation; paternity disputes; or in general take any action in connection with the rights provided under the Copyright Law. Copyright holders can only assign their economic rights. Being derivative copyright owners, assignees of economic rights can only sue on the basis of contracts executed in writing and recorded at the Copyright Office. Audiovisual producers can bring actions in connection with their audiovisuals as well as parties who have commissioned the realisation of the works. Neighbouring right holders are entitled to take action to enforce their rights. Licensees of copyright or neighbouring rights can bring actions based on the licence agreement, provided that the licensor grants to the licensee the right to defend their rights and that the agreement is recorded.

### **4.2. Under what conditions, if any, can an alleged infringer bring a lawsuit to obtain a declaratory judgment on non-infringement?**

A declaratory judgment of non-infringement is not an action recognised by either the Copyright Law or general procedural laws. Thus, non-infringement can only be raised as a defence in infringement proceedings.

### **4.3. Who can be sued for copyright infringement? Can the company directors be sued personally? Under what conditions, if any, can someone be sued for including or contributing to copyright infringement by someone else?**

Users of works can be sued for copyright infringement when they have not been authorized by the copyright holder. Users can also be sued for collection of royalties or remuneration rights when they have used the works without authorization from the copyright holder, and have not paid their remuneration duties, deriving from the law or from contracts. The law understands 'user' to mean the individual or corporation:

- i) making copies;
- ii) distributing copies;
- iii) communicating to the public; or
- iv) transforming a copyrighted work.

Directors, managers, representatives, members of management committees or perhaps shareholders of companies would personally respond if the company that they invest in, manage, or represent, has been convicted of a crime.

Neither the Copyright Law nor the general procedural laws recognise the theories of contributory infringement or vicarious liability as such. Criminal laws provide rules that can only be proximate to contributory infringement. For example, the Federal Penal Code prescribes the circumstances under which somebody is deemed to commit a crime. However, they are restricted to situations where participants knowingly take positive steps to assist those who have ultimately perpetrated the crime. Likewise, the Penal Code recognises specific secondary liability when third parties supply the 'raw materials' or consumables' for reproducing works.

#### **4.4. Is it possible to add or subtract parties during litigation?**

It is not possible to add parties during litigation. It is not possible to subtract though, if the plaintiff reaches settlement with one or more co-defendants notifies the settlement to the court and the proceedings continue against the non-settling co-defendants(s).

### **5. ENFORCEMENT OPTIONS**

#### **5.1. What options are open to a copyright holder when seeking to enforce its rights in your country?**

As explained above, copyright holders seeking to enforce rights have alternatives, depending on the type of infringement or violation perpetrated. Broadly speaking, copyright holders can explore civil, criminal or administrative actions. Each of the aforementioned routes follows their own procedures and has different measures and remedies.

## **5.2. Are criminal proceedings available? If so, what are the sanctions?**

Criminal proceedings are available, in essence, against different forms of copyright piracy, for example when users of works have acted in bad faith on a commercial scale. The sanctions are prison, fines and other things that would typically apply in criminal law. Prison terms are generally high. For example, making or distributing pirated copies or works can lead to prison terms of up to ten years. In fact, some copyright piracy crimes have been elevated to the status of felonies. The foregoing means that once the crime has been indicted and the judge has attracted the case, the alleged pirate or pirates shall be remanded in custody during the trial until sentence is served and the crime confirmed or disregarded. Additional prison terms can be imposed if district attorneys bring charges and actually prove that pirates acted in organized crime groups.

## **5.3. Are border measures available?**

The Customs Law provides that border measures are applicable in connection with copyright enforcement proceedings. The scope of the Customs Law is narrow and requires that the party asking for the border measure identifies the vessel carrying containers with pirated works. In practice, the Customs Office has taken been instrumental in assisting criminal and administrative authorities as well as plaintiffs to implement border measures, when there is little or no information about the vessels or containers. Copyrights or trade marks are not subject to registration with the Customs Office. However, the system has still worked well, since customs officers receive from copyright holders lists or catalogues with depictions of their goods and organize training sessions in order to learn how to differentiate between original and pirated copies.

## **5.4. Is it compulsory to send a cease and desist letter to an alleged infringer before commencing copyright infringement proceedings? What are the consequences, if any, for making unjustified threats of copyright infringement?**

It is not compulsory to send a cease and desist letter to an alleged infringer before commencing copyright infringement proceedings.

Delivering a cease and desist letter has been a common practice by litigators and copyright holders. Sometimes infringers have filed criminal actions against the signatories of such letters based on libel or slander, arguing that they have been affected by unjustified threats. However, such criminal actions have been unsuccessful.

#### **5.5. To what extent are courts willing to grant cross-border or extra-territorial injunctions?**

The issue of cross-border or extra-territorial injunctions has not been tested before the court system of Mexico. Procedural rules allow judges to declare extra-territorial injunctions, for example, for violations to the Mexican Copyright Law perpetrated by parties domiciled outside Mexico. However, since the question has never been raised in practice, it would be hard to know if judges would be willing to support and petition orders such as this.

#### **5.6. To what extent do courts recognise the blocking effect of 'torpedo' actions abroad?**

Blocking 'torpedo' actions has never been raised as an issue before Mexican courts.

#### **5.7. To what extent are alternative dispute resolution (ADR) methods (such as arbitration or mediation) available to resolve copyright disputes? How widespread are ADR methods and in which sectors?**

ADR has become an important method for resolving disputes. Since ADR, but more particularly arbitration, has been used more frequently, a number of cases have arrived at court, including at the Supreme Court of Justice, which have set criteria under the framework of the New York Convention, for how disputes can be arbitrated, how awards can be executed, and under what conditions they can be challenged. Copyright arbitration has been growing in parallel to general commercial arbitration, with an emphasis on the film industry. More and more licence or other agreements relating to copyright or entertainment law matters are negotiated with arbitration clauses. Likewise, general arbitration institutions like the Mexican Chamber of Commerce or *Centro de Arbitraje de Mexico* have lists of copyright experts. The copyright Office is empowered to act as an arbitration institution as well. It keeps

a list of arbitrators which is updated every year and published in the federal government's gazette. On an international level, copyright holders and users have used arbitration systems such as the Independent Film and Television Alliance (IFTA) or the new WIPO arbitration project on entertainment law. Both have Mexican experts on their lists.

## **6. PROCEDURE IN CIVIL COURTS**

### **6.1. What is the format of copyright infringement proceedings?**

The format of copyright infringement proceedings depends on the action filed. The Copyright Law, applicable in substantive matters, and the Federal Code of Civil Proceedings govern litigation in federal courts. In local litigation, the states' procedural codes substitute the federal legislation, but the Copyright Law continues to apply.

Considering that civil proceedings are governed by either federal or local procedural codes, actions claiming remuneration or damages or requesting the cancellation or registrations must follow these statutes' norms and rules. Such rules cover filing and responding to complaints; hearings; incidental recourses; allegations; sentences; and appeal. Preliminary measures are possible under the procedural codes, but are more restrictively applied in practice, in comparison to the Law on Industrial Property.

Criminal proceedings are exclusively federal and are governed by the Copyright Law, the Penal Code, and the Federal Code of Penal Proceedings. Criminal proceedings are divided into preliminary inquiries and a process or trial. The investigative stage starts with a private claim by the copyright owner through private actions, or by a public claim (depending on the type of crime) and terminates with a resolution granting or denying indictment. The fact that a criminal action is private means that the federal prosecutor can only start to investigate after a copyright owner or their representative has filed a claim. Accordingly, title and representation have to be proved. The copyright owner can control the initiation and termination of the proceeding by withdrawing the claim at any time.

The federal prosecutor or district attorney is in charge of the investigation, and is therefore empowered to collect evidence to

conclude that a crime has been committed and that somebody presumably inflicted it. Among other investigative measures, the district attorney can inspect premises and seize objects. If inspection is made of private property, a search and warrants order, issued by a judge, is required. After indictment, the matter is brought before a district judge, who then starts a criminal process or trial if, after assessment of the matter, they arrive at a *prima facie* conclusion that there is a crime to judge. The alleged defendant is granted a constitutional right to reply to the charges and to be rendered formally imprisoned or liberated if charges have no merit. The judge conducts the criminal trial with the General Attorney's Office as the plaintiff and the alleged criminal as defendant. The victim may assist the General Attorney in the prosecution of the trial. Both the General Attorney's Office and the defendant, if convicted, may file an appeal before a unitary court and then file a review at a circuit court.

Copyright administrative proceedings are federal as well. The Copyright Law, the Law on Industrial Property, the Federal Code of Administrative Proceedings, and the Federal Code of Civil Proceedings govern them. Sometimes, the civil proceedings code can supplement the administrative code, in particular when a given procedural norm is insufficient.

Administrative contentious proceedings are summary in nature and are intended to avoid procedural steps like incidents or intermediate appeals. In theory, they are generally restricted to the filing of a complaint, an answer, and final arguments. Preliminary measures are possible before or even during the principal proceeding, including preliminary injunctions, inspections, and seizures, conducted at the premises of the alleged infringer, a third party, or at a customs office. Resolutions can be appealed before the federal administrative court and reviewed at a circuit court.

## **6.2. Are disputed issues decided by a judge or a jury?**

Disputed issues are always decided by judges in a court proceeding, or by administrative officers if held at IMPI.

**6.3. To what extent are documents, affidavits, witnesses and/or (court-appointed or private) experts used? Is it possible to cross-examine witnesses?**

Civil and criminal proceedings allow all forms of evidence under the procedural laws. Administrative proceedings are subject to certain restrictions, since parties can only submit testimonies and confessions in writing and therefore cross-examination is not possible. In civil and criminal instances the value of affidavits is small. In administrative proceedings, affidavits are equal to testimonies and can have persuasive value. Expert testimonies are required to comply with formalities. Both parties appoint experts who render testimonies in writing and the court or IMPI brings third party experts to render their opinion when testimonies conflict.

**6.4. To what extent is survey evidence used (eg to prove substantial similarity)? What is its relevance in proceedings (eg party allegation, evidence)? Who decides which consumers are questioned in the survey (eg the court, court expert)? What level of cost should one expect to incur to carry out a survey? Are these costs recoverable from the losing party?**

Survey evidence is principally used at IMPI in connection with trade mark matters. It has been never used in copyright proceedings, taking into account that copying, including issues of substantial similarity, are not questions addressed to consumers or the general public. Copying is instead addressed by experts in their field.

**6.5. Is evidence obtained for criminal proceedings admissible in civil proceedings, and vice versa?**

Evidence obtained for criminal proceedings is admissible in civil proceedings, and vice versa.

**6.6. To what extent is pre-trial discovery permitted? If it is permitted, how is discovery conducted? If it is not permitted, what other, if any, mechanisms are available for obtaining evidence from an adverse party or from third parties?**

Discovery is not available under any procedural laws. In administrative proceedings, any party can ask IMPI to order the adverse party to

produce evidence. The rule states that the piece of evidence needs to be specified and be connected to the issues subject to the litigation.

### **6.7. What level of proof is required for establishing infringement or invalidity?**

In order to establish infringement or invalidity, proof must convincingly, objectively and directly demonstrate the wrong or contribute, together with other proof, to demonstrate the wrong.

### **6.8. How long do copyright infringement proceedings typically last? Is it possible to expedite this process?**

Civil proceedings may take from one to three years, and sometimes can be longer if the subject matter involved is more complex. Administrative proceedings take from two to five years. They could be expedited, but that depends on the backlog of IMPI. Criminal matters can be quick, depending on whether the alleged infringers were caught re-handed and thus indicted in a short time.

### **6.9. What options, if any, are available to a defendant seeking to delay the proceedings? Under what conditions, if any, can proceedings be stayed? How can a plaintiff counter delaying tactics of a defendant?**

Defendants can utilise tactics to delay proceedings. There are a number of alternatives to take. For example, they can bring frivolous counter-actions to challenge the copyright, taking advantage of the fact that the courts or IMPI have to decide on the counter-actions prior to addressing the principal action. It is hard for a plaintiff to counter delay these tactics aside from asking the court or IMPI to resolve them as quickly as possible.

## **7. FINAL REMEDIES**

### **7.1. What remedies are available against a copyright infringer (final injunction, delivery up or destruction of infringing goods, publication of the decision, recall-order, monetary remedies, etc.)?**

The typical remedies available in civil matters are monetary. Remedies in administrative matters are typically final injunction; fines; shutdown

of establishment; and destruction of seized goods. Remedies in criminal matters are typically imprisonment; fines; and remedies used by judges to repair affection to society.

**7.2. To the extent it is possible to obtain a final injunction against future infringement, is it effective against the infringer's suppliers or customers?**

Final injunctions can be effective against the infringer's suppliers or customers, or in general, can be employed against future infringements.

**7.3. What monetary remedies are available against a copyright infringer (reasonable royalty, lost profits, account of profits, or some other basis)? Are punitive damages available? If so, under what conditions? Are liability and quantum of monetary remedies assessed at the same time by the court or is the quantum assessed at a separate, later stage from liability?**

The civil procedural code stipulates a so-called 'damage' and 'prejudice' theory which means that a plaintiff can recover: i) economic loss – including lost profits and royalties; and ii) profits that the plaintiff would have earned if the infringement had not been committed, or both.

The Copyright Law contemplates an *ad hoc* formula, applicable once copyright infringement is found. The theory is known as the 40 per cent rule, which dictates that judges shall declare damages for economic or moral rights violation to be at least 40 per cent of the 'sale price' obtained by the infringer from 'selling copies' of works or 'rendering services'. The 40 per cent rule does not represent punitive or statutory damages, but rests closer to these than lost profits or reasonable royalties. The difference is that it does not trigger automatically from infringement, despite the language employed in the law being quite straightforward. Damages need to be proved first, otherwise the 40 per cent rule would go against civil law and the Constitution. The rule functions as a minimum standard provision applicable when damages can be proved. The award cannot then be rendered for an amount that is less than the sale price of the infringing copy or service provided (applicable to, for example, public performance or other use of a work not involving distribution of copy). What the author or copyright holder is required to prove in order to request application of the 40 per cent

rule is that the infringer of a patrimonial copyright right made an income or revenue by selling copies of a work or by rendering a service using a work, without having obtained authorization from the copyright holder or without having paid a royalty.

The rule is more complicated in the case of moral rights, since the author claiming damages for violation of moral right would first need to show that the infringement triggered economic harm. There are no decisions awarding damages for violation of moral rights.

## **8. PRELIMINARY RELIEF**

### **8.1. Is preliminary relief available? If so, what preliminary measures are available (eg preliminary injunction) and under what conditions? Is urgency a condition for the court to grant preliminary relief? If so, how is it determined?**

Civil procedure laws provide preliminary measures, but courts apply them so restrictively that they are never granted.

On the administrative side, the range of preliminary measures is plentiful.

Accordingly, plaintiffs can seek preliminary injunctions, seizures and site inspections, among others. The downside is that defendants can lift preliminary measures easily by posting a bond or a counter-bond (if IMPI previously required the plaintiff to file a bond as a warranty against damages and in order to grant the preliminary measures requested).

In criminal proceedings, district attorneys can ask judges to render search and warrant orders in order to conduct raids and ultimately seize infringing copies, review premises, documents or evidence or to arrest people.

### **8.2. Is *ex parte* relief available, where the defendant is given no notice at all? If so, under what conditions?**

Preliminary injunction proceedings before IMPI are *ex parte* or *inaudita altera pars*. Proceedings are effective and relief is granted and implemented quickly. In fact they are so quick that the examiners at IMPI never stop to make a *prima facie* infringement analysis. However, in order to maintain balance they discharge injunctions by requesting

bonds from alleged infringers, who after posting them, go back to their activities. Bearing that in mind, the system is very inefficient.

**8.3. Are protective writs known in your country and what effects do they have on the preliminary injunction proceedings?**

Protective writs are not known in Mexico.

**8.4. Is the plaintiff entitled to ask for an order that the defendant's premises are searched and a description of the infringing goods (and the accounting data relating thereto) is made in order to establish proof of infringement (*saisie-contrefaçon*)? If not, what other mechanisms, if any, are available for seizing and preserving evidence for trial?**

In administrative and criminal proceedings, a plaintiff is entitled to ask for an order that the defendant's premises are searched and a description of the infringing goods, and accounting data relating to them, are made in order to establish proof of infringement. Seizure of infringing copies of works can be made as a result of the search.

**8.5. Can the defendant put the validity of a copyright at issue in preliminary injunction proceedings?**

The Copyright Law and procedural laws do not allow a defendant to challenge the validity of copyright in preliminary infringement proceedings of an administrative kind. However, defendants generally wait until the plaintiff actually brings an infringement action in order to counterclaim the validity of the copyright. The Copyright and Industrial Property Laws follow TRIPS standards in connection with preliminary measures proceedings and how they are independent from regular infringement proceedings.

**8.6. What is the format of preliminary injunction proceedings?**

The plaintiff files a petition for preliminary measures in writing, showing a *prima facie* copyright infringement. Evidence is submitted for this purpose, together with a bond as a warrant of damages. IMPI admits the petition and assesses the infringement (although in practice, they do not analyse infringement at all and just approve the petition blindly). A few days later, IMPI responds to the plaintiff generally granting the petition and providing a date for it as well as a date for performing a

search of premises and seizure, if requested by the plaintiff. IMPI may ask the plaintiff to elevate the amount of the bond if after the search and seizure is made, IMPI arrives at the conclusion that the original amount was too low to warrant possible damages if the case is decided in favour of the defendant. Once the preliminary measures are notified and implemented, the defendant has 20 business days to produce a response. At the same time, the plaintiff has 10 business days to file an infringement action, based on the merits of the matter. The defendant will be allowed to ask IMPI to eliminate the preliminary measures order by posting a counter-bond, which IMPI normally fixes as double the original bond.

**8.7. If a preliminary injunction is granted and the main infringement action is finally lost, can the defendant claim damages for the unjustified preliminary injunction? If so, how are the damages calculated? Must the plaintiff provide some form of bond/guarantee to compensate the defendant in the event that the preliminary injunction is later held to have been wrongly imposed?**

This question has been discussed extensively above.

**8.8. To what extent are documents, affidavits, witnesses, survey evidence, and/or (court-appointed or private) experts used in preliminary injunction proceedings?**

In theory, all sorts of evidence is valid in preliminary injunction proceedings, subject to the limitations of administrative proceedings. However, most petitions are supported by documentary evidence only.

**8.9. What level of proof is required for establishing infringement or invalidity in preliminary injunction proceedings?**

The level of proof required for establishing infringement in preliminary injunction proceedings is showing a *prima facie* case. The level of proof required for establishing invalidity in preliminary injunction proceedings is full proof.

**8.10. How long do preliminary injunction proceedings typically last?**

Preliminary injunction proceedings take a few days of weeks from the date that they are filed to when they are implemented.

**8.11. Where a preliminary injunction is granted, is it necessary to start main proceedings to confirm the preliminary injunction?**

It is necessary to start main proceedings to confirm a preliminary injunction within 10 business days after the latter has been notified to defendant.

**9. APPEAL PROCEDURE**

**9.1. What avenues of appeal are available for a defeated party in main proceedings or preliminary injunction proceedings? Under what conditions?**

Please see above.

**9.2. If an appeal is filed, is relief usually stayed pending the outcome of the appeal?**

If an appeal is filed relief stays pending its outcome.

**9.3. How long do appeal proceedings typically last?**

Appeal proceedings last between six months and one year.

**10. LITIGATION COSTS**

**10.1.** What level of cost should one expect to incur to take a case through to a first instance decision, preliminary injunction proceedings and/or appeal proceedings?

Not applicable.

**10.2. Can attorney fees and costs be recovered by the winning party?**

Attorney fees and costs can indeed be recovered by the winning party, only in civil proceedings, and depending on how frivolously the losing party behaved in the opinion of the judge.

**11. FORTHCOMING LEGISLATION**

**11.1. What are the important developing and emerging trends in your country's copyright law?**

No developing and emerging trends are expected.

**11.2. To the extent it relates to copyright enforcement, please outline any mayor copyright legislation in the pipeline.**

Not applicable.

**12. USEFUL REFERENCES**

**12.1. Please identify any useful works of reference relating to copyright law and copyright litigation in your country, including useful websites.**

## **LEGISLATION AND ENFORCEMENT- COPYRIGHTS 2010**

*Getting the Deal Through - Copyright 2010.*

### **Legislation and enforcement**

#### **1. What is the relevant legislation?**

The legislation affecting copyright in Mexico includes:

- the Copyright Act 1996;
- the 1998 Regulations to the Copyright Act;
- the Industrial Property Act 1991 and reforms of 1994;
- the Federal Penal Code 1931 and amendments of 1996.
- the Federal Code of Administrative Proceedings 1994 and subsequent amendments;
- the Federal Code of Civil Proceedings 1943; and
- the Federal Code of Penal Proceedings 1931.

#### **2. Who enforces it?**

Copyright enforcers include:

- the Copyright Office (INDAUTOR);
- the Patent and Trademark Office (IMPI);
- the civil and commercial courts; and
- the General Attorney's Office.

### **Agency**

#### **3. Is there a centralised copyright agency? What does this agency do?**

The Copyright Office is in charge of:

- registering works of authorship, contracts and related documentation;

- organising and maintaining the copyright register;
- documenting collection management organisations that have met the legal requirements to operate by collecting from users of works;
- 'reservas' to protect titles, characters or names of artists;
- providing the legal means for enforcing certain forms of copyright infringement;
- acting as an arbitral institution regarding disputes on copyright and neighbouring rights; and
- acting as a conciliator for disputes through special proceedings.

### **Subject matter and scope of copyright**

#### **4. What types of works are copyrightable?**

The following types of works are copyrightable:

- literary;
- musical (with or without lyrics);
- dramatic;
- dance;
- pictorial or drawing;
- sculpture or plastic work;
- caricature and cartoons;
- architectural;
- cinematographic and other audio-visual works;
- radio and television programmes;
- computer programs;
- photographic works;
- decorative art works which include graphic and textile design; and

- compilations such as encyclopedias, anthologies, and other works such as databases, but only if such works are considered to be an intellectual creation.

## **5. What types of rights are covered by copyright?**

The following types of rights are covered by copyright:

- patrimonial rights (ie, reproduction, distribution, public performance and transformation);
- moral rights (ie, ownership and integrity); and
- remuneration rights (ie, the resale right known as droit de suite; exploitation of audio-visual works; and public performance of works of authorship when patrimonial rights have been assigned).

## **6. What may not be protected by copyright?**

The following may not be protected by copyright:

- ideas, formulae, solutions, concepts, methods, systems, principles, discoveries, processes or inventions of any kind;
- industrial or commercial exploitation of the ideas contained in works;
- schemes, plans or rules for the making of mental acts, games or business;
- letters, digits or isolated colours, except where they are stylized to such an extent that they become original designs;
- names and titles or isolated phrases;
- blank formats or formulae containing any type of information, as well as their instructions;
- reproduction or imitations, without authorisation, of shields, flags or emblems of any country, state, municipality or equivalent political division, denominations, initials, symbols or emblems of international government organisations, or any government or other organisation officially recognised, as well as the verbal description of them;

- legislative, regulatory, administrative or judicial texts, as well as their official translations;
- informative content of news; and
- information in common use such as proverbs, sayings, legends, facts, calendars and metric scales.

## **7. Do the doctrines of 'fair use' or 'fair dealing' exist ?**

The doctrines of 'fair use' or 'fair dealing' do not exist as such in Mexican law. The comparable provisions for copyright limitations are as follows:

### **Limitations for reproduction rights**

Limitations for reproductive rights cover:

- quotation of texts, provided that the amount quoted is not considered to be a simulated and substantial reproduction of the contents of the work;
- reproduction of articles, photographs, illustrations and comment referring to current events, published in the press or communicated by radio or television, or any other medium of communication, if this has not been expressly prohibited by the owner of the rights;
- reproduction of parts of the work for the purposes of scientific, literary or artistic criticism or research;
- reproduction of a literary or artistic work, in a single copy, for the personal and private use of the person doing it, and without a financial purpose. Legal entities may not benefit from this provision unless they are an educational or research establishment or their work is not for commercial purposes;
- production of a single copy by an archive or a library, for reasons of security and preservation, if the work is out of circulation, no longer catalogued and there is a possibility that it will disappear;
- reproduction for use as evidence in judicial or administrative proceedings; and

- reproduction, communication and distribution by means of drawings, paintings, photographs and audio-visual processes of works that are on display or visible in public places.

### **Limitations for public performance and other rights**

Limitations for public performance cover use of literary and artistic works in shops or establishments open to the public, trading copies of the said works, provided that there is no admission fee and that the performance does not extend outside the place where the sale is made and serves the sole purpose of promoting the sale of copies of the works.

Ephemeral recordings are subject to the following conditions:

- transmission shall take place within an agreed period;
- for the purposes of the recording, it will not be possible to make a related or simultaneous broadcast or communication; and
- the recording may only be broadcast once.

### **Architectural works and works of applied art**

The author of a work of architecture may not prevent the owner of the said work from making alterations, but he or she shall have the right to prohibit his or her name from being associated with the altered work.

### **Other**

The rights of artists, interpreters and performers, audio and video producers, or broadcasting organisations, are not infringed by the use of their acts, recordings or broadcasts, when such works are reproduced, communicated and distributed by drawings, paintings, photographs and audio-visual means, visible from public places provided that:

- no direct economic advantage is pursued; and
- only brief fragments are used as information for current events.

## **8. What are the standards used in determining whether a particular use is fair?**

The law does not define any standards to determine fair use. Limitations are listed and interpreted literally.

## **9. Are architectural works protected by copyright? How?**

Architectural works are copyrightable under the law. Plans are protected together with the physical constructions arising from the plans. The architectural works protected include all aspects that can be attributed as original to the author or architect designer. The law imposes one restriction: the author of an architectural work may not prevent the owner of the physical construction from making modifications to it. However, the author will have the right to refuse his or her name being associated with the modified work.

## **10. Are performance rights covered by copyright? How?**

Public performance rights are covered by the Copyright Act. They are part of the bundle of patrimonial copyright rights, and if transferred, they may also be a remuneration right.

## **11. Are other 'neighbouring rights' recognised? How?**

Mexico is a member of the Rome Convention and accordingly protects the rights of artistic performers, audio recording producers and broadcast entities. In addition, book publishers and video producers are entitled to related rights as well.

## **12. Are moral rights recognised?**

The Copyright Act protects moral rights of paternity, integrity, divulgation and withdrawal. Moral rights are personal rights that cannot be renounced, pledged or transmitted and that are imprescriptible.

### **Copyright formalities**

## **13. Is there a requirement of copyright notice?**

There is no requirement of copyright notice.

## **14. What are the consequences for failure to display a copyright notice?**

There are no consequences for failure to display a copyright notice although the copyright law indicates that some sort of administrative infringements could arise.

**15. Is there a requirement of copyright deposit?**

There is no requirement of copyright deposit.

**16. What are the consequences for failure to make a copyright deposit?**

There are no consequences for failure to make a copyright notice. Ownership in copyright disputes can be proved by documentary or other evidence showing that the author created the work.

**17. Is there a system for copyright registration?**

Works can be registered with the Copyright Office. Registration is not compulsory and copyright protection does not depend on registration. However, registration can represent reliable evidence in court since it represents prima facie evidence of copyright ownership.

**18. Is copyright registration mandatory?**

Copyright registration is not mandatory.

**19. How do you apply for a copyright registration?**

To register a copyright, a person must file a simple application with two samples of the work and a fee. Particular information about contributors or creators is normally requested by the Copyright Office for commissioned works.

**20. What are the fees to apply for a copyright registration?**

The application fee for copyright registration is approximately US\$13.

**21. What are the consequences for failure to register a copyrighted work?**

There are no consequences for failure to register a copyrighted work. Ownership in copyright disputes may be proved by something else showing that the author created the work.

## **Ownership and transfer**

### **22. Who is the owner of a copyrighted work?**

Generally, an author would be the first owner of the copyrighted work. Exceptions include:

- commissioned works – the entity asking for the work becomes the owner *ab initio*; and
- audio-visual works – the law regards the producer as the copyright owner.

### **23. May an employer own a copyrighted work made by an employee?**

Copyright ownership shall vest in the employer when parties have executed a labour agreement in writing and the same has a special work-for-hire clause. If the parties have signed a labour agreement without this special clause, copyright shall be split in equal shares. If parties have not signed a labour agreement, rights shall vest in the employee.

### **24. May a hiring party own a copyrighted work made by an independent contractor?**

A hiring party may own the rights on a copyrighted work made by an independent contractor. Requirements are less strict than in the case of an employee's works. It would be sufficient to show that a work has been commissioned and that there has been remuneration. If the two conditions are met, copyright ownership shall revert to the party that hired the work.

### **25. May a copyrighted work be co-owned?**

Works can be co-authored if they are jointly created by two or more authors, or else co-owned.

The Copyright Law sets forth rules in connection with the coauthorship of works, to distinguish between 'collaborative' works (authored jointly by two or more individuals) and 'collective' works (authored jointly by two or more individuals under the initiative of another individual or a

corporation). Rules state as well that the rights of co-authors shall be shared in equal parts unless otherwise agreed.

Likewise, the Copyright Law sets forth rules in connection with co-ownership of works, including initial ownership rules, whether by authorship or work for hire or ownership by transfer. In keeping with this, physical individuals or corporations can be patrimonial rights-owners or co-owners.

## **26. May rights be transferred?**

Patrimonial rights can be transferred. Generally, transfers are not permanent. The law provides for limitations on transfers.

## **27. May rights be licensed?**

Patrimonial rights may be licensed.

## **28. Are there compulsory licences? What are they?**

The publication and translation of literary or artistic works, which are required for the development of science and culture and national education, may be the subject of a compulsory licence. This process is theoretically possible, but has never been done and a system would need to be put in place to do it.

## **29. Are licences administered by performing rights societies? How?**

In principle, licences are administered by the copyright or related rightsholders. Performing rights societies can administer them if copyright or related rightsholders become members thereof and grant a formal mandate to them to collect royalties or remuneration from users, by virtue of licences or otherwise.

## **30. Is there any provision for the termination of transfers of rights?**

There is provision for the termination of the transfer of copyright rights. Under the law, transfers are temporary and are subject to certain rules. Transfers are only valid for periods ranging between five and 15 years. A transfer in excess of 15 years is only valid in particular circumstances relating to the investment in the production of a work.

### **31. Can documents evidencing transfers and other transactions be recorded with a government agency?**

Documents evidencing transfers and other transactions can be recorded with the Copyright Office by way of an application or request.

### **Duration of copyright**

#### **32. When does copyright protection begin?**

Copyright protection begins from the moment the work is created.

#### **33. How long does copyright protection last?**

Protection for patrimonial rights lasts throughout the lifetime of the author (or contributor) and for 100 years following the author's death.

#### **34. Does copyright duration depend on when a particular work was created or published?**

Copyright duration depends on when the work was authored and fixed into a tangible form of expression.

#### **35. Do terms of copyright have to be renewed? How?**

Terms of copyright do not have to be renewed.

### **Copyright infringement and remedies**

#### **36. What constitutes copyright infringement?**

The law categorises infringement into the following:

#### **Copyright infringements**

The following behaviour constitutes an infringement of copyright:

- an editor, entrepreneur, producer, employer, broadcasting organization or licensee entering into a contract with the objective of transmitting copyright in violation of the present law;
- infringement by the licensee of the terms of the compulsory licensing that would have been declared in article 146 of the Copyright Act;

- presenting oneself as a collective representation society without having obtained the corresponding registration with the Copyright Office;
- being the administrator of a collective representation society and failing without just cause to provide the Copyright Office with the reports and documents referred to in the law;
- not inserting in a published work the requirements referred to in the law;
- falsely omitting or inserting the data referred to in the law in an edition;
- falsely omitting or inserting the requirements referred to in the law in an edition;
- not inserting in an audio recording the requirements referred to in the law;
- publishing a work, while being authorized to do so, without mentioning in it the name of the author, translator, compiler, adapter or arranger;
- publishing a work, while being authorized to do so, which damages the reputation of the author as such and, if applicable, of the translator, compiler, arranger or adapter;
- publishing works performed in official service without authorization of the federation, states or municipality;
- using fraudulently in a work a title that induces confusion with another work published earlier;
- fixing, representing, publishing or performing any communication or using in any form, a literary and artistic work, protected in the law, without mentioning the community or ethnicity, or the region of Mexico where it originates; and
- any other infringement derived from the interpretation of the Copyright Act and its rules.

### **Commercial copyright infringements**

The following behaviour constitutes an infringement in trade when performed with direct or indirect commercial purposes:

- communicating or publicly using a work protected by any means and in any form without the previous and explicit authorization of the author, their legitimate heirs or the holder of the author's proprietary equity;
- using the image of a person without his or her authorization or that of his or her successors;
- producing, reproducing, storing, distributing, transporting or commercialising copies of works, audio or video recordings, or books, protected by copyright or related rights, without the authorization of the respective holders in terms of this law;
- offering for sale, storing, transporting or making available works protected by this law that have been deformed, modified or mutilated without authorization of the holder of the copyright;
- importing, selling, leasing or performing any act that allows or facilitates possession of a device or system the purpose of which is to deactivate the protective electronic devices of a computer program;
- rebroadcasting, fixing, reproducing and disseminating to the public the programmes of a broadcasting organization without the organization's authorization;
- using, reproducing or exploiting a protected reservation of rights or a computer program without the consent of the holder;
- using or exploiting a name, title, denomination, physical or psychological characteristics or operation characteristics in such a way that they induce error or confusion with a protected reservation of rights;
- using literary and artistic works protected by chapter III, title VII of the Copyright Law in violation of that contained in article 158; and
- all other infringements as provided for by the law that imply a commercial or industrial behaviour relating to the works protected by this law.

### **37. Does secondary liability exist for indirect copyright infringement? What actions incur such liability?**

The Copyright Law of Mexico does not safe harbour site operators and service providers for any of their online intermediary communication and reproduction activities. Likewise, the law dictates that exceptions to patrimonial rights shall be viewed literally and narrowly, to the extent that it could be questioned if the Berne and WCT/WPPT three-step rule is materially applicable. Accordingly, site operators and service providers cannot take any defensive position against infringement claims by copyright holders, based on mere conduit, caching, hosting or search engine arguments. By contrast, they seem not to be required to adopt policy rules to prevent their subscribers to respect IP rights.

Mexican laws do not recognize the theories of contributory infringement or vicarious liability as such. Criminal laws provide rules that can only be proximate to contributory infringement. For example, the Federal Penal Code gives the circumstances under which anybody can participate in crimes. However, they are restricted to situations when participants knowingly take positive steps to assist who has ultimately perpetrated the crime (article 13, Federal Penal Code).

Likewise, the Penal Code recognizes specific secondary liability when third parties supply the 'raw materials' or 'consumables' for reproducing works (article 424 bis(1), second paragraph, Federal Penal Law). P2P service providers do not supply to the public anything like that, making it difficult for them to be regarded secondary infringers. Under the Penal Code, third parties unrelated to copyright holders would not be hold secondarily liable for inducing others to commit infringement. However, copyright holders might not need to invoke indirect or secondary liability indeed, since under the Copyright Law plaintiffs can support their copyright infringement claims on direct infringement of rights, namely public performance and making available rights. In the end, the intermediary and not only the public at large can be directly liable for copyright infringement.

### **38. What remedies are available against a copyright infringer?**

The following remedies are available for copyright infringement:

- injunctive relief;

- administrative orders (time, shutdown of establishments or premises);
- civil remedies (damages); and
- criminal sanctions (imprisonment or fines).

### **39. Is there a time limit for seeking remedies?**

There is a statute of limitations for civil and criminal remedies.

### **40. Are monetary damages available for copyright infringement?**

Monetary damages are available for copyright infringement. The applicable rule is that 40 per cent of the value of the infringing products will be awarded. The 40 per cent rule represents a minimum standard provision.

### **41. Can attorneys' fees and costs be claimed in an action for copyright infringement?**

Attorneys' fees and costs are available for copyright infringement but they are seldom recovered.

### **42. Are there criminal copyright provisions? What are they?**

Imprisonment of between six months and six years, and a fine, will be imposed on:

- any person that deals in any form with free textbooks distributed by the Public Education Department;
- an editor, producer or recorder that knowingly produces more copies of a work protected by federal copyright law than authorized by the holder of the rights; or
- any person that uses in a fraudulent manner, with commercial purposes and without the corresponding authorization, works protected by federal copyright law.

Up to 10 years' imprisonment and a fine will be imposed on:

- any person that produces, reproduces, introduces to the country, stores, transports, distributes, sells or leases copies of works, audio or video recordings, or books protected by federal copyright law, in a

fraudulent way, for commercial purposes, and without the authorization from the holder of the copyright or related rights;

- any person that knowingly contributes in any way to or provides raw materials or consumables destined for the production or reproduction of works, audio or video recordings, or books referred to in the previous paragraph; or
- any person that manufactures for commercial purposes a device or system whose purpose is to deactivate the protective electronic devices of a computer program.

Imprisonment of between six months and six years, and a fine, will be imposed on any person that sells copies of works, audio or video recordings or books to any final consumer in a public place and in a fraudulent manner for commercial purposes. If the sale takes place in a commercial establishment or in a permanent and organized manner, the infringer will be subject to sanction under the penal code.

Imprisonment of between six months and two years, or a fine will be imposed on whoever, knowingly and without right, exploits an artistic performance for commercial purposes.

Imprisonment of between six months and four years, and a fine will be imposed on:

- any person that manufactures, imports, sells or leases a device or system to decode a coded satellite signal or programme-carrier, without authorization of the legitimate distributor of said signal;

and

- any person that performs any act for commercial purposes with the intention of decoding a coded satellite signal or programme carrier, without authorization of the legitimate distributor of said signal.

### **43. Is online copyright infringement actionable?**

Methods exist for pursuing online copyright infringement. The law provides copyright owners with a general right to pursue infringers regardless of the medium they employ. Although not expressly provided for in the law, the internet is certainly included. Likewise the principles

of the WIPO treaties, including a right of access and the redefinition of the terms 'fixation' and 'reproduction' in a digital environment, have been implemented in law.

#### **44. How may copyright infringement be prevented?**

Copyright infringement is always hard to prevent. However, copyright law recognizes and protects against infringements relating to technology protection.

#### **Relationship to foreign rights**

#### **45. Which international copyright conventions does your country belong to?**

Mexico belongs to most multinational treaties on copyright and neighbouring rights. It is also a member of a number of bilateral agreements, in particular on free trade and those dealing with copyright and neighbouring rights issues.

#### **46. What obligations are imposed by your country's membership of international copyright conventions?**

The nature of the obligations imposed depends on the type of treaty. For example, a treaty may be based on the principles of reciprocity, minimum standards, national treatment, etc. Mexico has executed copyright treaties without reservation or restrictions and, on the whole, has implemented them into domestic law. In any event, treaties are self-applicable under the Mexican Constitution and would not strictly require implementation. Accordingly, treaty provisions are valid to fill the gaps in local law. Treaty provisions prevail in the event of conflict with provisions in local laws.

#### **Update and trends**

#### **Bill to amend the Copyright Law to introduce a private copy levy system**

The bill was filed on 27 April 2010 and published in the gazette of the House of Representatives (in Mexico called the Chamber of Deputies). In general terms, the bill very broadly advocates for levies for the manufacture and sale (including importation or other sorts of

distribution) of media used for reproducing copyrighted works. The bill proposes collecting societies with the right to collect the levy from the manufacturers or distributors for distribution among copyright and neighbouring right holders. The system has been clearly inspired by the German/Spanish theory of copyright compensation for authors and in some way has been backed by the European Copyright Directive (there are fundamental differences though, as the Spanish statute has proved to have according to the opinion of the general attorney of the European Tribunal in *SGAE v Padawan*). The bill triggered immediate response and opposition by the electronic and computer industries as well by consumer groups and society at large. It has been planned for analysis and discussion by the Chamber of Deputies in September this year.

### **Bill to amend the Copyright Law to introduce a regime to prevent illegal copying on the internet**

This bill was also filed and published on 27 April 2010. The purpose of the bill is to implement a three-strikes system that resembles HADOPI 2. However, instead of creating a body similar to French HADOPI, it has empowered IMPI (Mexican Institute of Industrial Property) with competence to request ISPs to render warnings to customers that allegedly infringe copyright rights by copying works or making them available to the public on the internet. Every other provision in the bill essentially repeats HADOPI 2. As in France, the Mexican bill has immediately attracted the attention of internet groups, not to say the large ISP Mexican and international corporations established in Mexico, which includes Carlos Slim's Telmex. Their position is awaited. As with the private copy bill, this bill has been planned for review and discussion by the Chamber of Deputies in September this year.

## **LEGISLATION AND ENFORCEMENT- COPYRIGHTS 2008.**

*Getting the Deal Through - Copyrights 2008.*

### **Legislation and enforcement**

#### **1. What is the relevant legislation?**

The legislation affecting copyright in Mexico includes:

- the Copyright Act 1996;
- the 1998 Regulations to the Copyright Act;
- the Industrial Property Act 1991 and reforms of 1994;
- the Federal Penal Code 1931 and amendments of 1996.
- the Federal Code of Administrative Proceedings 1994 and subsequent amendments;
- the Federal Code of Civil Proceedings 1943; and
- the Federal Code of Penal Proceedings 1931.

#### **2. Who enforces it?**

Copyright legislation is enforced by:

- the Copyright Office (INDAUTOR);
- the Patent and Trademark Office (IMPI);
- the civil and commercial courts; and
- the General Attorney's Office.

### **Agency**

#### **3. Is there a centralised copyright agency? If so, what does this agency do?**

The Copyright Office is in charge of:

- registering works of authorship, contracts and related documentation;

- organising and maintaining the copyright register;
- documenting collection management organisations that have met the legal requirements to operate by collecting from users of works;
- 'reservas' to protect titles, characters or names of artists;
- providing the legal means for enforcing certain forms of copyright infringement;
- acting as an arbitral institution regarding disputes on copyright and neighbouring rights; and
- acting as a conciliator for disputes through special proceedings.

### **Subject matter and scope of copyright**

#### **4. What types of works are copyrightable?**

The following types of works are copyrightable:

- literary;
- musical (with or without lyrics);
- dramatic;
- dance;
- pictorial or drawing;
- sculpture or plastic work;
- caricature and cartoons;
- architectural;
- cinematographic and other audio-visual works;
- radio and television programmes;
- computer programs;
- photographic works;
- decorative art works which include graphic and textile design; and

- compilations such as encyclopedias, anthologies, and other works such as databases, but only if such works are considered to be an intellectual creation.

## **5. What types of rights are covered by copyright?**

The following types of rights are covered by copyright:

- patrimonial rights (ie, reproduction, distribution, public performance and transformation);
- moral rights (ie, ownership and integrity); and
- remuneration rights (ie, the resale right known as *droit de suite*; exploitation of audio-visual works; and public performance of works of authorship when patrimonial rights have been assigned).

## **6. What may not be protected by copyright?**

The following may not be protected by copyright:

- ideas, formulae, solutions, concepts, methods, systems, principles, discoveries, processes or inventions of any kind;
- industrial or commercial exploitation of the ideas contained in works;
- schemes, plans or rules for the making of mental acts, games or business;
- letters, digits or isolated colours, except where they are stylized to such an extent that they become original designs;
- names and titles or isolated phrases;
- blank formats or formulae containing any type of information, as well as their instructions;
- reproduction or imitations, without authorisation, of shields, flags or emblems of any country, state, municipality or equivalent political division, denominations, initials, symbols or emblems of international government organisations, or any government or other organisation officially recognised, as well as the verbal description of them;

- legislative, regulatory, administrative or judicial texts, as well as their official translations;
- informative content of news; and
- information in common use such as proverbs, sayings, legends, facts, calendars and metric scales.

**7. Do the doctrines of 'fair use' or 'fair dealing' exist? If so, please describe. If not, please describe any comparable limitations.**

The doctrines of 'fair use' or 'fair dealing' do not exist as such in Mexican law. The comparable provisions for copyright limitations are as follows:

**Limitations for reproduction rights**

- quotation of texts, provided that the amount quoted is not considered to be a simulated and substantial reproduction of the contents of the work;
- reproduction of articles, photographs, illustrations and comment referring to current events, published in the press or communicated by radio or television, or any other medium of communication, if this has not been expressly prohibited by the owner of the rights;
- reproduction of parts of the work for the purposes of scientific, literary or artistic criticism or research;
- reproduction of a literary or artistic work, in a single copy, for the personal and private use of the person doing it, and without a financial purpose. Legal entities may not benefit from this provision unless they are an educational or research establishment or their work is not for commercial purposes;
- production of a single copy by an archive or a library, for reasons of security and preservation, if the work is out of circulation, no longer catalogued and there is a possibility that it will disappear;
- reproduction for use as evidence in judicial or administrative proceedings; and

- reproduction, communication and distribution by means of drawings, paintings, photographs and audio-visual processes of works that are on display or visible in public places.

### **Limitations for public performance and other rights**

- Use of literary and artistic works in shops or establishments open to the public, trading copies of the said works, provided that there is no admission fee and that the performance does not extend outside the place where the sale is made and serves the sole purpose of promoting the sale of copies of the works.
- Ephemeral recordings are subject to the following conditions:
  - transmission shall take place within an agreed period;
  - for the purposes of the recording, it will not be possible to make a related or simultaneous broadcast or communication; and
  - the recording may only be broadcast once.

### **Architectural works and works of applied art**

The author of a work of architecture may not prevent the owner of the said work from making alterations, but he or she shall have the right to prohibit his or her name from being associated with the altered work.

### **Other**

The rights of artists, interpreters and performers, audio and video producers, or broadcasting organisations, are not infringed by the use of their acts, recordings or broadcasts, when such works are reproduced, communicated and distributed by drawings, paintings, photographs and audio-visual means, visible from public places provided that:

- no direct economic advantage is pursued; and
- only brief fragments are used as information for current events.

### **8. What are the standards used in determining whether a particular use is fair?**

The law does not define any standards to determine fair use.

Limitations are listed and interpreted literally.

**9. Are architectural works protected by copyright? How?**

Architectural works are copyrightable under the law. Plans are protected together with the physical constructions arising from the plans. The architectural works protected include all aspects that can be attributed as original to the author or architect designer. The law imposes one restriction: the author of an architectural work may not prevent the owner of the physical construction from making modifications to it. However, the author will have the right to refuse his or her name being associated with the modified work.

**10. Are performance rights covered by copyright? If so, how?**

Public performance rights are covered by the Copyright Act. They are part of the bundle of patrimonial copyright rights, and if transferred, they may also be a remuneration right.

**11. Are 'neighbouring rights' recognised? If so, how?**

Mexico is a member of the Rome Convention and accordingly protects the rights of artistic performers, audio recording producers and broadcast entities. In addition, book publishers and video producers are entitled to related rights as well.

**12. Are moral rights (*droit moral*) recognised? If so, please describe?**

The Copyright Act protects moral rights of paternity, integrity, divulgation and withdrawal. Moral rights are personal rights that cannot be renounced, pledged or transmitted and that are imprescriptible.

**Copyright formalities**

**13. Is there a requirement of copyright notice? If so, please describe.**

There is no requirement of copyright notice.

**14. What are the consequences for failure to display a copyright notice?**

There are no consequences for failure to display a copyright notice although the copyright law indicates that some sort of administrative infringements could arise.

**15. Is there a requirement of copyright deposit? If so, please describe.**

There is no requirement of copyright deposit.

**16. What are the consequences for failure to make a copyright deposit?**

There are no consequences for failure to make a copyright notice. Ownership in copyright disputes can be proved by documentary or other evidence showing that the author created the work.

**17. Is there a system for copyright registration? If so, please describe.**

Works can be registered with the Copyright Office. Registration is not compulsory and copyright protection does not depend on registration. However, registration can represent reliable evidence in court since it represents prima facie evidence of copyright ownership.

**18. Is copyright registration mandatory? If so, please describe.**

Copyright registration is not mandatory.

**19. How do you apply for a copyright registration?**

To register a copyright, a person must file a simple application with two samples of the work and a fee. Particular information about contributors or creators is normally requested by the Copyright Office for commissioned works.

**20. What are the fees to apply for a copyright registration?**

The application fee for copyright registration is approximately US\$13.

## **21. What are the consequences for failure to register a copyrighted work?**

There are no consequences for failure to register a copyrighted work. Ownership in copyright disputes may be proved by something else showing that the author created the work.

### **Ownership and transfer**

## **22. Who is the owner of a copyrighted work?**

Generally, an author would be the first owner of the copyrighted work. Exceptions include:

- commissioned works – the entity asking for the work becomes the owner ab initio; and
- audio-visual works – the law regards the producer as the copyright owner.

## **23. May an employer own a copyrighted work made by an employee, and in what circumstances?**

Copyright ownership shall vest in the employer when parties have executed a labour agreement in writing and the same has a special work-for-hire clause. If the parties have signed a labour agreement without this special clause, copyright shall be split in equal shares. If parties have not signed a labour agreement, rights shall vest in the employee.

## **24. May a hiring party own a copyrighted work made by an independent contractor, and, if so, in what circumstances?**

A hiring party may own the rights on a copyrighted work made by an independent contractor. Requirements are less strict than in the case of an employee's works. It would be sufficient to show that a work has been commissioned and that there has been remuneration. If the two conditions are met, copyright ownership shall revert to the party that hired the work.

## **25. May a copyrighted work be co-owned? If so, in what circumstances?**

Works can be co-authored if they are jointly created by two or more authors, or else co-owned.

The Copyright Law sets forth rules in connection with the co-authorship of works, to distinguish between 'collaborative' works (authored jointly by two or more individuals) and 'collective' works (authored jointly by two or more individuals under the initiative of another individual or a corporation). Rules state as well that the rights of co-authors shall be shared in equal parts unless otherwise agreed.

Likewise, the Copyright Law sets forth rules in connection with co-ownership of works, including initial ownership rules, whether by authorship or work for hire or ownership by transfer. In keeping with this, physical individuals or corporations can be patrimonial rights-owners or co-owners.

## **26. May rights be transferred? In what circumstances?**

Patrimonial rights can be transferred. Generally, transfers are not permanent. The law provides for limitations on transfers.

## **27. May rights be licensed?**

Patrimonial rights may be licensed.

## **28. Are there compulsory licensed? What are they?**

The publication and translation of literary or artistic works, which are required for the development of science and culture and national education, may be the subject of a compulsory licence. This process is theoretically possible, but has never been done and a system would need to be put in place to do it.

## **29. Are licences administered by performing rights societies? If so, how?**

In principle, licences are administered by the copyright or related rights-holders. Performing rights societies can administer them if copyright or related rights-holders become members thereof and grant a formal

mandate to them to collect royalties or remuneration from users, by virtue of licences or otherwise.

**30. Is there any provision for the termination of transfers of rights?**

There is provision for the termination of the transfer of copyright rights. Under the law, transfers are temporary and are subject to certain rules. Transfers are only valid for periods ranging between five and 15 years. A transfer in excess of 15 years is only valid in particular circumstances relating to the investment in the production of a work.

**31. Can documents evidencing transfers and other transactions be recorded with a government agency? If so, with which agency and how?**

Documents evidencing transfers and other transactions can be recorded with the Copyright Office by way of an application or request.

**Duration of copyright**

**32. When does copyright protection begin?**

Copyright protection begins from the moment the work is created.

**33. How long does copyright protection last?**

Protection for patrimonial rights lasts throughout the lifetime of the author (or contributor) and for 100 years following the author's death.

**34. Does copyright duration depend on when a particular work was created or published?**

Copyright duration depends on when the work was authored and fixed into a tangible form of expression.

**35. Do terms of copyright have to be renewed? How?**

Terms of copyright do not have to be renewed.

**Copyright infringement and remedies**

**36. What constitutes copyright infringement?**

The law categorises infringement into the following:

## Copyright infringements

The following behaviour constitutes an infringement of copyright:

- an editor, entrepreneur, producer, employer, broadcasting organisation or licensee entering into a contract with the objective of transmitting copyright in violation of the present law;
- infringement by the licensee of the terms of the compulsory licensing that would have been declared in article 146 of the present law;
- presenting oneself as a collective representation society without having obtained the corresponding registration with the Copyright Office;
- being the administrator of a collective representation society and failing without just cause to provide the Copyright Office with the reports and documents referred to in law;
- not inserting in a published work the requirements referred to in law;
- falsely omitting or inserting the data referred to in law in an edition;
- falsely omitting or inserting the requirements referred to in law in an edition;
- not inserting in an audio recording the requirements referred to in law;
- publishing a work, while being authorised to do so, without mentioning in it the name of the author, translator, compiler, adapter or arranger;
- publishing a work, while being authorised to do so, which damages the reputation of the author as such and, if applicable, of the translator, compiler, arranger or adapter;
- publishing works performed in official service without authorisation of the federation, states or municipality;

- using fraudulently in a work a title that induces confusion with another work published earlier;
- fixing, representing, publishing or performing any communication or using in any form, a literary and artistic work, protected in the law, without mentioning the community or ethnicity, or the region of Mexico where it originates; and
- any other infringement derived from the interpretation of the Copyright Act and its rules.

### **Commercial copyright infringements**

The following behaviour constitutes an infringement in trade when performed with direct or indirect commercial purposes:

- communicating or publicly using a work protected by any means and in any form without the previous and explicit authorisation of the author, their legitimate heirs or the holder of the author's proprietary equity;
- using the image of a person without his or her authorisation or that of his or her successors;
- producing, reproducing, storing, distributing, transporting or commercialising copies of works, audio or video recordings, or books, protected by copyright or related rights, without the authorisation of the respective holders in terms of this law;
- offering for sale, storing, transporting or making available works protected by this law that have been deformed, modified or mutilated without authorisation of the holder of the copyright;
- importing, selling, leasing or performing any act that allows or facilitates possession of a device or system the purpose of which is to deactivate the protective electronic devices of a computer program;
- rebroadcasting, fixing, reproducing and disseminating to the public the programmes of a broadcasting organisation without the organisation's authorisation;

- using, reproducing or exploiting a protected reservation of rights or a computer program without the consent of the holder;
- using or exploiting a name, title, denomination, physical or psychological characteristics or operation characteristics in such a way that they induce error or confusion with a protected reservation of rights;
- using literary and artistic works protected by chapter III, title VII of the Copyright Law in violation of that contained in article 158; and
- all other infringements as provided for by the law that imply a commercial or industrial behaviour relating to the works protected by this law.

### **37. What remedies are available against a copyright infringer?**

The following remedies are available for copyright infringement:

- injunctive relief;
- administrative orders (time, shutdown of establishments or premises);
- civil remedies (damages); and
- criminal sanctions (imprisonment or fines).

### **38. Is there a time limit for seeking remedies?**

There is a statute of limitations for civil and criminal remedies.

### **39. Are monetary damages available for copyright infringement?**

Monetary damages are available for copyright infringement. The applicable rule is that 40 per cent of the value of the infringing products will be awarded. The 40 per cent rule represents a minimum standard provision.

#### **40. Are attorneys' fees and costs available for copyright infringement? In what circumstances?**

Attorneys' fees and costs are available for copyright infringement but they are seldom recovered.

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- an editor, producer or recorder that knowingly produces more copies of a work protected by federal copyright law than authorised by the holder of the rights; or
- any person that uses in a fraudulent manner, with commercial purposes and without the corresponding authorisation, works protected by federal copyright law.
- Up to 10 years' imprisonment and a fine will be imposed on:
  - any person that produces, reproduces, introduces to the country, stores, transports, distributes, sells or leases copies of works, audio or video recordings, or books protected by federal copyright law, in a fraudulent way, for commercial purposes, and without the authorisation from the holder of the copyright or related rights;
  - any person that knowingly contributes in any way to or provides raw materials or consumables destined for the production or reproduction of works, audio or video recordings, or books referred to in the previous paragraph; or
  - any person that manufactures for commercial purposes a device or system whose purpose is to deactivate the protective electronic devices of a computer program.

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fraudulent manner for commercial purposes. If the sale takes place in a commercial establishment or in a permanent and organised manner, the infringer will be subject to sanction under the penal code.

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Imprisonment of between six months and four years, and a fine will be imposed on:

- any person that manufactures, imports, sells or leases a device or system to decode a coded satellite signal or programme carrier, without authorisation of the legitimate distributor of said signal; and
- any person that performs any act for commercial purposes with the intention of decoding a coded satellite signal or programme-carrier, without authorisation of the legitimate distributor of said signal.

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Methods exist for pursuing online copyright infringement. The law provides copyright owners with a general right to pursue infringers regardless of the medium they employ. Although not expressly provided for in the law, the internet is certainly included. Likewise the principles of the WIPO treaties, including a right of access and the redefinition of the terms 'fixation' and 'reproduction' in a digital environment, have been implemented in law.

#### **43. How may copyright infringement be prevented?**

Copyright infringement is always hard to prevent. However, copyright law recognises and protects against infringements relating to technology protection.

## **Relationship to foreign rights**

### **44. Which international copyright conventions does your country belong to?**

Mexico belongs to most multinational treaties on copyright and neighbouring rights. It is also a member of a number of bilateral agreements, in particular on free trade and those dealing with copyright and neighbouring rights issues.

### **45. What obligations are imposed by your country's membership of international copyright conventions?**

The nature of the obligations imposed depends on the type of treaty. For example, a treaty may be based on the principles of reciprocity, minimum standards, national treatment, etc. Mexico has executed copyright treaties without reservation or restrictions and, on the whole, has implemented them into domestic law. In any event, treaties are self-applicable under the Mexican Constitution and would not strictly require implementation. Accordingly, treaty provisions are valid to fill the gaps in local law. Treaty provisions prevail in the event of conflict with provisions in local laws.

## **Update and trends**

### **Ongoing litigation has raised a number of questions:**

- **The issue of distribution, and in particular rental rights in audio-visual works, has been tested before the Mexican courts. The question is when distribution rights become exhausted and if rental rights exist at all.**
- **The power and capacity of performance or collecting societies has been challenged, in cases where they might have not fulfilled the requirements and formalities that they need to comply with to be able to represent copyright or related rights-owners with the users of works, and to collect royalties from them.**

## **LEGISLATION AND ENFORCEMENT - COPYRIGHT 2006**

*Getting the Deal Through - Copyright 2006.*

### **Legislation and enforcement**

1 What is the relevant legislation?

The legislation affecting copyright law in Mexico includes:

- the Copyright Act 1996;
- the 1998 Regulations to the Copyright Act;
- the Industrial Property Act 1991 and reforms of 1994;
- the Federal Code of Administrative Proceedings 1994 and subsequent amendments; and
- the Federal Penal Code 1931 and amendments of 1996.

2 Who enforces it?

Copyright legislation is enforced by:

- the Copyright Office (Instituto Nacional del Derecho de Autor, INDAUTOR);
- the Patent and Trademark Office (Instituto Mexicano de la Propiedad Industrial, IMPI);
- the civil and commercial courts; and
- the General Attorney's Office.

### **Agency**

3 Is there a centralised copyright agency? if so, what does this agency do?

The Copyright Office is in charge of:

- registering works of authorship, contracts and related documentation;
- organising and maintaining the copyright registry;
- making inscriptions of collecting societies;

- granting so-called 'reserves' and providing the legal means for their cancellation;
- providing the legal means for enforcing certain forms of copyright infringement;
- acting as an arbitral institution regarding disputes on copyright and neighbouring rights; and
- acting as a conciliator for disputes through special proceedings.

### **Subject matter and scope of copyright**

4 What types of works are copyrightable?

The following types of works are copyrightable:

- literary;
- musical (with or without lyrics);
- dramatic;
- dance;
- pictorial or drawing;
- sculpture or plastic work;
- caricature and cartoons;
- architectural;
- cinematographic and other audio-visual works;
- radio and television programmes;
- computer programs;
- photographic;
- decorative art works which include graphic and textile design; and
- compilations such as encyclopedias, anthologies, and other works such as databases, but only if such works are considered to be an intellectual creation.

## 5 What types of rights are covered by copyright?

The following types of rights are covered by copyright:

- patrimonial rights (ie, reproduction, distribution, public performance and transformation);
- moral rights (ie, ownership and integrity); and
- remuneration rights in limited situations (ie, the re-sale right known as 'droit de suite'; exploitation of audio-visual works; and public performance radio broadcasting — under limitation).

## 6 What cannot be protected by copyright?

The following may not be protected by copyright:

- ideas themselves, formulae, solutions, concepts, methods, systems, principles, discoveries, processes or inventions of any kind;
- industrial or commercial exploitation of the ideas contained in works;
- schemes, plans or rules for the making of mental acts, games or business;
- letters, digits or isolated colours, except where they are stylised to such an extent that they become original designs;
- names and titles or isolated phrases;
- blank formats or formulas containing any type of information, as well as their instructions;
- reproduction or imitations, without authorisation, of shields, flags or emblems of any country, state, municipality or equivalent political division. Denominations, initials, symbols or emblems of international government organisations, or any government or other organisation officially recognised, as well as the verbal description of them;
- legislative, regulatory, administrative or judicial texts, as well as their official translations;
- informative content of news; and

- information in common use such as proverbs, sayings, legends, facts, calendars and metric scales.

7 Do the doctrines of 'fair use' or 'fair dealing' exist? if so please describe. If not please describe any comparable limitations.

The doctrines of 'bit- use' or `fair dealing' do not exist as such in Mexican law. The comparable provisions for copyright limitations are the following:

Limitations for reproduction rights:

- quotation of texts, provided that the amount quoted is not considered to be a simulated and substantial reproduction of the contents of the work;
- reproduction of articles, photographs, illustrations and comment referring to current events, published in the press or communicated by radio or television, or any other medium of communication, if this has not been expressly prohibited by the owner of the rights;
- reproduction of parts of the work for the purposes of scientific, literary or artistic criticism or research;
- reproduction of a literary or artistic work and in a single copy, for the personal and private use of the person doing it, and without a purpose. Legal entities may not benefit from this provision unless they are an educational or research establishment or their work is not devoted to commercial activities;
- reproduction of a single copy by an archive or a library, for reasons of security and preservation, and the work is out of circulation, no longer catalogued and there is a possibility that it will disappear;
- reproduction for use as evidence in judicial or administrative proceedings; and
- reproduction, communication and distribution by means of drawings, paintings, photographs and audio-visual processes of works that are visible from public places.

Limitations for public performance and other rights:

- use of literary and artistic works in shops or establishments open to the public, trading copies of the said works, provided that there is no admission and that the use does not transcend the place where the sale is made and serves the sole purpose of promoting the sale of copies of the works;

Ephemeral recordings are subject to the following conditions:

- transmission shall take place within the agreed period;
- for the purposes of the recording, it will not be possible to make a related or simultaneous broadcast or communication; and
- the recording may only be broadcast once.

### **Architectural works and works of applied art**

The author of a work of architecture may not prevent the owner of the said work from making alterations, but he shall have the right to prohibit his name from being associated with the work so altered.

### **Other**

The rights of artists, interpreters and performers, phonographic record and videogram producers, or radio-broadcast organisations, are not infringed by the use of their acts, phonographic records, videograms or broadcasts, when such works are reproduced, communicated and distributed by drawings, paintings, photographs and audio-visual means, visible from public places provided that:

- no direct economic advantage is pursued; and
- only brief fragments are used as information for current events.

8 What are the standards used in determining whether a particular use constitutes fair use?

The law does not define any standards to determine fair use.

Limitations are listed and interpreted literally.

9 Are architectural works protected by copyright? If they are, in what way?

Architectural works are copyrightable under the law. Plans are protected together with the physical constructions arising from the plans. The architectural works protected include all aspects that can be attributed as original to the author or architect designer. The law imposes one restriction: the author of an architectural work may not prevent the owner of the physical construction from making modifications to it. However, the author will have the right to refuse his name being associated with the modified work.

### **Copyright formalities**

10 Is there a requirement of copyright notice? If so, please describe.

There is no requirement of copyright notice.

11 What are the consequences, if any, for failure to display a copyright notice?

There are no consequences for failure to display a copyright notice although the copyright law indicates that some sort of administrative infringements could arise.

12 Is there a requirement of copyright deposit? if so, please describe.

There is no requirement of copyright deposit.

13 What are the consequences, if any, for failure to make a copyright deposit?

There are no consequences for failure to make a copyright notice. Ownership in copyright disputes can be proved by documentary or other evidence showing that the author created the work.

14 Is there a requirement of copyright registration? If so, please describe.

No requirement of copyright registration exists.

15 How does one apply for a copyright registration?

To register a copyright, a person must file a simple application with two samples of the work and fee. Special information about contributors or creators is normally requested by the Copyright Office, INDAUTOR, for commissioned works.

16 What are the fees to apply for a copyright registration?

The application fee for copyright registration is approximately US\$13.

17 What are the consequences, if any, for failure to register a copyrighted work?

There are no consequences for failure to register a copyrighted work. Proof of ownership in copyright disputes may be something else showing that the author created the work.

### **Ownership and transfer**

18 Who is the owner of a copyrighted work?

Generally, an author would be the first owner of the copyrighted work. Exceptions include:

- commissioned works — the entity asking for the work becomes the owner ab initio; and
- audio-visual works — the law regards the producer as the copyright owner of the work.

19 Can an employer own a copyrighted work, and, if so, in what circumstances?

An employer may own a copyrighted work. However, to own full rights, the law imposes conditions on the employer. For example, written employment contracts must contain specific clauses for creative employees.

20 Can a copyrighted work be owned by more than one person or entity? If so, in what circumstances?

Works may be produced as collective works or collaborative works affecting how much control a particular author will have on the work.

21 Can copyright rights be transferred? If so, in what circumstances?

Patrimonial copyright rights can be transferred. Generally, transfers are not permanent. The law provides for limitations on transfers.

22 Can copyright rights be licensed?

Patrimonial copyright rights may be licensed.

23 Are there compulsory licences? If so, what are they?

The publication and translation of literary or artistic works, which are required for the development of science and culture and national education, may be the subject of a compulsory licence. However, the government would have to start a procedure to declare and approve a system of compulsory licensing. This has never happened and would be hard to enforce.

24 Is there any provision for the termination of transfers of copyright rights?

There is provision for the termination of the transfer of copyright rights. Under the law, transfers are temporary and are subject to certain rules. Transfers are only valid for periods ranging between five to 15 years. A transfer in excess of 15 years is only valid in particular circumstances relating to the investment in the production of a work.

25 Can documents evidencing transfers and other transactions be recorded

with a government agency? If so, with which agency and how?

Documents evidencing transfers and other transactions can be recorded with the Copyright Office by way of an application or request.

### **Duration of copyright**

26 When does copyright protection begin?

Copyright protection begins from the moment the work is created.

27 How long does copyright protection last?

Protection for patrimonial rights lasts throughout the lifetime of the author (or contributor) and for 100 years following the author's death.

28 Does copyright duration depend on when a particular work was authored or published?

Copyright duration depends on when the work was authored and fixed into a tangible term of expression.

29 What does 'published' mean for the purposes of triggering copyright protection?

Publication is not a requirement under the law triggering copyright protection. Publication (reproduction and distribution of a work) is part of the bundle of patrimonial copyright rights.

30 Do terms of copyright have to be renewed? if yes, in what way?

Terms of copyright do not have to be renewed.

### **Copyright infringement and remedies**

31 What constitutes copyright infringement?

The law categorizes infringement into the following:

#### **Copyright infringements**

- The editor, entrepreneur, producer, employer, broadcasting organisation or licensee entering a contract with the objective of transmitting copyright in violation of that disposed by the present law
- Infringement by the licensee of the terms of the compulsory licensing that would have been declared in article 146 of the present law
- To present oneself as a collective representation society without having obtained the corresponding registration with the Copyright Office
- Not providing the Copyright Office, without justified cause, being the administrator of a collective representation society, the reports and documents referred to in the law
- Not inserting in a published work the requirements referred to in the law
- Falsely omitting or inserting in an edition the data referred to in the law
- Falsely omitting or inserting the requirements referred to in the law
- Not inserting in a phonogram the requirements referred to in the law
- Publishing a work, being authorised to do so, without mentioning in it the name of the author, translator, compiler, adapter or arranger

- Publishing a work, being authorised to do so, damaging the reputation of the author as such and, if applicable, of the translator, compiler, arranger or adapter
- Publishing before the federation, states or municipality and without authorisation the works performed in the official service
- Using fraudulently in a work a title that induces confusion with another work published earlier
- Fixing, representing, publishing or performing any communication or using in any form, a literary and artistic work, protected in the law, without mentioning the community or ethnicity, or the region of the Mexican Republic where it belongs
- Any other infringement derived from the interpretation of the present law and its rules

### **Commercial copyright infringements**

The following behaviour constitutes an infringement in trade when performed with direct or indirect commercial purposes:

- Communicating or using publicly a work protected by any means, and in any form without the previous and explicit authorisation of the author, their legitimate heirs or the holder of the author's proprietary equity
- Using the image of a person without his or her authorisation or that of his or her successors
- Producing, reproducing, storing, distributing, transporting or commercialising copies of works phonograms, videograms or books, protected by copyright or related rights, without the authorisation of the respective holders in terms of this law
- Offering for sale, storing, transporting or making available works protected by this law that have been deformed, modified or mutilated without authorisation of the holder of the copyright
- Importing, selling, leasing or performing any act that allows having a device or system the purpose of which is to deactivate the protective electronic devices of a computer program

- Resending, fixing, reproducing and disseminating among the public, programmes of a broadcasting organisation without the organisation's authorisation
- Using, reproducing or exploiting a protected reservation of rights or a computer program without the consent of the holder
- Using or exploiting a name, title, denomination, physical or psychological characteristics or operation characteristics in such a way that they induce error or confusion with a protected reservation of rights
- Using literary and artistic works protected by chapter III, title VII of the law in violation of that contained in article 158
- All other infringements as provided by the law that imply a commercial or industrial behaviour relating to the works protected by this law.

32 What remedies are available against a copyright infringement?

The following remedies are available for copyright infringement:

- injunctive relief;
- administrative orders (time, shut down of establishments or premises);
- civil remedies (damages); and
- criminal sanctions (prison or fines).

33 Is there a time limit for seeking remedies?

There is a statute of limitations for civil and criminal remedies.

34 Are monetary damages available for copyright infringement?

Monetary damages are available for copyright infringement. The applicable rule is that 40 per cent of the value of the infringing products will be awarded. The 40 per cent rule represents a minimum standard provision.

35 Are attorneys' fees and costs available for copyright infringement? if so, in what circumstances?

Attorneys' fees and costs are available for copyright infringement but they are seldom recovered.

36 Are there criminal copyright provisions? if so, what are they?

From six months' to six years' imprisonment and a fine will be imposed on:

- whoever deals in any form with free textbooks distributed by the Public Education Department;
- the editor, producer or recorder that knowingly produces more copies of a work protected by the Federal Law of Copyright than that authorised by the holder of the rights; or
- whoever uses in a fraudulent manner, with commercial purposes and without the corresponding authorisation, works protected by the Federal Law of Copyright.

Up to 10 years' imprisonment and a fine will be imposed on:

- whoever produces, reproduces, introduces to the country, stores, transports, distributes, sells or leases copies of works, phonograms, videograms or books protected by the Federal Law of Copyright, in a fraudulent way, with commercial speculation and without the authorisation that in terms of the cited law the holder of the copyright or related rights should grant;
- whoever knowingly, contributes or provides in any way raw materials or consumables destined for the production or reproduction of works, phonograms, videograms or books referred to in the previous paragraph; or
- whoever manufactures with commercial purposes a device or system the purpose of which is to deactivate the protective electronic devices of a computer program.

From six months' to six years' imprisonment and a fine will be imposed on:

- whoever sells to any final consumer in public places and in a fraudulent manner with commercial speculation, copies of works, phonograms, videograms or books. If the sale takes place in a

commercial establishment or in a permanent and organised manner, the infringer will be subject to sanction under the penal code.

From six months' to two years' imprisonment or a fine will be imposed on whoever, knowingly and without right, exploits with commercial purposes an interpretation or an execution.

From six months' to four years' imprisonment and a fine will be imposed on:

- whoever manufactures, imports, sells or leases a device or system to decode a coded satellite signal, program-carrier, without authorisation of the legitimate distributor of said signal; and
- whoever performs any act with commercial purposes with the intention of decoding a coded satellite signal, program-carrier, without authorisation of the legitimate distributor of said signal.

37 Are there ways to pursue copyright infringement that occurs online?

Methods exist for pursuing copyright infringement that occurs online. The law provides copyright owners with a general right to pursue infringers regardless of the medium they employ.

Although not expressly provided for in the law, the internet is certainly included. Likewise the principles of the WIPO treaties have been implemented in the law, including a right of access and the redefinition of the terms 'fixation' and 'reproduction' in a digital environment.

38 How can copyright infringement be prevented?

Copyright infringement is always hard to prevent. However, copyright law recognises and protects infringements relating to technology protection.

### **Relationship to foreign rights**

39 Does your country belong to any international copyright conventions? if so, which ones?

Mexico belongs to most multinational treaties on copyright and neighbouring rights. It is also a member of a number of bilateral agreements in particular on free trade and those dealing with copyright and neighbouring rights issues.

40 What obligations, if any, are imposed by your country's membership in international copyright conventions?

The nature of the obligations imposed depends on the type of treaty. For example a treaty may be based on the principles of reciprocity, minimum standards, national treatment, etc. Mexico has executed copyright treaties without reserves or restrictions and on the whole has implemented them into domestic law. In any event, treaties are self-applicable under the Mexican Constitution and would not strictly require implementation. Accordingly, treaty provisions are valid to fill the gaps in local law. Treaty provisions prevail in the event of conflict with provisions in the local laws.

## **COPYRIGHT ENFORCEMENT PUZZLES**

*Copyright World Issue #180, May 2008.*

Copyright enforcement is a puzzle that has troubled governments around the world. It does not exhaust or terminate just by the fact that rights are recognized in a given jurisdiction or that courts have the willingness to enforce them.

Creating rules to stop or deter infringement has been as challenging as enforcing copyright rights themselves. The truth is that enforcement will never be possible if the drafting of statutes or resolution is weak. Poorly drafted laws or decisions may lead governments to greater enforcement difficulties. Legislators need always consider that efficient legal writing requires a good understanding of copyright law as well as the use of an adequate technical terminology.

### **Puzzle I**

The law should be drafted by following copyright fundamentals. Legislators need to know the principles associated with their legislative project or target and the international framework on which they stand. The purpose is keeping a balanced system of rights among authors, producers and users of works, in benefit of society as the recipient of cultural products.

### **Puzzle II**

Copyright terminology is a mixture of technical and artistic words that can be difficult to digest for those unfamiliar with this field of law. Ignoring the copyright language or utilizing it inadequately can result in laws that cannot be enforced. Certainly, copyright experts are required to participate in the process of legal drafting, in order to avoid possible flaws and to ensure that laws are rendered as enforceable. For example, infringement of economic rights can trigger when copyrightable works are utilized by virtue of technologies that facilitate or enable the works' reproduction, distribution, public performance or transformation. The manner that technologies have impacted the utilization of works has driven governments to find legal solutions against copyright infringement. However, only legislators worried about terminology and

concerned about legal drafting rules have produced statutes that courts can enforce to protect copyright rights.

### **Puzzle III**

Legislators need also employ accurate general copyright language. A common mistake has been to identify “patrimonial” and “commercial” as synonym expressions. According with international treaties and doctrine, patrimonial or economic rights represent a main column of copyright law, together with moral rights, in a number of jurisdiction. In a vast majority of copyright systems in the world, rights to use a work-of-authorship are patrimonial assets of economic value. In keeping with this, authors can rightfully authorize third parties to place the original or copies of their works in the stream of commerce. In principle, copyright laws need to provide sanctions against infringement deriving from the use of works in commerce or made for the purpose of gain. However, the scope of copyright infringement should be broad enough to provide sanctions when use has been made for a profit or not.

### **Puzzle IV**

Sometimes legislators have had trouble to distinguish when copyright holders can license the use of works setting royalties or doing it for free; obtain remuneration from the user of a work without being able to impose any controls or restrictions on use; or make free use of a work, without the need of authorization or remuneration. Copyright laws need to be clear and precise enough to deal with these formulae so that rules can be applied smoothly and efficiently.

### **Puzzle V**

Legislators should regard contributory infringement as a copyright misconduct not necessarily restricted to situations when third parties offer or supply tangible means to a direct infringer. Infringement by intermediaries has a special connotation and importance, in particular when somebody induces or assists the infringer to violate the law. Certainly, contributory infringement should be balanced with a system of safe harbors.

## **WHITHER RENTAL RIGHTS?**

*World Intellectual Property Review 2008.*

International copyright law has embraced the question of whether copyright owners-or neighbouring rights holders- should be entitled to rental rights and, if so, whether said rights should be rendered as exclusive or remunerative. Answers have been discussed in international and regional treaties as well as in most countries' national systems, but these issues remain open.

Under copyright theories, distribution has been regarded as the spreading or dissemination of works embedded in originals or in multiple copies through commercial or non-commercial means. Accordingly, the copyright holder makes the work accessible to the public, for trade or other purposes, regardless of whether the corresponding copies are ultimately acquired or not. Also, distribution entails any activities associated with the offering of the copies, such as their storage or transportation.

A number of national jurisdictions recognize a distribution right of exclusive nature, independent from the right of reproduction. The German Law of 1901 pioneered in this field by introducing the so-called *Verbreitungsrecht*. On an international level, the splitting of distribution rights from reproduction rights was firstly recognized in the Berne Convention in connection with cinematographic works. However, distribution was recognized as a right of full scope in more recent international treaties. Article 1705(2)(b) of NAFTA (North American Free Trade Agreement) imposes on the three member states an obligation to grant copyright owners a right to authorize or prohibit "the first public distribution of the original and each copy of the work by sale, rental or otherwise".

Likewise, Articles 6(1) of the WIPO Copyright Treaty, and (8)(1) and 12 of the WIPO Performances and Phonograms Treaty, confer upon authors of literary and artistic works as well as performers or phonogram producers the "exclusive right of authorizing the making available to the public" of the original copies of their works, performances or phonograms, through sale or other transfer or ownership.

A relevant issue is the moment when distribution rights terminate. International treaties, as well as the domestic laws of various countries, have stated that distribution rights are exhausted after the copy incorporating a work of authorship has been sold for the first time. The acquirer is entitled to dispose of the original or copy by virtue of successive sales. The first sale doctrine, as it has been called in Anglo-Saxon systems, was preceded by the *Ershöpfung* theory of German law and later adopted by the international copyright system. In particular, the WIPO treaties allow the member states to “determine the conditions” that are applicable to the exhaustion of rights after the first sale or other transfer of the copy of a copyrighted work.

Since proprietors can rent their originals or copies of works for commercial purposes, governments have asked whether copyright owners should be entitled to exclusive or non exclusive remunerative copyright rights. On an international level, the majority response has been that copyright owners should indeed be entitled to rental rights. Substantive provisions can be found in NAFTA, Article 1705(2)(b); TRIPS, Article 11-applicable to computer programs and cinematographic works; WIPO Copyright Treaty, Article 7 –applicable to computer programs, cinematographic works and works embodied in phonograms; WIPO Performances and Phonograms Treaty in Articles 9 and 13; and the Directive 92/100 of the European Community.

As a general international rule, holders of copyright distribution rights can be the subject of rental rights at least in connection with computer programs and cinematographic works. The foregoing implies that first sale doctrine shall not extend to rentals and, to the contrary, that rental rights shall remain with the copyright holder, even after a transfer of proprietorship of the original or any copy of the work. In other words, the predominant rule dictates that distribution rights cannot become exhausted in bulk or as a whole, since at least rental rights shall be regarded as an exception to that rule. Thus the scope of exhaustion becomes restrictive or limited not only from a territorial angle, but also from a material or objective perspective.

International treaties impose a certain degree of formality or limitations in connection with distribution rights. NAFTA is clear enough about this when it states that the member states’ domestic laws need to provide “first public distribution rights” by “sale, rental or otherwise”.

TRIPS establishes that, concerning cinematographic works and computer software at the least, member states shall regard rental rights as exclusive rights to authorize or prohibit. Likewise, the treaty does not impose exhaustion or restrictions to bring the rights to an end. Pursuant to cinematographic works, members can choose not to grant exclusive rental rights, unless the rental leads to uncontrollable copying situations. From the foregoing, TRIPS recognizes exclusive rental rights as a first alternative and, secondly, it offers to member states the chance not to confer exclusive rights, unless rental itself leads to the widespread copying of films. However, if a member country does not opt for an exclusive rental rights system, it still can follow a remunerative system, upgradeable to an exclusive system, in the event that the government authorities face a widespread problem of film copying, motivated by the rentals.

The WIPO Copyright Treaty address the issue of rental right in a manner that is practically identical to TRIPS, with certain minor variations. On the other hand, the WIPO Performances and Phonograms Treaty, confers on performers and phonogram producers an exclusive rental right of performances fixed in phonograms (performers) and of authorizing the commercial rental of phonograms' copies (phonogram producers), while giving the contracting parties having a remuneration system as at April 15, 1994, to maintain that system, provided that said system does not lead to the material impairment of the exclusive rights of reproduction held by the performers or phonogram producers.

International treaty rules have been implemented into the national legislations in different forms. However, the general rules deriving from international treaties have taken the lead in that regard. Countries belonging to the European Community have adopted Directive 92/100, which is compatible with the standards imposed by the TRIPS and WIPO treaties. Spain, for example, incorporated the Directive into domestic legislation in 1996 and, in keeping with that, a general distribution and specific rental rights provided that the latter is not subject to exhaustion. On the other hand, Germany, Denmark, the Netherlands and some other European jurisdictions had adopted a distribution model before TRIPS. Latin America countries such as Costa Rica, El Salvador, Panama, Peru and Venezuela have orientated their national laws toward a distribution rights system.

In order to comply with the NAFTA Treaty of 1993, the Mexican government inserted distribution as a bundle of patrimonial rights in the Copyright Law of 1996. Accordingly, distribution was defined as the “making available to the public of the original or copy of a work by virtue of sale, rental and in general, any other form”. In addition, the law set a distribution exhaustion criterion: “when distribution is made by means of sale, this right shall become exhausted after the first sale (of an original or copy)”. The obscure language used by the legislator of 1996 has raised the question of whether it is the sale right or whole distribution right that exhausts. Working in benefit of copyright owners, it would seem that only sale rights end after originals or copies are placed into commercial streams, while all other distribution rights continue. In any dispute, the NAFTA standard should prevail, as in light of the Constitution, it is self-applicable and preemptive over the Copyright Law.

NAFTA is a reason, in itself, to justify the existence of a copyright rental right in Mexico of exclusive nature. TRIPS and the WIPO Copyright Treaty give additional supportive background, in harmony with NAFTA, since they both state that member countries are required to either establish direct exclusive rental rights or, alternatively, exclusive rental rights triggered from the widespread copying of films. The decision of the legislator in 1996 indicates that Mexico opted for the former option.

Pursuant to the distribution and rental rights of performers and phonogram producers, Mexico seem to have elected the remunerative rights formula proposed by the WIPO Performances and Phonograms Treaty (for unknown reasons, the pertinent provision in the Copyright Law utilises the expression “making available” rights instead of “distribution rights”). The problem is that, before April 15, 1994, performers and phonogram producers were subjects of compensation only in connection with the public performance rights. The 1996 law extended the remunerative system to rental rights in an apparent contradiction with the terms of the WIPO Performances and Phonograms Treaty. Certainly, the foregoing has opened a new question-whether performers and phonograms producers enjoy rental rights of any kind or nature.

## **VALUING FOLKLORE**

*Managing Intellectual Property, November 2009.*

For the past several decades, the world has struggled to protect folkloric expressions, without yet achieving a result that is either globally consistent or satisfactory. The need for protection derives from the fact that Western civilisations have adapted folklore as a means of entertainment or have converted folklore into products with economic value that are attractive to global markets. Western cultures have intruded upon the land of indigenous groups in order to film or record their rituals or music, copy their stories or legends, or imitate their arts and crafts. Folklore has inspired musicians, artists and filmmakers around the world, and has often motivated the latest trends in music, art, and design or in the creation of branded ethnic products. Likewise, slavish or kitsch imitations of folkloric expressions have sometimes been utilised as tourist attractions or for the making of souvenirs.

### **Attacking the problem**

In response to the problems that folklore has posed, the International Labor Organization (ILO) Conventions of 1957 and 1989 have been instrumental in recognizing the vulnerability of indigenous peoples and have raised the need for special measures for improving social and economic conditions. Likewise, the United Nations has proclaimed the Declaration of Rights of Indigenous Peoples of 2007, and the World Intellectual Property Organization has drafted certain general provisions related to folklore and intellectual property rights.

Scholars have agreed that folklore is characterised by: i) oral transmission or by imitation; ii) traditional knowledge expressed in language – stories, epics, legends, tales or poetry -, music – folk songs or instrumental music -, spiritual activity – dance, rituals or ceremonies -, arts and crafts – drawings, paintings on bodies or other surfaces, carving, pottery, jewellery, textiles, carpets, costumes or musical instruments; iii) passing of traditions from generation to generation by unfixed forms; iv) community-oriented forms of finding knowledge and expressing it; and v) continuous utilization and development of traditional knowledge.

For indigenous communities folklore represents a form of living, survival or self-determination, and it is not a good that can be owned or sold as merchandise that entertains, decorates, circulates in trade or that pursues a patrimonial or commercial purpose. Folklore has to do with the land, living beings, the indigenous community or spiritual living. It has been said that it is a living and continually evolving tradition or living inheritance, that if protected, should be ruled exclusively by the customary laws of the indigenous communities, which are alien to the legal systems or regimes of the modern world.

For Western civilizations, folklore is often viewed as being in the public domain of information that can be freely used for creating works or for collecting in databases. However, Copyright Law was designed to protect individual expressions that are original and that have been fixed. Folklore is not individual, but rather collective expression; it is not original, but rather tradition characterized by repetitive patterns and slow changes, and is mostly unfixed. Likewise, it does not represent economic rights that can be owned, licensed or assigned, is not subject to any terms that would fall into the public domain after expiration, and simply cannot be viewed as data that can be collected. Accordingly, copyright seems to contradict or disrespect the customary norms of indigenous communities.

This raises the question of whether industries have the right to use or exploit folkloric expressions by copying (recording, filming or otherwise reproducing), distributing copies to the public of reproduced folkloric expressions, making public communication or transforming them, without having permission or offering monetary compensation. Other questions relate to the right that popular artists have to utilize folkloric expressions to create derivative art works and if such folkloric expression could be considered the preexisting or underlying work, since it is considered information and not a work.

Notwithstanding these conflicts, copyright regimes have undertaken great efforts to protect folklore from an international, regional and national standpoint. These efforts are outlined below at the international, regional and local levels:

## **International efforts**

As a result of the Stockholm Diplomatic Conference of 1967, the Berne Convention was amended to extend copyright protection to works whose authors are unknown (Article 15, paragraph 4 of the Berne Convention). At the Stockholm conference, the possibility of adding “folkloric works” to the list of protected works was also discussed but not ultimately approved. Thus, the Berne Convention has contributed very little to protecting folklore by concluding that folklore is equivalent to anonymous works.

By admitting that facts can be collected in databases and not only works in compilations, TRIPS and the World Copyright Treaty (WCT) made it possible for folkloric expressions to be the subject of collections, and for collections to be copyrightable. Before the World Performers and Phonogram Treaty (WPPT), it was unclear whether folkloric dancers or singers could be considered performers under the Rome Convention of 1961. WPPT eliminated the ambiguity by including an indication related to this point. Accordingly, folkloric performers were conferred: i) exclusive patrimonial rights of fixation, reproduction, distribution – including rental – and public communication; ii) remuneration rights when their folkloric performances have been recorded in phonograms; and iii) moral rights of paternity and integrity. On the other hand, under WPPT, phonogram producers were entitled to exclusive rights on the phonograms that they make by collecting sound expressions fixed by them.

## **Regional efforts**

Regionally, NAFTA has also recognized protection for databases. Canada, Mexico and the United States of America, have thus set a standard rule in connection with data compilation that would allow collectors of folkloric expressions to enjoy copyright rights on their collections. Other regional treaties have recognized certain rights for folkloric expressions, some of them linked to copyright law.

## **National efforts**

Mexican laws have been quite divergent in connection with the protection of folkloric expressions. A first group of jurisdictions has been silent concerning the issue or has excluded it; a second group of

jurisdictions has worked on amendments to their copyright laws, with the purpose of including folkloric expressions within the classification of subject matter protected; a third group has protected folklore by copyright in an indirect fashion; and a fourth group has provided *sui generis* rights to folklore.

Mexico can be counted among the national legislations that grant copyright protection to folklore in some way, whether direct or indirect, ie that view folklore as information that can be utilized to create works with certain minor restrictions. In keeping with this, the Copyright Law of 1997 contemplates provisions – within a chapter devoted to national symbols and so-called popular cultures – addressing popular or craft works. On the other hand, folklore as such can be information collected in databases or sound recordings or the content of audiovisual productions, among other forms of copyrighted expressions. The Copyright Law seems to consider folklore as non-copyrightable information that everyone can utilize for the foregoing purposes.

A relevant provision in the chapter related to popular cultures protects “literary” and “artistic” works of “popular” or “craft” arts. Other provisions state that the works of popular or craft arts can be freely adapted, provided that the name of the community is credited or, when applicable, the name of the region in the Mexican territory to which the community belongs. The language of these provisions is problematic, for the following reasons:

- It is authors, and not indigenous peoples, who create authored works, including popular craft art works. Authors of popular or craft works mostly rely on folkloric expressions by indigenous peoples to produce their works. Folklore is not synonymous with authored works; the two concepts are in fact rather contradictory.
- No authored work under the law should be used without the consent of the rights holder. Popular art works cannot be an exception to that rule. If they are subject matter of protection, as the Copyright Law provides expressly, it is hard to understand why they can be used without restriction. The Copyright Law should make it clear that it is folklore, and not the works resulting thereof, that can be used freely.

- Indigenous communities cannot make popular or craft works and, accordingly, cannot be credited for that purpose. Likewise, they are collectives and not individuals. Only individuals can be authors. Indigenous communities have developed their folkloric expressions and can only be named for that.

The Copyright Law recognises indirect forms of protecting folkloric expressions in order to produce works.

However, the copyright rights accrue to the author of the work produced and not the community group associated with the folkloric expression employed in the work. That is true because folklore is unprotected subject matter. Under the Copyright Law, folklore can be used without need of authorization, for various purposes, including all forms of copying, depending on the nature of the folkloric expression. In particular, indigenous language, music, spiritual activity or arts and craft expressions, can be reproduced by any form or means, in any tangible medium, or can be incorporated in any production, whether audiovisual or aural. Folklore can also be collected in databases and the data base collector representing the owner of the folkloric expressions as collected in the database. Something similar happens with regard to folkloric expressions recorded in a phonogram. In that case the phonogram producer can claim neighbouring rights on the folkloric expressions as collected in the phonogram.

Under the Copyright Law of Mexico it would be hard to determine that a folkloric expression could be the underlying work that is used for creating a derivative work. Again, this is because folkloric expressions are not regarded as works-of authorship. On the other hand, pop or craft art works, as they are referred to in the statute, may be used as underlying works in order to produce a derivative work. However, since the law allows that popular art or craft works can be used freely, authors of derivative works would not require authorization in order to publish them.

Dancers and singers of folkloric expressions are entitled to neighbouring rights of performer artists. Inspired by WPPT, the Copyright Law has extended the scope of the legal definition of performing artists to include "interpreters of expressions of folklore". They have thus been granted patrimonial and moral rights related to their artistic activities, including

the right to oppose the fixation, reproduction or public communication of their performances, remuneration rights when the performances have been incorporated into phonograph productions – and perhaps audiovisual productions, although this is not clear – and moral rights of paternity and integrity.

### **A need for reform**

The foregoing reflects the inconsistencies that prevail in the Mexican law with regard to the protection of folkloric expressions. There is confusion as to their nature, which is distinct from that of authored works and simply does not fit within the realm of copyright law. By equating folklore to other works, and by referencing popular or craft works, the Mexican law has clearly erred in defining the spirit of folklore. And by allowing the unrestrictive use of popular and craft art works, the law alters the system of protection, not only of folklore but of copyrighted works as well.

It is a major problem that folkloric expressions can be copied for any purpose and without limit, because there is no supporting legal protection. The customary laws of the indigenous peoples living in the Mexican territory have not been considered or respected, and have indeed been neglected. Dancers and singers have had better luck, since they receive protection by virtue of neighbouring rights. This represents a glimmer of hope, but more still needs to be done to protect the rights of indigenous peoples.

## **MEXICO'S FAIR USE BALANCING ACT**

*Managing Intellectual Property, Brand Management: Sponsored Editorial, May 2009.*

Fair use is a legal theory used in IP law that sets out limitations to exclusive patent, trade mark or copyright rights and provides defenses against allegations of IP infringement. It can be viewed as a line that divides the rights of IP owners from those of users of inventions, trade symbols and creative works. IP law is about protecting human creativity in every field, by conferring on the creator exclusive or other rights such as remuneration or moral rights. The rationale for protecting intellectual property is that by doing so we will stimulate creativity, which, in turn, will provide additional benefits to society. In keeping with this, a society agrees to protect creativity in order that something novel, distinctive or original is made which can solve a functional problem or contribute to learning or enjoyment. Ultimately, fair use stands as a balanced solution to limit undue obstacles that might otherwise result from excessive IP protection.

### **Copyright law**

Fair use can arise in multiple situations, depending on the nature of copyright or systems of author's rights. The Berne Convention has imposed a standard, supported by a so-called three-step test, stating that works can be freely copied: (1) under special situations; (2) without affecting their normal exploitation; or (3) without to prejudice the rights of authors. National laws have used the standard rule as a reference to develop their own fair use regimes. Notably, US law has emphasized that a work can be used freely when users pursue a special purpose, and when the nature of the work and the amount used permits it. The US rules support the idea that copyright exists to benefit the public at large and not only the author or publisher, and that use is justified when the use of a work furthers learning, exercise of free speech or advancement of knowledge.

Mexico's Copyright Law is particularly strict and rigid in its application of fair use principles. One important provision states that works can be utilized without authorization, as long as the law states it expressly and the normal exploitation of the work is not affected. However, the law

has further listed exceptions to copyright rights in a manner that would probably conflict with the three-step test. The list indicates when the use of a work is fair on the grounds that it is special and will not affect copyright. Thus, every use made outside of the list would require consent. The question is whether the three-step test really works in Mexico, given that it seems to be limited to activities within the list. Regarding "normal exploitation" of works, fair use users would need to fulfill that requirement in addition to meeting the requirements set out in the list. For example, text quotation is valid to the extent that use does not affect the "normal exploitation" of the literary work being copied.

## **Limitations**

The Copyright Law mostly deals with limitations to the economic right of reproduction in literary works, including: i) text quotation, when reproduction is non-substantial and not a mere "simulation"; ii) copy of articles, photographs, illustrations or commentary, regarding so-called actual happenings, previously disclosed by the press or electronic media, and that rights holders have not reserved for their own exercise; iii) copy of parts of a work for scientific, literary or artistic critique and investigation; iv) private copying on just one occasion by an individual, academic, investigative or non-profit institution; v) copy made by libraries or archives for the purpose of preserving or security, provided that the work is out of stock, no longer catalogued or at risk of disappearing. Other limitations to the right of reproduction are: i) reproduction by virtue of drawing, photographic and audiovisual means of works that are visible from public places; ii) reproduction of software for backup or when indispensable for the operation of a licensed software; and iii) reproduction of works for obtaining ephemeral recordings, provided that any broadcasting is made as agreed by the copyright owner and broadcast entity; no simultaneous emission or transmission is made when the recording is made, and the recorded signal is recorded only once.

The provisions dealing with limitations on copyright reproduction generally apply to literary and other categories of works such as audiovisual or software. However, their scope is narrow since users require consent by the copyright holder to distribute copies of works, or publicly perform or transform them. For example, users are allowed by

law to copy parts of a work for scientific critique and investigation, but would still be prevented from distributing the copies of the parts of works reproduced; making a public performance of the copied parts or of any works produced by copying the parts; or adapting the parts of works copied in their productions.

In addition to copyright reproduction rights, the Copyright Law imposes a restrictive set of limitations to the rights of distribution, public performance and transformation. The limitations to the right of distribution are: i) distribution of copies obtained by drawing, photographic, and audiovisual means of works that are visible from public places; and ii) the first sale doctrine. The limitations to the right of public performance are on public performance in systems used by video rental or sale establishments; and public performance of copies obtained by drawing, photographic, and audiovisual means of works that are visible from public places. The limitation to the right to transform regards the modification of a building constructed on the basis of an architectural plan.

Neighbouring rights of performing artists, phonogram (sound recording) producers, broadcast entities, book publishers and video recording producers are also subject to limitations in the following circumstances. First, when use is not made for the purpose of direct gain, which would likely extend to forms of utilizing that entail an indirect gain; secondly when users employ for news reporting short fragments of performances – as fixed or reproduced – phonograms, broadcast signals, books, or video recordings; and thirdly when users reproduce performances, phonograms, broadcast signals, books or video recordings under the same conditions that limit the reproductions of works.

Limitations become stricter when somebody owns copyright on various works – or copyright and neighbouring rights – in connection with a given subject matter. This would apply, for example, to a TV producer and broadcaster who own copyright rights on TV programmes as well as neighbouring rights on the TV signals carrying the programmes. It would be difficult for competitors to provide free broadcasts of the protected broadcasts and signals, since it would not only have to deal with the narrow application of copyright limitations, but of neighboring rights as well.

## **Parody protection**

Parody is not expressly mentioned in the Copyright Law as a limitation to copyright or neighbouring rights. At first glance, it should not be allowed – even under the three-step test – considering that parody is not listed as a permitted form of use under the law. However, parody could be regarded as an implied limitation supported by the constitutional right of free speech. In any event, parody of a work or character will only be possible to the extent that it involves humour and social criticism. Likewise, the three-step test criteria should be fulfilled, in that the parody should be made under special circumstances and without affecting copyright or neighbouring rights (sometimes users have invoked parody to hide their real intent to free-ride or misappropriate copyright or neighbouring rights or to disparage by way of libel or slander). Under the copyright law, users have to be fully respectful of copyright moral rights and not attempt to threaten the integrity of the work or character subject to the parody, including making any alteration or modification representing destruction.

## **Fair use on the internet**

Since April 2009, Congress has studied a bill for protecting rights of users on the internet. Among other things, the draft law incorporates a chapter laying down limitations to copyright rights in digital environments as well as the rights in sound and video recordings. Among the relevant parts of the draft law can be found: i) a right of users to make transitional copies of works obtained from the internet into the random access memories of computers. However, this right would conflict with certain provisions of the Copyright Law that protect works against ephemeral copying; ii) a software backup right, which appears to repeat the provision of the Copyright Law; iii) a right to copy video or sound recordings into the memory of computers, including the digitalization of analogue recordings; iv) reproduction of photographic and literary works accessible over the internet for private purposes; and v) a recognition of so-called flexible licences that follow the Creative Commons guidelines or the rules in similar schemes. It is expected that the draft law will face strong opposition from authors and the cultural industries.

## **Trade mark law**

The concept of fair use has not developed in trade mark law to the same extent as it has under copyright law. However, as in copyright law, society can have a legitimate interest in trade marked symbols for reasons other than those that the law protects. Society may consider that it is important to be able to use trade marks for purposes that are essentially non-distinctive or that do not cause confusion among consumers. Accordingly, in general terms, users are implicitly authorized by the law to print on their products or packages the trade marks of products or services that have been used to make their own. Mexico's trade mark law is not explicit about the limits to this right. However, it has worked in practice, perhaps as in copyright law, based on the constitutional rights of free speech. Trade mark law does not confer an express limitation provision, nor does it stipulate parameters in connection with the limitation. There is no such three-step test doctrine in the Paris Convention, and therefore there are no indications when the free use of trade marks begins to be ordinary, harming or abusive. In the end, the governing rules can simply be based on the rules of reason and fairness.

Parody is also an issue for trade mark law. The questions raised in the trade mark field are similar to those in the area of copyright law, although they are principally centred on consumer confusion and other trade mark law theories. Under trade mark law parody has been justified when a consumer can differentiate between the original and the parodied trade mark. Parody principles apply equally to trade marks, in particular those that limit parody to humour and criticism. Mexico's Trade Mark Law does not address parody directly, but appears to recognize it as a limitation or defence in favour of users. This defence does not cover use as a distinctive symbol in trade but does cover use as an artistic expression or even in commerce, where it is a non-disparaging reference in a comparative advertisement or similar form. Constitutional rights of free speech allow parody as it also has permitted it in connection with works-of-authorship and character performances. Thus, artists or scholars can "use" trade marks for humorous criticism exclusively, as long as they do not target the trade mark owner itself, but use the trade mark to highlight a social problem or situation. Likewise, competitors of the trade mark owner or consumers of the

trade marked product or service can both rely on the parody limitation to defend themselves from infringement claims.

## **CONTROVERSIAL COPYRIGHT REFORM INTRODUCED**

*Managing Intellectual Property, International Briefings, October 2004.*

Congress last year passed an amendment to the copyright law that has had a significant impact on some entertainment industries.

The provisions passed into law state that authors and performing artists will have a right to remuneration for the public performance of works that they have authored.

The right exists regardless of whether the authors or performers hold the patrimonial right of public performance or whether they have disposed of that right by an assignment or any form of transfer.

The new system has created a duality as it will be possible to find that the owner of the patrimonial right of public performance, for example an assignee of rights, will have the right to seek a royalty from users of the works, while authors and performers will have a similar right to remuneration from the users, for the same act of public performance of the work.

The issue will necessarily go further, considering that it will be technically possible that authors and performers have rights at the same time to royalties, deriving from the patrimonial rights, and to remuneration, deriving from the new system. It is however clear that the confusing theory that the Mexican Congress has approved and adopted is not only unlawful but unconstitutional. Already broadcasters and film exhibitors have challenged the reform and the court system will have to resolve is soon.

## **COPYRIGHT OFFICE TO CHECK ISSN AND ISBN**

*Managing Intellectual Property, International Briefings, April 2009.*

The Mexican Copyright Law requires applicants for ISBN and ISSN numbers to submit a catalogue card, showing the following information:

- full name and address of the publisher;
- year of edition or reprinting;
- ISBN or ISSN number; and
- number and date of edition.

It also requires that holders of ISSN and ISBN numbers prove “only once” the correct use of the numbers, within the six months following their issuance. The Copyright Office has the duty to verify that the information in the catalogue card is complete and true.

Recently, the International Agency started a supervision campaign regarding ISBN and ISSN numbers, in connection with all publications circulating worldwide. Since the Copyright Office has never made verifications in the past, it has released a proceeding to ensure that ISSN and ISBN granted numbers are being used properly.

The Copyright Office has set the following verification periods:

- For ISBN and ISSN numbers granted before November 2007, the deadline is April 2008;
- For ISBN and ISSN numbers granted after November 2007, the deadline is September 1, 2008.

Holders of numbers need to provide:

- a completed form ISBN 02;
- the information in the catalogue card, as used in the directory page of each of the titles;
- in the colophon of the title, the full information (name and address) of the publisher; and
- a sample of each for verifying use of the ISBN number.

If a holder of any ISBN and ISSN number does not attend the verification by the above deadlines, the Copyright Office will take copyright infringement actions and might impose economic sanctions.

The Copyright Office has not publicized the process by any official means, which can be illegal. Nevertheless, it has pointed out that even in the absence of a publication it will impose sanctions against any publishers that do not comply with the deadlines.

## **WHAT'S IN A NAME?**

*Copyright World Issue #185, November 2008.*

This note refers to certain terminology in Intellectual Property Law. It is particularly intended to explore existing differences in the manner that Anglo-Saxon and Roman systems designate the subject of intellectual property. Inventions, trademarks and works-of-authorship have all become the subject-matter of a legal discipline having in common the protection factor of human creativity in every field of "utilitarian" or "artistic" knowledge, like science or technology, marketing or culture. Most countries and regions have generally called "Intellectual Property" the field comprising patents, trademarks and copyrights, altogether, and "Industrial Property" the subject that encircles patents and trademarks.

Copyright has been designated in different forms, depending on each legal regime, and especially if protection is emphasized on the rights of authors or on the right to disseminate a work. Author's rights systems enhance the traditional and somewhat romantic notion of the flesh and blood person that creates by relying on her talent or sensibility and by utilizing tools in a workshop and making everything with her hands. On the other hand, copyright systems principally seek a balanced solution between the author and the entities that deliver the artistic content to the public. In copyright systems society plays an important role as the recipient of culture and ultimately, it has been society who would agree in protecting a work in order to have access to learning.

### **Spain v the rest of the world**

Notwithstanding the above, in a number of jurisdictions in the Hispanic world, certainly led by Spain, the IP community has employed the term "Industrial and Intellectual Property Law", instead of what the rest of the world designates just as "Intellectual Property". In their view copyright – or better to say "author's rights" – and intellectual property are synonym and equal terms. The expression "intellectual property" has been exclusively associated with the ideas of authorship and artistic creativity, while "industrial property" has been with inventive or mercantile expressions. Intellectual Property utilized as an inclusive name for copyright and industrial property, has had a meaning and value in the Anglo-Saxon world only, where the figure of the author has

fainted just as it has happened in connection with the figure of the inventor.

Paradoxically, it was not an Anglo-Saxon who first developed the notion of "Intellectual Property" and who worked on the legal systematization of human intellectual creations. In the XIX Century, Edmond Picard, a Belgian, regarded by many as the father of modern intellectual property law, devoted his academic life to conceive a systematic study, to convince about the existence of a field of law, substantively distinct from civil law, dealing with intangible goods triggered from human creativity, not only in technology, but in literature and arts as well. That field of law was to be called "Intellectual Law" or "Intellectual Property Law", and despite the fact that it was arguable whether "property" is applicable to intangible goods – as opposed to tangible property - there has been no doubt that inventive and artistic creativity classifies as "intellectual".

Contrary to what systems in the Hispanic region have suggested, there are arguments to consider that "Intellectual Property" is a better name than "Industrial and Intellectual Property". Firstly, establishing a division between artistic and industrial property can be ambiguous. Nowadays, the romantic idea of the artist handcrafting in a workshop has been substituted for methods of producing works, of major complexity, and in which entrepreneurship plays a relevant role. Secondly, the notion of "Intellectual Property", not restricted to copyright, is better suited to address creative figures, as it is the case of designs, having an ambivalent nature, and that cannot be categorized just as inventions, trademarks or works-of-authorship. Thirdly, in Spanish the law that protects authors is called "Derecho de Autor", as in French it is called "Droit de Auteur", in Italian "Diritto de Autore" or in German "Urheberrecht". Given that the Spanish language provides a meaningful expression, why utilize it as an equivalent term of another connotative expression and thereby producing a conceptual –not merely a semantic- confusion?

## **UNDERSTANDING RESERVA RIGHTS**

*Managing Intellectual Property, International Briefings, October 2008.*

Reserva is an exclusive patrimonial right to authorize the use of titles of publications or broadcasts, names of artists or artistic groups, characters of fictitious or human nature, or so-called publicity promotions. By virtue of reservas, right holders can authorize or prohibit third parties from copying or imitating titles, names, characters or promotions (collectively referred to as the "rights"). Secondly, right holders can authorize or prevent the distribution of copies or imitations of the rights used in any tangible form or their public performance by any media, such as broadcasting or digital networks. Thirdly, reserva rights entitle their holders to either authorize or prevent the rights from being modified or transformed. The exclusive right to authorize or prevent can be assigned or licensed.

The Instituto Nacional del Derecho de Autor (INDAUTOR) is the competent authority to grant reservas. For that purpose, it keeps a docket system and follows an *ad hoc* administrative proceeding. Mexican Copyright Law sets the requirements and conditions for granting reservas.

The following is a description of the four categories of reserva rights:

1. Titles of publications or broadcasts. In general terms, titles identify literary or artistic works and act as an intermediary between the author and the public. Titles communicate or describe the content of works and have the ability to attract public attention to the work. Original titles applied to publications or broadcast can be the subject of reservas, but not the title of a work in general. In Mexico, the publishing or broadcasting industries – commercial or non-commercial industries without exclusion – seek *ad hoc* protection of titles, based on originality or other cultural standards. Banal or non-original titles are not afforded protection. The threshold is rather different from other forms by which commercial titles can be protected, such as trade mark rights.
2. Artistic names. An artist is anybody performing art or artistic activities and may include artistic interpreters, performers and

authors of artistic works. The criterion to afford reservas to artistic names is similar to that of titles.

3. Characters of fictitious or human nature. Characters are those derived from the capacity of humans to represent, describe or imitate people, animals or imaginary beings. Characters are part of literary or artistic works but can sometimes be subtracted from the works. The Copyright Law has set a broad standard for protecting characters, as the standard is their physical and psychological characteristics or profile. Character reserva is broader in scope than trade mark rights, restricted to notions as distinctiveness and confusing similarity and to use of symbols in trade.
4. Publicity Promotions. The Copyright Law defines publicity promotions as "mechanisms" that are "novel", by which "goods or services are "promoted and offered", with the incentive to provide to the public and "additional" good or service in more "favorable" conditions than those "prevailing" in a given "market". The notion of publicity promotions is ambiguous and the applicable standards so high and difficult to fulfil, that the figure has mostly fallen into disuse.

## **LAS RESERVAS DE DERECHOS AL USO EXCLUSIVO DENTRO DEL SISTEMA MEXICANO DE LA PROPIEDAD INTELECTUAL**

*El Foro*

*Órgano de la Barra Mexicana, Colegio de Abogados, A.C.*

*Décimatercera Época, Tomo XVI, Número 1, Primer Semestre 2003*

*SUMARIO: 1. Introducción. 2. Concepto Legal. 3. Naturaleza jurídica. 4. En búsqueda de autonomía: protección Sui Generis y protección acumulada. 5. Marco legal de protección. 6. Procedimiento de concesión, requisitos de procedibilidad y renovación: lo reservable y no reservable. 7. Defensa de la reserva de derechos: acción de nulidad, cancelación, caducidad e infracción. 8. Conclusión.*

### **1. INTRODUCCIÓN**

La reserva de derechos, figura controvertida del Derecho mexicano de la propiedad intelectual, incrustada dentro de la Ley Federal del Derecho de Autor (en adelante referida como LFDA), a fin de proteger ciertos elementos adyacentes a la obra, pero que no representan la obra en sí misma. El legislador de la LFDA la concibió y ubicó dentro de un capítulo aparte a los relativos al derecho de autor y derechos conexos, reconociendo protección sui generis a títulos de difusiones y publicaciones periódicas; personajes ficticios y de caracterización humana; nombres de artistas y grupos artísticos, y promociones publicitarias. Asimismo, en dicho capítulo de la LFDA el legislador procuró establecer la normativa referente a concesión de reservas, así como el mantenimiento de derechos y defensas.

En ciertos casos, la materia de la reserva lo es también del derecho marcario. Surge así el debate sobre la justificación de la reserva dentro del derecho de la propiedad intelectual, toda vez que -como sostienen algunos estudiosos en México- la protección que otorga en nada difiere de la que ofrece el derecho marcario.

Para este grupo no hay dicotomía real entre marca y reserva, que dé cabida a esta última dentro del sistema, ya que, al no haber distingo entre principios, objeto y fin, la reserva está lejos de aportar solución a los problemas planteados por la práctica del derecho de la propiedad intelectual. La coexistencia de figuras sólo provoca conflicto, producto de una traspolación innecesaria en donde la reserva se convierte en

marca y viceversa, lo cual entorpece la actuación eficaz de una y otra. En esta circunstancia, resulta inoperante el principio de "doble protección" o "protección acumulada", el cual es rector en algunos conflictos interfronteras del derecho de la propiedad intelectual. Y es que, para que dicho principio funcione, las figuras objeto de confrontación deberán ser concluyentes y no excluyentes. A fin de cuentas, la existencia de la reserva sólo provoca que el titular de derechos sobre títulos, personajes, nombres artísticos o promociones publicitarias esté expuesto a riesgos innecesarios.

Sin embargo, cabe preguntarse ¿qué justifica la adopción de una "segunda" forma de protección sobre lo mismo, siendo que, como la doctrina lo ha sostenido, aquélla no confiere derechos adicionales o complementarios, aparentemente, ni aporta solución alguna a problemas que esencialmente son de índole marcaria y que el derecho de marcas puede resolver? ¿Por qué aceptar que esa "segunda" forma de protección deba derivar del derecho de autor, siendo que éste parte de principios diversos y persigue fines distintos de los del derecho marcario? ¿Son los títulos, personajes, nombres artísticos y promociones publicitarias, signos que sólo funcionan para distinguir productos o servicios? O, por el contrario, ¿debiera sostenerse que por constituir elementos vinculados a producciones del intelecto, talento o sensibilidad humana están impedidos de funcionar como marcas de productos o servicios, dentro de un ámbito industrial o comercial? ¿Podrían ser vistos desde la doble perspectiva obra/marca -o, más bien, reserva/marca-, como objetos que se pronuncian en el aspecto artístico e industrial y que, por lo tanto, se rigen por los principios y disposiciones que se aplican tanto a obras -o reservas como a marcas? ¿Ofrecen realmente la misma protección la marca y la reserva? En esta hipótesis, ¿cuál es la verdadera connotación y cuál el alcance de la teoría de la "doble protección"? ¿qué la justifica?, ¿puede ser aplicable o se hace extensiva a títulos, personajes, nombres artísticos y promociones publicitarias?

Lo anterior es, en esencia, lo que se discute en torno a la Reserva de Derechos y su justificación en el ámbito de la propiedad intelectual. El presente ensayo pretende, entre otras cosas, dar respuesta a las interrogantes formuladas. Para tal fin, se reconoce, como punto de partida, que el objeto de la Reserva es multifacético, lo cual significa la

comunidad de rasgos artísticos y comerciales. En otras palabras, el título, personaje, nombre artístico y quizá la promoción publicitaria, representan objetos complejos que se manifiestan ambivalentemente, por un lado, dentro del mundo de lo artístico, y por el otro, de lo industrial y comercial. Ello no sólo motiva, sino que obliga, al derecho de la propiedad intelectual a ofrecer protección, apoyándose en dos de sus ramas esenciales: el derecho marcario y el derecho de autor.<sup>3</sup> De ahí nace el híbrido denominado Reserva de Derechos, con la pretendida intención de cubrir el espacio que se abre ante la complejidad del objeto de protección. Es obvio que la figura busca acomodo dentro del esquema de la propiedad intelectual, como institución autónoma e independiente, sobre todo respecto de la marca y demás signos distintivos.

Se abordará también el concepto de reserva, su naturaleza jurídica, el régimen de derechos y obligaciones que de ella se desprenden y las formas de defensa referentes a este instituto. De igual forma, se harán comentarios respecto de los certificados de licitud y contenido que expide la Secretaría de Gobernación, a través de la Comisión Calificadora de Publicaciones y Revistas Ilustradas, los cuales, por tradición, mantienen estrecha relación con la Reserva de títulos.

## **2. CONCEPTO LEGAL**

### **2.1. Artículo 173 de la LFDA**

El artículo 173 de la LFDA establece la noción de reserva de derechos al decir que:

Es la facultad de explotar en forma exclusiva títulos, nombres, denominaciones, características físicas y psicológicas distintivas (SIC), o características de operación originales aplicadas, de acuerdo con su naturaleza, a alguno de los siguientes géneros:

- I. Publicaciones Periódicas: Editadas en partes sucesivas con variedad de contenido y que pretenden continuarse indefinidamente;
- II. Difusiones periódicas: Emitidas en partes sucesivas, con variedad de contenido y susceptibles de transmitirse;
- III. Personajes humanos de caracterización, o ficticios o simbólicos;

IV. Personas o grupos dedicados a actividades artísticas, y

V. Promociones publicitarias: Contemplan un mecanismo novedoso y sin protección tendiente a promover y ofertar un bien o un servicio, con el incentivo adicional de brindar la posibilidad al público en general de obtener otro bien o servicio, en condiciones más favorables que en las que normalmente se encuentra en el comercio; se exceptúa el caso de los anuncios comerciales.<sup>4</sup>

## **2.2. Noción**

De la definición legal se obtiene que la reserva constituye el derecho exclusivo al uso de títulos de publicaciones y difusiones periódicas; personajes ficticios y de caracterización humana; nombres de artistas y grupos artísticos y promociones publicitarias. Al respecto caben los siguientes apuntes:

### **A) Derecho exclusivo**

La reserva es un derecho exclusivo y excluyente, por lo que sólo el titular del mismo podrá hacer uso del título, personaje, nombre artístico o promoción publicitaria, disponiendo de éste o éstos a título de dueño, con apego a las disposiciones de la LFDA y los principios y reglas del derecho común que sean aplicables.

De esta forma, el titular podrá efectuar el uso por sí o por tercero(s) autorizado(s) y el derecho podrá ser materia de cesión, licencia o cualquier otra forma de transmisión prevista por la ley, a título oneroso o gratuito, por el tiempo pactado con el usuario o cesionario que corresponda.<sup>5</sup>

### **B) Uso**

El precepto legal aludido no define lo que debe entenderse por uso, ni establece criterio alguno al respecto. La omisión parece irrelevante, pero en realidad no lo es. Como se verá más adelante, el "uso" produce efectos distintos cuando se trata de marcas y reservas. No obstante la omisión, no debe perderse de vista que la reserva debe su origen al derecho de autor y desde luego, forma parte de la LFDA, por lo que muchos de sus principios le resultan aplicables por añadidura o extensión.

Al respecto, dicta el artículo 1° de la LFDA que "la presente Ley, reglamentaria del artículo 28 constitucional, tiene por objeto la salvaguarda y promoción del acervo cultural de la Nación; la protección de los derechos de los autores [...] así como de los otros derechos de la propiedad intelectual".<sup>6</sup> Por estar comprendidos dentro de la LFDA, no debe existir duda de que el artículo 1° considera las reservas de derechos como "otros derechos de la propiedad intelectual" – entendiendo por ésta el sentido restringido del derecho de autor-, y, por lo tanto, al igual que el resto de las instituciones reguladas en la LFDA, las reservas de derechos otorgadas por el INDA representan parte del "acervo cultural de la Nación", que la LFDA tiene por objeto preservar y promover.

El "uso" del objeto de la reserva produce manifestaciones y, por lo tanto, consecuencias jurídicas en el campo de lo cultural, el conocimiento y las artes. Tradicionalmente, se ha pensado que lo cultural y lo comercial riñen entre sí, pero si se entiende el comercio como expresión de la cultura, lo anterior puede resultar incierto. En tal virtud, el universo de formas de uso del objeto de reserva es tan amplio como manifestaciones culturales puedan preverse.<sup>7</sup>

### **C) Géneros de protección**

En cuanto a los géneros de la protección de Reserva, es posible hacer las siguientes menciones:

#### **C.1 ) Títulos de obra y publicaciones y difusiones periódicas**

Junto con el nombre del autor mismo, el título funciona como el signo identificador de la obra, a la cual distingue de las demás. Es el primer punto de contacto entre autor y público, que funge como elemento de intermediación. Es un comunicador, toda vez que nos dice algo del contenido de la obra, de manera breve y concisa.

Asimismo, representa un factor de atracción para el público hacia la obra: el buen título dice mucho en pocas palabras. Sin embargo, lo más importante es que el título es parte integrante de la obra, a la cual va unida estrechamente y de la cual no le es posible desprenderse.

##### **C.1.1) Primer criterio de clasificación: intelectualidad, individualidad y Valor comercial**

Derivado de lo anterior, entre las características del título está la de indivisibilidad. No puede concebirse el título aparte de la obra, ni conferírsele valor independiente alguno, pues nada nos dice en ausencia de aquélla. Por otra parte, el título tiene un valor intelectual, intrínseco y fundamental, complementario al de la obra.<sup>8</sup> En ciertas circunstancias, el título funge también como signo distintivo de la obra, en cuanto a mercancía que puede ser.<sup>9</sup>

### **C.1.2) Segundo criterio de clasificación: títulos originales y banales**

En una segunda clasificación, es posible distinguir entre títulos originales y banales.<sup>10</sup> Dentro de los originales están los títulos sugestivos, que aluden al contenido de la obra, y los de fantasía, que no hacen referencia al tema, al menos explícitamente. Hay títulos que son originales por su rareza o porque son únicos o diferentes; Y la originalidad no necesariamente se supedita a estructuras gramaticales o idiomáticas complejas. Lo cierto es que, por lo general, el título original lo es a su vez de una obra original; he ahí el valor natural intrínseco del título y por lo que su protección jurídica se justifica.

El título banal no es especial en nada o casi nada. Es por lo general un "genérico", como lo llaman muchos, que describe abiertamente el tema o contenido de la obra. También puede serlo una palabra o frase tan simple, repetida en otros títulos, incluso de obras del mismo género. Para Antequera Parilli "tampoco pueden calificarse de originales aquellos títulos que se refieren al estudio de una determinada disciplina que tiene un nombre específico: 'Anatomía Humana', 'Derecho Penal', 'Cálculos Estructurales'".<sup>11</sup>

En muchas ocasiones, la obra identificada por un título banal también es banal, sin que esto necesariamente constituya una regla. Sin embargo, la incapacidad que el título banal tiene para identificar la obra plenamente se sustituye o reemplaza en la utilización de elementos adicionales, como puede serlo el nombre del autor mismo. En estos casos, con frecuencia se alude a la obra por el título y el nombre, como puede serlo El Rey, de fulano, o El Rey, de zutano.

### **C.1.3) Tercer criterio de clasificación: tipo de obra al que se aplica**

El título puede clasificarse en cuanto al tipo de obra al que se aplica. En principio, el título puede serlo de cualquier género de obras, desde las más tradicionales como la literaria, musical, dramática, dramático musical, coreográfica, pictórica, escultórica, arquitectónica o de dibujo; hasta las más contemporáneas, como la cinematográfica, audiovisual, fotográfica, arte aplicado y programa de cómputo, entre otras. Autores como Antequera Parilli y Copinger y Skone James, se refieren a los títulos de publicaciones periódicas en forma independiente y distinta del resto de los títulos. Para Antequera, "no debe confundirse el título de una obra del ingenio con el título de una publicación periódica, este último que puede ser objeto de una reserva legal, generalmente en el marco de los derechos conexos al autoral, o en el marco del derecho de patentes y marcas".<sup>12</sup>

Por su parte, Copinger y Skone James sostienen que quien publica periódicos, revistas y otras publicaciones periódicas o emite programas de radio y televisión por lo general usa títulos más bien descriptivos, genéricos o en general banales; sin embargo, busca impedir que terceros los usen sin su consentimiento. Muchos de estos títulos no resistirían el examen que comúnmente se practica en el procedimiento de registro de marcas. Para dichos autores, la industria editorial parte de normas más flexibles, lo cual permite la coexistencia de títulos descriptivos y aun similares, procurando establecer distinguos en otros aspectos de la publicación, como la "aparición", la calidad, el precio, el contenido, el "get up" o presentación y la forma de distribución de los productos editoriales. Las acciones legales sólo se gestan como consecuencia del "intento deliberado de engañar al público". Según explican, "ciertos casos se deciden no obstante se produzca confusión, mientras no exista daño".<sup>13</sup>

El título de la publicación -y difusión- periódica tiene rasgos característicos propios originados, fundamentalmente, por el carácter de periodicidad de la publicación o difusión a que se aplica. La generalidad de los títulos se emplea en relación con una sola obra. Por el contrario, los títulos de difusión o publicaciones periódicas se aplican a una serie de obras, siempre distintas e irrepetibles, sujetas a una determinada secuencia. De esta forma, bajo el mismo título se encasilla un cierto número de obras agrupadas, puestas en forma de colección o

distribuidas de forma particular, conjuntamente con información general o de otra índole, para ser publicadas o difundidas periódicamente.

De inicio, el título de la publicación o difusión periódica encuadra dentro de los mismos principios y normas relativas a los títulos en general; sin embargo, dichos principios no pueden serle impuestos de la misma forma. Definitivamente el título fungirá como signo identificador de la difusión o publicación periódica; incluso, podrá ser la marca que le distinga como producto en el mercado.

No obstante sus características particulares, los títulos de publicaciones y difusiones periódicas están provistos de intelectualidad e individualidad, intrínsecas a toda obra protegida por el derecho de autor; intelectualidad que, como ya se mencionó al citar a Copinger y Skone James, al mismo tiempo reviste de sus propios atributos que obligan la flexibilidad de principios; y es que la publicación o publicación periódica, en muchos casos -no todos-, se destina a actividades de comercio, convirtiéndose así en un "producto", aunque con las dudas que señala Antequera.<sup>14</sup>

#### **C.1 .4) Definición de OMPI**

La Organización Mundial de la Propiedad Intelectual (OMPI) contempla una definición al decir que "el título de una obra es parte de la misma, y su omisión equivale a una mutilación de la obra. Asimismo, el título identifica a la obra y le da un nombre el cual debe mencionarse siempre que se utilice la obra y deba aplicarse el derecho a reivindicar su paternidad".<sup>15</sup> El título representa una parte importante de la obra, según lo ilustra la definición de la OMPI, al grado de que su omisión podrá contrariar el derecho moral de paternidad. Asimismo, la OMPI señala que "por otra parte, el título se halla protegido contra el plagio en la mayoría de las legislaciones de derecho de autor, dado que es original".<sup>16</sup> Al respecto, debemos señalar que, a diferencia de la Ley Federal del Derecho de Autor de 1963, en cuyo artículo 20 se reconocía protección al título de obras,<sup>17</sup> la LFDA de 1996 no sólo soslaya cualquier referencia a la protección de títulos, sino que se refiere a ellos como elementos excluidos de la protección del derecho de autor.<sup>18</sup> Nada más cuestionable, y no sólo por el hecho de que la LFDA abrió una laguna donde no la había antes, sino porque, además, impuso una prohibición estéril, en virtud de que el título en sí mismo no es obra y,

por lo tanto, resulta obvio que no puede ser materia de protección del derecho de autor en forma aislada e independiente. Dice la definición del Glosario OMPI: “además, el título identifica a los ejemplares publicados sobre la obra y puede ser protegido, en virtud de la legislación sobre competencia desleal, contra posibles utilizaciones engañosas en ejemplares comercializados de otra obra”. De esta parte final de la definición se reitera que el título de la obra puede servir de signo identificador de la misma. En virtud de todo lo anterior, la OMPI reconoce la doble vertiente del título de la obra: primero, y fundamentalmente, como elemento integrante de ésta; y segundo, como signo identificador de un producto comercial.

## **C.2) Personajes ficticios o de caracterización humana**

### **C.2.1 ) Concepto**

El Glosario OMPI no define los personajes ficticios o de caracterización humana, por lo que, recurriendo al Diccionario de la Lengua de la Real Academia Española, es posible obtener lo siguiente:

Personaje -m. Sujeto de distinción, calidad o representación en la vida pública. II2. Cada uno de los seres humanos, sobrenaturales o simbólicos, ideados por el escritor, que toman parte en la acción de una obra literaria. II3. Criatura de ficción que interviene en una obra literaria, teatral o cinematográfica. A veces pueden ser animales, especialmente en los dibujos animados. II4. aut. Beneficio eclesiástico compatible con otro personado. 19

Personificar. (De persona y el latín facere, hacer.) tr. Atribuir vida o acciones o cualidades propias del ser racional al irracional, o a las cosas inanimadas, incorpóreas o abstractas. II2. Atribuir a una persona determinada un suceso, sistema, opinión, etc. Lutero personifica la Reforma. II3. Representar en una persona una opinión, sistema, etc. II4. Representar en los discursos o escritos, bajo alusiones o nombres supuestos, a personas determinadas. Ú. t. c. prnl. 20

De lo anterior, el personaje es una persona real o ficticia, distinta de quien la crea o caracteriza, que por lo general toma parte en la acción de las obras literarias o artísticas. El personaje “personifica” la obra, imprimiéndole vida o acción, bajo un concepto propio. A su vez, a través de la “personificación”, el personaje transporta al público a un escenario

diferente del de la realidad, donde prevalece lo ficticio o fantástico, donde lo irreal se vuelve real y donde animales, plantas y objetos, corpóreos o no, cobran vida y son capaces de expresar ideas, sentimientos y emociones.

### **C.2.2) Personaje y persona real**

Donde el personaje existe se desvanece la idea de la persona real, ya que, como se dijo, ambos se proyectan en distintos foros o escenarios. El personaje nace de la capacidad del individuo para imaginar la realidad, representándola, describiéndola o imitándola de manera particular y original. Hay manifestaciones distintas sobre el concepto del personaje, dado la versatilidad de la figura y de la multiplicidad de opciones a las cuales el autor puede recurrir para expresarla. En teoría, podrían concebirse tantos personajes como individuos existen sobre la faz de la tierra. Sin embargo, no cualquiera tiene la capacidad de crear personajes. Esto se ve con mayor frecuencia en los personajes de caracterización humana, los cuales necesitan de la persona real para existir. El vínculo entre personaje y persona es indisoluble, en estos casos; por ejemplo, sólo Mario Moreno pudo ser Cantinflas porque, en esencia, las cualidades de éste se deben a aquél; el día en que falleció Mario Moreno, murió Cantinflas también.

En cuanto al personaje ficticio, cabe más la idea de desincorporación o desvinculación. La mayoría, o la casi totalidad de los personajes ficticios son actuados por individuos, y su vida o existencia es independiente a la del actor que los interpreta, por lo que no importa quién sea éste, mientras que, al llevar a caso su actuación, respete el perfil físico y psicológico del personaje. Este tipo de personajes está más atado a la obra que a la persona. Por mencionar un ejemplo, James Bond, personaje sustraído de las novelas y transportado a películas cinematográficas, podrá ser interpretado por diversos actores, como ha sucedido en la realidad, y todos los actores, sin excepción, han debido ajustarse a las características individuales del personaje; pero James Bond es, a fin de cuentas, diferente, y su vida y existencia no están supeditadas a la del actor o actores que le han representado.

El personaje ficticio también puede serlo aquél que el autor de una obra literaria desarrolla, y que con su imaginación y técnica delinea su perfil, comunicando al público lector las características de su personalidad. En

estos casos, el reto creativo es mayor, toda vez que el autor parte de la idea abstracta, la cual moldea y expresa de manera concreta y original.

El personaje ficticio puede representarse a través de dibujos o caricaturas, hechos bajo el empleo de técnicas diversas, desde un simple lápiz hasta la tecnología digital.

### **C.3) Nombres artísticos**

#### **C.3.1) Concepto**

El nombre artístico es el del artista o grupo artístico. Esencialmente, se trata de un nombre distinto del de la persona que lleva a cabo la actividad artística, con el cual se identifica ante el público. Por lo general, el público conoce el artista por su nombre artístico, sin que necesariamente tenga conocimiento de su nombre real.

Al igual que los personajes de caracterización humana, el nombre artístico va ligado al artista con un vínculo estrecho e indisoluble; con ciertas variaciones, el principio aplica a grupos artísticos también. Sin embargo, en ciertos casos y bajo circunstancias determinadas, el grupo podrá cambiar a sus miembros, sin perder identidad. El nombre artístico asimismo guarda relación con los títulos, en cuanto a indivisibilidad, integridad y a la capacidad que tiene para distinguir, pues, en muchos casos, al artista o grupo artístico se le ha considerado "mercancía".

#### **C.3.2) Alcance**

Hay quienes asocian el concepto del "artista" al del artista intérprete o ejecutante, Sin embargo, este punto de vista resulta limitativo, toda vez que por "artista" debe entenderse la persona que crea arte o actividades artísticas, lo cual incluye al intérprete y al ejecutante, pero también al autor o creador intelectual de obras artísticas. La LFDA define al artista intérprete o ejecutante en su artículo 116, de la siguiente forma:

Artículo 116. Los términos artista intérprete o ejecutante designan al actor, narrador, declamador, cantante, músico, bailarín, o a cualquiera otra persona que interprete o ejecute una obra literaria o artística o una expresión del folclor o que realice una actividad similar a las anteriores, aunque no haya un texto previo que norme su desarrollo. Los llamados extras y las participaciones eventuales no quedan incluidos en esta definición.

El ámbito del precepto transcrito pretende ser amplio. y se extiende a artistas del folclor o a quienes tengan "una actividad similar" a la interpretación o ejecución. Hay ambigüedad respecto de lo que debe entenderse por "actividad similar"; sin embargo, volviendo al concepto de "artista" a que debe referirse la reserva, éste es más amplio, y en él los autores son artistas, por lo cual sus nombres o seudónimos deben considerarse nombres artísticos también.<sup>21</sup>

#### **C.4) Promociones publicitarias**

##### **C.4.1) Concepto legal**

El cuarto rubro de protección de la reserva corresponde a la promoción publicitaria. Según se estableció anteriormente, el artículo 173 de la LFDA sí fijó un concepto a este respecto al decir:

Promociones Publicitarias: contemplan un mecanismo novedoso y sin protección tendiente a promover y ofertar un bien o un servicio, con el incentivo adicional de brindar la posibilidad al público en general de obtener otro bien o servicio, en condiciones más favorables que en las que normalmente se encuentra en el comercio; se exceptúa el caso de los anuncios comerciales.

##### **C.4.2) Crítica al concepto legal**

Esta pretenciosa definición constituye el marco conceptual legal relativo al género de la promoción publicitaria, como objeto de reserva. Sin embargo, la definición es al mismo tiempo vaga, en virtud de lo siguiente:

a) Señala que el mecanismo debe ser "novedoso" y "sin protección". Sin embargo, dentro del ámbito del derecho de la propiedad intelectual, el concepto "nuevo" o "novedad" tiene una connotación patentaria muy clara y precisa, por el carácter "objetivo" que reviste, el cual podría resultar incompatible con los principios de reserva sustentados en la novedad "subjetiva" u originalidad. Respecto de la acepción "sin protección", no es posible saber a qué se refirió el legislador. Cualquier interpretación sólo llevaría a la contradicción o imprecisión.

b) Establece que el mecanismo debe tender a promover y ofertar un bien o un servicio, lo cual es cierto y correcto.

c) Menciona que el mecanismo debe brindar al público en general la posibilidad de obtener otro bien o servicio, en condiciones más favorables que en las que normalmente se encuentra en el comercio. Sin claridad, el precepto indica que, en función de la promoción de un bien o servicio, quien la lleva a cabo lo hace valiéndose de un mecanismo distinto de otros, en donde se den -incentivos- o "bienes o servicios" adicionales. Dentro de los "incentivos" podrían mencionarse sugerencias, consejos, información o la solución de problemas diversos". En forma adicional, el precepto se refiere a "bienes o servicios", lo que invita a pensar que el mecanismo "novedoso" puede efectuarse mediante

d) Los anuncios comerciales per se están excluidos de este tipo de reserva.

e) Sorteos, rifas, concursos, juegos o cualquier otro, en el cual se entregan premios o regalos de cualquier naturaleza.<sup>23</sup>

#### **C.4.3) Carácter independiente de la promoción publicitaria**

La promoción publicitaria es esencialmente distinta de los títulos de personajes y nombres artísticos. La diferencia fundamental estriba en que aquélla nada tiene que ver con una obra, ni deriva o forma parte adyacente de obra alguna. La promoción publicitaria, como su nombre lo indica, se desprende de la publicidad, cuya naturaleza es diferente de la intelectualidad, no obstante el hecho de que pueda ser creativa.

Cabe preguntarse cuál ha sido la intención del legislador al ubicar dicha figura dentro del campo de la reserva de derechos. Por otro lado, es loable la intención del legislador de las leyes de 1956, 1963 y 1996, al conferir protección a una figura que puede ser original, porque ciertamente hay cabida a la expresión creativa en este campo. Además, ni el derecho de autor ni el marcario la protegen; por lo tanto, de los objetos de reserva, la promoción publicitaria es la única que no está en conflicto con otras formas de protección. El legislador mexicano fue "original" al ofrecer protección sui generis a la promoción publicitaria.

### **3. NATURALEZA JURÍDICA**

#### **3.1. Comentario inicial**

La reserva de derechos es un híbrido, difícil de colocar dentro del marco de la propiedad intelectual. El título, personaje, nombre artístico y promoción publicitaria guardan parecido con las marcas y las obras o, por lo menos, se vinculan con éstas, y al mismo tiempo se interrelacionan con los principios de distintividad<sup>24</sup> y originalidad<sup>25</sup>; sin embargo, no son marcas ni obras, y la relación es sólo de semejanza o aproximación. El objeto de reserva puede funcionar como marca, como se ha dicho anteriormente, pero no debe perderse de vista que, antes que signo distintivo, el título y personaje por un lado, y el nombre artístico, por el otro, son resultado de la obra y el autor o artista,<sup>26</sup> respectivamente. En los próximos dos capítulos se pretende efectuar un análisis de la reserva y su objeto de protección, vistos desde el ángulo del derecho marcario y de autor, en primera instancia, para después hacerlo desde la teoría de la doble protección, como institución autónoma del derecho de la propiedad intelectual.

#### **A) El objeto de reserva y su relación con las marcas y las obras**

##### **A.1) Semejanzas y diferencias**

Hay muchas semejanzas entre la reserva y la marca. En primer lugar, el derecho exclusivo de la reserva se confiere al otorgamiento de la reserva, de manera similar a como sucede con el registro marcario.<sup>27</sup> De hecho, la LFDA exige exámenes de forma y fondo, parecidos a los del derecho de marcas. El derecho de uso exclusivo se confiere una vez aprobados los exámenes de mérito, lo cual se formaliza con la expedición de un certificado.<sup>28</sup> De las disposiciones de la LFDA se desprenden reglas adicionales, aplicables a reservas, y cuya extracción o influencia es de orden marcario.<sup>29</sup> Se abordará más adelante sobre éstas.

No obstante las semejanzas que guarda con principios marcarios, la reserva es una figura más afín al derecho de autor. Ya mencionamos que, tanto títulos, personajes y nombres artísticos, deben su origen y fin a lo artístico o intelectual, al igual que las obras de donde derivan. Pero aun dentro de este contexto se producen diferencias, que parecen obligar a su emancipación del derecho de autor y de algunos de sus

principios. Y es que, se insiste, el objeto de reserva es multifacético, con virtudes y cualidades diversas, así como propias, que se manifiestan, en primer lugar, en el mundo de lo intelectual o artístico, pero también de lo comercial. Dicha ambivalencia ha venido a exigir la atención del derecho de la propiedad intelectual, y éste lo ha hecho considerando los fundamentos de la materia.

El derecho marcario resuelve sólo una de las interrogantes: la referida al objeto de protección como producto comercial. Dicha rama del derecho reconoce la marca como signo distintivo de productos y servicios en el mercado.<sup>30</sup> En sentido estricto, el objeto de reserva puede fungir como marca, atendiendo, precisamente, a su capacidad intrínseca para distinguir bienes -los ejemplares de las obras-. Sin embargo, la función de distintividad es sólo uno de los atributos del título, personaje o nombre artístico. Por lo tanto, resulta imperativo encontrar formas protectoras complementarias al derecho marcario. La pregunta surge sobre si el derecho de autor brinda su propia solución, en el principio de originalidad, sin que la respuesta sea del todo optimista, con excepción, quizá, del caso concreto de personajes, en donde el derecho de autor ofrece protección, pero restringida a ciertas expresiones de índole artística.

## **A.2) Referencias doctrinales**

La doctrina se debate en la forma de protección. Las posturas no son unánimes, ciertamente; por el contrario, resultan contradictorias. Copinger y Skone James dicen, con toda nitidez, que los títulos de obras literarias y de publicaciones y difusiones periódicas no son materia de protección del derecho de autor. La razón es que no son obras por sí mismas, no obstante el ingenio y labor creativa que el desarrollador les llegue a imprimir.<sup>31</sup> Dichos autores encuentran, sin embargo, que los títulos están investidos de "good will",<sup>32</sup> producto del ámbito comercial donde se les ubica y en donde, por supuesto, están inmersos. Así, el derecho marcado y de competencia desleal se convierten en instrumentos de protección del título, especialmente respecto de los "spin-offs" o "transportaciones" de obras explotadas en géneros distintos del original, en virtud del éxito obtenido en éste.<sup>33</sup>

De forma similar se manifiesta Manfred Rehbinder, quien señala que "el título que el autor da a su obra sirve para caracterizarla en el

comercio".<sup>34</sup> Por lo que respecta a la protección del título dentro del concepto del derecho de autor, Reh binder sostiene que el uso de un título sólo puede prohibirse en casos excepcionales, "es decir sólo en aquéllos casos en que el título mismo representa una obra o parte de la obra. Esto solamente es procedente cuando expresa el espíritu individual en una frase de su divulgación o desplegado; en cambio, no es suficiente cuando contiene sólo un pensamiento individual, por más que fuere original. Con la brevedad actual de los títulos, por regla general no se cumple este requisito; los títulos son, por lo tanto y como regla, únicamente el símbolo de alguna obra".<sup>35</sup> En tal virtud, sostiene el autor que, en Alemania, la protección de títulos por el derecho de autor es posible en teoría; no obstante, en la jurisprudencia y la práctica, la protección se niega con frecuencia.<sup>36</sup>

Resulta por demás interesante el comentario que hace el tratadista argentino Miguel Ángel Emery, quien sostiene que el título de publicaciones periódicas reviste importancia especial, al fungir como factor de identificación y aceptación de la obra. Las obras literarias son reconocidas más bien por el nombre del autor y el título sirve sólo para diferenciarlas de otras del mismo autor.<sup>37</sup>

Respecto a personajes, autores como el profesor Nimmer sostienen que el derecho de autor protegerá los dibujos o fotografías que se hagan del personaje, protección que no se extiende al personaje mismo, como idea o contenido del dibujo o fotografiara; asimismo, Nimmer encuentra protección en los casos en donde la obra describe al personaje al detalle, por lo que habrá violación si se reproduce la narrativa que ilustra la expresión original con objeto de usurpar al personaje. Sin embargo, aun en este caso, no es el personaje lo que se protege, sino la obra literaria que lo concibe y expresa.

A conclusiones parecidas llegan los autores ingleses Copinger y Skone James,<sup>39</sup> por un lado, y John N. Adams,<sup>40</sup> por el otro. Este último se refiere á la obra artística que capta, presenta y detalla al personaje: "Si el personaje se representa en la forma de un dibujo, será éste al que el derecho de autor confiera protección".<sup>41</sup> Lo mismo sucede si el personaje forma parte de una novela o de una obra tridimensional.

## **B) Derecho positivo**

Las discusiones doctrinales señaladas han repercutido en el derecho positivo del mundo entero, incluyendo México, naturalmente. Muchas interrogantes se han gestado al respecto, produciendo los más acalorados debates y discusiones. A continuación se hará mención de la situación prevaleciente en México, con cierta referencia a lo que acontece en algunas otras jurisdicciones.

## **B.1) Títulos de publicaciones y difusiones periódicas**

### **B.1.1) Marcas y competencia desleal**

Según se dijo anteriormente, la Ley de la Propiedad Industrial (en adelante referida como LPI) extiende su brazo protector a los títulos, personajes y nombres artísticos que funcionan como signos distintivos de productos o servicios,<sup>42</sup> por lo tanto, los tres pueden ser signos registrables.<sup>43</sup> Al respecto, el artículo 90, fracción XIII, de la LPI establece una causal de prohibición de registro relativa a la especie,<sup>44</sup> en estos casos, la procedencia del registro está supeditada a la autorización del autor o artista. Cabe señalar que la prohibición no se extiende a promociones publicitarias, simplemente porque no pueden desempeñarse como signos distintivos. Por otra parte, la LPI contempla una causal de nulidad de registro marcario, aplicable a aquellos casos en los cuales se obtiene un registro en contravención a lo dispuesto por el artículo 90, fracción XIII, de la LPI.<sup>45</sup>

No debe descartarse la defensa de títulos de obras de géneros tradicionales a través del derecho de la competencia desleal; en particular, la amplitud del espectro o ámbito de la norma prevista por la LPI parece dar alcance a la protección de títulos.<sup>46</sup> Y si la regla aplica a títulos de obras tradicionales, ¿por qué no a los de publicaciones y difusiones periódicas?; claro está que la reserva contempla su propia fórmula de infracción,<sup>47</sup> como se verá más adelante. Sin embargo, lo mismo sucede con las patentes<sup>48</sup> y las marcas,<sup>49</sup> a las que en muchos casos la acción de competencia desleal les viene de refuerzo.

### **B.1.2) Derecho de autor**

Con anterioridad se hizo hincapié en que la LFDA no protege los títulos de obras como lo hacía su antecesora, y que, por el contrario, expresamente los excluye de protección. En virtud de dicha prohibición, no existe, en el sistema mexicano del derecho de autor, alguna forma

por la que se confiera protección a los títulos de obras.<sup>50</sup> Ello por supuesto, con excepción de los títulos de publicaciones y difusiones periódicas materia de reserva. ¿Por qué la diferencia? Al parecer no hay explicación convincente; probablemente, podría argumentarse que los títulos de publicaciones y difusiones periódicas se usan más profusamente, toda vez que se aplican a revistas, periódicos, programas de radio o TV, con fines comerciales, por lo general, y se extienden y mantienen a lo largo del tiempo, indefinidamente. Sin embargo, repetimos, la razón no parece sostenerse del todo, pues el valor del título no sólo está determinado por el factor de tiempo.

La tesis del profesor Emery parece estar mejor estructurada. Por varias razones resulta lógico pensar que el título es más relevante para una publicación –o difusión- periódica, de lo que es para otro tipo de obras, como la literaria, en donde el nombre del autor es el ingrediente principal; pero este criterio no justifica la total desprotección del título de la obra tradicional. Pensando positivamente, podría decirse que el artículo 20 de la ley de 1963 no estaba escrito de manera clara, y probablemente tampoco era todo lo justo; sin embargo, no cabe explicación de por qué el legislador de 1996 se fue al otro extremo. A todas luces, su postura desconoce los principios y argumentos que se han venido exponiendo a lo largo de este ensayo, principalmente por lo relacionado con la vinculación existente e indispensable entre autor y obra, obra y título y, en consecuencia, autor y título; todo ello sujeto al nexo causal de la intelectualidad. En tal virtud, el legislador de 1996 debió ocuparse de la protección de títulos de las obras tradicionales, así como lo hizo con los de publicaciones y difusiones periódicas, sin arrojar la tarea de proteger el derecho marcario y de competencia desleal. Al menos, eso es la tendencia en el derecho comparado.<sup>51</sup>

## **B.2) Personajes ficticios y de caracterización humana**

### **B.2.1) Marcas y competencia desleal**

Al igual que los títulos, los personajes de toda índole califican para la protección del derecho marcario y de la competencia desleal; pero, al mismo tiempo, la protección marcaria y de competencia desleal es insuficiente.

De conformidad con la LPI, los personajes podrían ser objeto de registros marcarlos, en su versión “estática”. Además, el titular del registro estará obligado a usar su marca —personaje- tal y como lo registró o con modificaciones que no alteren su “carácter distintivo”.<sup>52</sup> De esta forma, se entra en el terreno de la subjetividad, para discutir si hay alteración al carácter distintivo de la marca cuando el personaje cambia de aspecto, vestuario o cualquier otro.

Sin embargo, lo más difícil será determinar cuándo el personaje se está usando como marca y cuándo sólo como ornamento.<sup>53</sup> En tal virtud, quien pretenda sustentar la protección del personaje sobre el derecho marcario y la competencia desleal puede estar corriendo graves riesgos.

### **B.2.2) Derecho de autor**

Párrafos atrás mencionamos que la LFDA confiere protección a los textos, dibujos, fotografías o audiovisuales en donde se describe o representa un personaje. La protección, sin embargo, no se extiende al personaje mismo, lo cual para algunos es irrelevante, porque en este tipo de casos se produce un fenómeno especial, en donde el contenido o idea de la obra queda protegido, por virtud de la protección que la ley concede a la obra misma. No habría que confiar mucho en tal argumento, so riesgo de llevarse sorpresas, sobre todo bajo la LFDA, en la cual el concepto de “similitud substancial” es punto menos que imaginable.<sup>54</sup> Por lo tanto, al contemplar sólo la reproducción “literal” de la obra, la autoridad jurisdiccional quedaría sin herramientas jurídicas para apoyar a aquel autor cuya obra fue reproducida con variantes. A fin de cuentas, por más que se le dé vueltas al asunto, al pretender extender la protección del derecho de autor al personaje de la obra -al no ser éste el objeto de dicha protección-, ésta será artificial y pone en peligro la naturaleza misma del personaje. La problemática se extiende a todos los países.<sup>55</sup>

### **B.3) Nombres artísticos**

#### **B.3.1) Marcas y competencia desleal**

La situación no es muy distinta en cuanto a los nombres artísticos, los cuales pueden ser marcas; el derecho de la competencia desleal podría protegerlos también. Por supuesto que el alcance de la protección es limitada en estos casos.

### **B.3.2) Derecho de autor**

Bajo la LFDA resulta imposible considerar como obra un nombre artístico, el cual podría caer dentro de la prohibición del artículo 14, fracción V, del ordenamiento legal de referencia.

### **B.4) Promociones publicitarias**

#### **B.4.1) Marcas y competencia desleal**

Las promociones publicitarias no pueden ser marcas, y el derecho de la competencia desleal difícilmente les daría cobijo, por el hecho fundamental de que no constituyen figuras protegidas por la LPI.

#### **B.4.2) Derecho de autor**

La protección que el derecho de autor pudiera conferir a la promoción publicitaria es muy reducida; en principio, estaría descartada como concepto en los términos de lo dispuesto por el artículo 14, fracción I, de la LFDA. Podría encontrarse cierta protección en la forma de expresión utilizada en el texto en donde se describe la mecánica de la promoción; sin embargo, el nivel de expresión original sería tan bajo que la protección no sería oponible contra quien haga copias parecidas a la supuestamente "original".

## **4. EN BÚSQUEDA DE AUTONOMÍA: PROTECCIÓN SUI GENERIS Y ACUMULACIÓN DE PROTECCIÓN**

### **4.1. Recapitulación**

Entre los atributos del objeto de reserva encontramos los siguientes:

- Es multifacético y, como tal, se manifiesta desde la perspectiva artística por su vinculación indisoluble con la obra o su autor, y desde la comercial porque en ciertos casos se le considera mercancía. Con excepción de la promoción publicitaria, el derecho marcario ciertamente le da cabida, por su capacidad inherente para desempeñarse como signo distintivo. Por otra parte, la relación con la obra y el autor se produce en virtud de que el artículo 1° de la LFDA lo considera implícitamente como "otro derecho de la propiedad intelectual".
- El aspecto comercial es sólo uno de los que integran el objeto de reserva, sin ser el más importante; además éste no es obra y, por lo

tanto, no es de suyo materia del derecho de autor, salvo quizá por lo que se refiere a los personajes ficticios, representados en obras literarias, fotográficas o de dibujo.

- La insuficiencia que prevalece en el ámbito de la protección de títulos, personajes, nombres artísticos y promociones publicitarias obliga a explorar alternativas que llenen los huecos abiertos por el derecho marcario y de autor. Es así que la reserva surge a fin de integrar las piezas que han quedado dispersas bajo los referidos criterios marcarios y de derecho de autor.

#### **4.2. Criterio de justificación por cuanto a la autonomía de la reserva**

La existencia de la reserva de derechos, como institución autónoma y particular del derecho de la propiedad intelectual se justifica porque llena espacios que ninguna otra figura de la propiedad intelectual ha podido cubrir a plenitud; ello sin menoscabo del factor de convergencia que se manifiesta entre los principios de originalidad, novedad y distintividad sobre los cuales se erige la propiedad intelectual como la fórmula protectora de la creatividad humana, en el campo técnico, cultural o mercadológico.

Es obvio que la reserva genera interrogantes sin respuesta, entre ellas aquella referida al empalme de principios aludido en el punto anterior. Pero debe insistirse en que la reserva protege un objeto complejo y que, en todo caso, no es el único dentro del sistema de la propiedad intelectual; ejemplos hay muchos, como el secreto industrial,<sup>56</sup> programa de cómputo<sup>57</sup> y diseño industrial.<sup>58</sup> Algunas jurisdicciones han propugnado, enfáticamente, sobre la independencia de figuras, más que de estructuras, y reconocen la complejidad y plurifuncionalidad del objeto, lo cual les ha obligado a sacrificar la pureza de los principios originarios de la propiedad intelectual. De ahí la tendencia a recurrir a la protección sui generis de las nuevas manifestaciones de la capacidad creativa que el hombre ha ido generando, de la cual México no escapa, como lo demuestran los ejemplos citados.

No es posible colocar las figuras sobre pedestales y pretender que el sistema de propiedad intelectual las conserve intactas. Lo contrario sólo nos llevaría a sumir dicha disciplina del Derecho en inhibición y rezago.

Los principios que sustentan la propiedad intelectual conviven armónicamente entre sí, en un concierto en donde cada uno tiene una función determinada; pero, como se ha insistido, por su naturaleza compleja o híbrida, el objeto de protección muchas veces desborda sus principios originales, lo cual debe verse sin recelo o cortapisa. En el caso particular de la reserva, su naturaleza compleja le brinda autonomía, no obstante la interfase de los principios de distintividad y originalidad. Eso no demerita o impide que el objeto de reserva pueda, a su vez, ser materia de protección de otras ramas de la propiedad intelectual como la marcaria. Reserva y registro marcario podrán coexistir bajo el esquema de protección acumulada o doble protección; cada una de dichas disciplinas observa el objeto desde perspectivas diversas, sin dejar de reconocer la mayor jerarquía y prevalencia del aspecto intelectual o artístico sobre cualquier otro.

### **4.3. Criterio de justificación por cuanto al interés jurídico**

#### **A) Interés jurídico de la reserva en sí misma**

La reserva se justifica por lo que se refiere al interés jurídico del solicitante de la protección. Es muy válida la pregunta de ¿quién tiene derecho a solicitar una reserva? La LFDA ni el reglamento son expresos al respecto. Sin embargo, atendiendo a los principios de la materia, así como a los de la lógica jurídica, no cualquiera está en condición para pedir una reserva.

Sólo el editor de la publicación o emisor del programa tiene derecho sobre el título. De forma similar, sólo el creador del personaje ficticio a quien haya encargado su producción tiene derecho a la reserva de personaje; lo mismo por lo que toca a la reserva de personaje de caracterización, que sólo corresponde al individuo que lo representa. Respecto del nombre artístico, éste corresponde en exclusiva al artista o grupo a quien identifica; sin embargo, el INDA no está obligado a conocer lo anterior al momento de la concesión de la reserva, a menos de que se trate de un objeto "notorio", en los términos de los artículos 188, fracción I, inciso f), de la LFDA, y 75 del Reglamento. Si por desconocimiento o error el INDA otorga una reserva a quien no le corresponde, el titular legítimo podrá recurrir a la nulidad o cancelación. El artículo 183, fracción IV, de la LFDA prevé una acción de nulidad aplicable a la especie; de forma similar, el artículo 184, fracción I, de la

LFDA contempla una causal de cancelación cuando “el solicitante hubiere actuado de mala fe en perjuicio de tercero, o con violación a una obligación legal o contractual”.

## **B) Interés en el registro de marca sobre títulos, nombres y personajes**

### **B.1) Nulidad del registro de marca**

Lo mismo sucede en el caso de registros de marca, en donde el autor, artista, editor, etc., tiene el derecho al registro del título, personaje o nombre. En estos casos, la LPI prevé una causal de nulidad contra todo aquel registro obtenido sin autorización del titular del derecho relativo a la obra, título, personaje o nombre.

Artículo 151. El registro de una marca será nulo cuando:

I. Se haya otorgado en contravención de las disposiciones de esta Ley o la que hubiese estado vigente en la época de su registro.

No obstante lo dispuesto en esta fracción la acción de nulidad no podrá fundarse en la impugnación de la representación legal del solicitante del registro de la Marca;

Artículo 90. No serán registrables como marca:

XIII. Los títulos de obras intelectuales o artísticas, así como los títulos de publicaciones y difusiones periódicas, los personajes ficticios o simbólicos, los personajes humanos de caracterización, los nombres artísticos y las denominaciones de grupos artísticos; a menos que el titular del derecho correspondiente lo autorice expresamente.

La problemática derivada de la intersección entre reserva y marca es muy amplia y, por supuesto, incide en el terna del interés jurídico. Resulta muy complejo establecer un punto de equilibrio, siendo que se ha soslayado el interés primordial que el autor, artista, editor o, en general, el creador, tiene sobre el título, personaje o nombre artístico.

En tal virtud, con frecuencia sucede que terceros ajenos al autor, artista, editor etc., recurren al registro marcario con la intención de apropiarse de títulos, personajes y nombres artísticos aunque lo sea para el limitado propósito de su comercialización. Pero como el comercio

de obras y personajes constituye una fuente de negocio atractivo, ese "limitado propósito" termina por afectar el interés del legítimo propietario. De esta forma se observa que, en muchos casos o situaciones, el tercero obtiene el registro marcario, aprovechando la descoordinación reinante entre IMPI e INDA, además de la ignorancia del examinador de marcas sobre temas artísticos y culturales. La única excepción a esta regla práctica se presenta en el caso de títulos, personajes o nombres artísticos que resulten conocidos o que han logrado la jerarquía de marcas famosas en los términos del artículo 90, fracción XIII, de la LPI.

Lo común en estos casos es dar inicio a la acción de nulidad de registro marcario a que se ha hecho referencia, sobre la base de un certificado de reserva, expedido con fecha anterior a la fecha de presentación de la solicitud de registro marcario correspondiente al título, personaje o nombre artístico, o la fecha de primer uso declarada en la referida solicitud. Pero ¿qué deberá acontecer si la reserva fue solicitada por su legítimo propietario, con fecha posterior a la de presentación de la solicitud de registro marcario?

Recurriendo al artículo 1° de Código Federal de Procedimientos Civiles, podría concluirse que el autor, artista, editor, etc., tienen interés jurídico sobre el título, personaje o nombre artístico no obstante no contar con reserva. Por lo tanto, además de la acción de nulidad derivada de la LFDA, podrán ejercer la de la LPI contra el registro marcario obtenido en contravención a dicho ordenamiento legal. El panorama real nos ubica en otra posición menos optimista quizá, aunque cabe decir que no hay casos llevados ante el IMPI sobre las bases descritas. Así es que resulta difícil saber si esta autoridad apoyaría el argumento anterior, eximiendo el "requisito" del título o certificado. De cualquier modo, el IMPI debe ser sensible ante el hecho de que, en tratándose del objeto de reserva, el derecho -incluyendo el marcario- sólo corresponde a quien demuestra el interés jurídico, esto es, el artista, autor, editor o cualquier otro que haya desarrollado el objeto o materia de reserva. Si se presenta la coincidencia que el solicitante del registro marcario anterior es otro editor, autor, artista, etc., entonces sí deberá atenderse al criterio de prelación de solicitudes.

## **B.2) Problemática derivada del requisito de identidad o similitud contemplado por la normativa marcaria**

Por otro lado, el artículo 90, fracción XIII, prohíbe el registro marcario del objeto de reserva en casos de identidad. En principio, ello obliga a la modificación de la LPI y a aceptar el concepto de "similitud en grado de confusión" empleado normalmente en el derecho de marcas. Sin embargo, aun con esta limitante, el concepto "identidad" que se emplea en el derecho de reservas difiere sustancialmente del marcado, sobre todo con lo relacionado a personajes, cuyas características son muy particulares. Habrá identidad por cuanto a que dos personajes resulten coincidentes en el perfil físico y psicológico, no obstante las variantes, cambios o modificaciones que el segundo personaje refleje respecto del original y que, se insiste, no constituyan diferencias objetivas en lo físico y psicológico; lo mismo podría suceder respecto a ciertos títulos y nombres artísticos. Lo que pretende destacarse con lo aquí expuesto es que, para el análisis comparativo entre marcas y reservas, deben reconocerse los principios rectores de las reservas, haciendo a un lado, por completo, los criterios tradicionales de identidad y confusión de marcas.

### **B.3) Prevención al abuso de la reserva**

No debe perderse de vista lo que expone Mauricio Jalife en cuanto al artículo 90, fracción XIII, de la LPI. Como se ha dicho, el precepto referido prohíbe el registro marcario de títulos y personajes sin la debida autorización del titular del derecho de autor o conexo. De esta forma, el artículo 90 (XIII) de la LPI impone tácitamente la supremacía del aspecto artístico e intelectual del objeto de reserva, sobre el comercial. Asimismo, reconoce el interés jurídico primario y fundamental que el autor o artista tienen sobre el título, personaje o nombre artístico.<sup>59</sup>

Sin embargo, el artículo 90 (XIII) podría extralimitarse al extender su ámbito de protección a toda denominación que constituya el título de cualquier obra, publicación o difusión periódica. Y es que la ley no distingue, por lo cual debe entenderse que se trata de cualquier obra, sin importar el género, calidad o destino. El peligro es que, como dice Mauricio Jalife, puede ser cualquiera quien, al escribir una pseudo obra, intente monopolizar una denominación, la cual, tras haber sido empleada como título de dicha obra, publicación o programa, se use más tarde para bloquear el registro de marca, en cualquier clase de la nomenclatura oficial.<sup>60</sup>

Por supuesto, debe imponerse un límite a los abusos desprendidos de esta medida tolerante, y, de ser necesario, ajustar el artículo 90, fracción XIII, de la LPI con el propósito de armonizarlo con este principio fundamental, lo cual podrá lograrse en la medida en que se restrinja el ámbito de aplicación de la norma al género de obra de cuyo título se trata. Naturalmente que debe darse protección especial a los títulos originales o a los más conocidos a fin de evitar su registro en aquellas clases distintas de publicaciones y producción de programas de radio o televisión.<sup>61</sup>

#### **B.4) La regla de descriptividad**

Otra pregunta que surge es ¿qué tratamiento debe dar la LPI a los títulos de obras y publicaciones, difusiones periódicas que sean descriptivas o, en general, débiles en cuanto al grado de distintividad se refiere? Por lo que hemos venido explicando, la LFDA acepta y protege los títulos de publicaciones y difusiones periódicas descriptivos o débiles, lo cual obviamente no es el caso en el estrato marcario. Sin embargo, no es improbable y, además, resulta razonable pensar que sea negado el registro marcario de títulos de carácter descriptivo. De acuerdo con las ideas de Copinger, y si aceptamos que en el mundo editorial y de entretenimiento los títulos muchas veces son banales, el tipo de protección que ofrece la reserva resulta ideal, y la protección marcaria sólo constituye un complemento y aun un privilegio, reservado para aquellos títulos que sean distintivos a la luz del derecho de marcas.

### **5. MARCO LEGAL DE PROTECCIÓN**

#### **5.1. Reseña histórica**

##### **A) Ley Federal sobre el Derecho de Autor de 1948**

El primer antecedente de la reserva se remonta a la Ley Federal sobre el Derecho de Autor de 1948.<sup>62</sup> Los preceptos correspondientes dictan lo siguiente:

Artículo 16.- El título de una obra científica, didáctica, literaria o artística que se encuentre protegida no podrá ser utilizado por un tercero cuando la designación sea de tal naturaleza que pueda ocasionar confusiones entre las dos obras. En el caso de obras, leyendas o sucesos que hayan llegado a individualizarse bajo un nombre que les sea

característico, no podrá invocarse protección alguna sobre su título en los arreglos que de ellos se hagan. Los títulos genéricos y los nombres propios no tienen protección.

Artículo 17.- El título o cabeza de un periódico, revista, noticiero cinematográfico, programa de radio y de toda publicación o difusión periódica, ya sea que ampare a la publicación o difusión total o que se refiera a una parte de la misma es susceptible de reserva de derechos, la cual conferirá a quien la hubiere obtenido, el derecho exclusivo al uso del título o cabeza durante todo el tiempo de la publicación o difusión y un año más, si la publicación se hiciera o la difusión se iniciare dentro de un año de la fecha en que fuere reservado el derecho. Para la subsistencia de este derecho, el titular deberá comprobar anualmente, en el departamento del Derecho de Autor, que está haciendo uso del título o cabeza.

Artículo 18.- Los editores de obras científicas, didácticas, literarias o artísticas, de periódicos y revistas, y los productores de películas y de publicaciones análogas, podrán obtener, sujetándose a las disposiciones de la presente Ley y de su Reglamento, el derecho exclusivo al uso de las características gráficas originales que sean distintivas de la obra o colección de obras.

De alguna manera, las disposiciones anteriores se inspiran en lo dispuesto por el artículo XIV de la Convención Interamericana de Washington,<sup>63</sup> signada por México y publicada en 1947.<sup>64</sup> Dicho precepto establece lo siguiente:

Artículo XIV. El autor de cualquier obra protegida, al disponer de su derecho de autor por venta, cesión o de cualquiera otra manera, conserva la facultad de reclamar la paternidad de la obra y la de oponerse a toda modificación o utilización de la misma que sea perjudicial a su reputación como autor, a menos que por su consentimiento anterior, contemporáneo o posterior a tal modificación, haya cedido o renunciado a esta facultad de acuerdo con las disposiciones de la ley del Estado en que se celebre el contrato.

## **B) Ley Federal Sobre el Derecho de Autor de 1956**

La Ley Federal sobre Derecho de Autor de 1956 65 ratificó los principios de su antecesora, en cuanto a títulos y reservas, para lo cual señaló lo siguiente:

Artículo 17.- El título de una obra científica, didáctica, literaria o artística que se encuentre protegida, o el título registrado de una publicación periódica no podrá ser utilizado por un tercero. Tampoco podrá utilizarse un título de tal naturaleza que pueda ocasionar confusiones con otra obra o títulos protegidos.

Estas prohibiciones no se aplican al uso del título en obras o publicaciones periódicas de índole tan diversa que excluya toda posibilidad de confusión. En el caso de obras, tradiciones, leyendas o sucesos, que hayan llegado a individualizarse o sean generalmente conocidos bajo un nombre que les sea característico, no podrá invocarse protección alguna sobre su título en los arreglos que de ellos se hagan. Los títulos genéricos y los nombres propios no tienen protección.

Artículo 21.- El título o cabeza de un periódico, revista, noticiero cinematográfico, programa de radio o televisión y, en general, de toda publicación o difusión periódica, ya sea que ampare la publicación o difusión total o que se refiera solamente a una parte de la misma, es susceptible de reserva de derecho, la cual conferirá a quien la hubiere obtenido, el derecho exclusivo al uso del título o cabeza durante todo el tiempo de la publicación o difusión y un año más.

La publicación o difusión deberá iniciarse dentro de un año de la fecha a partir de la cual fuere reservado el derecho en el certificado respectivo.

Para la subsistencia de esta reserva de derechos, el titular de ella deberá comprobar anualmente en la Dirección del Derecho de Autor que está haciendo uso del título o cabeza de publicación que se reservó.

Artículo 22.- Los editores de obras científicas, didácticas, literarias o artísticas, de periódicos o revistas y los productores de películas o medios de publicación semejantes, podrán obtener, sujetándose a las disposiciones de esta ley y de su Reglamento, el derecho exclusivo al uso de las características gráficas originales que sean distintivas de la obra o colección de ellas.

Artículo 130.- Se impondrá multa de 500 a 5,000 pesos y prisión de seis meses a seis años.

VI.- al que use el título o cabeza de un periódico, revista, noticiero cinematográfico, programa de radio o televisión y, en general, de cualquiera publicación o difusión periódica protegido;

VII.- al que use las características gráficas originales que sean distintivos de la cabeza de un periódico o revista, de una obra o colección de obras, sin autorización de quien hubiere obtenido la reserva para su uso.

### **C) Ley Federal Sobre el Derecho de Autor de 1963**

La Ley Federal del Derecho de Autor de 1963 amplió la protección a lo siguiente:

Artículo 20.- El título de una obra intelectual o artística que se encuentre protegida, o el de una publicación periódica, sólo podrán ser utilizados por el titular del derecho de autor.

Esta limitación no abarca al uso del título en obras o publicaciones periódicas que por su índole excluyan toda posibilidad de confusión.

En el caso de obras que recojan tradiciones, leyendas o sucesos que hayan llegado a individualizarse, o sean generalmente conocidos bajo un nombre que les sea característico, no podrá invocarse protección sobre su título en los arreglos que de ellos se hagan. Los títulos genéricos y los nombres propios no tienen protección.

Artículo 24.- El título o cabeza de un periódico, revista, noticiero cinematográfico, y, en general de toda publicación o difusión periódica, ya sea total o parcial será materia de reserva de derechos. Esta reserva implica el uso exclusivo del título o cabeza durante el tiempo de la publicación o difusión y un año más, a partir de la fecha en que se hizo la última publicación.

La publicación o difusión deberá iniciarse dentro de un año a partir de la fecha del certificado de reserva.

Artículo 25.- Son materia de reserva el uso y explotación exclusivos de los personajes ficticios o simbólicos en obras literarias, historietas

gráficas o en cualquier publicación periódica, cuando los mismos tengan una señalada originalidad y sean utilizados habitual o periódicamente.

Lo son también los personajes humanos de caracterización empleados en actuaciones artísticas.

Esta protección se adquiere mediante el correspondiente certificado de reserva de derechos, y durará cinco años que empezarán a contar desde la fecha del certificado, pudiendo prorrogarse por periodos sucesivos, iguales, previa comprobación de que el interesado está usando o explotando habitualmente esos derechos, ante la Dirección General del Derecho de Autor.

Artículo 135.- Se impondrá prisión de treinta días a seis años y multa de \$100.00 a \$10,000.00 en los casos siguientes:

Al que publique una obra substituyendo el nombre del autor por otro nombre, a no ser que se trate de seudónimo autorizado por el mismo autor; Artículo 136.- Se impondrá de dos meses a tres años de prisión y multa de \$50.00 a \$5,000.00 en los casos siguientes:

Al que use las características gráficas originales que sean distintivos de la cabeza de un periódico o revista, de una obra, o colección de obras, sin autorización de quien hubiese obtenido la reserva para su uso.

## **5.2 ¿Evolución o rezago?**

### **A) Aportación de la Ley de 1963**

En la ley de 1963 hubo cierto avance respecto de las anteriores. En los artículos 24, 25 y 26 se advierte la apertura de la reserva a personajes y promociones publicitarias. La reserva de características gráficas subsistió en el ordenamiento de 1963, pero cambió a partir de 1996; también se confirma la reserva de títulos, creada en 1948, según se explicó párrafos atrás.

La reserva de nombres artísticos fue añadida mediante reforma a la ley de 1963, la cual obedeció a que la entonces Dirección General del Derecho de Autor (DGDA) venía otorgando este tipo de protección a particulares, sin que la ley lo previera. De hecho, esta grave omisión produjo que, en el caso de "Los Paladines", los tribunales fallaran a favor de la parte que ostentaba el registro marcario. El grupo musical

“Los Paladines” se había escindido, produciéndose una disputa por el nombre, dado que una parte del grupo obtuvo un registro marcario y otra, una reserva de nombre artístico; por supuesto que ambas partes reclamaban para sí los derechos exclusivos del nombre, lo que suscitó el litigio. Como se dijo, la ley no contemplaba esta especie de reserva y tampoco la facultad de la autoridad para otorgada; por lo tanto, al tratarse de protección de facto, motivó que el tribunal se inclinara sobre la parte que poseía el registro marcado, sin que se haya entrado en el fondo del asunto.

## **B) Deficiencias**

No obstante la mayor claridad de los artículos 24, 25 y 26 de la ley de 1963, ésta seguía incompleta pues, entre otras cosas, no contemplaba procedimiento de otorgamiento de reservas; ni siquiera podía recurrirse al Reglamento de 1939,<sup>66</sup> toda vez que éste nada decía sobre el particular, además de que estaba técnicamente abrogado.<sup>67</sup>

A falta de un esquema de procedimientos administrativos, la autoridad competente -esto es, la Dirección General del Derecho de Autor- recurrió a prácticas ad hoc originadas por la necesidad de imponer un régimen bajo estándares de equidad y certeza jurídica. Pero es obvio que así no podría llegarse a ningún lado, además de que las prácticas se modificaban con frecuencia, sobre todo cuando se producían cambios de administración. Adicionalmente, en algunos casos, los procedimientos resultaban ineficaces o inviables por razones técnico jurídicas o de otra índole.

En términos generales, el procedimiento de reserva comenzaba con una búsqueda, por cierto obligatoria, que hacía las veces de examen de fondo. Si el examinador encontraba una posible anterioridad, procedía a citarla y, como consecuencia directa e inevitable, procedía a negar la reserva; en caso de que, a su juicio, no hubiera anterioridad que citar, la otorgaba. Como podrá notarse, el procedimiento representaba una imitación caricaturizada del de registro marcarlo, lleno de vicios y violaciones, como a la garantía de audiencia, entre otras.

## **C) Proyecto de ley de 1996**

Por lo anterior, al elaborar el proyecto de ley de 1996, el legislador tuvo en mente la creación de un capítulo específico sobre reservas,

oportunidad que después se materializó, afortunadamente. La iniciativa presidencial, así como el dictamen de la Comisión de Cultura de la Cámara de Diputados,<sup>68</sup> incluyeron el siguiente rubro referente a reservas, incorporado posteriormente en la exposición de motivos de la LFDA:

El Capítulo II denominado (de las Reservas de Derechos al Uso Exclusivo) artículos 156 al 174, establece que el título de un periódico, revista, y en general de toda publicación o difusión periódica, es materia de reserva de derechos. Esta reserva implica el uso exclusivo del título durante los plazos establecidos al efecto por este Capítulo.

El artículo 156, con antecedente en los actuales artículos 20, 24 y 25, regula la naturaleza jurídica de la reserva de derechos al uso exclusivo destacando sus rubros de protección. Los artículos 157 al 172, inclusive, regulan pormenorizadamente el funcionamiento y características de las reservas de derechos al uso exclusivo. Los artículos 173 y 174, con antecedente conjunto en los artículos 24 y 25, en vigor, establecen normas más adecuadas en materia de vigencia de reservas de derechos al uso exclusivo.<sup>69</sup>

La Ley Federal del Derecho de Autor de 1996 <sup>70</sup> es producto de los acuerdos adoptados entre los gobiernos de Canadá, México y Estados Unidos, consumados con la celebración del Tratado de Libre Comercio de Norteamérica.<sup>71</sup> Dicho instrumento jurídico, en su capítulo XVII y, concretamente, los preceptos relativos al derecho de autor, establece una serie de disposiciones "estándar", que corresponden a las obligaciones mínimas que los países signatarios debían adoptar, a fin de dar protección al titular de los derechos de autor, nacionales de dichos Estados. Por ciertas razones, los estándares se mantuvieron dentro de un perfil bajo, por lo que no hubo oportunidad o necesidad de modificar las leyes para introducir cambios de fondo o sustancia. La idea fundamental fue respetar los principios del copyright, en donde se sustentan los sistemas y legislaciones de Canadá y Estados Unidos, y el de "derecho de autor" prevaleciente en México.<sup>72</sup> Por lo tanto, los temas relevantes en este capítulo fueron los de observancia de derechos, en lo objetivo, así como ciertos aspectos sustantivos.

Resulta obvio que el capítulo XVII del TLC nada dice sobre las reservas o la protección de títulos, personajes, nombres artísticos, y menos sobre

las promociones publicitarias. De esta forma, esta materia, al estar excluida del tratado, quedó reservada a las legislaciones domésticas de cada país.

### **5.3. Ley Federal del Derecho de Autor de 1996 y el Reglamento de 1998**

Por lo que respecta a México, la Ley Federal del Derecho de Autor de 1996 estableció un capítulo en donde de manera específica se regularían las reservas y su concesión.<sup>73</sup> Posteriormente, en 1998 el Ejecutivo Federal publicó el Reglamento de la LFDA,<sup>74</sup> el cual contiene ciertas disposiciones referidas a reservas.<sup>75</sup>

A continuación, señalamos algunos de los aspectos más relevantes.

#### **A) Concepto**

Establecido en el artículo 173 de la LFDA, según lo expuesto con anterioridad. El artículo 70 del Reglamento dice en lo pertinente que “las reservas en forma independiente sobre uno o varios de los géneros objeto a que se refiere el artículo 173 de la ley”. A su vez, el artículo 173 de la LFDA menciona como géneros los títulos de publicaciones y difusiones periódicas, los personajes ficticios y de caracterización humana, los nombres de artísticos y las promociones publicitarias.

#### **B) Interés legítimo**

En el capítulo IV de este ensayo expusimos la justificación de virtud del derecho tutelado por las LFDA y LPI, cuyo objeto en gran medida lo constituye la preservación del interés que guardan autores, artistas entre otros, sobre los títulos de sus obras -incluidas publicaciones periódicas-, así como los personajes y nombres artísticos. La exposición se transporta a este punto, toda vez que desempeña un papel importante que respecta a la identificación del sujeto o sujetos de protección. Por lo tanto, se reproduce aquí lo dicho en el referido capítulo IV.

#### **C) Derechos exclusivos**

El artículo 173 de la LFDA señala que la reserva de derechos es “la facultad usar y explotar en forma exclusiva” los objetos referidos en dicho precepto, y aludidos en el párrafo que antecede. En tal virtud, el

titular de la reserva goza del derecho exclusivo al uso del objeto que corresponde al género que conferido.

#### **D) Autoridad competente**

Es el Instituto Nacional del Derecho de Autor. De conformidad 174 de la LFDA, "el Instituto expedirá los certificados respectivos para proteger las reservas". Parece ser una facultad implícita que el INDA practique exámenes de procedibilidad de reservas a fin de expedir los certificados en los términos de la ley. Por otra parte, del artículo 182 de la LFDA se desprende la facultad del INDA a hacer anotaciones y expedir constancias sobre de nulidad, cancelación y nulidad de reserva, así como las anotaciones sobre transmisiones, licencias, cambios de domicilio y modificaciones corporativas de los titulares de derechos.z6

#### **E) Otros derechos**

La fuente del derecho exclusivo lo constituye la solicitud y expedición de la reserva, de donde derivan una serie de derechos, entre los cuales cabe mencionar el de disposición del objeto a título de dueño, lo cual le permite su uso y explotación, siempre y cuando con ello no atente en contra de la Ley o del orden jurídico y de los buenos usos y costumbres.

Además, el titular podrá transmitir el derecho de uso a favor de terceros o a través de licencias, por tiempo determinado o indeterminado, y aun podrá ceder los derechos en forma total o parcial. El régimen de licencia se obtiene de la práctica comercial derivada, sobre todo, del llamado caracter merchandizing,zz práctica a la que se recurre con frecuencia en los casos de explotación comercial de personajes, a través de campañas de mercadeo. La práctica del caracter merchandizing bien puede extenderse a títulos de publicaciones o difusiones periódicas.

Debe señalarse que la LFDA no impone obligaciones de tipo restrictivo sobre la transmisión de reservas, en el entendido, sobre todo, de que el régimen de limitaciones imperante para el caso de obras<sup>zg</sup> definitivamente no se extiende a reservas. Resulta muy claro que dicho régimen queda reservado expresamente para los derechos patrimoniales de autor, de naturaleza distinta de las reservas.

En relación con la observancia de derechos, la LFDA contempla dos causales específicas de infracción en materia de comercio relativas al campo de las reservas.79

### **G) Obligaciones**

La obligación principal consiste en el uso del objeto de reserva. Al respecto, la LFDA ha investido al INDA con facultades de verificación sobre la forma como “el solicitante pretenda usar” el objeto de reserva. Por otra parte, dice el artículo 179 de la LFDA que “los títulos, nombres, denominaciones o características objeto de reservas de derechos, deberán ser utilizados tal y como fueron otorgados; cualquier variación en sus elementos será motivo de una nueva reserva”. Asimismo, el artículo 185 señala que “las reservas de derechos caducarán cuando no se renueve en los términos establecidos por el presente capítulo”. Por su parte, el artículo 191 impone la obligación de comprobación de uso, como requisito para la obtención de la renovación. En tal virtud, constituye obligación por parte del titular solicitar la renovación de las reservas, previa comprobación de uso, de conformidad con los términos y plazos referidos en la LFDA; y el artículo 181 obliga al titular a notificar al INDA las transmisiones de derechos. En pretendida armonía con lo anterior el artículo 78 del Reglamento impone obligación al titular a fin de que comuniquen al INDA: “I. El cambio de domicilio para oír y recibir documentos y notificación; II. la modificación de nombre, denominación o razón social del titular, y III. Las transmisiones de los derechos que amparen los certificados correspondientes para que puedan surtir efectos frente a terceros”.

### **H) Formalidades**

En el caso de reservas, la LPI no exige uso de leyendas de ley como sucede en el de obras, en donde debe usarse la típica frase de “Derechos Reservados” y el á, a fin de que el titular de derechos no se haga acreedor a sanciones administrativas.80 Las leyendas relativas a obras no se hacen extensivas a reservas.

Por otro lado, la LFDA requiere que los titulares de reservas notifiquen al Instituto las transmisiones de derechos,81, así como el cambio de domicilio para oír y recibir documentos y notificaciones, la modificación del nombre, denominación o razón social del titular.82

La solicitud, tramitación y concesión de la reserva corresponde a una formalidad en sí misma, que debe agotarse en términos de la ley.

## **6. PROCEDIMIENTO DE CONCESIÓN, REQUISITOS DE PROCEDIBILIDAD Y RENOVACIÓN: LO RESERVABLE Y NO RESERVABLE**

### **6.1. Procedimiento de concesión**

#### **A) Artículo 177: envío al reglamento**

El artículo 177 de la LFDA arroja al Reglamento la carga de la regulación del procedimiento de concesión de reservas. De esta forma, el Reglamento señala lo siguiente:

Artículo 76. Para la obtención de una reserva de derechos, se podrá solicitar al Instituto un dictamen previo sobre su procedencia, de acuerdo con lo dispuesto en el artículo 188 de la Ley.

Hecha la solicitud, el Instituto expedirá el dictamen correspondiente en un plazo de quince días: Tratándose de promociones publicitarias y personajes, el plazo se extenderá por treinta días más.

El resultado del dictamen previo tiene carácter informativo y no confiere al solicitante derecho alguno de preferencia, ni implica obligación para el Instituto en el otorgamiento de la reserva.

Artículo 77. La fecha y hora en que sea presentada una solicitud de reserva, determinará la prelación entre las solicitudes.

#### **B) Observaciones**

Podemos observar que el reglamento sólo contempla una disposición referente a lo que denomina "dictamen previo", y otro más, relativo a la prelación de solicitudes de reserva. No obstante lo anterior, no dice qué procede una vez que se expide el "dictamen técnico". En tal virtud, debe entenderse que lo que continúa es la presentación de la solicitud de reserva, sobre todo porque el siguiente artículo se refiere a la prelación de solicitudes de reserva, y no de otro tipo, como pudiera serlo el "dictamen previo". El desconcierto es palpable, toda vez que el procedimiento referido en el reglamento es incompleto. Surgen al respecto muchas preguntas y comentarios:

- ¿Por qué no se estableció el procedimiento de concesión de reservas en la LFDA misma, como debe ser?
- ¿Cuál es la naturaleza del dictamen, el de una búsqueda de información o el examen de procedibilidad de una reserva?
- ¿La presentación de la solicitud de reserva implica la práctica de exámenes de procedibilidad, similares a los del registro marcarlo? De no ser así, como sucede en la práctica, el dictamen técnico hace las veces de una resolución y no de un documento de carácter informativo, como el precepto pretende.
- ¿A qué se refiere el artículo 76 por “conferir derecho alguno de preferencia”?

El lenguaje usado es impreciso.

- El reglamento no hace referencia alguna sobre el derecho del solicitante a manifestar lo que a su derecho conviene, en contra del resultado de aquel dictamen previo, que se produzca en contravención a la ley y que, por lo tanto, le cause afectación. En la práctica tampoco se concede el derecho, por lo que, si el resultado del dictamen se da en sentido negativo, el solicitante se verá obligado a interponer recurso de revisión, en los términos del artículo 237 de la LFDA.
- En la práctica, resulta por demás complicado tener acceso a la consulta de los expedientes correspondientes a reservas citados como anterioridad en el “dictamen previo”. El reglamento no señala nada al respecto, pero, debido a su práctica, la autoridad constantemente viola garantías constitucionales en perjuicio de los solicitantes.
- El hecho que el procedimiento deba iniciar con el dictamen previo resulta contrario a derecho y violatorio de garantías, pues no se establecen reglas de prelación que resulten justas, sobre todo, en virtud de que el acto que establece la prelación lo constituye la fecha de depósito de la solicitud de reserva. Así, en teoría, podría suceder que el INDA entregue el dictamen a quien lo solicitó con posterioridad, o a un tercero, y que, por lo tanto, esté en posibilidad de anticipar a dicho tercero en la presentación de una solicitud anterior.
- En conclusión, el procedimiento de trámite y concesión contemplado en el Reglamento de la LFDA no sólo es incompleto, sino que resulta

contrario a derecho, en muchos aspectos. De esta forma, el INDA sigue recurriendo a prácticas ad hoc, llenas de vicios, lo cual sólo produce inseguridad jurídica.

## **6.2. Requisitos de procedibilidad**

### **A) Artículo 188 de la LFDA**

Una de las novedades más importantes del capítulo de reservas de la LFDA consiste en la incorporación de un precepto referente a lo que no es materia de reserva. A continuación se hará referencia a las hipótesis que lo componen.

#### **A.1) Fracción I a): Identidad o semejanza**

Artículo 188. No son materia de reserva de derechos:

I. Los títulos, los nombres, las denominaciones, las características físicas o psicológicas, o las características de operación que pretendan aplicarse a alguno de los géneros a que se refiere el artículo 173 de la presente Ley, cuando:

a) Por su identidad o semejanza gramatical fonética, visual o conceptual puedan inducir a error o confusión con una reserva de derechos previamente otorgada o en trámite.

No obstante lo establecido en el párrafo anterior, se podrán obtener reservas de derechos iguales dentro del mismo género, cuando sean solicitadas por el mismo titular.

Resulta claro que el legislador de 1996 imitó los criterios de confusión de marcas empleados en la Ley de la Propiedad Industrial. La disposición se extiende por igual a títulos, personajes, nombres artísticos y promociones publicitarias. Pero cabe cuestionarse: ¿el examen y concesión de reservas debe realmente apoyarse en el principio de distintividad y el criterio de "confusión"? ¿Puede extenderse el alcance de la confusión marcaria a la reserva? Si se acepta, ¿es lo mismo aplicar el criterio de confusión a todo tipo de reservas, esto es, a títulos, personajes, nombres artísticos y promociones publicitarias? Entonces, ¿dónde queda el principio de originalidad? Según se ha expuesto, al título se le mira como manifestación o expresión de originalidad al igual que la obra misma, como producto que es de ésta;

lo mismo por cuanto se refiere a personajes, nombres artísticos y hasta promociones publicitarias. Como se ha dicho, éstos no se relacionan con mercancías, sino con obras, autores y artistas. Bajo tal premisa, parece difícil la transportación de la regla de “confusión marcaría” al objeto de reserva. No hay que perder de vista la opinión de Copinger y la de Antequera las cuales el legislador de la LFDA parece haber ignorado.

Por lo que se refiere al título de publicaciones y difusiones periódicas, no debe perderse de vista que, a diferencia de la LPI, la LFDA no prohíbe el otorgamiento de reservas por cuanto a la descriptividad del título. Dicha circunstancia atiende la necesidad de dar protección a títulos, reconociendo lo que sostiene Copinger al decir que, en el caso del título de revistas, periódicos, publicaciones y programas, los niveles de distintividad no son altos, ni puede pretenderse que así lo sea por cuanto se refiere a la “banalidad”. El “estándar” de protección es más bajo, pues, para esta clase de títulos, lo cual se observa al efectuar el examen de “confusión” de reservas. Por lo general, la descriptividad conduce a la similitud, lo cual aplica por igual a marcas que a reservas, ya que la distancia -entre marcas o entre reservas- se reduce y, por consiguiente, la proximidad se acrecienta. En tal virtud, el examinador de reservas debe atender el estándar que deriva de la permisibilidad del título descriptivo por “banal” y que además guarda semejanza con otros, aplicando los factores de “confusión” en la proporción y medida que el caso requiere. El criterio referido a títulos podría aplicarse también a nombres artísticos.

El caso de los personajes presenta sus propias particularidades, en virtud de los aspectos que derivan del perfil físico y psicológico y que constituyen el marco de protección de personajes en sí. Por lo tanto, la “confusión” entre personajes deberá desprenderse cuando exista coincidencia o semejanza en el perfil. Y, para ello, no debe perderse de vista que el nombre del personaje es sólo un elemento más que lo conforma, por lo cual, en principio, parece difícil desprender “confusión” por el aspecto fonético o por la identidad o parecido del nombre de los personajes. El mismo comentario puede hacerse respecto al aspecto gráfico, toda vez que el personaje es algo más que una simple representación visual. A diferencia de otros signos, el personaje tiene alma, ficticia quizá, pero alma al fin y al cabo y ¿cómo hacer para representarla “gráficamente”? Por lo tanto, parece que el aspecto

“conceptual” es el único que se aplica a la “confusión” de personajes, siempre y cuando se reconozca que el personaje es un ser de cuerpo y espíritu.

Las reglas de confusión derivadas del parecido fonético, gráfico y conceptual parecen no dar cabida alguna a las promociones publicitarias. ¿Cómo desprender similitud entre dos promociones por cuanto a los factores tradicionales? ¿En qué pueden parecerse aquéllas desde el ángulo fonético o gráfico? Por lo que respecta al conceptual, ¿es realmente el test adecuado para el análisis de similitud y confusión? La pregunta va más allá: ¿qué es lo que hace “semejantes” a dos promociones?, ¿en qué podrían “confundirse”? El desconocimiento -por parte del legislador- del concepto de “originalidad” queda de manifiesto en este caso, lo cual produce mayor evidencia que en el caso de títulos y nombres. El concepto de “originalidad” ciertamente choca con la terminología marcaria de la “confusión” con la cual nada guarda en común. No se pretende decir con ello que el INDA deba otorgar reservas cuando haya otras anteriores que sean semejantes; sólo se pretende hacer patente que los principios marcarios de “confusión” no tienen cabida en el análisis de reservas de promoción publicitaria, toda vez que dicho criterio marcarlo aborda el concepto de “semejanza” desde una perspectiva diferente de la que se efectúa en el derecho de autor bajo la noción de originalidad. Por lo anterior, la premisa del legislador puede ser generadora de confusión y falsedad.

## **A.2) Fracción I b): Genericidad**

### **“b) Sean genéricos y pretendan utilizarse en forma aislada”.**

El reglamento de la LFDA proporciona un criterio de genericidad:

Artículo 72. Para los efectos del inciso b) de la fracción 1 del artículo 188 de la Ley, se entiende por genérico:

Las palabras indicativas o que en el lenguaje común se emplean para designar tanto a las especies como al género en el cual se pretenda obtener la reserva, de conformidad con el artículo 173 de la Ley; Las palabras descriptivas del género en el cual se solicite la reserva; Los nombres o denominaciones de las ramas generales del conocimiento; Los nombres o denominaciones de los deportes o competencias deportivas, cuando pretendan aplicarse a publicaciones periódicas,

difusiones periódicas o promociones publicitarias y Los artículos, las preposiciones y las conjunciones.

La regla sólo se aplica a títulos y nombres artísticos, lo cual parece lógico. Nuevamente, en el precepto se advierte la orientación marcaria de la norma. Así las cosas, la fórmula aplicable es: denominación contra género. Si aquélla corresponde al género, el título o nombre no será materia de reserva. A manera de ilustración, no será reservable el título de publicación "Revista" o de difusión "Programa", respectó del género, o "Noticiero", por lo que respecta a la especie. En relación con los nombres artísticos, no será reservable "Cantante" o "Actor", para intérpretes, o "Músico" para ejecutantes. Tampoco podrán reservarse los títulos o nombres: "Matemáticas", "Futbol", "Abierto Mexicano de Tenis", "La", "Con" o "Y", entre otros.

Respecto de lo establecido por el artículo 72, fracción II, no es muy claro a qué se refiere la norma por "palabras descriptivas del género". Sin embargo, la acepción parece reducir el ámbito de "distintividad" que la ley exige. Al mismo tiempo, no puede relacionarse con el requisito de "descriptividad" que exige la LPI; por lo tanto, es como si se tratara de descriptividad "light", por la que habrán de quedar fuera de protección títulos y nombres tales como "Página" para una revista, "Emisión" para un programa de radio o TV o "Rock and Roll" para un grupo musical. Nada se dice en la ley o reglamento sobre la protección del título o nombre en su "conjunto", cuando éste combina elementos genéricos o "descriptivos del género" con partes reservables. No obstante el silencio del legislador, la protección en conjunto parece implícita.

Al igual que la fracción anterior, la presente causal de negativa no debe extenderse a promociones publicitarias, toda vez que éstas no se protegen sólo por su título, o por el empleo de lenguaje genérico en su descripción. Por lo tanto, lo dicho en la fracción IV del artículo 72 del Reglamento de LFDA podría no ser otra cosa que un disparate.

### A.3) Fracción I c): Patrocinio

c) Ostenten o presuman el patrocinio de una sociedad, organización o institución pública o privada, nacional o internacional, o de cualquier otra organización reconocida oficialmente, sin la correspondiente autorización expresa.

No fácilmente puede pensarse en la posibilidad de un título o nombre artístico con estas características y mucho menos un personaje o promoción. Sin embargo, un posible título que “ostente” o “patrocine” en los términos del precepto comentado podría serio “Gaceta Oficial del Gobierno Suizo”, para identificar una publicación periódica.

#### **A.4) Fracción 1 d): Reproducción de emblemas o signos oficiales**

**d) Reproduzcan o imiten sin autorización, escudos, banderas, emblemas o signos de cualquier país, estado, municipio o división política equivalente.**

Lo mismo sucede en este caso, siguiendo parámetros de la LPI. Aquí las posibilidades son inexistentes o muy reducidas pues, por su naturaleza, los títulos o nombres no pueden reproducir este tipo de signos. Los personajes y promociones podrían representar, referir o mostrar este tipo de signos, aunque no obstante esta posibilidad, el objeto de protección no sería el signo, sino el personaje o promoción.

#### **A.5) Fracción 1 e): Nombre, seudónimo o imagen de personas**

**e) Incluyan el nombre, seudónimo o imagen de alguna persona determinada, sin consentimiento expreso del interesado.**

Con esta norma se excluye de protección a títulos que incluyen el nombre de alguna persona, por ejemplo: “El Diario de Porfirio Díaz”. Tampoco se protege un personaje llamado Carlos Salinas o que represente la imagen del ex presidente de México; ni hablar de nombres artísticos con las mismas cualidades. La prohibición parece ser excesiva y absoluta porque limita mucho el ámbito de aplicación normativa. No debe perderse de vista que el nombre de los artistas puede coincidir con el de las personas, por ejemplo: Pedro Fernández entonces, debe tenerse cuidado con las implicaciones derivadas de criterios legalistas o burocráticos. Por otra parte, el inciso e) del artículo 181 no hace referencia al factor “consentimiento”, lo cual el ejecutivo pretendió enmendar en el artículo 73 del Reglamento.<sup>83</sup> Definitivamente, la técnica legislativa empleada en esta disposición resulta inadecuada; en todo caso, pudo haberse reservado la prohibición al nombre de celebridades.

## **A.6) Fracción I f): Títulos, personajes, nombres o promociones “notorias”**

**f) Sean iguales o semejantes en grado de confusión con otro que el Instituto estime notoriamente conocido en México, salvo que el solicitante sea el titular del derecho notoriamente conocido.**

Esta fracción es la caricatura del artículo 90, fracción XV de la LPI. Para empezar, ahora usa una expresión no empleada antes: “semejante en grado de confusión”, con lo cual se rompe más con el principio de congruencia que todo texto legislativo debe observar. De esta forma, la expresión “confusión” utilizada en disposiciones anteriores resulta imprecisa; de la nueva moción de “semejanza en grado de confusión” sólo se desprende eso: “confusión”. El legislador insiste en su intento simplista y equivocado de equiparar las reservas con marcas.

Ahora bien, la norma se aplica en lo general y por igual a los objetos de reserva, por lo cual debe entenderse que busca proteger títulos “notorios”, además de nombres artísticos, personajes y promociones publicitarias. Pensando en ejemplos concretos, nadie podrá obtener reservas para el título de periódico “Excélsior”, el nombre artístico “Luis Miguel”, el personaje “Cantinflas”, la promoción publicitaria, “Sabritazos”, aún cuando el legítimo titular no haya obtenido su propia reserva. Por otra parte, transportando los principios marcarios al caso particular, la marca de “notoriedad” debe entenderse como excepción al principio de especialidad.<sup>84</sup> Sin embargo, el derecho de reserva no contempla el principio de especialidad, por lo que no puede aplicarse la excepción; Así, surge la duda sobre si la notoriedad del título “Excélsior” debe considerarse impedimento al otorgamiento de la reserva sobre dicha denominación como nombre artístico.

## **A.7) Fracción II: Subtítulos**

### **II. Los subtítulos.**

Esta prohibición es inexplicable, toda vez que no hay razón para no considerar al subtítulo materia de reserva, en tanto cumpla con los requisitos de “distintividad” y demás que la ley exige. Además, el precepto es totalmente omiso en señalar si la prohibición se dirige al

subtítulo por sí solo o si forma parte de todo un conjunto, que comprenda título y subtítulo.

### **A.8) Fracción III: Características gráficas**

III. Las características gráficas.

Se establece prohibición expresa a la protección de las características gráficas, protección que ofrecían las leyes de 1963, 1956 y 1948. La razón que condujo al legislador a la exclusión y prohibición resulta sencillamente un misterio.

### **A.9) Fracción IV: leyendas, tradiciones y sucedidos**

IV. Las leyendas, tradiciones o sucedidos que hayan llegado a individualizarse o que sean generalmente conocidos bajo un nombre que les sea característico. Será muy difícil que un "hecho" pueda representar un título, personaje o nombre, y quién sabe si una promoción publicitaria; ¿es por lo tanto letra muerta? No se sabe.

### **A.10) Fracción V: letras o números aislados**

V. Las letras o los números aislados.

Así no habría protección al título "Veinte" o "Q" o al nombre del grupo artístico: "Cinco" o "Z". ¿Demasiada rigidez? Tampoco se sabe. Por otra parte, cabe preguntarse si bajo el precepto aludido sí se consideran "aislados" números de dos o más dígitos.

### **A.11) Fracción VI: Traducciones**

VI. La traducción a otros idiomas, la variación ortográfica caprichosa o la construcción artificial de palabras no reservables.

Bajo esta circunstancia no será reservable: "Singer" para el nombre artístico de un cantante o "Fünf" para un grupo. Tampoco el título "Vingt". La prohibición resulta igual de racional o irracional que la correspondiente al idioma español. Esto es, será justa en la medida en que el impedimento para el título o nombre en español lo sea también.

### **A.12) Fracción VII: Nombres aislados**

VII. Los nombres de personas utilizados en forma aislada, excepto los que sean solicitados para la protección de nombres artísticos,

denominaciones de grupos artísticos, personajes humanos de caracterización, o simbólicos o ficticios en cuyo caso se estará a lo dispuesto en el inciso e) de la fracción I de este artículo, y [...]

Disposición que guarda parecido con el inciso e), con la diferencia de que se refiere a nombres de pila o apellidos usados aisladamente, como nombre artístico. Sin embargo el ámbito de la excepción es casi tan amplio como el de la regla, por lo que parece limitarse a títulos nada más. Por lo tanto el legislador pudo haber empleado una mejor técnica legislativa restringiendo el ámbito de la norma precisamente a los títulos. De esta forma, no habría duda de que no sólo se aplica al título de una publicación o difusión periódica. Así, no sería posible obtener la reserva del título "Carlos" o "Pérez". ¿Rígido?

### **A.13) Fracción VII: Nombres geográficos**

VIII. Los nombres o denominaciones de países, ciudades, poblaciones o de cualquier otra división territorial, política o geográfica, o sus gentilicios y derivaciones, utilizados en forma aislada.

Con lo anterior quedaría prohibido el título "México" o el nombre de artista o grupo artístico "París" o "Estocolmo". Debe, sin embargo, tomarse en cuenta que en virtud de la gran cantidad de poblaciones en el mundo la prohibición podría extenderse demasiado en cuanto a su ámbito de aplicación, tal y como sucede con otras de las fracciones del artículo 188 de la LFDA.

### **B) Ausencia del factor "descriptividad"**

Cabe reiterar el hecho de que la LFDA no contempla una prohibición concreta por lo que se refiere a descriptividad de títulos y nombres artísticos, con la salvedad quizá de lo dispuesto por el artículo 188, fracción 1 b), de la LFDA, en correlación con el artículo 72, fracción II del Reglamento, el cual establece el criterio de "descriptividad light", noción flexible que permite la protección de los títulos y nombres que, como Copinger señala, no necesariamente se posicionan en los estándares más estrictos del criterio de distintividad. Nunca se sabrá si el legislador obró conscientemente, de lo contrario -lo cual debe ser el caso-, con mucha certeza, por primera vez la omisión habrá sido una coincidencia de efectos positivos. Las razones han sido explicadas abundantemente, a lo largo del presente ensayo.

### **6.3. Renovación y vigencia**

En cuanto a vigencia y renovación de reservas, la LFDA y el reglamento establecen lo siguiente:

Artículo 189. La vigencia del certificado de la reserva de derechos otorgada a títulos de publicaciones o difusiones periódicas será de un año, contado a partir de la fecha de su expedición.

Para el caso de publicaciones periódicas, el certificado correspondiente se expedirá con independencia de cualquier otro documento que se exija para su circulación.

Artículo 190. La vigencia del certificado de la reserva de derechos será de cinco años contados a partir de la fecha de su expedición, cuando se otorgue a:

I. Nombres y características físicas y psicológicas distintivas de personajes, tanto humanos de caracterización como ficticios o simbólicos;

II. Nombres o denominaciones de personas o grupos dedicados a actividades artísticas, o

III. Denominaciones, y características de operación originales de promociones publicitarias.

Artículo 191. Los plazos de protección que amparan los certificados de reserva de derechos correspondientes, podrán ser renovados por periodos sucesivos iguales. Se exceptúa de este, supuesto a las promociones publicitarias, las que al término de su vigencia pasarán a formar parte del dominio público.

La renovación a que se refiere el párrafo anterior, se otorgará previa comprobación fehaciente del uso de la reserva de derechos, que el interesado presente al Instituto dentro del plazo comprendido desde un mes antes, hasta un mes posterior al día del vencimiento de la reserva de derechos correspondiente.

El Instituto podrá negar la renovación a que se refiere el presente artículo, cuando de las constancias exhibidas por el interesado, se desprenda que los títulos, nombres, denominaciones o características,

objeto de la reserva de derechos, no han sido utilizados tal y como fueron reservados.

Artículo 79 del Reglamento. Una vez transcurrido el plazo de vigencia de la reserva, operará de pleno derecho su caducidad, sin necesidad de declaración administrativa, cuando no haya sido renovada.

#### **6.4. Certificado de licitud de título y contenido**

##### A) Introducción

El gobierno de México, a través de la Secretaría de Gobernación (SEGOB), ha seguido un procedimiento especial de legalidad de títulos y contenido de revistas y publicaciones periódicas. El propósito es ejercer control sobre el aspecto moral de títulos y contenido, protegiendo los intereses de la sociedad, en especial el sector del público que lee revistas o publicaciones en general, evitando así la circulación de aquéllas que atenten contra el orden público y las buenas costumbres.

La obligación nace con el Reglamento sobre Publicaciones y Revistas Ilustradas, publicado en el Diario Oficial de la Federación del 1° de julio de 1981. Dice el considerando que el 2 de junio de 1951 se publicó el Reglamento de los artículos 4° y 6°, fracción VII, de la Ley Orgánica de la Educación Pública, sobre Publicaciones y Revistas Ilustradas en lo Tocante a la Cultura y a la Educación. En aras de la preservación de la cultura y la educación, el reglamento cumplía el objetivo de evitar "las publicaciones que socaven o destruyan la base moral de la familia".

Igualmente, la razón del reglamento obedece a la Convención para Reprimir la Circulación y el Tráfico de Figuras Obscenas, celebrada en Ginebra el 12 de septiembre de 1923, suscrita por México y ratificada por el Senado de la República el 31 de diciembre de 1946.

Posteriormente, en 1977 se publicó el "Decreto por el que se Modifica la Denominación del Reglamento de los Artículos 4° y 6° fracción VII de la Ley Orgánica de la Educación Pública", quedando como Reglamento sobre Publicaciones y Revistas Ilustradas", título que dicho ordenamiento lleva hoy día.

En el diario oficial del 1° de julio de 1981 se publicó una segunda modificación, que conduce al texto actual y vigente. El motivo fue actualizar los preceptos del reglamento, y hacer precisiones en cuanto a

las atribuciones de la Comisión Calificadora y la obligación de sus miembros.

## **B) Competencia de la Comisión, certificado de licitud y procedimiento de Concesión**

El reglamento establece que la Comisión Calificadora de Publicaciones y Revistas Ilustradas es el órgano competente para aplicar el Reglamento,<sup>85</sup> está integrada por cinco miembros designados por el Ejecutivo Federal por conducto de la Secretaría de Gobernación, uno de los cuales fungirá como Presidente.<sup>86</sup> Lo referente a quórum y sesiones está referido en los artículos 3° Y 4° del reglamento. El régimen de facultades queda en el artículo 5°, en donde destacan las relativas a la aplicación de exámenes sobre las publicaciones y revistas;<sup>87</sup> la declarativa de licitud de título y contenido de las mismas a la luz del artículo 6° del reglamento;<sup>88</sup> el envío de copias certificadas de resoluciones de ilicitud a la Dirección General de Correos de la Secretaría de Comunicaciones y Transportes, para los efectos de lo dispuesto en el artículo 441 de la Ley de Vías Generales de Comunicación;<sup>89</sup> comunicar las resoluciones de ilicitud a la Dirección General de Derechos de Autor (ahora INDA);<sup>90</sup> poner en conocimiento del Ministerio Público Federal las publicaciones que, en su concepto, pudiesen ser delictuosas, y enviar el dictamen respectivo;<sup>91</sup> cancelar los certificados de licitud de títulos y contenido por causas supervenientes;<sup>92</sup> e imponer las sanciones derivadas del reglamento.<sup>93</sup>

### **B.2) Certificado de licitud y procedimiento**

El examen que practica la Comisión Calificadora concluye con la expedición del certificado de licitud, con el cual se dan por cumplidos y satisfechos los requisitos del artículo 6° del reglamento. Previamente, el solicitante interesado presenta una promoción escrita, sobre la cual recae el examen del artículo 6° del reglamento. Dentro del procedimiento, destaca el artículo 8 del reglamento, el cual establece:

Artículo 8°, Si del examen de la publicación se determina que el título o contenido presenta alguno de los inconvenientes a que se refiere el artículo 6°, de este Reglamento, el infractor será citado a audiencia, señalándose fecha y hora para ser oído y rendir las pruebas que estime pertinentes, así como para que alegue lo que a su derecho convenga,

formulándose el acta correspondiente, y la Comisión resolverá lo conducente.

La citación para dicha audiencia se hará cuando menos con cinco días hábiles de anticipación indicando en la misma el motivo de la infracción.

Si en la audiencia se ofrecen pruebas que por su naturaleza no puedan rendirse de modo inmediato, la Comisión Calificadora fijará la nueva fecha para su desahogo.

Si la persona citada debidamente, no comparece a la audiencia, se levantará acta circunstanciada y el procedimiento se seguirá por todos sus trámites hasta dictar la resolución que corresponda.

### **B.3) Artículo 6° del Reglamento**

Disposición toral, la cual establece las condiciones de concesión del certificado de licitud. Dicha disposición señala:

Artículo 6°. Se considerarán contrarios a la moral pública y a la educación el título o contenido de las publicaciones y revistas ilustradas por:

I. Contener escritos, dibujos, grabados pinturas, impresos imágenes, anuncios, emblemas, fotografías y todo aquello que directa o indirectamente induzca o fomente vicios o constituya por si mismo delito;

II. Adoptar temas capaces de dañar la actitud favorable al trabajo y el entusiasmo por el estudio;

III. Describir aventuras en las cuales, eludiendo las leyes y el respeto a las instituciones establecidas, los protagonistas obtengan éxito en sus empresas;

IV. Proporcionar enseñanza de los procedimientos utilizados para ejecución de hechos contrarios a las leyes, la moral o las buenas costumbres,

V. Contener relatos por cuya intención o por calidad de los personajes, provoquen directa o indirectamente desprecio o rechazo para el pueblo mexicano, sus actitudes, costumbres y tradiciones;

VI. Utilizar textos en los que sistemáticamente se empleen expresiones contrarias a la corrección del idioma, y

VII. Insertar artículos o cualquier otro contenido que por sí solos, adolezcan de los inconvenientes mencionados en cualquiera de las fracciones anteriores.

Bajo la vigencia de la legislación de 1963, la concesión de la reserva estaba supeditada a la del certificado de licitud de título. Por supuesto que la ley no decía nada al respecto, y era en la práctica, más bien, de donde surgía todo el embrollo. En tal virtud, sucedía que, después de que el examinador de la reserva daba el visto bueno, expedía un "certificado provisional", el cual el solicitante debía presentar a la Comisión a fin de dar inicio al trámite de licitud. Una vez conferido éste, el solicitante podía recoger el certificado de reserva y llevarlo a la entonces Dirección General del Derecho de Autor.

La práctica, sin embargo, pretendía estar apoyada en el artículo 10 del Reglamento sobre Publicaciones y Revistas Ilustradas, el cual señalaba, justamente, que la reserva era procedente sólo si se contaba con el certificado de licitud sobre el título.<sup>94</sup> Por supuesto que la disposición iba más allá que el texto de la LFDA, por lo que dicha "práctica" resultaba cuestionable.

Dicha práctica desapareció con la implementación de la LFDA de 1997, por lo que en la actualidad ambos procedimientos se siguen por separado. Resulta obvio decir, sin embargo, que de no cumplirse con lo dispuesto por el Reglamento de Publicaciones, y en especial, en ausencia de certificado de licitud, el titular de la reserva de título sobre una publicación periódica podría ser sujeto de las sanciones correspondientes, no obstante contar con la reserva y, por lo tanto, el derecho exclusivo de uso del título. Por otra parte, el certificado de licitud no otorga derechos exclusivos al uso, por lo que se considerará titular de derechos al uso del título quien haya realizado dicho trámite. En virtud de lo anterior, bajo el derecho y práctica mexicana, resulta esencial a todas luces la obtención de ambos certificados.

### **C) Sanciones**

El Reglamento de Publicaciones y Revistas Ilustradas establece las siguientes sanciones:

**C.1) Contra quienes circulen publicaciones cuyo título o contenido atenta contra lo dispuesto en el artículo 6°**

**Al respecto, aplican las multas y sanciones administrativas previstas en el artículo 9° del Reglamento.**25

**C.2) Contra quienes circulen publicaciones sin contar con certificado de licitud**

En estos casos, es aplicable lo dispuesto por el artículo 12 del reglamento el cual establece lo siguiente:

Artículo 12. La Dirección General de Correos sólo permitirá la circulación postal de publicaciones periódicas, siempre que a la solicitud correspondiente se acompañe Certificado de licitud expedido por la Comisión Calificadora.

## **7. DEFENSA DE LA RESERVA DE DERECHOS: ACCIONES DE NULIDAD, CANCELACIÓN, CADUCIDAD E INFRACCIÓN**

### **A) Preámbulo**

La LFDA contempla acciones tendientes a la observancia y protección de las reservas concedidas por INDAUTOR. Al establecer una división, se desprenden acciones encaminadas a la represión de ilícitos causados por la usurpación de reservas, sin autorización o derecho legal, lo cual incluye nulidad, cancelación y caducidad. Enseguida se analizan las del segundo grupo para después comentar las de represión.

### **B) Acción de nulidad**

Es procedente contra aquellas reservas concedidas en violación a los legítimos derechos de los titulares correspondientes. A través de dicha acción, los legítimos propietarios de los objetos de reserva intentan reivindicar sus derechos, y solicitan a INDAUTOR que declare la nulidad de la reserva concedida. El artículo 183 de la LFDA considera cuatro causales de nulidad orientadas al objetivo que se apunta.

Establece dicho precepto:

Artículo 183. Las reservas de derechos serán nulas cuando:

I. Sean iguales o semejantes en grado de confusión con otra previamente otorgada o en trámite.

Se evidencia una absoluta carencia de técnica jurídica. A estas alturas de nuestro ensayo, cualquier comentario resulta repetitivo, por lo que el lector podrá hacer su propia crítica. Sin embargo, se insiste en que la manifiesta influencia del lenguaje marcario que frecuentemente se encuentra en el texto del capítulo de reservas de la LFDA no es precisamente lo mejor y más técnico.

II. Hayan sido declarados con falsedad los datos que, de acuerdo con el reglamento, sean esenciales para su otorgamiento.

No se precisa a qué datos falsos “esenciales” se refiere la norma. Además, al revisar el reglamento no se encuentra nada que apoye o ilustre al respecto.

III. Se demuestre tener un mejor derecho por un uso anterior, constante e ininterrumpido en México, a la fecha del otorgamiento de la reserva, o...

Otra copia burda del derecho marcario y, en específico, de lo establecido en el artículo 151, fracción II de la LPI. Sin embargo, en la LPI hay, asimismo, una disposición -en concreto, el artículo 92, fracción II- que establece una relación armónica con el artículo 151 (II), en donde el uso previo se regula en lo sustantivo y objetivo, y en donde se presenta todo un sistema de interacción, dado por una serie de acciones y excepciones. 96

IV. Se hayan otorgado en contravención a las disposiciones de este capítulo.

Disposición de contenido amplio, “cajón” o “catch all”, como suele decirse en inglés, sobre la que no hay comentarios especiales.

### **C) Acción de cancelación**

Está contemplada en el artículo 184 de la LFDA, que a la letra dice:

Artículo 184. Procederá la cancelación de los actos emitidos por el Instituto, en los expedientes de reservas de derechos cuando:

I. El solicitante hubiere actuado de mala fe en perjuicio de, tercero, o con violación a una obligación legal o contractual;

II. Se haya declarado la nulidad de una reserva;

III. Por contravenir lo dispuesto por el artículo 179 de esta Ley, se cause confusión con otra que se encuentre protegida;

IV. Sea solicitada por el titular de una reserva, o

V. Sea ordenado mediante resolución firme de autoridad competente.

La LFDA no es clara acerca del porqué de este segundo tipo de acciones, las cuales podrían repetir las de nulidad. Sin embargo, podría justificarse la figura por cuanto a que se trata de reservas concedidas conforme a derecho, pero que después se han venido a usar en contra de las leyes de orden público o las buenas costumbres. Si lo anterior es cierto, surge la pregunta sobre el interés jurídico en esta clase de acciones, y aun su carácter oficioso o particular. El titular del derecho afectado es quien tiene el interés jurídico en el caso de acciones de nulidad, pero, ¿será lo mismo en cuanto a las de cancelación?, ¿a quién puede afectarle, en lo individual, el hecho de que el titular de la reserva abuse de la misma?

Por lo que respecta a la fracción I del artículo 184, pudiera interpretarse que el interés jurídico lo tiene el "tercero" afectado por la acción de mala fe del "solicitante" (aunque el precepto debiera decir titular de la Reserva, porque las solicitudes no pueden ser "canceladas"). Ahora bien, el ámbito de la norma se observa muy amplio, lo cual pone en riesgo la validez de toda reserva, toda vez que cualquier conducta que perjudique a terceros, incluyendo aquélla que transgreda obligaciones legales y hasta "contractuales", puede conducir a su "cancelación".

La segunda causal, esto es, la de la fracción II, indica que la cancelación procede si se declara la nulidad de la reserva previamente, lo cual resulta muy confuso. Surge la pregunta de por qué la necesidad de cancelar una reserva que ha sido declarada nula con anterioridad.

La tercera causal de alguna forma confirma lo esgrimido en el párrafo inicial sobre el presente tema, pues en estos casos la reserva se otorgó en apego a las disposiciones legales aplicables, pero después el objeto

de reserva fue usado con cambios o modificaciones, lo cual contraría lo que prevé el artículo 179 de la LFDA.

El párrafo cuarto resulta incomprensible en virtud de que más que una causal de cancelación, en sí misma, se refiere al derecho subjetivo de acción del titular, quien por así convenir a sus intereses inicia un procedimiento de nulidad, cancelación o caducidad ante la autoridad.

El último párrafo es adecuado, salvo por la pregunta inicial de qué tipo de acción es en realidad la que procede contra reservas mal concedidas o usadas: nulidad o cancelación. Si es nulidad, o si ésta es adicional a la cancelación, como parece indicarlo el artículo 184, fracción II, ¿por qué no establecer una causal de nulidad en los mismos términos que la que se comenta?

#### **D) Acción de caducidad**

Es procedente en los casos en los cuales el objeto de reserva no se usa en los términos de la ley o, en general, cuando su renovación no sea solicitada. Al respecto, dicta el artículo 185 de la LFDA.

Artículo 185. Las reservas de derechos, caducarán cuando no se renueven en los términos establecidos por el presente capítulo.

#### **E) Procedimientos administrativos de nulidad, cancelación y caducidad**

Los procedimientos administrativos se refieren a un sistema de normas dispuestas tanto en la LFDA como en el reglamento, y 97 pretenden ser sencillos y fáciles de comprender. En relación con la supletoriedad, el artículo 213 de la LFDA 98 dice que lo es la ley Federal de Procedimientos Civiles. Sin embargo, por otra parte, el artículo 10 del mismo ordenamiento legal señala que son el Código de Comercio, el Código Civil y la Ley Federal de Procedimientos Administrativos, los que deben considerarse aplicables, justamente, para los efectos de supletoriedad. 99 ¿A cuál recurrir? Lo que sí puede mencionarse es que -previa impugnación de la resolución de INDAUTOR en relación con las acciones de nulidad, cancelación y caducidad- la parte a quien la resolución desfavorezca deberá agotar el recurso de revisión previsto por el artículo 237 de la LFDA. 100

## **F) Infracción en materia de comercio**

La LFDA contempla, en el artículo 231, fracciones VII y VIII, disposiciones tendientes a la represión de ilícitos a través de la vía jurisdiccional administrativa. Al igual que en el resto de las infracciones en materia de comercio, IMPI es la autoridad encargada de darles trámite y de imponer sanciones.<sup>101</sup> Dicen las fracciones de referencia:

Artículo 231. Constituyen infracciones en materia de comercio las siguientes conductas cuando sean realizadas con fines de lucro directo o indirecto:

VII. Usar, reproducir o explotar una reserva de derechos protegida o un programa de cómputo sin el consentimiento del titular;

Usar o explotar un nombre, título, denominación, características físicas o psicológicas, o características de operación de tal forma que induzcan a error o confusión con una reserva de derechos protegida.

La causal de la fracción VII adolece de vicios de técnica bastante graves, toda vez que lo que se "usa" no es la reserva, sino el objeto de reserva, que puede consistir en un título, personaje, nombre artístico o promoción publicitaria. En cuanto a la fracción VIII, sin que pueda considerarse que la redacción empleada sea óptima, al menos se reconoce que el "uso" o "explotación" corresponde al objeto de reserva.

La referencia a "características psicológicas y físicas" o de "operación" es inconsistente, toda vez que la figura corresponde realmente al personaje o promoción, respectivamente. Lo loable es la visión abierta del redactor del precepto, quien pretende dejar sentado que la confusión del personaje debe observarse por cuanto hace al factor físico y psicológico, como se ha sostenido a lo largo de este ensayo. Lo mismo respecto de la promoción publicitaria, y su aspecto operativo. Así, no obstante las imprecisiones, el ámbito de la norma es lo suficientemente amplio como para permitir que la autoridad le dé aplicación adecuada.

## **8. CONCLUSIÓN**

Aparentemente, la reserva ha sido cuestionada respecto de por qué no sirve para resolver la problemática inherente a la protección de títulos, personajes, nombres artísticos y promociones publicitarias. Para un cierto sector de la doctrina en México, la reserva sólo reproduce la

protección que ofrece el derecho marcario, por lo que más que protección acumulada, se habla de protección incidente y repetida.

No obstante, hay justificación a dicha figura, por la cualidad que posee para brindar protección sui generis al objeto de reserva, de mejor manera que cualquier otra figura del derecho de la propiedad intelectual. La reserva tampoco está reñida con la protección de índole marcaria que la Ley de la Propiedad Industrial ofrece a títulos, personajes y nombres artísticos.

Por su naturaleza jurídica, la reserva recae sobre un objeto complejo y ambivalente, el cual lo mismo puede constituir materia del derecho de autor que del marcario, no obstante su función principal de manifestación creativa en el campo artístico. En tal virtud, se trata de una forma autónoma, justificable por cuanto a su independencia dentro del esquema de la propiedad intelectual y del interés jurídico que de ésta se desprende, a favor del creador del personaje o de la promoción publicitaria, o de quien adopta el título o nombre. Corresponde sólo a éstos la protección sui generis de la reserva, así como el registro marcario relacionado. Por lo tanto, el régimen jurídico en torno a la reserva debe preservar el objeto de protección, asegurando acciones que resguarden la observancia de los derechos subjetivos de allí derivados, además de la represión de ilícitos.

Las disposiciones de la nueva LFDA pretenden garantizar un mayor nivel de protección y seguridad jurídica, lo cual ha generado suficiente avance, no obstante ciertas lagunas y la necesidad de cambio en ciertos aspectos. El artículo 188 establece una noción fundamental al aportar criterios sobre lo que es y no es la materia de reserva. Salvo ciertas excepciones, dicha norma debe cumplir el propósito de estructurar ideas y criterios más precisos en relación con la normatividad de la reserva. Asimismo, aporta elementos determinantes de diferenciación entre reserva y marca.

Por todo lo expuesto en este ensayo, se concluye la necesidad de que, dentro del sistema mexicano de la propiedad intelectual, deba admitirse un esquema de protección sui generis para títulos de publicaciones y difusiones periódicas, personajes, nombres artísticos y promociones publicitarias, y que, precisamente, sea la figura de la reserva la que se encargue de ello, por lo que debe seguirlo haciendo.

## NOTAS

1. Luis C. Schmidt, 2000
2. Socio, Olivares & Cía, S.C. Presidente de la Asociación Mexicana para la protección de la Propiedad Industrial, A.C., Grupo Mexicano de la AIPPI, periodo 1995-1998
3. Consúltese Schmidt, Luis C., Propiedad Intelectual y sus fronteras: Protección de arte e Industria, estudios de Derecho Intelectual en Homenaje al profesor David Rangel Medina, comp., Manuel Becerra Ramírez, México, Universidad Nacional Autónoma de México, Instituto de Investigaciones Jurídicas, Serie E, Varios num. 96, 1998. Allí se aborda al tema de la intersección de fronteras entre los principios y áreas de la propiedad intelectual.
4. Artículo 173 de la Ley Federal del Derecho de Autor (LFDA) publicada en el Diario Oficial del 24 de diciembre de 1996, que entró en vigor 3 meses después de la fecha de publicación.
5. En el caso de reservas. las reglas de transmisión y el licenciamiento son menos rígidas que para las obras, como se verá más adelante.
6. Artículo 1° de la LFDA,
7. El Diccionario de la Lengua Española define así el termino cultura: “(Del lat. cultura) f. Cultivoll 2. Ant. culto, homenaje reverente que se tributa a Dios. ll 3. Resultado o efecto de cultivar los conocimientos humanos y de afinarse por medio del ejercicio las facultades intelectuales del hombre ll 4. Conjunto de modos de vida y costumbres. conocimientos y grado de desarrollo artístico, científico, industrial, en una época o grupo social, etc. ll Física. Conjunto de conocimientos sobre gimnasia y deportes y práctica de ellos, encaminados al pleno desarrollo de las facultades corporales ll Popular Conjunto de las manifestaciones en que se expresa la vida tradicional de un pueblo.
8. Satanowsky, Isidro, Derecho intelectual, Tomo I, Argentina, Buenos Aires, Tipográfica Editora, 1954, p. 585. Por otra parte, sobre la protección del titulo de la obra consúltese asimismo el tratadista español Baylos, Hermenegildo, Tratado de Derecho Industrial, Madrid, Editorial Civitas, 2a ed. actualizada, 1993, pp. 559-560.
9. Copinger y Skone James, en Copyright, vol. I, Londres, Sweet & Maxwell, 1999, p. 970. Resulta importante la opinión del profesor Ricardo Antequera Parilli, quien sostiene que El titulo de una obra no es, a nuestro juicio, una marca, porque no identifica un producto comercial, sino una obra del ingenio. Sin embargo, en algunos casos se puede invocar la doble protección, por ejemplo, en programas de computación standard, pertenecientes al mismo productor y cada uno de ellos destinados a cumplir funciones distintas (o sucesivas versiones del mismo programa original), son identificados con el mismo título, en cuyo caso el productor, además de invocar la tutela del título como parte de la obra, reclama igualmente la protección a través de la marca registrada. Tampoco la protección del titulo debe limitarse al campo de la competencia desleal, cuando existe una disciplina específica, en el marco de los derechos autorales, donde debe ubicarse la tutela, al identificar precisamente, al objeto de ese derecho. Pero ello no impide, en nuestra opinión, que las normas relativas a la competencia desleal, especialmente en aquellos países donde tal conducta es reprimida severamente, puedan invocarse en protección del título de una obra, especialmente cuando éste último carece de originalidad, pero su uso por otro encuadra en las conductas tipificadas como contrarias a la moral comercial. [Antequera Parilli, Ricardo, La obra como objeto del derecho de autor Memoria del Seminario sobre derecho de autor y derechos conexos para jueces federales mexicanos, organizado por la Suprema Corte de Justicia de la Nación, Ciudad de México, Secretaria de Educación Pública y la Organización Mundial de la Propiedad intelectual, julio de 1993, p. 125]
10. Satanosvky, op. cit.. p. 614.
11. Antequera. op. cit., p. 124.

12. Antequera, op. cit., p. 124.
13. Copinger, op. cit. P. 971. El sistema mexicano de reservas sobre títulos acepta precisamente este criterio, según se desprende del artículo 188 de la LDA. que si se interpreta contrario sensu incluye los títulos descriptivos como materia de reserva, Además en la práctica, el INDA otorga reservas sobre títulos similares, con frecuencia muchos de ellos banales, por el uso de elementos descriptivos. Al respecto. consúltese el listado de reservas que publica el maestro David Rangel Median en su libro Derecho Intelectual, Serie Jurídica.. México, Mc Graw-Hill, 1998. pp. 164.168.
14. Ver infra, nota 9.
15. Glosario OMPI de Derecho de Autor y Derechos Conexos. Organización Mundial de la Propiedad Intelectual. 1980, p. 250.
16. Id- p. 250.
17. Artículo 20. El título de una obra intelectual o artística que se encuentre protegida o el de una publicación periódica sólo podrán ser utilizados por el titular del derecho de autor.
18. Art. 14. No son objeto de la protección como derecho de autor a que se refiere esta Ley: V. Los nombres y títulos o frases aisladas.
19. Diccionario de la Lengua de la Real Academia Española, vol. II, p. 1583.
20. Diccionario de la Lengua de la Real Academia Española, vol. II, p. 1584.
21. Al respecto el Diccionario de la Lengua Española. citado anteriormente, en la página 205 define: "artista: adj. Dícese del que estudiaba el curso de artes. Colegial artista. II 2. Com . Persona que ejercita alguna arte bella II Persona dotada de la virtud y disposición necesarias para alguna de las bellas artes. II 4. Persona que actúa profesionalmente en un espectáculo teatral, cinematográfico. circense, etc., interpretando ante el público". Como podrá notarse, la acepción artista es amplia e incluye al autor de obras y hasta al creador de manifestaciones del folclor. Por lo tanto todos ellos deben calificar para la protección de la reserva de nombre artístico. Así lo ha sostenido el INDA en la práctica, y ha llegado a otorgar reservas y mantener los derechos correspondientes mediante renovación. Un ejemplo puede serlo el de Ponciano Porfidio, nombre ficticio del creador de las botellas de vidrio soplado que sirven de contenedor del tequila marca Porfidio.
22. En este contexto el INDA ha otorgado este tipo de reserva para campañas promocionales como la de "conductor voluntario" de Bacardi, en la cual esta compañía creó un mecanismo que involucra la participación del personal de restaurantes y bares y grupos de jóvenes o personas, clientes de dichos establecimientos.
23. Al respecto, el INDA ha otorgado reservas a campañas como "sabritazos", en donde la promoción de productos se circunscribe a regalar juegos en donde se utilizan fichas redondas llamadas "tazos".
24. Al respecto, consúltese Schmidt, Luis C., Propiedad intelectual y sus fronteras, op. cit., p. 31.
25. Schmidt, Luis C., id., p.31 y ss. Asimismo, Schmidt, Luis C., "Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?" Revista de Investigaciones Jurídicas. Escuela Libre de Derecho. núm. 17, 1993, p. 479.
26. A lo largo de este ensayo, se ha puesto énfasis en la preeminencia del aspecto artístico e intelectual del objeto de reserva sobre el comercial y marcario. En esta hipótesis, se parte de la base de que el objeto de reserva pertenece a las obras o a sus autores o artistas, y, por lo tanto, solo éstos tienen interés jurídico sobre este tipo de protección. trátase de reservas o registros marcarios. Por lo tanto, la concesión de una y otra deben supeditarse a dicho interés jurídico, como valor fundamental.
27. El artículo 87 de la Ley de la Propiedad Intelectual (LPI) señala que el derecho exclusivo al uso de marcas se adquiere mediante registro.
28. El Título cuarto, capítulo V de la LPI establece el mecanismo de registro de marcas.

29. Principalmente las relativas al artículo 188 de la LFDA, así como las de procedimiento de concesión de reserva.
30. Véanse artículos 88 y 89 de la LPI.
31. Copinger, op. cit., p. 970.
32. Consúltese discusión sobre "good will" en Schmidt, Luis C., Propiedad intelectual y sus fronteras, op. cit., p. 31.
33. Copinger, p. 970 y siguientes.
34. Rehbindler, Manfred, Unheberrecht, 10 auflage, Munich, verlag C. H. Beck, 1998, p. 312.
35. Id., traducción de Olivares & Cía., p. 313.
36. Títulos protegidos por los tribunales en Alemania Paraíso de las damas; Viena tú, ciudad de mis sueños: No es demasiado ser bello: El hombre no sólo vive de su salario. Títulos no protegidos: El incendio en la ópera. Id.. p. 313.
37. Geller, Paul Edward y Nimmer, David, International Copyright Law, Nueva York, Mathew Bender, Sección sobre Derecho Argentino 23, Sección 2.
38. Nimmer, Melville, Nimmer on Copyright, Nueva York, Mathew Bender, Secciones 2.12, 2.172.33. Consúltese también Schmidt, Luis C., Protecting Non - Traditional Marks in Mexico, Trademark Yearbook 1999, Londres, Managing Intellectual Property, p. 8.
39. Copinger, op. cit., p. 984:
40. Adams, John N., Copyright in Character Merchandising. Copyright World, Intellectual Property Publishina Ltd., 1997, p.29.
41. Id.. P. 30.
42. Artículo 88, LPI.
43. Artículo 89, LPI.
44. Artículo 90 (XIII), LPI.
45. Artículo 151, fracción I, en relación con el artículo 90, fracción XIII, LPI.
46. La norma aplicable sería la del artículo 213, fracción IX de la LPI y no el 213 I, cuyo postulado se limita a propiedad industrial y sus figuras.
47. Artículo 231, fracción II LFDA.
48. Artículo 213, fracciones XI a la XIV de la LPI.
49. Artículo 213, fracciones IV y XVIII de la LPI.
50. El artículo 229, fracción XII de la LFDA, considera infracción "en materia de derechos de autor", "emplear dolosamente en una obra un título que induzca a confusión con otra publicada con anterioridad". En esta disposición se hace patente no sólo contradicción con respecto a lo que se estipula en el artículo 14 (IV) de la LFDA, sino una gran falta de técnica legislativa. Además, es notorio el desconocimiento del redactor de los puntos que a lo largo del presente trabajo se han ido exponiendo. El ámbito de aplicación de la norma es tan amplio que viene a conferir derecho de acción a todo aquel autor que emplee títulos antes que otro, sin importar qué tan banal sean éstos. Si bien es cierto que aquí se propugna por la protección de los buenos títulos, se ha hecho notar qué tan cuidadoso se debe ser para no llegar al abuso del derecho. Pero el legislador de la LFDA indebidamente sostiene, por un lado, que el título no es materia de protección por no ser obra -lo cual es obvio, como se ha dicho-, y por el otro, sale con una super norma que promete ser engendro de caos, desconcierto e inseguridad jurídica y que sólo vendrá a comprometer el buen juicio del INDAUTOR, y dificultando la aplicación de la ley.
51. Breve reseña en el mundo: Argentina: título protegido como parte integral de la obra; Australia: se protege sólo si cae dentro del concepto de "obra literaria"; Bélgica: se protegen sólo si son originales; Canadá: protección separada de la obra sólo si es original y distintiva; Francia: puede proteger el título original per se; Alemania: protegido como parte de la obra si es original; Reino Unido: no se protegen por el derecho de autor, Consúltese Geller y Nimmer, op. cit., tomo I.

52. Artículos 90, fracción I, y 128 de la LPI.
53. Artículos 87, 88, 89 y 90 de la LPI. Véase Schmidt, Luis C. Non-Traditional Trademarks, op. cit., p. 7. En el caso japonés Popeye, los tribunales se pronuncian en el sentido de que el registro marcario no puede ser empleado en apoyo a acciones legales cuando el uso de un personaje se hace con propósito de ornamentación.
54. Así se entiende el artículo 231, fracción II, de la LFDA.
55. Breve reseña en el mundo: Argentina: la ley no los protege, la jurisprudencia si, a favor de su "autor"; Australia: no lo protege el derecho de autor; Bélgica: sólo si se trata de dibujos en historietas; Brasil: puede representar infracción al derecho de autor; Canadá: se protegen los de historietas; Francia: Se protegen en dibujos y audiovisuales; Alemania: No los protege el derecho de autor; Reino Unido: Si aparecen en diseño se protegen. Consúltese Geller y Nimmer, op. cit., tomo I.
56. El secreto industrial se funda en principios más próximos a la originalidad, no obstante su relación con las "creaciones nuevas" de tipo patentario. Véase artículo 82, LPI. Asimismo, consúltese Schmidt, Luis C., Computer Software and Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?. op. cit., p. 502.
57. Así el programa de cómputo como obra sobre bases de originalidad, por lo que respecta a códigos y aspectos considerados obra. Artículo 13, fracción X, de la LFDA y capítulo relativo al programa de cómputo. También hay otros aspectos del software con bases patentarias de novedad. Al respecto, consúltese Schmidt, Luis C., Computer Software and the Free Trade Agreement: Will Mexican Law Represent a Trade Barrier,? op. cit.. p. 495. Asimismo, Schmidt, Luis C. y Ramos. Cesar, Patenting of Computer Software, AIPPI, Report Executive Committee, Viena, 1997.
58. El diseño industrial puede considerarse como el ejemplo más destacable de lo que representa un objeto complejo que, al mismo tiempo, puede ser invención y obra de arte aplicado; también puede ser marca tridimensional. Al respecto, consúltese Schmidt, Luis C. Propiedad Industrial y sus Fronteras, op. Cit,. También véase Schmidt, Luis C., Protecting Non-Traditional Marks in Mexico, Managing Intellectual Property, Trademark Yearbook 1999, Euromoney Publications, Londres, 1999, p. 7.
59. Jalife Daher, Mauricio, Comentarios a la Ley de la Propiedad Industrial. Serie Jurídica, México, Mc Graw Hill, 1998, pp. 150-152.
60. Id., p. 151.
61. Para publicaciones, la clase 16 de la Clasificación Internacional de Productos y Servicios del Arreglo de Niza. Para programas, la clase 41.
62. Publicada en el Diario Oficial de la Federación del 14 de enero de 1948.
63. Convención Interamericana sobre el Derecho de Autor en Obras Literarias, Científicas y Artísticas.
64. Publicada en el Diario Oficial de la Federación del 24 de octubre de 1947.
65. Publicada en el Diario Oficial de la Federación del 31 de diciembre de 1956.
66. Reglamento para el reconocimiento de derechos exclusivos de autor, traductor o editor". Publicado en el Diario Oficial de la Federación del 17 de octubre de 1939.
67. El Reglamento de 1939 regulaba ciertos aspectos (registro de obras) del título octavo del Código Civil de 1928. Fue abrogado por virtud de la expedición de las legislaciones especiales de 1948, 1956 y 1963, cuyo contenido contradice mucho de lo dispuesto en el Código Civil, o de alguna forma lo modifica.
68. Dictamen Comisión Cultura, dirigido a la Asamblea del 26 de noviembre de 1996.
69. Dictamen página 20. La numeración de los artículos se recorrió tras las discusiones y aprobación de la versión final del proyecto.

70. Ley Federal del Derecho de Autor publicada el 24 de diciembre de 1996, en vigor el 25 de marzo de 1997.
71. Tratado de Libre Comercio de América del Norte celebrado entre Canadá, México y Estados Unidos, publicado en el Diario Oficial de la Federación del 20 de diciembre de 1993.
72. La diferencia entre el sistema de derecho de autor o droit de autor y copyright fue abordada por el autor en SCHMIDT, Luis C., Computer Software and the Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?, o.p cit., p. 479.
73. Título VIII: De los Registros de Derechos. Capítulo II: De las Reservas de Derechos al Uso Exclusivo; Artículos 173 al 191.
74. Publicado en el Diario Oficial del 22 de mayo de 1998.
75. Título VIII: De los Registros de Derechos. Capítulo II: De las Reservas de Derechos al Uso Exclusivo; Artículos 70 al 85.
76. Véase asimismo el artículo 78 del Reglamento de la LFDA.
77. Bathersloy, Gregory J. y Grimes, Charles W., The Law of Merchandise and Character Licensing. Clark Boardman Callaghan. Nueva York, 1994.
78. Véanse los arts. 31 y ss. de la LFDA.
79. Artículo 231, fracciones VII y VIII de la LPI.
80. Artículos 17 y 229, fracción V de la LFDA.
81. Arts 181 de la LFDA y 78 del Reglamento
82. Arts 173, 174 y 177 de la LFDA.
83. Artículo 73 del Reglamento: Para efectos de lo dispuesto en el artículo 188. fracción I, inciso e), de la Ley, será necesario el consentimiento expreso del interesado, cuando la solicitud correspondiente comprenda, conjunta o aisladamente, la reproducción del rostro de una persona determinada, su expresión corporal, facciones o rasgos generales, de tal manera que se pueda apreciar que se trata de la misma persona, aun cuando su rostro, expresión, facciones o rasgos generales fueran modificados o deformadas y su nombre sustituido por uno ficticio.
84. Artículos 88 y 90, fracción XV de la LIP.
85. Artículo 1º del Reglamento. "La Comisión Calificadora de Publicaciones y Revistas Ilustradas a que se refieren los considerandos anteriores, tendrá a su cargo la aplicación de este Reglamento".
86. Artículo 2º del Reglamento. "La Comisión estará integrada por cinco miembros designados por el Ejecutivo Federal, por conducto de la Secretaria de Gobernación. uno de los cuales fungirá como Presidente"
87. Artículo 5º del Reglamento sobre Publicaciones y Revistas Ilustradas.  
Son facultades de la Comisión Calificadora de Publicaciones y Revistas Ilustradas:
88. a) Examinar de oficio o a petición de parte las publicaciones y revistas ilustradas,  
b) Declarar la licitud de título o contenido de las publicaciones y revistas ilustradas; o su ilicitud, cuando compruebe que de manera ostensible y grave aparece alguno de los inconvenientes que menciona el artículo 6º de este Reglamento.
89. c) Enviar copia certificada de las resoluciones de ilicitud a la Dirección General de Correos de la Secretaría de Comunicaciones y Transportes, para los efectos del artículo 441 de la Ley de Vías Generales de Comunicación",
90. d) Comunicar las resoluciones de ilicitud a la Dirección General de Derechos de Autor de la Secretaria de Educación Pública, así como a las autoridades que deban coadyuvar en el cumplimiento de sus resoluciones".
91. e) Poner en conocimiento del Ministerio Público Federal, las publicaciones que en su concepto sean delictuosas, enviando el dictamen respectivo."
92. f) Cancelar los certificados de licitud de títulos y contenido por causas supervenientes".
93. g) Imponer las sanciones a que se refiere este Reglamento",

94. Artículo 10 -Para el registro del título o de la cabeza o del contenido de las publicaciones periódicas en la dirección de Derechos de Autor, es necesario que la Comisión Calificadora declare que las mismas están exentas de los defectos mencionados en el artículo 6° de este Reglamento al expedir el certificado correspondiente. Sobre el contenido de las publicaciones deberá solicitarse el certificado dentro de los 30 días naturales siguientes a la fecha de su primera edición.

95. Artículo 9°,- Las personas que dirijan, editen, publiquen, importen, distribuyan o vendan las publicaciones y revistas ilustradas a que, se refiere el artículo 6° excepto tratándose de voceadores o papeleros, serán sancionados administrativamente con I. Multa de \$500.00 a \$100,000.00 o arresto hasta por 36 horas, según las circunstancias personales del infractor, los móviles de su conducta y la gravedad o magnitud del hecho; II, Multa de \$10,090.00 a \$100,000.00 a quien haga uso indebido de un certificado de licitud de título o contenido que hubiera sido revocado; III. Suspensión hasta por un año de uso del título y edición de la publicación; IV. Declaración de ilicitud del título contenido; V. Por violación a cualquier norma de este Reglamento Que no tenga una sanción específica, se impondrá a juicio de la Comisión multa de \$1.000.00 a \$50,000.00. En caso de reincidencia las multas podrán ser duplicadas, En el supuesto de que la multa no se cubra se substituirá por arresto hasta de quince días.

96. Consúltese, Schmidt, Luis C., Use of Trademarks, Trademark Yearbook 1997, Managing Intellectual Property, Inglaterra, 1997, p. 21. En esta obra se aborda el tema del uso de marcas de conformidad con la LPI. Lo más destacable corresponde, justamente, a la problemática derivada del uso anterior de marcas. Al respecto, se presentan tres hipótesis distintas, según el caso, si i) dos o más usuarios de una marca o una similar compiten en el mercado, sin que ninguno cuente con registro; ii) que el usuario posterior cuente con el registro y el usuario anterior no; y iii) que el usuario anterior de la marca sea el primero en obtener el registro sobre ésta o alguna semejante. La discusión de las hipótesis se presenta por cuanto a las acciones y excepciones que derivan del artículo 92, fracción II, así como el 151. fracción II, de la LFDA. Este trabajo, así como los demás que se hayan escrito sobre el tema de uso anteriores de marcas, deberán ilustrar a la autoridad en materia de reservas, especialmente en cuanto al efecto que podría producir el hecho de que la LFDA contemple una visión parcial de la figura marcaria de uso anterior, la cual ha imitado, se insiste, y sólo parcialmente. La vista parcial es porque a la LFDA no establece la figura como derecho sustantivo, b) sólo reconoce una acción. más no una excepción. similar a la del 92 (II) de la LPI.

97. Artículo 186.-La declaración administrativa de nulidad, cancelación o caducidad se podrá iniciar en cualquier tiempo, de oficio por el Instituto, a petición de parte, o del Ministerio Público de la Federación cuando tenga algún interés la Federación. La caducidad a la que se refiere el artículo anterior, no requerirá declaración administrativa por parte del Instituto.

Artículo 187.-Los procedimientos de nulidad y cancelación previstos en este capítulo, se substanciarán y resolverán de conformidad con las disposiciones que para tal efecto se establezcan en el Reglamento de la presente Ley.

Artículo 80.-En la solicitud de declaración administrativa de nulidad o cancelación deberá indicarse:

Número y título, nombre o denominación de la reserva objeto del procedimiento:

II, Hechos en que se funde la petición, numerados y narrados sucintamente, y

III. Fundamentos de derecho, citando los preceptos legales o principios jurídicos aplicables.

Con la solicitud de declaración administrativa, se deberán presentar los documentos y constancias en que se funde la acción y las pruebas correspondientes, así como las copias de traslado respectivas,

Hecha la solicitud, el Instituto contará con un plazo de quince días para admitirla o desecharla,

Artículo 81.-Admitida la solicitud de declaración administrativa de nulidad o cancelación, el Instituto notificará al titular afectado, concediéndole un plazo de 15 días para que manifieste por escrito lo que a su derecho convenga, oponga excepciones y defensas y presente pruebas.

La notificación se realizará en el domicilio indicado en la solicitud de reserva respectiva o en el último que se haya manifestado, según constancia que exista en el expediente.

"Artículo 82.-Cuando el domicilio del titular afectado se modifique sin que el Instituto tenga conocimiento de ello, la notificación a que se refiere el artículo anterior se realizará por edictos mediante publicación en el Diario Oficial por tres días consecutivos, a costa del promovente."

"Artículo 83.- En el procedimiento de declaración administrativa de nulidad o cancelación de reserva, se admitirán toda clase de pruebas excepto la testimonial y confesional, así como las que sean contrarias a la moral o al derecho,"

"Artículo 84.- Cuando se ofrezca como prueba algún documento que obre en los archivos del Instituto, el interesado deberá precisar el expediente en el cual se encuentra. para que se agregue al procedimiento respectivo,"

"Artículo 85.- En los procedimientos de declaración administrativa, los incidentes de previo y especial pronunciamiento se resolverá al emitirse la resolución que proceda"

98. "Artículo 213.-Las sanciones civiles que se ejerciten en materia de derechos de autor y derechos conexos se fundarán, tramitarán y resolverán conforme a lo establecido en esta Ley, siendo supletorio el Código Federal de Procedimientos Civiles, ante tribunales federales."

99."Artículo 10.- En lo no previsto en la presente Ley, se aplicará la legislación mercantil, el Código Civil para el Distrito Federal en Materia Común y para toda la República en Materia Federal y la Ley Federal del Procedimiento Administrativo."

100. "Artículo 237.- Los afectados por los actos y resoluciones emitidos por el Instituto que pongan fin a un procedimiento administrativo, a una instancia o resuelvan un expediente podrán interponer recurso de revisión en los términos de la Ley Federal del Procedimiento Administrativo". De lo anterior se desprende una posible contracción, toda vez que el artículo 237 se pronuncia en el sentido de que los procedimientos ante tribunales federales se seguirán de conformidad con lo que señala la LFDA y suplementariamente lo dispuesto por el CFPC. Por su parte, el artículo 10 de la LFDA, al referirse a la aplicación de la ley en sentido amplio y general, dispone que es la Ley Federal de Procedimientos Administrativos la que rige si el Código de Comercio, en primer lugar y el Código Civil en el segundo, son omisos en relación con el tema, o punto legal que se discute. Sin embargo la desarmonía debe encausarse en la adopción de criterios lógicos. Por lo tanto. Podría interpretarse la aplicación del artículo 10 en el sentido de que la legislación mercantil es aplicable en los casos "no previstos" en la LFDA, lo cual descartaría aquéllos desprendidos de los artículos 213, 214 215, por lo que toca a acciones civiles, penales y administrativas derivadas de anotaciones. Las infracciones administrativas también quedarían fuera del alcance del artículo 10 de la LFDA, por lo que su ámbito se circunscribiría básicamente al arbitraje, por un lado, a la normativa de la estructura, organización y administración de sociedades de gestión colectiva, por el otro.

101. Consúltese Schmidt, C. Luis, El sistema de infracciones administrativas en materia de comercio de la Ley Federal del Derecho de Autor, Las nuevas tecnologías y la protección del derecho de autor, Barra Mexicana de Abogados, Colección Foro de la Barra Mexicana, México, Editorial Themis, 1998, p. 47.

Artículo 232. Las infracciones en materia de comercio previstos en la presente Ley serán sancionadas por el Instituto Mexicano de la Propiedad Industrial con multa: I. De cinco mil hasta diez mil días de salario mínimo en los casos previstos en las fracciones I. III. IV. V, VII. VIII y IX del artículo anterior:

II. De mil hasta cinco mil días de salario mínimo en los casos previstos en las fracciones II y VI del artículo anterior. y III. De quinientos hasta mil días de salario mínimo en los demás casos a que se refiere la fracción X del artículo anterior. Se aplicará multa adicional de hasta quinientos días de salario mínimo general vigente por día, a quien persista en la infracción.

Artículo 233.-Si el infractor fuese un editor, organismo de radiodifusión, o cualquier persona física o moral que explote obras a escala comercial, la multa podrá incrementarse hasta en un cincuenta por ciento respecto de las cantidades previstas en el artículo anterior.

Artículo 234.-El Instituto Mexicano de la Propiedad Industrial sancionará las infracciones materia de comercio con arreglo al procedimiento y las formalidades previstas en los Títulos Sexto y Séptimo de la Ley de la Propiedad Industrial. El Instituto Mexicano de la Propiedad Industrial podrá adoptar las medidas precautorias previstas en la Ley de Propiedad Industrial. Para tal efecto, el Instituto Mexicano de la Propiedad Industrial, tendrá las facultades de realizar investigaciones; ordenar y practicar visitas de inspección; requerir información y datos.

Artículo 235.-En relación con las infracciones en materia de comercio, el Instituto Mexicano de la Propiedad Industrial; queda facultado para emitir una resolución de suspensión de la libre circulación de mercancías de procedencia extranjera en frontera, en los términos de lo dispuesto por la Ley Aduanera.

Artículo 236.- Para la aplicación de las sanciones a que se refiere este Título se entenderá como salario mínimo el salario mínimo general vigente en el Distrito Federal en la fecha de la comisión de la infracción.

Asimismo, referirse a lo dispuesto por los artículos 174 a 184 del Reglamento de la LFDA.

## **THE COPYRIGHT RISKS OF ADVERTISING IN MEXICO**

*Managing Intellectual Property, May 2008.*

TV or advertisements are audiovisual productions like films, TV programmes or videos –moving pictures with sound that can be viewed with the assistance of equipment. Their nature is unique though, since they are made to promote a trade marked product or service. In any event, TV ads are works of authorship, audiovisual works, that are copyrightable subject matter under the Copyright Law of Mexico, based on Berne Convention standards.

The Copyright Law confers to the producer all patrimonial rights over an advertisement. The producer is free to assign those rights to third parties, in whole or part, or to license them for broadcasting, public exhibition or any other form by which the ad can be communicated. The question is, who produces of the ad and thus holds the rights? The reason is that in a typical TV advertisement production relationship, there is generally a client, an agency and an executive producer. The client is the party that takes the initiative, paying for and sponsoring the production. The client then hires an agency that undertakes to coordinate the production. The advertising agency and the executive producer are in charge of bringing in the talent. The executive producer assists the agency by providing studio facilities and all resources needed for to the shooting and post production of the ad. Under the Copyright Law, the producer of an audiovisual work is “the natural or legal person who has the initiative, coordination and responsibility in the realization of a work, or who sponsors it”. In keeping with this, the producer of TV advertisements could be the client, as the project’s sponsor or the agency, as the entity in charge of the coordination or having the ultimate responsibility over the production.

Since copyright on the advertisement production can be vested in the client or the agency, determination of the final owner of the rights is a contractual issue. Accordingly, it is advisable that companies that engage in a TV advertising project secure the rights from their agency, while making clear that the agency will bear all liabilities arising from the production. Clients pay for audiovisual products that they own; that is free of contingencies. So the first step for companies is to enter into written agreements with their agencies that ensure that they own the

right, as producers or otherwise. Work-for-hire agreements can certainly represent a valid alternative. The Copyright Law allows that works, including audiovisual works, can be entrusted and commissioned to firms or other legal persons and the resulting rights belong *ab initio* to the party that performs as the commissioner. Assignment of rights might work as well. In that case the agency would be recognized as the initial owner of copyright, which would be transferred to the client. However, the transfer could imply legal restrictions, especially in connection regarding the scope and term of the agreement.

Pursuant to the contingency issue, agencies can be reluctant to accept their liability over the production. They may wish to transfer their burdens onto the client. A trend in Mexico is that agencies consider themselves as mere representatives of their clients and that the clients face the liability deriving from labour or other contractual contingencies. Agencies have even asked their clients to sign so-called representation or mandate agreements instead of a conventional service agreements. However, that could misrepresent the spirit of advertisement production agreements and the role and that each party should take in the relationship, especially if the agency would be recognized as the producer and copyright owner of the production. In any event, companies should be careful not to enter into representation agreements with their agencies, since such agreements could signify that they take responsibility for the contingencies the service providers should bear.

### **Who owns the art?**

The Copyright Law describes the director, writer(s), composer(s), photographer(s) and cartoonist(s) as authors of the works that the producer utilizes in connection with a film or audiovisual production. Likewise, they are authors of the audiovisual works as such, and are entitled to patrimonial copyright rights, subject to restrictions. As mentioned above, producers are the legitimate owners of patrimonial rights and it is they exclusively who can exploit the audiovisual works. An important provision stipulates, that once authors have "consented" to "contribute" to the work they cannot oppose its exploitation. In other words, once they have consented to the incorporation of their contribution (authorized by any form available in the laws) authors cannot authorize or prohibit the exploitation of the work. Likewise, in

2003, Congress approved a public performance remuneration right that would coincidentally strengthen the Contribution Rule of the Copyright Law. The bill of amendment has produced intense litigation at Supreme Court level. The remuneration system can be deemed compatible with the contribution limitation, as they both allow authors to collect monetary compensation from the public performance of works linked to audiovisual works.

If the audiovisual work is based on a novel or other type of literary works, a producer can obtain from the writer the right to adapt it to audiovisual form, and can, in general, negotiate the rights to publicly perform the literary work as adapted, by means of public exhibition, broadcasting, digital transmission technologies or by reproducing the audiovisual work for distribution by sale or rental. The same is true as of other creative contributions, like the direction that is required for the production. The contract can be a general license or assignment, a work-for-hire agreement or an audiovisual agreement, typified in the Copyright Law. In the particular case of advertisements, the Copyright Law also offers a particular alternative, stating: "Advertising contracts are those whose goal is the utilization of literary or artistic works in commercials or advertising by any means of communication". These provisions are not necessarily the best solution for producers to adopt regarding assignment, work-for-hire or license agreements, since they are vague and imprecise. It is not advisable for producers to rely on typified forms to secure all the author's rights on the audiovisual productions. The jingles required to produce advertisements can be commissioned from a composer and the rights consequently belong *ab initio* to the producer. If the composer or a music publisher owns the copyright of a song that is desired for the ad, it can be the subject of a synchronization license.

### **The role of models**

Performing artists –screen actors and musicians- are protected under related rights. They are subject to a different legal regime from authors. In principle, they are entitled to Rome- type rights to oppose the fixation of their performances, the reproduction of their performances as fixed in tangible media, and the public communication of the performances. Performers hold additional remuneration rights for all forms of exploitation of their interpretations. Accordingly, apart from

labour or service clauses, performer agreements require non-opposition provisions ensuring that producers are entitled to incorporate the performances into audiovisual productions and to use the same in all media. The question remains whether models that do not really have an artistic role in ads can be the subject of these related rights. In keeping with this, the legal definition of "performing artist" would have to be extended to the kind of activities performed by models.

The Copyright Law provides an *ad hoc* regime for advertisement productions that varies the system applicable to other audiovisual works. The rule dictates:

Ads may be communicated for up to a maximum term of six months from the first communication. After this term, an amount at least equal to that original sum must be paid for communication for each additional six-month period, even if the communication occurs for only fractions of that period. Three years after its production, the communication shall require the authorization of the authors and artists participating in the work utilized.

The provision imposes a detailed remuneration system that benefits authors and artists who contribute to ads. Authors and artists have this right regardless of whether they assigned their original copyright right or worked for hire. A relevant question is, which party is obliged to remunerate them? It could be company, the agency or the communication medium that disseminates the ad. The Copyright Law is silent on this subject. In practice the companies make the payment. However, the producer/copyright holder, as the party owning the rights on the ad, should bear the obligation. Naturally, that implies that agencies should assume the obligation, when they have been designated the

## **WHEN COPYRIGHTS AND PATENTS COLLIDE**

*Managing IP November, 2012.*

Let us begin with a few definitions. Copyright law concerns the rights afforded to works used in media. Rights (patrimonial rights) can be exclusive or non-exclusive rights to use a work. Works are original expressions by authors that a final user can read, view or listen. However, reading, viewing or listening is not regarded as using the works. Broadly speaking, works are used when copied, distributed in copies, communicated to the public, transformed into a derivative work, or accessed by the public in digital networks.

Copyright focuses on the interrelation between a work and the medium that communicates it. For example, the printing press and photocopier copy works and radio and television broadcast works. Using works in digital media includes copying, distributing, communicating to the public, transforming and giving access to the work. Issues concerning digital networks are often complex, but in essence, digital networks behave like any other medium, in terms of what copyright law represents. Works can also interrelate with the tangible medium embodying them. That medium could be paper, metal or another material traditionally used in connection with the classical arts, technology that is not functional as such (such as film) or technology that is intrinsically functional (like software or designs).

Copyright law supports principles of originality, the idea/ expression dichotomy, absence of formalities and limited protection terms. Originality is tantamount to subjective novelty, meaning that every work requires a minimum of personal independent creativity. Under the theory of independent creation, accepted in a number of jurisdictions, a work that is similar or even identical to a preexisting work, shall not be regarded as a copy if during the creative process the senior author had no access to the work of the junior author. Originality differs from objective novelty and other patent restrictions, such as inventive step or industrial application, or from the rights to make, sell and use, which look at the functional side of creativity. The so-called function of products is a field for patents, even if the product is also a work. For example, software-related inventions (software applied to perform

useful activities) have been patented. Copyrights exclude functionality and even non functionality. It is irrelevant that works, or the object incorporating the work can be end-used if one or the other is regarded to be functional or non-functional. Instead, copyrights ask whether a work can be used. A theory has generally prevailed that works are non-functional because they are aesthetic, do not serve any functional purpose, and are unnecessary for performing useful activities. This differs from the notion that works are non-functional, because they can be read viewed or heard. The theory may be a little imprecise, as well as unimportant for copyright law.

#### Works and function: the software example

In principle, works have been classified as classical arts. In modern times, less traditional works have been added to the list, for example software, databases and videogames, despite the fact that they serve a function, and software has been regarded as useful or functional. Protecting functional works like software does not mean that protection shall be expanded to the function of software as a product.

Software is authored expression as classical works are. However, software is functional in the sense that software can ultimately do things like writing, calculating or playing. Software can be used for functional purposes in addition to or instead of the non-functional capacities of being read, viewed or heard. Someone is the end user of software works when reading, viewing or listening, and of software products when waiting or calculating at the same time, but end-using as explained, has no copyright effect. Only using a software work by means of copying, distributing, and so on, has any copyright significance.

The scope of copyright protection of a software work is quite narrow. It is restricted to literal codes expressed in writing under a program language, which instructs computers to perform functional activities or services. Software can represent words, sounds or images of writing, music, arts or audiovisuals. Experts have said that traditional copyright principles apply chiefly to software works despite their functional nature. Is it possible to extend copyright law to ideas of functionality? The answer is no, copyrights cannot be extended to cover the functionality of works. This is true considering that end use, service, and function, are concepts clearly beyond the scope of copyright law.

Courts of different countries have rendered decisions addressing the look and feel of software. The question has been whether software can be copyrighted in virtue of the look and feel that it depicts. The answer has been yes, since look and feel are within the scope of copyright law. Viewing software, in particular video games, is like viewing or listening to other works that can be perceived by sight or ear. Video games have been a challenge, since the pattern is constantly changing as the game is played, but they have been protected without incurring copyright contradictions or disproportions.

Works and function: The artwork example

Artwork is another field where ideas of functionality and non-functionality converge. Legal issues have been triggered, not in regard to works of fine art, but in connection with works of design, architecture, folk arts and crafts that make objects the medium of the arts. Sometimes objects can either have a i) secondary functional purpose, as in the case of jewelry, interior design, folk art or crafts; ii) principally functional purpose; or iii) solely a functional purpose. Architecture and applied arts fall somewhere in between secondary and principal functionality, whereas industrial design is entirely functional. The concept of functionality is irrelevant to copyright law.

Functionality is a concept which has a slightly different connotation for artworks that for software. Concerning artworks, it is the object embodying the work that is functional. However, the rules apply identically: the object incorporating the work can do things, as in sitting for furniture, wearing for textiles, or cooking for pottery. Objects can be end-used at the same time that the incorporated work is viewed for enjoyment or other reasons. A final user end-uses the work when viewing and enjoying an embodying object (sitting, wearing or cooking) at the same time, but end using, as explained, has no copyright effect. Only using an artwork by means of copying, distributing, for example, has a copyright value.

Today there is no doubt that architectural and applied artworks fall under the umbrella of copyright law. In both cases art is applied to functional objects of everyday use or to buildings or environments. Like software, applied arts and architecture blend the non-functional, where every work can be viewed, with the functional where the object or

building embodying art can provide a service. Again, functional and non-functional is ultimately irrelevant for copyright law. Patents can always take care of the functional side of applied arts and architecture. Copyright just prevents applied art and architectural works from being copied, the copies obtained from being distributed or communicated to the public, or the works becoming transformed.

Works and function: the industrial design example

Industrial design, involving products shaped by designers is in a similar situation. The link between design and product is almost impossible to dissolve. Theorists in both industrial design and IP law have worked to find a dividing line between design and product without convincing results. Likewise, there have been vociferous discussions in order to find out if industrial design is an authored work. Experts have maintained that it is due to reasons of functionality, or because designers are not real artists. According to industrial design theories, the shape of products can be functional, affecting the technical performance of the product. Industrial designs may indicate how the product is materially used, but this can ultimately add complications. But if patents concentrated on the function, and copyright on the artistic side of design, as any other functional artwork, issues deriving from convergence could be avoided.

Software and artworks are perfect examples that copyright can protect works being products of being incorporated into functional products. In a similar fashion, copyright has called software programmers, architects and artisans all authors. But more importantly, under copyright, it does not matter whether products or their shapes are functional or non-functional. We may then ask why industrial design cannot be an artwork and industrial designers be called authors. Copyright law certainly can protect industrial design. Industrial design fits the description of copyright law, including the application of right to prevent works from being copied, distributed, communicated to the public, transformed or accessed by the public.

Industrial designs may be accommodated by novelty, and the rest of patent principles. However, patents should focus on the function that an industrial design can provide, without extending to non-functional elements. The best approach is to keep industrial designs exclusively

protected under copyright law, and leave functionality to patent law. The benefit is enormous, as it is recognized that industrial designs are indeed works and that copyright is the best substantive protection available. Likewise, protecting becomes more practical and easy, to the extent that overlapping would not exist or at least would be reduced, avoiding double protection implications, without any of the complications arising from applying the different principles of copyrights and patents.

#### Industrial designs in Mexican law

The World Intellectual Property Organization (WIPO) has addressed in a document prepared by the secretariat, issues relating to industrial designs and their interrelation with works applied art and three-dimensional marks. The objective has been identifying possible areas of interest for future work of WIPO, in connection with industrial designs. The paper explains the theory that surrounds industrial designs and the overlap with other creative expressions. It also provides a sample reference about the national laws of a number of countries. As the report explains, in many jurisdictions only aesthetic features of industrial designs are protected, but there is debate whether the technical and the aesthetic should be separated and the law split as a consequence. Copyright or parallel subjects like unregistered designs in the UK or the European Community would take care of the aesthetic or non-functional (using the general theory admitted in IP law), and patents or perhaps sui generis right would take care of the technical or functional. Ultimately, the path is free for such an idea, since there is nothing in the Paris Convention or Berne Convention or in other international treaties that could represent any restriction.

In Mexico, industrial designs are protected by virtue of registration under the Law on Industrial Property. The standard of protection is novelty and industrial application. Inventive step has been excluded. However, novelty is reduced to independent creation combined with a requirement that new design differ significantly from designs that are known. The novelty factor applicable for industrial designs under the Mexican Law is almost the same as originality in copyrights, but incurs contradictions. Independent creation would admit protection of a work similar or identical to a senior work, provided that the junior author had no access to the senior work. Likewise, under the Law on Industrial Property industrial designs protection is limited to the ornamental, and

thereby excludes any functionality. As noted by WIPO, Mexico is one of the countries adopting the idea that patent law should only care how industrial designs look without protection how they work.

Courts have not addressed issues regarding the nature of industrial designs, but have rendered criteria concerning works of applied art. Specifically, in December 2010, a circuit court in Mexico City resolved that a work of applied art should require two conditions: aesthetic beauty and a practical and utilitarian objective to satisfy human needs. In the end, the court resolution did not reveal anything new and just confirmed what has been written in hundreds of copyright articles and books.

Needed: a joint venture

Certainly, there is under Mexican law nothing sufficiently consisted and systematic to give strength and power to industrial designs. The Copyright Law and Patent Law were not written in order target exactly the same subject matter whilst maintaining essentially different principles. Overlapping and double protection could have been avoided if from the start the legislature regarded industrial designs as copyrighted works, leaving the functionality issues for the Patent Law to address and resolve. It is hoped that one day that Mexican legislators will make copyrights and patents work jointly and in alignment to cover industrial designs, as they have done successfully with software. In this way they might shed some light into the dense and obscure seas of overlapping and double protection.

## **COPYRIGHT OR PATENT?**

*Managing Intellectual Property, Americas IP Focus 2008.*

An intriguing question in intellectual property law has been to what extent copyright, industrial property or special rights should apply: i) when authored "pure" arts are incorporated in industrial products; ii) when industrial products display artistic elements or "aesthetic" design; or iii) when designed products do not display "artistic" or "aesthetic" elements.

In the first group are fine arts, graphic arts, photographic arts, popular arts, crafts or handicrafts applied to the surface, shape or configuration of products or articles. In the second group lies a whole spectrum of articles, where artistic or aesthetic design interact with industry to a greater or lesser degree, give expression to life or are everyday products that make life easier, more comfortable, more entertaining or more informative. In the third group are designed engineering objects, used in connection with science or technology.

In general terms, the international community has considered copyright as the best protection for pure arts applied to products, while patents apply for industrial engineering designs. The subject matter in between has signified a challenge for intellectual property rights systems.

A number of countries have adopted special rights formulae to avoid discussions as to whether copyright or industrial property rights are applicable in a cumulative or non-cumulative fashion. Other countries have sustained that copyright and patent laws provide sufficient means to protect the whole range of designed products. These countries believe that borderline issues will be inevitable, with or without a regime on special rights.

Issues concerning the legal treatment of arts and industry were developed a long time ago in Europe. The basic protection afforded was a right similar to that of patents. France adopted the theory of the unity of art, which contrasted with the separatist position of the UK. Hard debate was a common factor in the first years of the Berne Convention. The Berlin revision of Berne introduced the concept of applied arts, which has played an important role until present times. The revisions of Rome, Brussels and Stockholm were useful in achieving a certain degree

of consensus to draw a dividing line between copyright and other rights. Finally, the Paris revision stated that Union member countries could adopt copyright or special rights to protect applied art works.

Regarding industrial property, protection afforded to designs has been redefined. At first, the Paris Convention for the Protection of Industrial Property, in particular the Lisbon revision, imposed upon member countries an obligation to protect industrial designs, based on novelty and other patent forms such as registration or deposit. However, the TRIPs and Nafta softened the Paris Convention rule by imposing on member states an obligation to protect industrial designs, based on novelty or originality standards. Concerning textile designs (this should not necessarily be read as a restrictive criterion), the TRIPs and Nafta established that proceedings should not be so costly or complicated as to impair the chance of protection. Accordingly, said treaties presented the opportunity for industrial designs, and not only applied arts, to be protected by either design or copyright law.

Designers have distinguished between designs in arts and engineering. Art is to aesthetics what engineering is to science. While aesthetics is free artistic ideas expressed, science is ideas subordinated to the rigid function of an object or dictated by it. In keeping with this, applied arts has been defined as artistic or aesthetic design applied to utilitarian objects, which includes individual expressions of graphic design, textile design, fashion design, interior or decorative design, jewelry design, functional or industrial design and, to some extent, architecture and photography, although the latter have an independent character. Engineering utilizes design to enhance or emphasise the functional or scientific aspect of an object. Design in engineering is function emphasised, but not the function as such. The difference between applied arts and engineering design would ultimately rely on the opportunity or capacity designers have to employ a freer style to express ideas.

The more freedom that a designer has in designing and the more aesthetics she can imprint into the designed object, the more artist she will be. On the other hand, the more rigid or strict rules a designer has to follow in designing and the more emphasis she will give to the function of the designed object, the more engineer she will be. The foregoing differences also apply to industrial designs.

The system of applied art has mostly been constructed over the definitions rendered by designers. In France, jurists imported the concept of applied arts from existing design treatises in order to use copyright to tackle the ever-growing issues posed by arts and industry.

Neither the Berne Convention nor the free trade agreements provided definitions. However, the World Intellectual Property Organisation has stated that applied arts are artistic works applied to objects for practical use, whether handicrafts or works produced on an industrial scale. Consistently, legal definitions have included arts applied to products and have excluded industrial engineering designs. However, they are unclear whether industrial products displaying aesthetic designs are applied arts.

Industrial property was initially conceived as the means to protect industrial designs in Mexico. The notion of industrial designs covered models or drawings that decorate manufactured articles. However, as the laws improved by inserting concepts like applied arts, protection started to shift gradually from industrial property to copyright law.

### **Industrial property**

- The Law on Industrial Property (LIP) of 1943 conveyed patent protection for novel drawings that provide a peculiar and individual character to a product, when they are used to ornament products through “printing, drawing, embroidering, weaving, sewing, modeling, casting, engraving, mosaic, encrusting, dying or any other manual, mechanical or chemical technique”. Likewise, the LIP of 1943 conferred patent protection to the form of industrial products, machinery parts, tools, statues or high or low relief, in regard to their artistic disposition or disposition of materials, resulting in a novel and original article or product.
- The LIP of 1976 granted patent protection to industrial drawings or models. Industrial drawings were defined as the combination of figures, lines or colours that decorate an industrial product and that convey a peculiar and individual aspect to the same.

Similarly, industrial models were defined as any aesthetic pattern serving as a mould that provides a special appearance to industrial products, as long as the mould does not render a technical effect. Artistic creations were excluded from patent protection.

- The LIP of 1991, which is still in force, considers that industrial designs can be registered when novelty and industrial application standards – not inventive step or activity standards – are fulfilled. The LIP divides industrial designs into industrial models – defined as moulds that purport a special appearance to a product of manufacture without producing a technical effect – and industrial drawings – defined as a combination of figures, lines and colour used as ornament and that imprint peculiarity and individuality on the product.

Artistic works were again excluded from patent protection together with aesthetic creations, which is evidently limiting. As a matter of fact, the legislator of 1991 seems to have understood special appearance or ornament as something unrelated to art and aesthetics.

### **Copyright**

- The Copyright Law of 1947 was express in excluding from copyright protection “works of arts that would solely have industrial application”. On the other hand, the Copyright Law of 1956 stated that works of art would be protected “regardless of their destiny”.
- The Copyright Law of 1996, now in force, listed applied arts as a category of works that includes graphic or textile design. The Copyright Law did not impose restrictions on works of applied arts and did not impose differences on other categories of works. In keeping with this, works of applied art were subject to the same level of rights or limitations and to the same duration terms. Similarly, foreign authors of works of applied arts enjoyed same rights as Mexicans, regardless of whether their national laws were not reciprocal in protecting applied arts by copyright or special rights.

Mexico has relied on either industrial property or copyright law to protect designs of industrial articles. Neither law recognises special forms such as unregistered designs. The Mexican response to border issues has turned around the figure of applied arts, which has become a reference to protect designs of industrial articles. As mentioned above, copyright laws transitioned from the exclusion of works of art having

industrial application to the insertion of applied arts as a category of works. In contrast to this, the scope of industrial property rights has been reduced, although not eliminated.

Industrial designs still play a role in protecting designs, so long that they are non-artistic or are not characterised as aesthetic creations.

The Copyright Law legislator of 1996 seems to have been inspired by the doctrine of applied arts and the French theory of the unity of art. Like France, Mexico has enhanced the artistic side of design, regardless of whether art is obvious or hidden or is regarded a major or minor part thereof. Art cannot be physically or conceptually separated from the corpus embodying it. International treaties have been a source of inspiration as well. The TRIPs and Nafta have been fundamental to making it clear that copyright protects applied arts (arts displayed in products, products displaying arts and products displaying aesthetic designs) in general and not only textile designs, and that industrial property protects industrial designs not regarded as arts or aesthetic creations, and is restricted to what designers call engineering design, as long as the designed object still possesses a special or ornamental appearance.

In principle, it would appear that the two rights can combine in a consistent fashion and that boundaries can be set out easily. However, in practice things can be rather different, as designers sometimes wish to accumulate protection, looking for the broadest protection available.

In Mexico, double or cumulative protection is a permitted activity that derives from overlapping, which is a muddy area where patent and copyright principles confront. While patent is supported by novelty and inventiveness, copyright is supported by originality. Novelty and originality are different in various respects, but are not necessarily exclusive.

Inventions or industrial designs can be patented or registered in the absence of prior art and works can be copyrighted when personal ideas are artistically expressed. Novel works can exist when unique but cannot be patented given their non-industrial nature. By contrast, industrial designs can be copyrighted if conceived as personal artistic expressions,

regardless of whether or not they are objectively novel at the same time.

Overlapping will not occur when pure arts are applied to products or when design clearly has an engineering purpose. Overlapping and the resulting accumulation can happen when artistic or aesthetic designs are made in fabric, metal, stone, leather, glass or any other materials, that are used in fashion, jewelry or containers for perfumes or beverages. Most often, designers imprint their own personal artistic expression or character and stamp their names as a symbol of artistic creativity. Mexican Copyright Law supports the idea that fashion, jewelry or glass designers are authors of artistic works. As a matter of fact, the Mexican Copyright Office has granted numerous copyright registrations to designs and the courts have enforced rights resulting of copyrighted designs. In parallel to copyright or in lieu of it, designers can also register their designs as industrial designs. However, the process is stricter, longer and more expensive as registration implies the fulfillment of higher standards and requirements.

Promptness is only one reason why designers prefer the copyright alternative, in addition to others such as the recognition of the designer as an author who enjoys full patrimonial and moral rights and a longer protection term. In general, designers consider copyright a very useful right, since it can not only be invoked against unauthorized parties making copies of the artwork itself but also against any picture or photograph that unauthorized parties take for reproduction in books or publications, distribution in copies, public performance by broadcasting or digital network transmission, public display in exhibitions or altered forms representing a modification of the artwork. Copyright law was structured to prevent activities such as these, which is not necessarily the case for industrial design law. Accordingly, in Mexico copyright is definitively a tool used to protect and enforce rights resulting from designed industrial products.

## **LANDMARK RULING BACKS COPYRIGHT USERS**

*Managing Intellectual Property, May 10, 2007.*

Cinemas and other organizations that deal with collecting societies are celebrating a victory in Mexico's Supreme Court.

In a rare intervention in copyright law, the Court said that authors can assign their remuneration right to third parties without limitations.

The April 16 decision means that rights transferred to producers of audiovisual or musical works can be exploited by them without the authors also seeking monetary compensation in addition to their existing patrimonial rights.

The five-four vote is a victory for cinemas, which had challenged the legality of a 2003 amendments to the Copyright Law in two separate cases brought by Cinemex and Cinemas La Huesteca.

The cinemas argued that the bill as passed by Congress was unconstitutional. They said the legislation was unclear about whether authors still retained the right to seek monetary compensation for their works despite transferring rights to a third party (such as a collecting society): specifically, the bill said that authors and their assignees had the right to receive a royalty which was not subject to waiver, for public performances.

The ruling also resolves a conflict between the Court's two chambers, which had previously given contradictory verdicts over whether remuneration rights could be assigned to third parties, other than on death.

Luis Schmidt, of Olivares & Cia, who represented the copyright users, told MIP Week the decision brings clarity to a confused area: "This decision affirms a more international, Treaty-based, view of copyright as a balanced right in which it is not only authors who have rights. They are part of a system".

In that sense, he said it is a move towards a more American-style view of copyright as an economic right, rather than the traditional French/European-style view of copyright as a moral right.

## **A PUBLIC PERFORMANCE IN MEXICO**

*Copyright World Issue # 170, May 2007.*

On 16 April 2007, the Supreme Court of Mexico rendered an important resolution in connection with remuneration rights. The background of which is set against a bill passed by Congress in 2003 which recognized the rights for public performance of works-of-authorship. In essence, the provision states that an author and his/her assignee shall have the right to receive a "royalty" for the public performance or transmission of the work that they have created and the right cannot be renounced. However, the bill-opened questions if the right would be part of the bundle of patrimonial copyright rights or if it would be regarded a *sui generis* right of economic or other nature.

Groups of users like theatres or broadcasters raised strong objections against the bill since, in their consideration, it had opened a window accruing in favour of authors "and" their assignees, concurrent patrimonial and remuneration rights that they would be entitled to at the same time and consequently, that would allow seeking multiple monetary considerations from users in connection with one single event. The group of users viewed the remuneration right as a repetition of the patrimonial right of public performance and accordingly, as a vehicle that authors and assignees would employ in detriment of their constitutional rights. Likewise, the language that Congress employed was regarded by users as equivocal confusing and unfortunate, since it was used a conjunction "and" to describe that both, authors and assignees, would be owners of the right and since nothing was ever mentioned to define the nature of the remuneration right vis-a-vis existing patrimonial rights.

Accordingly, users brought constitutional actions before the federal courts with the purpose of removing the newly adopted bill from the Copyright Law.

### **Agreeing to disagree**

Some of the actions reached the Supreme Court and were analysed simultaneously by the two chambers that compose the high court. The resolutions resulting from each of the chambers had a contradicting effect. While both agreed that the remuneration right that Congress

inserted into the Copyright Law was a right in itself of economic nature, but certainly, different from the patrimonial exclusive right of public performance, they disagreed in the reading of the "no-renounce ability" requirement. The first chamber of the Supreme Court stated that the remuneration right could not be renounced, but could be transferred by a living author to any assignee (i.e. a producer). The second chamber supported the idea that, since the right could not be renounced, it could only be transferred from a deceased author to an heir. It was clear that the first chamber's position was beneficial to the cultural industries, whereas the second chamber was more inclined to the author's interests.

The contradicting judgments of the two chambers were raised for the analysis and discussion of the plenary assembly of the Supreme Court. The purpose of the analysis would be holding a session in which the whole issue would be discussed and decided by all Ministers gathered together.

Discussion by the Ministers sitting in the plenary session was a remarkable event. It was the first time in many years that the Supreme Court of Mexico would address copyright questions that required a thorough analysis of the subject's fundamentals and principles. The challenge for the Supreme Court would not only rest in defining whether Mexican Copyright Law had introduced non-exclusive remuneration rights adjacent to the exclusive patrimonial rights system or if the newly created right could be waived or if on the contrary authors could not renounce to it. The policy aspects behind the technical considerations were well beyond in terms of importance. Would this resolution be another proof that Mexico has been slowly departing from strict author's rights notions, following NAFTA and other international trends putting rights of authors and users in balance and harmony? Or on the contrary, would the Supreme Court undertake a more protective approach by enhancing the rights of the flesh and bone author, without viewing other interests?

### **Five-to-four vote**

The outcome was ultimately based on the proposal by the first chamber with certain minor modifications. A divided plenary court, giving a five-to-four vote, decided to the existence of a remuneration right that

authors enjoy for each time that the work that they have authored is publicly performed and that they can transfer to third parties without limitation of any kind. In keeping with this, under Mexican Law it will be possible that producers of audiovisual or musical works own by transfer the remuneration right of authors, granting all rights to the former to benefit from the exploitation of the works and without that authors have a chance to participate in the same.

## **MEXICO: REMUNERATION RIGHTS FOR REPRODUCTION**

*Computer Law International CRI, Issue 4, 15 August 2006.*

On April 27, 2006, the Chamber of Deputies approved a bill to insert an article 26 ter dealing with remuneration rights for reproduction of works-of-authorship. The bill was sent for review to the Chamber of Senators and the outcome is pending.

*"Article 26 Bis. —The author and its assignee shall have the right to receive a royalty for the public communication or transmission of its work through any media. The author's rights can not be renounced. This royalty shall be paid directly by the person/entity who perform, the public communication or transmission of the works, directly to the author, or to the collecting society that represent it, submitted to what is foreseen by the articles 200 and 202 sections V and VI of the law".*

### **1. Background**

The history of article 26 ter goes back three years ago, with the discussion and approval of article 26 bis. At that time, Congress passed a bill adopting a remuneration right for the public communication of works, in line with a proposal by the "Sociedad de Autores y Compositores de Música" (SACM), the collective society that has representation of composers of musical works. SACM has a longstanding dispute with music publishers as to the publishing agreements and that these latter do not respect, allegedly as they pay to the composers royalties in amounts below of what it is stated in the agreements. SACM considered that the problem arising out of the agreements would be resolved by modifying the Copyright Law, with the purpose that the author can claim a compensation from the user of the works, in a direct form. However, SACM did not consider the impact that their proposal would produce and most certainly, Congress did not stop to meditate about said impact, as it just passed the bill without to analyze the subject in detail.

### **2. Supreme Court Decision on Bill**

As a response to the bill, groups of affected users filed actions against the bill that even reached the Supreme Court. The main argument of the plaintiffs was that article 26 bis had imposed remuneration rights in a

level or degree that would only trigger higher duties for the use of works. Surprisingly enough, the second chamber of the Supreme Court went beyond the reclaims of the users, in order to state that article 26 refers to a remuneration right, that is different from the patrimonial right of public performance.

The sentence distinguishes between patrimonial rights — exclusive rights to authorize or prevent the exploitation of a work- and remuneration rights — rights of authors "and" assignees to get compensation for the exploitation of works and that cannot be renounced —. In virtue of a remuneration right, anybody using a work-of-authorship, can make a free utilization of the same, without having to obtain consent from the copyright holder, as long as the user compensates the author "and" the assignee.

### **a) Deficiency of Supreme Court Initiative**

It can be observed from the above that the interpretation that the Supreme Court has given to article 26 bis, is completely different from what SACM had proposed initially.

But in particular, it was most surprising to see that the Supreme Court's own initiative was deficient as well, as it overlooked that the remuneration or "royalty" system that it had created would coexist with the patrimonial rights system, without defining when each would apply. It is evident that the two systems cannot control at the same time, due to the fact that the owner of the patrimonial right, that may be the author as origin owner thereof, may execute its exclusive right, authorizing or prohibiting the public communication of the work at the same time that the author "and" its assignee execute its own remuneration right, evidently there is an affectation to the user of the work, who may be demanded a double, triple or multiple payment.

### **b) Limits of the Bill's Wording**

Upon the utilization of the conjunction "and" that includes the author "and" the assignee as subjects of the presumed rights of "royalties" or remuneration, the Court itself got lost in an absurd discussion, by interpreting the notion of assignee beyond the wording. Some Ministries sustained that the author and the assignee may not coincide as owners of the same right, at the same time (they deny the sense of the

conjunction that is used in the article 26 bis, saying that the "and" is actually an "or"), while other Ministers appointed that as assignee it shall only be understood as the individual who receives the rights by transmission mortis causa (admitting the conjunction sense of the 26 bis, restricting the legal meaning of assignee). The wrong interpretations of the Supreme Court of Justice have produced such discussion, that the case is in thesis contradiction. The aforementioned in virtue of a legislative work that was deficient from origin.

### **c) Chamber of Deputies Approach**

Not approving the above, the Chamber of Deputies currently is analyzing the possible adoption of the article 26 ter, in order to extend the "system" of remuneration of the reproduction of works. The consideration that sustains this initiative is that:

*"The authors and composers of music, may collect directly and independently, through an attorney or by means of a collecting society to which they are members, the royalties that correspond to (sic) for the reproduction of its works, without affecting in any way, the royalties belonging to the publishers of music, who execute a derived right..."*  
(Decision of the Commission of Culture of the Chamber of Deputies, Page 2)

As may be observed, the initiative is supported over a new proposal form SACM, considered to solve a problem which affects only the music industry. Moreover, SACM employs expressions such as "composers" or "publishers", allusive terms in the musical media. However, the initiative turns out to be deficient on the technical ground and its methodology. What is worse is that in virtue of the article 26 bis, there is a whole experience that apparently has not given a benefit. It is important to insist on the harmful effects of the article 26 bis, that transferred to an article 26 ter, shall produce serious damages to the users of the works — in many cases the general public, who is the final user of the copies-, before the possibility of the "royalties" that the owners may demand of the patrimonial rights, besides the authors "and" its assignees, as beneficiaries of the remuneration right or the article 26 ter. The assumption of the decision is unacceptable, besides it result an acknowledgement of SACM for demanding a direct "royalty" of the user, that adds to the one obtained indirectly, the user also and for the same

act of exploitation-reproduction and distribution of a work-, as a result of the assignment agreements that enter with the publishers or other assignee of rights, independently of the existing disputes among the parties of such agreements. The only actual effect of this bill is to involve the users of the works in the disputes among authors and rights assignees.

### **3. Outlook**

Finally, it is concerning the adoption of a "system" of remuneration applied to the public communication, even more concerning is if it is concentrated on the rights of reproduction and distribution. The reproduction is way of exploitation of works that the owner of the patrimonial right controls, through its authorization. Derived from the patrimonial right of exploitation, the owner may impede that any third party do copies of the works and therefore, may take criminal actions or complaints against the infringers of the reproduction right.

If a remuneration "system" is adopted for the reproduction right, there is a risk of slanting the relevant patrimonial rights, making invalid every chance of compliance through the criminal actions or complaints, that precisely demand the no authorization. Paradoxically, the aforementioned shall harm mainly the authors and the owners of the copyrights, original or derived, due to the fact, that under an interpretation such as the one that the Court has provided to the article 26 bis, transferred to the 26 ter, any third party may do copies or reproductions of its works, without any authorization, under the only obligation of making a payment or "royalty", as it is set forth in the referred precepts. It is important to mention that a situation like this shall generate a greater index of counterfeiting, in this "legal" case and in general, shall provoke a situation of out of control.

## **DERECHOS SOBRE PRODUCCIÓN AUDIOVISUAL**

*Mi Patente, Asesorías, Agosto 2010.*

**El filme es sin duda la expresión por excelencia de la industria del entretenimiento; en materia de propiedad intelectual, parte del derecho de explotación, y está conformada por componentes creativos, técnicos, financieros y comerciales.**

El derecho de entretenimiento es una extensión del derecho de autor al ámbito de los negocios, en una industria que transforma expresiones creativas en “productos” y las difunde al espectador o al usuario final, empleando medios diversos. Sus prácticas son “únicas” y su lenguaje una “jerga” que combina factores artísticos y técnicos. Dentro de este esquema, el experto en derecho del entretenimiento añade un componente jurídico especializado, con el que termina por cincelar una disciplina de carácter propio e independiente.

### **El filme y su valor económico**

La producción audiovisual –película cinematográfica, documental o programa de televisión, entre otros- (en conjunto denominados “filme” o “filmes”, para los efectos de este trabajo) es sin duda, la expresión por excelencia de la industria del entretenimiento, porque en su realización convergen factores de índole creativa, técnica, financiera y comercial. No es fácil ni barato producir obras audiovisuales, mientras que el riesgo de inversión es muy elevado. Resulta todo un desafío producir filmes que gusten al público y que den un retorno a la inversión. La industria ha desarrollado formas y alternativas para lograrlo.

El filme refleja valor porque lo sustenta un derecho de “explotación”. Precisamente, ese derecho de explotación es el incentivo para atraer los recursos del filme, desde su fase de desarrollo hasta la post producción. El estudio-distribuidor, la institución de crédito o en general, quien aporta un fondo u otorga una garantía, sólo invierte en la medida que el filme se sostiene sobre una base legal firme.

La primera misión del productor es ensamblar “paquetes”, para ofrecer a los inversores. Puede apoyarse en agentes para este propósito. Existen paquetes diversos, orientados a distintos objetivos. Sin embargo, los dos más conocidos son el paquete de “desarrollo” y el

paquete de “pre-producción”. El paquete de desarrollo es aquél que se propone al inversor a partir de la historia del filme –un tema original o una obra escrita preexistente-, plasmada en un argumento o “screenplay”. Por su parte, el paquete de pre-producción es aquél que amarra los elementos necesarios para comenzar el rodaje, siguiendo un presupuesto determinado. Los elementos principales son el “script” o guión, el director y el reparto o “cast”. Un buen argumento, director o reparto, normalmente eleva el valor del filme como objeto “financiable”.

Los “majors” o “mini-majors” adquieren los derechos de distribución a cambio de alguna garantía que entrega al productor, para que éste obtenga fondos o créditos. En Europa, es común que las cadenas de televisión financien filmes a cambio de los derechos. Muchos filmes son autofinanciados por el productor de forma directa, por inversores cercanos al productor o en coproducción nacional o internacional, para conformar una unión de inversores que aportan recursos.

Los “indies” medianos o pequeños, suelen “pre-vender” los filmes a distribuidores internacionales, quienes adquieren derechos de distribución en territorios determinados. Las “pre-ventas” suelen ocurrir durante la fase de desarrollo del filme o a veces, durante la pre-producción. En estos casos, el distribuidor adquirente juega una apuesta, al no saber de antemano si su “pre-compra” reeditará en un filme exitoso.

El sector público cuenta con programas de financiamiento de Filmes. Países como Canadá o regiones como la Unión Europea, han previsto esquemas de financiamiento muy completos. En México existen fondos que administra IMCINE, como son FIDECINE -para producciones mexicanas comerciales- o FOPROCINE -para producciones mexicanas experimentales-. El artículo 226 de la Ley del Impuesto sobre la Renta, a través del EFICINE contempla un mecanismo tripartito de incentivos y estímulos a la producción de cine nacional. En el mecanismo participan: i) inversionistas nacionales, contribuyentes del impuesto sobre la renta, que aportan fondos a cambio de un “tax shelter”, consistente en un crédito del 10% del impuesto a la renta; ii) productores nacionales de filmes, encargados de encontrar los inversionistas que aporten los fondos para la producción del filme; y iii) un Comité Interinstitucional o CIEFICINE, coordinado por IMCINE, con la participación de la Secretaría

de Hacienda y Conaculta, que se reúne para aprobar los proyectos, asignar los fondos y otorgar los incentivos fiscales.

En marzo pasado, el presidente Felipe Calderón lanzó un programa de devoluciones del 7.5%, de gastos erogados en México, en la producción de Filmes y devolución o créditos de IVA, que de forma acumulada se sujetan a un 17.5%. El programa no está específicamente dirigido a productores mexicanos, pero es necesario establecer una empresa mexicana para calificar al beneficio. Está vigente desde mayo, aunque se espera que funcione a partir de agosto, toda vez que está en proceso la formal constitución del órgano rector, COMEFILM, que dependerá de IMCINE.

### **Derechos del filme**

No hay paquete sin derechos, por lo que resulta muy importante que el productor analice este aspecto desde que formula el desarrollo del filme. En México, el productor es el titular de los derechos de explotación del filme. A su vez, el mal llamado "talento" –usando la expresión de la industria– goza derechos sobre las obras que aporta al filme, que el productor sólo puede adquirir por contrato. De hecho, el productor debe hacerlo si no quiere un filme "enlatado". El "talento" del filme es el escritor de la obra literaria que el productor busca adaptar –en su caso–, el o los escritores del argumento o del guión, el director del filme, el fotógrafo y cualquier otro autor identificable, además de los actores.

Hay cuestiones que deben preverse en los contratos entre productor y "talento": i) respetar el objeto del contrato. No es lo mismo celebrar un contrato con el escritor de la obra en adaptación, que los contratos con el director, los demás autores o incluso, los actores. Tampoco es lo mismo un contrato de cesión, licencia o colaboración remunerada (colaboración a la producción de un filme), que producen efectos jurídicos diversos. Algunos autores, como el director, el fotógrafo o los dibujantes, además de los actores, son empleados o colaboradores del filme, que cumplen entregando obras o actuaciones artísticas.

El contrato del director del filme reviste una importancia especial, porque éste es responsable de la producción artística, que le obliga a encargarse, apoyado por asesores artísticos, así como el personal auxiliar, del rodaje, fotografía, escenografía, sonido, música, montaje y

mezcla de imagen y sonido; ii) determinar el alcance de los derechos que obtiene el productor. Este aspecto es total, toda vez que la ley mexicana, al igual que otras, considera independientes entre sí los derechos patrimoniales de autor o conexos, por lo que cada contrato debe ser exhaustivo al máximo respecto de los derechos conferidos en cesión o licencia, bajo riesgo de incurrir en restricciones, en perjuicio del productor; iii) determinar los medios de explotación de interés, con toda precisión, lo cual va de la mano con el alcance de derechos patrimoniales que el productor adquiere del "talento". El medio tradicional es la sala de cine. Sin embargo, se han desarrollado medios subordinados o "ancillary", conforme se han progresado las tecnologías, en especial las digitales; y iv) no debe perderse de vista los derechos relativos a la música del filme. La industria de la música reviste grandes complejidades y paradigmas.

En general, las editoras de música son titulares de los derechos de reproducción y distribución de obras musicales. Por otra parte, el productor de un fonograma es titular de los derechos sobre un master, para cuya producción y posterior explotación debe obtener autorización del editor de música, así como de los músicos y cantantes.

El productor del filme necesita derechos para incorporar música al filme, realizando grabaciones de composiciones propias –que por lo general encarga- o ajenas, que requieren autorización del editor de música, para producir un master. Asimismo, puede utilizar música de un master, para lo cual necesita que el productor del fonograma confiera autorización para sincronizar el master al filme.

### **Aspectos administrativos de la producción y distribución**

El productor debe elaborar sus presupuestos de forma estructurada y ordenada. Para empezar, el productor debe funcionar como una entidad contable y fiscalmente viable, que le permita administrar los recursos obtenidos de fondos, créditos o aportaciones, asignables a una producción o a varias. En este caso puede optar por colateralizar los ingresos y los costos. El presupuesto del filme debe considerar cualquier gasto, sea de nóminas u honorarios, el "overhead" de la producción o cualquier otro. Asimismo, el productor debe efectuar todas las operaciones contables necesarias para determinar ingresos y ganancias distribuibles.

Para efectos de distribuir ganancias y utilidades, debe atender a los pactos celebrados entre quienes aportaron a la producción del filme. No debe confundirse cuando las partes que aportaron algún recurso –en dinero, derivado de un fondo o préstamo o en especie, equipo o cualquier otra cosa útil para producir o post producir- gozan derechos de explotación sobre un filme y cuando gozan derechos sobre los ingresos. No es lo mismo, aunque se confunde. Sin embargo, aportar no significa adquirir derechos, ni lo implica: el derecho tiene que ver con el control de la explotación del filme y la aportación, sólo se refiere a un retorno sobre ganancias. Los contratos de coproducción o de aportación de fondos deben ser claros en este respecto, sobre todo cuando quien realiza la aportación pretende tanto retorno como derechos. Por ejemplo, IMCINE por lo general exige un porcentaje de derechos a cambio de sus aportaciones, lo cual le permite participar en las decisiones sobre la explotación de un filme.

Resulta fundamental elegir el mejor distribuidor para el filme. Cuando los estudios financian, por lo general adquieren los derechos de distribución en el ámbito mundial. Sin embargo, lo anterior puede ser distinto cuando el productor mantiene independencia para elegir distribuidores. Algunos productores lo hacen “pre- vendiendo” los derechos de distribución, fraccionando los territorios del mundo. Otros, sobre todo los indies que financiaron su propia producción, emprenden la búsqueda del distribuidor en el ámbito local e internacional.

Lo anterior puede ocurrir durante los festivales fílmicos. El contrato de distribución es un reflejo de lo que el productor negoció previamente con el “talento”. Si los contratos celebrados entre productor y “talento” están limitados en cuanto a derechos, medios, territorios o tiempo, el productor estará limitado frente a los distribuidores y éstos, a su vez, frente a los operadores de medios. Otro aspecto de la distribución es la publicidad del filme, que puede constituir una tarea del productor, del distribuidor o un tercero, de acuerdo con el contrato celebrado.

Finalmente, el productor en México debe cumplir las disposiciones de la Ley Federal de Cinematografía, que contempla una serie de obligaciones administrativas que tienen que ver con la producción, clasificación, exhibición y distribución de filmes, además de su nacionalidad, que resulta de un contrato de coproducción o de forma diversa y que sirve para fijar los estímulos. La Dirección de Radio, Televisión y

Cinematografía de la Secretaría de Gobernación es la autoridad que aplica la Ley de Cinematografía, expidiendo certificados de clasificación, distribución, exhibición o televisión. Por otra parte, la Ley de Cinematografía establece la creación de IMCINE y los dos fondos que administra y de EFICINE, además de la Fílmoteca, como archivo fílmico y CONAFILME, como servicio de apoyo a la producción de Filmes. Además de la LFC, existen otros ordenamientos administrativos a nivel local.

## **COPYRIGHT AND THE GLOBAL CHALLENGE**

*World Focus, IP Review 2006.*

### **Has 2006 been successful for copyright protection?**

#### **Luis Schmidt presents a global report looking at how each country has tackled copyright issues in 2006**

The year of 2006 has been a challenging one in terms of how media has impacted copyright laws around the world. Digital technologies for reproducing and disseminating works-of-authorship have continued to raise legal questions due to the level of sophistication that they have achieved. However, not only new technologies have triggered defiance to copyright law during the 2006. Courts and other government authorities have been quite active by revisiting traditional copyright principles and fundamentals, or by embracing piracy and infringement, not only within a high-tech environment, but also (and perhaps more evidently and consistently evidenced) within down-to-the-earth fields accessible to everybody in every corner of the world.

The judicial quote for this year shall go to Mr. Justice Peter Smith who ruled the verdict in connection with the UK case *Da Vinci Code*<sup>1</sup>. Mr. Justice Smith's fine contribution was making it clear that copyright law has limits aiming at ensuring that human creativity is preserved:

*"It would be quite wrong if fictional writers were to have their writings pored over in the way the Da Vinci Code has been pored over in this case by authors of pretend historical books to make an allegation of infringement of copyright. I accept that if that was allowed to happen it would have a serious impact on writing".*

In order to give a glimpse about what it would appear as the most relevant happenings in the year 2006, it would seem appropriate to analyse the global picture from a legislative and judiciary perspective.

#### **Global legislative update.**

During 2006, various countries have moved for novel statutes or for amendments to their existing ones, for different reasons or purposes, but in general for making them compatible with TRIPS or treaty

obligations in general. Enforcement has signified a particularly important issue for a number of countries looking to strengthen sanctions in order to deter copyright piracy. Many governments have spearheaded the move to increase their enforcement and protection systems.

The following are examples of legislative developments or policies adopted on the enforcement side:

- In **China**, Commerce Minister Bo Xilai has stated officially that the country will continue to promote the protection of IPR to enhance economic growth in order to benefit both foreign and local industries<sup>2</sup>.
- In **Hong Kong**, after a two-year consultation process, a bill of amendments was published on 17 March 2006, in the Hong Kong Government Gazette and introduced into the Legislative Council on 29 March 2006<sup>3</sup>. The major provisions of the bill include:
  - maintaining the existing scope of the criminal offence provisions relating to the possession of infringing copies of copyrighted works for use in business;
  - providing new civil and criminal liability to enhance protection for copyright owners;
  - improving the copyright exemption system to add certainty for users and allow them to use copyright works more flexibly under certain circumstances, without to unreasonably prejudice the rights of copyright owners;
  - relaxing legal provisions against parallel importation to meet the community's aspirations for free use and circulation of parallel imported copyright works; and
  - strengthening enforcement efforts against copyright offences.
- In **Malaysia**, 2006 has represented the year of the most aggressive campaigns ever launched in connection with software and film piracy, having the ultimate purpose to eradicate the making, selling or using of unauthorized products. On the one hand, the Business Software Alliance implemented the "2006 Ops Tulen Campaign" (Operation Genuine Campaign), with the support of the Ministry of Domestic Trade and Consumer Affairs. On the other hand, the Motion Picture Association

launched "Operation Red Card", an Asian-wide anti-piracy initiative to protect the sale of cinema movie tickets and legitimate home video products.

As a matter of fact, "Operation Red Card", released for the Soccer World Cup, resulted in reportedly 455 raids, 422 optical disc burners seized, 1,176,003 unauthorised optical discs seized and 128 people arrested".

- In **Paraguay**, a bill was submitted to the National Congress. Amongst other relevant amendments it considers extension of prison sanctions from three to five years as well as increased fines<sup>5</sup>.

- In **Spain**, legislation was approved in a statute identified as "Ley 19/2006" of 5 June 2006, published at BOE 134<sup>6</sup>, with the purpose to provide enhanced of legal tools to fight against piracy. The law provides, in essence, legal means to protect IPR and their enforcement by criminal and civil actions. In keeping with this, the "Ley 19/2006" has reformed statutes of Congress, like the Copyright Law, the Civil Law and the Criminal Procedures Law.

- In **Taiwan**, the Copyright Act has been adjusted to meet Penal Code threshold provisions by eliminating requirements "that makes repeated instances of a specific type of act carried out by an habitual offender subject to weighted penalties"<sup>7</sup>.

- In the **UK**, the government has approved the Intellectual Property Regulations 2006/1028, to modify existing provisions of IP statutes, in compliance with the European IP Enforcement Directive<sup>8</sup>.

- The **USA** has also moved for improving enforcement provisions at various levels. Firstly, the local congress in California passed a statute that lowers the standard to find copyright infringement felonies of musical works reproduced in CDs from 1,000 copies to 100<sup>9</sup>. Likewise, the government has been working on a proposal to raise civil and criminal sanctions of copyrighted products. The proposal went to the extent of imposing criminal penalties for "attempting to infringe a copyright", independently if the result of that is successful<sup>10</sup>.

- In **Vietnam**, a new law on IP entered into force in July 2006 that will be mainly devoted to the enforcement of rights by virtue of administrative actions<sup>11</sup>.

Examples of bills passed by countries' governments or under current analysis are as follows:

- **China** is in the process of legislating the following regulations or interpretations:

- Measures for payment of legitimate license royalties for broadcasting;
- Regulations on copyright protection of folklore; and
- Supreme People's Court interpretation of issues relating to the application of the law in connection with the civil case of MTV copyright disputes.<sup>12</sup> In addition, the government in China has created a regulation to protect rights in reference to the right of network dissemination of information, which came into force on 1 July 2006.

- The **French** Assemblée Nationale has approved a certain law to implement Directive 2001/29/EC that if confirmed by the Senate, will bring a major struggle with Apple Computers and the US government that is backing the latter company's position. The discussion originates from the "*Mulholland Drive*" case, decided by the Supreme Court<sup>13</sup>. In essence, the parliament has designed a rule that would force Internet music providers to relinquish control of their digital rights management technologies so that content services become compatible with any mp3 or other digital players. The foregoing would naturally force Apple to amend its iTunes service to work with any rival players to the iPod. Apple has argued that the foregoing would result in state-sponsored piracy since users of players other than iPod would get content for free. However, the French government has viewed the measure as a means to avoid restrictions to competition under national and European laws<sup>14</sup>.

- The **Malaysian** government has Integrated a committee, comprising of a Federal Court judge and representatives from the Bar and the Attorney's General Chambers, that is currently looking into the possibility of according statutory recognition to mediation as a dispute resolution mechanism. The document serving as the basis of discussion has been called the Mediation Act and is tipped to provide for both voluntary and court-directed mediation and would address certain type of disputes, including IPR disputes<sup>15</sup>. In terms of an IP policy, Malaysia has continued to discuss the adoption of a specialised IP Court, expected for next year, to tackle down the backlog of nearly 800 IP cases in the

courts. In addition to that, the Multimedia Development Corporation has launched Creative Commons licensing process in Malaysia and the public is now able to license their works under Malaysian law<sup>16</sup>.

- The local Congress of the **Mexican** Federal District approved on 20 May 2006, legislation to protect human personality and likeness. The law has been entitled Law of Civil Liability for the Protection of the Right to Private Life, Honour and Image, and has the purpose to protect the name, image, honour and intimacy of persons. The Privacy Law searches for a balance between privacy and personality rights, on the one hand, and freedom of speech, right to information and right to inform, on the other. In keeping with this, it has entered into a detailed analysis of notions such as personality rights, right of privacy and private life, right to intimacy that protects people's activities in a private environment, right to be treated honourably, right of likeness or image having a personal — rather a commercial or publicity — connotation or meaning.

- **Spanish** government has approved "Ley 23/2006" of July 7, 2006, published at BOE No. 162, with the purpose to align Spanish copyright legislation in force with the standards of European Directive 2001/29/CE on the harmonisation of certain aspects of copyright and related rights in the information society. The new text has been centred to situations created within the context of new technologies. After a long discussion, Spanish Congress adopted traditional concepts like patrimonial rights in response to the challenge posed by information society. Accordingly, Reproduction, distribution and public communication right rules were made consistent to meet digital technology demands. The bill incorporated a so-called right of "Interactive access" ("puesta a disposición interactiva"), to be considered as a modality of the more general public communication right. Likewise, the bill has addressed sensitive topics like private copy levies — for analog equipment and digital rights management, as well as rights and restrictions in connection with databases. Finally, the bill adopted a digital language to protect neighbouring right holders as well as a system of legal actions against Internet intermediates<sup>17</sup>.

## Global judicial update

2006 has reported interesting court decisions in a number of specific fields. In some way this years' outcome would seem to continue the trend that started some time ago in connection with disputes in the digital industry. However, battlefields have also emerged to witness fights between creators and users and even between creators themselves.

Likewise, it is quite perceptible celebrities have apparently decided to confront photographers or publishers that employ their image without consent or use undisclosed information.

### Idea/Expression Dichotomy

- In what perhaps would be the most publicised case of 2006, due to the popularity of the property involved, Michael Baigent and Richard Leigh, the writers of the 1982 book entitled *"The Holy Blood and the Holy Grail"*, brought an action before the courts in **England** against publisher Random House, claiming that Dan Brown, author of the book *Da Vinci Code*, had copied the central theme of the latter book's story. The defendant based its defense on the principles of idea/expression and that he had no access to the plaintiffs' title. Mr. Justice Peter Smith, acting as the judge for this case, was not convinced that defendant did not have access to the work and stated that that there was copying, but not to the extent to find copyright infringement under the laws of the United Kingdom. Mr. Justice Smith further manifested that in the end, the defendant had used the plaintiffs' book on a general level of abstraction, by having taken *"ideas and facts without any of the architecture"*, and accordingly, he did not do something wrong<sup>18</sup>.

- Also in the **United Kingdom**, on 20 January 2006, a court resolution was handed down in the Nova cases. Defendants were again the winners in a litigation addressing issues like substantive copying and the idea/expression dichotomy in video games. Mr. Justice Kitchin resolved that defendants had not made a substantial copy of plaintiff's works and although the former had employed some of the game's features use was just made in a general sense. It is clear that UK courts have continued in the view that copyrighted works can convey unprotected ideas *"either because they have no connection with the literary, dramatic, musical or*

*artistic nature of the work in question, or because they are so commonplace as not form a substantial part of the work"*<sup>19</sup>.

- The idea/expression dichotomy has also been analysed by the courts of other jurisdictions. In **Argentina**, plaintiff "ABC Fútbol" holder of the copyright rights on a board game about soccer, sued defendants "Vitólo" and "Tele Red Imagen S.A. for the reproduction and distribution of another soccer game called "Super Fútbol 6". The court in Buenos Aires found that the games were not similar and that defendants had relied on the general or "public" idea of a soccer game played on a board, but having other characteristics, like the different rules, the players and the form that the game is played<sup>20</sup>. In **Switzerland**, the federal court clarified that the technical photographic process of a photograph is not determinant to find out whether a similar photograph is a reproduction of the original one, but only the result, that is the picture in itself, shall be regarded the expression of creativity. The Judge found that by using the technical process of a photograph the defendant did not exploit the creative expression<sup>21</sup>. Nonetheless, the Swiss courts have reported another 2006 case, in which the court adopted a rather contrary approach. In that case the court recognised that the technical features that the photographer employs for taking a picture contribute to express the idea by enhancing the liberty of creation<sup>22</sup>. Finally, in the **United States**, Walt Disney has also been sued for stealing the central theme of literary or other works. In particular, Royce Mathew, creator of a character named "*Will Turner*" and a pirate ship called the "*Black Pearl*", filed a complaint before a district court in Los Angeles, claiming that the story of the film "Pirates of the Caribbean: The Cruise of the Black Pearl" infringes upon his copyrights on the characters. The case is currently pending<sup>23</sup>.

### **Rights of Publicity or Privacy**

- In China, an athlete was successful in bringing infringement action against a magazine that had published his photograph next to the advertisement of a department store. The Beijing court decided that the proximity of the two photographs within the magazine clearly suggested a connection between the athlete and the department store, and that counted as a commercial use of the portrait<sup>24</sup>. In the United States, specifically in a district court in the State of Colorado, Amazon, Inc. was unable to show, under the theory of "injury in fact", that Cannondale, a

bike competition team, published in a catalogue a picture of a famous bicycle racer named Melissa Giove, after she had left the team. The judge considered that in addition to any claim in support of the non-authorisation of the picture. The plaintiff should have proved injury and since it was unable to produce evidence in this respect, the complaint was finally dismissed<sup>25</sup>.

### **Copyright in Digital Formats**

- In **Australia**, the High Court determined that record companies are entitled to contempt court proceedings against Sharman Networks, owner of the Kazaa file sharing system. Last year copyright owners of the sound recording shared through the Kazaa system adopted a strategy for taking action against ten defendants, inasmuch as warnings used to promote the legal use of copyrighted music files or technological measures employed as a filter had not been enough in the end to curtail infringement. Accordingly, Kazaa was forced to pay damages and to introduce technological measures to prevent infringing use of copyrighted works<sup>26</sup>. The record companies started contempt proceedings that were challenged by defendants, including Sharman networks. The full bench of the Australian Federal Court rejected the claims.

Justice Branson actually intervened: *"The evidence when adduced might establish, for example, that the infringing respondents jointly decided that neither they, nor any of them, would accord any respect to the orders made by the primary judge on 5 September 2005 but rather, both individually and together, they would encourage existing Kazaa users to continue copying the sound recordings and recruit new Kazaa users to do the same"*<sup>27</sup>.

- **China** tested for the first time a case of network dissemination. The Xiamen People's Court actually sentenced infringers. Yilong Huang and Zengcai Chen, to one-year imprisonment and a fine of RMB 10,000 (approximately USD 1,250). The court felt that, after having premeditated it, Yilong Huang rented a server from Xiamen Xinfeiyang Information Systems Engineering Limited and built a music website. Without the authorisation of copyright owners the website uploaded a large quantity of musical works from Baidu, amongst other services, to provide to its registered membership for a fee, services like searching,

on-line tuning and downloading. Zengcai Chen was responsible for the website's maintenance. They made profits from charging membership and maintenance fees. It was ascertained that the website was loaded with 12,708 registered members, including 1544 charge members as well as 10,847 songs. It was also evidenced that the infringers had obtained illegal profits of RMB 57, 095.24 (approximately USD 7,142). The infringers were arrested and then convicted, since the Judge in charge of the criminal trial believed that they had actually committed a copyright crime. This is the first case relevant in China regarding network dissemination<sup>28</sup>.

- In **France**, the famous "*Mulholland Drive*" decision has challenged the country's copyright system. The case deals fundamentally with private copying and technological measures of protection issues. It concerns a TPM inserted in a movie's DVD, in order to prevent the users from making copies out of the DVD that they would purchase in the market. One purchaser filed an action against the producer of the "*Mulholland Drive*" film by stating that the technology prevented him from making a private copy of the same. The defense was sustained on the "three step test" of the Directive 2001 /29/EC and the Supreme Court of France backed that position by stating that private copying exception cannot be an obstacle to the use of TPMs<sup>29</sup>.

- In **Hong Kong**, a person was convicted of copyright infringement for distributing three Hollywood films using Bit Torrent. In that ruling, which had been widely considered a landmark case, as it was the first action against peer-to-peer file sharing in Hong Kong, the Tuen Mun Magistrates' Court sentenced Chan Nai Ming to three months imprisonment. However, the case is currently under appeal, which began on 26 September 2006 <sup>30</sup>.

### **Creative Common Licenses**

- In **Spain**, a first instance court in the city of Badajoz, declared that Mr. Ricardo Andrés U.F., was not liable to the charges of infringement and damages claimed by the collecting society "Sociedad General de Autores y Editores" (SGAE). SGAE brought an infringement claim against the defendant, the owner of an establishment called "Disco Bar Metropol", since he was making a public performance of musical works pertaining to the repertoire of the collective society. The defendant

denied having used works of composers that the plaintiff could represent, and that he was rather standing on the benefit of creative common licenses. The judge, Mr. Luis Cáceres Ruiz, found that as the defendant was able to show, on *prima facie* grounds, that he had not used works administered by the plaintiff (because of the creative commons license that it holds), it was the latter who had the burden of proving the contrary. The plaintiff was unable to show that the defendant used musical compositions of its catalogue and the court decision was rendered in favour of the latter, including an account of trial costs<sup>31</sup>.

### **Quotation exception**

- In **Switzerland**, in a 2006 decision<sup>32</sup>, the Federal Court has confirmed the principle that under specific conditions, a communicated work can be quoted in its integrity. In general, the quotation exception has been construed restrictively, in the sense that the quotation is permitted only for the purpose of illustrating or explaining a work. Furthermore, the court denied explicitly that a copyright infringement could be justified under freedom-of-expression concerns. The court considered that these liberties have been taken into account already by the legislator, and there is accordingly no obligation or duty to modify the balance.

### **Derivative work rights**

- In **Peru**, Eli Lilly and Company, filed a copyright infringement complaint before the administrative agency called INDECOPI, against Nordic Pharmaceutical Company, S.A.C. The reason of the claim was that defendant made an unauthorized translation from English into Spanish of two clinical studies<sup>33</sup>, for the purpose of using said documentation in a bidding arranged by the Peruvian Army Health Division. The plaintiff requested application of administrative remedies like fines as well as a declaration of infringement and the awarding of litigation costs. The defendant brought defenses both at a formal and substantive level, claiming fair use in that it should be entitled to use clinical information pertaining to third parties, for the making of pharmaceutical products as otherwise the defendant would not have the chance to participate in tenders and compete against the plaintiff. INDECOPI found that the clinical trials were indeed copyright subject matter and that the plaintiff had as a result a patrimonial right to control

over the derivative works that third parties made of the clinical studies, including the translation thereof into different languages. INDECOPI further analysed the fair use regime of the Peruvian Copyright Law, and by application of the "*three steps test*":

- exceptions are expressly contemplated in the law;
- that use of the work is not made in attempt to normal forms of exploitation of the work concerned; and
- use does not represent a harm to the author's interests (determined that the defendant had infringed the plaintiff 's right to transform the work and imposed exemplary fines)<sup>34</sup>.

From the above it can be concluded that the year of 2006 has been a rather productive one globally. Both in terms of the number of bills discussed at congress level, in a quite significant number of countries, and also in terms of the number of cases that parties all around the globe brought before the courts. Disputes between users and rights holders have been sorted out and judiciaries and governments have again dealt with the issues in a fairly successful manner. The challenge for the future will be to ensure that copyright laws are enforced to the extent that holders of rights get satisfactory protection. But more importantly that the system continues to improve in adopting formulas for equally balancing the right of copyright owners and those of the users and disseminators of the works and other cultural products, all to the benefit of society at large.

## Notes

1 *Da Vinci* Code *Verdict* Announced. Copyright World. May 2006. p. 6.

2 China To Up *its* Game. Copyright World. May 2006. p. 6.

3 Complete text at <http://www.legco.gov.hk> . Source: Ms. Ella Cheong and Joerg Sosna of Ella Cheong (Hong Kong).

4 Source: Ms. Karen Abraham of Shearn Delamore & Co., Kuala Lumpur, Malaysia.

5 Source: Ms. Jacqueline Querciola and Bárbara Dollstadt of Berkemeyer, Asunción, Paraguay.

6 Source: Mr. Luis Larramendi and Ms. Elisa Prieto Castro of Elzaburu, Madrid, Spain.

7 Source: World Copyright Law Report

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10 Source: World Copyright Law Report.

- 11 Source: World Copyright Law Report.
- 12 Complete text at <http://www.lawinfochina.com/displaySource?db=1&id=5224>. Ms. Ella Cheong and Joerg Sosna of Ella Cheong (Hong Kong).
- 13 *Infra*, at footnote 29.
- 14 **Bill Promotes Piracy**. Copyright World. May 2006. p. 7.
- 15 Source: Ms. Karen Abraham of Shearn Delamore & Co., Kuala Lumpur, Malaysia.
- 16 *Id.*
- 17 Source: Mr. Luis Larramendi and Ms. Elisa Prieto Castro of Elzaburu, Madrid, Spain.
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- 20 Expte. 99008/2001- "Salinas Analia Haydee c/ Tele Red Imagen S.A. y otros s/daños y perjuicios" - CNCIV - Sala K - 21/06/2006 Source: Mr. Dámaso Pardo and Julio Francisco Lago of Pérez Alati, Grondona, Benitez, Arntsen & Martínez de Hoz, Buenos Aires, Argentina.
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- 27 Kazaa Contempt **Suit Given the Thumbs** Up. Copyright World. May 2006. p. 7.
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- 30 Source: Ms. Ella Cheong and Joerg Sosna of Ella Cheong (Hong Kong).
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- 33 Identified as: Summary ID No.2551 - Clinical Study Summary: Study F1D-Us: HGHQ (pages 368-378 of defendant's file), and Summary ID No.1028 - Clinical Study Summary: Study F1D-MC-HGEH (pages 396-409 of defendant's file).
- 34 Resolución No. 0272-2006/ODA-INDECOPI. Expediente No. 001120-2005/ODA. Source: Mr. Carlos Fernández-Dávila of Fernández-Dávila & Bueno, Lima, Perú.

## **BILL HOPES TO PUT AN END TO REMUNERATION MUDDLE**

*World Copyright Law Report, June 2006.*

The Chamber of Deputies has approved a bill to insert Article 26ter, which deals with remuneration rights for reproduction of works of authorship, into the Copyright Act.

Three years ago Congress passed a bill adopting Article 26bis, a remuneration right for the public communication of works, in line with a proposal by the Sociedad de Autores y Compositores de Música (SACM). SACM claimed that music publishers were failing to pay authors the agreed royalties, so proposed modifying the Copyright Act to enable authors to claim compensation directly from users. Congress failed to consider the impact this would have on users and passed the bill without analyzing it in detail.

Groups of affected users filed actions against the bill, arguing that Article 26 *bis* imposed a unfair burden on them by triggering higher duties for the use of works. The second chambers of the Supreme Court stated that Article 26 refers to a remuneration right (ie, an irrevocable right held by authors and assignees – including publishers – to receive compensation for the exploitation of works), which is different from the patrimonial right of public performance (ie, the exclusive right to authorize or prevent the exploitation of a work). Remuneration rights allow users to use works of authorship freely without having to obtain consent from the copyright holder, provided they compensate the author and the assignee.

The Supreme Court's interpretation of Article 26 *bis* is completely different from the approach proposed by SACM. It also overlooks the fact that the remuneration system which it contemplates would co-exist with the patrimonial rights system, without defining when each would apply. It is evident that the two systems cannot be applied at the same time, as the owner of the patrimonial rights (ie, the author) cannot execute his or her exclusive right to authorize or prohibit the public communication of the work at the same time as the author so his or her assignee execute their own remuneration right – such a situation could lead to us being asked to pay multiple remuneration for a work.

In an attempt to resolve the issue, the Chamber of Deputies is analyzing the possible adoption of Article 26 *ter*, in order to extend the system of remuneration. The idea behind the initiative is that:

“authors and composer of music may collect directly and independently, through an attorney or by means of a collecting society to which they are members, the royalties that correspond to the reproduction of its works, without affecting in any way the royalties belonging to the publishers of music, who execute a derived right” (Decision of the Commission of Culture of the Chamber of Deputies, page 2)

However, critics have pointed out several technical problems in the methodology of the initiative. As it stands the harmful effects of Article 26 *bis* would simply be transferred to Article 26 *ter*. The initiative also grants SACM’s demand for a direct royalty from users, in addition to the one obtained indirectly as a result of assignment agreements that authors enter into with publishers or other assignees. The only actual effect of the bill would be to involve users in the disputes between authors and assignees.

Finally, many critics find the idea of adopting a system of remuneration for public communication alarming if it is applied to reproduction and distribution rights. Reproduction a method of exploitation controlled by the owner of the patrimonial rights: the owner may impede any use made by a third party of the work and, therefore, may take criminal actions against anyone who infringes the reproduction right. However, if reproduction rights are classed as a remuneration right then, under the Supreme Court’s interpretations, any third party may make copies of a work without authorization provided he or she pays a royalty. Critics fear that such a situation could generate a greater amount of piracy and send the situation out of control.

## **FILM EXHIBITORS TRIUMPH AS REMUNERATION SCHEME GOES TO SUPREME COURT**

*World copyright law report, March 2005.*

In *Cinemas La Huasteca v Federal Congress* (RA 296/2004 Amparo 1340/2003), the Ninth Circuit Court in Mexico City has overruled an earlier district court resolution and found that group of film exhibitors and broadcasters do have the right to bring a constitutional action against a copyright remuneration scheme. The case has now been referred to the Supreme Court.

In July 2003 Congress passed amendments to the Copyright Law granting remuneration rights for authors and performing artists. The reforms were designed to ensure that authors and artists benefit from the exploitation of their works, in particular the public communication of these works. Under the amendments, authors and artists are entitled to remuneration each time that a work they have written or performed is made the subject of public communication by any form or means. However, the amended law fails to take account of whether the authors and performing artists own the patrimonial right of public communication or have assigned it to a third party.

A group of users, including film exhibitors and broadcasters, filed an action seeking protection from the amendments and, in particular, the provisions on remuneration. The users argued that the amendments are inconsistent with the Copyright Law and are unconstitutional as would oblige them to pay twice for the same act of public communication. In addition, the remuneration would inflict harm not only to the users but to the general public as well. The users also pointed out that by passing the amendments Congress unfairly altered the practices of a whole industry and heavily shifted the line of interest between authors and users in favour of the former.

The court of first instance dismissed the users' actions, basing its decision on the fact that amended provisions are not self-executive (ie, they require the application of a competent authority in order to produce harm and thus the right to seek constitutional relief). Under the reasoning the right to bring a constitutional action would only be triggered if a civil judge ordered a user to remunerate an author or

artist whose work or performance was the subject of public communication.

The group of users subsequently appealed to the Ninth Circuit Court, which has now overturned this resolution and referred the case to the Supreme Court for constitutional analysis. The Supreme Court's decision is being eagerly awaited as it will set a valuable precedent on important questions related to royalties and other remunerative issues for the use of works and artistic performances.

## **COURT FAILS TO ANSWER REMUNERATION QUESTIONS**

*Managing Intellectual Property, Americas Enforcement Focus 2005.*

### **Mexico's Supreme Court has tried to clarify recent amendments to the law on copyright remuneration.**

The Supreme Court of Mexico recently rendered two judgments addressing remuneration rights in copyright law. In both cases the plaintiffs, Cinemex and Cinemas La Huasteca, two film exhibitors, sued the Mexican Congress, among other authorities, for having passed and published, on July 23 2003, a bill of amendments to the Copyright Law, and in particular, for having included certain provisions granting authors and performing artists a right to "seek remuneration" for the public performance of their works or performances. In the plaintiff's view, the bill of amendments was contrary to the constitutional rights that they hold as users of films and other copyrighted content and accordingly the bill was not applicable to them. However, the outcome of the two actions was that the Supreme Court upheld the bill.

### **A botched reform**

Before the amendment, Mexican copyright law was essentially based on the principles of patrimonial and moral rights. Patrimonial rights imply the exclusive capacity of authors or tale holders to use or exploit their works-of-authorship and to prevent third parties from exploiting them without authorization. Public performance is one of the bundles of copyright rights of authors or copyright owners. Remuneration rights have existed to some extent, as a sort of exception to patrimonial rights or a legal licence, but subject to restrictions and other forms of control. With the amendments, Congress brought a major change, inserting non-renouncing remuneration rights accruable to authors and their assignees for all kinds of public communication of the works. Similar rights were apparently granted to performers.

While the reform essentially had a good purpose, the fact is that Congress did not understand the reasons behind it. Collecting societies lobbied for a remuneration system, in the abstract, inspired by European doctrines, aimed at ensuring that authors and performers benefit in economic terms from the utilization of the works. But it was the task of

Congress to reduce the general idea into a tangible and coherent legislative set of provisions, consistent with the principles of the Copyright Law.

Obviously this did not happen. Remuneration has been regarded as a modern approach in copyright law, adopted by many countries, which is good for owners of rights, as well as for publishers and for users, as it abandons radical proclamations, making monopolies appear more limited and less harmful. In keeping with this, remuneration right systems stand on two fundamental premises: (1) providing social access to culture by diminishing the adverse effects and impact of exclusive copyright rights; and (2) giving a practical solution to the ever-increasing questions posed by technologies that are capable of disseminating information on a large scale. Reason dictates that authors and performers should obtain an income in exchange for the free use of their works and performances. In keeping with this, copyright laws in various jurisdictions have carefully considered when utilization of works should be the subject of patrimonial rights compared to remuneration rights. For example, private copying and *droit de suite* have been the subject of remuneration rights as well as the public performance or rental of sound recordings or of audiovisual productions.

The Mexican Congress overlooked these considerations, in particular the issues deriving from remuneration rights in the field of public performance of copyrighted works (remuneration in other fields such as *droit de suite* would not necessarily represent an issue since there is no patrimonial right to be contradicted).

It is obvious that legislators did not address the technical implications of the problem, such as the analysis of comparative law, in particular the laws of those national jurisdictions supposedly having influenced a remuneration regime to be transplanted into the Copyright Law of Mexico. The reason is that Congress did not impose limitations on the exclusive right of public performance in order to ensure that the remuneration system would be constructed over a solid legal structure. Congress just let the two systems coexist, causing legal uncertainty for film exhibitors, broadcasting organizations or other companies doing public communication of works. These bodies now have to confront copyright owners — individuals and corporations — that can claim a fair and equitable remuneration for the public performance of the work, and

in addition an exclusive right to authorize or prohibit the performance, which could possibly imply extra payment. But the inconsistencies did not end there, considering that not only authors, but their assignees also, would be the beneficiaries of the remuneration right. One of the new provisions states expressly that the author and the assignee shall enjoy the right to remuneration. The implications of these issues grew given the multiple options that Congress provided by inserting rules conferring at the same time real and credit-like rights.

By chance — rather than careful technical analysis — audiovisual works might have escaped from the messy new rules as, before the amendment, the Copyright Law already considered certain remuneration rules with express limitations on patrimonial rights. Accordingly, authors of contributions to audiovisual productions (such as writers or composers) would be impeded from stopping the exhibition or other forms of public performance of the film, but would still have the right to obtain some income from the exhibitors or broadcasters.

Neighbouring rights of performing artists might fall within the exception as well, if it is taken into account that in accordance with the Copyright Law, the right of public performance becomes exhausted when the artist has consented to the fixation of his or her interpretation. The exhaustion of the patrimonial right can be regarded as precisely the type of limitation that the law needed to impose to shift a patrimonial right to a remuneration right. Of course, that cannot be regarded as a Mexican legislative invention as it was rather the response given by the more studious legislator of the Law of 1963 to the challenge posed when implementing the standards of the Rome Convention. Accordingly, the language that the legislator of 2003 added to the existing regime was confusing, by stating that exhaustion would only be possible after the artists receive their income for the public performance of their interpretations.

### **The Supreme Court's analysis**

The Supreme Court's analysis of the amendments is certainly more methodical and thus better than that of Congress — whole analysis did not exist at all but the two decisions are still not as exhaustive and interpretative as expected. The two resolutions are contradictory in certain aspects (in view of structural organization rules, for certain

matters the Supreme Court does not act as a whole body, but is divided into two chambers of five ministers each. Here, the first chamber addressed Cinemas La Huasteca, while the second chamber addressed Cinemex). First of all, neither of the resolutions addressed the conflicting questions of remuneration versus exclusive rights. The reason may have been that the amended provisions are confusing to the extent that no one, except perhaps copyright specialists, could have noticed the intrinsic objectives of the amendments and the flaws that Congress introduced. At first glance, the ordinary reader of the reformed text could easily, but mistakenly, conclude that it only repeats, unnecessarily and ambiguously, the already existing patrimonial right provisions of the law. The Ministers of the Supreme Court possibly fell into that assumption by missing the fine and subtle issues that the amendments entailed and concentrating instead on the more superficial aspects of the discussion. Nevertheless, the rulings have indeed given a general impression that the remuneration and patrimonial right systems cannot apply to the same event (the same act of public performance), as it was the mandate of Congress that the remuneration system supercedes in cases like that.

The two chambers of the Supreme Court concentrated heavily on the notions of transmissibility of copyright rights of an economic nature as well as the likelihood that these rights could not be renounced. The approach was different though. The first chamber agreed that authors are legally entitled to transfer their rights of economic nature to an assignee, it being impossible that authors and assignees can hold the rights "simultaneously". This affirmation is based on the legal connotation of the word "assignment" (in Spanish *causahabienencia*), that does not entail that the same right is concurrently owned by the transferring party and the transferee because when the former assigns the right in virtue of an agreement it "ceases being the title holder" and the latter "becomes the new holder in terms of what is agreed". On the other hand, the second chamber found that the new rights could only be transferred *mortis causa*, because that they cannot be renounced. For the second chamber a right that cannot be renounced is a right that cannot be transferred, at least while the author is alive. In both cases, the Supreme Court arrives at the conclusion that the newly adopted rights do not affect film exhibitors since it is the purpose of copyright

law to protect authors and performing artists with the granting of economic rights.

The rulings of the Supreme Court are silent or unclear in many respects. First, they lack a thorough discussion defining the superceding nature of remuneration rights over patrimonial rights in the public performance of works-of-authorship. Second, they are vague in how the assignment and transmissibility issues have been dealt with. For example, the sentences never stated which rights could be transferred — patrimonial rights, remuneration rights or both. In other words, the Supreme Court was not clear if it is possible to transmit remuneration rights (*inter vivos* or *mortis causa*), if only patrimonial rights can be transmitted (an author assigns the patrimonial right of public performance to a publisher and is then entitled to a remuneration right that cannot be transmitted, or if this latter right is assignable as well) or if both can be the subject of transmission. Third, they do not define whether the remuneration right system should apply solely in cases where the author or performers have assigned their patrimonial rights or if the system could be extended to cases where the authors or performers have not assigned their patrimonial rights, reserving for themselves the power to authorize third parties to publicly perform works or interpretations.

### **A missed opportunity**

The Supreme Court of Mexico had a unique opportunity to dictate useful guidelines in connection with the new regime of remuneration rights, which did not happen in the end. The two decisions rendered responded to some of the questions that plaintiffs brought to the Court's attention, but were definitively inconclusive. The copyright community, including creators and publishers as well as society at large, would have expected the Supreme Court to be more focused and exhaustive, considering how brutally Congress handled the Copyright Law. To use a common expression, the loose ends were tightened but not completely fastened, as they should have been.

## **AUTHORS GAIN CONTROVERSIAL ROYALTIES RIGHTS UNDER NEW BILL**

*World Copyright Law Report, October 2004.*

The Mexican Congress has passed a bill amending the Copyright Act 1996 in order to grant additional rights to authors and holders of neighbouring rights (eg, artists and record producers). Among other things, the bill:

- entitles authors and artists to claim royalties for the secondary use of their copyright works. They will be able to claim for any public use or performance of their works, regardless of whether they hold the corresponding rights. This measure has been strongly criticized for extending property rights to situations where ownership no longer exists, contrary to the Constitution and the rule of law;
- provides for a resale royalty, aimed at protecting the creators of works of fine art and similar creations. Brokers and galleries will be required to inform artist or their representatives about any sales of their works so that they can obtain the correct compensation; and
- increase the copyright term to the life of the author plus 100 years – an increase of years. Once this term has expired, the government has the power to collect fees in relation to the use of works that are no longer protected.

The original draft of the bill also included a right of remuneration for authors when private copying occurs. Members of the electronics industry strongly opposed this measure because they, as manufacturers and vendors of reproduction equipment, would have been obliged to pay. The proposal was dropped from the bill as there is already an exception that allows people to make a copy of a work for private purpose without having to compensate the right holder. It would have been unfair to require people to pay compensation for the equipment that they use to make such copies.

In addition, the Copyright Law has already been amended to protect technological protective and digital right management measures,

whether they are used on or offline. Thus, there seems to be no need to implement a private-copying levy system if the trends is towards technological protection models.

The bill received strong support form authors and collecting societies, although the electronic industry opposed it. Even though the provision giving compensation to authors for private copying was removed, the industry has been lobbying the president to use his power of vendor to completely stop the promulgation and publication of the bill. It will be interesting to see how successful these protests are.

## **THE STATUS OF TELEVISION PROGRAMMES IN MEXICAN COPYRIGHT LAW**

*The Asialaw IP Review, September 2004.*

***Producers of TV programmes in Mexico need to be careful when preparing the content of their shows because the legal aspects are particularly important.***

The Mexican Copyright Law considers television programmes as a category of copyrighted works. The Law of 1956 mentioned TV as a technology capable of disseminating ideas, and in 1963, Congress first used the concept of TV programmes to identify a genre of works. That consideration passed on to the Law of 1996, which is currently in force. However, the 1996 statute listed audiovisual works as a genre also, making it appear that there is no difference between TV programmes and audiovisual works, in terms of the former being a species of the latter.

The *Copyright Law* of 1996 has defined audiovisual works as those expressed by means of associated images, with or without sound, perceptible by technical devices that make them produce a sense of movement. TV programmes would naturally fit into this description. Congress has indeed recognized that, considering that the general provisions of audiovisual works are applicable to TV programmes.

The *Copyright Law* regards TV programmes as an audiovisual production composed of different materials, many of them works of authorship themselves, made by a number of contributors, under the 'initiative', 'coordination', and 'responsibility' of a producer, who will become the holder of the patrimonial rights thereof. Likewise, the law regards the director, writer, composer, photographers or cartoonists as authors of their contributions to the TV programme, giving them certain limited rights over the public performance of the same. For example, the *Copyright Law* of 1996 introduced a "contract for audiovisual production" provision, by which if not stated otherwise in the agreement, the authors of works participating as contributors to the making of the audiovisual production shall "assign with exclusivity" the patrimonial rights of reproduction and public performance to the producer, for use in connection with the audiovisual production.

The practice in Mexico, as it is in other countries, would be that TV programmes are the subjects of distribution to broadcasters for public performance. The broadcaster obtains the right to disseminate the programme in virtue of a licence, in the licensed territory, and under the terms and conditions that the parties set upon. The broadcaster would generally pay royalties directly to the producer in conformance with agreement. In many cases the producer of the TV show is the broadcaster of the same and royalties would be distributed in a different form. Something that bears mention, from the legal side, is that under the *Copyright Law* the broadcaster would be holder of neighbouring rights in connection with the broadcasting of the TV show. This right is accrued regardless of whether the broadcaster would have copyright rights over the content of the TV programme.

Producers of TV programmes need to be careful when preparing the content of their shows because the legal aspects are particularly important. A production of this kind would entail the need of authorizations from authors, artists or even ordinary people, who may be owners of the materials used for the show or that are shown in the same, without necessarily being actors or performers. Formalities tend to be relaxed in case of live transmissions, like news, contests or interview programmes that are not filmed or if filmed, would not be subject to repeated broadcastings. In those cases, the participants would be considered to grant implied consents to the transmission by the fact of having accepted to appear before cameras.

Failure to obtain an agreement from the holders of rights could expose the producer to serious legal action. Among others, the following should be taken into account:

**Copyright Actions.** A producer making a programme that employs copyrighted material, without having obtained authorization from the right holder, may be subject to infringement actions. Generally, under the *Copyright Law* the use of copyrighted material for the elaboration of a TV production would be regarded a reproduction. Any unauthorized reproduction would necessarily lead to copyright infringement. Actions could also accrue when suppliers of materials for use in productions are not the copyright owners thereof and did not obtain consent from the same.

**Performer Rights Actions.** The *Copyright Law* refers to the rights of performers as neighbouring rights. Performers are thus mainly the artists that give interpretation to the work or that generally perform the same by acting, singing or playing musical instruments. They can also be mimes or the performers of folkloric arts. TV programmes need to consider that actors, singers or players are entitled to bring legal actions when they film performances or when they reproduce filmed performances without authorization. In such cases performers would be entitled to bring actions opposing to the filming or its reproduction.

**Rights of Self Image and Portrait.** This is a right in the *Copyright Law* having a wide connotation, and it is very confusing at the same time. Pictures of people can only be published with their consent. From a first impression, the law would apparently refer to the mere 'static' view of the person in a portrait, photograph or painting. However, the law gives more room for interpretation that the right to oppose would extend to the 'image' of a person. There is not a clear idea of what the law understands as the 'image' of a person, but the right of 'self image' should never go beyond the notion of 'portrait', which implies a 'static' vision, making the statutory interpretation consistent and clear.

In any event, producers should have in mind that the individuals whose portraits, photos or pictures have been reproduced, are entitled to take legal action when they have not granted their consent.

**Privacy Laws.** The Federal Civil Code has considered a so-called moral right, which is essentially a personal right protecting ordinary persons from disparagement or other misconduct inflicted by third parties, that would cause offence to their names or likeness or attempt against its privacy or personal life. Sometimes TV producers have abused the rights of individuals when making a program, giving room to personal actions under civil laws.

**Confidentiality.** TV producers have frequently employed materials that are not public or that have not been previously disclosed. Owners of such materials have sued the producers under the argument that the material had remained confidential and undisclosed until the producer used it. Such actions would normally fail, unless the owner of the material is able to prove having entered into an agreement with the producer or with the person having supplied the material to the

producer for use in connection with the show, and that the agreement had a clause by which the producer or the person providing the material agreed not to disclose the contents of the same. The obligation by the producer or supplier not to disclose would have to be express, although such an obligation could eventually be implied, if it can be demonstrated that the intention of the parties was to keep the information confidential.

**Jurisdiction and Venue.** Generally, actions resulting from breach of contract, confidentiality, privacy or related issues, would have to be filed before the local courts where the default occurred or the defaulting party has its domicile for legal purposes. Copyright and neighbouring rights claims are federal and would essentially be brought against the alleged infringer before an administrative or court of federal jurisdiction.

Criminal actions would only be possible for copyright piracy, when there is a clear indication of bad faith and such an action would be under federal jurisdiction as well. It would not be difficult to bring an action before the Mexican courts when producer is domiciled in Mexico or has produced the TV programme within Mexican territory. Actions can still be brought in Mexico against the local broadcaster who shows the TV. The situation becomes more difficult when the producer and the broadcaster are located abroad. In that case, under *actor rei forum sequitur*, the plaintiff could perhaps take action in the jurisdiction where the producer or broadcaster is found by invoking Mexican law. An alternative would be bringing the action before a court in Mexico and request that, under the New York or possibly the Hague Conventions, the Mexican court attracts jurisdiction by calling the foreign party or parties to its jurisdiction. The foregoing would certainly be done by serving first notice via letters rogatory and requesting the foreign party to indicate a domicile in Mexico for further communications.

## **ONE LITTLE WORD**

*Copyright World, February 2004.*

Luis Schmidt offers a thorough analysis of a new law which has simultaneously upset the status quo in Mexico, and moved the country away from the international community

In Summary

\* Mexico's 1996 Copyright Law, introduced to bring the nation in line with global obligations and modern practice, has recently been modified following pressure from the country's collecting societies.

\*The legislature, by accepting the argument of the lobbyists and failing to exercise due care with its language has overturned the status quo previously enjoyed, and disrupted the necessary balance between the rights of authors and creators and commercial users

\*In article 26 bis, for example, the use of "y" (and) instead of "o" (or) has resulted in ambiguity and illegality, with the legislature creating a situation where both an author and her or his assignee could benefit from the public performance of the work, notwithstanding that the author had previously transferred the corresponding rights to the assignee

\*The author argues that Mexico's copyright law has fallen victim to the period of transition the country is undergoing following recent changes in government. Populism and influential interest groups have meant that an ill-conceived law has passed, even in the face of direct opposition by Mexico's president

2003 is a year that the intellectual property community of Mexico will long remember. The times that the country has been facing show a political environment, embraced by the winds of democracy, however struggling in a battle against the shadows of dictatorship that still contaminate society.

This analysis recognises that the battle has touched IP, hitting it hard and making it shake and tremble. Muddy environments do not provide a good basis for intellectual property rights to develop. The so-called

transition period that Mexico confronts has triggered confusion among the IP community, and has put the system under threat. What has been achieved during recent years in terms of legislative improvement could easily disappear.

In Mexico, certain groups rely on the values of nationalism and protectionism to show that they are on the side of the people. However, this front hides the perversity of their individual political or economic interest. This article will explain how copyright law was recently used for these purposes, and how that has affected some sectors of industry as well as society at large.

Not long ago, collecting societies in Mexico collaborated to work towards a strategic common goal: seeking amendments to the Copyright Law of 1996, the statute currently in force that deals with the rights of authors and performing artists<sup>1</sup>.

This law imposed restrictions on the rights of authors and artists, prompting a number of collecting societies, led by SACM (Sociedad de Autores y Compositores de Música), to lobby before Congress in search of new sources of income from the use of authored works. However, achieving that objective would only be possible following a full reform of the Copyright Law.

Accordingly, collecting societies began the process of organising meetings and conferences, inviting representatives of government agencies and the legislature to speak or simply attend. The general purpose was conveying the message that the Copyright Law of 1996 did not fulfill the intention to protect authors from the evilness of cultural industries. That line of thought attracted the attention of a number of politicians that undertook to present a bill to the Congress.

Support came immediately from certain senators, mostly members of the political party which had ruled in Mexico for more than 70 years, and first lost power just three years ago. The societies' message won support from this quarter easily, because, firstly, the message raising voices in favour of the author as the weaker part of a relationship with the industry provided a convenient flagship for politicians who look for popularity. Secondly, collecting societies, but SACM in particular, have a strong political influence in their own right, and this was used negotiate

directly with the government. In Mexico, collecting societies have clearly benefited from corporativism that has dominated the country for various decades.

It is true that the Copyright Law of 1996 was not at all popular with the collecting societies. In a number of its provisions, the determination of the legislature to obtain a balanced solution to the conflict of interests amongst authors and users of works is clearly visible. Accordingly, the law reflected the adoption of different formulas to prevent the rights of authors being employed to impair those of the users. Given that framework, rights were made subject to certain restrictions<sup>2</sup> and concepts to redefinition<sup>3</sup>.

More comfortable with the primitive ways of former statutes, the collecting societies were totally opposed to the equations that the Congress implemented in 1996. While arguing that the law had left authors and artists unprotected, the collecting societies were in reality pushing for reform with the intention of returning Mexico's copyright industries to the past.

### **The amendment**

In a plenary session of November 8, 2001, a bill executed by various senators was put for analysis and discussion to the so-called "Commission of Education and Culture" of the Chamber of Senators<sup>4</sup>. The bill would propose amendments to articles of the Copyright Law, including provisions dealing with the communication rights of authors and performing artists. The idea behind it was not only to enhance the benefit authors and artists benefit could gain from the use and exploitation of works through the public performance thereof, but to introduce new or additional forms of income.

It took more than one year for the Commission to submit a response to the chamber for approval. The report on which the answer was presented, included suggestions to the Senate for approving additions to the law, was published at the Gazette of Congress, No 85 of December 12, 2002.

Concerning the right of public performance, the Commission considered the need for change:

*"To guarantee that the rights of authors or of their assignees, would be recognized whenever any work of their creation has been communicated or transmitted by any means, contributing to give strength to the figure of collecting societies".<sup>5</sup>*

The Commission further considered that the original text of the law was unclear as to whether the author had a "*right to obtain a royalty from the public communication of the works*", as it was indeed the case of performing artists. It found it unfair that performing artists should enjoy more rights from the exploitation of works than the authors would.

In line with the above, the Commission proposed the following amendment:

*'Article 26 bis. The author and his assignee shall enjoy the right to a royalty from the public communication or transmission of the work by any means. The right of the author cannot be renounced. The royalty shall be paid directly by whom the public communication or transmission of the works is made, directly to the author, or to the collecting society representing him, in accordance to what provided in articles 200 and 202, paragraphs V and VI of the Law "* (emphasis added).<sup>6</sup>

In a similar fashion, the Commission agreed to an amendment of the work-for-hire provision by adding a new article. However, apart from brief statements, the report did not offer technical reasons why modifications had to be made. The report stated:

*"The reform as proposed does not make the work-for-hire provision disappear as it simply grants the author of musical works the legal certainty that the current text took away".<sup>7</sup>*

The report also recognised that work-for-hire is a vehicle that producers of audiovisual works frequently employ to deprive authors of musical works of their patrimonial rights, and to circumvent the rules and restrictions relating to the assignment of rights. Because of this, the report said, work-for-hire provisions worked in opposition to the law on transmissions, designed to protect the authors of musical works. This required urgent amendment, according to the authors of the report, so the authors could benefit in the means and proportion that the work becomes successful in the market.

Accordingly, the provision as proposed would read as follows:

*"Article 83 bis. In addition to what provided in the foregoing article, the person participating in the production of a musical work in virtue of a remuneration, shall have the right to pay any royalties that generate from the public communication or transmission of the work, in terms of articles 26 bis and 117 bis of the Law.*

*To consider that the work is made for hire, the terms of the contract shall have to be clear and precise, and in case of doubt, the interpretation favoring the author will be preserved. The author shall have also the right to draft his own agreement when a work is being requested to him".8*

Finally, the Committee found that reform was required concerning the rights of public communication of performing artists. The intention was to make it clear that the rights of artists could be "assigned" (sic) in the terms that they were contracted. Another reason given to justify reform was that the artists had to "recover" their right of public performance, in a manner that it could not be renounced. In addition to that, article 118 would be modified, so that in consistency with the World Performers and Phonogram Treaty, it would state that said rights become exhausted *"as long as the user that make use of the tangible objects for a purpose of gain and make the corresponding payment".9*

In light of the above, the Commission would propose the following additions:

*"Article 117 bis. Performing artists have a right that cannot be renounced to a royalty for the use and exploitation of their performances made with the purpose of direct or indirect gain, by any means, public performance or form of disposal."*

*"Article 118. Said rights shall be considered exhausted once the performer has authorized the incorporation of his performance onto a visual, sound, or audiovisual fixation, as long as whoever uses the tangible objects for a purpose of gain makes the corresponding payment".10*

The report of the Commission was taken to plenary debate before the Chamber of Senators, and was approved on December 12, 2002. The

bill was then sent to the Chamber of Deputies, where discussions were held from January until April 2003. The Chamber of Deputies passed the original draft with slight modifications — specifically to articles 117 bis<sup>11</sup> 118<sup>12</sup> - and on April 29, 2003, returned it to the Senate for final approval.

The following day, the Senate delivered the bill to the President of the Republic for promulgation. The President objected vehemently, arguing that the promulgation and publication of the bill should not take place. He is reported to have considered exercising the power of veto, but this failed to eventuate, and the bill was signed into law and published on July 23, 2003, becoming effective one day after.<sup>13</sup>

As could have been expected, the ill-conceived amendments to the Copyright Law of 1996 will now have significant negative impacts. Whether Congress acted in good faith is something that should perhaps not be doubted. However, suspicion naturally arises from the fact that the legislature ignored the position of the users of the works, and were careless about the interest of society. Congress should have borne in mind that copyrights are very complex subjects that can easily confuse anyone that is alien to the practice of that field of the law. Under that premise, the legislative process should have been more indepth and exhaustive, and discussion should have considered all possible intervening factors. Otherwise, the resulting product would reflect just a partial and one-sided view of the picture, as it evidently was the case.

### **The law as it was**

The Copyright Law of Mexico has been framed around a notion of fairness, where the rights of authors are subject to restrictions to protect the interests of the users of works, but principally, those of the society at large. Rights and obligations are thus required to meet a balance, and the duty of Congress, as well as of the Courts, is to procure that this is achieved.

Consistent with that goal, the 1996 Congress established a system to protect the rights of authors from a patrimonial and personal angle.<sup>14</sup> Moral rights were asserted to protect the author as the intellectual creator of the work. They cannot be transferred, sold or assigned,

because they are inherent and integral to the individual who has created the work — the author — who holds them permanently and perpetually, during and after his or her life. It is not possible for the author to renounce his or her moral rights; they cannot be pledged, and they never prescribe.<sup>15</sup>

On the other hand, patrimonial rights vest originally on the author — subject to the exceptions recognized in the law — and can be transferred, licensed, or in other way disposed of, and its duration is temporary.<sup>16</sup> The Copyright Law has divided patrimonial rights into different categories, including reproduction<sup>17</sup>, distribution<sup>18</sup>, public performance<sup>19</sup> and display<sup>20</sup> and the making of derivative works.<sup>21</sup>

In regard to the transfer of patrimonial rights, the Copyright Law recognises both assignments and licenses as the fundamental forms by which rights can be disposed of<sup>22</sup>. Accordingly, authors are legally entitled to make transfer of patrimonial rights to third parties, who will then become the owners of said rights. These latter are considered to be "secondary" or "derivative" owners of rights: "causahabientes" as they are known in Spanish.

The difference between "original" and "secondary" or "derivative" makes clear that there can be owners that acquire the title by having created the work, and others by virtue of a transfer of rights. As mentioned previously, transfers can be made through either assignments — which implies a full transfer of title and licenses responding to a partial or limited transmission of rights, where the author would keep control over the use or exploitation of the work made by the licensee.

The Copyright Law considers as an exception to the general rule that the author is the "original" owner of patrimonial rights, and that applies when the work was made for hire.

Under that rule, whoever commissions the creation of a work or a part thereof to someone, under employment<sup>23</sup> or as a freelance<sup>24</sup>, and makes retribution to that person for the contribution, can be regarded as the "original" owner of the patrimonial rights. The meaning of this is that the commissioner or employer becomes the owner ab initio and without the need of a transfer. On the other hand, the author or "intellectual creator" (in Spanish "creador intelectual" or "colaborador

remunerado"), as the law and doctrine refer to the individual contributing to the creation of the work, is not entitled to any patrimonial rights, and shall keep the right of paternity.

All the above is in conformance with the framework created by international treaties. For example, article 6 bis of the Berne Convention for the Protection of Literary and Artistic Works (Paris Act)<sup>25</sup>, as well as article XI of the Interamerican Convention of Washington<sup>26</sup>, recognise the distinction between moral and patrimonial rights, and the possibility that these latter be transferred through assignments or otherwise. However, the North American Free Trade Agreement in article 1705(3)<sup>27</sup>, sets out something of particular relevance:

*"3. Each Party shall provide that for copyright and related rights:*

*(a) Any person acquiring or holding economic rights may freely and separately transfer such rights by contract for purposes of their exploitation and enjoyment by the transferee; and*

*(b) Any person acquiring or holding such economic rights by virtue of a contract, including contracts of employment underlying the creation of works and sound recordings, shall be able to exercise those rights in its own name and enjoy fully the benefits derived from those rights".*

### **Audiovisual works**

The Copyright Law of 1996 refers to the audiovisual work — which includes the cinematographic work - as a complex production resulting from the integration of different works made by a number of contributors, under the "initiative", "coordination" and "responsibility" of a producer.<sup>28</sup> The Law regards audiovisual works as independent from all the particular contributions supporting it, and confers upon the producers the patrimonial rights thereof<sup>29</sup>.

Likewise, the Law regards the director, the writers, composers, photographers and cartoonists, as the authors of the audiovisual works.<sup>30</sup> The authors are the subjects to patrimonial rights on their contributions to the audiovisual production. However, the rights are subject to restrictions.<sup>31</sup> For example, the law refers to the "contract for audiovisual production" as that by which:

*"The authors assign to the producer with exclusivity unless otherwise agreed, the property rights of reproduction, distribution, public communication and subtitling of the audiovisual work. The authors of musical works are exempt from the above".<sup>32</sup>*

From the above it can be obtained that, under a "*contract for audiovisual production*" the authors or holders of rights shall "*assign with exclusivity*" four different patrimonial rights, including public performance. As a result, the producer will acquire said rights in connection with the audiovisual production, which means that it will only have the right to use the contribution when incorporated as part of the audiovisual production.

Likewise, once the authors or their assignees (*causahabientes*) have consented to contribute to the production of the audiovisual work, it will no longer be possible for them to reproduce, distribute or perform their contributions to the public.<sup>33</sup> This means that the author or titleholder of the right shall have the option to assign the patrimonial rights over the contribution — excepting a musical work — to the producer in virtue of a "production agreement", assign it to a third party or hold the rights.

In the first case, if the author has entered into an "audiovisual production agreement", the right of public performance on the contribution as incorporated to the audiovisual production will be transferred automatically to the producer, as are the rights of reproduction, distribution and subtitling. In the second case, any right subject to an assignment would have to be specified in an agreement. And in the third case, the rights would vest with the author who would be entitled to exercise them at her or his own will.

The practice in the cinematographic industry of Mexico, as it is the case of other countries, dictates that the producer will grant a license to a third party for the distribution of the film. The distributor will then authorise its exhibition in movie theaters for a royalty or fee. On the other hand, an exhibitor shall be bound to pay royalties to the producer for the rights that it holds on the cinematographic production, and the particular contributions owned in virtue of "audiovisual production contracts" or work-for-hire agreements.

The author will have the right to collect for the contribution to the extent that she has not transferred them to the producer or a third party, and the transferee will have rights on the contribution provided that it obtained them from the author. In order to collect, the authors or titleholders will have the right to be represented by a collecting society or other representative.<sup>34</sup> In those cases, the collecting society was required to show to the exhibitor, as the user of the work, that the authors that it represents actually hold the rights.<sup>35</sup>

The case of performing artists is slightly different. Under the Copyright Law they hold a right to "oppose" that cannot be disposed of, in contrast to the rights of authors. A performing artist shall be entitled to essentially impede third parties from making unauthorized fixations — audiovisual for example — of their performances onto an objective medium or make a reproduction or public performance of said unauthorised fixation. However, the Copyright Law states that the right to oppose to a reproduction or public performance shall become exhausted, once the artist has consented to the fixation of the performance.<sup>36</sup>

### **The reforms and their impact**

As has been explained, the amendments that Congress passed and approved will certainly transform the *modus operandi* in the cinematographic industry, as well as any other industry dealing with the public performance of audiovisual or musical productions.

Unfortunately it cannot be expected that the impact will be in the positive. As will be addressed below, articles 26 bis, 83 bis, 117 bis and 118, all provide that authors and artists will increase the chance to obtain an income for the public communication of their works or performances. However, that noble purpose has been obscured by different factors of a technical and substantive nature.

**Article 26 bis.** This article could produce an unpredictable yet devastating effect. The use of a conjunction "y" (and) instead of a disjunctive "o" (or) cannot be regarded as a minor or innocuous drive or twist. The problem is meaningful.

If the legislators had chosen to use an "o", article 26 bis would have been redundant and repetitive, considering that the Copyright Law

already confers a right of public performance upon the author or assignee.<sup>37</sup>

However, the fact that article 26 bis used an "y" has triggered ambiguity and illegality. It will allow both an author and her or his assignee, to benefit from the public performance of the work, notwithstanding that the author had previously transferred the corresponding rights to the assignee. However, the consequences could go further. In case of cinematographic or audiovisual works, authors would be entitled to a patrimonial right of public performance, regardless as to whether they assigned the rights on their contributions to the producer — by virtue of a production agreement — or to someone else. In this latter event, the assignee would have the right to seek royalties from the public communication of the work in parallel to the author.

To make things worse, the law did not impose any limitation as to who the assignee could be. That would necessarily give the chance that the author assigns the rights to any third party, including a friend or a relative, who would then be entitled to receive a royalty in the same terms and conditions as the author would have. This would, of course, be possible in addition to the rights that the producer has over the audiovisual work per se.

And if it is considered that every single author whose work is included in the production could make his or her own assignments, the problem could become exponential. Users of works, such as film exhibitors, will be the resulting targets of that game.

The question arises, why did Congress employed the conjunction "y" instead of the disjunctive "o", if, from legislative history it can clearly be drawn that the legislature of 2003 wanted to give the provision an exclusive rather an inclusive approach? The records available simply do not answer this question. However, it is a given that Congress made a change as a response to the lobbying of collecting societies. Whatever the reason was, as it was mentioned above, Congress did just ignore what other groups of interest had to say.

**Article 83 bis.** This provision shall produce nearly the same results as those of article 26 bis. Congress introduced article 83 bis as a

complement to article 83 of the Copyright Law. Article 83 refers to the figure of work-for-hire by stating:

*"Unless otherwise agreed, the natural or legal person who commissions the production of a work, or produces it with the remunerated collaboration of others, shall enjoy title to the property rights in such work, and shall have the corresponding powers concerning the disclosure, integrity of the work and collection on these type of creations".*

In Congress' report, it was stated that the individual contributing to the work under commission should be entitled to seek royalties in parallel to the holder of the rights, and that that should not distort the figure of work-for-hire." 38 However, that assumption is incorrect. As mentioned previously, under work-for-hire, the party commissioning the intellectual creation becomes the original owner of the patrimonial rights. That can be interpreted in the sense that contributor has no one single right over the work and its exploitation that can be disposed of. It is hard to see how, under the copyright law, the contributor could claim rights over the public performance of the work, in parallel to the owner of the rights. From the users perspective, this situation would not have been fair, as it would bear obligations in front of two entities having exactly the same right for the same cause or reason.

**Articles 117 bis and 118.** The changes made to article 118 are so vague that have made it hard to understand. Article 118 states the neighboring rights of performer artists as follows:

*"Artist interpreters or performers have the right to oppose:*

*I Public communication of their interpretations or performances;*

*II Fixation of their interpretations or performances on a material medium, and*

*III Reproduction of the fixation of their interpretations or performances.*

*The foregoing rights shall be considered to have exhausted once the artist interpreter or performer has authorized the incorporation of her performance or interpretation on a visual, sound or audiovisual fixation".*

The last paragraph of article 118, in general terms would state that the right to oppose to the exploitation of the interpretation or performance of a public performance — in a public communication, for example, shall become exhausted when the author has consented to the fixation of the performance on audiovisual or other media. It is understood that the legislature used the expression "consent to fixation" as a criterion to distinguish when the communication right can get exhausted from when it cannot. Accordingly, performers would have a right to oppose to the public communication of their performances if they did not authorise the fixation of the performances. However, said right would be exhausted if the artist granted consent to the fixation.

The reform introduced a new factor to the rule stated above, with the intention to liberalise the exhaustion restriction, to the benefit of the performers. In keeping with this, Congress added that exhaustion of "*said rights*" (it must refer to those in article 118), shall be produced "*as long as whoever uses the tangible objects for a purpose of gain makes the corresponding payment*".

The addition cannot be regarded anything else but absurd or a nonsense. In the first place, the use of a performance — for example, in virtue of a public performance — can occur after an authorised fixation has been made. However, the paragraph that Congress added suggests to the contrary.

It is absurd to suggest that the right will become exhausted at the time that fixation has been authorised and made, but subject to a later payment, when the public communication occurs. Another interpretation is that the user shall have to pay to get the right of public performance after a payment has been made. However, why then consider a right that becomes exhausted (by a fixation) requires of a further act (a payment), so that the user can exploit the performance? What really determines exhaustion, fixation or payment? Congress appeared to be in favor of a double exhaustion theory. A further technical flaw would arise from the fact that Congress established that the subject of the use is a "*material object*".

The fact that Congress imposed an obligation to pay when a right got exhausted is against logic and the law. If exhausted a right, the user should be free to exploit that subject matter without having to pay. The

question arises why the law was modified to create contradictions if it had remained clear since article 118 was adopted in 1996? Article 117 bis appears to reiterate what article 118 states, by just adding that the right to remuneration cannot be renounced. However, it is questionable under Mexican Law whether a patrimonial right cannot be renounced.

## **CONCLUSION**

From the arguments presented herein, it can be understood that the amendments that Congress made were not thoroughly meditated upon as to the impact that they could produce. They seem to have been thrown without any thought as to whether they would be compatible with the copyright law and system, from the technical and substantive points of view.

As has been mentioned throughout this article, it is expected that said practices will inflict harm not only on the exhibitors of films and other corporations devoted to the public communication of works, but also to the public in general. By imposing the measure to broaden the options of authors and artists to receive more money for the use of their works, Congress not only altered the good practices of an industry, but it attempted to move against a system of law. The dividing line between the rights of authors and users was heavily shifted to the side of the former, to the detriment of society.

It cannot be doubted that Mexico has taken a backward step by changing the law to upgrade rights in sacrifice to the principle of legal certainty. Congress has innocently played the tune dictated by a specific interest group, with the achievement of an obvious outcome. The transition period, and the duality in which this country has been immersed, have thus captured copyright law as its first victim. What will be next?

## **Notes**

1 Published at the Federal Government Gazette of December 24, 1996, entering into force on March 25, 1997.

2 Among the restrictions the Copyright Law imposed more and clearer limitations on copyright ability (articles 11 and subsequent), transfer and ownership of patrimonial rights (articles 24 and subsequent, 30 and subsequent, and 83 and 84); termination (article 29); contracting (articles 42 and subsequent); and fair use (articles 148, 149 and 150).

3 Fundamental concepts, such as authorship, originality, fixation, work-of-authorship and exploitation were defined in a more clear fashion.

4 Gazette of Congress (Senate), No. 85, December 12, 2002, P.I.

5 Gazette of Congress, No. 85, p. 6.

6 Gazette of Congress, No. 85, p. 11.

7 Gazette of Congress, No. 85, p. 9.

8 Gazette of Congress, No. 85, p. 13.

9 Gazette of Congress, No. 85, p. 10.

10 Gazette of Congress, No. 85, p. 14.

11 The Chamber of Deputies deleted a portion of this article, as it was contrary to the provisions of the law relating to representation of artists and collection of royalties.

12 The original version of the bill contemplated the total deletion of the last paragraph of article 118 and the adding of an article 118 bis, which was even less structured and technical than article 118 as finally reformed. Article 118 bis was disapproved at the Chamber of Senators itself and rather substituted by article 118. It is very curious to see that article 118 bis did not only referred to a right of public communication restricted to direct performances or broadcasting transmissions, but to on-line or internet transmissions as well. However, as article 118 bis was disregarded, the Senate stopped further discussing rights for performers on a digital environment.

13 Published at the Official Government Gazette by Decree on July 23, 2003.

14 Copyright Law of 1996, article 11.

15 Copyright Law of 1996, articles 18 and subsequent.

16 Copyright Law of 1996, articles 24 and subsequent.

17 Copyright Law of 1996, article 27(I).

18 Copyright Law of 1996, article 27 (IV).

19 Copyright Law of 1996, article 27 (II) — public communication — and (III) — public transmission-.

20 Copyright Law of 1996, article 27 (II)(b).

21 Copyright Law of 1996, article 27 (VI).

22 Copyright Law of 1996, article 30.

23 Copyright Law of 1996, article 84.

24 Copyright Law of 1996, article 83.

25 Paris Act of July 24, 1971 and published at the Official Gazette of the Federal Government on January 24, 1975.

26 Inter American Convention on Literary, Scientific and Artistic Works, signed in Washington D.C. on June 22, 1946, and published at the Official Gazette of the Federal Government of Mexico on October 24, 1947.

27 North American Free Trade Agreement (NAFTA), signed on December 17, 1992, approved and ratified by the Senate of Mexico on November 22, 1993 and published in the Official Gazette of December 20, 1993.

28 Copyright Law of 1996, articles 94 and 98.

29 Copyright Law of 1996, articles 95 and 97.

30 Copyright Law of 1996, article 97.

31 Copyright Law of 1996, article 99.

32 Copyright Law of 1996, article 68.

33 Copyright Law of 1996, article 99.

34 Copyright Law of 1996, articles 192, 195, 196 and 197.

35 As implied from articles 195 through 201 and those relative to ownership of rights of the Copyright Law of 1996.

36 Copyright Law of 1996, article 118.

37 Copyright Law of 1996, article 27(11) and (III).

38 Gazette of Congress, No. 85, p.p. 9 and 10.

## **MEXICO: AMENDMENTS TO COPYRIGHT ACT**

*Computer Law Review International CRI, Issue 5, 15 October 2003.*

In April and May 2003, the Mexican Congress debated a bill proposing certain amendments to the Copyright Act 1996. In essence the bill is to implement a number of provisions granting additional rights to authors and holders of neighboring rights such as artists and phonogram producers.

### **1. Royalties for Secondary Use**

The amendment concerns two provisions and regulates expressly that authors and artists are entitled to seek royalties from secondary uses of copyrighted works, in particular the public communication thereof. The new wording of the provisions would imply that authors and artists are able to get compensated for the public communication that users make of the works, regardless whether they hold the corresponding rights or have disposed of them in any form or means. The measure has been strongly criticized for attempting, against the Federal Constitution and the rule of law, to extend property rights to situations where ownership no longer exists.

### **2. Private Copying**

Similarly, the Copyright Act would be changed to reflect a compensation right for private copying. The electronics industry strongly opposed to the measure, as it would be the manufacturers and vendors of equipment and media for reproducing copyrightable subject matter, who would have to bear the obligation to cover the compensation. The proposal as dropped in the end as levies are totally incompatible with Mexican copyright law and legal system. In Mexico there is clearly a private copy exception allowing people to make one copy of any work for private purposes without having to compensate the copyright holder. Consequently, it would be viewed as unfair forcing them to pay compensations for the reproduction equipment and media they use for making such a copy. Likewise, the Copyright Act does not recognize "contributory infringement" as a possible means of liability. Under said statute, liability can trigger only when people have directly infringed a copyright. Finally, Mexico has adjusted the Copyright law enhancing the protection of Technological Protection Measures and Digital Rights

Management in a digital environment, whether online or offline. The question has thus arisen why to implement a private copy levy system if there is the trend to adopt technology protection type models. For all the foregoing reasons the private copy amendment of the law was not accepted.

### **3. Droit de Suite**

The reform contemplates a "droit de suite" aimed at protecting authors of works of fine arts as well as creations of similar nature, with the exception of works of applied arts. A system would be established including procedures to fix compensations, transmitting rights "mortis causa" and imposing obligations upon brokers and art galleries to inform authors or their representatives about any sales made of works of their authorship so that they get the right compensation.

### **4. Patrimonial Right Term**

One change that has also become the subject of discussion is the increase of the patrimonial right term of life plus 75 years to life plus 100 years. And once the term expires, the Government would have the power to collect fees from the use of works, which are no longer protected. Older statutes like the

Copyright Law of 1956 followed a similar system, abolished during the 1980s as being unfair and inapplicable. The bill would also suggest a provision on restoration of works that fell into the public domain for lack of compliance with formalities in conformance with the Civil Codes of 1884 and 1932.

The amendment was strongly supported by authors and collecting societies but has been rejected by the industry and by society at large. Many would have hoped that Congress fully meditated on the implications of the amendment, not only in terms of what it would mean for the users of works, but for society in general. The challenge for the legislator was thus manifest. However, the outcome did not please many sectors of society and as a result, even though Congress passed the bill with the exception of the private copy provision, a strong resistance was started at the President's office with the intention that the promulgation and publication of the bill is stopped and that, instead, the President exercises his power of veto. However, notwithstanding his resistance to

promulgate the bill, the President finally signed it into law and published it so that the amendment became effective on 24 July 2003.

## **COPYRIGHT CONTRACTING DEVELOPMENTS IN MEXICO**

*Managing Intellectual Property, July/August 2003*

In principle, the system has recognized the author as the original owner of copyrights, whether of personal or patrimonial nature.

And being the first owner of the rights, the author has control over the transfer of patrimonial rights to third parties, who can only become "secondary" or "derivative" owners, with certain exceptions. Moral rights are not the subjects of transfers, as they cannot be disposed of by any means.

Transfer of patrimonial rights can be viewed in Mexico as a premier form of copyright contracting. That system has matured from the lesser-developed notions of earlier copyright statutes and civil codes, to the newer rules of the law of 1996, which is the statute that is currently in force. Formerly, the laws and doctrine would refer to "concessions" as an equivalent word for transfers and, in keeping with the French approach, the law would not find a real difference between an assignment of rights and a licence, except for certain aspects, including that the rights granted can be reversed.

After the law was changed in 1996 to make it compatible with NAFTA, transfers, as the law has called them, could be made through either assignment, which implies a full transfer of the copyright rights having been assigned expressly, and subject to the limitations in the law, or through licences - responding to a partial or limited transmission of rights, where the author would keep control over the use or exploitation of the work made by the licensee.

Mexican copyright and neighbouring rights laws have been supported by different arguments, but generally have been formed as ways of protecting the rights of someone - the author or the artist - who is the weaker part in a relationship where the user, having a stronger economic capacity, can take advantage of that to the detriment of the former.

The legal treatment of book publishing agreements is a good example of that. Under the copyright laws in effect in Mexico, including the current

Act of 1996, agreements of this kind would require that the author "delivers", without transferring rights of any sort, a work of her creation to the publisher for reproduction of samples and its public distribution.

### **NAFTA and the Copyright Law of 1996**

NAFTA was supposed to facilitate that copyright contracting would be reduced to the transfer of rights by either assignment or licence. Article 1705 (3)(a) and (b) make it clear that copyright rights can be transferred by virtue of contracts and that the transferee shall be able to "exercise the rights in its own name and enjoy fully the benefits derived from those rights". However, while the Mexican government did implement these provisions into the 1996 Law, it also kept the old system by imposing the ad hoc limitation on book publishing agreements as referred above.

The 1996 Copyright Law is a legislative piece that is hard to define. On the one hand, it enhances the principles of NAFTA, calling for modernity in a business- oriented fashion. On the other hand, it has made clear that Mexico still follows the trend, undergone by a number of countries, especially belonging to the authors' rights system, to protect authors by adopting more and more provisions dealing with individual contracts that would not only deal with book publishing. An entire classification system has evolved as a result, recognizing new forms of individual contracting under a specified purpose, including music publishing, stage performance, broadcasting of radio and TV programmes, and audiovisual production.

### **Transfer of rights**

As regards to the transfers of patrimonial rights, the Copyright Law of 1996 establishes that the holder thereof can freely assign them to third parties. Certain very important restrictions were imposed however, which can be synthesized as follows:

- a) The assignment has to be made in writing.
- b) It must set forth, in favour of the author, a proportional participation in the income obtained from the use in question or a fixed remuneration.

c) In the absence of express provisions, any assignment of property rights is considered to have a term of five years. Contractual provisions on protection terms cannot exceed 15 years, and will be possible only when the magnitude of the investment required for the exploitation of the work justifies it, at the discretion of the competent authorities.

d) Assignments are specific to the rights that are transferred. For example, reproduction rights, public performance rights and so forth.

e) Recordal of assignment is needed.

f) Future works cannot be assigned globally and instead they will have to be defined and specified before they can be the subject of an agreement.

The Law of 1996 also refers to licences by providing that:

a) It will have to expressly indicate when granted on an exclusive basis.

b) Licensee in an exclusive licence will bear the obligation to facilitate all media required for the exploitation of the authored work.

c) The licence has to be made In writing.

The law does not make it clear that a licence needs to be recorded. Similarly, it does not state anything that licences are restricted to the same limitations that assignments are subject to. The reason is that, from its literal interpretation, the word "transfer" appears to be narrow in scope and equivalent to assignments. In line with this, licences should not be required to fulfil the consideration and temporality restrictions, and by the same token recordal would also not be needed.

However, what is clear is that the licensee will be entitled to the exercise of all rights obtained from the copyright holder, up to the extent that the agreement has disposed. And generally a licence would be restricted by temporality, territoriality and grant of rights, just to mention the most common. As for the latter, licences can essentially be granted for the reproduction or distribution of works according to the particulars of each genre, such as musical works (including mechanical and synchronization rights), software, and audiovisual works (that is, video production).

Likewise, licences can be granted in connection with any form of public performance and transmission possible. Accordingly, small and grand rights can be the subject of licensing as well as rights deriving from the public communication of works by live or mechanical means or by processes of projection or by diffusion, transmission or retransmission, including wire or wireless reception, whether analogue or digital. Notwithstanding the above, the Copyright Law appears to be in favour of a "free use" system, placed outside the traditional notions of licensing, whether voluntary or compulsory. The statute contemplates that holders of authors' and neighbouring rights shall not be able to oppose the public communication of phonograms as long as they get compensated, and to that end a system of tariffs would apply. Because of the free use system, inspired by European theories, the possibilities of compulsory licensing under the Copyright Law is practically non-existent, with the exception of a translation licence in terms of the Berne Convention and of NAFTA.

### **Other contracting forms**

A less typical form of contracting is work for hire. Under the Copyright Law, work for hire performs as an exception to the principle that patrimonial rights are initially vested upon the author. Accordingly, whoever commissions the creation of a work or a part thereof from an author, under employment or as a freelancer, and recompenses the author for the contribution, can be regarded as the "original" owner of the rights. This means that the commissioner or employer becomes the owner of patrimonial rights ab initio and without the need of a transfer. In the case of freelance works, work for hire can trigger from a contractual relationship or by the mere application of the law, just as long as an order to produce the work and a consideration can be proven. This would not apply to works under employment as the Copyright Law imposes an obligation on the employer to state, in the employment agreement, that the employee will perform as an author and the rights on the creations obtained will belong to the former. In the absence of a clause in the labour agreement referring to this fact, the rights shall be shared by the parties, and if there is no labour agreement, it shall be the employee who owns the rights.

The Copyright Law makes a reference to collective licensing, as it would be exercised by collecting societies of authors, artists or other

titleholders. Collecting societies have the legal power to manage the rights relating to mass use of works, which cannot be negotiated on an individual basis due to the fact that it is possible the work will be used by a great number of people at the same time and at different places. The administration of rights is principally made through the collection and distribution of royalties and other forms of income deriving from the use of works, such as compensation or others. Collecting societies require a government authorization to incorporate and perform in Mexico, and for that end they have to comply with an array of legal obligations.

Among others, they need to show their membership and the express mandate conferred upon the collecting society in terms of the civil law to represent them in the administration of rights. An author or artist would always be free to choose how their rights would be collected, whether by virtue of a collecting society or by herself or an individual representative.

Once incorporated and approved, collecting societies can request users of works to enter into licences for the use of the works of their members. It is certainly possible, under the law, to rely on a blanket licence entered in bulk or a specified licence made for particular purposes. It may be sometimes easier indeed to use the blanket form, as otherwise the management of the rights could become much harder and impractical.

One point that is sensitive would concern foreign collective administration of rights. Foreign collective societies or their members cannot perform their rights in Mexico directly. As mentioned, only legal entities that have been set up and authorized in compliance with the Copyright Law will be permitted to operate as a collecting society on behalf of their members. By contrast, foreign licensors cannot perform as a collecting society and grant licences directly. They would be required to do it through an equivalent Mexican collecting society, in virtue of a so-called "reciprocity agreement", as referred by the law, apparently inspired on the CISAC (International Confederation of Authors and Composers Societies) model contract.

However, the law has merely thrown in that concept without defining it or in general without making any particular specification or reference.

Accordingly, it would be hard to know what that really means and what the legal requirements would be for them to acquire validity and enforceability. There is trouble and confusion as to what the Mexican partner of the foreign licensors should comply with in order to collect from the users of works. The Copyright Office has not taken the issue seriously enough and has proceeded to record reciprocity agreements without requiring the foreign party to show it has been incorporated, in accordance with the laws of a foreign country, to perform as a collecting society and having obtained representation from their members.

## **ARTIST, AUTHORS TAKE ON INDUSTRY**

*IP World on line, Copyright World, April 2003*

The Mexican Congress is discussing a bill that proposes certain amendments to the Copyright Law of 1996. In essence, what the bill proposes is the implementation of a number of provisions granting additional rights to authors and holders of neighboring rights such as artists and phonogram producers. Thus, among other aspects, the Copyright Law would be changed to reflect a compensation right for private copying of works of authorship. The electronics industry has strongly opposed to the measure, as it would be the manufacturers and vendors of equipment and media for reproducing copyrightable subject matter, who would bear the obligation to cover the compensation.

The reform contemplates a "droit de suite" aimed at protecting authors of works of fine arts as well as creations of similar nature, with the exception of works of applied arts. A system would be established including procedures to fix compensations, transmitting rights "mortis causa" and imposing obligations upon brokers and art galleries to inform authors or their representatives about any sales made of works of their authorship so that they get the right compensation.

One change that has also become the subject of discussion is the increase of the patrimonial right term of life plus 75 years to life plus 100 years. And once the term expires, the Government would have the power to collect fees from the use of works, which are no longer protected. Older statutes like the Copyright Law of 1956 followed a similar system, abolished during the 1980s as being unfair and inapplicable. The bill would also suggest a provision on restoration of works that fell into the public domain for lack of compliance with formalities in conformance with the Civil Codes of 1884 and 1932.

The amendment has been strongly supported by authors and collecting societies but has been rejected by the industry. Many would hope that Congress fully meditates on the implications of the amendment, not only in terms of what it would mean for the users of works, but for society in general. The challenge for legislators is thus manifest. It will be interesting to see what happens in the end.

## **OWNERSHIP OF RIGHTS IN MEXICAN COPYRIGHT LAW**

*Copyright World, August 2001.*

### **Principles of Mexican Copyright Law**

Mexican Copyright Law has been framed over the concept of author's rights. This is due to the fact that it has followed the principles developed earlier in continental European countries, such as France and Spain.<sup>1</sup> A copyright system developed from the idea that the author and his or her creation are the central object of protection. And for 'Author' it would be understood the flesh and blood person or individual having created a work-of- authorship'.<sup>2</sup> This notion is fully consistent with the principle of moral rights, which plays a crucial role in the system of author's rights, as they can only be vested in a natural person or individual'.<sup>3</sup>

Copyright Law has constantly been challenged by the developments of new technologies, which have triggered different forms of reproducing, communicating and in general, using material that is copyrightable. The foregoing has forced copyright systems world wide to evolve by improving existing forms of protection. The author's rights system, and in particular Mexican system, have made all efforts not to fall behind and at the same time remain loyal to its roots and principles.

### **Derivative Ownership of Copyright Rights**

Mexican Copyright Law has viewed the author as the 'original' owner of copyrights'.<sup>4</sup> Accordingly, rights whether moral or patrimonial, are vested in the author at first. Authors are legally entitled to make transfer of patrimonial rights to third parties, who will then come the owners of said rights.'<sup>5</sup> These latter are 'secondary' or 'derivative' owners of rights or 'causahabientes' as known in Spanish. The difference between 'original' and 'secondary' or 'derivative' serves the purpose of making clear that there can be owners that acquire the title by having created the work and others by virtue of a transfer or assignment of the 'original' rights.

The concept of transfer has matured from the lesser-developed notions of earlier copyright statutes and civil codes, to the newer and more

modern rules of the law of 1996. However, there has always been the right of transfer in the different Copyright Laws in Mexico.

In general terms, transfers can be made through either assignment - which implies a full transfer of the copyright rights having been assigned expressly, and subject to the imitations in the law - or licenses - responding to a partial or limited transmission of rights, where the author would keep control over the use or exploitation of the work made by the licensee.

In accordance with the Mexican system of Copyright Law corporations can definitively be owners of copyrights.

They are not really 'original' owners excepting as for works made-for-hire. However, the different Copyright Laws of Mexico have allowed them to own 'secondary' rights as assignees or licensees.

This is something that has prevailed for over hundred years and that can be observed, in practice, in many registrations where works are registered in the name of the author and the corresponding rights then assigned to third parties, whose names are recorded as assignees.

### **Copyright Law Before 1948**

As mentioned above, the criterion of ownership is probably as old as the Mexican copyright system itself. It was used for the first time in a decree of the Mexican Government going back to the mid 19th Century. And the concept was not only employed in connection with the transfer of rights *mortis causa*, but also in cases when the author would dispose of his rights during his lifetime.

Accordingly, the first statute referring to assignments or in general to copyright pertaining to someone different than the author, is the Government Decree on Literary Property of December 3, 1846,<sup>4</sup> which had the following set of rules:

- Article 4. The simple editor of a work shall have the literary property therein only for the time it takes for the work to be published and for one additional year. This right shall not be extended to publications made abroad.

- Article 12. Works published by corporations shall be of their property for ten years, once this period expires, anyone shall have the right to publish them.

The provisions of the decree were improved in the Civil Codes of 1870, 1884 and 1928. Copyright protection rules were contemplated in the three Civil Codes until 1948, year when a special statute for copyrights was adopted. The Civil Codes contained the following:

***Civil Code of 1870.z***

*Article 1254. The author and his heirs have the right to transfer this property as any other, and the assignee shall acquire all of the author's rights subject to the stipulations made in the contract.*

***Civil Code of 1884.g***

*Article 1139. This article is identical to the provision of the Civil Code of 1870.*

***Civil Code of 1928.2***

*Article 1205. 1The author and his heirs have the right to transfer the rights conferred by the privilege.*

In 1939 the government published certain regulations applicable to the provisions of the Civil Code of 1928<sup>10</sup>. Said regulations were intended to impose requirements for the registration of works-of-authorship. In addition, they dealt with the issues of assignments and ownership, the following being of special interest:

*Article 7. It will be also possible to grant the recognition of exclusive rights in favor of the assignees of such rights, in terms of and under the requirements set forth in the following articles, as long as they show the evidence of the assignment.*

*It shall be prohibited that these rights and privileges are assigned in total. The author or translator shall keep always a share therein. Any agreement attempting against the foregoing shall be regarded as null.*

*Article 8. Assignments of copyrights having been recognized already shall be registered as well subject to the showing of the respective registration certificate and the evidence of the assignment.*

*Once the recognition of the assignment has been made a margin annotation shall be made of the corresponding original document.*

The regulations of 1939 were in force during at least the effective life of the laws of 1948 and 1956 (including the major reform of 1963 of this latter), and in concrete, until the date of publication of the regulations of 1998 to the law of 1996<sup>11</sup>. Accordingly, most of the provisions of the regulations of 1939, and in special those in articles 7 and 8, continued to apply while the 1948 and 1956 laws were in force. The foregoing represents that among others, assignments were subject to recordal with the Copyright Office, and this has been working in practice ever since.

### **Copyright Law of 1948<sup>12</sup>**

This statute was the first of a special kind approved by Mexican Congress. It significantly improved former laws in many aspects, as it was made with the purpose of implementing the Washington Inter American Convention of the same year.<sup>13</sup>

A Commentator has stated that the Mexican Law of 1948, became at the time of publication the most advanced legal instrument dealing with Copyright Law in the American Continent.<sup>14</sup> Among others, the law of 1948 defined the nature of publishing agreements by incorporating *sui generis* rules applicable to this type of contracts.<sup>15</sup> It also set rules for collecting societies, which was made for the first time in Mexican Copyrights history.<sup>16</sup> The rationale employed by Congress was that corporations had started to take control of the exploitation of rights in this country, a situation requiring a proper counter balance which Congress thought the new law would produce. The legislative history of the statute reads as follows in the pertinent portion:

*In the majority of cases the author does not use the work directly, and rather transfers it in different forms to corporations users of the right. Said corporations, having an economic power that is superior to that of the author, sometimes obtain disproportional benefits of the author's work. It therefore will be convenient regulating the publishing agreement and other forms of reproduction, so that without putting obstacles to the right to enter into contracts, the author bears minimum warranties, as it is the nullity of a contract, for those cases when the*

*future productions of the author are compromised integrally, and certain other warranties for when the agreement is silent in regard to important subjects, which the author is generally not in conditions to foresee.*<sup>17</sup>

In line with the foregoing, under the law of 1948 authors had the alternative of assigning or 'disposing of' their copyright rights, as established in article 1st of the law, or granting a publication or reproduction right to a publisher by virtue of a publishing agreement as governed by the law. Articles 7 and 8 of the 1939 Regulations were applicable in cases where the author would have assigned his or her rights, and accordingly, the corresponding agreement had to be recorded and a so-called 'margin annotation had to be made at the register.

From the foregoing, it is clear that before and under the 1948 law, third parties other than the authors could at least be the owners of patrimonial rights not in an 'original' but in 'secondary' or 'derivative' form, by virtue of a transfer of rights, or by virtue of a publishing or reproduction agreement. Accordingly, any authors who had sought for registration of the literary works that they wrote, were the 'original' owners therein, having had the choice to transfer their rights to a third party, including corporations.

### **Law of 1996**

The current law of 1996<sup>18</sup> in various of its provisions, states that author, as the individual having created a work-of authorship,<sup>19</sup> is owner of the copyright rights in said work.<sup>20</sup> Article 26 of the 1996 indeed states that the author is the 'original' holder of patrimonial rights, and his heirs or assignees, shall be regarded 'derivative' owners.

The 1996 statute establishes as well that the holder of patrimonial rights is entitled to make assignments of said rights or grant licenses on an exclusive or non-exclusive basis.<sup>21</sup> It also states that transmissions<sup>22</sup> are onerous<sup>23</sup> and temporary, have to be made in writing<sup>24</sup> and the corresponding agreement recorded with the Copyright Office.<sup>25</sup>

One important point is that regarded in article 33 of the 1996 law, in which it is stated that:

*Article 33. In the absence of express provisions, any transfer of patrimonial rights is considered to have a term of 5 years. Terms over 15 years may be agreed upon only when the nature of the work or the magnitude of the investment required justify it.<sup>26</sup>*

From the above, it can be obtained that the law of 1996 became more restrictive than its predecessors. Different sectors of industry have strongly complained to that. Some of them have even filed constitutional actions, which are pending still, and which are aimed at destroying the validity of said provision. However, for the time being companies doing business in Mexico, need to ponder the limitation imposed by the law and seek the proper counseling so that the assignment agreements that they enter into with authors and copyright holders reflect in an adequate form, a balance between the rights of both parties in said agreements.

### **Work-for-Hire**

The concept of work-for-hire was for the first time introduced into Mexican Copyright Law with the implementation of the law of 1956. Legally speaking, work-for-hire became an exception to the traditional view of the author as the 'original' owner of patrimonial rights. In keeping with this, whoever commissions the creation of a work or a part thereof to an author, under employment or as freelance, and makes a retribution to the author for his contribution, can be regarded as the 'original' owner of the rights.<sup>27</sup> The meaning of this is that commissioner or employer become the owner of rights *ab initio* and without the need of a transfer. On the other hand, the author or 'intellectual creator' (in Spanish 'creador intelectual' or 'colaborador remunerado'), as the law and doctrine refers to the individual contributing to the creation of the work", is not entitled to any patrimonial rights, and shall keep the moral right of paternity<sup>29</sup>. As to the moral right of integrity, the newer statute of 1996 made clear that the author would not have control over the modifications of the work, which implicitly would represent that he surrenders his right 'to oppose' to modifications made by the person or entity having commissioned the work<sup>30</sup>. The foregoing does not mean that the moral right in itself would have been transferred to this latter party or that it may have the right to own it. If that happened, the 1996 law would have attempted against one of the most sacred principles of

the Mexican author's right system, which is that moral rights are not subject to transfer or assignment as they are personal rights.

In conclusion, those commissioning works are not authors or cannot be called authors. Again, they will be 'original' owners of copyrights of patrimonial nature exclusively, this due to a fiction imposed by the law and limited to work-for-hire situations.

Likewise, in a work-for-hire relationship, corporations and other parties commissioning works will not be called assignees and will not be owners of 'secondary' rights.

1. Obón León, Ramón. *Los Derechos de Autor en México*. Published by 1CISAC, Buenos Aires, Arg., 1974. 1Mr. Obón finds that due to the influence of Spanish law in Mexico, concretely the "Recopilación de Leyes de Indias" (Recompilation of Indian Laws), the laws and statues of said country would be applicable in Mexico in a supplemental form. During the colonial times there were no precedents in the field of Copyright Law, and there was indeed not a "Colonial" copyright statute, but should the need have arisen Spanish law (leyes del Toro or any other specific for copyrights) would have applied. Similar ideas as Obón can be found at Farell Cubillas Arsenio. *El Sistema Mexicano de Derechos de Autor*. Ignacio Vado Editor, Mexico, 1966.

2. There is a consensus among the doctrine in Mexico. Obón León speaks in favor of this statement in his book at pages 60 and subsequent, and Farell does the same at page 89 and subsequent. The author of this notes explains the notion of "author" in one of his articles: Schmidt, Luis C. *Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?* *Idea, the Journal of Law and Technology, FPLC*, Volume 34 —Number 1, 1993, opus cit at p. 40.

3. The readers may consult about Mexican Copyright Law and its principles in the many arrticles published in English language by the author. Concerning moral and patrimonial rights refer to the article cited above, *Computer Software and the North American Free Trade Agreement ...*, opus cit., at page 41.

4. The expression "original" owner has been used in Mexico by both, Obón and Farell. 1Obón, opus cit at p. 61 and Farell, opus cit, at p. 91. In other countries pertaining to the author's rights system, commentators such as Satanowsky in Argentina, have also made use of the concept. Satanowsky, Isidro. *Derecho Intelectual*. Tomo I, Tipográfica Editora Argentina. Buenos Aires, Argentina. 1954. p. 91. Normally, the idea of "original" owners has been used to distinguish between the owners of "preexisting" and "derivative" works, but also has served the purpose to differentiate between authors who are first owners of rights and other entities —such as corporations- who acquire "secondary" or "derivative" rights. In Spanish they are called "causahabientes", which in English could be roughly translated as "assignees". Farell, opus cit. at 91 and Obón, opus cit. at 64.

5. The concept of assignment cannot only be found in statues after 1956 but in earlier as well. This will be discussed later in full detail.
6. Legislación Mexicana. Colección Completa de las Disposiciones Legislativas Expedidas desde la Independencia de la República. Manuel Duolán y José María Lozano. Tomo V. Pp. 227-228. Taken from Revista Mexicana del Derecho de Autor, Evolución Legislativa, Número Especial, SEP, México, 1991, p. 13.
7. Id. p. 17.
8. Id. p. 45.
9. Id. p. 73.
10. Regulations for the Recognition of Exclusive Rights of Authors, Translators or Editors, Published at Official Gazette of October 17, 1939.
11. Published at Official Gazette of May 22, 1998.
12. Promulgated on December 31, 1947. Published in Official Gazette of January 14, 1948.
13. Convención Interamericana sobre Derechos de Autor en Obras Literarias, Científicas y Artísticas, of Washington, D. C., published at the Official Gazette of October 24, 1947.
14. Obón León, opus cit., p. 40.
15. 1948 law. Art 37 et seq..
16. 1948 law. Art 66 et seq.
17. Farell, opus cit, pp. 24-25.
18. Published at Federal Gazette of December 24, 1996 and in force since March 25, 1997.
19. 1996 Law, article 12.
20. 1996 Law, articles 4, 11, 18, 24, 25 and 26.
21. 1996 Law, Title III Transfer of Patrimonial Rights, Article 30.
22. It is not clear if for "transmissions" the law would understand the assignment of rights only or assignments and licenses. The 1996 law refers individually to assignments (articles 30 and subsequent) and licenses (article 35 and subsequent). The word "transfers" or "transmissions" should then be used as a common designation for both. It is thus misleading when article 30 refers to "transfers" as a synonym of assignments.
23. Article 21 of the 1996 states that transmission agreements shall prevent in favor of the holder a "proportional participation" in the income obtained from the exploitation of the work of a "fixed and determined" remunerations.
24. 1996 Law, article 30.
25. 1996 Law, article 32.
26. The regulations of the law of 1996 states some rules for when to consider that by the nature of the work or the magnitude of the investment as assignment can be made for a period longer than 15 years. Among others it considers that when investment is superior to what is normally invested in the market for the type of work, or when they require a period of publication or diffusion which is longer than normal. Additionally, it regards works used for multimedia productions.
27. Schmidt, Luis C. Authors Under Employment and Works Under Commission in Copyright Law. Professional Thesis, UNAM 1997. Conclusions published at Revista Mexicana del Derecho de Autor, Año 1, Número 3, Julio- Septiembre 1990, México, 1990, p. 63.

28. id p. 63 et seq. Copyright Law of 1956/1963 art 59 and of 1996, articles 83 (freelance) and 84 (under labor). There are differences between the treatment that articles 83 and 84 imprint upon the work-for-hire figure. While a freelance creator does not have any rights over the work made for-hire, and employee could share the ownership of rights, under certain circumstances expressly stated in article 84 of the 1996 law.

29. Articles 59 of 1956/1963 law and 83 and 84 of 1996.

30. This can be perceived in article 83 but not in article 84.

Recent developments un Mexican Copyright Law. Copyright World, Issue Seventy, May 1997

## **COPYRIGHT PROTECTION FOR FOREIGN WORKS**

*Managing Intellectual Property, May 1999.*

The following comments relate to the laws and rules in Mexico regarding copyright protection terms, in accordance with different laws in force in Mexico since 1947. The purpose of this note is to explain how they could have impacted on foreign works of authorship. The author chose the case of US works because of the question NAFTA has posed, and because extending it to other countries laws would have made this note very long.

### **What the law says**

Work created in the US under the Copyright Law of 1948.

Article 8 established a term of protection of patrimonial rights of life of author plus 20 years. Article 2 established that the protection given by the Law to Authors is granted by simple creation of the work without the need for prior deposit or registration of its title, except for the cases specially stated therein. Aliens domiciled in the Mexican Republic shall enjoy the same right as they are national authors; aliens not domiciled there must register their rights with the copyright department to obtain the benefits of protection this law grants, unless the agreements entered by Mexico and the governments of the countries of which aliens are nationals state otherwise.

There was no treaty executed by Mexico and the United States of America granting the 1940 reciprocal benefits (absence of formalities as to registration). The Berne Convention provides such rights; however, the US did not sign it until 1989. The US ratified the Panamerican Convention of Buenos Aires of 1910, and so did Mexico apparently. However, the treaty did not provide an absence of formality provision. Thus, as the treaty of 1910 did not provide such rights, unregistered works created in the US would fall in the public domain, as there was nothing in the 1948 Copyright Law to the contrary.

### **Work created in the US under the Copyright law of 1956**

Article 2 established a term of protection of life of author plus 25 years. Article 25 established that protection given by the Law to authors is

granted by simple creation of the work without need for prior deposit or registration for its title, except for the cases in the subsequent article.

Article 26 established that if the author of a work of authorship is not a national of a state with which Mexico has executed a copyright treaty or agreement that is in force, that work will have to be registered, for protection, with the Mexican Copyright Office.

Accordingly, works of US nationals would have required registration for protection, as in 1948 no legal treaty was in force between Mexico and the US during the 1950s.

If rights obtained while the 1948 Law was in force had no expired in 1956, when the Law of 1956 became effective, the protection term would have been extended from 20 to 25 years.

### **Work created in the US under the Copyright Law of 1963**

Article 23 originally established a general rule of life plus 50 years, which was amended in 1993, the term increasing to life plus 75 years.

Article 8 established that works that are referenced in the preceding article shall be protected, regardless if registered or are not made known to the public, or they remain unpublished.

The reciprocity rule was eliminated and the absence of formalities rule became fully applicable to works of US nationals, despite the fact that until at least 1989, the US did not reciprocate.

The law that came into effect in 1963 could have offered a chance to the copyright owners whose works had fallen into public domain, to restore the corresponding rights, with the filing of a copyright application within a particular term. Transitional article 6 of the 1963 Law set the following:

“Authors whose works have fallen into the public domain by reason of non-registration during the term established in the Civil Code for the District and Federal Territories, insofar as concerns general matters, and the entire Republic insofar as concerns Federal matters, can obtain the benefits of protection that this amendment grants, if they seek registration of their works with the General Direction of Authors Rights within a period of one year counted as of these amendments come into

force. This protection may be requested by the authors or their successors in title, and will not in any way affect any prior rights legally acquired by third parties. The successors or assignees of authors that are deceased, shall prove the fact of the death, and that it happened within a term of 30 years previous to the date that the present amendments became effective”.

Extension of term went from 25 to 50 years in 1963, and in 1993 from 50 to 75 years.

### **Work created in 1999**

In accordance with the Copyright Law of 1997 any work created in the US by US nationals would be entitled to protection for the term of life plus 75 years, without the need to register.

In a previous briefing we analyzed copyright terms under the copyright laws of 1947, 1956, 1963 and 1997. Particular emphasis was made to the registration of rights, a requirement abandoned in the Mexican law of 1947. It was also mentioned that a restoration provision required foreign authors not domiciled in Mexico to obtain registration of the work in the public domain within a one-year period. If that new formality was not met, restoration would not have produced effects and consequently the corresponding work would have remained in the public domain. In 1963, a similar restoration rule was adopted. Now the question has arisen of what would happen if a country adhered to the Union after 1963 without its national authors having obtained registrations as stated in the laws of 1947 or 1963.

Article 18 of the Berne Convention grants a solution. WIPO has interpreted it as an obligation on countries to protect works retroactively when the author failed to register but otherwise the work would still be under the term of protection of the protecting country or the term in law of the country of origin of the author, whatever term is shorter as stated by the comparison of term rule. Accordingly, foreign works should enjoy full protection in Mexico in conformity with article 18 of the Berne Convention.

## **COPYRIGHT PROTECTION FOR FOREIGN WORKS II**

*Managing Intellectual Property, July/August 1999.*

In a previous briefing we analyzed copyright terms under the copyright laws of 1947, 1956, 1963 and 1997. Particular emphasis was made to the registration of rights, a requirement abandoned in the Mexican law of 1947. It was also mentioned that a restoration provision required foreign authors not domiciled in Mexico to obtain registration of the work in the public domain within a one-year period. If that new formality was not met, restoration would not have produced effects and consequently the corresponding work would have remained in the public domain. In 1963, a similar restoration rule was adopted. Now the question has arisen of what would happen if a country adhered to the Union after 1963 without its national authors having obtained registrations as stated in the laws of 1947 or 1963.

Article 18 of the Berne Convention grants a solution. WIPO has interpreted it as an obligation on countries to protect works retroactively when the author failed to register but otherwise the work would still be under the term of protection of the protecting country or the term in law of the country of origin of the author, whatever term is shorter as stated by the comparison of term rule. Accordingly, foreign works should enjoy full protection in Mexico in conformity with article 18 of the Berne Convention.

## **EL SISTEMA DE INFRACCIONES ADMINISTRATIVAS EN MATERIA DE COMERCIO DE LA LEY FEDERAL DEL DERECHO DE AUTOR**

*Barra Mexicana, Colegio de Abogados, A.C.*

**SUMARIO: 1. Aspectos generales: ventajas y desventajas del nuevo régimen administrativo. 2. Análisis dogmático del artículo 231 de la Ley Federal del Derecho de Autor.**

### **1. Aspectos generales: ventajas y desventajas del nuevo régimen administrativo**

El 25 de marzo de 1997, entró en vigor la Ley Federal del Derecho de Autor,<sup>2</sup> la cual substituye a la de 1956,<sup>3</sup> reformada en los años de 1963<sup>4</sup> y 1991.<sup>5</sup> La Ley de 1956 determinó la represión de ilícitos del derecho de autor mediante acciones de orden penal<sup>6</sup> y civil.<sup>7</sup> El nuevo ordenamiento agrega acciones administrativas, lo cual implica la despenalización de la mayoría de conductas. Lo anterior ha generado una serie de interrogantes, pues pareciera que el legislador de 1996 no encontró en la invasión del derecho de autor, un ilícito de suficiente gravedad que le haya orillado a elevarlo a la categoría de delito, perseguible por el Ministerio Público.<sup>8</sup> Sin embargo, deben explorarse las razones de índole jurídica y política —quizás ésta de mayor peso que aquella—, que prevalecieron en la mente del legislador al gestarse la iniciativa.

El origen de todo ese cambio se denomina Tratado de Libre Comercio de Norteamérica. El Convenio TRIPS,<sup>9</sup> o por sus siglas en español ADPIC,<sup>10</sup> representa una razón adicional, aunque de menor impacto, dado que el TLC se suscribió primero, lo cual obligó al gobierno a implementarlo antes de la fecha de firma del TRIPS.<sup>11</sup>

De conformidad con el artículo 1714 (1) y (2) del TLC, los países signatarios se comprometen a adoptar medidas eficaces contra los actos violatorios de los derechos de la propiedad intelectual, además de recursos expeditos para prevenir las infracciones que desalienten violaciones futuras, todo ello a través de procedimientos justos y equitativos, que no sean innecesariamente complicados y costosos y que no impliquen plazos irrazonables o demoras injustificadas.<sup>12</sup>

En el seno de las discusiones preparatorias de un proyecto de iniciativa de LFDA, el Ejecutivo Federal, por conducto de los CC Secretarios de Educación Pública y de Comercio y Fomento Industrial, formularon la necesidad de instrumentar un cambio de fondo en el sistema de observancia de derechos de autor, a fin de dar cabal cumplimiento a las obligaciones impuestas por el TLC. Se juzgó que, como sucedió en el caso de la Ley de la Propiedad Industrial (LPI), era imprescindible la despenalización de ciertas conductas hasta entonces perseguibles como delitos. La historia había mostrado que, no obstante los esfuerzos de la Procuraduría General de la República, los procedimientos penales en materia de propiedad intelectual no atraían mayormente la atención de jueces. Por lo general, los procedimientos fueron lentos, y en los pocos casos en que se llegó a dictar sentencia condenatoria, la pena privativa de libertad se conmutaba por multa. Es obvio que con lo anterior, no podría hablarse de un sistema eficaz y mucho menos desalentador de violaciones futuras. 13

Por otra parte, el procedimiento civil tampoco arrojaba pronósticos halagadores. En numerosos casos los particulares afectados solicitaron a los tribunales la aplicación de medidas precautorias de "suspensión", como genéricamente las denomina el Código Federal de Procedimientos Civiles, con resultados negativos y frustrantes. Por dicha razón, y la lentitud característica del órgano judicial en materia civil, habría sido demasiado aventurado encomendar a la justicia civil el orden de defensa del derecho de autor. 14

Sólo quedaba recurrir al sistema administrativo, mismo que ha demostrado ser eficiente en el caso de la Propiedad Industrial. El problema fundamental es que, a diferencia del Instituto Mexicano de la Propiedad Industrial (IMPI), la entonces Dirección General del Derecho de Autor (DGDA) no tenía facultad coercitiva alguna. En tal virtud, debía diseñarse un régimen normativo nuevo, partiendo absolutamente de cero. La implementación del sistema implicaría recursos humanos y materiales fuera del alcance de la DGDA, y que se veía difícil que el gobierno federal le llegase a asignar. Adicionalmente, el reto aparentemente no convencía ni motivaba a la DGDA.

### **C. LAS NUEVAS ATRIBUCIONES DE IMPI: INFRACCIONES EN MATERIA DE COMERCIO**

Así las cosas, IMPI fue elegido como autoridad ejecutora y sancionadora, al conferirse en ésta la atribución de aplicar el artículo 231 y subsiguientes de la LFDA. A su vez, la LFDA contempló una disposición de remisión de las normas procedimentales de la LPI a las infracciones administrativas material de comercio de la LFDA. El propósito fundamental fue que si IMPI habría de ser la autoridad al cargo de la ejecución de los referidos procedimientos, que lo hiciera al amparo del procedimiento contemplado en la LPI.<sup>15</sup>

En virtud de todo lo anterior, la LFDA incorporó infracciones y sanciones administrativas, lo cual, en conjunto con el sistema civil y penal de la legislación anterior, viene a constituir el nuevo orden represor de ilícitos del derecho de autor. La infracción administrativa se suma así a las acciones penales, reservadas ahora a las conductas más graves, y las civiles, encaminadas fundamentalmente a la reparación del daño pecuniario.<sup>16</sup>

El régimen de infracciones administrativas se dividió en dos grandes rubros, lo cual obedece a razones pragmáticas más que doctrinarias.

El Dictamen de la Cámara de Diputados a la Ley Federal del Derecho de Autor señala lo siguiente: “El título XI denominado ‘De los Procedimientos Administrativos’, está integrado por tres capítulos: ‘De las infracciones en Materia de Derechos de Autor’, ‘De las Infracciones en Materia de Derechos de Autor’, ‘De las Infracciones en Materia de Comercio’ y ‘De la Impugnación Administrativa’.

“Esta iniciativa pretende establecer la distinción entre el incumplimiento de las obligaciones de naturaleza administrativa en relación con los derechos autorales y la violación de dichos derechos en su concreción patrimonial en el campo de la industria y el comercio. En este sentido, se distingue entre infracciones en materia de derechos de autor, que son aquellas que se presentan estrictamente como atentatorias de la regulación administrativa de los derechos autorales, y las infracciones en materia de comercio, que son aquellas que se presentan cuando existe violación de derechos a escala comercial o industrial, con fines de beneficio económico y que afectan principalmente derechos

patrimoniales, los que por su propia naturaleza requieren de un tratamiento altamente especializado, y un mecanismo expedito.

“Las primeras, dado su carácter eminentemente administrativo, serán conocidas por el Instituto Nacional del Derecho de Autor, como autoridad administrativa responsable de la aplicación de la Ley; las últimas lo serán por el Instituto Mexicano de la Propiedad Industrial, en los términos previstos en la Ley de Propiedad Industrial, ya que, en virtud de su carácter eminentemente mercantil, se consideró adecuado dar intervención a la Secretaría de Comercio y Fomento Industrial, a través del Instituto Nacional de la Propiedad industrial para la sanción de este tipo de faltas, la que, por otra parte, cuenta con los elementos técnicos suficientes para este fin, disminuyendo los costos administrativos y de adiestramiento que son inherentes a una modificación de esta naturaleza.

“El capítulo I. ‘De las infracciones en Materia de Derechos de Autor’, artículos 211 y 212. prevé que este tipo de infracciones se sancionarán por el Instituto Nacional del Derecho de Autor, previa audiencia del infractor y de conformidad con la Ley Federal de Procedimiento Administrativo.

“El artículo 211 de la iniciativa, sin precedentes en la legislación actual, establece los tipos de infracción que deberán ser sancionados por el Instituto Nacional del Derecho de Autor: el artículo 212 que se propone, parcialmente relacionado con el artículo 143 de la Ley vigente, establece las sanciones aplicables por las infracciones en materia de derechos de autor.

“El Capítulo II, ‘De las Infracciones en Materia de Comercio’, artículos 213 al 218, cuyo contenido no había sido contemplado con anterioridad, prevé aquellas infracciones que, aun cuando no constituyan delitos, se traducen en prácticas desleales de comercio.

“El Capítulo III, denominado ‘De la Impugnación Administrativa’, artículos 219 y 220, cuyo contenido no había sido contemplado anteriormente, establece los medios de defensa que tienen los particulares contra las resoluciones que emitan el Instituto Nacional del Derecho de Autor y el Instituto Mexicano de la Propiedad Industrial”.

El primer rubro se enfoca a las violaciones de la LFDA que no corresponden a derechos patrimoniales, propiamente hablando, y que denomina "infracciones en materia de derecho de autor", en tanto que el segundo rubro se refiere a violaciones de derechos patrimoniales de autor, así como derechos conexos, reservas de derechos, derecho de imagen, bases de datos y de culturas populares.<sup>17</sup> Son esta especie de infracciones, que la LFDA denomina "de comercio", las que constituyen objeto de mi ponencia.

Las "infracciones en materia de comercio" están contempladas en el Capítulo II del Título XII de la LFDA bajo esa misma denominación, de esta forma, el artículo 231 establece un listado de conductas sancionables; los artículos 232 y 233 se refieren a las sanciones y sus reglas de aplicación y los artículos 234, 235 y 236, constituyen, en conjunto con el artículo 6 de la Ley de las Propiedad Industrial (LPI), así como los títulos sexto y séptimo de la misma,<sup>18</sup> el fundamento jurídico de las atribuciones de IMPI, en la aplicación de las infracciones en materia de comercio.

Se debate sobre la posible falta de atribución de IMPI para aplicar el capítulo e infracciones de comercio de la LFDA, especialmente por que la LPI no contempla facultades conferidas en favor de dicha autoridad. Sin embargo, no debe soslayarse que el referido artículo 6 de la LPI en su fracción XXII establece que IMPI tendrá la facultad para "prestar los servicios y realizar las actividades necesarias para el debido cumplimiento de sus facultades conforme a esta Ley (LPI) y a las demás disposiciones aplicables". La disposición anterior aunque de ámbito general, le debe permitir a IMPI actuar aún en los casos que las disposiciones competenciales se encuentren en otros ordenamientos legales, mientras se le designe a IMPI como autoridad encargada de la aplicación en concreto. Precisamente, el artículo 234 otorga facultades a IMPI para sancionar las infracciones en materia de comercio. Al respecto cabe señalar que el Pleno de la Suprema Corte de Justicia de la Nación, en el Amparo en revisión 4890/73, con fecha 13 de agosto de 1974, al atacarse la inconstitucionalidad de los numerales de la Ley Federal sobre el Derecho de Autor que prevén las sanciones aplicables por la autoridad administrativa al violarse dicho ordenamiento, resolvió:

"SANCIONES PUEDEN ESTABLECERLAS LEYES DISTINTAS A LA PENAL. (Ley Federal sobre Derecho de Autor). La Ley Federal sobre el Derecho

de Autor, en sus artículos 135, 136 y 144 establece sanciones para diversos casos de violación a sus disposiciones. Es incontrovertible que en uso de la facultad para legislar sobre la materia de que se trata y con el propósito de realizar el objeto de la ley, el Congreso de la Unión que la expidió pudo establecer las infracciones a sus disposiciones, así como las sanciones que deban imponerse cuando son violadas, pues la norma vale por su origen y caracteres, no por el cuerpo legal en el que se encuentre insertada". Por último, en ejercicio de sus atribuciones, se publicó en el Diario Oficial de la Federación, del 2 de mayo un acuerdo por el que se delegan facultades en el Director de Asuntos Jurídicos de IMPI, para conocer de las infracciones de comercio. conforme a la LFDA.

## **D. DERECHOS PATRIMONIALES**

Previo al análisis de la norma coercitiva debo hacer una referencia breve a la norma sustantiva, que en este caso corresponde a los derechos de orden patrimonial que contempla la LFDA.

### **D.1. DERECHOS PATRIMONIALES DE AUTOR**

Comenzaré refiriéndome al artículo 16 de la Ley, el cual establece que una obra puede hacerse del "conocimiento público" mediante la divulgación, publicación, comunicación pública, ejecución o representación pública, distribución de ejemplares o copias de una obra y la reproducción de las mismas. Dicho precepto es limitativo y carente de consistencia, toda vez que deja la puerta cerrada a toda forma de explotación que se desarrolle en el futuro. Además ignora la transmisión pública y radiodifusión como formas específicas de explotación, lo cual contradice el artículo 27 fracciones II y III del mismo ordenamiento que distingue entre los conceptos de comunicación y transmisión pública. Es obvio, por lo tanto, que lo anterior habrá de desencadenar en mucha confusión y discusión.

El capítulo III de la LFDA, se refiere a los derechos patrimoniales de autor en lo particular, del que se recoge lo siguiente como lo más destacable:

a) El artículo 24 de la LFDA, el cual establece el concepto de derecho patrimonial de autor, en sentido genérico, como potestad exclusiva sobre la explotación de una obra y de autorización sobre la explotación de la misma.

b) El artículo 27, que establece seis categorías básicas de derechos particulares y una genérica. Las seis específicas o particulares pueden dividirse en lo siguiente:

- Derecho de reproducción, de distribución de ejemplares o copias, de importación y publicación.
- Derecho de comunicación pública, incluyendo representación, recitación, ejecución y exhibición pública.
- Derecho de transmisión pública o radiodifusión, por cualquier modalidad.
- Derecho de divulgación<sup>19</sup> de obras derivadas.

c) El artículo 106 de la LFDA reconoce derechos patrimoniales en favor de los titulares de programas de cómputo. En resumen dicho precepto se refiere al derecho de reproducción, producción de obra derivada, distribución y alquiler, y el de compilación. Por otra parte dicho artículo omitió mencionar los derechos específicos de transmisión y comunicación pública, por lo que cabe preguntarse si el artículo 27 sería también aplicable a programas de cómputo.

Los derechos patrimoniales de autor categorizados anteriormente cumplen en mayor o menor medida con los estándares impuestos por los tratados internacionales suscritos por México en materia de derecho de autor, especialmente la Convención de Berna,<sup>20</sup> Convención Interamericana,<sup>21</sup> Convención Universal,<sup>22</sup> TLC<sup>23</sup> y TRIPS.<sup>24</sup>

## **D.2. DERECHOS CONEXOS**

La LFDA confiere derechos patrimoniales a los titulares de derechos conexos, los cuales son en esencia distintos a los de derecho de autor. En su común denominador el derecho conexo representa un derecho de oposición, que a diferencia del derecho de autor, no otorga a su titular una potestad de hacer en sentido amplio, o por lo menos tan amplio como en el caso del derecho de autor, pues tan sólo le faculta a impedir que terceros efectúen las conductas ilícitas contempladas por la Ley.

Sin embargo, existen diferencias de forma o grado por lo que toca a las diversas manifestaciones del derecho conexo, como son los derechos de los artistas intérpretes o ejecutantes; de los editores de libros; de los productores de fonogramas; de los productores de videogramas; y de los organismos de radiodifusión.

### **D.3. RESERVAS DE DERECHOS**

De conformidad con la LFDA las reservas de derechos son “la facultad de usar y explotar en forma exclusiva”, títulos de publicaciones y difusiones periódicas, personajes ficticios y de caracterización humana, promociones publicitarias, y nombres de artistas y grupos artísticos.

### **D.4. DERECHO DE IMAGEN**

Por otra parte, la LFDA, considera que las personas gozan de un derecho sobre su retrato, que les permite la autorización a su uso o publicación, o a prohibir que terceros lo hagan sin su autorización, si no media consentimiento expreso.<sup>25</sup>

### **D.5. DERECHO SOBRE BASES DE DATOS**

El titular del derecho patrimonial de una base de datos cuenta con la potestad exclusiva de autorizar o prohibir una serie de actos relacionados con la explotación de la base misma.

### **D.6. DERECHOS SOBRE CULTURAS POPULARES**

Por último, existe un derecho patrimonial sobre el uso o explotación de una obra de arte popular que la LFDA no precisa a quien pertenece.

2. Análisis dogmático del artículo 231 de la Ley Federal del Derecho de Autor

### **A. NOTA PRELIMINAR**

Según se ha dicho a lo largo de la presente ponencia, la LFDA establece un régimen de respeto y defensa de los derechos patrimoniales de autor y otros derechos protegidos en dicho ordenamiento legal. En el aspecto coercitivo, la implementación de dicho régimen se cristaliza con la adopción del artículo 231, mismo que enumera infracciones administrativas, concebidas dentro de un orden sistematizado de conductas violatorias de derechos. Tal y como se dijo líneas atrás, las

categorías del artículo 231 pretenden abarcar a todos y cada uno de los derechos patrimoniales de la LFDA, lo cual no sólo se limita a derechos de autor.

## **B. LOS ELEMENTOS DE LA NORMA COERCITIVA**

Dice el artículo 231 en su encabezado:

“Constituyen infracciones en materia de comercio las siguientes conductas cuando sean realizadas con fines de lucro directo o indirecto”.

La norma conforma diversos elementos que de configurarse traerían como consecuencia la aplicación de las sanciones correspondientes. Dichos elementos son los siguientes:

1. Sujeto Activo: El titular de cualesquiera derechos patrimoniales contemplados en la LFDA.

2. Sujeto Pasivo: Todo aquel quien presuntamente viola o transgrede el derecho protegido por la LFDA sin el consentimiento del titular del derecho patrimonial.

3. Elemento Objetivo/Causa Petendi: Comprende los derechos objeto de transgresión, constituidos por el derecho patrimonial de autor sobre cualquiera de los géneros protegidos por la Ley; los derechos conexos o vecinos; las reservas de derechos; el derecho de imagen; el derecho sobre bases de datos, y los derechos sobre las culturas populares; todos ellos derechos patrimoniales protegidos por la LFDA.

4. La conducta que realiza el transgresor del derecho patrimonial, podría clasificarse en lo siguiente:

a) Violaciones al derecho patrimonial de autor:

- Al derecho de comunicación pública, sin importar el medio o forma. Artículo 231, fracción I.
- Al derecho de reproducción, distribución o publicación (incluyendo el almacenamiento, transportación o comercialización de obras). Artículo 231, fracción III.26
- Al derecho de transmisión pública. El artículo 231 lo omite, por lo que resulta necesario encuadrarlo dentro de la disposición general de la

fracción X, lo cual deberá acarrear problemas, desde el momento mismo en que en estos casos se requiere "escala comercial", concepto vago que ya ha probado ser un verdadero dolor de cabeza.

- Al derecho de producción de obra derivada. Artículo 231, fracción III. No se menciona expresamente, pero debe ser incluida, toda vez que la obra derivada es obra al fin y al cabo.

- Al derecho de uso, reproducción o explotación de programas de cómputo. Artículo 231, fracción XII. Esta fracción considera al programa de cómputo en forma independiente al resto de las obras. No hay razón válida que justifique el distingo. Sin embargo, tampoco debe representar causa suficiente como para privar al titular del programa de cómputo, de las acciones derivadas de transgresiones al artículo 231 de la LFDA, que no sólo correspondan al derecho de uso y reproducción.

b) Violaciones a ciertos derechos morales.

- Al derecho moral de modificación, deformación o mutilación, tratándose de obras protegidas que después se ofrecen en venta, o se almacenan, transportan o ponen en circulación. Artículo 231, fracción IV.

c) Violaciones a los derechos conexos.

- Al derecho del organismo de radiodifusión, por la retransmisión, fijación, reproducción y difusión al público de sus emisiones. Artículo 231, fracción VI.

- Al derecho del productor del fonograma, por la reproducción, producción, fabricación, distribución, transportación o comercialización de copias. Artículo 231, fracción III.

- Al derecho del editor de libros, por la reproducción, producción, fabricación, distribución, transportación o comercialización de copias. Artículo 231, fracción III.

- Al derecho del productor de videogramas, por la reproducción, producción, fabricación, distribución, transportación o comercialización de copias. Artículo 231, fracción III.

- Al derecho de artistas intérpretes o ejecutantes. No hay fracción que lo contemple.

d) Violaciones a las reservas de derechos.

- A cualquier tipo de reservas, por el uso, reproducción o explotación de las mismas (Artículo 231, fracción VII) o semejantes que induzcan a confusión (Artículo 231, fracción VIII).

e) Violaciones al derecho de imagen de una persona.

- A la utilización de la misma. Artículo 231, fracción II.27

f) Violaciones al derecho sobre bases de datos.

No habría fracción aplicable, a menos de que se le considerase obra y le recayesen así todos los derechos inherentes, y no una producción sujeta a protección sui generis.

g) Violaciones a los derechos sobre Culturas Populares.

- A la utilización de las mismas. Artículo 231, fracción IX.

h) Violaciones de orden diverso.

- A la importación, venta, arrendamiento, o cualquier otro acto utilizando dispositivos o sistemas para desactivar dispositivos electrónicos de protección de programas de cómputo. Artículo 231, fracción V.

Para la mejor referencia del auditorio, la ponencia se apoyó en una serie de diagramas que tiene por objeto el análisis esquematizado de las causales de infracción del artículo 231 de la LFDA, vistas a la luz de los derechos patrimoniales y las limitaciones a dichos derechos.

### **C. LUCRO DIRECTO Y LUCRO INDIRECTO**

No debe pasarse por alto que las conductas ilícitas contempladas en el artículo 231 de la LFDA sólo se actualizan si se realizan con fines de lucro directo o indirecto.

En términos generales, lucro es el provecho, beneficio o ganancia que se saca de una cosa.28 El Diccionario Jurídico Mexicano lo define como la "ganancia o utilidad obtenida en la celebración de ciertos actos jurídicos,

que el ordenamiento legal califica de lícita o ilícita, según su exceso o proporción, para atribuirle determinadas consecuencias de derecho".<sup>29</sup> La intención de lucrar puede ser establecida por la ley o por determinación judicial. En México existen un gran número de precedentes judiciales que se refieren al lucro aplicado a diversos temas, por lo común relacionados al derecho mercantil, aunque asimismo al fraude de naturaleza penal, entre otros.

Existe tesis de la Suprema Corte de Justicia al respecto que señala: "El arrendatario de una finca rústica, no puede ser considerado como simple labrador y, por lo tanto, privado del carácter de comerciante, si sus actividades no se limitan a la explotación del suelo, para obtener tan sólo los productos vegetales que en él se puedan dar, para inmediatamente después realizarlos sin alterar en nada su estructura íntima, porque si, por ejemplo, instala trapiches, se convierte en un verdadero industrial agrícola manufacturero, ya que, obtenida la materia prima por él mismo cultivada, se dedica a transformarla en un producto de estructura distinta, para obtener, seguramente, una utilidad mayor de la que le produciría la venta del producto, en su estado natural, de manera que, por virtud de esta nueva labor, distinta a la del simple cultivo de la tierra, concurre a la del simple cultivo de la tierra, concurre en él la característica común, que, según la doctrina, corresponde a todo comerciante, o sea, el ejercicio de una industria por aquel que, de manera mediata, dirige una explotación privada propia, con ánimo de ganancia"

(SJF, 5a. época, Tomo XLV, Tercera Sala, p. 380).

En el derecho de autor el lucro es un concepto debatido. Se emplea por primera vez en el texto de la reforma de 1963 a la Ley de 1956; en concreto, los artículos 75 y 135 y subsiguientes, lo mencionan.<sup>30</sup> Desde entonces se ha empleado en la legislación, jurisprudencia y doctrina de la materia.

El artículo 75 de la Ley del 56 lo definía así:

Las siguientes dos tesis mencionan el vocablo "lucro", sin hacer mayor referencia.

Sin embargo, de la investigación realizada fue lo más rescatable que se localizó:

Séptima Epoca

Instancia: Tribunales Colegiados de Circuito

Fuente: Semanario Judicial de la Federación

Tomo: 217-228, Sexta Parte

Página: 220

DERECHOS DE AUTOR, OBJETO DE LA LEY FEDERAL DE. Los derechos de autor se fundan en la necesidad de proteger el talento creador del individuo, con independencia de las cosas en donde aparezca exteriorizado y objetivado ese poder creador. Esto es así, porque el artículo 1o. de la Ley Federal de Derechos de Autor dispone, que tal ordenamiento tiene por objeto la protección de los derechos que la misma ley establece en beneficio del autor de toda obra intelectual y artística, y conforme al artículo 2o. Del propio cuerpo legal, éste prevé y protege en favor del autor de una obra intelectual o artística los siguientes derechos: "...I. El reconocimiento de su calidad de autor: II. El de oponerse a toda deformación, mutilación o modificación de su obra, que se lleve a cabo sin su autorización, así como a toda acción que redunde en demérito de la misma o mengua del honor, del prestigio o de la reputación del autor; ...III. El usar o explotar temporalmente la obra, por sí mismo o por terceros, con propósito de lucro y de acuerdo con las condiciones establecidas por la ley". Estas disposiciones ponen en manifiesto, que el interés protegido en la ley citada es la obra del pensamiento o de la actividad intelectual y no las cosas en donde la obra del ingenio se exterioriza y recibe forma material, las cuales, por ser objeto de propiedad ordinaria, se encuentran regidas por las disposiciones correspondientes del Código Civil.

CUARTO TRIBUNAL COLEGIADO EN MATERIAL CIVIL DEL PRIMER CIRCUITO.

Amparo directo 68/87. César Oditlón Jurado Lima. 19 de marzo de 1987. Unanimidad de votos.

Ponente: Mauro Miguel Reyes Zapata

Sexta Epoca

Instancia: Segunda Sala

Fuente: Semanario Judicial de la Federación

Tomo: XII. Tercera Parte

Página: 103

DERECHOS DE AUTOR. CARACTER DE LA LEY FEDERAL DE. La Ley Federal sobre Derechos de Autor tiene por materia propia la protección de la actividad intelectual y artística, más que un interés mercantil, toda vez que, en rigor, lo que aspira a tutelar son los derechos de un cierto tipo de trabajadores, lo cual la convierte en un típico derecho clasista, una de cuyas características esenciales viene a estribar precisamente en la unidad de la organización de quienes pertenecen a la clase social de que se trata. Por ello es que en el caso no puede hablarse de la existencia de un monopolio, ya que éste sólo existe cuando se trata de artículos de consumo necesario o de actos o Procedimientos que tiendan a evitar la libre concurrencia en la producción, industria, comercio o servido al público, es decir, de actividades encaminadas a la obtención de lucro, concepto substancialmente diverso al de remuneración por el trabajo, así sea este intelectual, científico o artístico.

Amparo en revision 672/57. Sociedad Mexicana de Autores y Compositores, Sociedad Autoral, 9 de abril de 1958. Mayoría de 3 votos. Ponente: José Rivera P.C.

“Artículo 75. Para los efectos de esta Ley, se entiende que hay fines de lucro cuando quien utiliza una obra pretende obtener un aprovechamiento económico directa o indirectamente de la utilización”.

La norma citada deja en claro las siguientes cinco situaciones:

- a) Lucro equivale a aprovechamiento económico;
- b) la Ley de 1963 reconoce el lucro indirecto además del directo;
- c) no se define, ni precisa, lo que debe entenderse por lucro directo, aunque el concepto se explica por sí sólo. Resulta claro, que por ser especie de lucro implica la intención de un aprovechamiento económico;

d) no se define ni precisa lo que debe entenderse por lucro indirecto. Sin embargo, no hay duda que, al igual que el uso directo, implica la intención de un aprovechamiento económico;

e) el lucro indirecto difiere del directo, ya que la Ley de 1963 las refiere como categorías distintas. Sin embargo, no se dice en qué se distinguen;

f) lo que se sanciona es la intención de lucrar y no necesariamente la consumación del fin.

Así las cosas, el artículo 75 de la LFDA fue, por lo menos hasta el 25 de marzo de 1997, el único criterio regulador en el que las autoridades pudieron apoyar sus decisiones y resoluciones. Nunca fue sencillo entender el concepto de lucro en el derecho de autor, disciplina que en principio riñe con los fundamentos del mercantilismo, por su carácter humanista, que prevalece sobre todo. Es por ello que, tanto la autoridad administrativa (Ministerio Público Federal), como judicial, fueron apreciando la necesidad de una figura flexible, y que fuera adaptable a situaciones diversas.

El concepto de lucro indirecto surge, quizá, como el ejemplo más palpable de la perspectiva con la que el lucro debe ser contemplado. De inicio, se aplicó a casos en los que los usuarios utilizaban obras en lugares abiertos al público, lo cual, sin ser el objeto esencial de su negocio, les representaba un factor de ganancia o utilidad, adicional sobre aquello que sí correspondía a su actividad. Así, fue adaptada a la utilización pública de obras en restaurantes, bares, discotecas y hoteles, entre otros, con lo que pudo superarse el escollo impuesto por el legislador al exigir fin de lucro en la conducta ilícita.

Derivado de la experiencia anterior, la idea de lucro indirecto fue aplicada al caso del usuario final de programas de cómputo. Al respecto, los dictámenes de las Cámaras de Diputados y Senadores sobre la reforma de 1991, dieron sustento y refuerzo a la postura.

En ese sentido el "Dictamen de la H. Cámara de Senadores para reformar y adicionar diversas disposiciones de la Ley Federal de Derechos de Autor", publicado por la Revista Mexicana del Derecho de Autor de la SEP, en el número 7, año II, julio-septiembre de 1991 y que a la letra señala en relación a programas de cómputo:

“Por lo que hace a la fracción III de esta misma disposición, la iniciativa del Presidente de la República propone establecer una protección a los derechos autorales de quienes registren programas de computación, al adicionar en esta fracción como conducta acreedora de pena la de “cualquier persona que, sin autorización (del autor) o de sus causahabientes reproduzca con fines de lucro un programa de computación.

“Esta propuesta es por demás atinada en términos generales pero debiéndonos referir a que sobre su redacción recibimos consideraciones expresas de especialistas en informática y en específico de la Asociación Nacional de la Industria de Programas para Computadoras, A.C. (ANIPCO), en el sentido de aplicar el tipo a quienes se sirvan de reproducciones no autorizadas para uso propio o de terceros; y en virtud del análisis que efectuamos de este planteamiento, consideramos oportuno señalar aquí que al tenor de la definición que de fines de lucro se contiene en el referido artículo 75 de la Ley, la reforma propuesta por el Presidente de la República, comprende también el caso de aquellas personas que para uso propio o de terceros se sirven de reproducciones no autorizadas de programas de computación; en consecuencia, la fracción III del citado artículo 135 debe de leerse como sigue:

“III. Al editor, productor o grabador que produzca mayor número de ejemplares que los autorizados por el autor o sus causahabientes, o a cualquier persona que, sin autorización de éste o éstos, reproduzca con fines de lucro un programa de computación”.

Posteriormente, los artículos 231 y 233 de la LFDA adoptaron la figura y la transportaron al campo administrativo, en el cual IMPI habrá de intervenir.

Sin duda, los antecedentes y experiencias señaladas deberán servirle para normar sus propios criterios.

#### **D. ESCALA COMERCIAL**

La escala comercial no es elemento exclusivo de los nuevos tipos delictivos trasladados al Código Penal. También se observa en dos preceptos del Capítulo II del Título XII de la LFDA. En concreto me refiero a los artículos 213, fracción X, y 233. En ambos se aprecia el concepto “escala comercial” como algo que difiere en grado de la

infracción ordinaria. El artículo 213 (X) abre la posibilidad de sancionar violaciones a la Ley que no hayan sido contempladas en las fracciones del artículo 213.<sup>31</sup> Sólo que en estos casos se exige que la infracción se haga a "escala comercial". De manera similar, el artículo 233 tiene por objeto incrementar multas administrativas en un cincuenta por ciento, cuando el infractor explote las obras a "escala comercial".

Pero, ¿qué es escala comercial? No se trata precisamente de un término que se encuentre en diccionarios. Sin embargo, es parte del derecho positivo mexicano, no sólo por el antecedente de la Ley de la Propiedad Industrial (LIP),<sup>32</sup> que podría decirse que comparte la misma procedencia y fundamento que la LFDA: El Tratado de Libre Comercio de Norteamérica. El Reglamento de la Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera<sup>33</sup> se anticipó al emplear dicho término en dos de las definiciones de su artículo primero.<sup>34</sup> Lo interesante es que no se le da un criterio numérico como podría pensarse; más bien se emplea como aquello que es contrario a lo "experimental"

Por lo que respecta a la LFDA y la LIP, la escala comercial parece deber su origen al TLCN en su versión en español,<sup>35</sup> aunque la versión inglesa también la refiere, traducida como "commercial scale".<sup>36</sup> Cabe señalar que en ese país tampoco hay una definición objetiva del concepto. El "Copyright Act" menciona que la sanción de daños estatutarios puede aumentarse de \$20,000.00 a \$100,000.00 dólares americanos, en los casos en que el infractor actúa de mala fe, o "wrongful intent".<sup>37</sup>

La idea de "escala comercial" fue discutida entre los equipos negociadores del TLC, con la finalidad de establecer diferencias de grado en la aplicación de sanciones administrativas y penales, en cuanto a su nivel de gravedad. Entre más reproducciones se realicen de una obra — aunque éstas no se comercialicen necesariamente—, habrá mayores elementos de mala fe y por lo tanto, la necesidad de sanciones pecuniarias o privativas de libertad más elevadas. Así se aterrizó el criterio en la normativa mexicana (artículo 233 de la LFDA), y la norteamericana (504 (c) del "Copyright Act"). Lo que los equipos negociadores del TLC soslayaron en definitiva fue cómo transportar el concepto de "escala comercial" a obras explotadas a través de medios diversos a la reproducción.

El elemento "escala comercial" se restringe al uso de un determinado número de copias de obras, o a su comunicación o transmisión pública y no necesariamente a que estas copias entren al comercio, es decir, que necesariamente sean puestas a la venta, ya que esto (venderlas) haría encuadrar la hipótesis normativa contemplada en los artículos 231(X) y 233 de la LFDA, y en su caso el 424 (III) del Código Penal. Al respecto, no debe perderse de vista que, al realizar una copia de la obra, el presunto infractor está desplazando al titular del derecho a venderla (o explotarla) por cuenta propia y en su legítimo beneficio. Algo similar sucedería si la obra es objeto de comunicación o transmisión pública. En tal virtud; la escala comercial no puede supeditarse al hecho de que la obra o las copias de ésta sean introducidas en el comercio.

En conclusión, la LFDA invoca la escala comercial buscando elevar sanciones administrativas a los casos de mayor gravedad. Lo mismo podría decirse por lo que toca a los tipos penales.

## **C. LAS NUEVAS TECNOLOGIAS COMO PARTE DEL SISTEMA DE RESPETO Y DEFENSA DEL ARTICULO 231 DE LA LFDA**

### **C.1. LA ERA DIGITAL**

No cabe duda que el medio de explotación de la obra ejerce influencia sobre ésta. La historia ofrece un gran número de ejemplos. Ha sido el reto constante del derecho de autor el desarrollarse a la par que la tecnología, ofreciendo herramientas de protección y defensa adecuadas y suficientes.

En la actualidad vivimos la era de la tecnología digital, que a diferencia de la analógica, utiliza el lenguaje binario, reduciendo imágenes, textos y sonidos a 0 y 1, homogeneizando y comprimiendo la información, lo cual permite su transmisión por una misma red a través de impulsos electrónicos.<sup>38</sup>

Las dos manifestaciones más importantes de la tecnología digital lo constituyen la producción multimedia y las redes o super carreteras de información. Ambas han transformado la forma y modalidad de usar y explotar obras.

## **C.2. PRODUCCION MULTIMEDIA**

Por lo que respecta a las producciones multimedia, se cuestiona si se trata de obras o si éstas sólo constituyen formas de explotación a través de un medio nuevo y distinto. A lo largo de la historia y con ocasión del desarrollo de cada medio, paralelamente han surgido nuevas manifestaciones de expresión, que en algunos casos, como el de la obra cinematográfica, se les ha reconocido categoría de obra. En la actualidad, la producción multimedia se enfrenta a ese debate, ya que pudiera ser que sólo corresponda a la integración de diversas obras, sin que realmente haya contribución artística independiente o que sólo se trate de un trabajo técnico, consistente en reducir obras a código digitalizado. Por otro lado, quienes reconocen la diferencia entre la "realidad efectiva" y la "realidad virtual", —esta última como fuente de la técnica digital, en la que la información se desmaterializa y se comprime—, asimismo reconocen a la producción multimedia como obra independiente —ésta en el sentido más extremista— o como colección de obras —que corresponde a una postura moderada—.

Todas estas preguntas se hace el tratadista español Antonio Delgado Porrás haciendo notar que las manifestaciones de multimedia vienen a confirmar la tendencia a imponer criterios de distinción más definidos en cuanto al rol que debe jugar el principio de originalidad seguido por la escuela del "Detroit de Auteur", reservado a las obras de arte puro, en el sentido tradicional del concepto, y el que expone la -escuela del "Copyright", al encargarse de las obras artísticas y culturales aplicadas a la industria o que tengan por naturaleza y destino una finalidad comercial.<sup>39</sup>

La producción multimedia puede fijarse en dos tipos de soporte como lo es el CD ROM o la memoria de servidores que lo transmiten por la red.

## **C.3. AUTOPISTAS DE INFORMACION**

Por otra parte, existen las autopistas de información, que para algunos no representan un nuevo y distinto medio de comunicación, sino una nueva forma de organización y explotación de medios y procedimientos, que hace posible la transmisión y reproducción de obras, lo cual a la vez implica violaciones potenciales a derechos de autor.<sup>40</sup>

#### **C.4. REGIMEN DE PROTECCION JURIDICA**

Se debate, pues, en cómo regular la explotación de obras mediante dichas tecnologías (multimedia y redes). Para algunos como Bill Gates, la distribución electrónica de obras a través de redes permitirá más control en el monitoreo de las obras. Sin embargo, comentan algunos que para la eficaz protección, es preciso que las leyes contemplen derechos de reproducción, distribución y transmisión de la obra en forma desmaterializada y sin agotamiento del derecho por primera venta. El concepto de fijación, por su parte, debe comprender la reproducción temporal de la obra en memoria aleatoria, además de que el concepto de lucro indirecto (de la obra) sea debidamente reconocido.<sup>41</sup>

Los mencionados derechos, además de otros como la limitación al uso honrado, el derecho de paginación y la obligación impuesta en proveedores de servicio para ejercer control en el pago por uso de obras, comprenden un catálogo de propuestas hechas por la representación norteamericana, en las discusiones del Protocolo de Berna. Criticas al respecto han sido planteadas por autores como Pamela Samuelson quien considera que con dicha regulación sólo se prétende el control de Internet.<sup>42</sup>

En varios aspectos la legislación mexicana ha intentado adelantarse a las necesidades de cambio de la era digital. No obstante ello, hay todavía mucho que hacer. Entre otros debe esclarecerse la diferencia entre fijación (artículo 6 de la LFDA) y reproducción y publicación (artículo 16, fracciones II y III). Las definiciones de publicación y reproducción comprenden el almacenamiento permanente o provisional de obras por medios electrónicos. Fijación en teoría resulta una expresión más adecuada al lenguaje digital; sin embargo, no hace mención a los criterios de temporalidad y desmaterialización, situación que viene a producir confusión. Además, debe resolverse la problemática relativa a la falta de coercitividad del derecho de transmisión, lo cual será fundamental, toda vez que el derecho de distribución, de conformidad con la LFDA, sólo puede serlo sobre copias materializadas de obras.

Por otra parte, el artículo 3 de la LFDA podría conferir el carácter de obra a la producción multimedia, si ésta contiene elementos originales

distintas e independientes de las obras que la integran. Sin embargo, su redacción es tan confusa, que al mismo tiempo haría pensar lo contrario, en virtud de que solo se protegen los "elementos primigenios" de los "programas efectuados electrónicamente". Resulta muy difícil saber qué pretende decirse con dicha norma. ¿Sería posible decir que la producción multimedia es obra en cuanto a que es primigenia, independientemente de que se base en obras preexistentes? Ese sería el caso de la obra audiovisual que constituye un género diverso a las obras que le sirven de cimiento o estructura. Si nuestra interpretación está equivocada, entonces sería difícil pensar que la LFDA sea capaz de ofrecer protección a la producción multimedia, ya no digamos por medio del derecho de autor, sino mediante un derecho sui generis. El hecho que sólo se protejan los "elementos primigenios" de la producción, significaría que son las obras preexistentes que le dan sustento, las únicas que serían merecedoras de protección.

La discusión que antecede no viene de a gratis en el presente trabajo. Las nuevas formas y medios de explotación de obras producirán un impacto tal, que IMPI se verá forzado a hacer peripecias, a fin de dar solución a los conflictos que surjan en el futuro. Por lo tanto, la Ley será más funcional, en lo que se refiere a infracciones en materia de comercio, en la medida que IMPI interprete los distintos preceptos con amplitud y flexibilidad. Para ello deberá adaptar los distintos conceptos a cada forma o medio de explotación de obras. Por ejemplo, en el caso de fijación de obras en sistemas digitalizados, habrá de considerar los principios de desmaterialización y temporalidad. Ello le permitirá distinguir correctamente entre reproducción (reservado a la copia materializada) y fijación (reservado al almacenamiento de obras en datos). De igual manera, deberá entender que la transmisión se efectúa por el acceso que hace el usuario de la red y que para que se produzca transmisión, la obra debe residir en memoria aleatoria, que al desmaterializarla favorece su envío. Finalmente, deberá entender las limitaciones de derecho dentro de un contexto lo suficientemente amplio, lo cual permita un equilibrio, que por un lado, ofrezca protección adecuada y suficiente al titular del derecho de autor, y por el otro, se reconozcan los intereses legítimos del usuario de la red. En conclusión, el régimen de infracciones en materia de comercio deberá contribuir al desarrollo del derecho de autor, y para ello IMPI jugará un papel fundamental.

1. Socio de Olivares & Cía., S.C., Presidente de la Asociación Mexicana para la Protección de la Propiedad Industrial (AMPPI), Grupo Mexicano de la Asociación Internacional para la Protección de la Propiedad Industrial (AIPPI).
2. Publicada en el Diario Oficial de la Federación el 24 de diciembre de 1996. Modificada por decreto publicado el 19 de mayo de 1997 en cuanto a su artículo 231. fracción III.
3. Decreto publicado en el Diario Oficial de la Federación del 29 de diciembre de 1956.
4. Decreto de Reformas a la Ley de 1956 de fecha 4 de noviembre de 1963 y publicado el 31 de diciembre de 1963.
5. Decreto publicado en el Diario Oficial de la Federación de 17 de julio de 1991.
6. Artículos 135 y subsiguientes de la Ley Federal de Derechos de Autor.
7. Conforme al artículo 79 de la Ley anterior, los titulares de derechos de autor y conexos contaban con acciones civiles contra los usuarios de obras, por la falta de pago de regalías contempladas en las tarifas expedidas por la SEP. Con la ley nueva este régimen parece haber desaparecido y haberse sustituido por infracciones en materia de comercio. Al no existir un equivalente del artículo 79, no resulta claro si el ilícito perpetrado por utilización pública de obras abre la posibilidad de acciones administrativas, civiles. o las dos.
8. Al respecto consúltese Schmidt Luis C., "In Mexico, Software Owners Find Rights are Illusory, Problems with Enforcement Render IP Laws Almost Meaningless, IP Worldwide, The New York Law Publishing Company, November/December 1996, p. 10. Asimismo, Schmidt Luis C., "Recent Developments in Mexican Copyright Law", Copyright World, Armstrong International Limited, United Kingdom, May 1997, issue 70, p. 44. Finalmente, Schmidt Luis C. "Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?" 34 IDEA- The Law of Law and Technology, 33, 52-53 (1992). Este último puede consultarse asimismo en Tolley's Computer Law and Practice, vol. 9 num. 4, England, 1993, y Revista de Investigaciones Jurídicas, Escuela Libre de Derecho, No. 17, México, 1993, pp. 459-494.
9. "Trade Related Aspects of Intellectual Property".
10. "Acuerdo sobre los Aspectos de los Derechos de Propiedad Intelectual Relacionados con el Comercio", publicado en el Diario Oficial de la Federación del viernes 30 de diciembre de 1994.
11. As Neff Richard E. y Smallson, Fran. "NAFTA, Protecting and Enforcing Intellectual Property Rights in North America", Shepard's McGraw- Hill, New York. 1994, p. 1.
12. Véase: "Artículo 1714. Defensa de los Derechos de Propiedad Intelectual. Disposiciones Generales.
13. Consúltese Schmidt Luis C., "In Mexico, Software Owners Find Rights are Illusory, Problems with Enforcement Render IP Laws Almost Meaningless", opus cit. , p. 11.
14. Id., p. 12. Consúltese Artículo 384 del Código Federal de Procedimientos Civiles.
15. Podrá debatirse si se trata de "remisión" o "reenvío", en nuestra opinión "remisión", ya que el término "reenvío" podría confundir con el concepto

utilizado en el Derecho Internacional Privado. Dicha disciplina parte de normas formales o conceptuales enviadas a la norma jurídica sustantiva aplicable que estipula la conducta a seguir para el caso concreto. La norma sustantiva o material viene a ser la elegida por la norma conflictual entre otras normas también sustantivas que coincidieron en la pretensión de regir una situación concreta. En otro orden de ideas, tenemos que la LFDA y la LPI no son leyes en conflicto, sino en armonía. Por tanto, no existe un "reenvío" en los términos antes expuestos, sino una "remisión" a una legislación de igual jerarquía, con el propósito de que ésta se encargue de una cierta normativa, carente en la legislación que hace la "remisión". En el caso particular de la "remisión" que hace la LFDA a la LPI tiene como objeto la aplicación de un procedimiento determinado, no existente en aquélla.

16. Habría que revisar, sin embargo, el nuevo tratamiento que se dará al régimen de pagos por utilización pública de obras, que de conformidad con el artículo 79 de la legislación interior, ameritaba acciones de carácter civil más que penales o de cualquier otra índole.

17. A las infracciones administrativas se les llamó "en materia de comercio" para distinguirse de aquellas referidas a otros ámbitos de la Ley, lo cual pretende incluir el derecho moral, y los derechos de orden personal. Sin embargo, como el Dr. Horacio Rangel, el hecho que aquellas se les llame "infracciones en materia de derecho de autor" sugeriría que las del segundo grupo tratan de una materia distinta al derecho de autor. Rangel Ortiz Horacio, "La Nueva Legislación Mexicana en Material Autoral". El Foro. Órgano de la Barra Mexicana Colegial de Abogados, A.C., Novena Época. Tomo X. Número 1. Primer Semestre 1997, México, D.F., p. 97.

18. Título VI "De los procedimientos Administrativos y Título VII "De la Inspección, de las Infracciones y Sanciones Administrativas y de los Delitos". El artículo 234 de las LFDA se refiere expresamente a las disposiciones de los títulos VI y VII de la LPI como objeto de la "remisión". Sin embargo, el referido artículo 234 no es técnico, en virtud de que no todas las disposiciones de dichos títulos son aplicables a las infracciones en materia de comercio. El artículo 234 debió ser más claro en ese sentido.

19. El legislador debió utilizar terminología distinta en este caso, toda vez que de conformidad con la LFDA artículo 16, por divulgar se entiende hacer accesible la obra al público "por primera vez". De lo anterior pareciera que el titular del derecho de autor sólo tiene derecho a autorizar la explotación de una obra derivada cuando ésta es inédita, lo cual luce absurdo.

20. Artículos II, II bis, II ter. 12. 13. 14 y 14 bis de la Convención de Berna para la Protección de las Obras Literarias y Artísticas (Acta de París), publicada en el Diario Oficial de la Federación mediante decreto, el día 20 de diciembre de 1968.

21. Artículo II de la Convención Interamericana sobre el Derecho de Autor en Obras Literarias, Científicas y Artísticas, publicada en el Diario Oficial de la Federación mediante decreto, el día 24 de octubre de 1947.

22. Artículo V de la Convención Universal sobre Derecho de Autor, publicada en el Diario Oficial de la Federación, mediante el decreto del día 6 de junio de 1957.

23. Artículo 1705 (2) del TLCN.

24. Artículos 9 y 11 de TRIPS.
25. El artículo 173 de la LFDA dice lo anterior de manera mucho menos clara y con graves carencias de técnica jurídica.
26. El texto de apoyo lo constituye el de la reforma publicada en el Diario Oficial de la Federación de 19 de mayo de 1997, por la cual se reforma la fracción III del artículo 231 de la LFDA.
27. Cabe observar que mientras el artículo 87 de la LFDA hace referencia al retrato de la persona, el artículo 231 (II) del mismo ordenamiento utiliza la palabra imagen, de contenido mucho más amplio que aquélla. Resulta confuso qué quiso decir el legislador a este respecto. No es adecuado que la norma sustantiva hable de retratos y la infracción de imagen. Sin embargo, si su intención fue crear una forma de protección en favor de las personas y su imagen, se soslayaron muchos aspectos, entre ellos, por ejemplo, imponer un régimen de limitación por el uso de la imagen con fines de parodia. Además el artículo 213 (II) ni siquiera menciona el tratamiento que debe darse a las restricciones del artículo 87, para los efectos de la infracción.
28. Según el Diccionario de la Real Academia Española, "lucro. (Del latín. *lucrum*)m. Ganancia o provecho que se saca de una cosa. Cesante. Ganancia o utilidad que se regula por la que podría producir el dinero en el tiempo que ha estado dado en empréstito o mutuo. *lucros* y *daños*". Com. ganancias y pérdidas y "Lucrar. (Del latín *lucran*) tr. Conseguir lo que se desea. 2. pml. Ganar, sacar provecho de un negocio o encargo. Diccionario de la Lengua Española, Vigésima Primera Edición, Editorial Espasa Calpe. Madrid. 1992, p. 1273.
29. Instituto de Investigaciones Jurídicas de la Universidad Nacional Autónoma de México, Diccionario Jurídico Mexicano. Editorial Porrúa, México. 1989. p. 2059. En el mismo sentido la Enciclopedia Jurídica Omeba. Driskill S.A., Torno XVIII. Buenos Ares, Argentina, p. 849.
30. Las legislaciones de 1945 y 1956 y los Códigos Civiles de 1870, 1884 y 1928 no mencionan el término.
31. Por ejemplo, el caso del derecho de transmisión. Ver artículo 110 de la LFDA.
32. Véase: Artículo 223, fracción II de la LFDA.
33. Reglamento de la Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera, publicado en el Diario Oficial de la Federación del 16 de mayo de 1989 y fe de erratas en el del 16 de julio de 1989.
34. Véase: Artículo 1, fracciones XIV y XV.
35. Véase: Artículo 1717, (1) y (3).
36. El artículo 1717(1) estipula en inglés:  
"Each party shall provide criminal procedures and penalties to be applied at least in cases of willful trademark counterfeiting or copyright piracy on a commercial scale. Each Party shall provide that penalties available include imprisonment or monetary fines, or both, sufficient to provide a deterrent, consistent with the level of penalties applied for crimes of a corresponding gravity". Por su parte el artículo 1717 (3) establece en inglés:  
"A party may provide criminal procedures and penalties to be applied in cases of infringement of intellectual property rights, other than those in paragraph 1, where they are committed willfully and on a commercial scale".

37. 17 USC 504 (c) (2).

38. En esta ocasión no pretendo profundizar en el desarrollo de los medios de explotación de obras, salvo ciertas alusiones que pretendo hacer para vinculado con la materia de mi ponencia. Discusiones más abundantes y profundas a este respecto podrán consultarse en el trabajo de Quintanilla-Madero Carmen, "La Tecnología Digital y el Derecho de Autor: Lo que Debe Modificarse y lo que Debe Mantenerse", Memoria del Simposio Mundial de la OMPI sobre Derechos de Autor en la Infraestructura Global de la Información, organizado por la Organización Mundial de la Propiedad Intelectual (OMPI) en cooperación con la Secretaría de Educación Pública de México, ciudad de México, 22 al 25 de mayo de 1995, pp. 37 a 52. Asimismo, recomiendo consultar la tesis profesional del Lic. Abraham Díaz Arceo "El Sistema Internet ante los Derechos de Autor", Universidad Nacional Autónoma de México, Facultad de Derecho. México. 1997.

39. Delgado Porrás Antonio, "La Tecnología Digital y los Conceptos de Obra y Autor", Memoria del Simposio Mundial de la OMPI sobre Derechos de Autor en la Infraestructura Global de la Información, organizado por la Organización Mundial de la Propiedad Intelectual (OMPI) en cooperación con la Secretaría de Educación Pública de México, ciudad de México, 22 al 25 de mayo de 1995, pp. 145 a 169. Consúltese también el análisis que se efectúa sobre el principio de originalidad en Schmidt Luis C. "Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?" 34 IDEA-The Law of Law and Technology," opus cit., p. 52.

40. - Internet es la colección más grande de redes de trabajo o networks - . El "User's Glossary", [gopher://nic.merit.edu.7043/0/introducing\\_the\\_internet/user's\\_glossary](http://gopher://nic.merit.edu.7043/0/introducing_the_internet/user's_glossary), citado por Díaz Arceo Abraham, opus cit. p. 91, señala que en materia de computación, se considera "network" a un "sistema de comunicación de datos el cual interconectan los sistemas de las computadoras con varios diferentes lugares". El profesor Neil Randall agrega que dicha red de computadoras permite el envío de mensajes entre personas; el almacenamiento de archivos a los cuales las personas pueden acceder; y la conexión de computadoras situadas en sitios remotos, para hacer cosas como si estuvieran en el mismo lugar. Randall, Neil, "Aprendiendo Internet en 21 días", Editorial Prentice Hall, S.A., México, 1995, p. 6., citado por Díaz Arceo Abraham, id., p. 92.

41. Así Holleyman Robert y Steinhardt Jeffrey, "Multimedia in the Global Information Infrastructure". Memoria del Simposio Mundial de la OMPI sobre Derechos de Autor en la Infraestructura Global de la Información, organizado por la Organización Mundial de la Propiedad Intelectual (OMPI) en cooperación con la Secretaría de Educación Pública de México, ciudad de México 22 al 25 de mayo de 1995, pp. 55-71. Por su parte el Dr. Antonio Millé habla de una "mudanza en los conceptos fundamentales del derecho de autor". De esta forma considera cambios respecto de la apreciación de las obras originales — ya que el medio digital y recursos informáticos abrirán nuevos campos de expresión original al autor— y cambios respecto de la apreciación de obras derivadas —el usuario mismo se convierte en un autor potencial quien mediante la existencia de archivos digitales podrá derivar obras de un género a otro, sin utilizar o basarse en la expresión del autor primigenio—. Millé

Antonio, "Las Autopistas Digitales desde el Estrecho de Bering hasta la Tierra del Fuego: Las Américas y la Infraestructura Global de la Información", Memoria Simposio Mundial de la OMPI sobre Derechos de Autor en la Infraestructura Global de la Información, organizado por la Organización Mundial de la Propiedad Intelectual (OMPI) en cooperación con la Secretaría de Educación Pública de México. ciudad de México, 22 al 25 de mayo de 1995, pp. 125 a 142.

42. Citada por Díaz Arceo, opus cit. p. 172. Samuelson Pamela, "The Copyright Grab", E.U.A. [http://wwvi.hotwired.com/wired/whitepaper\\_html](http://wwvi.hotwired.com/wired/whitepaper_html) . No obstante las formulaciones efectuadas ante OMPI, el Proyecto de Tratado de la OMPI sobre Derecho de Autor. Adoptado en la Conferencia Diplomática sobre Ciertas Cuestiones de Derecho de Autor y Derechos Conexos, llevado a cabo en Ginebra, del 2 al 20 de diciembre de 1996, sólo permitió que se reconociera protección a los programas de cómputo y bases de datos, y se ampliara el ámbito de los derechos de distribución, alquiler y comunicación pública, lo cual se observa desde hace tiempo en los textos del TLCN y TRIPS.

## **RECENT DEVELOPMENTS IN MEXICAN COPYRIGHT LAW**

*Copyright World, Issue Seventy, May 1997.*

### **Substantive Law Protection**

The Mexican Government, in compliance with NAFTA and TRIPs commitments, has enacted a new Federal Law of Author's Right (hereinafter referred to as the Copyright Law). It was published in the Official Gazette of the Federation on December 24, 1996 and became effective on March 24 1997, to be administered by the National Institute of Author's Right (in charge of applying the substantive portion of the law) and the Mexican Institute of Industrial Property (in charge of applying certain enforcement aspects of the Law). In brief, the purpose of the Copyright Law is protecting and enforcing copyright and neighboring rights. As to copyright, the law reposes the author (the individual that creates the work of authorship), as the principal object of protection. However, anyone who commissions production of a particular work under a work-for-hire relationship may also be the original owner of the work by fulfilling certain formalities and conditions, such as having agreements executed with the contributing individuals, and expressly including a work-for-hire clause; otherwise, corporations devoted to production or exploitation of works of authorship may obtain the rights to use the work through temporary assignments or licences. On the other hand, artists, phonogram and videogram producers as well as broadcasting organizations are subject to the protection afforded by the Copyright Law by virtue of the neighbouring rights.

The law makes protection available to literary and artistic works regardless of the medium of expression in which they are embodied. To that end, it provides a general chapter which reflects the fundamentals and principles of author's right, including a regime on patrimonial and moral rights and the transmissions and licensing of patrimonial rights. In addition, the Copyright Law establishes chapters referring to special agreements such as the publishing of literary and musical works, public performance and representation, the production of audiovisual works, and the exploitation of works through publicity. Individual chapters also deal with the protection of works produced in

different media such as photographic, graphic, fine art, cinematographic and audiovisual works as well as computer software and databases.

One of the most interesting aspects of the new law is precisely that related to software and database protection. Mexico first recognized software as copyrightable subject matter in 1984. However, the Copyright Law of 1956 was only amended in 1991 when software was added as a separate and independent category of copyrightable work. The law as amended in 1991 also imposed restrictions on backup copying and provided criminal penalties for unauthorized reproduction of software for the purpose of gain.

On the substantive side, the highlights of the new law on software are as follows:

- a) Software will now be protected as literary works in terms of NAFTA;
- b) Protection will be extended to the sequence, structure and organization of the program;
- c) The producer shall be considered as the owner of the rights *ab-initio*.
- d) These rights shall comprise: distributions, and transmission of the work, rental rights unless the copy of the computer software is not itself an essential object of the rental; and right to prevent decompilation, reverse engineering and dissemblance of the program.
- e) The back-up copy provision was improved.

The protection of databases will be afforded as a compilation of the above when these rights are obtained as a result of the selection and arrangement of its contents. The rights conferred to the rightsholder will be to authorize or prohibit the reproduction of the database, and its translation, adaptation, restructuring and any other modification of the database, the distribution of the original or copies of the database, and its public communication.

Lastly, it bears mention that the Law provides protection to the data in the databases and the right of privacy of the persons whose names appear in the databases. The Copyright Law also makes express mention of multimedia works protection, and imposes a prohibition on import, manufacture, distribution and the use of equipment or services

used to eliminate technical protections found in computer programs, transmissions across the electromagnetic spectrum and telecommunications networks and electronic multimedia programs.

### **Procedural Provisions and Enforcement**

Changes to the enforcement system in Mexican Copyright Law are substantial. Traditionally, the major problem with Mexican law has been precisely enforcement. A radical reform of enforcement procedures and remedies was needed if Mexico was to satisfy the enforcement standards set in NAFTA and TRIPs.

It has been a complex process to accomplish this reform because in the past criminal penalties have been the basic means for enforcing copyrights. The 1956 Law devoted a whole chapter to criminal actions, providing a list of acts that were considered crimes. However, the standard for satisfying the criminal rule was high. In addition, the Copyright Law allowed an injured owner to recover damages after a court had finally determined that an infringer was liable for criminal penalties. As a minimum the 1956 Law stated that the court had to impose damages equal to forty percent of the total value of the infringing products.

As to preliminary measures the 1956 Law and the Criminal Procedures Code authorized the Federal Attorney General's Office to impose some provisional measures during the office's preliminary inquiry of a case. These provisions allowed the Attorney General's Office to seize and destroy infringing goods which under certain circumstances would require search and warrant orders from the Federal Courts.

The civil system, however, was considered to be less prepared to be the recipient of the proposed changes. Enforcing copyright through civil law would have required the reform not only of the Copyright Law, but also of other statutes such as the Civil Procedural Code. Under the 1956 Law civil actions are basically available only against infringement arising from the public performance of works. Civil actions cannot be used to stop unauthorized reproduction of a work. Moreover, the standard for proving damages in civil actions is quite difficult to satisfy and alternative remedies, such as punitive or statutory damages, are unavailable. Furthermore, Mexican Law provides only provisional

remedies in civil cases; these are generally broad and are difficult to enforce.

The Mexican Government has now proposed, and Congress has approved, to base copyright enforcement on administrative actions. The problem, however, was which authority to use for that end. The Copyright Office has traditionally represented a registration authority without the powers to prevent infringement. On the other hand, the Mexican Industrial Property Institute (IMPI) has proved to be effective in the application of enforcement of industrial property rights. Due to the foregoing the IMPI was granted the authority to enforce the patrimonial aspect of the Copyright Law. The new Law has named the related provisions "Infractions in commerce". The Copyright Office itself, however, was empowered with the application of the moral right portion of the Law.

"Infractions in commerce" when undertaken with direct or indirect gainful intent, will constitute commercial infractions. The most relevant provisions are quoted hereunder:

I. Publicly use or communicate a work protected by any means and in any form without the prior authorization of the author, or his/her lawful heirs, or of the economic rightsholder;

II. Produce, manufacture, stock, distribute, transport or commercialise illegal copies of works protected by this Law;

III. Offer for sale, stock, transport or put in circulation works protected by this Law that have been deformed, modified or mutilated without authorization of the rightsholder;

IV. Import, sell, rent or undertake any act that permits possession of equipment or system the goal of which is to deactivate electronic protections found in a computer program;

V. Use, reproduce or exploit a protected RESERVA of Rights (certain protection afforded to characters, titles of publications, among others), or a computer program without the consent of the rightsholder.

VI. Other infractions of the provisions of this Law that involve conduct on a commercial or industrial scale related to works protected by this Law.

The Copyright Law states that these commercial infractions will be sanctioned by IMPI with 5,000 to 10,000 days of minimum daily salary (approx. US \$15,000 to US\$30,000) in all relevant cases, except those in X. above, which shall be 500 to 1000 days.

For those who persist in a violation, IMPI can apply an additional fine up to 500 days of minimum daily salary per day (up to \$1500 per day).

Exploitation of works on a commercial scale can increase the fines by 50 percent.

The procedures and provisional injunctions set forth in the Industrial Property Law shall be applicable to the commercial copyright infractions. IMPI can also suspend free circulation of imported goods at the border.

Finally, copyright crimes have been reduced and moved from the former Copyright Law to the Penal Code. The basic provision was left as follows:

*“Imprisonment from 6 months to 6 years and 300 to 3000 days of penalty to be paid (about US\$9000) for whoever produces, makes, imports, sells, stocks, transports, distributes or rents works protected by the Copyright Law with willful intent, on a commercial scale and without authorization of the rightsholder”*

### **Transitional Articles**

The most important transitional article states that the Copyright Law shall enter into force ninety days after the date of its publication, which was December 24, 1996.

## **COPYRIGHT AND SHRINK WRAP LICENCES IN MEXICO**

*Copyright World, March 1996.*

**Discussion will be centered on the specific issues of enforceability, in Mexico, of shrink-wrap, box-top, and tear-open licences that come with computer software copies and packages directed for mass distribution and consumption. These, in Mexico as in other parts of the world, have become valuable instruments for retaining control over the reproduction, distribution and use of copies of programs. They also represent the tools by which software publishers avoid decompilation and disassemblance of their programs by licensing them to customers under an obligation of confidence or non-disclosure, and finally a mechanism for imposing limitations and waiver of Warranties.**

In Mexico, a shrink-wrap licence is considered to be a kind of adhesion contract with many unique features. As its name indicates, the licence is wrapped or packaged in the box also used as the container for the copy of the computer program. The notion is that the user has accepted the licence's terms and conditions if he or she opens the wrapper. As mentioned, the principal clauses of the agreement relate to limitations placed on the user's ability to decompile, disassemble and copy the program. For some years, the popularity among Mexican and foreign publishers of shrink-wrap and similar types of licence has grown. However, the issue of their enforceability has never been brought to the attention of the courts. We believe the reason is two fold:

a) An understanding of software and a culture based on its protection has only recently developed in this country; there is little knowledge among the public, legal community and judges of the existing rights of software publishers and similarly little knowledge of the rights of the users of computer programs.

b) Additionally, shrink-wrap licences have been basically thought of as supporting copyright ownership of computer programs. In this regard, the licences have represented an acceptable medium for distinguishing between copies and clones. The General Attorney's Office and Criminal Courts have accepted such type of agreements in several piracy cases that have been filed before them. Mexican Copyright Law grants an

exclusive right for preventing anybody from reproducing or using a computer program without previous authorisation. Accordingly, as it is impossible to impose copying limitations in line with the Law itself, shrink-wrap licences have been viewed by said authorities as an acceptable form for recognising copyrights, especially given the difficulties in having a formal licensing agreement signed by the parties.

Shrink-wrap licences have never been tested before with regard to decompilation, disassemblance and warranty limitations. We believe that these would represent real issues under Mexican Law and the question has arisen whether shrink-wrap licences could be used for limiting such type of rights, especially where the particular limitation may contravene the provisions of the Law. A further question arises as to whether the agreement between the owner and the user should be considered a sale or a licence and whether it can be considered a legally binding and hence enforceable agreement, if the purchaser of the copy is able to look at the agreement only after paying for the package. Finally, the question arises as to whether shrink-wrap licences are subject to formalities.

With regard to the first question it is hard to tell whether shrink-wrap licences can function as a measure for imposing limitations on decompilation and disassemblance and even more so with respect to warranties.

Mexican copyright Law protects the expression of a particular idea, but not the idea itself. In the case of decompilation or disassemblance, any person engaging in such activities would be taking the idea of the program, and the Copyright Law would probably not serve as an appropriate legal instrument for prevention. Under the foregoing the shrink-wrap agreement sustaining such a limitation could be considered illegal and unenforceable. However, if from the underlying idea the person obtains an identical program or something substantially similar and then reproduces or uses it, such use could be prevented, having stemmed from the access to the underlying program.

Trade secret protection may also not be the appropriate means for solving the problem, if it is taken into account that reverse engineering and independent development constitute proper means for obtaining ideas that have remained secret and legally protected as a result.

Warranties could only be waived if permitted by the Law and if no express or implied obligation has been imposed on the contracting party to provide a specific warranty. If this is not met, it is likely that the corresponding shrink-wrap provision would be found illegal.

The question whether shrink-wrap licenses constitute a binding agreement under Mexican contract law and if they represent licenses or sales, is hard to answer. The Mexican Commerce Code establishes that agreements between absent parties shall be binding whenever an offer is answered by offeree, accepting the entire terms of the offer. If the operation is made via telegram, telex or facsimile, it would have to be previously agreed so in writing by the contracting parties.

The above rules are difficult to apply in shrink-wrap situations. Although the system followed by the Mexican Commerce Code does not necessarily require that the offeror actually receives the response given by the offeree, this provision may not support shrink-wrap licences. The buyer of the copy may believe that he or she is paying for a purchase and then discover that the shrink-wrap pretends to modify the original deal by imposing limitations and considering the agreement a licence instead of a sale.

Regarding the type of agreement issue, it could be possible to see the courts arriving at the conclusion that shrink-wrap conditions were never accepted by the buyer. However, it has to be borne in mind that under Mexican Law the Buyer would only be paying for the copy of the program that is being bought and that the corresponding copyrights remain with the software publisher unless expressly transferred. We thus believe that a copyright licence is implied allowing the buyer of the copy to use the program with all restrictions imposed by the Law.

With respect to formalities, Mexican Law would surely regard shrink-wrap licences as adhesion contracts that could be subject to recordal and scrutiny by the Consumer Protection Office, if this authority considers this necessary. So far, the Consumer Protection Office has never manifested an intent to exercise such authority.

Finally, the Mexican Copyright Law provides that those agreements entered into by authors modifying, transmitting, encumbering or extinguishing patrimonial copyrights shall take effect after they are

recorded with the Copyright Office. It should be understood that only agreements representing transfer, modification or extinction of copyrights have to be recorded; copyright licences in general and shrink-wrap agreements in particular should not be considered as falling into any of those categories. Recording formalities should not be mandatory for agreements entered into by a publisher and an end user of computer programs. However, it remains to be seen if this view would be shared by the Copyright Office and eventually the Courts. We have so far no notice of any shrink-wrap agreement having been recorded with the Copyright Office. Should this requirement arise at all, it should be restricted to a single recordal for one particular form of agreement. This would meet the standards required by law and avoid the impossible situation of recording on a multiple user basis.

## **BREVE ANÁLISIS JURÍDICO SOBRE EL RÉGIMEN DE LICENCIAS "SHRINK WRAP" EN MEXICO**

*ASIPI INFORMA, 1996.*

Las licencias "SHRINK WRAP" se insertan dentro de los paquetes de programas de computación de venta masiva y por lo general envuelven las bolsas que contienen los discos. Dichas licencias se utilizan como instrumentos de control sobre la reproducción y distribución de copias del programa protegido, y como elementos que registren su decompilación y la exigibilidad de garantías por defectos del producto.

Este concepto ha generado diversas interrogantes en todo el mundo. En México ha captado la atención de tribunales y Ministerio Público, quienes han adoptado dicha figura como medio de control a la reproducción, distribución y uso de la copia del programa, en apoyo a los derechos conferidos por la Ley sobre el Derecho de Autor.

Sin embargo existen varios aspectos de este tema que merecen una mención particular.

a) ¿Es posible limitar el derecho a decompilar un programa en base a las licencias "SHRINK WRAP"?

El derecho de autor no resuelve esta cuestión, ni provee soluciones al respecto ya que la totalidad de obras, con excepción única de los programas de computación, por la naturaleza misma, no son susceptibles de decompilación. Lo anterior resulta más palpable si se considera que al decompilarse un programa, normalmente se extraen "ideas", que no son protegibles, mas no las "expresiones" circundantes. En tal virtud, podría estimarse contrario a la Ley que se limite, a través de contrato, el derecho de terceros a decompilar programas y sustraer "ideas", salvo que, como se ha dicho, se reproduzca la "expresión" que sostiene la referida "idea".

Por otra parte la protección del secreto industrial tampoco resulta idónea, en virtud de que no se extiende a los casos de ingeniería de reversa y creación independiente, medios que la Legislación Mexicana considera excepciones al régimen de protección de secretos industriales.

b) ¿Cuál es la verdadera naturaleza jurídica de la licencia SHRINK WRAP, esto es, constituye una verdadera licencia, tal y como se la denomina, o más bien un contrato de compraventa?

Los productores han pugnado por considerar que la transmisión de una copia de su programa representa un acto de licenciamiento de derechos de autor, en la que el titular se desprende del objeto más no del derecho. Sin embargo, existe una corriente contraria que la considera un acto de compraventa. Esta segunda postura se centra en las características de la licencia SHRINK WRAP, toda vez que quien adquiere un paquete de programa conoce los términos de la licencia sólo después de abrirlo. Por otra parte, considera que la operación que se realiza entre productor y adquirente constituye un contrato entre ausentes. En tal virtud, si se acepta que en estos casos el Código de Comercio de México no exige que el oferente reciba la respuesta del adquirente a efecto de que se perfeccione dicho contrato, podría pensarse que los términos de la licencia "SHRINK WRAP" que aparece oculta dentro del paquete, representan la intención por parte del productor de modificar los términos originalmente pactados por las partes, imponiendo las condiciones de una licencia, cuando el adquirente tuvo en mente una operación de compraventa.

Por lo anterior, los productores de programas de computación deberán ser cautelosos y revisar sus esquemas jurídicos sobre el régimen de aplicación de las licencias SHRINK WRAP.

## **PROPIEDAD INTELECTUAL Y SUS FRONTERAS: PROTECCIÓN DE ARTE E INDUSTRIA**

*IDEA: The Journal of Law and Technology, 1993.*

**SUMARIO: I. Introducción. II. Arte e industria: asociación o desasociación de estética y funcionalidad. III. El *styling* como expresión y función de creatividad. IV. Arte, industria y su protección.**

### **I. Introducción**

#### **1. Propiedad intelectual y su objeto de protección: la creatividad humana.**

El derecho de la propiedad intelectual protege aquello que desarrolla el hombre, con base en su capacidad inventiva y talento artístico. Dicha cualidad, conocida como "creatividad", ha venido a reflejarse en la habilidad que posee el hombre para observar, analizar, abstraer, comunicar y, en consecuencia, transformar o expresar el entorno que le rodea. En tal virtud, por creatividad entendemos la capacidad de todo individuo para transformar o expresar su entorno, social o natural, utilizando su destreza innovadora o sensibilidad artística, y producir así algo que es nuevo, original o que le distingue.

El común denominador de la propiedad intelectual es precisamente la creatividad intelectual que resulta del conocimiento científico, inventivo, técnico, literario, artístico y mercadológico del ser humano, comprendiendo obras artísticas e intelectuales, invenciones, diseños aplicados a la industria, conocimientos técnicos, secretos e información confidencial y el goodwill<sup>1</sup> que desarrollan las empresas y comercios en el empleo de marcas y otros signos distintivos, en sus estrategias comerciales, mercadológicas y publicitarias.

El derecho de la propiedad intelectual es connatural al hombre y es quizá tan antiguo como éste<sup>2</sup>. Sin embargo, su verdadero surgimiento como sistema protector del elemento creatividad data del siglo XVIII y evoluciona posteriormente hacia el siglo actual<sup>3</sup>. Su impacto ha sido tal, que ha venido a modificar algunas de las más sólidas estructuras e instituciones del derecho universal, dando cabida a un nuevo esquema jurídico, con fundamento y principios propios<sup>4</sup>, orientado a la protección

de los bienes que no pueden verse ni tocarse<sup>5</sup>. Por su trascendencia e importancia, la propiedad intelectual es la rama del derecho con capacidad natural para albergar las nuevas manifestaciones de la conducta humana, referidas a la comunicación e información; es por ello el verdadero derecho del futuro<sup>6</sup>.

## **2. Estándares de protección.**

Toda actividad humana implica un mínimo de creatividad. Las preguntas son: ¿cuál es el mínimo requerido para que dicha actividad sea merecedora de protección legal?, ¿cuándo debe considerarse creatividad de índole artística?, ¿cuándo lo es de orden tecnológico, científico o industrial? No es sencillo responder a ese cuestionamiento; sin embargo, no debe perderse de vista que la creatividad implica rutas y alternativas diversas para llegar al objetivo deseado. Entre más opciones y espacios se abren en un momento dado, mayor será la posibilidad de llegar a un resultado creativo, de nivel artístico o industrial, o los dos, según sea el caso. Naturalmente, dichas opciones y espacios representan desafíos, lo cual, además de imaginación, sensibilidad, destreza y conocimiento, requiere el uso de la técnica correcta que permita el resultado concebido de inicio<sup>7</sup>.

La tarea y reto de la propiedad intelectual está, pues, en el trazo que divide y distingue la creatividad ordinaria de la original o novedosa. La responsabilidad de encontrar y aplicar este trazo justo está en el legislador, en el juez en autoridad registradora; son ellos quienes se deben al desarrollo de un sistema que ofrezca seguridad a la actividad creativa, estimulándola y protegiéndola adecuadamente.

## **3. La propiedad intelectual, sus divisiones y sus fronteras.**

### **a) La propiedad intelectual y sus divisiones**

El derecho de la propiedad intelectual reconoce al derecho de autor y la propiedad industrial, como las dos grandes vertientes en que, desde el punto de vista jurídico, se divide el objeto de protección de dicha materia, según se enfoque hacia la producción literaria o artística, o la innovación tecnológica o industrial.

Los principios que dan sustento a nuestra materia se fundan en la originalidad – para el derecho de autor -, la novedad – para el derecho

de patentes -, y la distintividad – para el derecho de marcas<sup>g</sup> -. De ahí derivan figuras de carácter híbrido sustentadas en la combinación de dos o más de los fundamentos o principios aludidos con antelación. Así, por ejemplo, el secreto industrial guarda una relación más estrecha con la originalidad, toda vez que contempla la creación independiente y la ingeniería de reversa como formas de uso honrado y permitido<sup>9</sup>. El programa de cómputo, por su parte, es obra en algunos aspectos e invención en otros<sup>10</sup>. En caso particular de los diseños es muy especial, por la dificultad que representa la aplicación de divisiones. Más adelante haremos referencia particular a este respecto.

No obstante los fundamentos tradicionales de la propiedad intelectual, se le debe considerar como una unidad indisoluble. Su objeto al fin y al cabo es la protección de la creatividad y para la conquista del mismo le es permitido valerse de las herramientas jurídicas a su alcance. Sus divisiones son de mera forma. Las palabras de Marshal A. Leaffer resultan aplicables, al decir que:

*"Todas las formas de propiedad intelectual comparten similitudes. En principio, la propiedad intelectual abarca derechos de propiedad en la información (como forma creativa); el derecho de autor (información sobre la expresión de ideas), el derecho de patentes (información sobre tecnología) y el derecho de marcas (información sobre símbolos)"<sup>11</sup>.*

## **b) Las fronteras**

De lo anterior, los principios del derecho de autor y propiedad industrial parecen claros: derecho de autor protege lo vinculado con la expresión artística y literaria, lo no "utilitario", "funcional" e "industrial"; mientras que el derecho de patentes se encarga de la innovación tecnológica, en lo que a "industria" se refiere. El derecho de marcas, por su parte, protege los signos distintivos aplicados en la industria, el comercio y los servicios. No obstante lo anterior, y conforme se verá más adelante, las referidas formas de protección se cruzan una y otra vez, de manera constante, siendo posible la protección del mismo objeto por dos o más derechos específicos a la vez.

En nuestro concepto hay interfases que merecen un análisis más detallado y minucioso que otras, en virtud de que llegan a tocar fibras hondas y sensibles del sistema de propiedad intelectual. Nosotros no

pretendemos penetrar en lo profundo de dichas raíces; sin embargo, deseamos resaltar y demostrar que, cuando las ramas de la propiedad intelectual convergen, es que tienen ante sí un objeto complejo y polifacético, en el que la creatividad se muestra como abanico, por lo que no habría posibilidad de ubicarlo en un solo contexto de los que nuestra disciplina ofrece.

## **II. Arte e industria: Asociación o desasociación de estética y funcionalidad**

### **1. ¿Por qué la división entre arte e industria?**

#### **a) Comentario previo**

Esa pregunta ha producido la reflexión de muchos expertos en propiedad intelectual. Su origen nace de la distinción entre belleza o estética y funcionalidad o utilidad. Como se ha dicho, mientras el derecho de autor se ha encargado de la “belleza”, el derecho de patentes hace lo propio en torno a lo “utilitario”. Entre los dos polos surge un tercer concepto: la ornamentación que pertenece a la artesanía. Cabe preguntarse, entonces ¿podría considerarse un elemento adicional en el *styling*?

#### **b) El arte**

El artista, como ser creativo, representa un comunicador o narrador del mundo, de lo real o imaginario, de lo que lleva en su espíritu y externa a través de su arte. Para el poeta mexicano Octavio Paz, “el objeto artístico es una realidad autónoma y autosuficiente y en su sentido último no está más allá de la obra sino en ella misma<sup>12</sup>”. Ello ha permitido la grandeza del arte en todas sus manifestaciones. Existe así el arte realista y el abstracto; en uno y otro la obra es una realidad espiritual, no es hermosa ni fea, sino “intelectual y sensible<sup>13</sup>”. La forma de valorar el arte es lo que cambia. “En las obras de arte modernas el sentido se disipa en la irradiación del ser. El acto de ver transformada en operación intelectual que es también un rito mágico: ver es comprender y comprender es comulgar<sup>14</sup>”.

#### **c) La artesanía**

En vía paralela a la obra de arte va la producción artesanal, quizá anterior a ésta, porque nace en principio, de la necesidad de resolver lo

utilitario, por lo que se transforma en industria, en la que el artesano y sus manos construyen la forma que envuelve la funcionalidad. La antigüedad de la artesanía podrá serlo tanto como la humanidad misma, tanto como las pinturas rupestres o los utensilios de caza del hombre antiguo, en las que el artista, además de explicar el concepto de una realidad determinada y su entorno, pretendía resolver los problemas de su vida diaria. Para Paz, "las artesanías pertenecen a un mundo anterior entre lo útil y lo hermoso". Son "objetos hermosos no a despecho sino gracias a su utilidad. La belleza les viene por añadidura, como el olor y el color a las flores. Su belleza es inseparable de su función: Son hermosas porque son útiles" 15.

#### **d) El arte aplicado**

¿Dónde queda entonces el arte de los productos industriales? ¿Es posible asociar el arte y la industria, de conjugarlos en uno solo, encontrando nuevas formas para expresar el talento humano? Las opiniones podrían ser divergentes, pero en nuestro concepto afirmativas en ambos casos.

Octavio Paz dice que "[el] ideal estético del arte funcional consiste en aumentar la utilidad del objeto en proporción directa a la disminución de su materialidad. Lo ideal del diseño es la invisibilidad: los objetos funcionales son tanto más hermosos cuanto menos visibles" 16.

#### **e) Convergencias y divergencias**

Resulta ocioso debatir sobre qué surgió primero: el arte o la artesanía. Lo que sí resulta claro es que el arte aplicado o industrial comienza a manifestarse una vez que el hombre es capaz de producir a gran escala. En el arte aplicado:

*"El diseñador sueña con objetos que, como los genii, sean servidores intangibles. Lo contrario de la artesanía, que es una presencia física que nos entra por los sentidos y en la que se quebranta continuamente el principio de la utilidad en beneficio de la tradición, la fantasía, y aún el capricho. La belleza del diseño industrial es de orden conceptual: si algo se expresa es la justeza de una fórmula es el signo de una función. Su racionalidad lo encierra en una alternativa: sirve o no sirve. En el segundo caso hay que echarlo al basurero. La artesanía no nos conquista únicamente por su utilidad. Vive en complicidad con nuestros*

*sentidos y de ahí que sea tan difícil desprenderse de ella. Es como echar a un amigo a la calle<sup>17</sup>.*

Es posible comulgar con lo anterior, en principio, pero no debe olvidarse el verdadero concepto del *styling* al que hará referencia más adelante. Tampoco debe soslayarse la diferencia entre el diseño industrial, y el arte aplicado, propiamente dicho, que con frecuencia se les confunde. Por lo general, el diseño industrial es un siervo absoluto de su verdugo, el producto: la forma invariablemente sigue la funcionalidad. Por su parte, el arte aplicado respeta los patrones de lo utilitario, pero busca la expresión, a través de mayor libertad y flexibilidad; por otro lado surge el *styling* como un concepto de creatividad única e independiente. A través de éste es posible expresar formas artísticas distintas, con base en alternativas infinitas, casi como si se tratara del arte puro.

## **2. Arte, industria e historia**

### **a) Revolución Industrial**

Para analizar la evolución del diseño industrial uno debe remontarse a la época de la Revolución Industrial. Como ya se dijo, es obvio que el desarrollo de las artes y artesanía es mucho anterior al del diseño, por lo que nuestro punto de partida no se trasladará a tiempos tan remotos.

Para algunos, la Revolución Industrial fue la otra cara de la moneda de las revoluciones artísticas. A la consagración de la obra de arte como objeto único correspondió la “producción cada vez mayor de utensilios idénticos o cada vez más perfectos<sup>18</sup>”. El aspecto estético no cobró importancia inmediata, toda vez que debían atenderse preocupaciones de orden técnico, anteriores y a cualquier otra. Entre los años de 1740 y 1820, Europa vivió un cambio asombroso, impulsado por el desarrollo de materias primas, materiales nuevos, maquinarias y tecnologías aplicadas en la producción agrícola e industrial, en la construcción, en la confección, en los combustibles como el carbón y en la metalúrgica, entre otras. Esto trajo como consecuencia mejores viviendas, hospitales, calles, alcantarillados, basureros, panteones, astilleros y puertos, y por lo tanto, mejores y más higiénicas ciudades y caminos, lo cual a la vez generó el aumento de la población.

Durante esa etapa el desarrollo industrial cobró gran importancia y prioridad; incluso cambió el sentido de la propiedad en general y de la

propiedad industrial en lo particular, a través de leyes y estatutos como el de la reina Isabel, en materia de industria, y algunas más en derecho de autor y propiedad industrial<sup>19</sup>.

## **b) Siglo XX**

Más tarde, la Revolución Industrial alcanzó al producto de consumo, especialmente en Inglaterra y Francia, abarcando los ramos textiles, sedas, productos de cuero, muebles, relojes, vidrio, cerámica, cuchillería y joyería. Poco a poco se fue dotando a los productos industriales de mejor aspecto ornamental. Sin embargo, es a partir del siglo XX cuando el desarrollo del arte industrial cobra mayor importancia y vigor, especialmente después de la Segunda Guerra Mundial, y en aquellos países que adoptan el modelo económico capitalista, fundado en el principio de competencia.

De esta forma, la competencia generó opciones, y las opciones, variedad. A fin de que un producto determinado fuere elegido por el consumidor, entre todas las alternativas que el mercado le ponía frente a sí, dicho producto debía revestir de signos y elementos que le hicieran atractivos. El diseñador, como creativo y artista, entró en escena cuando fue requerido para dar forma y expresión al producto.

### ***a. Estados Unidos de America***

El diseño se manifiesta en forma distinta en Estados Unidos y Europa. No obstante el dominio económico mundial de Estados Unidos, desde 1941, este país no ha logrado imponer su dominio en el diseño, por lo menos en comparación con Italia, Francia, Alemania y Gran Bretaña. En Estados Unidos, el gusto por el diseño se basa más en lo "orgánico", y en la literalidad y figuratividad de líneas y trazos. Eso se refleja en la producción de muebles – como los de Eero Saarinen y de Charles y Ray Eames en la década de los 60 – diseño de interiores, automóviles y artefactos y utensilios de uso doméstico. Obviamente, el diseño norteamericano comenzó a demandar, más y más, productos de consumo y eléctricos, tales como radios, lavadores, refrigeradores y aspiradores, entre otros, lo cual fue un verdadero reto para los diseñadores de la época. Surgieron personalidades como Norman Bel Geddes, Raymon Loewy, Walter Dorwing Teague, Elliot Noyes y Henry

Dreyfus (primer presidente de la Asociación de Diseñadores Industriales en Estados Unidos)20.

## **b. Europa**

La historia del diseño industrial de Europa es más compleja que la del resto del mundo. Las reacciones y efectos de las posguerras fueron distintas en esta región, ya que se aprovecharon para el crecimiento y desarrollo del individuo, y aunque el mercado y consumo han sido temas importantes, no han llegado al extremo de cómo se manifestaron en Estados Unidos, y en cambio se siguió dando énfasis a aspectos artísticos, ahora enfocados a la industria. Así las cosas, las escuelas de *Avant Gard* de 1915 a 1935 y la del modernismo, generaron importantes manifestaciones en el diseño de muebles y vajillas.

La influencia del Bauhaus y su creador, Walter Gropius, resulta una influencia fundamental. Gracias a los movimientos anteriores, en 1925 se consideró al diseño industrial como un área de estudio independiente. El trabajo de diseñadores como Peter Behrens, artista plástico convertido en artista industrial, asimismo constituye fundamento básico del desarrollo del diseño industrial europeo. Existe una manifestación efímera, pero real del diseño avant gard en la antigua URSS, a través de obras de Tatlin, El Lissitzky, Malevich y muchos otros. El arte industrial europeo se caracteriza por la expresión abstracta, ornamentalista y modernista. Por supuesto, debe mencionarse el diseño escandinavo y finlandés y a la "Hochschule für Gestaltung" de Dieter Rams, sucesora del Bauhaus. En esta última escuela se aprecia el diseño basado en la lógica, matemáticas, sociología y racionalidad. La estética del *black box*21 se debe en parte a dicha escuela, precursora del estilo alemán, tan exitosamente aplicado a cientos de productos.

El diseño italiano es definitivamente uno de los más reconocidos en el mundo. En Italia no existen muchas grandes empresas, por lo que el tipo de diseño desarrollado en esta nación es de corte artesanal, y su evolución ha sido notable. El diseño italiano es pragmático, en manos de figuras como Ettore Sottsass y Vicenzo Lavicogli, quienes dejaron huella en la riqueza estética de sus productos.

El diseño francés es más nacionalista, intelectual y hasta tradicionalista. Ello se palpa en los automóviles y otros productos, entre los que destacan los textiles.

### **c. América Latina**

Latinoamérica plantea otro escenario. Se puede apreciar el florecimiento de las artes plásticas, especialmente en México, a lo largo de los siglos XIX y XX. Por mencionar algunos, las obras de muralistas mexicanos gozan de gran reconocimiento y respeto en el mundo entero. En el campo de la artesanía se han conservado las artes populares, en algunos casos y países con tintes de influencia prehispánica. En otros se ha optado por la producción de *american curious*, muy demandadas por el "imperio", "lo que induce a productores manuales de cerámica, alfarería, cuero, tejidos, instrumentos musicales, madera, metales, platería, a la 'serialización' de su obra<sup>22</sup>".

En cuanto al arte industrial, no existe en esta zona una propuesta a la que se deba reconocimiento, quizá con excepción a la labor de Basilio Uribe, gerente del Control de Investigaciones del Diseño Industrial, en Argentina. En esta región las manifestaciones son escasas, probablemente por razones culturales, y aún es posible encontrar a quienes espantados tachan de "futurista" a todo objeto industrial o de consumo "que evada en algo las normas del mal gusto que abunda desde los negocios del bricolaje (tan *kitsch*, en sí mismos) hasta los grandes centros de distribución comercial (que viven del *kitsch*, aun cuando en sí mismos puedan no serlo<sup>23</sup>)".

## **III. El styling como expresión y función de creatividad**

### **1. Nociones generales.**

El mundo de ahora pone a nuestro alcance una serie de objetos que hacen nuestra vida más fácil y placentera. Algunos de éstos nos permiten reducir el esfuerzo físico (lavadores, aspiradores, etc); algunos otros nos proveen de confort (muebles), y algunos más de distracción y hasta contemplación (televisores, radios, estéreos, entre otros). Algunos de dichos productos se elaboran mediante procesos industriales y tecnológicos de mayor o menor complejidad (productos de consumo, en general, eléctricos, pseudoherramientas y herramientas, *hi-design*,

etc.) y aún productos en los que interviene la mano del hombre, con su aportación artesanal.

El diseñador participa en el proceso de embellecimiento de todos estos productos. El diseñador es un "estilista", y con ello un artista, comunicador de ideas y valores, e intermediario entre el fabricante e ingenieros de producción y el consumidor final. Para ello, el diseñador debe lograr que converjan, en uno solo, aspectos estéticos, ornamentales, materiales, así como las combinaciones, gustos y aspiraciones del consumidor, sin apartarse de los valores de clase y moda que caracterizan a una cultura en una época determinada<sup>24</sup>.

## **2. Dicotomía del "arriba del nivel" y "abajo del nivel"<sup>25</sup>**

Hay una línea que demarca la naturaleza doble de un producto; por debajo se encuentran las entrañas del mismo, los cables, los transistores, la maquinaria, lo que no interesa o entiende el consumidor promedio. Por arriba está el aspecto estético, lo que luce y hace lucir, y lo que nos es atractivo y vistoso. Esta fórmula es aplicable a todo producto, sea eléctrico, de consumo, o cualquier otro. Como dice Peter Dormer, la cara oscura corresponde a la ingeniería, y la visible al *styling*<sup>26</sup>. Nosotros ampliaríamos la cara oscura no sólo a la ingeniería desde el punto de vista utilitario, sino a muchos diseños vinculados a ésta. El ingeniero es un héroe que sin embargo permanece en el anonimato, mientras que el diseñador es admirado por el público como toda una estrella<sup>27</sup>. El consumidor, por lo general, no conecta el aspecto "abajo de nivel", con el "arriba de nivel", por más completo y espectacular que resulte aquél. La atracción de la gente definitivamente se orienta hacia el *styling*, ¿quién, excepto un plomero, quedaría pasmado por el diseño de la tubería de su propia casa?

## **3. Individualidad**

El *styling* es la herramienta creativa del diseñador. Es el lenguaje visual, comunicador de mensajes, y que narra a la sociedad en el cómo ordenarse a sí misma, en factores de trabajo y descanso. Sin importar el estilo en particular, es importante que el diseño persiga la individualidad. La falta de ésta en un diseño puede traducirse en ausencia de elementos creativos que le respalden. No importa si es la forma que persigue a la funcionalidad, o la funcionalidad que se expresa

a través de un arte particular; lo importante es que, como dice Dormer, el diseño por su *styling* tenga “integridad estética y que ésta sea independiente de la ideología que se haya adoptado<sup>28</sup>”. Ello no es más que individualidad concebida en creatividad, y como forma de creatividad, debe protegerse por la propiedad intelectual. Ahora, ¿qué forma en lo específico debe contemplarse a fin de concederle protección adecuada y suficiente?

#### **IV. Arte, industria y su protección**

##### **1. Comentarios iniciales**

Líneas atrás se hizo mención que la propiedad intelectual fue erigida sobre fundamentos que en principio parecieron inalterables: el derecho de autor reservado a las obras literarias y artísticas: el derecho de marcas a los signos distintivos de productos y servicios. Sin embargo, la evolución de las formas creativas fue complicando las cosas, ya que poco a poco aparecieron objetos que no eran obras, en un sentido puro, pero que tampoco constituían invenciones.

Es un hecho que el arte ha sido capturado por la industria, y que ésta a su vez se ha dado a la tarea de ponerlo al alcance del público. En la actualidad, se habla de bienes culturales e industrias culturales. En esas expresiones se encierra la labor industrial que gira alrededor de las obras literarias o artísticas. El arte aplicado no escapa de lo anterior; el *styling* tampoco.

##### **2. Antecedentes históricos**

Por muchos años se luchó por encontrar un sitio a los diseños industriales. Definirlo fue la primera complicación. La Convención de la Unión de París de 1883 estableció un primer intento de protección de carácter internacional, adoptando el principio de asimilación del extranjero con el nacional, de trato nacional, como se le conoce también<sup>29</sup>. Sin embargo, como dice el maestro César Sepúlveda, refiriéndose a la materia del diseño industrial, “la convención no contenía normas privativas, como es el caso de la marca y las patentes, que concedieran ventajas especiales por encima de la ley local<sup>30</sup>.” Y vaya que los sistemas nacionales se edificaron sobre una base común, aunque posteriormente tomaron rutas distintas. Según explica la insuficiencia traslada al sistema de protección internacional, “era debido

a que no se descubría un acomodo para estas creaciones intelectuales<sup>31</sup>". Citando a Ladas<sup>32</sup>, César Sepúlveda señala que la formación de la rama especial de los diseños obedece a un mero accidente histórico.

Napoleón pasaba por Lyon, tras de su victoria en Austerlitz, y los fabricantes de telas – famosas en el mundo entero – que le recibieron con gran lujo, le expusieron los males que aquejaban a su industria, sobre todo, por la falta de protección de las leyes del Antiguo Régimen. El emperador se propuso auxiliarles, y expidió la célebre Ley del 18 de marzo de 1806, que proteja los dibujos industriales de telas, principalmente de seda, seda y dorados, etc<sup>33</sup>.

Ese día se creó un sistema de protección independiente para los diseños industriales, distinta a propiedad artística, y las cosas se complicaron. El mundo partió de esta base para la adopción de leyes nacionales y tratados. Se habló, primero en Francia, de los "dibujos de relieve", y posteriormente de "las obras artísticas aplicadas a la industria". Por la concepción del sistema sui generis, apartado de las fórmulas del derecho de autor, vino el debilitamiento de la protección de los diseños industriales, eliminando, por lo tanto, de la protección, "todo diseño que sea una forma de arte puro, como si no existiera unidad en el arte<sup>34</sup>".

### **3. Protección de arte aplicado y *styling***

#### **A) La verdadera dimensión del diseño**

Para Plaisant no hay distinción entre el arte puro y las manifestaciones infinitas de las artes aplicadas. Por su parte, Stephen Ladas observa que las formas de producción artística son múltiples, que la inspiración tiene las fuentes más diversas y que los dibujos y modelos industriales pueden desaparecer como una rama separada de la propiedad industrial y ser absorbidos bien como invenciones, bien dentro de las obras artísticas o como marcas<sup>35</sup>.

¡Qué sabias palabras pronunciaron los ilustres autores, precitados! Esto nos muestra que desde entonces reinaba la preocupación por enderezar lo que, según Ladas, fue causado por el gran Napoleón, en su afán por proteger a sus artistas industriales. Sin embargo, los gobiernos parecen no haber tenido intención de replanteamientos. Después del diseño industrial, tocó el turno al arte aplicado en buscar un espacio dentro del

universo de la propiedad intelectual. Si para el primero hubo dificultad, para el segundo la discusión se mantiene vigente. Muchos intentos se han hecho por otorgarle un sitio apropiado, pero la combinación de arte y funcionalidad ha confundido a muchos. Derivado de ello, las legislaciones nacionales parecieron apartarse más y más de los principios del gran maestro Pouillet<sup>36</sup>. Por su parte, los tratados internacionales han sido exageradamente cautelosos<sup>37</sup>. Prueba de ello es el fracaso aparente del Tratado de La Haya, lo cual, para una autora sueca, se debe justamente a los bajos estándares que los países firmantes hubieron de adoptar e implementar<sup>38</sup>.

## **b) Formas protectoras**

Queda claro que hoy día el diseño representa una forma de arte contemporáneo, aplicado al producto industrial. Respecto de su protección, se han formado tres grupos básicos: aquellos países que protegen el arte aplicado por el derecho de patentes o por un sistema sui generis, que no es otra cosa que un sistema modificado, que no impone un nivel de inventiva tan elevado como el caso de patentes<sup>39</sup>. Existe otro grupo de países que otorgan protección a través del derecho de autor. Por último, se encuentra un sistema de protección acumulada entre derecho de autor y patentes, dictado, en general, por aquellos países que han reconsiderado el sistema de patentes o sui generis. España es un caso destacable<sup>40</sup>, aunque existen otros más<sup>41</sup>. Por otro lado, existen otros casos, como el de Estados Unidos, en el que se parte de la "separación física" y "separación conceptual<sup>42</sup>". Dicha postura sólo demuestra lo difícil que resulta disociar el elemento artístico de su medio de objetivación.

## **c) Intersecciones**

El arte aplicado o industrial surge de la intersección de arte, artesanía y diseño. Son obras o artesanías primero e industria después. Toda manifestación de arte aplicado es diseño industrial, pero no al revés, necesariamente. La situación jurídica del styling es más difícil, aunque debiera asemejarse a la del arte aplicado. Aquélla, en principio, constituye una forma de diseño industrial, que combina aspectos artísticos, y que se aplica a productos de consumo. Las diferencias entre arte aplicado y styling son muy reducidas y las líneas divisorias muy tenues, como consecuencia. De hecho, como se ha manifestado ya, las

fronteras muchas veces resultan oscuras y confundibles, lo cual hace difícil precisar, con claridad, cuando una forma es arte aplicado y cuando un diseño del styling. Existen criterios subjetivos que hacen que cualquier intento por diferenciar resulte endeble: lo que para algunos es arte, para otros puede no serlo. Para nosotros, la carrocería de un automóvil corresponde a una forma de expresión artística aplicada a un producto; para otros, la misma carrocería sólo representa el elemento ornamental y secundario de ese producto industrial. Como resultado, el mismo objeto podría ser obra o invento, y su creador, autor o inventor. Lo anterior pareciera una distinción de mera forma, pero no deben olvidarse los principios del derecho de autor y de patentes. En esa virtud, si el diseñador pudiese opinar, con seguridad preferiría ser autor. Ello de paso le estimularía a producir más y más estéticos diseños.

#### **4. Gráfica de protección**

Consideramos que la intersección de formas pudiera graficarse, podría quedar de la siguiente manera:

##### **A) Gráfica: arte puro**

En la primera esfera se observa el arte puro, en sus diversas manifestaciones, protegido por el derecho de autor, evidentemente.

##### **B) Gráfica: artesanía**

En la segunda esfera nos encontramos con la artesanía, que se circunscribe básicamente a las producciones del folklore y de los grupos de artesanos. El trabajo, ubicado dentro del campo de manualidades, entra en un proceso de repetición, que se transmite de generación a generación. Hay muy pocas legislaciones que se han ocupado de este asunto. Por representar un trabajo de "esfuerzo" más que de "intelecto", resulta difícil incluirlo en el derecho de autor. Algunas leyes, como la mexicana, otorgan protección limitada a este tipo de elementos creativos<sup>43</sup>.

##### **C) Primera intersección: arte y artesanía**

En la intersección entre arte y artesanía, podríamos situar las expresiones de arte popular, en las que las formas de creación artística se conjugan con la técnica popular. Creemos que el derecho de autor debe protegerlas como parte del género "obra artística".

## **D) Gráfica: diseño**

La esfera referida al diseño es la que representa el mayor problema. Según lo expuesto anteriormente, existe diseño por “abajo del nivel” y diseño por “arriba del nivel”. Los esquemas de trazado de circuitos integrados representan un buen ejemplo de diseños “por abajo del nivel”. Los modelos de utilidad podrían ser otro. El diseño industrial es susceptible de protección patentaría o sui generis, según el sistema en lo particular. El diseño industrial en todo momento se encuentra por “arriba del nivel”.

## **E) Segunda intersección: artesanía y diseño industrial**

La interfase entre artesanía y diseño industrial podría resultar en producciones artesanales que para su elaboración en serie requieren de procesos industriales, como moldes, modelos, entre otros. Como ejemplo podríamos citar una nueva botella de tequila hecha de vidrio soplado. Una interrogante sería si el derecho de autor pudiese proteger dicha forma. Creemos que por lo menos el derecho de diseños industriales debiera protegerla.

## **F) Gráfica: arte aplicado**

Como se ha explicado, la interfase entre arte, artesanía y diseño industrial produce el arte aplicado. Éste incluye un tanto de los tres, aunque podría contener únicamente elementos de arte y diseño industrial. El derecho de autor debería proteger el arte aplicado, empleando la teoría de la unidad del arte. En algunos casos, el derecho protector de diseños industriales, asimismo, podrá ofrecer protección a la obra de arte aplicado. Ello debido a que, por lo general, el alcance de este derecho es muy amplio y abarca todos los trazos y combinaciones de líneas, formas y colores, bi y tridimensionales que dan forma a productos industriales, sin importar si este diseño se le considere obra de arte. La protección acumulada no significa desasociación, toda vez que, tanto el derecho de autor como el de diseños, buscan la protección total del diseño. Claro está que su enfoque de protección es distinto, considerando las diferencias de ambas disciplinas. De ahí los inconvenientes del sistema acumulativo. Sin embargo, en nuestro concepto la protección corresponde al derecho de autor, mientras que el derecho de patentes o de diseños industriales asiste a la fiesta, pero a la

fuerza, pues en condiciones normales no hay quien le invite, aunque hay que aceptar que a veces conviene que esté.

### **G) Gráfica: styling**

Por último tenemos, el styling, como elemento creativo y embellecedor del producto de consumo. Se encuentra ubicado en la zona gris de la gráfica. El derecho de diseños industriales siempre estará dispuesto a protegerlo, lo cual no es claro por lo que respecta al derecho de autor. La pregunta es si es posible incluir al styling dentro del catálogo de obras protegidas. Nosotros creemos que sí debiera estar, siempre y cuando se trate de un diseño capaz de individualizar. Como se ha dicho, no existe gran diferencia entre el arte aplicado y el styling. El jarrón, el tapete y la joya pararán en el basurero al igual que el automóvil o la prenda de vestir. La única diferencia podría serlo el tiempo que ello ocurra. Por otro lado, es de derecho explorado que la protección de la obra arquitectónica corre a cargo del derecho de autor. El elemento creativo de dicho género no es otra cosa que el styling aplicado a productos utilitarios, en muchos casos de consumo (por ejemplo: casas, edificios, etc.)<sup>44</sup>. En conclusión, el styling debe protegerse de la misma forma que las obras de arte aplicado<sup>45</sup>.

## **5. Protección de arte aplicado y styling en Mexico**

### **A) La teoría de la unidad del arte en el derecho positivo de autor en México**

La protección del arte aplicado en México parte de dos premisas importantes: la unidad en el arte y la protección acumulada. Por lo que respecta a la primera, ha habido gran debate sobre si el derecho de autor en Mexico protege el arte aplicado. El reglamento para el reconocimiento de Derechos Exclusivos de Autor, Traductor o Editor, de 1939, fue por mucho tiempo el culpable de la interrogante, ya que en su artículo 5 (III) disponía que no será registrable toda aquella producción que fuera objeto o que pudiera ser objeto de protección de la propiedad industrial. De esta forma, si los dibujos y los modelos destinados a desempeñar una función industrial pudiesen ser protegidos en término de la propiedad industrial, no se consideraban registrables al amparo del derecho de autor.

No debe perderse de vista que el Reglamento de 1939 fue abrogado por la legislación posterior sobre la materia. Mexico se adhirió a las Convenciones Interamericana y de Berna, las cuales se sustentan en el principio de ausencia de formalidades, lo cual rompe con el criterio tradicionalista de registro, contemplado por el Código Civil de 1928<sup>46</sup> y el Reglamento de 1939. Por consideraciones de orden constitucional, este último no debió aplicar a la posterior Ley Federal sobre el Derecho de Autor de 1947<sup>47</sup>, la cual contradecía.

Por otro lado, explica el doctor Horacio Rangel Ortiz en su trabajo sobre diseños industriales, que el derecho de autor protege las obras de arte aplicado desde el Código Civil de 1928. La Ley de 1947 contemplaba una disposición –por cierto muy extraña–, proveniente de la recién implementada Convención Interamericana. El artículo 5º. de dicho ordenamiento limitaba la protección a la aplicación industrial de las ideas contenidas en una obra. La Ley de 1956<sup>48</sup> mantuvo esa postura. De la interpretación literal de dicha norma se obtiene que el público tiene la facultad de tomar la “idea” correspondiente y usarla libremente aplicada a la industria. Sin embargo, tomando en cuenta que tal disposición legal restrictiva se ha malinterpretado con frecuencia, una parte de la doctrina ha sostenido que operará sólo en el caso de aplicación industrial de “ideas”, más no en la aplicación de las expresiones circundantes, que es al fin y al cabo el objeto de protección del derecho de autor.

Asimismo, debe considerarse lo que menciona el doctor Rangel en su artículo al referirse a la aplicación de la teoría de la unidad del arte en la Ley de 1956. El artículo 3º del referido ordenamiento jurídico dejaba en claro que las obras se protegían “independientemente del fin a que puedan destinarse<sup>49</sup>”.

Por lo anterior, se concluye que el derecho de autor en Mexico ha protegido la obra de arte aplicado. Ello al menos en la teoría, porque en la práctica llegó a ser muy difícil convencer a las autoridades, que debían interpretar y aplicar la Ley en el sentido expresado. Éstas vieron el arte aplicado como un producto que debía observarse, única y exclusivamente, a la luz del derecho de la propiedad industrial. Por lo anterior, fueron pocos los casos en los que se concedieron registros, o en general se reconoció la protección a las obras de arte aplicado. Al styling mejor ni mencionarlo, porque la visión ha sido aún más estrecha.

## **B) Protección acumulada de arte aplicado y styling en Mexico.**

### ***Conflicto de fundamentos***

La única forma de protección real – no formal- al alcance del artista industrial, estuvo por mucho tiempo en el sistema de patentes, en concreto, en las normas sobre diseños industriales. Pero, al no ser el sistema de protección adecuado, el derecho de patentes fue mostrando incapacidad para tratar el problema de protección de las obras de arte aplicado. En nuestra opinión, el criterio de novedad objetiva constituye una pesada carga que ha recaído sobre este tipo de producciones, dado su verdadero origen artístico. El artículo 31 de la Ley de Fomento y Protección a la Propiedad Industrial constituye un claro ejemplo de ello<sup>50</sup>. No debe olvidarse que el principio de novedad subjetiva u originalidad fue concebido como un argumento legal para estimular la creación humana en el renglón de las creaciones intelectuales y artísticas, a las que pertenecen las obras de arte aplicado. Por lo tanto, puesto que no es posible tratar a las creaciones artísticas como invenciones, ya que los estándares de novedad objetiva son mucho más estrictos que los de novedad subjetiva, la Ley mexicana se ha enfrentado al grave problema de estimular el desarrollo en este campo.

1. *Goodwill* es una expresión anglosajona que encierra un contenido muy amplio, relacionado con el crédito comercial de las empresas, o aviamiento, como dice Rotondi. El derecho marcario se encarga de ello como su objeto principal. Para McCarthy, las marcas y en general los signos distintivos, no tienen existencia aparte del *goodwill* que representan y simbolizan. Ver la discusión que hace J. Thomas McCurthy en torno a este concepto en su obra *McCarthy on Trademarks and Unfair Competition*; Nueva York, Clark Boardman Callagan, 1997, vol. 1. (2.07 y 2.08). Consultar, asimismo, los casos relevantes, como *Mishawaka Rubber & Woolen Mfg. Co. V. 5.5. Dresge Co.* 316 U.S. 203, 86 De. 1381, 625 ot. 1022,53 USPQ 323 (1942), reh denied, 316 U.S. 712, 86 L. De. 1777, 62,5. Ct 1287 (1942). De aquí la célebre frase del juez Frankfurt que dice que la protección de las marcas corresponde al reconomiento de la “función psicológica de los símbolos”. En tal virtud, la marca general valor en la medida en que cumple con su función de atraer clientela para lo que se necesita talento creativo.

2. Resulta muy interesante el gran trabajo de discusión que hace Mladen Vukmir, en relación con el desarrollo histórico de la propiedad intelectual, *The Roots of Anglo-American Intellectual Property Law in Roman Law, Idea the Journal of Law and Technology*, editado por Franklin Pierce Law Center, vol. 32. 2, 1992.

3. Igualmente interesante resulta la publicación de AIPPI conmemorativa de su centenario, titulada *AIPPI Centennial 1847-1997*, Brion René, Moreau Jean-Louis, Bruselas, abril 16 y 17, 1997.

4. Como dice el maestro David Rangel Medina, “[el] jurista belga Edmundo Picard adoptó el término derechos intelectuales, para designar una nueva categoría de derechos que son de naturaleza sui generis y tienen por objeto las concepciones del espíritu, en oposición a los derechos reales sobre las obras literarias y artísticas; 2) los inventos; 3) los modelos y dibujos industriales; 4) las marcas de fábrica y 5) las enseñanzas comerciales”. Rangel Medina, David, *Tratado de derecho marcario, Las marcas industriales y comerciales en México*, México, 1960.

5. Para el maestro Rangel Medina, “[a]l conjunto de los derechos resultantes de las concepciones de la inteligencia y del trabajo intelectual, contemplados principalmente desde el aspecto del provecho material que de ellos puede resultar, acostumbrarse darle la denominación genérica de propiedad intelectual, o las denominaciones equivalentes propiedad inmaterial, bienes jurídicos inmatrimoniales y derechos intelectuales. Por estar más de acuerdo con el objeto de los derechos a que se aplica, algunos autores, como Joao da Gama Lerqueira, prefieren la denominación propiedad inmaterial; otros [...], los llaman bienes jurídicos inmatrimoniales”, id., p. 89.

6. El hombre ha luchado por el control de la información. Particularmente, la revolución actual en la era de la informática ha planteado nuevas fórmulas, mismas que han captado la atención de la propiedad intelectual. Consúltase Beniger, James, *The Control Revolution, Technological and Economic Origins of the Information Society*, Cambridge, Harvard University Press, 1986.

7. Es quizá Mladen Vukmir quien ha dedicado la mayor labor investigativa en relación con estos conceptos. Muestra su postura citando a Felix Klee, quien en su obra *Paul Klee (1962)* señala que las creaciones no pueden realizarse con desdén, el objeto necesita crecer, necesita madurar, y si el tiempo debe pasar en esta labor, será mejor. Vukmir trabaja desde algunos años en su teoría de la protección integral de la propiedad intelectual. Para él sólo hay una fórmula unitaria y ello nace de reconocer la existencia de la fusión entre “belleza” y “utilidad”. Es como la comunión indisoluble del cuerpo y espíritu: sólo hay un ser. Se apoya en autores como Piet Mondrian en apoyo de su dicho. No hay ciencia sin arte. A través de la ciencia se han logrado resultados prácticos para la humanidad; a través del arte, también.

8. No nos detendremos en este aspecto, ya que hacerlo representaría una o varias obras independientes. Para consultarlas recomendamos las lecturas de los maestros extranjeros, incluyendo a los clásicos Poulliet, Ladas, los norteamericanos Nimmer, McCarthy y a los mexicanos David Rangel Medina, Horacio Rangel. También se puede encontrar información en nuestro trabajo, “Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?”; *Idea, The Journal of Law and Technology*, FPLC, vol. 34, núm 1, 1992, pp. 33-65. Allí se abordan los fundamentos de la propiedad intelectual, especialmente el principio de originalidad.

9. El artículo 82 y subsiguientes de la Ley mexicana de la Propiedad Industrial no lo prohíben; por lo tanto, lo permiten.

10. Consúltese Schmidt, Luis C., op. cit.
11. Marshall A. Leaffer, *Understanding Copyright Law*, Nueva York, Bender Matthew, (1.8, p. 14). Asimismo, Stanley Rothemberg, *Legal Protection of Literature, Art and Music*, 1960, p. 34. Hay quienes opinan que entre el derecho de autor y de patentes hay grandes diferencias, siendo que se equivocan, pues de trata de materias muy cercanas, cuyas diferencias atienden más a la forma que al fondo. Prueba de ello es el contacto permanente entre ambas disciplinas, lo cual ha generado diversos problemas jurídicos. Los principios de originalidad, novedad y distintividad corresponden a categorías formales impuestas por el sistema de propiedad intelectual, para gobernar las situaciones de orden pragmático derivado de los institutos que regula. Por lo tanto, y al tratarse de divisiones de forma, las posibilidades de traslaparse son enormes. Para Mladen Vukmir, op, cit., p. 127, la necesidad de registro de las instituciones de propiedad intelectual atiende más a una necesidad pragmática que de fundamento, ya que la propiedad no es general por virtud del registro mismo. El registro no es la causa sino el efecto de la propiedad.
12. Paz, Octavio, *El uso y la contemplación. Los privilegios de la vista I*, Arte de México, Círculo de Lectores, Fondo de Cultura Económica, 1995, p. 65.
13. Idem, p. 64.
14. Idem, p. 65.
15. Idem, P. 63.
16. Idem, p. 63.
17. Idem, p. 67. En el mismo sentido se refiere Bruno Munari, quien afirma que todo diseño cumple funciones utilitarias y se puede acompañar de elementos estéticos que lo hagan ver mejor, pero que no son fundamentales. Para él, el arte aplicado es el styling que resulta innecesario. Con elementos simples y convencionales, sin ser artísticos, es posible llegar a resultados suficientemente estéticos. Lo artístico habrá que agregarlo. Para él, la belleza es consecuencia de lo correcto y lo estético es importante en el producto industrial porque si no hay fracaso comercial. Munari Bruno, *¿Cómo nacen los objetos? Apuntes para una metodología proyectual*, 5ª. Ed., Barcelona, Ediciones G. Gili, 1993, pp. 44-50.
18. Paz, Octavio, op. cit., p. 66.
19. Para referencia más abundante, consultar la publicación conmemorativa del centenario de AIPPI, op. cirt., Asimismo, T.S. Ashton, *La Revolución Industrial*, México, Fondo de Cultura Económica, Breviarios, 1996.
20. *The Meanings of Modern Design, Towards the Twenty First Century*, Nueva York, Thames and Hudson, 1990, pp. 40-48.
21. Estilo concebido por Deiter Rams, de belleza estética, utilizado en productos de consumo de los años anteriores a 1970, cuando el microchip y la ciencia de la miniaturización le fueron desplazando. Dormer, idem, p. 53.
22. Kalenberg, Angel "Mercado, gusto y producción artística", *América Latina y sus Artes*, trad. Por Damián Bayón, Madrid, Siglo XXI Editores, 1974, p. 83.
23. Idem, p. 84.
24. Dormer, Peter, op. cit., p. 10.
25. Arriba del nivel y abajo del nivel es la mejor traducción que encontramos para expresar en castellano lo que para Dormer es el "Above the Line" y

"Below the Line" aquello que se encuentra por abajo (de la mesa, etc.), lo secreto, lo que no resalta a la vista, de aquello que está por arriba y que es perceptible. Esta expresión se utiliza mucho en los campos de la negociación y de la ingeniería.

26. Dormer, idemm, p. 13.

27. En el ejemplar de la revista News Weed de 28 de julio de 1997, p. 12, se narra el impacto y conmoción que causó la muerte de Gianni Versace. ¿Quién destacaría un evento similar de alguno sus sastres, cortadores o "ingenieros" de producción?

28. Peter Dormer, op. cit., p. 19.

29. Convención de París de 1883, artículo 2º. "Los jurisdicionados de cada uno de los países contratantes gozarán, en todos los demás países de la Unión, en lo que respecta [...] a los modelos de utilidad, los dibujos o modelos industriales [...] las ventajas que las leyes respectivas conceden actualmente, o concedieron en lo sucesivo a los nacionales. En consecuencia, tendrán la misma protección que éstos [...]".

30. Sepúlveda, César, "Protección internacional a los diseños industriales", Revista Mexicana de la Propiedad Industrial y Artística, vols. 27 y 28, enero-diciembre, 1976, p. 45. Consúltese también Rangel Medina, David, "Protección de arte aplicado", Revista Mexicana de la Propiedad Industrial y Artística, vol. 29-30, enero-diciembre, 1977, pp. 13-25.

31. Ladas, Stephen P., The International Protection of Industrial Property, 1940, pp. 366-375, y más modernamente, Ladas, Stephen P., Patents, Trademarks and Related Rights, National and International Protection, Cambridge, 1975 (3 vols.) II, pp. 827-893.

32. Sepúlveda, César, op. cit., p. 46.

33. Idém, p. 46.

34. Idem, p. 47. Consúltese también p. 17 de la op. cit., del doctor Rangel Medina. Véase también Schmidt. Luis C., "La Protección de obras plásticas y de arte aplicado en México y en los países latinoamericanos", "Revista Mexicana del Derecho de Autor, México, año V, núm. 14, diciembre-marzo, 1994, pp. 11-18.

35. Ladas, op. cit., p. 829.

36. Pouillet, Eugene, Traité theorique et pratique de la propriete litteraire et artistique et du droit de la representation, 3e édition, París, Imprimerie el librarie Générale de Jurisprudence par Marchal et Billard, París, 1908, pp. 96 et seq. Citado por el doctor Rangel Ortiz, Horacio en México: The Law of Designs: The Mexican Legal System and Trips (Part Two), Protection of Industrial Designs Under Mexican Copyright Law, Patent World, Londres Armstrong International Limited, Drayo, 1997, p. 49.

37. Por lo que hace al Convenio de París, con excepción de la Revisión de La Haya de 1925, que estableció derecho de prioridad de seis meses para los diseños industriales, las demás revisiones no contienen grandes avances más allá de los del texto original. Por su parte, la Convención de Berna deja la opción a los Estados parte la protección del arte aplicado por el derecho de patentes o de autor. Véase artículo 2º. de la revisión de Estocolmo. El Tratado de Libre Comercio establece una postura similar dado las diferencias entre los tres sistemas; sobre todo la existencia de patentes de diseño en los Estados

Unidos y de protección de diseño industrial en Canadá y México. Consúltese al respecto Neff, Richard E. y Smallson Fran, NAFTA, Protecting and Enforcing Intellectual Property Rights in North America; Shepard's Colorado Springs, McGraw-Hill, 1994, pp. 116-123. Por último los artículos 25 y 26 del Trips siguen un formato similar al TLC. Véase Rangel Ortiz, Horacio, "The Law of Designs: The Mexican Legal System and TRIPS (part three) Protection of Industrial Designs Under Mexican Trademark Law". Patent World, Londres, Armstrong International Limited, junio-julio, 1997, p. 35.

38. Arreglo de La Haya de 1925 y subsiguientes revisiones, Levin, Marianne, AIPPI and the International Protection of Designs and Models, AIPPI and the Development of Industrial Property Protection 1897-1997, Centennial Edition AIPPI 1987-1997, Basilea, Chapter 10, AIPPI Foundation, 1997, pp. 281-293.

39. Nimmer, Melville B. y Paul Edward Geller, International Copyright Law and Practice, Nueva York, Mathew Bender, Times Mirror Books, vol. 1, 1991, [c][i].

40. Véase postura española en Grupo Español de la AIPPI, Informes sobre Propiedad Industrial 1979-1995, Barcelona, Publicación núm. 16 del Grupo Español AIPPI, 1995, pp. 165-183.

41. Canadá es otro caso en el que se otorga doble protección en ciertos casos. Para mayor información consúltese Belmore, Neil R. y Gill A. Kelly, "A Tentative Step into New Waters: Copyright and Industrial Design in Canada", Copyright World, Londres, Armstrong International Limited, julio-agosto, 1994, pp. 32-35.

42. Mazer v. Stein, 347 U.S. 201 (1954). Aquí la Suprema Corte de Estados Unidos consideró protegible por el derecho de autor una estatuilla usada como lámpara, dado a la separabilidad física entre obra y objeto. Por otra parte, en Kieselsten-Cord v. Accesories By Pearl, Inc., la Corte utilizó el criterio de separabilidad conceptual para proteger el elemento ornamental de una hebilla de cinturón.

43. La Ley Federal del Derecho de Autor en su artículo 154 establece que "las obras a que se refiere [...] dichas obras, las divide en símbolos patrios" (artículos 15 y 156) y culturas populares. En estos casos se protege al Estado Mexicano y a las etnias y comunidades perpetuadas en México, respectivamente, en contra de la deformación "hecha con objeto de causar demérito a la misma o perjuicio a la reputación o imagen de la comunidad o etnia a la que pertenecen" (artículo 158). Es de libre utilización este tipo de obras (artículo 159), pero en toda forma de explotación "deberá mencionarse la comunidad o etnia, o en su caso la región de la República Mexicana de la que es propia" (artículo 160). No dice la Ley quién será titular del derecho de acción. El artículo 261 solamente señala que corresponde al Instituto Nacional del Derecho de Autor la vigilancia y salvaguarda de las disposiciones mencionadas y la coadyuvancia en la protección de estas "obras".

44. Respecto de la protección de obras arquitectónicas, el caso de Estados Unidos es interesante, toda vez que a raíz de su entrada a Berna, el derecho de autor de estos países comenzó a proteger los edificios arquitectónicos, al igual que los dibujos y planos de éstos. Anteriormente, la reproducción tridimensional de la obra arquitectónica bidimensional no constituía violación de derechos. Consúltese al respecto el célebre caso Donald Fredwick Evans & Associates v. Continental Homes, Inc., 785 F2ed. 897 (11th cir. 1986). Véase

también el artículo de Strauss, Stephen J., "Architectural Design Protection: Recent Changes to U.S. Copyright Act Regarding Architectural Works", Copyright World, Londres, Armstrong International Limited, marzo-abril, 1992, pp. 25-28.

45. En países como Gran Bretaña y Estados Unidos, es posible ver casos en los que el derecho de autor protege diseños de modas y otros. Consúltese: David, Isabel, "Copyright Styles and fashions: How far does the law go?", Copyright World, Londres, Armstrong International Limited, mayo-junio, 1992, pp. 21-26. Dice la autora que en la Gran Bretaña es posible proteger por derecho de autor a los dibujos, moldes para corte y la prenda de vestir en sí misma. Karlen, Peter. "Protecting Style in the United States", Copyright World, Londres, Armstrong International Limited, julio-agosto, 1993, pp. 25-29. Por otra parte, el derecho de marcas ofrece protección a la mayoría de las figuras señaladas, siempre y cuando se cumpla con los principios de la materia.

46. Código Civil para el Distrito Federal en Materia Común, y para toda la República en Materia Federal publicado en el Diario Oficial de la Federación del 26 de marzo de 1928, y en vigor a partir del 10 de octubre de 1932, según decreto publicado en el mismo Diario del 10 de septiembre de 1932.

47. Publicada en el Diario Oficial de la Federación del 14 de enero de 1948.

48. Publicada en el Diario Oficial de la Federación del 31 de diciembre de 1956.

49. El artículo 31 de la LFPPI establece: "Serán registrables los diseños industriales que sean originales y susceptibles de aplicación industrial. Se entiende por original el diseño que no se igual o semejante en grado de confusión a otro que ya esté en el conocimiento público en el país". Dicho precepto contenía una definición de diseños industriales, misma que hace referencia a los diseños "originales" de aplicación industrial, y la "originalidad" se entendía en la medida en que el diseño no sea "igual" o "semejante en grado de confusión" a otro que ya esté en el conocimiento público del país. El concepto de "originalidad que utiliza la LFPPI continúa un verdadero híbrido, toda vez que exigía novedad en el territorio de la República mexicana, con el riesgo de que se perdieran los derechos inherentes a la creación y desarrollo del diseño si no se presentaba la solicitud de registro correspondiente, con anterioridad a la fecha en que éste se conociera "públicamente" por primera vez en México. Lo anterior es a todas luces contradictorio con el verdadero principio de originalidad o novedad subjetiva, que de ninguna manera está supeditado a depósitos o formalismos. Como puede apreciarse, la mezcla desorganizada de conceptos del derecho de patentes, derecho de marcas y derecho de autor, fue mostrando que México había abandonado la práctica de orientación patentaria y ha buscado más bien aplicar los principios de novedad subjetiva a los mismos. Prueba de ello es la modificación del artículo 31 practicada con la reforma de 1994.

50. El artículo 31 de la Ley de la Propiedad Industrial. Reforma publicada en el Diario Oficial de la Federación del 2 de agosto de 1994.

## **MEXICAN COPYRIGHT REVIEWED**

*Copyright Yearbook 1994.*

### **Mexico has evolved a dynamic modern set of copyright rules.**

Mexican Copyright Law evolved from the civil law system adopted by the country as a consequence of the 16<sup>th</sup> Century Spanish Conquest. Since Mexico's independence, various copyright laws have been enacted, the most recent being the Federal Copyright Law of 1963, which is still in effect. Comments in respect to the Mexican copyright regime will be made below.

### **The Author**

Mexican Copyright Law is definitively oriented toward author's rights. The flesh and blood person called the "author" — or "authors" in case of collective works — is the main object of protection. In keeping with this, Mexico, like most other countries with legal systems derived from Roman Law, strongly encourages protection of the author's personality, a situation which is reflected in the concrete application of such basic copyright principles as originality, the expression/idea dichotomy and fair use.

### **The Work of Authorship**

A work is the personal intellectual creation or expression of human sensibility, talent and ingenuity. A creation meeting the above criteria, that is, an individual creation which is complete, unitary and representing or meaning something, will be granted full protection under Mexican copyright law.

Likewise, Mexican Copyright Law requires that the work be embodied in a tangible medium of expression. It is indeed the act of creation and fixation of the author's creation in a material and durable form that leads to copyright protection. However, it will be always the intangible element — human creation — that will be protected and not the medium or *corpus mechanicum* in which is embodied.

## The Rights

Mexican copyright law states that there are two fundamental types of rights, moral and patrimonial rights. Moral rights are the purest manifestation of the author's personality in copyright. They cannot be transferred, sold or assigned because they are inherent to and integral to the author, who holds them permanently and perpetually, during and after his or her life. Nor is it possible for the author to renounce his or her moral rights; they cannot be pledged and they may never be signed away. According to Mexican Copyright doctrine, moral rights constitute the dividing line between intellectual property rights and actual property. There are various categories of moral right, of which Mexican law has indirectly recognized some. These include the right to create, the right to continue and complete one's own work, the right to modify and destroy it, the right to keep the work unpublished, the right to publish it under the author's name, under a pseudonym or anonymously, the right to select interpreters for the work's performance and right to withdraw it from commerce. However only the paternity right and the integrity right have been expressly provided for.

Patrimonial rights, in contrast with moral rights, may be transferred, licensed or in any other way disposed of by the author, or by the assignee or copyright owner in case of a work for hire relationship; their duration is temporary. Just as in other jurisdictions, patrimonial rights contemplated by Mexican law can be divided into the five well-known categories of reproduction, distribution, control of derivative works, public performance and display.

The individual author of a work is owner of the copyright on what he or she creates, unless there is a work made for hire relationship. In this respect, Article 59 of the Copyright Law establishes that everyone who produces a work with special and remunerated participation or collaboration of one or more persons shall enjoy *ab initio* the copyright in it. The meaning of remuneration is broad and comprises salaries, shares and payments for the rendering of services other than employment. There are no court decisions that have limited this criterion.

## Formalities

Mexican Copyright Law subscribes to the principle of absence of formalities as to registration and use of copyright notice of the Interamerican and Berne Conventions. Accordingly, Berne Convention standards were introduced into Article 8 of the 1963 Copyright Law, which states that there is no need to register a work in order to protect it. As mentioned before, protection of a work arises out of the very act of creation, so registration only recognizes or confirms the existence of previously constituted rights. Notwithstanding the foregoing, registration represents *prima facie* evidence of copyright ownership. Thus, in case of a dispute over rights, the burden of proof would be borne by the contesting party.

By application of the Berne Convention, the principle of absence of formalities extends to foreign authors who are nationals of Union countries or, if not nationals of Union countries, if their works have been published in one country of the Union or if they have permanent residence in one of them. Similarly, the Interamerican Convention confers protection to member State authors and foreigners domiciled in member states, without registration, deposit or formalities. Therefore, in the case of enforcement, a Mexican court would most likely recognize application of the principle of absence of formalities to all foreign works whose authors are nationals of Berne Convention or Interamerican Convention countries, but not to nationals of countries with which Mexico has only Universal Copyright Convention relationships or no reciprocity relationships at all.

The principle of absence of formalities also covers the copyright notice requirements. However, Mexican Copyright Law states that if proper notice is not displayed in a visible place, the publisher will be liable for sanctions prescribed by the law — but this will not result in loss of copyright. Regarding recordal of agreements, the law provides that those entered into by authors and users modifying, transmitting, encumbering or extinguishing patrimonial copyrights shall produce effects after they are recorded with the Copyright Office. It should be understood that only agreements representing transfer, modification or extinction of copyrights have to be recorded and work for-hire agreements do not fall within any of the cited categories.

Also recordal is probably not mandatory for agreements entered into by two publishers or other corporations with no participation of the authors. Otherwise, there are no restrictions imposed by the law to scrutinize and approve recordal of agreements; the intention of the contracting parties governs copyright relationships between authors and publishers.

## **LA PROTECCIÓN DE OBRAS PLÁSTICAS Y DE ARTE APLICADO EN MÉXICO Y EN LOS PAISES LATINOAMERICANOS**

Revista Mexicana del Derecho de Autor, 1994, March 1994, No. 14.

### **I. INTRODUCCION: LAS OBRAS PLASTICAS Y DE ARTE APLICADO COMO FORMAS DE CREATIVIDAD ARTISTICA**

El derecho de autor protege las obras originales que resultan del talento, sensibilidad e ingenio de las persona que las crea, a quien se denomina autor. Si se tornan en consideración dichos términos, esto es, si la obra resulta de una creación individual, completa, unitaria y dotada de significado, se le garantizará protección bajo la gran mayoría de las legislaciones nacionales en materia de derecho de autor en el mundo, incluyendo la mexicana.

Toda obra consta de forma y contenido, situación reconocida por el derecho de autor y sobre la cual se basa el sistema de protección mismo. De cualquier manera, en México, como en muchos otros sistemas jurídicos en el mundo, sólo será la forma de expresar una idea artística o intelectual la que obtenga protección de derechos de autor en tanto se haya plasmado a través de una técnica o lenguaje determinados en un medio tangible de expresión y será siempre el elemento intangible la creación humana, el que se protegerá, y no así el medio o "corpus mechanicum" en el que se ha plasmado.

Las obras intelectuales se dividen en dos categorías básicas, que son las obras literarias y artísticas. Entre otras, las obras artísticas comprenden aquellas producciones conocidas en el sistema de copyright anglosajón como obras de artes visuales<sup>3</sup>, aunque en algunos países pertenecientes a la tradición del derecho de autor, tales como los países latinoamericanos, se les identifica bajo rubros más específicos, como el de obra plástica o figurativa, entre otros. Las producciones de artes visuales incluyen los géneros de pintura, dibujo, mapas y cartografía, planos, fotografía, grabado, escultura, obras artesanales y obras arquitectónicas. Asimismo, en algunas jurisdicciones el concepto de obra artística comprende representaciones gráficas y fotográficas aplicadas a artículos comerciales e industriales.

Las obras de artes visuales tienen sus propias características y requieren de un tratamiento legal único y especial. Si bien comparten los fundamentos y principios del derecho de autor con el resto de las formas de creación intelectual y artística, guardan al mismo tiempo sus particularidades, mismas que las hacen diferentes a cualquier otra. Por ejemplo, como se verá más adelante, en algunos casos es difícil distinguir física o conceptualmente entre la obra protegida y el objeto en el que está fijada, como ocurre en el caso de las así llamadas obras de arte aplicado, donde se encuentran, convergen e integran los elementos de la creación artística y el objeto utilitario, formando una sola entidad. Estas y otras diferencias caracterizan a las obras de artes visuales, situación que las ha hecho merecer un tratamiento legal especial al cual se hará referencia en adelante.

Debido a las restricciones de tiempo, hemos decidido limitar nuestros comentarios a las obras plásticas y de arte aplicado. Esto se debe a nuestro deseo de hacer una referencia más sustancial a los problemas y aspectos controversiales que se han desarrollado en estos rubros específicos. Esto no quiere decir que el resto de las producciones vinculadas con la materia no merezcan importancia. De cualquier manera, tomando en consideración la complejidades de los temas a discusión, limitaremos nuestra plática a los tópicos antes mencionados y dejaremos el resto abierto para un comentario futuro.

## **II. OBRAS PLÁSTICAS**

La legislación mexicana en materia de derecho de autor no define el término obra plástica. Sin embargo, el concepto de "fine art" u "obra plástica", como podría probablemente ser traducido al idioma castellano, se refiere a las obras originales de carácter artístico representadas en objetos bidimensionales o tridimensionales, incluyendo pinturas, dibujos, esculturas y algunos tipos de obras impresas. Hay jurisdicciones que incluyen tipos adicionales de carácter impreso dentro de esta categoría, a pesar del hecho de que se orientan a fines comerciales o de consumo masivo.

### **a) Derechos Patrimoniales o Económicos en las Obras Plásticas**

La exhibición pública y la publicación representan las dos formas básicas de uso y explotación de obras de carácter plástico. Tradicionalmente, la

pintura y la escultura, se han comunicado a los espectadores en forma directa por cuanto que es normalmente la obra original y no una copia de la misma la que se exhibe al público. De cualquier manera, la forma de explotar obras plásticas ha variado de acuerdo con el desarrollo de los nuevos medios y formas de comunicación pública. La forma de explotación mediante la reproducción y distribución pública de copias de la obra o publicación como lo entiende la Convención de Berna para la Protección de Obras Literarias y Artísticas (Convención de Berna) en el artículo 3(3)-, ha cobrado mayor importancia en tiempos actuales, especialmente en el caso de producciones artísticas de naturaleza comercial y de acceso a la mayoría de la gente.

De conformidad con la legislación mexicana, los derechos patrimoniales pueden transferirse, licenciarse o disponerse de cualquier manera por el autor, o su apoderado y por el titular del derecho correspondiente en caso de relación de trabajo o de encargo. Desde el punto de vista académico, la legislación mexicana de la materia reconoce la clasificación tradicional que divide los derechos patrimoniales en derechos de reproducción, distribución, control en la publicación de obras derivadas y representación, ejecución y exhibición públicas. Lo anterior se concluye de la interpretación que produce la lectura del artículo 2, fracción III, de la Ley Federal de Derechos de Autor (LFDA), que establece que el autor o el titular de los derechos patrimoniales de autor podrá "usar y explotar" la obra protegida. Como puede apreciarse, la expresión "uso y explotación" de obras es lo suficientemente amplia como para incluir cualquiera de las formas de explotación antes mencionadas, sin importar si el artículo 4° del mismo ordenamiento legal se refiere a éstas en forma expresa.<sup>4</sup> Por consiguiente, en virtud del derecho patrimonial de autor, el titular de éste deberá estar legitimado para perseguir infracciones que provengan del uso y la explotación de la obra protegida,<sup>5</sup> incluyendo los casos de exhibición pública y publicación, pero asimismo cualquier otra forma de explotación, a través de medios conocidos o por conocerse y que el referido artículo 4° de la LFDA haya omitido incluir en la lista.

Otros países latinoamericanos, tales como Argentina y Venezuela, protegen también obras de carácter plástico y reconocen la exhibición pública y la publicación como las principales formas explotación. Concretamente, el artículo 2 de la Ley 11.723 de Argentina; y el artículo

2 de la ley venezolana, proveen un espectro de protección tendiente a la protección de los derechos económicos o patrimoniales.

### **b) Limitaciones a los Derechos Patrimoniales**

Los originales de obras de carácter plástico son objeto de venta, y en estos casos, aquellos terceros que adquieran la obra por medio de venta o cualquier otra forma de transferencia de propiedad estarán facultados para disponer de ella o revenderla. Sin embargo no estarán facultados para disponer o ejercer los derechos de autor intrínsecos en la obra correspondiente. El artículo 185 de la ley colombiana se ha pronunciado en esta dirección. Además, algunas legislaciones autorales latinoamericanas sobre la materia, tales como la ley chilena de derechos de autor (Ley número 17330 de 1970) y la ley colombiana (artículo 39), han introducido limitaciones a los derechos de publicación y exhibición pública. Así, en lo que toca a las limitaciones a los derechos de reproducción, la ley chilena ha establecido que los monumentos públicos y las obras artísticas pueden ser libremente reproducidas en fotografías, dibujos y otros procedimientos, y que la publicación de dichas copias será considerada legal.

Adicionalmente, el artículo 18 de la ley mexicana de derecho de autor establece algunas limitaciones a la protección que ésta ofrece, incluyendo el empleo de reproducciones de obras en eventos sin fines lucrativos, publicación de obras de arte y arquitectónicas que se exhiben públicamente; reproducción de breves fragmentos de obras o crestomatías, y reproducción de fotografías, fotocopias, dibujos, pinturas o microfilmes, mientras dicha reproducción se haga para uso exclusivo de quien la produce.

### **c) Derechos Morales**

El "autor" -considerado desde el punto de vista del sistema de "derecho de autor"-representa el sujeto principal de protección en todos los países de Latinoamérica. Atendiendo al principio apuntado, los países latinoamericanos promueven con firmeza la protección del autor desde la perspectiva de su personalidad, situación que se ve reflejada en la aplicación concreta de los demás principios e instituciones de la materia, tales como el de la originalidad, el de dicotomía entre la expresión y la idea y el fair use o uso honrado.<sup>6</sup>

La legislación mexicana reconoce y protege ambos tipos fundamenteles de derechos de autor, esto es, los derechos patrimoniales y los derechos morales. Respecto de los segundos considera que representan la más pura manifestación de la personalidad del autor y que por virtud de ser inherentes e integrales con su persona no pueden transferirse, cederse o venderse. Asimismo, dichos derechos tienen el carácter de perpetuos, por lo que tienen vigencia limitada, además de considerarse irrenunciables, inalienables e imprescriptibles. Existen varias categorías de derechos morales, de los cuales la doctrina<sup>z</sup> y jurisprudencia<sup>g</sup> mexicana han recogido algunos y la legislación, en forma expresa, los de paternidad<sup>2</sup> e integridad<sup>10</sup>. Disposiciones similares se encuentran en la ley argentina 11.723, en la ley venezolana y prácticamente en todas las otras legislaciones latinoamericanas sobre la materia.

Los derechos morales tienen una especial implicación, importancia y significado en el caso de obras de carácter plástico, considerando que las obras de esta naturaleza representan el más apropiado ejemplo de la expresión humana de sensibilidad y talento. Afortunadamente, no se puede hablar de alguna legislación latinoamericana que no ofrezca adecuada protección al autor respecto de la mutilación, distorsión o destrucción de la obra sin su consentimiento. En México, tal conducta ilegítima conduce al infractor a sanciones penales, incluyendo prisión hasta de seis años.

#### **d) Colaboración Remunerada**

La doctrina de la colaboración remunerada, originalmente concebida en el sistema de copyright, bajo la denominación work for hire, se ha aceptado en algunas leyes latinoamericanas de derecho de autor. En México, se considera que el autor la obra será el titular del derecho correspondiente, a menos que se trate de una obra producida en virtud de un encargo o de una relación de trabajo. A este respecto, el artículo 59 de la LFDA dispone que cualquiera que produzca una obra con participación o colaboración especial y remunerada de una o más personas habrá de gozar ab-initio del derecho de autor implícito con la obligación de otorgar el crédito de colaborador en favor del creador Intelectual.<sup>11</sup> Es amplio el significado del término "remuneración" que emplea la ley, y comprende salarios, participaciones, pagos por la prestación de servicios distintos al empleo, entre otras, y no hay resoluciones judiciales que hayan limitado ese criterio.

La legislación venezolana ha ido más lejos al considerar que la aplicación de esa figura legal implica una autorización en favor del titular del derecho de autor para ejercer los derechos morales en la medida en que éstos se requieran para la explotación de la obra. Por su parte, la ley de derecho de autor de Argentina no establece disposición alguna con relación a la colaboración remunerada y, por lo tanto, se reconoce el carácter de autor a la persona física que haya creado la obra. Sin embargo, de la jurisprudencia se ha derivado que los principios generales de leyes contractuales y civiles habrán de ser aplicables en aquellos casos en que se encomiende la producción de una obras.

Ha sido largamente discutido si la figura de colaboración remunerada debería aplicarse a las obras plásticas. Al menos en México dicha doctrina se ha extendido a todos los géneros de obras protegidas por la ley, sin limitación alguna. No obstante, en el caso de las obras plásticas hechas por encargo o relación de trabajo, el titular del derecho de autor no gozará del derecho de integridad de la obra, y deberá abstenerse de mutilarla, distorsionarla, alterarla o destruirla, sin importar que la obra se ha fijado a un edificio del cual no pueda ser removida. Asimismo, de conformidad con la ley mexicana quien encarga la producción de la obra tendrá que mencionar expresamente el nombre o nombres de aquellas personas que participaron en su elaboración.

#### **e) Droit de Suite**

Muchas legislaciones modernas de derecho de autor en el mundo reconocen en favor de los autores de obras pictóricas y escultóricas el derecho a recibir remuneración por la venta posterior de la obra una vez que ésta se haya vendido por primera vez, siempre y cuando dichas reventas representen un incremento a su valor en terminos económicos. La Convención de Berna, en su Acta de París, señala en su artículo 14 ter(1), que "En lo que concierne a las obras de arte originales y a los manuscritos originales de escritores y compositores, el autor -o, después de su muerte, las personas o instituciones a las que la legislación nacional confiera derechos- gozarán del derecho inalienable a obtener una participación en las ventas de la obra posteriores a la primera cesión operada por el autor".

Varios países en Latinoamérica han reconocido la aplicación del droit de suite. Por ejemplo, las legislaciones chilena y ecuatoriana disponen que

en el caso de ventas consecutivas de una obra de arte original, deberá pagarse al autor el 5% de lo que se obtenga del agregado correspondiente a la venta. En forma similar, las leyes de Argentina, Brasil y Uruguay contienen preceptos que regulan la figura del droit de suite, y Venezuela hará lo propio en un futuro cercano.

### **III. OBRAS DE ARTE APLICADO**

Todo abogado de propiedad intelectual en América Latina probablemente estaría de acuerdo que el tema de la protección de obras aplicadas a objetos industriales o comerciales ha representado uno de los más difíciles a tratar y de mayor incertidumbre, considerando que "las obras de arte aplicado", como se les conoce, constituyen un punto donde convergen los principios de patentes, derecho de autor, derecho de marca e incluso el derecho de la competencia desleal.

El problema básico se circunscribe al tipo de producciones que, pudiendo ser de naturaleza bi o tridimensional, contienen elementos artísticos que están contenidos en los así llamados artículos u objetos "utilitarios" o "útiles", mismos que tienen como finalidad desempeñar funciones comerciales o industriales. La fusión de elementos estéticos y útiles en un solo cuerpo ha provocado incertidumbre con relación a cómo el problema debiera ser abordado y resuelto. La cuestión que al respecto ha surgido es si debe ser el derecho de patentes o el del autor el que debiera prevalecer en situaciones como las que se exponen. De esta forma, si domina la patente, cabría preguntarse si es posible extender la protección al campo del derecho de autor, para aquellos casos de creaciones que además de servir, busquen producir placer estético a quien las contemple. Por último, ¿debería el derecho de autor extender su protección a cualquier clase de forma, por ejemplo, la de un automóvil o la de una herramienta siempre y cuando se considere original?

La obtención de uniformidad en la protección de obras de arte aplicado y diseño industrial ha representado también una meta difícil de alcanzar a nivel internacional. Las principales convenciones internacionales de propiedad industrial y derecho de autor han establecido algunas reglas a este respecto. Sin embargo, el tratamiento que han dado al problema no ha sido bastante consistente o sustancial como para establecer un régimen claro y preciso al respecto.

De acuerdo Con el Artículo 2(7) de la Convención de Berna, "Queda reservada a las legislaciones de los países de la Unión la facultad de regular lo concerniente a las obras de artes aplicadas y los dibujos y modelos industriales, así como lo relativo a los requisitos de protección de estas obras, dibujos y modelos, teniendo en cuenta las disposiciones del artículo 7.4) del presente convenio. Para las obras protegidas únicamente como dibujos y modelos en el país de origen no se puede reclamar en otro país de la Unión más que la protección especial concedida en este país a los dibujos y modelos; sin embargo, si tal protección especial no se concede en este país, las obras serán protegidas como obras artísticas".

Se han desarrollado diferentes tendencias en el mundo con relación a la protección de obras de arte aplicado, de las cuales las siguientes se consideran las más importantes:

a) Teoría de Unidad del Arte: de acuerdo con esta teoría el modelo o dibujo se considera una obra de arte aplicado, no importando para ello su destino, sino más bien su origen artístico. En concordancia con esta teoría, es posible encontrar un derecho de autor acumulativo a la protección de propiedad industrial para producciones de arte aplicado - como ocurre en Francia- o exclusivamente protección de derecho de autor -como ocurre en Bélgica y Holanda.

b) Teoría de Disasociación: de acuerdo con esta teoría, cuando un dibujo o modelo se aplica a un objeto industrial, la protección debe garantizarse en una forma individual; los aspectos utilitarios deben considerarse independientes de los meramente artísticos, y será el destino del objeto el que determine el tipo de protección aplicable a cada caso.

Distintamente al caso de Argentina, donde tanto la propiedad industrial como el derecho de autor abarcan las obras de arte aplicado, en México no ha habido una definición real sobre cómo las obras de arte aplicado deberían ser tratadas y protegidas. La protección en este país ha sido relativamente ambigua y algunas veces contradictoria. Los diseños industriales como tales fueron considerados para protección por primera vez cuando se promulgó la Ley de Patentes de 1903. Por consiguiente, se creó una forma especial de protección dirigida a creaciones artísticas contenidas en productos industriales y basadas en criterios objetivos de

novedad. Por otro lado, se excluyó la protección de derecho de autor para este tipo de creaciones artísticas en los siguientes casos:

a) Cuando los modelos y dibujos se aplicaran a objetos industriales, independientemente de su capacidad de ser protegidos por la ley del derecho de autor en una manera paralela y complementaria.

b) El Artículo 18, inciso a), de la LFDA establece que no se otorgará protección en caso de la aplicación industrial de ideas en una obra. En estos casos el público tiene la facultad de tomar la "idea" correspondiente y usarla libremente aplicada a la industria. Sin embargo, tomando en cuenta que tal disposición legal restrictiva se ha malinterpretado con frecuencia, una parte de la doctrina ha sostenido que opera sólo en caso de aplicación industrial de "ideas", mas no así en aplicación industrial de las expresiones circundantes, que es al fin y al cabo el objeto de protección del derecho de autor.

c) El Artículo 5(III) del Reglamento para el Reconocimiento de Derechos Exclusivos de Autor, Traductor o Editor, mismo que entró en el año de 1939, dispuso que no sería registrable toda aquella producción que fuera objeto o que pudiera ser objeto de protección por la propiedad industrial. De esta forma, si los dibujos y los modelos destinados a desempeñar una función industrial se habían protegido o debían ser protegidos en términos de la Ley de Propiedad Industrial, no se consideraban registrables al amparo del derecho de autor.

No obstante lo arriba expuesto, la estricta visión de la legislación mexicana ha comenzado a cambiar en tiempos recientes y se ha vuelto más flexible, especialmente después de la adhesión de México a las Convenciones Interamericana y de Berna. Tomando en cuenta, por lo tanto, que ambos tratados se basan en el principio de ausencia de formalidades las manifestaciones artísticas merecerán la protección del derecho de autor por el solo hecho de su creación, sin importar, si hay una protección adicional garantizada por la legislación de propiedad industrial.<sup>12</sup> La legislación de propiedad industrial ha mostrado además su incapacidad para tratar el problema de protección de las obras de arte aplicado y especialmente de aquéllas concebidas como creaciones artísticas aunque materializadas en objetos utilitarios. En nuestra opinión el criterio objetivo de novedad o novedad objetiva del derecho de patentes ha sido una pesada carga en el caso de este tipo de

producciones debido al elemento artístico que asimismo contienen. No debe nunca olvidarse que el principio de novedad subjetiva u originalidad fue concebido como un argumento legal para estimular la creación humana en el renglón de las creaciones intelectuales y artísticas, a las que pertenecen las obras de arte aplicado. Por lo tanto, puesto que no es posible tratar a las creaciones artísticas como invenciones, ya que los estándares de novedad objetiva son mucho más estrictos que los de novedad subjetiva, la ley mexicana de propiedad industrial se ha enfrentado al grave problema de estimular el desarrollo en este campo.

La nueva Ley de Fomento y Protección de la Propiedad Industrial (LFPI) contiene una definición de diseños industriales, misma que hace referencia a los diseños "originales" de aplicación industrial<sup>13</sup>, y la originalidad se entiende en la medida de que el diseño no sea igual o "semejante en grado de confusión" a otro que ya esté en el conocimiento público del país.<sup>14</sup> Como puede apreciarse, la mezcla desorganizada de conceptos del derecho de patentes, derecho de marcas y derecho de autor, muestra que México ha abandonado la práctica de orientación patentaria y ha buscado más bien aplicar los principios de novedad subjetiva a los mismos. ¿Por qué entonces no hacer las cosas más simples y permitir protección de obras de arte aplicado exclusivamente a través del derecho de autor?

1. Este trabajo fue escrito originalmente en idioma inglés en apoyo a la presentación titulada Protection of Visual Arts Production in Mexico and Latin American Countries, en la reunión de la Barra Internacional de Abogados, en Nueva Orleans, LA, octubre de 1993. No existe en castellano una traducción literal de las expresiones visual arts, fine arts y algunas otras mencionadas a lo largo de este trabajo, por lo que se ha procurado emplear términos que impliquen el mayor grado de equivalencia posible.

El autor desea expresar su gratitud al Sr. Damasco Pardo, del Buenos Aires Law Firm Estudio; a los señores Beccar Varela y a Ricardo Fischer, y a María Milagros Nebreda, del Venezuela Law Firm Bentata Hoet & Asoc., por su contribución al presente trabajo, y al Señor Ignacio Padilla, por la realización de la traducción al idioma castellano.

N.del A.

2. Luis C. Schmidt es socio de Olivares y Cía. y es Master en Propiedad Intelectual por el Franklin Pierce Law Center, Nueva Orleans, LA, Octubre 1993.

3. El concepto jurídico visual arts del derecho anglosajón tiene una connotación más amplia que los más específicos del idioma castellano y comprende a las obras plásticas o fine arts, además de las obras de arte aplicado.
4. El artículo 4° de la LFDA ha generado controversia en México, en virtud de que hay quienes postulan su carácter limitativo y habemos quienes lo consideramos enunciativo y como un mero apoyo al artículo 2(III) de la misma Ley, cuyo objeto es listar a manera de ejemplo algunas de las formas de explotación de obras, especialmente las que se conocían en 1963, fecha de que data dicha Ley. En fechas recientes la controversia ha girado en torno al derecho de distribución de obras, que el artículo 4° omitió listar y el cual constituye la piedra angular de derechos más específicos como es el de control a la importación paralela de copias de obras protegidas y el de rental rights o derecho de renta o alquiler de dichas copias.
5. La LFDA establece un capítulo de sanciones de orden penal en el artículo 135 y subsiguientes para el caso de infracción a los derechos de uso y explotación de obras protegidas.
6. Así traduce del idioma inglés el concepto de fair use el Licenciado Nicolás Pizarro Suárez, con la colaboración del Licenciado Nicolás Pizarro Macías, en La obra titulada Ley Norteamericana del Derecho de Autor, CNIDA INFORMA SEP, Centro Nacional de Información del Derecho de Autor, Dirección General del Derecho de Autor, Boletín bimestral de Información Autoral, vol. 1, Número 4 bis, Septiembre 1982.
7. Derecho de creación, derecho de Continuar y completar la obra propia, derecho de modificar y destruir la obra propia, derecho de mantener inédita la obra, derecho de publicar la obra a nombre del autor, bajo seudónimo o anónimamente, derecho de seleccionar intérpretes para la ejecución de la obra y derecho de retirar la obra del comercio. Ver Carlos Mouchet e Isidro Radelli, Los Derechos del Escritor y del Artista, Ediciones Cultura Hispánica, Madrid, (1959).
8. Ver tesis del Cuarto Tribunal Colegiado en Materia Civil del Primer Circuito, bajo el rubro DERECHOS DE AUTOR, DISTINCION ENTRE EL DERECHO DE DIVULGACION Y EL PATRIMONIAL DE EXPLOTACION DE LA OBRA. Semanario Judicial de la Federación; 7ª Epoca, Volumen 217-228, Página 214. Precedentes: Amparo Directo 63187. César Odeilón Jurado Lima, 19 de marzo de 1987. Unanimidad de votos Ponente: Mauro Miguel Reyes Zapata.
9. Artículo 2(I) LFDA.
10. Artículo 2(II) LFDA.
11. Entre los simpatizantes de la figura de la colaboración remunerada se encuentran quienes sostienen que si bien es cierto que sólo puede reconocerse la categoría de autor a personas físicas, también será posible que las personas jurídico o colectivas sean titulares de derechos de autor en forma originaria. Algunos sectores de la doctrina en México han manifestado rechazo con relación a la colaboración remunerada, pero esta forma parte de una realidad en el derecho positivo y en la práctica en este país, al grado que hoy día se ha convertido en una de las formas más utilizadas en la producción de obras intelectuales y artísticas y en el desarrollo, impulso y difusión de cultura a todos los niveles.

12. No debe perderse de vista que el Reglamento de 1939 ha quedado obsoleto frente a los acontecimientos posteriores que se han presentado en materias de derecho de autor y de propiedad industrial. Como se dijo anteriormente, con posterioridad a 1939 el sistema de derecho de autor en México adoptó como principio fundamental el de ausencia de formalidades, lo cual resulta contradictorio respecto del sistema de registro prevaleciente en aquel entonces. Por otro lado, se han ido adoptando nuevas y diferentes leyes tanto en derecho de autor como propiedad industrial que poco a poco han modernizado los criterios de la materia, quedando atrás los postulados del artículo 5(III) que se comenta.

13. El concepto de "originalidad" que utiliza La LFPPI constituye un verdadero híbrido, toda vez que se exige novedad en el territorio de la República Mexicana, con el riesgo de que se pierdan los derechos inherentes a la creación y desarrollo del diseño si no se presenta la solicitud de registro correspondiente, con anterioridad a la fecha en que éste se conozca "públicamente" por primera vez en México. Lo anterior es a todas luces contradictorio con el verdadero principio de originalidad o novedad subjetiva que de ninguna manera está suspendido a depósitos o formalismos.

14. Artículo 31 de la LFPPI que establece: "Serán registrables los diseños industriales que sean originales y susceptibles de aplicación industrial. Se entiende por original el diseño que no sea igual o semejante en grado de confusión a otro que ya esté en el conocimiento público en el país.

## **BREVE ANÁLISIS SOBRE LAS FRANQUICIAS Y EL DERECHO DE AUTOR**

*Revista Mexicana del Derecho de Autor, Año I, Num. 3, Julio Septiembre 1990.*

### **Introducción: ¿Qué es el derecho de autor?**

El derecho de autor pertenece a la rama del derecho denominada propiedad intelectual, la cual a su vez incorpora el derecho sobre las creaciones nuevas, patentes, diseños industriales, modelos de utilidad y secretos industriales, signos distintivos, marcas de producto o servicio, nombres y avisos comerciales y denominaciones de origen, y la represión a la competencia desleal. El maestro David Rangel Medina señala que "al conjunto de los derechos resultantes de las concepciones de la inteligencia y del trabajo intelectual, contemplados principalmente desde el aspecto del provecho material que de ellos puede resultar, se acostumbra darle la denominación genérica de propiedad intelectual, o las denominaciones equivalentes de propiedad inmaterial, bienes jurídicos inmateriales y derechos intelectuales" (David Rangel Medina. Tratado de derecho marcario).

El común denominador de la propiedad intelectual es precisamente la creatividad intelectual que resulta del conocimiento científico, inventivo, técnico, literario, artístico y mercadológico del ser humano. Comprende obras artísticas e intelectuales; invenciones, diseño de carácter industrial, conocimientos técnicos, secretos no patentados y el crédito comercial o goodwill que desarrollan las empresas y comercios en el empleo de sus estrategias comerciales de mercadotecnia y publicitarias, bajo el apoyo de marcas y demás signos distintivos.

En México, el sistema de propiedad intelectual se origina de la misma Constitución Política, que reconoce derechos exclusivos de uso, y explotación en favor de quienes producen invenciones u obras intelectuales: Sin embargo, la regulación específica de las figuras mencionadas corresponde a las legislaciones denominadas Ley de Fomento y Protección a la Propiedad Industrial (LFPPI), para el caso de creaciones nuevas, signos distintivos y represión de la competencia desleal, y Ley Federal de Derechos de Autor (LFDA), para el caso de las obras intelectuales y artísticas.

En el presente capítulo se hará referencia únicamente a la parte de la propiedad intelectual que se refiere al derecho de autor.

Tal derecho se ha definido en nuestro país como "el conjunto de normas que protegen a la persona, del autor y su obra, respecto del reconocimiento de la calidad de autor, de la facultad que tiene el autor para oponerse a toda modificación que pretenda hacerse de su obra, por sí mismo o por terceros" (Nicolás Pizarro Macías, Las regalías recibidas por los autores otorgan a terceros el uso y explotación de los derechos de autor, conferencia dictada en la Barra de Abogados el 3 de octubre de 1986).

De la definición citada, se observa que el derecho de autor protege al autor o creador de obras intelectuales o artísticas y a su obra, cuyo contenido es de carácter artístico e intelectual, resultado de pensamiento y sensibilidad humana. Los autores gozan de una gama de derechos relacionados con el aspecto patrimonial y moral de la obra, los cuales se comentarán más adelante.

El sistema de protección de derechos de autor en México protege en principio a la persona física denominada "autor" y, para ello, se le han reconocido una serie de derechos de carácter exclusivo. Por otra parte, se considera a la obra como el producto o resultado de la actividad creativa del autor y la expresión de su talento, sensibilidad e ingenio. Para ser objeto de protección, la obra debe de presentar una verdadera expresión creativa, original, completa, unitaria y que tenga un significado. Además, la ley mexicana de derecho de autor requiere la fijación de la misma en un objeto o medio tangible para que sea objeto de protección, lo cual no significa que el derecho exclusivo sobre la creación de carácter inmaterial se extienda sobre dicho medio tangible.

La ley establece una referencia ilustrativa de diferentes géneros de obras, entre los cuales se mencionan: obras literarias, científicas, técnicas y jurídicas; pedagógicas y didácticas; musicales, con letra o sin ella; de danza, coreográficas y pantomímicas; pictóricas, de dibujo grabado y litografía; escultóricas y de carácter plástico; de arquitectura; de fotografía, cinematografía, audiovisuales, de radio y televisión; de programas de computación, y de todas las demás que por analogía pudieran considerarse comprendidas dentro de los tipos genéricos de obras artísticas e intelectuales antes mencionadas.

Las obras pueden ser individuales o colectivas, según la participación de una o varias personas. Son obras colectivas las realizadas por un grupo de dos o más autores a las que se denomina coautores o colaboradores. Hay casos especiales, que se comentarán más adelante, en los que las obras resultan de la acción y coordinación de una persona física o moral con la colaboración especial y remunerada de varios creadores intelectuales.

La Ley del Derecho de Autor mexicana reconoce dos clases o subespecies de derechos: morales y patrimoniales. Los derechos morales representan la manifestación de la personalidad del autor del mundo que lo rodea. Eso significa que, por medio de la obra, el autor comunica al exterior aquello que reside en su espíritu o interior; por lo tanto, es una forma de expresar o proyectar toda aquella idea que recoge de sus conocimientos, experiencias y sentimientos. En tal virtud, los derechos morales no podrán renunciarse, transferirse, alinearse o cederse, toda vez que son inherentes al autor, quien los posee en forma permanente y perpetua, durante el transcurso de su vida y con posterioridad a su muerte, sin que éstos prescriban. A la muerte del autor, serán sus herederos legítimos o por virtud de testamento, quienes tendrán a su cargo el ejercicio de los mismos.

En la doctrina del derecho de autor se conocen varias categorías de derechos morales, de las cuales la legislación mexicana reconoce dos en forma expresa: el derecho moral de paternidad y el derecho moral de integridad. La primera categoría señalada "consiste en que cada vez que se utilice una obra protegida por el derecho de autor, la persona que la utilice tiene la obligación de mencionar el nombre del autor. A través de esta norma, la legislación busca establecer una vinculación permanente entre la obra y el creador y el creador de la obra, el autor" (Nicolás Pizarro Macías, "El derecho de autor". Conferencia pronunciada ante la Cámara Nacional de la Industria Editorial Mexicana, el 15 de septiembre de 1982).

El segundo de los derechos morales, o sea el de oposición a modificar las obras sin consentimiento del autor, significa que el usuario de las obras no podrá modificar, ni siquiera el signo de puntuación más insignificante, sin la autorización escrita del autor. Por consiguiente, existe impedimento jurídico de modificar la obra, ya sea total o parcialmente, mientras no exista la autorización correspondiente. Por

otro lado, en virtud de los derechos patrimoniales, el autor goza de la facultad para utilizar y explotar la obra en forma exclusiva. De esta forma, dicho autor o su causahabiente pueden transferir, licenciar, o disponer de sus derechos patrimoniales de autor en cinco grandes rubros: reproducción de la obra; comercialización y distribución de la misma; control sobre la producción de obras derivadas —arreglos, compendios, ampliaciones, traducciones, adaptaciones, compilaciones (incluyendo bases de datos electrónicas)—, transformaciones de obras: autorización, proyección y representación pública de la obra, y finalmente, derecho a la exhibición de obras plásticas.

Sin embargo, cabe mencionar que el derecho patrimonial no radica necesariamente en función del autor de las obras, sino en función de quien este facultado para explotarlas. Hay casos en que la ley Mexicana del derecho de autor otorga derechos originarios de uso y explotación a personas físicas y morales que, en la producción de obras, recurren al encargo de partes de la obra o su totalidad a creadores intelectuales, quienes participan en la producción de ésta con la categoría de colaboradores remunerados. A manera de requisito constitutivo la ley Mexicana otorga a la colaboración el carácter de remunerativa y especial, y la obligación a quien encarga el trabajo de mencionar el nombre de los colaboradores. Las formas más frecuentes de colaboración remunerada se derivan de la relación de trabajo y del encargo al autor independiente.

Por último, la Ley del Derecho de Autor de México suscribe el principio de ausencia de formalidades respecto del registro y utilización de leyendas de ley, en armonía con lo que dispone la Convención de Berna para la Protección de Obras Literarias y Artísticas y la Convención interamericana de Washington. De esta forma y de conformidad con nuestra ley, no es obligatorio recurrir al registro de las obras como requisito de protección, toda vez que dicho registro produce efectos declarativos y no constitutivos, los cuales están únicamente vinculados con la creación misma de las obras. Sin embargo, el registro de la obra establece la presunción de ser ciertos los hechos y actos que de él consten, salvo prueba en contrario.

El principio de ausencia de formalidades cubre asimismo el uso de las leyendas de ley. Sin embargo, la Ley Federal sobre el Derecho de Autor señala que, en caso de que no se utilicen las leyendas en un ciclo visible

de la reproducción de la obra objeto de publicación, no se producirá la pérdida del derecho de autor, pero la ley sujeta al editor responsable a las sanciones que ésta establece.

### **Franquicia y el derecho de autor**

A diferencia de la franquicia de "producto", la verdadera y moderna forma de franquicia es la conocida como de "Formato de negocio", en la cual se reúnen una serie de elementos tendientes a la creación de un verdadero "sistema". Entre los planes comerciales, mercadológicos, administrativos y de operación que envuelven al sistema objeto de la franquicia, destaca de manera importante la existencia de uno o más signos distintivos, que le dan uniformidad y que constituyen el bastión sobre el cual descansa el crédito comercial del negocio franquiciado.

Sin embargo, existen derechos de propiedad intelectual que dan sustento a la franquicia en forma paralela a los signos distintivos, que son de naturaleza artística en muchas ocasiones. En tales casos, el titular de los derechos sobre la franquicia debe producir las obras necesarias para el desarrollo de ésta, y para explotarla y protegerla adecuadamente. Por otro lado, por sus características y objetivos, la franquicia requiere constantemente de la utilización de obras ajenas, sobre las cuales se debe tener el cuidado suficiente para no incurrir en violaciones y, por lo tanto, en problemas de orden legal.

Enrique González Calvillo señala en su obra *Franquicias: La revolución de los 90*, que las franquicias se han desarrollado con éxito en más de 40 industrias distintas, con clara tendencia hacia el sector de servicios. Menciona asimismo que los sectores más favorecidos en Estados Unidos, de 1985 a 1990, fueron los restaurantes, tiendas de menudeo, hotelería, tiendas de conveniencia, servicios a negocios, servicios y productos automotrices, expendios de comida, dulces, etcétera, servicios de renta, servicios de construcción y del hogar, y servicios de entretenimiento y viajes. Así, la participación del derecho de autor en las franquicias puede ser tan extensa y diversa como el número de sectores susceptible de franquiciarse.

En virtud de lo anterior, una franquicia puede contener elementos creativos y originales, desde la fachada del establecimiento comercial o de servicios, hasta el contenido de los manuales. A continuación se

indican los diferentes elementos protegidos por el derecho de autor que pueden encontrarse en una franquicia, para lo cual se examinará cada género de obra en lo individual:

### **Obras de arte aplicado y arquitectónicas**

Por lo general, quien desarrolla un concepto de negocio para la explotación mediante el sistema de franquicia, busca la distintividad en el establecimiento comercial o de servicios mismo, con lo cual pretende lograr una imagen atractiva para el público consumidor. El llamado trade dress o imagen del negocio franquiciado, se representa desde su origen por los elementos distintivos que componen a dicho establecimiento, además de los diferentes aspectos decorativos que le dan una característica propia. La propiedad intelectual abarcará dicho trade dress en la medida que cumpla con los requisitos de protección que exigen el derecho de patentes, el derecho de marcas y el de autor. No obstante que el trade dress representa, como se ha dicho, uno de los elementos distintivos de un negocio, el derecho de marcas y de signos en general no siempre ofrece protección suficiente y, por lo tanto, debe recurrirse a otras formas de protección complementaria, como el derecho de autor y el derecho sobre las creaciones nuevas.

En el establecimiento de un negocio sujeto a franquicia se podrán encontrar infinidad de elementos creativos puramente ornamentales y aplicados a objetos funcionales o utilitarios. Ejemplos de los primeros son las obras artísticas plásticas en dos y tres dimensiones, como dibujos, pinturas, grabados, litografías y esculturas, pero incorporados en soportes materiales de uso industrial, como tapices, tapetes, alfombras, cortinas y manteles, entre otros. Existe cierta polémica acerca del tipo de protección que las leyes mexicanas ofrecen a tales obras de arte aplicado, pero como ha dicho el maestro David Rangel Medina, independientemente de la citada protección legal (propiedad industrial), los diseños y creaciones de la moda también pueden ampararse por la ley protectora de los derechos de autor, como obras artísticas de dibujo o de carácter plástico, en cuyo caso se reconoce en favor del autor el derecho de usar y explotar temporalmente la obra por sí mismo o por terceros, con propósitos de lucro.

En la práctica encontramos infinidad de obras artísticas y plásticas protegidas por el derecho de autor, no obstante que son objetos

industriales o que se destinan a una industria en particular. La Dirección General del Derecho de Autor, que tiene a su cargo el Registro Público del Derecho de Autor, ha compartido el criterio esbozado anteriormente y ha otorgado registros, entre otros, a diseños originales de estampados en telas.

No existe límite alguno en cuanto a la variedad de obras de arte aplicado que pueden encontrarse en establecimientos sujetos a franquicia; de hecho, la creatividad humana en este campo resulta un factor de competitividad de vital importancia en la mayoría de dichas industrias. Alguna vez se discutió en un foro internacional el tipo de protección que se daría en México a la decoración de un restaurante en forma de estadio de hockey sobre hielo y en especial a una caja registradora adornada como portería y los baños en forma de penalty boxes (jaulas de castigo). El licenciado Sergio L. Olivares respondió que el derecho de autor ofrecería la mejor solución al problema de protección, si se considera a los elementos descritos como obras de arte aplicado. Nosotros concurrimos absolutamente con la opinión de Olivares.

Por otra parte, la fachada y demás elementos arquitectónicos originales del establecimiento de la franquicia también podrían merecer la protección que brinda el derecho de autor. Las obras arquitectónicas constituyen una especie más de las obras de arte aplicado en general. Sin embargo, en este caso existen varios aspectos que podrían ser objeto de protección, a saber: planos, escrituras, ornamentos y demás elementos decorativos del edificio arquitectónico. Consideramos que nuestra ley, a diferencia de otras en el mundo, podría extender su protección a los tres aspectos descritos y, en especial, a los planos y ornamentos del edificio. En cuanto a la estructura, existe una complicación mayor que debe considerarse, en virtud de que en ésta se produce el encuentro y fusión de los aspectos funcionales y ornamentales de la obra arquitectónica. En esa virtud, será muy importante establecer su separación, tanto física como conceptual, para no desviar los alcances de protección de la obra al elemento funcional o utilitario.

El derecho de autor permite al titular de la franquicia gozar de los derechos exclusivos de uso y explotación de las obras de arte aplicado y arquitectónicas que desarrolle internamente. Para ello puede efectuar

encargos a creadores intelectuales y gozar de los derechos de explotación correspondientes en los términos que establece la Ley Federal sobre el Derecho de Autor para el caso de las obras de colaboración remunerada.

### **Obras literarias**

La franquicia, por su propia definición, requiere de información constante y permanente, la cual tiene por propósito la recolección de todas aquellas políticas, planes y estrategias tendientes a la operación de la misma. En tal virtud, el franquiciante suele elaborar manuales que contienen dicha información en forma ordenada, lo cual permitirá al franquiciatario conocer con mayor facilidad la operación y actualizarse en su manejo. Por tal razón, los manuales merecen la protección que ofrece el derecho de autor, toda vez que los califican como obras de tipo literario o técnico.

### **Programas de computación**

Existen ciertos tipos de franquicias que requieren de un soporte lógico en la operación del negocio. Un ejemplo muy común es el caso específico de los servicios de hotelería, los cuales se construyen sobre complicados sistemas de reservaciones, operaciones y servicios a clientes. Pero también es posible encontrar el apoyo de programas de computación en muchos otros negocios objeto de franquicias.

El programa de computación es un elemento de gran importancia en el caso de franquicias como las anteriormente citadas. Por lo tanto, el franquiciante debe efectuar todas las gestiones necesarias para que se le reconozca la calidad de titular sobre los derechos patrimoniales de dicho programa y para conceder las respectivas licencias de uso a los franquiciatarios. En el primero de los supuestos esbozados, el franquiciante debe procurar la firma de convenios o cartas de colaboración remunerada con los programadores que intervengan en el desarrollo del programa. Para ello debe considerarse que el programa de computación representa una obra que normalmente se realiza con la colaboración de múltiples creadores intelectuales y, si no se resuelve a tiempo la problemática que resulta de la firma de la documentación tendiente al reconocimiento del carácter de colaboración remunerada de

éstos, el franquiciante corre el riesgo de enfrentar graves problemas en el futuro.

Por lo que se refiere a los contratos de licencias sobre ese tipo de derechos, el franquiciante debe ser muy cuidadoso en el establecimiento de normas que restrinjan la reproducción de la obra y su utilización para fines distintos a los que prevea la licencia de referencia y que asimismo restrinjan la descompilación no autorizada y la divulgación de los secretos industriales que contenga el programa, en el caso que éste se entregue al franquiciatario en formato de código fuente.

## **COPYRIGHT: USE OF WORKS IN MEDIA**

Webinar- Power Point presentation, August 29, 2012.

Copyright law is legal "protection" afforded to "works" "used" in media

- Authored works that are "non-functional", since they do not serve a "useful" purpose and are devoted for being read, viewed or listened.
- Copyright principles are "originality", "idea/expression dichotomy", absence of formalities, limited protection times.
- Rights of economic nature are exclusive (and some times non-exclusive/remunerative). In particular, right to copy, distribute copies, communicate to public and transform works, as well as giving access to public for distribution or public communication.

In principle, works are those classified as "classical arts"

Software, databases and videogames also have been recognized as works

- Despite the fact that they "serve" because they are "useful" or "functional".
- However, "functional" means that software works "can do" things like writing, calculating, collecting or playing.
- The foregoing in addition to or in lieu of the "non-functional" capacity of reading, viewing or listening works.
- A "final user" "uses" software works and "end uses" software products at the same time, but only "using" works (copyright, etc.) has a copyright connotation.

The concept of software work is narrow as it restricts to the literal features of a computer program

- Principally codes written under a program language.
- Code of software resembles literary works. The concept of software works has been developed under that idea.
- Traditional principles of copyright law apply naturally to software works despite the "functional" aspects.

The question for copyright law is how to protect (if at all possible) non-literal aspects of software

- Copyright law cannot be stretched or pressed into "service" to protect "functional" elements of software dealing with its capacity to be "end used" (writing, calculating, collecting or playing).
- Considering that "end use", "service" or "function" of software is beyond the reach of copyright law.

Some courts (ie. US Courts) have produced decisions addressing “look and feel” of software.

- “Look and feel” may still be within the radar of copyright law.
- Viewing software is like other works that can be perceived by sight.
- Videogames has been a challenge, since they keep changing the pattern of the game as it is played. However, still good for copyright law

Copyright law is result of an interrelation between work and medium

- Works are “used” in media.
- The medium determines the form how works are “used”.
- For example, printing press and photocopier “copy” works or radio and television “broadcast” works.
- Copyright law has been ensambled considering the interrelation between work and medium.

In general, digital media are like any other medium

- Digital media are complex and “using” works in such media represents new challenges and issues.
- But in essence, digital media are like any other medium, in terms of what Copyright law targets.
- Digital media allow works being “used” (“copied”, “distributed”, “communicated to the public”, “transformed” or “accessed from digital networks”).
- Whatever reason pursued (commercial or non-commercial) by the “user” of the work.

Copyright law should not expand to cover anything different than works as “used” in media

- It should be distinguished between protecting software (and possibly other works) that provide “service” (and are hence “functional”) than protecting their “function” or the “service” they give.
- Same as software, copyright law should not offer protection of works in digital media, in an effort to extend protection to the “function” of works.
- Copyright law should not encroach into “functional” areas. This is incompatible with its principles and structure

“Use” of works that imply “functional” or similar qualities should be left for patents (in principle)

- Patent is better law than copyright to deal with “functionality” issues.
- Patent is not better protection than copyright; it is just different.
- In case of software, patent law has protected related inventions (software applied or used to perform “useful” activities).
- Patent law should apply in connection with inventions involving “function” of software (or perhaps even other works) in digital media.
- Patent law has stayed short when dealing with “function” of software.
- The same could happen in case of digital media.

If “gaps” are found that neither copyright nor patent law can fill, evaluation should be made whether ad hoc protection is required

- As in software, patent law should always start where copyright law ends.
- One protection at the same time and avoiding overlaps and double protection.
- Drawing a dividing line is preferred and can be possible for software and digital media.
- Redefine principles of copyright or patent law only if strictly needed, being careful that structures do not become altered or affected.

#### ◆ SPIRIT OF COPYRIGHT

Copyright law is legal “protection” afforded to “original” “works” “used” in “media”.

“**Protection**” means economic rights to “use” a work on an exclusive or non-exclusive basis, not subject to formalities and limited in time.

“Use” signifies that the work is copied, distributed in copies, communicated to the public or transformed.

Copyright does not represent the need to fulfill formalities.

The scope of a copyright work is determined by its nature.

Copyright owners are entitled to use works without restriction imposed by claims or other legal rules.

Licensing of copyrights entails that the beneficiary thereof is entitled to use the work as if it was the copyright holder.

**“Works”** are “authored expressions” in “classical arts”, which a “final user” can read, view or listen. Examples are:

- Works of literature, music, fine arts, audiovisual.
- Works of drama, dance and theatrical.
- Works of photography.

**“Originality”** is the same thing as “subjective novelty”. Every work requires a minimum of personal creative expression.

- Independent creation brings the chance that an author creates a work that is identical to the work of another author.
- There are no additional requirements in Copyright law, like “inventive step” or “industrial application”.
- Works are not “functional”, since they only pursue the objective that they are read, viewed or listened.

**Software, databases and videogames** (software works) are “functional” or “useful” works, meaning that:

- Software works are regarded as “authored expressions”, same as “classical arts”.
- They are “codes” expressed in writing –as it is literature–, that instruct computers to perform services.
- They consist of words, sounds or images, and thereby “represent” or “are like” literature, music, fine arts or audiovisuals.
- The licensed user of software works is entitled to “use” the same by copying, distributing copies, making public communication or transforming.
- The “final user” can “end use” software to benefit from “service” rendered (writing, calculating, collecting or playing).
- The foregoing in addition to or in lieu of “using” software works by reading, viewing or listening.
- Copyright law prevents software works from being “used” (copied or disseminated), but not software from being “end used” by an “end user” or “final user”.

**Copyright design** is artwork made by artists in connection with some industry.

Copyright design includes architecture and applied arts.

Legally speaking, copyright design excludes industrial designs. However:

- Most of the time, it is hard to know when a design is applied art and when industrial design

- Drawing a line to divide has not been easy and is perhaps irrelevant in terms of deciding when copyright or industrial property protect

(Copyright) design:

- Is not “functional” as such.
- Rather applies to “functional” industrial products or performs as pattern for making products or buildings.
- Cannot be “end used” by a “final user”. Only the industrial product or building resulting from the “design”.
- “Use” of a designed product or building by an “end user” signifies “service” by wearing it or living inside.
- The owner of the product or building “end uses” a designed product or building, whereas the “user” of a design “uses” the copyright design itself (it is different form of use).
- “Using” a copyright design is the same as “using” any other work.
- Copyright law prevents copyright design being “used” (copied or disseminated), but not from being “end used” by an “end user” or “final user”.

**“Used” in “Media”.** Works are “used” in “media”. The “medium” determines how “works” are “used”

- Literary (ie. printing press, photocopier, digital media for copying, or disseminating)
- Music (ie. printing press, sound recording, public performance, radio broadcast, digital media for copying or disseminating)
- Fine arts (ie. printing press, photocopier, public display, digital media)
- Audiovisual productions (ie. recording by filming, theatrical exhibition, television broadcast, digital media)
- Software (ie. computer devices, digital media)

Works can be “used” according to the following activities:

- Copying (ie. printing press, photocopy, recording, uploading, downloading or other forms of digital copying)
- Distribution of copies (ie. sale, rental or other forms of disposal)
- Communication to the public (ie. radio or television broadcast, public performance, public display, digital transmissions)
- Transforming (ie. adaptation, abridgement, briefing, collection, translation)
- Public access by digital networks (provide access to the users of digital networks services to distribute or communicate works to the public)

## **SPIRIT OF PATENTS**

Patent law is legal “protection” afforded to “novel” “inventions” that are “used” in a given “industry”

**“Protection”** means economic rights to exclude others from “using” a patented “invention”, subject to formalities and limited in time.

- Patents represent the need of a formal grant.
- The scope of a patented invention is determined by its claims.
- Patent holders are entitled to use the patented invention so long it does not encroach on patents of others
- Licensing of patent rights entails that the beneficiary thereof will not be the subject of infringement

**“Novel inventions”** are principally products or methods that are “new”, show “inventive step” and have “industrial application”

- “Novelty” is the same as objective novelty. Inventions need to be state of the art. One invention cannot be patented twice by different applicants
- “Inventive step” is that the invention must not be obvious
- “Industrial application” is that the invention is “functional”
- Being “functional” is a principal characteristic of industrial products or methods
- Products or methods need to be “reduced into practice”; they need to “service” the functions that they are made for
- Reading, viewing or listening are not considered to be “functional” activities

**“Use”** signifies that the patented invention (product or method) is made, used or sold

- “Made” by means of manufacture according to each particular industry
- “Use” by being put into practice
- “Sold” by any form of distribution
- “End use” signifies that the invention serves in accordance with its “function”

**Software, databases and videogames** (software inventions) need to meet patentability standards

- Software as such is excluded from patent application. It is regarded as “non-functional” from a patent stand point.
- Software related inventions are subject-matter of patents. Software applied or used to perform inventive activities.
- The “user” of the patented invention can make and sell products.

- The “final user” of the product made from the software patent is allowed to “end use” the same according to its function.

**Industrial design** is a “sort” of “invention” made by designers in connection with some industry.

Industrial design law protects “ornamental” “non-functional” designs of products. Protection does not extend to the “functional” part of a design (design that makes a product work).

The standard of protection is “novelty” and “industrial application”, as in any patent, but not “inventive step”

- However, the “novelty” bar has been lowered nearly to “originality”.

Industrial design is:

- Not “functional” as such
- It is rather ornament of “functional” industrial products
- For the purpose of industrial design law “functional” means that an industrial product can be “end used” by the “final user” as designed by the industrial designer
- “End use” of a designed product by an “end user” is wearing or benefiting from the “service” that it renders

It remains unclear whether industrial design law excludes form protection works of applied art

- The law should exclude since applied art is works.
- However, applied art meets the definition of industrial design.

Industrial design means:

- That “end use” is made by the owner of the product as “final user”, which is different from “using” the design.
- “Using” an industrial design is quite similar as “using” a work.

Why can't industrial designs be copyrighted, if:

- Protection by patent law imitates copyright protection to the extent that novelty means originality
- Copyright law has had no problem to protect works having “functional” capacities
- It is clear the meanings of “using”, “end using”, “service”, “function”, and “non-function”, and the difference of said terms
- Patent law does not protect inventions against copying, distribution, communication to public and transforming
- On the other hand, copyright can protect design (or other) works against making, using, or selling

Industrial designs should be reputed copyrighted works

- As in case of applied arts
- As in case of fine arts
- As in case of all other arts

Patent law should really concentrate on the functional side of industrial designs (designs that make a product work)

- By treating industrial designs as general inventions
- And thus being able to examine industrial designs under the same factors and parameters of inventions

## **IMPROVED PROTECTION FOR PERSONALITIES**

*By Luis C. Schmidt and Abraham Díaz.*

*Managing Intellectual Property, October 2006.*

Effective from May 20 2006, the Federal District's local congress (the Federal District of Mexico comprises part of Mexico City's metropolitan area) passed legislation to protect the human personality and likeness. The statute was entitled Law of Civil Liability for the Protection of the Right to Private Life, Honour and Image in the Federal District (the Privacy Law). The purpose of the statute was to introduce a systematized set of norms addressing the name, image, honour and intimacy of persons, improving the existing regime of the Federal Civil Code.

### **Beyond trade mark and copyright law**

By tradition, names and images have been an important subject matter of IP law. In keeping with this, trade mark and unfair competition laws have protected names and designs, including names of flesh and bone persons or their likenesses, used as trade or service marks or other trade symbols. Similarly, copyright law has protected titles of works-of-authorship and the names of persons authoring the works (the moral right of paternity). However, neither trade mark nor copyright laws have explored issues with reference to the name or likeness of people that would go beyond the limits dictated by the general principles of IP law.

In Mexico, Article 1916 of the Federal Civil Code protects the right of privacy. The rule states a remedy against the "moral damage" for the harm inflicted to persons, triggered by illicit acts, affecting the "sentiments, affections, beliefs, décor, honour, reputation, private life, configuration, or physical aspects or the consideration that others have of that person". Defendants that are responsible for moral damage are required to indemnify the plaintiffs in monetary terms, whether or not they have also been the subjects of objective liability, contractual or extra-contractual. Article 1916 was conceived to foster values that are inherent to human personality and that cannot prescribe, be renounced or placed in commerce. On the other hand, the Copyright Law stipulates a limited publicity right in article 87, generally called the "right of image", that would shield persons' physical likeness as captured in

portraits (photographs, paintings or drawings). In accordance with Article 87, common people – not just celebrities – can oppose the publication of their portraits or their use in general. The right is patrimonial in nature and can be assigned to third parties or can generally be disposed of. Curiously, the law does not define a term of protection and seems to be indefinite in time. Article 231 (II) of the Copyright Law provides an administrative cause of action against the non-authorized use of the “image” of a person and although the term was not defined, it appears that the law understands the meaning of the word “image” to mean “portrait”.

Courts have rendered some precedents regarding the “moral damage” remedy of the Civil Code as well as the “image” right of the Copyright Law. In *Patricia Álvarez Solís v Radiomovil Dipsa, SA de CV Exp 642/99, Juicio Ordinario Civil, Juzgado 39 Civil, Secretaría “B”*, a lady hired by the defendant to record four short phrases for use as instructions or commands in connection with mobile phones filed a civil damages action for \$5 million, based on performing artist rights in the Copyright Law and the moral damage provision of the Civil Code. The plaintiff claimed royalties for the public performance that the defendant was making of her fixed vocal “interpretations”. Likewise, the plaintiff argued that the defendant used her voice in an attempt to exploit the personal rights envisaged by the Civil Code, thus producing a moral damage. The Court decided in favour of the defendant, considering among other substantive factors that: 1) the phrases that the plaintiff had recorded were not a work-of-authorship in terms of the Copyright Law – they were rather functional language – and that she had not been an artist as a result; 2) even assuming that the plaintiff was the performer of a work she would have acted under agreement and received full consideration for the services that she rendered; and 3) the plaintiff was unable to show that by using the recordings of her voice the defendant had perpetrated illicit acts and thus infringed her moral rights.

The Privacy Law searches for a balance between privacy and personality rights and freedom of speech, right to information and right to inform (Articles 1, 4 and 8). Personality rights are the moral patrimony of persons including, on the one hand, rights of privacy, to the honour and the likeness of individuals – residing in the Federal District – and on the other hand, the affection that people have for others, their affection for

particular goods as well as the right to keep secret their private life (Article 3). Personality rights are recognized in favour of individuals principally, although they have been also recognized for corporations, where applicable (Article 6).

### **Content of the Privacy Law**

The right of privacy is closely associated with the notion of private life. And by private life the law understands everything that is not destined for public activities and that has no direct impact on society. Third parties should not have access to people's sphere of privacy and, in particular, to their family, domicile, papers, possessions or the activities that they perform in private places. The right to intimacy is another concept that the statute employs in connection with the right of privacy, to protect activities in a private environment and ensure that the person performing them does not disclose them. Private data is protected if published without consent or by illegal means in general (Articles 9 to 12).

The Privacy Law provides a concept of honour that is very technical and that will be hard to be reduced in practice. The law has defined it as the values that people have of other individuals, in social-ethical terms, comprising their good reputation and fame. The notion of honour also includes the estimation or "estimable feelings" that individuals have of their own (Article 13). Information shall not be disparaging, offensive or generally made in an attempt to impugn the honour or dignity of a person, despite being hurting, if it was rendered for literary, artistic, scientific or professional criticism or submitted in compliance of a duty or when enforcing a right, provided that it was not made for an offensive purpose. On the contrary, the law has included language against speech that is based on insulting or insidious information causing unjustified damage to the honour or dignity of any person.

Unlike the Copyright Law, the Privacy Law protects a person's "likeness" or "image" from a personal standpoint. Likeness has been defined as the reproduction over a tangible medium of a person's physical features that are identifiable (Article 16). Every person has rights over his/her own image and accordingly, shall be entitled to authorize or prohibit the "fixation" or "divulgation" (*sic*) of his/her image (Articles 16 to 19). The foregoing prohibitions will encompass reproduction of a person's likeness

in films, pictures, photographs or other media (Article 26). Anybody being affected in his/her reputation by a publication made of his/her image without consent, shall have the right to bring a claim with the competent local court in the Federal District, requesting the cessation of abusive or unfair practice and the awarding of possible damages (Article 29).

As an exception to the right of image or likeness the law does not protect: 1) people that are celebrities for the public service that they render, the status they have reached in connection with their professional or artistic lives, provided that their image is fixed in public ceremonies or events, in places that are open to the public or occasions that are of public interest; 2) celebrities whose likeness has been captured in cartoons, sketches or other forms, in accordance with "social usage" (which is a rather ambiguous concept that the statute did not define); and 3) persons that appear by accident in pictures or in graphical information of a public event or news (Articles 19 and 21).

Infringement of any of the above-cited rights will produce a so-called moral damage and the person being victimized can start judicial actions. The plaintiff has the burden of proving infringement and accordingly has to show that: 1) he/she suffered violation of any of the rights that the Privacy Law protects in his/her favour; 2) the violation was triggered as the result of an illicit act, and 3) a cause-effect relationship exists between both events. Upon receiving the claim the court will assess the violations of the defendant, the personal conditions of the plaintiff (age, social status, public or private condition, among others) as well as the possible intent to inflict damage. The statute of limitations for an action of this kind will be two years, starting from the date when the violation was caused (Articles 35 to 38). As a remedy the law requires the defendant to publish the decision and bear the corresponding costs. The medium that the defendant uses for the publication of the court's decision shall be the same as that used to communicate the disruptive statements. If it is not possible to make a public publication, the court will impose monetary sanctions to compensate the plaintiff that in no event shall exceed \$1,600. If the offence is repeated or continues, the judge can impose new fines for an increased amount of up to an additional 50%. Sanctions derived from infractions of the Privacy Law cannot include prison (Articles 39 to 43). Court decisions can be

contested by means of appeal and the appeal decisions still be taken to collegiate courts by virtue of *Amparo* constitutional claims (Article 44).

Chapter III of the Privacy Law imposes *ad hoc* rules for public servants, who are not entitled to enforce the rights provided in the law, unless they can demonstrate that the defendant acted under “effective malice”. The law does not define this concept and instead states that “effective malice” exists where: 1) the information was disclosed by knowing that it was false; 2) the information was disclosed without thinking whether it was false or true; or 3) the infringement was perpetrated with the sole purpose to trigger harm or damage (Articles 28 to 34). The legislator inserted the limitation rule for public servants since most of the activities that they perform occur in public places and are of public interest and since they can produce an impact on society.

### **Clarification still needed**

In conclusion, the Privacy Law, despite being limited in jurisdictional terms, has brought improvement to the pre-existing civil law regime of privacy and personality rights. The civil theory of moral damage has been largely enriched by a set of focused legal rules, referenced to the principles and notions dealing with the moral patrimony of persons and that have the mission to impose certain restrictions on the right of free speech. The Privacy Law will also be beneficial to clearly draw a line that divides people’s likeness from a personal and commercial angle, this latter reserved to the provisions set in the Copyright Law. However, the incipient publicity rights system of the Copyright Law will now require thorough analysis, to fix the various inconsistencies and ambiguities in portrait and image rights and the resulting enforcement provisions.

## **COURT REJECTS COLLECTING SOCIETY'S BID TO CLAIM ROYALTIES FOR FILM MUSIC**

*Intellectual Asset Management (IAM), International Report, February 2009.*

A Mexico City appeal court has rendered its decision in civil proceedings brought by the *Sociedad de Autores y Compositores de Mexico* (SACM), a collecting society representing music composers, against Cinemex, a national cinema company.

SACM filed the complaint claiming royalties for composers in connection with the showing of films in cinemas. However, SACM filed no evidence proving the rights of its members in the musical works used in the films or proving that the composers had asked SACM to represent them. The court ruled against SACM as, having assessed the evidence, it found that SACM had failed to demonstrate legal standing to take action against Cinemex. The appeal court was emphatic that in order to collect royalties, the Civil Code and the Copyright Law require that a collecting society prove:

- the rights of its members or the foreign composers represented through reciprocity agreements in the musical works; and
- the collecting society's right to act on behalf of the composer through a power of attorney that entitles the collecting society to collect royalties and take action.

SACM is entitled to seek *amparo* relief from a circuit court. If the circuit court confirms the lower court's decision, it will set a new precedent regarding the rules and standards, that collecting societies must observe in order to collect royalties or other remuneration. The decision is also important since collecting societies will be no longer allowed to impose unilateral conditions when dealing with other parties, at least concerning the rights and representation of their members. Meanwhile, users of works and the public will benefit from the new practice in terms of legal certainty.

## **PRIVATE REPRODUCTION RIGHTS AND EXEMPTIONS UNDER MEXICAN COPYRIGHT LAW**

*Asia Law IP Review, July/August 2003.*

**An amendment bill recently passed by Congress will introduce sweeping changes to Mexico's copyright legislation. However, the new bill has not been without controversy. In particular, there has been much debate over private reproduction rights and whether copyright holders should be compensated.**

During April and May 2003. The Mexican Congress debated a bill (Bill) which significantly amends the country's 1996 *Copyright* Law. The main aim of the Bill is to implement a number of new provisions that will grant additional rights to authors and holders of neighbouring rights such as artist and phonogram producers.

Among other things, the original draft of the Bill proposed amending the Copyright Law to include a compensation right for private copying of authored works. A number of interested groups, including the electronic products industry, were opposed to this change. As proposed, manufacturers and vendors of equipment and media for reproducing copyrighted material would bear the obligation for covering compensation claims. To the relief of many electronics manufacturers, the private copy levy system proposal was dropped from the final Bill. Collecting societies who had lobbied Congress to retain the provision were disappointed and vowed to undertake new strategies to push for further reform.

This article analyzes the background to copyright protection in Mexico and examines why the private copy levy proposal failed to make it into the final version of the Bill.

### Copyright protection and patrimonial copyrights

Under Mexican copyright law, a work is the personal intellectual creation of an expression of human sensibility, talent and ingenuity. A creation meeting the above criteria will be granted protection under copyright law. Mexican copyright law further requires that the work be embodied in a tangible medium of expression. It is this act of creation and fixation of the author's creation in a material and durable form that leads to

copyright protection. However, it will always be intangible element –human creation- that will be protected and not the medium or corpus mechanicum in which it has been embodied.

Mexican copyright law also recognizes a limited number of other rights through which third parties are free to use a work without the author or copyright holder's permission, subject to the proviso that such rights holders will be entitled to fair compensation. Example of such cases includes works whose nature allows or encourages them to be exploited on a wide scale. The only two examples considered under Mexican law are public communication of phonographic works and droit de suite – this latter right will be introduced into law under the Bill.

Rights of reproduction.

Under Mexican law, both authors and artists hold a reproduction right allowing them to authorize or prohibit third parties from making copies of their copyright works without limitation. Reproduction rights are also wide in the sense that, subject to certain limitations, they can be opposed for almost any purpose. Accordingly, authors or copyright holders can halt the reproduction of their works by another party if the works are being reproduced for a public or commercial purpose (i.e. they will be made available for sale in the market or otherwise distributed). Copyright holders may also stop the non-commercial reproduction of their work if the copies are being made for free public distribution.

However, the Copyright Law contemplates one exception to the general right to control reproduction Article 1488IV) states as a limitation to copyright rights.

“The reproduction on one single occasion and of one copy, of a literary or artistic work, for the personal and private use of the person making it and without a purpose of gain. Juristic persons shall not be entitled to that exception, unless in case of education or investigative institutions or those that are not devoted to commercial activities”.

Under this provision, people are entitled to make one copy of any work of authorship for their personal use, without needing authorization from the author or artist and without having to pay compensation. This is not restricted merely to private copying in its strictest sense and also includes reprography. On the other hand, however, the extent of the provision is

clearly to cover personal copying and not such activities as peer-to-peer file sharing or online or offline distribution of copies made without authorization.

In summary, Mexican law does not regard private copying as a compensation right, but as an exception to reproduction rights or, as commonly understood in the Anglo-Saxon copyright world, fair use. This legislative understanding of key importance when assessing whether or not a system of private copy levies would work in Mexico,

#### Arguments in favour of private copying exemption

Before the 1950s, the level of technology in existence meant that the reproduction of copyright works by private persons was of only trivial importance to many copyright holders. However the major technological advances of the past 50 years or so have seemed to move this problem to centre stage. Reproduction technologies particularly those involving computers and the internet, have blurred the dividing line between public and private use. These new technologies pose daunting posing challenges to copyright owners and professional advisers, who must now search for new ways to counter new threats- This situation has also driven new debate on where legislative lines should be drawn when assessing rights and exemptions.

Germany was one of the first countries to make legislative changes in this area after ground-breaking decisions by German courts that ignored the traditional division of public and private use and imposed 'contributory liability' on the manufacturers and venders of equipment and media.'

Other countries, particularly those in the European Union (EU), quickly followed Germany's lead. The EU's 2001 Copyright Directive is premised on the principles established by the courts in Germany and elsewhere, but at the same time is designed to protect the non-authorized reproduction of works in a digital environment by using Technical Protection Measures (TPM) *and* Digital Rights Management (DRMI). Given these dual objectives, the Directive has established a "phase out" provision that will ensure a transition from the current law

system to a TMP/DRM system. Where only one system can apply at any one time, thereby avoiding unjustified double payments.

With respect to copyright exemptions, including private copying, the Directive indicates that the member states of the EU must comply with the 'three-step test' as established under the provisions of the Berne Convention (Article 9.2). This test is also reflected in other international treaties such as the Trade-related Aspects of Intellectual Property Rights Agreement (Article 13) and the World Intellectual Property Organization Copyright Treaty (Article 10).

Under these treaties, exemptions to copyright rights are only possible in certain special cases... which do not conflict with a normal exploration of the work" and "do not unreasonably prejudice the legitimate interests of the right holder". It is worth noting that when the Copyright Law was passed in 1996, the Mexican legislature considered that the private copy exception of the law met the requirements of the three-step test.

The current position in Mexico\*

As already noted Congress recently dropped a proposal made by various collecting societies, to introduce a right of private copy in favour of authors, artists and other holders of copyright and neighboring rights. While collecting societies and many copyright holders have expressed their disappointment with the decision, an examination of the current copyright framework in Mexico shows that it would be extremely difficult to admit, let alone impose, an obligation on the manufacturers and vendors of equipment and media for reproducing works-of-authorship compensate rights holders for private copy activities.

The current private copy exception under Mexican copyright law clearly establishes that, in certain circumstances, both natural and juristic persons are permitted to make one copy of a copyright work for private use without having to compensate the author, artist or holder of copyright. As a "fair use" type of exception, copyright owners may not oppose the reproduction of their works when made for private purposes and are not entitled to any compensation, including levies.

It would therefore be unfair for persons buying equipment or media used for making a copy of a copyrighted work to have to pay a compensation fee as part of the price. If anything, it is even more unjust to expect manufacturers and vendors to pay such a fee.

The case for imposing a levy on manufacturers and vendors becomes weaker still when it is noted that the Copyright Law does not recognize the concept of contributory infringement. Liability under the law can only be imposed on persons who have directly used or exploited works of authorship. Persons other than these are not considered to have infringed copyright, even where they have helped an infringer to commit an infringing act. This clearly places manufacturers and vendors of equipment and media outside the sphere of responsibility for infringement.

As a signatory to the Berne Convention, Mexico has recognized that TPMs and DRMs require protection in online and offline digital environments, and has amended the Copyright Law to ensure that circumvention of these systems is prohibited and that penalties will be imposed on violators.

Given these protections, it seems somewhat redundant to introduce a levy system that, by virtue of other existing legislation, only exists to catch reproduction using analogue technologies in a world that is rapidly leaving such technologies behind.

Finally, the imposition of a levy system on manufacturers and vendors of equipment and media would be unconstitutional. Some of the reasons, which have already been dealt with above, relate to the nature of private copying and exemptions, and to third party involvement. Other issues include taxation - the levies imposed would certainly not meet the requirements that taxes and other such payments are subject to under terms of the Federal Constitution.

Given all these factors, Congress was wholly correct in its decision to dismiss the proposals of the collecting societies.

## **IMAGE AND PUBLICITY RIGHTS IN MEXICO**

*By Luis C. Schmidt and Abraham Díaz Arceo.*

*World Trademark Review, September/October 2008.*

### **The new Privacy Law, which came into effect in 2006, enhances the protection of the rights to privacy and publicity under the Federal Civil Code and the Copyright Law**

Traditionally, the protection of names and images has been an important part of IP law in Mexico. Trademark and unfair competition law protect names and designs (including the names and likenesses of individuals) used as trademarks or service marks, or other trade symbols. Similarly, copyright law protects works of authorship, as well as the name of the persons who authored the works (moral rights of paternity). However, trademark and copyright law do not explore issues relating to the names and likenesses of individuals that go beyond the limits dictated by the general principles of IP law.

#### **Legislation**

In Mexico, the Federal Civil Code protects the right to privacy. The code provides remedies against moral damage suffered by an individual as a result of illicit acts affecting his or her “sentiments, affections, beliefs, decorum, honour, reputation, private life, configuration or physical aspects, or the opinion that others have of [him or her]”. A defendant that is found liable for moral damages must indemnify the plaintiff, whether or not the defendant is also found liable for objective, contractual or extra-contractual damages.

In addition, the Copyright Law provides for a limited right of publicity – generally called the right of image – which protects the physical likeness of individuals, as captured in photographs, paintings or drawings. In accordance with the law, all individuals (not just celebrities) can oppose the use of their image. This right is patrimonial in nature; it can be assigned to third parties or disposed of. Curiously, the law does not define the terms of protection of this right and does not seem to provide any time limits. However, the law provides for an administrative cause of action against unauthorized use of an individual’s image. Even though

the term 'image' is not defined, the law suggests that the word 'image' means 'portrait'.

### **Case law**

The courts have considered the issue of moral damage under the Federal Civil Code, as well as the right of image under the Copyright Law. In *Solis v Radiomovil Dipsa SA de CV* (Case 642/99), the plaintiff was hired by the defendant to record four short phrases for use as instructions or commands in connection with mobile phones. The plaintiff later filed a civil action against the defendant seeking \$5 million in damages based on:

- the performing artist's rights under the Copyright Law; and
- the moral damage provision of the Federal Civil Code.

The plaintiff requested the payment of royalties for the public performance of her vocal 'interpretations'. In addition, the plaintiff argued that the defendant had used the recordings of her voice in an attempt to exploit her personal rights under the Federal Civil Code. The court ruled in favour of the defendant on the following grounds, among others:

- The phrases recorded by the plaintiff were not a work of authorship within the meaning of the Copyright Law. Therefore, the plaintiff was not considered to be an artist.
- Even assuming that the plaintiff was the performer of a work, she received full consideration for the services rendered.
- The plaintiff was unable to show that, by using the recordings of her voice, the defendant had infringed her moral rights.

### **New Privacy Law**

The federal district's local congress passed legislation to protect the personalities and likenesses of individuals, effective as of 2006. The new statute is entitled the Law on Civil Liability for the Protection of the Right to Private Life, Honour and Image in the Federal District (the Privacy Law). The statute introduced a systematized set of norms to protect the

names, images, honour and intimacy of individuals, thereby improving the existing regime under the Federal Civil Code.

The Privacy Law aims to strike a balance between privacy and personality rights on the one hand, and the freedom of speech, the right to information and the right to inform on the other. Personality rights include:

- the right to privacy, honour and likeness (which applies to individuals residing in the federal district); and
- the right to keep one's private life secret.

Personality rights apply mainly to individuals, but have also been found to apply to corporations in certain cases.

The right to privacy is closely associated with the notion of 'private life'. Under the law, 'private life' refers to all activities that are not destined to be public and that have no direct impact on society. Third parties should not have access to the sphere of privacy of individuals (in particular, their families, domiciles, possessions and activities performed in private). The right to intimacy, which is linked to the right to privacy, protects activities carried out in private. Under the law, it is prohibited to publish private data without consent or by illegal means.

The Privacy Law introduced the concept of 'honour', which is very technical and difficult to apply in practice. The law defines 'honour' as the evaluation of an individual's socio-ethnic status based on his or her reputation or fame. The notion of honour also includes the individual's 'estimable feelings'.

Under the law, the publication of disparaging or offensive information is allowed in the context of literary, artistic, scientific or professional criticism, or when such publication is necessary to comply with a duty or to enforce a right, provided that such information is not published for offensive purposes. However, the law prohibits the publication of insulting or insidious information that causes unjustified damage to the honour or dignity of a person.

In contrast to the Copyright Law, the Privacy Law protects a person's likeness or image from a personal standpoint. 'Likeness' is defined as the reproduction in a tangible medium of a person's identifiable physical

features. Under the law, individuals have rights over their own image and, accordingly, may authorize or prohibit the 'fixation' or 'divulgence' of their image. 'Tangible media' include films, pictures and photographs. An individual whose image has been published without his or her consent, thereby damaging his or her reputation, may file suit before the competent local court in the federal district in order to obtain:

- the cessation of the abusive or unfair practice; and
- an award of damages.

However, the law does not protect:

- celebrities pictured during public ceremonies or events, in places that are open to the public or on occasions that are of public interest;
- celebrities whose likenesses are used in cartoons and sketches, among other things, in accordance with 'social usage' (this concept is ambiguous and is not defined in the statute); and
- individuals who appear by accident in pictures of a public event or in the news.

An individual whose rights have been infringed may file a judicial action seeking moral damages. The plaintiff has the burden of proving infringement and, accordingly, must show that:

- his or her rights under the Privacy Law have been infringed;
- such infringement has resulted from an illicit act; and
- there is a causal relationship between both events.

The court will assess:

- the acts allegedly committed by the defendant;
- the personal conditions of the plaintiff (eg, age and social status); and
- the intent to inflict damage.

Such actions must be filed within two years of the date on which the violation occurred. If found guilty, the defendant will be required to publish the decision and bear the costs of the plaintiff. The medium in which the court's decision is published must be the same as that in which the infringing information was communicated.

If it is not possible to publish the decision, the court will order the defendant to pay a fine not exceeding \$1,600. Should the offence be repeated or continue, the court may impose a further fine of up to an additional 50%. Breach of the Privacy Law cannot be punished with imprisonment.

First-instance court decisions may be appealed. Appeal decisions may also be appealed by virtue of an *amparo* claim (ie, a constitutional proceeding intended to protect a citizen's constitutional rights).

Chapter III of the Privacy Law sets forth rules for public servants, who are not entitled to rely on the rights provided by the law, unless they can demonstrate the existence of 'effective malice' on the part of the defendant. However, the law does not define this concept, merely stating that 'effective malice' occurs where:

- the defendant knowingly disclosed false information;
- the defendant disclosed information without checking whether it was true or false; or
- the defendant disclosed information with the sole purpose of causing harm or damage.

The legislature included this exemption on the grounds that the activities of public servants are carried out mainly in public places and are of public interest.

## **Conclusion**

Despite its limitations, the Privacy Law has improved the former civil law regime. The civil law theory of 'moral damage' has been enhanced by a new set of legal rules which impose certain restrictions on the right to free speech. The Privacy Law also helps to differentiate between the use of an individual's likeness from a personal and from a commercial angle, the latter being governed by the provisions of the Copyright Law.

However, the legislature must now address the inconsistencies and ambiguities of the publicity rights system under the Copyright Law.

## **FUNDING, TAX AND LEGAL REGIMES**

*Copyright World Issue # 164, October 2006*

### **Luis Schmidt explores the nature of copyright protection for Mexican Films**

#### **In Summary**

- **The Mexican film industry emerged in the 1930s. Government and talent has developed successfully under the framework of an effective legal system that with certain modifications has characterised the industry's spirit**
- **This article analyses the regulatory aspects of film production and distribution, as well as the copyright protection regime for films**

The Mexican film industry emerged in the 1930s under unique creative patterns that imposed a trend. Government and talent developed successfully, working hand in hand, under the framework of an effective legal system that with certain modifications and improvements has characterized the industry's spirit, transcending time until today.

#### **Regulatory aspects of film production and distribution**

In 1949 the Mexican Congress adopted a statute for controlling film importation and exhibition, which stood in force until 1992, when the current "Film Law" was passed<sup>1</sup>. Amongst other important legal provisions, assisted by the administrative regulations of 2001<sup>2</sup>, the Film Law has set down rules in connection with the production, distribution, exhibition, and in general, the commercialization of films, the classification thereof, and the incorporation of agencies like "IMCINE"<sup>3</sup> - a regulatory body in charge of promoting "quality" national films<sup>4</sup> by assigning all sorts of resources; "FIDECINE"<sup>5</sup> - the manager of a fund for investing in new film projects, where economic return is expected, and for granting tax and other sorts of incentives; and the "National Film Library" – keeping a film library and catalogue. Sometime later, the

Government added a fund called "FOPROCINE"<sup>6</sup>, having similar attributions to FIDECINE, but for the granting of credit and support to Mexican experimental producers.

In addition to funding, the laws have imposed a system of tax and other incentives to stimulate the industry<sup>7</sup>. FIDECINE and FOPROCINE are legally empowered to manage the system of incentives. In particular, they can authorize deductions to investment projects in accordance with the Income Tax Law. By virtue of an amendment that the Mexican Congress approved in December 2005, it is possible for producers to credit income tax for up to 10% of the total investment. Tax authorities shall restrict the incentive to \$45,000 per year to be distributed depending on the number of film making projects that competent authority's approve<sup>8</sup>. Producers are entitled to additional incentives, stipulated in the Film Law and Regulations or in the FIDECINE and FOPROCINE rules. Thus, they can create fund reserves for up to a 100% of the revenues that FIDECINE or FOPROCINE obtain from the distribution of the film. They can obtain cash incentives for future projects, when the film has received international or national prices. Likewise, Nacional Financiera, a national bank of development, runs an incentive program for the financing of films in the final stage of production or distribution, such as marketing and promotion.<sup>9</sup>

IMCINE has relied on CONAFILME since 1995 to assist filmmakers to find locations, filming equipment and laboratories; recruit talent and personnel; search all types of business and legal information, including copyright, insurance, labour and migratory; and seek government permits and licenses for everything concerning the shooting and production of the film.

CONAFILME can recommend the studios that better suit the producer's needs and that includes Estudios Churubusco in the first place. Estudios Churubusco is the most important studio in Latin America. Incorporated as a private company in 1944 and acquired by the Government in 1950, it has been used as a filming facility for thousands of Mexican and foreign productions and co-productions. In 2004 president Vicente Fox sent a bill to Congress with the purpose of privatizing the studio, which was rejected<sup>10</sup>. The Film Law makes abundant references regarding film distribution and commercialization. The role of IMCINE in film distribution and promotion is relevant and crucial. IMCINE is indeed the

manager of a budget that it has utilized in attending film festivals or organizing them, in Mexico and internationally. Also, IMCINE is a permanent assistant of national producers seeking distribution or marketing options, who require partnership or other strategic solutions or who in general are in the search of alternatives for the film's exhibition.

In addition to the above, the Film Law provides amongst others: a) a definition of "distributor" — understood as the intermediary activity by which the products are supplied to exhibitors and vendors in ancillary media<sup>11</sup>; b) a definition of films' "commercial exploitation" — basically referring to their exhibition, broadcasting, video and digital distribution<sup>12</sup>; c) a classification system, divided into five categories<sup>13</sup>; d) an obligation for distributors to obtain state department permits for exhibition or commercialisation<sup>14</sup>; e) certain rules for dubbing and subtitling; and f) an obligation that exhibitors devote 10% of the total projection time to national films<sup>15</sup>, having on the other hand the right to freely set up the box office ticket price<sup>16</sup>.

### **Copyright Protection of Films**

In conformance with the Copyright Law, films are cinematographic and audiovisual works at the same time, since the words "cinematographic" and "audiovisual" stand for moving images or pictures, with or without sound, that are copied in a tangible object like celluloid, video cassette or a digital registry and that are perceived by technical means<sup>17</sup>.

Likewise, the law views films as original creations made by talented authors and artists, under the supervision of a producer who coordinates all creative and administrative efforts<sup>18</sup>. From the regulatory side the Film Law would add that a film is a cinematographic work, as defined by the Copyright Law, having the characteristic that is "national or foreign, full-length or shortfilm, in any form or modality"<sup>19</sup>. The Film Law is broad enough as to how the film will be distributed: for exhibition, TV broadcasting, video or digital.

Films were regarded derivative works in conformance with the copyright laws of 1847<sup>20</sup> and 1956<sup>21</sup>. The law of 1963 was the first to recognize cinematographic works as an independent category<sup>22</sup>. The Copyright Law of 1996, currently in force, listed them as a species of audiovisual

works<sup>23</sup> and provided a set of substantive rules for films and audiovisual works<sup>24</sup> and for so-called "audiovisual production contracts"<sup>25</sup>.

The Copyright Law confers to the producer all patrimonial rights over the film<sup>26</sup>. The producer is free to assign said rights to third parties, in whole or part, or to license them for film distribution, exhibition or for use in ancillary media, like video, broadcasting or digital networks. The foregoing is possible regardless of whether the audiovisual production has not started or has not concluded by the time that the transfer has been made<sup>27</sup>.

The law has recognized the vastness of films' business transactions and has provided protective tools that are wide and comprehensive. For example, producers will find it possible to receive funds from banks or from their partners in exchange for a proportion of the film's rights or generally by disposing of all the rights over the film through full assignments, without a limitation<sup>28</sup>.

Producers need to consider the following:

- In general terms, assignments are restricted to time limitations under the Copyright Law and accordingly can only exceed 15 years depending on the magnitude of the work's investment<sup>29</sup>. For obvious reasons, due to the nature of audiovisual productions and the investment that they require, assignments of a film's rights shall be valid when agreed for an indefinite time.

- Video is not referenced as an audiovisual work and video producers are merely the subjects of neighbouring rights<sup>30</sup>. Why the legislators of 1996 believed that video might not be an audiovisual work is a question that has no answer, since the difference between video, film and TV programmes is determined solely by the medium used to disseminate the work<sup>31</sup>.

The law considers the director, writer(s) of the script or argument, composer(s), photographer(s) and cartoonist(s) as authors of the works that are used in connection with the film or audiovisual production<sup>32</sup>. Likewise, they are authors of the audiovisual works as such and are thus entitled to patrimonial copyright rights, subject to restrictions<sup>33</sup>. Producers are the legitimate owners of patrimonial rights and it is them

exclusively who can exploit the films. As an important provision stipulates, once having "consented" to "contribute" to the film it will not be possible that the authors oppose the film's exploitation<sup>34</sup>. In other words, once having "consented" — authorized by any form available in the laws — the incorporation of their "contribution", authors would be impeded to authorize or prohibit the exploitation of the work. In 2003 Congress approved a public performance remuneration right that would coincidentally strengthen the "contribution" rule of the Copyright Law<sup>35</sup>. The bill of amendment has triggered intense litigation at Supreme Court level<sup>36</sup>. However, the remuneration system has been deemed compatible with the "contribution" limitation by allowing authors to collect monetary compensation from the public performance of the works linked to the film.

If the film is based on a novel or other forms of underlying literary works, a producer can obtain from the writer the right to adapt<sup>37</sup> the same to the film and can, in general, negotiate the rights to publicly perform<sup>38</sup> the literary work as adapted, through public exhibition, broadcasting, digital technology transmission or to reproduce<sup>39</sup> the film for distribution by sale or rental<sup>40</sup>. The same is true in connection with other creative contributions, like the direction, that are required for the film. The contract can be a general licence or assignment, a work-for-hire or an "audiovisual production" agreement, typified in the Copyright Law, by which the writer would assign, on an exclusive basis, all patrimonial rights required for the production, distribution and public performance of the work, as well as the right to subtitle<sup>41</sup>. The typified contractual figure would possibly have the advantage that assignments would not be the subject of the general time restriction of the Copyright Law<sup>42</sup>. But audiovisual production agreements seem to be limiting, since they exclude musical works and, by chance, economic rights other than reproduction, distribution and public performance—for example, the right to adapt. It is unlikely in the end that producers use audiovisual production agreements to obtain all the rights needed to make the film. Assignments, licences or work-for-hire "employment"<sup>43</sup> or "independent contribution"<sup>44</sup> agreements are statutory alternatives available to film producers. Some commentators have sustained that there is nothing other than audiovisual production agreements that parties can rely on in connection with films. However, an idea like that

seems inconsistent with the Copyright Law as well as other legislative and constitutional contracting principles<sup>45</sup>.

Musical works are expressly excluded from "audiovisual production" agreements and accordingly, producers are required to obtain rights from composers via synchronisation agreements that, as some would state, need to be granted by the composer directly and not by the music publisher holding the patrimonial rights over the songs<sup>46</sup>. However, the law can be interpreted to allow that assignees enter synchronisation agreements for musical works, including compositions and their arrangements. Producers can thus utilize all sorts of contractual vehicles in order to obtain the rights to make the soundtrack of the film. In keeping with that, they can negotiate the transfer of music rights with authors or publishers and with phonogram producers, if the music will be incorporated into the film by means of a sound recording<sup>47</sup>.

Performing artists — screen actors and musicians playing in the soundtrack — are protected under neighboring rights and are thereby subject to a particular legal regime. Performers do not have a full exclusive copyright right as authors do. They essentially hold a "Rome type" right to oppose the fixation of their performances, the reproduction of the performances as fixed in objects and the public communication of the performances<sup>48</sup>. Performers hold additional remuneration rights for all forms of exploitation of their interpretations<sup>49</sup>. Accordingly, apart from labour or service type clauses, performer agreements require "non-opposition" provisions, ensuring that producers are entitled to incorporate the performances into the film and to use the same in connection with all media. As a short reference, the Copyright Law has typified an agreement for the right to fix, reproduce and publicly perform artistic interpretations<sup>50</sup>.

#### Notes

1 Published in the Official Gazette of December 29, 1992.

2 Published in the Official Gazette of March 29, 2001.

3 Mexican Film Institute. It was incorporated in the year of 1983, and reports to CONACULTA "Consejo Nacional para la Cultura y las Artes", dependent of the Ministry of Public Education (Article 41 of the Film Law).

4 Articles 3 and 4 of the Film Law provide a definition of "national films", whereas Article 7 dictates that a "national production" shall be that made by a Mexican or in accordance with an international co-production agreement.

5 Fund for Investment and Incentives to Film. The bodies that preceded Imcine were active until August 8, 2001, the date when Fidecine came into operation. Fidecine began activities until 2001 since it was incorporated only after the publication date of Regulation to the Film Law (March 29, 2001), two years after the amendment to Article 33 of the Film Law (January 5, 1999).

6 Fund for Quality Film Production. Privately constituted on December 2, 1997, in virtue of a trust agreement (no. 1154-4) entered into by various government agencies.

7 Articles 31 and 32 of the Film Law.

8 Article 226 of Income Tax Law, published in the Official Gazette of December 29, 2005. Before the reform the incentive was restricted to 3% of the investment.

9 Nacional Financiera. Press Bulletin No. 75/05. Mexico. September 4, 2005.

10 Alcérreca, Rafael. Una Mirada a los Estudios Churubusco. Estudios Churubusco-Azteca. Mexico, 2003 Rosenberg, Tina. Editorial Observer: Just as Mexican Movies Become Chic Again, the Government Pulls Its Support. The New York Times Company. USA. December 11, 2003.

11 Film Law, Article 16. Article 17 refers to distributors' monopolistic practices and their prohibition.

12 Film Law, Article 18.

13 Film Law, Articles 24 and 25 .

14 Film Law, Article 26. Regulations, Articles 16 to 23. The division of the State department is RTC (General Direction of Radio, Television and Cinematography).

15 Film Law, Article 19.

16 Film Law, Article 20. Formerly prices were subject to control. The release of the same by virtue of the 1992 Film Law and the reform of 1999, made it possible for private exhibitions chains to grow.

17 Article 94 of the Copyright Law.

18 Articles 95 and 98 of the Copyright Law.

19 Article 5 of Film Law. Article 9 of the Regulations of the Law states that a full-length movie is that exceeding 60 minutes; mediumlength between 30 and 60 minutes, and shortlength less than 30 minutes.

20 Articles 4 and 6 of the Copyright Law, published in the Official Gazette of January 14, 1948.

21 Articles 2 and 4 of the Copyright Law, published in the Official Gazette of December 31, 1956.

22 Article 7 i) of the Copyright Law, published in the Official Gazette of December 21, 1963.

23 Article 13 IX and 95 of the Copyright Law, published in the Official Gazette of December 24, 1996.

24 Title IV, Chapter III of the Copyright Law (articles 94 to 100).

25 Title III, Chapter VI of the Copyright Law (articles 68 to 78).

26 Article 96 of the Copyright Law gives a definition of producer and Article 97, last paragraph, states, "unless otherwise agreed, the law reputes the producer as the holder of patrimonial rights of the audiovisual work as a whole". Article 99, last paragraph aggregates, "without prejudice of the rights of authors, producer can take all actions necessary for the exploitation of the work".

27 Articles 34 of the Copyright Law and 16 of the Regulations.  
28 Articles 24, 27, 28 and 30 of the Copyright Law.  
29 Article 33 of the Copyright Law and 17 (1 and V) of the Regulations.  
30 Articles 135 to 138 of the Copyright Law.  
31 Berne Convention, Brussels and Paris Acts, and the "analog procedures" concept.  
32 Article 96 of the Copyright Law. Authors can exploit their contributions separated from the audiovisual production.  
33 Article 97 of the Copyright Law.  
34 Article 99, second paragraph of the Copyright Law based on Article 14 bis (2)(b) of the Berne Convention, Paris Act. The Copyright Law has adopted the Treaty's standard despite the fact that the producer, without the authors, is the holder of patrimonial rights over the film.  
35 Article 26 bis. Amendment published in the Official Gazette of July 23, 2003.  
36 Cinemas La Huasteca (Amparo en revisión 45/2005, resolved April 27, 2005) and Cinemex Toluca II (Amparo en revisión 105/2005, resolved June 10, 2005).  
37 Article 27 (VI) of the Copyright Law and Article 14 of the Berne Convention, Paris Act.  
38 Article 27 (II)(b) and (c) and 27 (III) of the Copyright Law.  
39 Article 27 (I) of the Copyright Law.  
40 Article 27 (IV) of the Copyright Law.  
41 Article 68 of the Copyright Law. This article is contradictory to what is stated in Article 99, first paragraph. While under Article 68 assignments can be exclusive and unlimited, in Article 99 this is not a possibility.  
42 Article 72 and 43 of the Copyright Law.  
43 Article 84 of the Copyright Law.  
44 Article 83 of the Copyright Law.  
45 Marín López, Juan José. Derechos Patrimoniales en la Obra Audiovisual en la LFDA. Revista Mexicana del Derecho de Autor. Year V. Number 18. Mexico. 2005. Page 21.  
46 Article 58 of the Copyright Law.  
47 Article 131 of the Copyright Law.  
48 Article 118 of the Copyright Law.  
49 Article 117 bis, of the Copyright Law not only refers to fixation, reproduction and public performance, but also other forms of use or exploitation ("...by any means, public communication and form of disposal...").  
50 Article 121 of the Copyright Law.

## **II. INTELLECTUAL PROPERTY MATTERS IN THE DIGITAL ENVIRONMENT ARTICLES**

### **BREVE ANÁLISIS SOBRE LA PROTECCIÓN JURÍDICA DE LOS PROGRAMAS DE COMPUTACIÓN EN MÉXICO**

*Actualización en las Leyes Corporativas, 1993.*

#### **A.INTRODUCCION: QUE ES EL DERECHO DE AUTOR?**

##### **1. La Propiedad Intelectual.**

El derecho de autor pertenece a la rama del derecho denominada "propiedad intelectual", la cual a su vez incorpora el derecho sobre las creaciones nuevas - patentes, diseños industriales, modelos de utilidad y secretos industriales-, signos distintivos -marcas de producto o servicio, nombres y avisos comerciales y denominaciones de origen- y la represión a la competencia desleal. El maestro David Rangel Medina ha señalado que "al conjunto de los derechos resultantes de las concepciones de la inteligencia y del trabajo intelectual, contemplados principalmente desde el aspecto del provecho material que de ellos puede resultar acostúmbrase darle la denominación genérica de propiedad intelectual o las denominaciones equivalentes propiedad inmaterial, bienes jurídicos inmateriales y derechos intelectuales." (David Rangel Medina, Tratado de Derecho Marcario, Editorial Libros de México, S.A., México, 1960, p.89).

El común denominador de la propiedad intelectual es precisamente la creatividad intelectual que resulta del conocimiento científico, inventivo, técnico, literario, artístico y mercadológico del ser humano y comprende tanto obras artísticas e intelectuales: invenciones, diseños de carácter industrial, conocimientos técnicos y secretos no patentados y el crédito comercial, aviamiento o "goodwill" que desarrollan las empresas y comercios en el empleo de sus estrategias comerciales: de mercadotecnia y publicitarias, bajo el apoyo de marcas y demás signos distintivos.

En nuestro país, el sistema de propiedad intelectual se origina de la misma Constitución Política, que reconoce derechos exclusivos de uso y

explotación en favor de quienes producen invenciones u obras intelectuales. Sin embargo, la regulación específica de las figuras mencionadas corresponde a las legislaciones denominadas "Ley Fomento y Protección a la Propiedad Industrial" (LFPPI), para el caso de creaciones nuevas, signos distintivos y represión de la competencia desleal y "Ley Federal de Derechos de Autor" (LFDA), para el caso de las obras intelectuales y artísticas.

Para efectos del presente capítulo se hará referencia únicamente a aquella parte de la propiedad intelectual que se refiere al derecho de autor.

## **2. El Derecho de Autor.**

### **a) Aspectos Básicos: Definición.**

El derecho de autor se ha definido en nuestro país como "el conjunto de normas que protegen a la persona del autor y su obra respecto del reconocimiento de la calidad de autor, de la facultad que tiene el autor para oponerse a toda modificación que pretenda hacerse de su obra sin su consentimiento y del derecho exclusivo que tiene el autor de explotar y usar temporalmente su obra por sí mismo o por terceros, (Nicolás Pizarro Macías, Las Regalías Recibidas por los Autores por Otorgar a Terceros el Uso y Explotación de los Derechos de Autor, conferencia dictada en la Barra de Abogados el 3 de Octubre de 1986, p1).

De la definición citada se observa que el derecho de autor protege al creador de las obras intelectuales y artísticas y a su obra, cuyo contenido es de carácter artístico o intelectual, resultado del pensamiento y sensibilidad humana. Los autores gozan de una gama de derechos relacionados con el aspecto patrimonial y moral de la obra, los cuales se comentarán más adelante.

### **b) Aspectos Básicos: El Autor y la Obra.**

El sistema de protección de derechos de autor en México está orientado a proteger en principio a la persona física denominada "autor" y para ello se le han reconocido una serie de derechos de carácter exclusivos. Por otra parte, se considera a la obra como el producto o resultado de la actividad creativa del autor y la expresión de su talento, sensibilidad e ingenio. Para ser objeto de protección, la obra debe representar una

verdadera expresión creativa, original, completa, unitaria y que tenga un significado propio. Además, la ley mexicana sobre la materia, requiere la fijación de la misma en un objeto o medio tangible para que sea objeto de protección, lo cual no significa que el derecho exclusivo sobre la creación de carácter inmaterial se extienda sobre dicho medio tangible.

La ley establece una referencia ilustrativa de diferentes géneros de obras entre las cuales se mencionan las "obras literarias; científicas, técnicas y jurídicas, pedagógicas y didácticas; musicales, con letra o sin ella; de danza, coreográficas y pantomímicas, pictóricas, de dibujo, grabado y litografía; escultóricas y de carácter plástico; de arquitectura; de fotografía, cinematografía, audiovisuales, de radio y televisión; de programas de computación, y todas las demás que por analogía pudieran considerarse comprendidas dentro de los tipos genéricos de obras artísticas e intelectuales antes mencionadas." (Artículo 7o LFDA)

Las obras pueden ser individuales o colectivas, según la participación de una o varias personas en ellas. Son obras colectivas aquellas realizadas por un grupo de dos o más autores a los que se denomina coautores o colaboradores para el caso de que contribuyan en la realización de una obra determinada. Hay casos especiales, que se comentarán más adelante, en los que las obras resultan de la acción y coordinación de una persona física o moral con la colaboración especial y remunerada de varios creadores intelectuales.

### **c) Aspectos Básicos: Los Derechos.**

La Ley mexicana del derecho de autor reconoce dos clases o subespecies de derechos que son los derechos morales y patrimoniales. Los derechos morales representan la manifestación de la personalidad del autor en el mundo en que lo rodea. Esto significa que por medio de la obra, el autor comunica al exterior aquello que reside en su espíritu o interior; es por lo tanto una forma de expresar o proyectar toda aquella idea que recoge de sus conocimientos, experiencias y sentimientos. En tal virtud, los derechos morales no podrán renunciarse, transferirse, alienarse o cederse; toda vez que son inherentes al autor, quien los detenta en forma permanente y perpetua durante el transcurso de su vida y con posterioridad a su muerte, sin que estos prescriban. A la

muerte del autor, serán sus herederos legítimos o por virtud de testamento, quienes tendrán a su cargo el ejercicio de los mismos.

En la doctrina del derecho de autor se conocen varias categorías de derechos morales, de las cuales la legislación mexicana reconoce dos en forma expresa: el derecho moral de paternidad y el derecho moral de integridad. La primera categoría señalado "consiste en que cada vez que se utilice una obra protegida por el derecho de autor, la persona que la utilice tiene la obligación de mencionar el nombre del autor. A través de esta norma la legislación busca establecer una vinculación permanente entre la obra y el creador y el creador de la obra, el autor." (Nicolás Pizarro El Derecho de Autor, Conferencia pronunciada ante la Cámara Nacional de la Industria Editorial Mexicana, el día 15 de septiembre de 1982, p.9). El segundo de los derechos morales, o sea el de oposición a modificar las obras sin consentimiento del autor, significa que el usuario de las obras no podrá modificar, ni siquiera el signo de puntuación más insignificante, sin la autorización del autor. Por consiguiente, existe impedimento jurídico de modificar la obra, ya sea total o parcialmente, mientras no exista la autorización correspondiente. Por otro lado, en virtud de los derechos patrimoniales, el autor goza de la facultad para utilizar y explotar la obra en forma exclusiva. De esta forma, dicho autor o su causahabiente pueden transferir, licenciar o disponer de sus derechos patrimoniales y establecer los mecanismos de uso y explotación y condiciones de lugar, modo y tiempo. Para efectos didácticos, es posible dividir los derechos patrimoniales de autor en cinco grandes rubros: derecho a la reproducción de la obra, derecho a su comercialización y distribución, derecho al control en la producción de otras derivadas -arregles, compendios, ampliaciones, traducciones, adaptaciones, compilaciones (incluyendo bases de datos electrónicas), y transformaciones de obras-, derecho a la utilización, proyección y representación pública de la obra y derecho a la exhibición de obras plásticas.

No obstante lo anterior, cabe mencionar que el derecho patrimonial no radica necesariamente en función del autor de las obras, sino en función de quien esté facultado para explotarlas. Hay casos en los que la ley mexicana del derecho de autor otorga derechos originarios de uso y explotación a personas físicas y morales que en la producción de obras, recurren al encargo de partes de la obra o su totalidad a creadores

intelectuales, quienes participan en la producción de ésta con la categoría de colaboradores remunerados. A manera de requisito constitutivo, la ley Mexicana otorga a la colaboración el carácter de remunerada y especial y la obligación a quien encarga de mencionar el nombre de los colaboradores. Las formas más frecuentes de colaboración remunerada se derivan de la relación de trabajo y del encargo al autor independiente.

#### **d) Aspectos Básicos: Las Formalidades.**

Por último la Ley Federal de Derechos de Autor suscribe el principio de ausencia de formalidades respecto del registro y utilización de leyendas de ley, en armonía con lo que disponen la Convención de Berna para la Protección de Obras Literarias y Artísticas y la Convención Interamericana de Washington. De esta forma de conformidad con nuestra ley, no resulta obligatorio recurrir al registro de las obras como requisito de protección toda vez que dicho registro produce efectos declarativos y no constitutivos los cuales están únicamente vinculados con la creación misma de las obras. Sin embargo, el registro de la obra establece la presunción de ser ciertos los hechos y actos que de ellas consten, salvo prueba en contrario.

El principio de ausencia de formalidades cubre asimismo el uso de las leyendas de ley. Sin embargo, la LFDA señala que en caso de que no se utilicen las leyendas en un sitio visible de la reproducción de la obra que objeto de publicación y en caso contrario no se producirá la pérdida del derecho de autor, pero la ley sujeta al editor responsable a las sanciones que ésta establece.

## **B. LOS PROGRAMAS DE COMPUTACION Y EL DERECHO DE AUTOR.**

### **1. Breve Explicación Sobre lo que Consiste el "Software" y el "Hardware".**

El Dr. Julio Téllez Valdez menciona que "la computadora es una máquina que puede aceptar datos en una forma prescrita, procesarlos y proporcionarlos en un formato específico ya sea como información o señales para controlar automáticamente otras máquinas o bajo la forma de otros procesos. La computadora se constituye esencialmente por componentes físicos (hardware) y por el soporte lógico (software)."

(Julio Téllez Valdez, Contratos Informáticos, UNAM Instituto de Investigaciones Jurídicas, 1988, p.10).

De lo anterior se desprende que la computadora no se limita en el aspecto físico de la misma y requiere de programas de computación para poder funcionar. Se ha definido al programa de computación como "el conjunto de procedimientos o reglas que integran el soporte lógico de las máquinas que permiten la consecución de un proceso de tratamiento de la información."

Un programa de computación permite la realización de diversas tareas que van desde el funcionamiento interno de una computadora -sistema operativo-, hasta la obtención de un objetivo específico -programa de aplicación-. Existen sin embargo otras formas de programas como los compiladores, traductores, ensambladores, sistemas organizacionales de multiproceso y sistemas controladores de multiproceso entre otros. Como podrá apreciarse, los propósitos de los programas de computación son muy variados sin embargo comparten una característica común permiten al usuario la realización de su trabajo con mucho mayor rapidez, orden y efectividad que sin éstos.

En el mundo actual los programas de computación representan elementos muy importantes de competitividad y desarrollo. Es más, podría afirmarse que sí bien durante los años sesenta los recursos se invertían en una proporción aproximada de 70% en el caso del "hardware" y 30% en caso del "software", en la actualidad los papeles se han invertido, considerando los altos costos a que asciende su desarrollo y los recursos humanos, técnicos, económicos y materiales requeridos. No obstante lo anterior, resulta muy difícil recuperar las sumas que se llegan a invertir en este campo situación que se agrava significativamente en virtud del problema de la piratería de los programas y la falta de medidas de control y protección suficientes y adecuadas.

## **2. Protección de los Programas de Computación a través del Derecho de Autor.**

### **a) Antecedentes Legislativos.**

El primer antecedente de protección de los programas de computación en nuestro país data del año de 1984, fecha en el que se publicó el

"Acuerdo 114 de la Secretaría de Educación Pública". Dicho cuerpo normativo expedido por este órgano de la administración pública federal, constituye el primer intento para reconocer protección a los programas de computación a través del derecho de autor. No obstante que la regulación de los programas de computación se dio al margen de La Ley Federal de Derechos de Autor, a través de dicho acuerdo se resolvió que la Dirección General del Derecho de Autor debería aceptarlos para registro otorgándoles el tratamiento de obras.

La Dirección General del Derecho de Autor dio comienzo a la tarea de registrar los programas que le eran presentados, para lo cual se había determinado previamente en el "Acuerdo 114", que el material de depósito en estos casos lo constituiría cualquier formato en que el programa fuera materializado, pero que se podrían presentar las primeras 10 y últimas 10 hojas del programa en código fuente o código objeto. Asimismo, debería presentarse una copia impresa del directorio del programa cuyo registro se solicitaba. Dicha forma de regulación prevaleció en el derecho positivo de nuestro país por más de seis años, hasta que en el año de 1991 se produjo una reforma a la Ley Federal de Derechos de Autor, que incluyó entre otros, la incorporación de los programas de computación como un género de obra independiente y autónomo respecto del resto de las demás obras expresamente mencionadas por la Ley hasta ese entonces. En virtud de lo anterior, la protección que otorga dicha Ley Federal de Derechos de Autor a los titulares de esos derechos, se hizo extensiva a los creadores y productores de programas de computación.

## **b) La Ley Federal de Derechos de Autor y la Reforma de 1991.**

La reforma de 1991 contempla aspectos vinculados en forma específica con la protección de los programas de computación. En primer lugar cabe señalar que se considera como una limitación o excepción al derecho patrimonial de autor el hecho que el poseedor de la copia de un programa de computación, legalmente obtenida, realice una copia adicional de respaldo, con el objeto de proteger dicho programa frente a imponderables de carácter técnico que produzcan su destrucción, daño o deterioro. Asimismo, la reforma incorpora un precepto, muy criticado por cierto que establece un régimen de excepción al acceso del público a los archivos de registro de obras de computación en el Registro Público del Derecho de Autor, el cual como su nombre indica tiene el carácter de

público y por lo tanto de acceso general. La razón del precepto comentado reside en que los programas de computación contienen secretos industriales diversos, mismos que quedarían a la vista del público si este tuviera acceso al material de depósito, sobre todo en caso que dicho material de depósito lo constituyera una copia del programa en su versión de código fuente.

Por último, la reforma de la Ley introdujo mayores sanciones y penalidades en materia de derecho de autor, además de establecer un tipo específico para el caso de quien sin autorización del autor o de sus causahabientes “reproduzca con fines de lucro un programa de computación.” El presente tipo delictivo ha sido criticado también ya que se considera innecesario a la luz de disposiciones semejantes y en algunos casos más amplios que se refieren a las obras en general de las cuales forma parte el programa de computación.

### **3. Críticas a la Reforma de 1991.**

De los comentarios esbozados anteriormente se infiere que la reforma de 1991 fue encaminada a establecer reglas más claras respecto de los derechos de quienes crean y producen programas de computación y de quienes los comercializan y/o utilizan. Prueba de lo anterior lo constituye la excepción específica de la copia de respaldo, como única que puede realizarse libremente de cada programa original y la excepción de acceso restringido a la consulta de registros y expedientes pertenecientes al Registro Público del Derecho de Autor en materia de programas de computación.

Por otra parte, el tipo y sanción penal adoptada por el legislador para el caso concreto de los programas de computación representa un intento más para establecer medidas adecuadas de protección y combate a la piratería, la cual ha llegado a niveles alarmantes durante los últimos años. Sin embargo, cabe comentar que el alcance jurídico de dicho tipo y sanción penal no corresponde a los estándares que ofrecen las legislaciones de otros países, desarrollados e inclusive en vías de desarrollo, en razón de ciertas deficiencias que se comentarán en seguida:

### **a) Tipo Especial.**

La Ley Federal de Derechos de Autor estableció un tipo específico para el caso de reproducciones de programas de computación, sin autorización del titular del derecho correspondiente (como se dejó de manifiesto líneas atrás); sin embargo, omitió pronunciamientos de forma específica, en relación a la utilización ilícita de programas de computación y de otros actos violatorios al derecho que pueden realizarse con respecto a un programa. En esa virtud, hay quienes consideran que dichas conductas distintas a la reproducción del programa podrían encuadrar en otros tipos delictivos de los previstos por la misma Ley, como es el caso del artículo 135 fracción I, que establece un tipo general para el caso de que una obra se use o explote con fines de lucro y sin autorización del titular de los derechos. Lo anterior se concluye en virtud de que siendo uno de los géneros de obras protegidas, el programa de computación merece una protección amplia, que abarque todo tipo de conductas antijurídicas, y no restringida simplemente a la reproducción del mismo. En consecuencia se considera que la última parte de la fracción III del artículo 135 no tiene razón de ser y por lo tanto no debió incorporarse a la ley.

### **b) Sanción Penal.**

Por otra parte, la sanción penal que señala la Ley Federal de Derechos de Autor por la reproducción ilícita de programas de computación asciende a prisión de seis meses a seis años y multa de 50 a 500 veces el salario mínimo general prevaleciente en el Distrito Federal. Dichas sanciones se consideran bajas toda vez que por un lado, respecto de la sanción privativa de libertad, ésta no rebaza el término medio aritmético de 5 años que se considera para alcanzar la libertad bajo fianza durante la etapa del proceso penal. Por lo que toca a la sanción de tipo económico, ésta alcanzaría un máximo de N\$7,635.00, la cual no refleja la clase de daño que causa este tipo de piratería a los titulares de los derechos quienes invierten sus recursos materiales, humanos y económicos en cantidades mucho muy importantes, además del perjuicio que se causa a la competencia honesta, al fisco y a la sociedad, que considera a los bienes informáticos y más concretamente a los programas de computación, como instrumentos esenciales de desarrollo.

### **c) Elemento de Lucro.**

Un tercer aspecto de crítica lo constituye la intención o fin de "lucro" que califica la acción ilícita de reproducción de los programas de computación.

En todo proceso de análisis y aprobación de leyes el legislador debe compenetrarse con la materia que se estudia y con la conducta que se pretende regular y tipificar. Es únicamente del conocimiento profundo del fondo del asunto que se obtendrá un tipo penal justo; de lo contrario dicho tipo constituirá un obstáculo que lejos de combatir y punir el mal social, lo tolerará e incluso fomentará.

En el caso específico de los programas de computación, la piratería más nociva la practican los usuarios corporativos, que reproducen una copia del programa -original o no-, en los discos duros de todas las computadoras personales de dicha entidad o empresa. De similar magnitud se considera la conducta que realiza aquel distribuidor de computadoras que con la venta de éstas, incluye la copia de algún programa, obviamente sin autorización para ello, con el único propósito de "enganchar" un cliente, quien se ve atraído por la oferta, ventajosa e ilícita de dicho vendedor pirata. Debe apreciarse que en ambos casos el pirata no comercializa el programa y por lo tanto, podría pensarse que su actividad se apega al derecho, por no trastocar el elemento de "lucro". Sin embargo, los Tribunales y el Ministerio Público han aceptado el criterio del "lucro indirecto", reconocido por la Ley Federal de Derechos de Autor, en su artículo 75 y que se aplica en los casos que la explotación de la obra resulta en un beneficio económico para el infractor, aunque este no resulte necesariamente de la venta. En esa virtud, se ha considerado que el usuario corporativo de los programas que los reproduce o utiliza sin autorización, sin pagar el importe correspondiente, estará obteniendo un ahorro y por lo tanto una ventaja económica respecto de aquellos competidores honestos, que si invierten en el producto original, lo que se traduce finalmente en beneficios de carácter económico.

Lo mismo sucede en el caso del distribuidor de computadoras, quien se vale de un derecho ajeno, por el cual no paga, lo que le permite vender sus productos con mayor facilidad que la competencia.

No obstante la solución que se ha encontrado para librar los obstáculos impuestos por el legislador en torno al elemento de "lucro", contenido en el artículo 135 fracción III de la Ley Federal de Derechos de Autor, éste debería suprimirse del tipo con el fin de adecuarlo al contexto real de esta clase de actos de piratería y así evitar los riesgos de criterios anacrónicos y absurdos, que perjudiquen el bien jurídico tutelado y que la sociedad de nuestro país busca proteger.

#### **d) Oficiosidad del Delito.**

Un aspecto muy curioso que contempla la reforma de la Ley Federal de Derechos de Autor consiste en el carácter de oficiosidad que expresamente se confirió el delito de reproducción no autorizada de programas de computación, frente a la mayoría de los tipos contemplados por la Ley, que se persiguen de querrela de parte ofendida. Resulta pues inexplicable la intención del legislador para considerar que los delitos de reproducción de programas de computación debían perseguirse de oficio a diferencia de los demás, entre los cuales podrían incluirse algunos más vinculados con la materia de computación. Sin embargo, el carácter de oficiosidad de esta clase de delitos ha provocado problemas graves, sobre todo en aquellos casos que se han solucionado a través de arreglos entre las partes en conflicto, en los cuales se han resarcido los daños causados por la acción de piratería.

### **C. Esbozos sobre Protección de Programas de Computación y Tratado de Libre Comercio.**

#### **a) Aspectos Generales del TLC y los Programas de Computación.**

El Tratado de Libre Comercio de América del Norte (TLC), celebrada entre Canada, Estados Unidos y México, comenzó su vigencia con fecha 1° de enero de 1994, lo cual representa que los compromisos adoptados por nuestro país, derivados de dicho ordenamiento internacional han cobrado actualidad e importancia. El TLC contempla un capítulo XVII, referente a los derechos de propiedad intelectual, entre los que se consideran al derecho de autor y más concretamente a los programas de computación.

Es posible apreciar que el TLC constituirá un instrumento jurídico muy interesante, que en el campo de la propiedad intelectual buscará acercar

dos sistemas distintos, provenientes de tradiciones y estructuras jurídicas diferentes, que derivan del "common law" anglosajón y del derecho romano, con influencias posteriores del derecho francés y español. En tal virtud, para lograr dicho acercamiento, el TLC formula una serie de principios de los que destacan los de trato al extranjero como a los nacionales del país que le corresponde aplicar una ley determinada y el de estándares mínimos que deberán observar las leyes de propiedad intelectual de los tres países miembros.

No obstante, el acercamiento que provocará el TLC, existe la posibilidad de que paralelamente surjan conflictos de aplicación de leyes entre estos tres países. Ello se agudiza por lo que toca a la materia de derecho de autor, si se considera que México pertenece a un sistema distinto que Canadá y los Estados Unidos. El enfrentamiento y rechazo de sistemas (sistema de derecho de autor y sistema de copyright), se sucitó con claridad, con el surgimiento de la Convención de Berna para la Protección de Obras Literarias y Artísticas y muchos años más tarde con el Convenio de Roma que creó la Comunidad Económico Europea y la Directiva de Software, adoptada por la misma CEE.

En virtud del TLC nuestro país tendrá que modificar varias de sus leyes, incluyendo la Federal de Derechos de Autor, para adecuarla a las disposiciones del TLC. Los programas de computación no escapan a la necesidad de cambio, toda vez que el TLC establece disposiciones relacionadas con el tema que causarán impacto en nuestro derecho y que no son compatibles con el mismo actualmente. Los casos más palpables corresponden a la obligación de los países signatarios de considerar a los programas de computación como obras literarias; al establecimiento de disposiciones legales tendientes a la protección de bases de datos electrónicas (lo cual sucedió ya con la publicación en el Diario Oficial de la Federación del Decreto de fecha 22 de diciembre de 1993, el cual "reforma, adiciona y deroga disposiciones de diversas leyes relacionadas con el Tratado de Libre Comercio de América del Norte), y a la implementación de una ley especial para la protección de topografías o esquemas de trazado de circuitos semiconductores integrados.

## **b) “Derecho de Renta”.**

Sin embargo, el aspecto más importante del TLC en materia de programas de computación lo constituye el llamado “rental right” o “derecho de renta”, que si bien podría aplicarse al caso de videogramas, asimismo tiene una repercusión trascendental en el caso concreto de los programas de computación. Al efecto, el artículo 1705 (2)(b) y (d) establece lo siguiente:

“Cada una de las Partes otorgara a los autores y sus causahabientes los derechos que se enuncian en el convenio de Berna respecto de las obras consideradas en el párrafo 1, incluyendo el derecho de autorizar y prohibir;

“(b) la primera distribución pública del original y de cada copia de la obra mediante venta, renta u otra manera;

“(d) la renta comercial del original o de una copia del programa de cómputo. El inciso (d) no se aplicará cuando la copia del programa de computo no constituya en sí misma un objeto esencial de la renta. Cada una de las partes dispondrá que la introducción del original o de una copia del programa de cómputo en el mercado, con el consentimiento del titular del derecho, no agote el derecho de renta”

En la actualidad no resulta claro si la Ley Federal de Derechos de Autor ofrece protección al “rental right” y sí reconoce la figura del “agotamiento del derecho” aún mas, hay quienes consideran que en México podría no existir un derecho de distribución de copias de obras protegidas por el derecho de autor, toda vez que la Ley no lo menciona en forma expresa. Sin embargo, debe tomarse en cuenta que la Constitución y la Ley reconocen al autor un derecho de uso y explotación en sentido amplio, por lo que debe concluirse que éste comprende el derecho específico de distribución de copias de obras.

Por lo que respecta al “agotamiento del derecho”, una parte de la doctrina en México lo considera como una consecuencia natural del derecho de distribución del autor, por lo menos por lo que respecta al caso de la venta de primera mano de una copia de la obra. Sin embargo, el razonamiento expresado resulta necesariamente de la interpretación de la norma en favor de los derechos del autor, ya que la Ley no se pronuncia expresamente en el sentido de otorgar derechos de

distribución y limitarlos con la venta de las copias de la obra. Por otro lado, no es claro tampoco si el agotamiento del derecho de distribución opera en caso de la renta de la copia de la obra o se restringe al caso de su venta.

Las disposiciones citadas del TLC deberán servir para resolver el problema de interpretación que se apunta. En forma adicional, la Ley Federal de Derechos de Autor será modificada para establecer en forma expresa el régimen específico de regulación de estos derechos y limitaciones. Existen algunos aspectos que merecen esclarecimiento respecto del artículo 1705 (2) (b) y (d) del TLC. Por mencionar un ejemplo, no es clara la expresión inciso (d) no se aplicará cuando la copia del programa de cómputo no constituya en sí misma un objeto esencial de la renta.”

Dicha norma podría entenderse en forma similar al caso de los Estados Unidos en donde el U.S. Copyright Act de 1976, en la sección 106(3), establece el derecho de distribución de las obras protegidas y en la sección 109(a), la limitación de dicho derecho de distribución mediante la “first sale doctrine” (doctrina de la primera venta), que permite al dueño de una copia autorizada de la obra, “la venta o disposición de la misma”. De esta forma, en el año de 1991, el Congreso de los Estados Unidos de América estableció una prohibición a la renta de programas de computación a cargo del dueño de la copia, si éste no cuenta con autorización del titular del derecho. Sin embargo, dicho criterio no se aplica al caso de los programas incorporados en maquinas o productos que no permitan que el usuario común y corriente los duplique.

Aún cuando el derecho norteamericano ha encontrado fórmulas jurídicas precisas y adecuadas para resolver el complejo tema de los derechos de renta mismas que al parecer adoptará nuestra Ley por virtud del TLC, cabe señalar que el Copyright Act no dado solución a un nuevo problema que deriva de la renta de productos que contienen programas de computación, tales como videojuegos contenidos en discos de tipo CD-1 y CD-ROM. En tal virtud, el reto para el derecho mexicano es doble, ya que se tendrá que resolver el problema general del derecho de renta de programas de computación, además de los aspectos más concretos como el caso de los videojuegos a base de programas y materializados en medios digitales

## **D. Políticas de Licenciamiento y Control en Materia de Programas de Computación.**

### **1. Políticas de Licenciamiento.**

Nadie con excepción del titular de los derechos de autor sobre programas de computación está facultado para reproducirlos, usarlos o comercializarlos salvo que se cuente con una licencia o autorización. Existen muchas formas de licencias, dependiendo del producto de que se trate. Sin embargo, a las más comunes se les conoce como licencia tipo "shrink shrap" y se encuentran en los paquetes de programas comerciales para uso en computadoras personales. Dichas licencias constituyen autorizaciones para realizar el número de copias que éstas establezcan específicamente. Normalmente, cada paquete de programa de aplicación contiene una licencia "monousuaria", que como su nombre indica, permite la instalación del programa en el CPU (Central Processing Unit) de una computadora personal. Para el caso de instalaciones adicionales debe pagarse un precio extra toda vez que esta realiza una segunda copia del programa. Esta práctica varía dependiendo de la política comercial de cada productor o fabricante de software, sin embargo hay algunos que llaman a estas licencias "FULL PACKAGE" o "LICENSE PACKAGE".

Finalmente, existen casos en los que algunas empresas, por lo general aquellas que operan más de 100 PC's, requieren de licencias que les permitan el uso múltiple del programa. En esos casos se puede intentar una "LICENCIA CORPORATIVA", que se negocia directamente con el productor del software. Existen muy pocos casos de este tipo de licencia, en virtud de que no se ha instrumentado a fondo en nuestro país.

Por lo que respecta a programas de aplicación para uso en redes, existen paquetes especiales que contienen licencias "DE USO CONCURRENTE", que permiten la instalación del software en el servidor de la red y el acceso del número de estaciones de trabajo que autorice dicha licencia.

De conformidad con lo mencionado con anterioridad, el usuario de cualquier tipo de programa de computación protegido por el derecho de autor está facultado legalmente para obtener una copia de respaldo de

dicho programa, la cual podrá usarse en caso de problemas o desperfectos en el programa instalado en el CPU de la PC; sin embargo, esa copia de respaldo no podrá instalarse en un segundo CPU o en un diskette.

## **2. Desventajas en el uso de Programas no Autorizados y Políticas de Control: Software Management.**

Algunas desventajas de utilizar copias no autorizadas de programas de computación en las computadoras de una empresa son:

- a) Infringir la Ley;
- b) El riesgo de que se destruyan archivos e información valiosa por la aparición de virus, lo cual podría afectar computadoras personales, redes y hasta la operación automatizada de una entidad completa;
- c) No se tendrá acceso a las actualizaciones del programa a precios bajos; entrenamiento; soporte técnico; documentación completa incluyendo manuales; garantía del producto.

Se llama "Software Management - a la serie de medidas que se deben tomar con el fin de establecer sistemas de control de uso y copiado interno de programas de computación. Al efecto deben considerarse los siguientes puntos:

- a) Procurar Hacerse de Programas Originales.
  - Determinando las necesidades de su empresa en el uso de programas de computación;
  - Identificando las necesidades concretas de cada computadora, tales como localización, departamento, operador, etc., en relación con los programas de sistema operativo y aplicación que más le acomodan y convienen.
  - Comprometer a la empresa en el uso de producto original;
  - Establecer presupuestos realistas;
  - Entregar en tiempo el programa que solicite el usuario y cuya adquisición resulte aprobada;

- Anticipar los usos y necesidades de la empresa y elaborar planes en torno a estos.

b) Para el Caso de que la Empresa este Irregular en su Base Instalada de Programas.

Debe procederse a legalizarse;

- Practicar una auditoria previa para determinar el grado de irregularidad;

- Substituir el producto no autorizado por original, utilizando el criterio "una copia original por cada CPU", mencionado con anterioridad;

- Hacer un recuento de programas instalados con respecto a el número de CPU's en posesión (o estaciones de trabajo en caso de red) y hacer también recuento de manuales floppies y licencias. El número de programas debe coincidir con el número de licencias. Si el saldo es negativo, deberá suprimirse y removerse el producto no autorizado e instalar producto original.

c) Prevención de Copia Interna.

- Asegurarse que se cumplieron cabalmente los pasos a) y b),

- Comunicar en forma institucional el compromiso de que se utilice únicamente producto original en la empresa;

- Designar responsables que realicen inspecciones periódicas del uso de programas;

- Registrar internamente el producto que se adquiriera;

- Realizar inspecciones y auditorias para controlar la adquisición, reproducción y uso de producto legitimo;

- Presentar documentos de responsabilidad a empleados para firma y enviar memoranda que les ilustre en el uso correcto de los programas y sus obligaciones al respecto, asimismo realizar campañas educativas en el uso de los programas;

- Si se encuentran copias no autorizadas de producto, corregir el problema de conformidad con la Ley y las medidas y políticas que adopte la empresa.

## **INTERNET DOMAIN NAMES, TRADEMARKS AND TRADE NAMES**

*Report Q 143 in the name of the Mexican Group, 1999.*

### **Introduction**

***(a) The Groups are invited to comment on the above described endeavors:***

*to prevent legal domain name problems of stricter registration conditions (cfr. hereinabove 1.12):*

*to solve such problems outside the courts (cfr 1.13 a.f.); and to report on the endeavors and actual measures already taken in their own country or region, as well as to make their own suggestions of comparable measures or other solutions of the specific domain name problems.*

As it is in the rest of the world, in Mexico, protection of domain names is a new subject that requires attention, as it has triggered legal questions of many sorts. As we would know and be aware, there are still no cases concerning or involving domain names that have been brought with the Mexican Industrial Property Institute (IMPI) or the Courts. In our concept, there is much to study and say in this regard, however, as we have read from some of the court decisions in the U.S. neither domain names nor any other internet issues would be so unusual or novel, or should be apart from the general principles and rules of trademark law.

In the U.S. case of Princeton Review v. Kaplan the Court distinguishes the following three points of analysis from the fact that a third party sought and obtained domain name registration for "kaplan.com", without the authorization of Princeton Review, its real owner:

1. "Domain names are to Internet what addresses are to Postal Service. They're more than that, really, since your domain name can tell the on-line world something about who you are. Domain names are kind of like postal addresses, vanity license plates and bill boards, all rolled into one digital enchilada".
2. The ability of domain names to serve as trademarks by the fact that they are used for accessing to websites that offer and

advertise the sale of products or services. Thus, if the domain name pertains to someone else distinct from the owner, it would likely represent a source of confusion among Internet users over the source of the information located at this address, which would necessarily translate into a real damage of the goodwill in that mark.

3. If the mark registered with the domain name register happens to be a well known one, it very well might represent a factor of bad intent.

In Mexico, there is no a central official or government agency that would keep a list or register of domain names for use in connection with the Internet. However, there is indeed a private organization named NIC MEXICO, related to a prestigious university in Monterrey, N.L., (it is called "Instituto Tecnológico de Estudios Superiores de Monterrey"), which maintains a register of mx., .edu.mx., .com.mx, .org.mx, .net.mx, and .gob.mx.

For qualifying to record with the register, NIC MEXICO requests that the server subject to the connection is located in Mexico. In addition, it requests the user to execute a service agreement, and that certain written policies are met. A sample of an English version of the filing procedure and costs is available at [w.w.w.nic.mx](http://w.w.w.nic.mx). That website displays a Spanish version of the contract and related policies as well.

Of special interest the following provisions of both the policy and the agreement, can be enhanced:

1. Article 3.6 of the policy, wherein it is established that registering a domain name does not mean registering a trademark, and that NIC MEXICO is not responsible if trademarks are registered as domain names. It would be thus a requirement that the applicant consults that is not violating a registered mark.
2. Clause 7.2 of the service agreement, which confirms the provisions of the policy.
3. Article 3.4 of the policy, which states that NIC MEXICO shall not allow registration of geographic names and indications, excepting for the date of domains under gob.mx.

4. Article 3.8 of the policy, wherein it is provided that in case that NIC MEXICO refuses an application of domain name, applicant shall be entitled to file a proposal before an appeal panel or committee. In addition, NIC MEXICO shall send to an ad hoc authorization committee, for its review, all those applications for domain name registrations that NIC MEXICO considers to be offensive or going against the principles of Internet.

From the foregoing, it can be appreciated that NC MEXICO has adopted the same passive attitudes of other regional or local registers, when involving registrations of domain names consisting of trademarks. NIC MEXICO does not consider itself an enforcer of rights, although it provides limited relief, as it was explained above.

Accordingly, it is clear that the performance of NIC MEXICO requires better guidelines and ruling. Among others, as a de facto authority, NIC MEXICO is at present imposing the rules of the game as its own will. Other laws as the law on Industrial Property (LIP) should probably be amended also, for expressly stating that a valid registered trademark can be employed for enforcing non-authorized used of that symbol as a domain name. The LIP provides this type of solution in case of trade names by stating the following:

“Article 90. Not registrable as trademarks are:

...

XVII. A trademark that is identical or confusingly similar to a trade name applied to a company or an industrial, commercial or service establishment, the primary activity of which is the production or sale of the products or the rendering of the services purported to be protected with the trademark, and provided that the trade name has been used prior to the date of filing of an application for a trademark registration or to the date of declared use thereof. The foregoing will not apply when the trademark application is filed by the holder of the trade name, if no other identical published trade name exists”.

“Article 91. A registered trademark or a confusingly similar trademark that has been previously registered may not be used nor may it form a part of the trade name, corporate or firm name of an establishment or corporate person, in the following cases:

I. In the cases of establishments or corporate persons whose activity is the production, import or marketing of commodities or services equal or similar to those to which the registered trademark is applied, and

II. When there is no written consent of the holder of the trademark registration or of the person empowered to do so.

A violation of this precept will lead to the application of the sanctions referred to in this law, and a judicial claim may be filed to suppress use of the registered trademark or to the trademark confusingly similar to one previously registered, of the trade name, of the respective corporate or firm names and payment of harm and damages.

The provisions hereof will not apply when the trade names, corporate or firm name included the trademark prior to the date of filing or of the first declared use of the registered trademark.

## **Trademark law**

***(b) Can a domain name be a suitable candidate for trademark protection, and if so, under which pendings? Please elaborate on the specific problems or peculiarities which may arise in that respect (cfr. 2.1-2.4).***

This question cannot be answered so easily. In principle, we consider that it is possible that domain names perform as trademarks, as they are capable to distinguish products or services coming from the same source and pertaining to the holder of the domain name. As it is correctly mentioned in the questionnaire, domain names do not merely serve as the IP address of a particular server that is connected to the Internet. Of course, for qualifying for trademark protection, the domain name, or at least the second level portion thereof, need to meet the principles and general standards of Trademark Law, and be duly registered with IMPI.

Notwithstanding the feasibility that domain names can function as trademarks, in order to qualify for protection they would require that they are used in compliance with the terms that are set forth in article 130 of the LIP and 62 of the Regulations to the LIP, which state as follows:

Article 130. If a trademark is not used within three consecutive years on the products or services for which it was registered, its registration will lapse, unless the holder or user who has a registered license used it during three consecutive immediately preceding years prior to the filing of an application for an administrative declaration of lapse, or unless circumstances arise beyond the will of the trademark holder that constitute an obstacle for its use, such as import restrictions or other governmental requirements applicable to the commodities or services to which the trademark is applied.

Article 62 of the Regulation to LIP.

For the purposes of Article 130 of this Law, among other cases, it will be understood that a trademark is in use, when the goods or services distinguished by the said trademark have been introduced into Mexican commerce or are available in the market in the country under the said trademark, in number and manner corresponding to the customary uses in commerce. It will be also understood that a trademark is in use when it is applied to goods to be exported.

As it can be appreciated, article 62 of the Regulations to the LIP understands the meaning of trademark use in a narrow form, as it requires that any mark is applied in connection with a product that is then put in commerce or a service that is rendered. The following would very likely not give room the interpretations in the direction that the mark is in use by the mere fact that the products or services are advertised, without then being subject to a subsequent commercial operation. Domain names work, in general as a source for locating websites that advertise products or services; this would bring complications in protecting them by trademark law, unless that by accessing the website, the user may actually buy the product or be rendered a service. In conclusion, the scope of article 62 of the Regulations to the LIP is not wide enough to protect advertising as a form of trademark use, if not supported with further sales or services.

***(c) To what extent do the rules on absolute invalidity of trademarks also apply to domain names (cfr. 2.5)?***

Domain names require to comply with the registrability standards in the Trademark Law if they are to be protected as trademarks. This would

mean that invalidation rules should fully apply to domain names. Also, NIC MEXICO's registration efforts require to be better regulated. As mentioned above, the causes of invalidation of this type of registrations are very limited, and would thus require to be reviewed and amended.

Notwithstanding the foregoing, registration of domain names may sometimes conflict with the principles of trademark law. For example, under such principles, trademarks will be protected even if they are similar to others that have been previously registered, as long as they are used in connection with different products or services. This rule may not apply to domain names, wherein a single registration may appear to cover the entire range of products and services, and nobody else would be entitled to obtain a domain name registration for the same or similar name, even if the junior applicant is dedicated to essentially different activities. The foregoing may very well develop into serious disputes and conflicts, which will require attention

***(d) Can the prior use of a domain name which includes a trademark constitute sufficient use in order to qualify the subsequent filing by another party of said trademark as a filing in bad faith (cfr. 2.6 and 7)? If so, what are the requirements for such sufficient use?***

This is related to the answer given in point (b) above. It is possible extending trademark protection to domain names, but they need to be used in conformance with what it is established in the LIP and Regulations, as in the contrary, any registration that is granted on a domain name may lapse for lack of use. Prior use is protected under Mexican Law, however, it requires also that the mark is applied to products or services that are sold in commerce.

***(e) Can the use of a domain name as an IP-address of a server on which products and/or services are offered for which the domain name is registered as a trademark qualify as maintaining use of that trademark (cfr. 2.8 and 9)?***

The same answer in point (d) above would be reproduced here

***(f) Is the requirement that maintaining use must occur in the territory of the trademark automatically met as a consequence of***

***the global nature of the Internet? If not, please describe which further requirement must be (cfr. 2.8)?***

The answer in point (d) is applicable here also. Use of trademark in the territory of Mexico is an additional requirement in the law. This may not embrace the possibility that a trademark is used in Mexico by the fact that Internet users may have access to websites residing at servers located abroad. This would be questionable under Mexican Law as it would not be the user of the website who is doing the business by promoting, selling and/or rendering the products or services. On the other hand, we would not consider being a problem that the domain name, used as a mark, complies with territorial requirements, if the server is located in Mexico. Again, use of the mark has to occur in the territory where the mark has been registered and the scope and extent of this rule is also strict.

***(g) Can an Internet domain name infringe another party's rights to a trademark ? If so, under which conditions? Please elaborate on the scope of protection of trademarks against domain names and deal in your answer also with famous and well-known trademarks (cfr. 2.10 and 11).***

As mentioned above, it is in principle possible that domain names infringe third parties' legitimate rights to their trademarks. Additional arguments for the finding of infringement would exist if the trademark happens to be a well known one in the terms of article 90 (XV) of the LIP.

It would not be clear under the LIP, it if would be possible, it if would be possible to enforce trademarks rights when the domain name is used as a trademark and that this latter pertains to a third party having protection over the name, but in connection with essentially different products or services. We would tend to believe that under the specialty principle, there would not be an action possible, unless the case of a well known trademark, which of course, represents an exception to the general rule.

***(h) What measures can be taken by the domain name holder in order to prevent that his use of the domain name constitutes infringement of a trademark in territories whether the domain***

***name holder has no commercial interest? Please elaborate on the contents of e.g. disclaimers (cfr. 2.12).***

Yes, in our opinion disclaimers should represent good and effective means for showing good faith in the adoption of domain names, in situations wherein conflicts may arise, specially referring to territorial disputes. The notice or disclaimer should work out fine, besides the fact that the domain name holder restrains itself from actually selling products or rendering services in the conflicting territory of conflict. If the foregoing is met, we believe that the domain name holder would have good arguments against infringement claims of trademark owners having rights in the territory of conflict. Concerning the access that users in the conflicting territory may have to the server belonging to the domain name holder, and located outside the conflicting jurisdiction, it should definitively not be considered as a cause of trademark infringement, as it would be the user and not the domain name holder who is accessing the server. Consequently, we agree with the fact that a notice or disclaimer would be of great assistance in avoiding conflicts.

***(i) What is the answer to the question raised hereinbefore under 2.13 as to the use of a domain name on Internet for whatever product or service if that domain name is identical or similar to a third party's mark which has been registered for means of communication?***

The problem would have to be solved on a case-by-case basis. In principle we would tend to believe that no infringement arguments would be available, unless there is a base for the finding of likelihood of confusion. Finding infringement by the mere fact that Internet is a communication medium would be like saying that trade or service marks in any particular class would violate the rights of the holder of a registration in international class 35, if they advertise or promote the sale of their products or services. The examples used at point 2.13 of the questionnaire may not be good ones, as they refer to well known marks as LE MONDE and THE ECONOMIST. Under Mexican Law, there is no question that they would be protected, without even having to analyze the present question. We would rather use examples of less known marks in the communication services field, and would probably confirm the opinion that has been explained herein.

## Trade name law

***(i) Can the registration and use of an Internet domain name be sufficient to create, and maintain, a trademark right to the second-level domain name included therein? Is, in view of the global nature of the Internet, any use of a domain name which includes the company name of the domain name holder sufficient? If not, which additional requirements need to be fulfilled (cfr. 3.2 and 3)?***

No, under Mexican Law there are certain rules and formalities that have to be complied with in order to create rights over a trade name, and it would not be possible then to claim rights by simply using the domain name as the name of a company. For creating the rights it is needed that the applicant requests approval from the Ministry of Foreign Affairs, who conducts a search of references on trade names that have been previously approved. Then the company is set before a notary public, who firstly publicly attests on its incorporation, and then seeks recordal with the Register of Companies, under the name as approved by the government.

***(k) To what extent do the rules on absolute invalidity of trade names also apply to do main names (cfr. 3.4)?***

No specific trade name invalidation rules are contemplated in the Mexican Laws. It may be possible to bring action before the Administrative Courts requesting the suppression or modification of trade names that are identical or similar and that identify companies engaged in same or similar activities. The legal grounds for such cause of actions would be found in the general principles of law. If these actions would be available at all, it sure would be in cases where the Ministry of Foreign Affairs approves two or more similar or identical trade names, and in our opinion they may be extended to cases where NIC MEXICO grants registrations of domain names that have been previously approved and recorded with the authorities intervening in the corresponding of the companies. However, all the foregoing has never tested, and represents an opinion only.

***(l) Does the global nature of the Internet imply that the normal criteria of infringement of a trade name apply to any use of an***

***identical or similar domain name? Or must there be a specific relation (or some sort) between your Group's country or region and the use of the domain name (or the offerings which are made on the server of which the domain name is the address; cfr 3.5)?***

There are no provisions under any of the Mexican Laws that deal with infringement of trade names.

***(m) What measures can be taken by the domain name holder in order to prevent that his use of the domain infringes another party's trade name in territories where the domain name holder has no (significant) commercial interest? Again would the use of a disclaimer be effective? If so, please elaborate on the contents of such disclaimer (cfr. 3.6).***

Disclaimers would be appropriate signs of good faith in the use of domain names. However, as mentioned, the Mexican Laws do not contemplate infringement provisions, as applied to trade names.

### **Unfair competition**

***(n) Can the registration and use of a domain name which is identical or similar to another party's trademark and/or trade name be successfully attacked on the basis of general rules of unfair competition or tort? If so, under which condition? If an element of bad faith is required, please elaborate on the nature thereof and provide examples. Please discuss the legal possibilities to deal with the practice generally referred to as "domain name grabbing" (cfr. 4.1 and 2)?***

***The rules of unfair competition could possible give standing to actions taken against non-authorized uses and registration of domain names consisting of trademarks belonging to third parties. In this regard, article 213 (IX) of the LIP establishes the following:***

First of all we would quote the unfair competition provision that is established at the LIP:

"Article 213. The following constitute administrative infringements:

"IX. To perform, during the exercise of industrial or commercial activities, acts which confuse or lead the public to confusion, error or deceit, by making it believe or presume, without foundation:

- a) The existence of a relationship or association between one establishment and that of a third party;
- b) That products are manufactured under specifications, licenses or the authorization of a third party;
- c) That services are provided or products are sold under the authorization, licenses or specification of a third party;
- d) That the product in question originates in a territory, region or locality other than the true place of origin in such manner as to induce the public to error as to the geographic origin of the product".

The standing of such an action would be that, within a particular industry or market, a competitor performs acts that confuse or lead the public to confusion, error or deceit, that there is association between its place of business, products or services, and that of the competitor whose rights are being affected.

As it can be appreciated, the above referenced provision is broad enough to comprise as an infringement the non-authorized use of a domain name as a trademark, and it could even extend to any form that can be imagined by which the consumer public falls into confusion. For that end, the trademark or distinctive symbol may not necessarily be in use in terms of article 62 of the Regulations to the LIP. It may also be possible to consider an unregistered symbol as the standing for this action, as long as it is capable to function as a source indicator. Under the foregoing, it may be possible to find infringement on a trademark that is being employed as a domain name for advertising, promoting or offering for sale products or services, that are same or similar as to those produced, sold or rendered by the trademark owner.

## **Sanctions**

***(o) Which sanctions can a court order against the holder of a domain name which infringes the trademark or trade name rights of another party or which is otherwise unlawful vis-à-vis party? Please indicate whether the court has the power to***

***directly order the transfer of such domain name from the infringing party to the trademark/trade name owner (cfr. 5.1 and 2).***

They would be administrative, basically, although they could sometime be criminal (prison) and civil (declaration of damages) as well. The fundamental administrative sanction would be imposed by IMPI and is as follows:

In addition, IMPI is empowered to order the ceasing (preliminary and permanent) on the use of a particular mark, however, we would doubt it from the scope of such a provision IMPI would have the extra power to directly order the transfer of a domain name from the infringing party to the trademark/trade name owner. For that be likely to happen, IMPI would require express powers conferred by the LIP, and the statute is silent on that regard.

### **International private law**

***(p) Which rules of the international private law of your Group's country or region apply in order to determine the applicable law in a dispute regarding the infringement of a trademark of trade name by an Internet domain name (cfr. 6.1 and 2).***

It is clear that the territorial aspect of the domain name problem has a major resemblance and importance, as it is sometimes hard to know where rights are being infringed and accordingly, which law should be applied and which particular Court should exercise the venue over the infringement.

In Mexico, article 121 of the Federal Constitution establishes that resolutions declared in a particular State dealing with personal rights shall be enforced at other different States when the person against whom the resolution was pronounced has voluntarily, or by virtue of his domicile, submitted to the venue of the Court that resolved. Personal notification has to be served in every single of these cases. The principle of the Mexican Constitution can be applied internationally.

The question here would be how to apply the foregoing principle to domain names. Giving answer to this question would definitively require a deep study. However, if something has to be said here, we would

consider that in principle, if the owner of a server located in Mexico, has registered its.mx domain name with NIC MEXICO, and allegedly starts infringing trademark rights, it should have to be sued under the laws and fora of that country as the server is located there. In our opinion this would happen if the alleged infringer would be found to have infringed trademark rights by transmitting the website to a user located abroad, who had access by employing the domain name.

***(q) Which international private law rules apply in order to determine which court is competent to deal with the above mentioned dispute (cfr. 6.3)?***

This question was answered before.

## **SUMMARY**

Mexico is not absent from the globalization process, which has had a great impact in the communication field. The World Wide Web is a good example of how information can now cross borders without limitations. In this new era servers function as recipients or correspondence, and domain name as their addresses, as if we were talking about the street name of a particular house, office or building. Domain names have their own particularities, although they share characteristics with other forms for identifying locations such as telephone numbers. Domain names can serve as trademarks by the fact that they are used for accessing to websites that offer and advertise the sale of products or services. This may be acceptable under Mexican Law, however, at the same time it would have to be taken into account that for qualifying for trademark protection, the domain name needs to be used in connection with the sale of products or the rendering of services. In any event, if domain names are to carry out trademark functions they need to comply with trademark law principles.

NIC MEXICO is a private entity in charge of the register of.mx domain names, and has followed certain policies, which as far as trademarks is concerned, it has adopted a passive attitude as other registers in the world. It is thus desirable that rules better protect registration of domain names.

Unfair competition provisions may represent adequate legal tools to enforce the non-authorized use of domain names as trademarks, as it is

a broader concept that does not necessarily require the domain name to be used in connection with the selling of products or services.

The territorial aspect of domain name protection bears mention as it is hard to know where rights are being infringed and accordingly, which laws shall apply. However, we would tend to believe in principle, that as defendant would be the owner of the server, it should be the laws and forum of the place where this is located that would be applicable.

## **THE IMPACT OF E-COMMERCE ON MEXICO'S IP LAWS**

*By Luis C. Schmidt and Cesar Ramos Jr.*

*Managing Intellectual Property, September 2000.*

The explosive growth of the internet has triggered the ongoing development of a huge variety of software programs used for a multiplicity of business methods and processes. In the United States, the *State Street (State Street Bank & Trust Co v Signature Financial Group Inc.*, No. 96-1327 (Fed Cir July 23, 1998) original case 927 F Supp 502, 38 USPQ2d 1530 (D Mass 1996) decision has substantially modified the traditional approach towards business methods and software related inventions considering that such inventions should no longer be excluded in principle from patent protection, provided that the claimed subject matter fulfils the traditional criteria for patentability.

While in the United States the software and business method exception has been a judicially-created exception to statutory subject matter, in Mexico Article 19 of the Industrial Property Law (IPL) explicitly excludes methods for doing business and programs for computers from patentability considering that the same are not regarded as inventions:

ARTICLE 19. For the purposes of this Law, the following shall not be deemed as inventions:

III Schemes, plans, rules and methods to carry out mental acts, games or businesses and the mathematical methods;

IV Computer programs

On the other hand, it has been established by the Mexican Institute of Industrial Property (IMPI) as a non-written rule that in order to be patentable, an invention must have a technical and tangible effect.

Thus, at a first glance it could be said that the IPL legal provisions and the interpretation thereof by IMPI with regard to business methods and computer programs are quite different from those in the United States. However, the practice with respect to patentability of these types of inventions during recent years has shown that IMPI is in fact allowing patents in these fields of technology.

Even though no case law or guidelines had been developed in Mexico in connection with the patentability of computer programs and business methods, the criteria adopted by IMPI for allowing these types of cases establish that the invention is patentable as long as the computer program or the business method is not claimed *per se* and that a technical, concrete and tangible effect is obtained by using the invention. In other words, if the claims merely recite the steps for conducting a business method the same will not be deemed as patentable, but if the claims recite the software and/or method of doing business on a communication network wherein steps include network transmission steps, etc and the invention meets the novelty, inventive activity and industrial application requirements then the invention should be considered as patentable.

Additionally, Article 27 of the TRIPs agreement, which defines the subject matter of patentable inventions, does not provide any exclusion of patentability other than those exclusions based on public order or morality, or for diagnostic, therapeutic and surgical methods, as well as for plants and animals. Thus, it may be deduced that TRIPs does not provide any prohibition for patentability of software or business methods, as long as they fulfill the traditional requirements of patentability.

The validity and scope of protection of computer-related inventions, business methods and e-commerce patents in Mexico are still to be tested before IMPI and the courts as no experience exists with patents granted for these fields of technology. In any event, it would be advisable to file patent applications in Mexico for important internet, e-commerce, financial or banking related inventions which comply with the novelty, inventive activity and industrial application requirements.

### **Copyright law**

The internet has also affected copyright law in various different forms, by raising the most challenging and interesting questions and issues. Although principles, including those resulting from the Berne Convention, have remained the same, countries have been calling for new rules asserting copyright rights on the internet, as well as legal remedies for solving disputes produced by the conflicting interests of title-holders, on the one hand, and intermediaries and users of the web,

on the other, who seek access to information following all across the cyberspace.

Mexico has been an active promoter of copyright law and a true participant in the development of an international system of protection. The internet is no exception to this rule. In line with the foregoing, the Mexican delegation participating at the discussions of WCT and WPPT played an active role in the negotiation and adoption of the above international treaties. As of May 18, 2000, Mexico deposited the instruments of accession to the WCT and WPPT. WCT is now pending at Congress while WPPT was approved on March 1, 2000. As a matter of fact, the Mexican Law of 1996, which was adopted prior to the conclusion of the Diplomatic Conference held at WIPO's headquarters in December 1996, already had introduced certain of the provisions that would later become the standards of the treaties.

Accordingly, the Mexican Law of 1996 inserted a "making available" right, as a legal tool to cope with the issue triggered by the use of works of authorship in a digital environment. Likewise, the statute recognized a "transmission" right, independent from the more traditional notion of public performance, and in fact, from the more general concept of "communication to public", as regarded by article 8 of the WCT.

As to technical protection systems, a rule was included aiming at protecting the circumvention of codification mechanisms in computer programs. The rule in the Mexican law has nonetheless a narrower scope than that of what would later become articles 11 and 12 of the WCT. These are not restricted to software only, but are rather regarded as a general norm imposing upon the "contracting parties" an obligation to "provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty or the Berne Convention and that restricts acts in respect of their WORKS, which are not authorized by the authors concerned or permitted by the law" (emphasis added).

Finally, the Mexican statute adopted a notion of "reproduction", which includes the temporary or ephemeral copying of protected works. The Mexican legislator of 1996 was certainly unaware, at the time that the law was passed, that the Diplomatic Conference of Geneva would end up

dropping the drafting of a “reproduction” right in the WCT, as the idea of “ephemeral reproduction”, would have imposed a high burden on internet service providers. By having anticipated the final result at WIPO, Mexican law indeed ruled on the ephemeral copying of works as a form of reproduction, and as a result, will now face the need to introduce for the sake of a proper balancing of equities, a system where limitations to copyright and safe harbour provisions counteract the controlling rights of copyright owners.

### **Database protection**

The Mexican law of 1996 contemplates some provisions regarding the protection of databases. A principal rule states that collections of data or of “other material” perceptible by means of machine or any other form, which by reason of the selection and disposal of their content represent “intellectual creations”, shall be protected as “compilations”. By being considered as “compilations” the law is affording copyright protection to a data base if “original”, protection being thus calculated for the regular term of life plus 75 years. On the other hand, databases which are “not original” shall be nevertheless protected, although for a reduced term of five years.

From the foregoing, it can be seen that, having been inspired by the EU Directive on Database Protection, and naturally on articles 10(2) of TRIPs and 2(5) of the Stockholm Act of the Berne Convention, Mexican law has recognized protection of electronic and non-electronic databases on two different levels. Concerning the first level, the law has imposed the higher standard of originality virtually equal as in copyright law. Although perhaps not as far reaching as Inkasso program’s “Schöpfungshöle” or maybe even Feist, the standard should at least be consistent with that required for computer programs. Indeed, under the foregoing criterion, there would be many compilations and collections of works that may qualify as databases, leading thus to the possibility that accumulative protection may be possible.

Pursuant to the second level, which considers a lower standard of protection, the Mexican law still would offer “*sui generis*” type protection for databases not meeting the requirements needed for a “copyright” type of protection. The law refers under this category to “non original” databases. This may be a slightly unfortunate concept, as it may very

well be thought that it admits any possible form by which data are put together, without a minimum criterion of selection or arrangement. The notion of “non originality” would thus go beyond a “sweat of the brow” standard required by the EU Directive.

The bundle of rights conferred upon the two levels of databases is equal, and includes rights of extraction and reutilization conceptualized as reproduction, transportation, translation, modification, distribution and public communication of the protected database. No exceptions were considered and it also was not made clear whether a rental right would exist.

### **Trade secrets**

The IPL considers as a trade secret information having industrial application, kept confidentially by an individual or corporate entity, which represent a competitive or economic advantage over third parties in the course of economic activities and with respect to which sufficient means or procedures to preserve confidentiality and restricted access have been adopted. Also, the IPL establishes some limitations as to the subject matter of protection by stating that the confidential information of a trade secret must also refer to the nature, characteristic or purposes of the products; production methods or processes; and to the means or manner of distribution or trade of products or the rendering of services.

Furthermore, the IPL establishes additional limitations requiring that the above-referred “confidential information” must be embodied in documents, electronic or magnetic media, optical disks, microfilms, films or other tangible instruments.

The IPL’s trade secret protection is aimed at ensuring:

- (1) That the trade secret is not misappropriated by any person in a confidentiality relationship.
- (2) That the trade secret is not misappropriated by any person outside a confidentiality relationship.
- (3) That those to whom the trade secret is disclosed do not divulge the information or use it without the consent of the holder.

The holder of a trade secret is entitled to use undisclosed material by himself or herself or to disclose it to third parties and confidentiality shall remain protected no matter whether such disclosure is made as a result of an agreement or a labour or professional relationship. Agreements under which technical knowledge, technical assistance or supply of basic detailed engineering is transmitted may contain confidentiality clauses to protect the trade secrets they may encompass, but shall set forth the aspects they comprise as confidential.

Finally, the LIP has established that trade secret theft will be pursued through criminal actions. Accordingly, criminal sanctions are available in case of non-authorized disclosure misappropriation "and unauthorized use" of the confidential information contained therein. Notwithstanding this situation, trade secrets are not protected when appropriated by proper means such as reverse engineering or by independently creating, discovering or inventing them.

## **COMPUTER SOFTWARE AND THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA): WILL MEXICAN LAW REPRESENT A TRADE BARRIER?**

*Computer Law & Practice, Vol. 9, no. 4, 1993.*

### **Introduction**

#### **Mexico, modernity and free trade**

Nowadays there is probably no country in the world not trying to modernize through protection of intellectual property rights. Structures, systems and forms can be diverse and vary, however, depending on the level of development achieved by each particular country.

Since 1983 Mexico has conducted a structural change of former industrial protectionist policies, by slowly opening its borders to international trade, technology and investment. Internal modernization rules and policies have been introduced<sup>3</sup> and, as a result, international competitiveness and economic development have been more perceptible. This dynamic process of development has also been apparent in the increase of exportations of finished products.<sup>4</sup>

The economic perspective of the world is also changing. This is mostly perceived, on the one hand, by regionalism projects in Europe and the Pacific Rim and, on the other hand, by the collapse of communism, followed by the need of former socialist countries to start new forms of development based on free market principles. These historic changes and trends have led Mexico to find partners and alliances in the international community. The problem has been where to look. To the south, Mexico shares historic and cultural identity with practically every Latin American State; however, there is not a large trade existing among these countries.<sup>5</sup>

There are thus very strong reasons why Mexico has looked north instead. Geographically speaking, Canada, the US and Mexico total a population of 356 million inhabitants and an internal gross income of 6 million US currency (cy). Likewise, commerce between Mexico and its neighbours to the north has increased significantly. The US represents Mexico' s principal partner, whereas Mexico constitutes the US's third partner only, after Canada and Japan.<sup>6</sup> With respect to Canada, a

stronger and more important commercial relationship has been developing of late. One reason has been that both countries complement each other as regards diversity of climates and natural resources. Also, an active trade of manufactured goods can be added.<sup>7</sup> Lastly, the free trade agreement of January 1988 between Canada and the US has positively fostered commercial flux and investments by reducing tariff barriers, by eliminating non-tariff barriers and by implementing mechanisms for the solving of disputes.

### **Trade and intellectual property around the world**

Because one of its principal aims is the free movement of goods, free trade would never develop properly if intellectual property rights are not protected. Article XX(d) of the General Agreement on Tariffs and Trade (GATT)<sup>8</sup> and Article 36 of the Treaty of Rome,<sup>9</sup> have been fundamental for the balancing of the interests of traders and intellectual property owners.<sup>10</sup> Both GATT and the Treaty of Rome, as international multilateral conventions regulating trade, seek a system in which unfair trade practices and anti-counterfeiting measures are effectively enforced.

Thus, at the GATT's Uruguay Round trade discussions, numerous submissions were brought to the parties' attention, 'outlining trade problems encountered in connection with new works of authorship, including books, periodicals, audio and video works, television programming and computer software'<sup>11</sup> The industrialized countries spearheaded the move to include intellectual property rights on the Round's agenda. Moreover, they proposed the drafting of an anti-counterfeiting code that would establish a comprehensive package of minimal standards of protection for copyrights, patents, trademarks, trade dress, mask works and trade secrets'.<sup>12</sup> The code should be in harmony with traditional conventions on industrial property<sup>13</sup> and copyright.<sup>14</sup>

Industrialized countries have maintained that under a trade agreement like GATT, a particular member country that offers weak, inadequate and ineffective protection of intellectual property has to be considered a significant and growing non-tariff barrier to trade in goods and services'.<sup>15</sup> On the other hand, developing countries, led by the block known as the 'group of ten',<sup>16</sup> have opposed the code 'and argue in

favor of leaving these questions entirely to the World Intellectual Property Organization (WIPO), which administers copyright and industrial property Conventions'17 In summary, developing countries are satisfied with the idea that the minimum standards in WIPO's conventions could continue to be internationally applied, due to the fact that such standards are low and will remain so in the future. Thus, they will continue to oppose the industrialized countries' attempt to use GATT as a vehicle to increase minimum standards of protection and establish new specific rules on enforcement and dispute settlement.

### **Mexico looking forward to NAFTA**

Mexico is conscious that in order to reach the status of 'developed country' much has to be done, especially in the field of intellectual property rights protection and enforcement. Steps have been taken already in this regard; in 1991 a new statute regulating patents and trademarks was implemented18 and amendments to the copyright law were introduced.19 As to international trade protection, Mexico fully supports GATT's principles, including application of Article XX(d) of said treaty.

Accordingly, Mexico expects that NAFTA will be compatible with GATT20 and, in the field of intellectual property, Mexico also seeks adequate protection for Mexican inventors and authors, and the free flow of new foreign technologies and capital into the country.21 In fact, the intellectual property talks have been stalled over the so-called 'Agreement on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeiting Goods (TRIPS)',22 which has now been backed by Mexico. Therefore, and as explained above, in order to be compatible with the foregoing general principles, the Mexican system of intellectual property protection must offer an adequate level of protection to nationals and foreigners. Let us now analyze the system and determine whether or not it does.

The Mexican Copyright Law has evolved from the civil law system adopted by that country as a consequence of the 16<sup>th</sup> Century Spanish Conquest. After the Mexican War of Independence ended in 1821, a series of constitutions followed which recognized among other basic rights the need to properly protect authors and inventors with respect to their creations.23 The Constitution of 1917,24 which is still in effect in

Mexico, viewed patents and copyrights as permitted monopolies or, in other words, as exclusive rights or 'privileges',<sup>25</sup> limited in time, conferred upon the authors and artists with respect to the reproduction of their works and to persons inventing or improving upon inventions for the exclusive use of their inventions.<sup>26</sup> Accordingly, as a result of the free market economic principles set by the 1917 Constitution, monopolies, trusts and cartels became practices against the Constitution itself except, among others, for those 'privileges' constituting the exclusive rights of authors and inventors.<sup>27</sup>

Since Mexico became independent, various copyright laws have been enacted. A specific law was implemented in 1946,<sup>28</sup> but then the civil codes of 1870,<sup>29</sup> 1884<sup>30</sup> and 1928<sup>31</sup> undertook the regulation of copyright. A more complete and systematic approach for the regulation of copyrights was introduced with the Federal Copyright Law of 1947,<sup>32</sup> followed by the Federal Copyright Laws of 1956<sup>33</sup> and 1963 (this latter law still being in effect).<sup>34</sup>

## **Principles of Mexican copyright law**

### **The author**

Mexican copyright law is definitively oriented towards the author's rights.<sup>35</sup> The flesh and blood person called the 'author'<sup>36</sup> — or 'authors' in the case of collective works<sup>37</sup> — is the main object of protection. In keeping with this, Mexico, like most other countries with a legal system derived from Roman law, strongly encourages protection of the author's personality, a situation which is reflected in the concrete application of basic copyright principles such as originality,<sup>38</sup> the expression/idea dichotomy<sup>39</sup> and fair use.<sup>40</sup>

### **The work of authorship**

A work is the personal, intellectual creation or expression of human sensibility, talent and ingenuity. A creation meeting the above criteria, that is to say it is an individual creation, complete, unitary and representing or meaning something,<sup>41</sup> will be granted full protection under Mexican copyright law. Likewise, Mexican copyright law requires that the work be embodied in a tangible medium of expression. It is indeed the act of creation, and fixation of the author's creation, in a material and durable form that leads to copyright protection.<sup>42</sup>

However, it will always be the intangible element — human creation— that will be protected and not the medium or corpus mechanism in which it is embodied.<sup>43</sup>

### **The rights**

Mexican copyright law states that there are two fundamental types of rights, namely moral and patrimonial rights. Moral rights are the purest manifestation of the author's personality in copyright. They cannot be transferred, sold or assigned because they are both inherent and integral to the author, who holds them permanently and perpetually, during and after his or her life. Also, it is not possible for the author to renounce his or her moral rights; they cannot be pledged and they never prescribe.<sup>44</sup> According to Mexican copyright doctrine, moral rights constitute the dividing line between intellectual property rights and actual property/properties.<sup>45</sup> There are various categories of moral rights, of which Mexican law has indirectly recognized some,<sup>46</sup> but expressly has recognized only the paternity right<sup>47</sup> and the integrity right.<sup>48</sup>

On the other hand, patrimonial rights can be transferred, licensed or in any other way disposed of by the author, or by the assignee or copyright owner in the case of a 'work-for-hire' relationship, and its duration is temporary.<sup>49</sup> Just as in the US and other jurisdictions, patrimonial rights contemplated by Mexican law can be divided into the five well-known categories of reproduction, distribution,<sup>50</sup> control of derivative works,<sup>51</sup> public performance and display.

### **Formalities**

Finally, Mexican copyright law subscribes to the principle of absence of formalities as to registration and use of copyright notice of the Interamerican Conventions and the Berne Convention for the Protection of Literary and Artistic Works. Accordingly, Berne Convention standards<sup>52</sup> were introduced into Article 8 of the 1963 Copyright Law, which states that there is no need to register a work in order to protect it. As mentioned before, protection of a work arises out of the very act of creation, and registration only recognizes or confirms such previously constituted rights. Notwithstanding the foregoing, registration represents prima facie evidence of copyright ownership.<sup>53</sup> Thus, in case

of a dispute over rights, the burden of proof would be borne by the contesting party.

By application of the Berne Convention, the principle of absence of formalities extends to foreign authors who are nationals of Union countries,<sup>54</sup> or if not nationals of Union countries their works have been published<sup>55</sup> in one country of the Union, or they have permanent residence in one of them.<sup>56</sup> Similarly, the Interamerican Convention confers protection to member State authors and foreigners domiciled in member States, without registration, deposit or formalities.<sup>57</sup> Therefore, in the case of enforcement, a Mexican court would most likely recognize applications of the principle of absence of formalities to all foreign works whose authors are nationals of Berne Convention or Interamerican Convention countries, but not to nationals of countries with which Mexico has only Universal Copyright Convention relationships or no reciprocity relationships at all.<sup>58</sup>

The principle of absence of formalities also covers the copyright notice requirements.<sup>59</sup> However, Mexican copyright law states that if proper notice is not displayed in a visible place, the publisher will be liable for the sanctions prescribed by the law,<sup>60</sup> but this will not result in loss of copyright.<sup>61</sup> Regarding recordation of agreements, the law provides that those entered into by authors modifying, transmitting, encumbering or extinguishing patrimonial copyrights shall produce effects after they are recorded with the Copyright Office.<sup>62</sup> It should be understood that only agreements representing transfer, modification or extinction of copyrights have to be recorded; work-for-hire agreements do not fall within any of the cited categories. Also, recordation is not mandatory for agreements entered into by two publishers or other corporations with no participation of the authors. Otherwise, there are no restrictions imposed by the law to scrutinise and approve recordation of agreements; the intention of the contracting parties governs copyright relationships between authors and publishers.<sup>63</sup>

On 8 October 1984 the so-called 'Acuerdo 114 of the Public Education Secretariat' was published in the Official Gazette of the Federation. This resolution, although not binding as a statute of Congress, manifested the first intention of the Mexican government to recognize protection of computer programs. It is not clear why the government chose to regulate software through an administrative resolution and not through

enactment of a statute. There is also no legislative history indicating why the Mexican government decided to protect computer programs through copyright law and not through patent law. We believe that Mexico just followed what WIPO [65](#) and other countries[66](#) had done at that time.

'Acuerdo 114' contains a provision stating that computer programs were deemed to be works of authorship under the terms of the Federal Copyright Law. Copyright protection and registration[67](#) thus became available in order to avoid infringement by unauthorized third parties, violations of these types of works having unique characteristics. These particular characteristics resulted from the contents of the program itself as well as the tangible medium in which they are embodied. Registration was thus accepted for computer programs under a rationale akin to the role of doubt (applicant's good faith would be presumed without affecting third parties' rights).

### **Federal Copyright Law of 1963**

The 'Acuerdo' was considered for a long time as the guiding principle of computer program copyright protection; however, the Copyright Law of 1963 was deemed applicable as providing the general framework of protection of these types of works. This curious situation endured for approximately seven years. As a result, the Copyright Office started granting registrations for operating systems and applications programs presented either in source code or object code. Registration required the filing of the first ten and last ten pages of said object code, source code or both.[68](#) A brief description of the computer program and a listing of its directory were required as well.[69](#) Finally, the applicant was entitled to file samples of the program in any known tangible form of expression. If these media were different from printed paper, the applicant was required to file the first ten and last ten pages in question, which were returned to him or her with corresponding annotations.[70](#)

### **Amendments of 1991**

With the passage of time the 1963 law needed to be reformed as it was increasingly unable to cope efficiently with the complexity of legal problems in the software industry. Of the issues that emerged from the use and commercialization of software, growing piracy bears first

mention. There was practically no understanding in Mexico of the rights that computer program authors and publishers had with respect to their works of authorship. Likewise, it was difficult to know the obligations of the public relating to the reproduction of the programs. 'Acuerdo 114' had fallen behind actual needs and trends. Accordingly, on 30 October 1985, the 'Asociación Nacional de la Industria para Programas de Computadoras', a national organization better known as 'ANIPCO', published a document proposing a series of amendments,<sup>71</sup> which some years later became the foundation of the 1991 Copyright Law amendments.

The ANIPCO memorandum, among other matters, suggested the recognition of computer programs as a new category, independent of the more traditional types of works. It also raised the possibility of restricting reproduction to a single back-up copy of an original program, and duration of the protection to life plus 30 years, granted not to the author but to the publisher.<sup>72</sup> Computer software differs from other classes of works in that it manifests problems with respect to moral rights, in as much as development of programs is frequently undertaken by groups of 20 or 30 programmers or even more. This situation creates a conflict due to the fact that it is difficult to determine the participation of each programmer; one may not even know about another programmer's contributions. ANIPCO therefore proposed that moral rights with respect to computer software could be waived. Furthermore, ANIPCO suggested that a system should be implemented that restricts access to software registration records filed at the Copyright Office without the express consent of the copyright owner. Finally, ANIPCO's recommendation included an increase in penal and economic sanctions for the non-authorized reproduction of programs, including manuals and non-literal elements.

As mentioned, ANIPCO's voice was heard by Mexico's Congress and most of its proposals were incorporated into the Copyright Law. The 1991 Amendment<sup>73</sup> intended to improve significantly copyright protection for computer programs in Mexico, and regulations to the law should be promulgated soon. Anticipating NAFTA, and with the goal of raising the standards of protection to a level that compares favourably with that of other countries, more effective and meaningful enforcement procedures were implemented. However, the amendments met with

both national and foreign criticism, before<sup>74</sup> and after<sup>75</sup> their enactment.

To reiterate, Articles 7(j), 18(f), 132(II) and 135(III) were modified or augmented. Initially computer programs were considered expressly to be a separate category of works of authorship.<sup>76</sup> Although not intended by the drafters of the amendments, the idea of establishing some degree of differentiation between this type of works and others of more traditional character is proper in a country in which the author's rights system prevails.<sup>77</sup> Article 7 of the Copyright Law grants equal protection, without distinction, to all of the listed categories of works. Likewise, as with any other type of literary or artistic works, its non-literal elements<sup>78</sup> are protected in the same manner as the outlines, sketches, plots, plans and drafts of other works, without having to mention it expressly in the law. However, as a result of the pressure that NAFTA's US negotiating team has put on the Mexican government to classify computer programs as literary works, new changes to the law will surely come up in the future.

The back-up copy provision of Article 18(f) of the Copyright Law<sup>79</sup> was inspired by Article 117 of the US Copyright Act.<sup>80</sup> Nonetheless, such provision is unclear as to whether 'back-up' copy means the one loaded onto the hard disk of a computer, or whether the original floppy disk would become the back-up copy once it is loaded onto a hard disk.<sup>81</sup>

As regards adaptation of programs, anyone may produce derivative works and use them for personal purposes; however, in accordance with the Copyright Law the publication or public use of the adaptation requires the prior authorization of the copyright owner.<sup>82</sup>

Article 132(III) incorporates ANIPCO's proposal by establishing an exception to third parties' access to records filed with the Copyright Office relating to computer programs. This was made with the primary purpose of protecting trade secrets embodied in the programs. In fact, the prefatory statement or legislative history of Article 132(III) states that it should be borne in mind that configuration of software 'constitutes the essence thereof'<sup>83</sup> and public information on the subject should be restricted. Otherwise, access to this type of work by the public would be tantamount to disclosing its creative features.<sup>84</sup>

Finally, enforcement of rights, intellectual property infringement and counterfeiting, both of locally manufactured and imported products, have been problems in Mexico in recent years. Therefore, the existence of adequate and effective means by which intellectual property owners can enforce their rights is an important free trade agreement issue that confronts Mexico. Consequently, in addition to a strong copyright law protecting computer programs, effective civil and criminal remedies are needed as well, such as border controls and stringent anticounterfeiting measures. The Copyright Law contains a chapter prescribing remedies and sanctions. Both criminal and civil damages actions are contemplated.<sup>85</sup> Also, in addition to the application of the Federal Codes of Civil and Criminal Procedure, this chapter of the Copyright Law authorizes civil judges and criminal prosecutors to seize illegal copies.<sup>86</sup>

The 1991 Amendments to the Copyright Law introduced a criminal penalty of up to six years in prison and significant fines for the unauthorized reproduction of computer programs for the purpose of gain. This 'for purpose of gain' feature has been a bone of contention. However, 'gain', or its Spanish translation 'lucro', refers not only to the profit directly obtained from the sale or exploitation of a certain good, but also to the indirect benefit or advantage, which would not necessarily require pecuniary gain.<sup>87.88</sup> This newly introduced criminal remedy has been recently tested by the Business Software Alliance (BSA) <sup>89</sup> and much success is expected in the near future.

### **Software collecting societies**

On 27 February 1992 the Copyright Office registered a collecting (or author's) society which, among other purposes set by the law, intends to collect jointly its members' royalties deriving from the use of software.<sup>90</sup> The creation of the society has surprised more than one commentator, however. The problem is twofold. First, collecting societies in Mexico are entitled to collect royalties arising from the public performance of works of authorship without the express authorization of the author.<sup>91</sup> Moreover, according to the Copyright Law, collecting societies are not authorized to collect royalties arising from the reproduction and distribution (publication) of copies of the program, if no express power of representation is granted by the author.<sup>92</sup> Secondly, rights to collect royalties derived from publication of software (or mechanical rights, using the terminology employed in the music

industry), are vested only in the author or his authorized representative. Furthermore, as most computer programs are produced under work-for-hire relationships, employers and contracting parties that purchase software development services, rather than 'authors', are frequently the rightful owners of such collection rights.<sup>93</sup>

### **Non-literal elements**

From the above, there is no doubt that literal codes of computer programs are protected in Mexico as forming part of the final product ready for use by a machine. Partial or total copying of these features leads to copyright infringement. On the other hand, there must be a dividing line between such protected expression and the unprotected idea or overall purpose of the program. But would the non-literal aspects of the program be protected in accordance with Mexican law?

These uncharted waters lying between idea and expression, constituting the program's 'structure, sequence and organization' (SSO), have not been addressed by either the Copyright Law or by the courts.<sup>94</sup> 'Look and feel' and user interface issues also have not been explored.

Notwithstanding this situation, the Copyright Law of Mexico should protect non-literal features of programs on a case-by-case basis if they form part of the program's expression and not the idea.<sup>95</sup> Although not all transitions between the several stages of program development are fixed, identified or even utilized in the final product (i.e. flow charts), from a copyright law point of view software development in all its phases can be regarded as a process of work completion which eventually aims at the production of an operational computer program'.<sup>96</sup> As mentioned, the Mexican Copyright Law grants protection to sketches, outlines, plots, rough drafts, etc., to all categories of works and the SSO and displays of computer programs are no exception.<sup>97</sup> However, it remains to be seen whether a Mexican court, especially of criminal jurisdiction, would enforce such rights in an action grounded in the unauthorized copying of programs. It is not clear whether this language is wide enough to apply not only to direct reproduction of the program, but also to infringement of non-literal features.

## **Databases**

It is also unclear whether databases are protected by copyright, because the Mexican Copyright Law extends protection to artistic and literary expressions which are the result of sensibility and talent rather than products of 'sweat of the brow'.<sup>98</sup> There is also no specific provision in the Law that refers to data base protection. Nevertheless, in Mexico as in the US,<sup>99</sup> facts and collections thereof are not the subject matter of protection, but compilations are protectable if there is originality as to selection, arrangement and co-ordination of such facts.<sup>100</sup> Under the above standards, a simple list of names in alphabetical order would probably not be protected. On the other hand, if the compilation meets a certain threshold of originality, it will be protected regardless of whether it is embodied in electronic or non-electronic media.

## **Free trade and computer software: two systems vis-à-vis**

### **Evolution of author's right and copyright systems**

Copyright law evolved differently in England from Continental Europe. However, there are common roots to both Anglo-American and Continental European (and Latin American) copyright systems in the censorship of the press during the 15th Century and the monopolistic privileges granted by sovereigns, the church and universities.<sup>101</sup> Later, while in France the Crown began to control the press, in England the Stationers Company gained control as the Crown invested it with extraordinary powers to print, search and seize when the writings were not 'licensed' by official censors.<sup>102</sup> As a result of the increase in piracy throughout Europe due to the monopolistic press, a struggle arose and the right to control publication reverted to the author in France and remained with the Stationers Company in England. This evolution led these two countries to take different courses with regard to copyright protection of authors and their works.<sup>103</sup>

The fundamentals of the French approach are highlighted by the emphasis given to moral rights (theory of personality), whereas in England and later in the US, the focus has been on the control afforded by copyright over initial disclosure of works (common law theory of privacy).<sup>104</sup>

## **Two different systems, two confrontations**

First confrontation: the formation of the international network of treaties. Internationalization of copyright was first realized when works produced within one country began to reach other countries. This was due in part to piracy triggered as a consequence of the monopolistic practices of the Crown and publishing companies seeking to control the press. International agreements were resorted to resolve trade conflicts in Europe and the Americas. During the 19th Century many such agreements were reached. Later, these agreements were superseded by multilateral treaties, of which the Berne Convention is considered the most important. Its fundamentals were national treatment and absence of formalities under a system of minimum rights to be complied with and fostered among the subscribing parties.<sup>105</sup> Moral rights were also strongly encouraged by Berne, which resulted in rejection by certain of the 'copyright system' countries. In fact, the US did not join the Berne Convention until 1988. <sup>106</sup> Almost 60 years after the formation of the so-called Berne Union, a new international treaty was enacted with the purpose to tie non Berne countries, such as the US at the time, to other countries both inside and outside the Berne Union, but not to tie Berne countries to each other.<sup>107</sup>

### **Second confrontation: EC Directive on Software Protection**

Professor Gellor has stated that the only real differences between copyright and author's rights systems are the term of duration of rights, the definition of author and the style in which legislators fashion rights.<sup>108</sup> However, this opinion is not shared by other authors, especially some of those in countries whose legal systems derive from Roman law. The EC Directive on Software Protection, also known as the 'Green Paper',<sup>109</sup> is a good example of a confrontation between the two legal approaches to protecting authors. The Directive represents an attempt to harmonise copyright laws in the European Community. Nevertheless, as fundamental principles like originality were given an 'Anglo-Saxon' interpretation, a conflict resulted.<sup>110</sup>

Originality is a very sensitive issue, differently conceived by the copyright and the author's rights systems. Whereas the copyright system presupposes 'independent Creation' and 'modest quantum of creativity' under the theory that the work owes its origin to the author—

who can be either a natural or a collective person — the author's rights system highlights a 'personal creation' standard as an arbitrary manifestation of the personality of the author— always a flesh and blood person — or what is known as the imprint of the author's persona'.

The Green Paper adopted copyright protection for computer programs because this approach has shown the capacity to adapt to new technologies, it does not limit independent creation as does patent law, and it protects the expression of ideas but not the ideas themselves, which leads to a balanced solution between inadequate and excess protection.<sup>111</sup>

The 'Roman' countries of the EC have had difficulty dealing with such ideas. Certain countries find it virtually impossible to fit the 'independent creation' standard within an author's rights system. If a work is considered the expression of the author's personality it is simply unthinkable that the same works could be repeated. In essence, computer programs are ruled by functionality, in as much as they are oriented to accomplishing a utilitarian result (i.e. developing a word processing program, a spreadsheet, etc.). On the other hand, the traditional 'work' has no particular utilitarian objective, as authors' expressions are arbitrary and unique in nature.

In addition, under the Latin-Germanic approach, computer programs differ from other works in that non-literal elements of the computer program are so linked to the program itself that they are only protected if they are essential to the program's creation. In other words, non-literal elements are only protected if they finally lead to the creation of the program. With other types of works, underlying elements are protected independently of the work itself.<sup>112</sup>

Germany and France have tried unsuccessfully to adapt the Anglo-Saxon view of originality into their own systems. In Germany the Federal Supreme Tribunal in *Inkassoprogramm y Entscheidung*<sup>113</sup> used the criterion of 'Durchschnittsgestalter', probably equivalent to the Anglo-Saxon standard of individual functionality, finally leading to a 'statistic originality' or objective novelty of patent law.<sup>114</sup> Likewise, in the *Pachot* case the French Court of Cassation<sup>115</sup> applied the 'individual effort' criterion, but an individual effort can be made by any person without necessarily producing a work of authorship. The point of citing these two

cases is that none of the aforementioned ideas were applicable in Germany and France, both of whom had a hard time trying to fit them into their national systems (in which an original work is necessarily linked to the persona of its author).<sup>116</sup> As a result, EC Continental European countries have finally decided to follow originality based on 'personality rights' for all literary and artistic works of authorship and to apply originality standards based on 'independent creation' and 'modest quantum of creativity' to computer programs.<sup>117</sup> The situation as explained above has shown the different directions taken by the countries subscribing to the Roman law standpoint and the countries following the Anglo-Saxon view. NAFTA will surely bring up a third confrontation, now transporting the issue to North America. The question here is which of the countries involved will have to modify its copyright system? For many reasons everything seems to indicate that Mexico will be the one having to finally adapt Anglo-Saxon formulae into its own very well-grounded system, at least as regards computer software protection. This expectation has started to manifest as the 1991 Amendments have granted a different treatment to computer programs with respect to the rest of the copyrightable works. Thus, as long as software remains protected by copyright, it will be a constant conflict to fit it within this subject 's framework; Mexican Copyright Law principles will suffer the same consequences as those experienced by the laws of many other Roman law system countries.

The first statute to regulate patents in Mexico was implemented on 7 May 1832.<sup>118</sup> Since then, further legislative Acts were enacted on 7 June 1890,<sup>119</sup> 25 August 1903,<sup>120</sup> 27 July 1928,<sup>121</sup> 31 December 1942,<sup>122</sup> 10 February 1976<sup>123</sup> and the recent Law for the Promotion and Protection of Industrial Property (LPPIP) of 27 June 1991.

### **Principles of Mexican patent law**

Mexican patent law recognizes as patentable inventions that are novel, the result of an inventive activity and susceptible to industrial application.<sup>124</sup> Every human creation that allows matter or energy existing in nature to be transformed, for exploitation by man, through the immediate satisfaction of a specific need, is considered to be an invention. Processes or products for industrial applications are included among inventions.<sup>125</sup>

Novelty' under Mexican law is interpreted narrowly as something different from that which preceded it.126 It means anything not found in the state of the art, nor known to others prior to the date that the patent application is filed. The concept of novelty is absolute in as much as there is no limitation in applying the principle; the invention will not be deemed novel if it has become public through oral or written description, by exploitation or by any other means of dissemination or information, whether domestic or foreign.127 Furthermore, the law defines 'inventive activity' as a creative process, the results of which are not apparent from the state of the art to a person with technical knowledge in that field.128 The foregoing definition is somewhat equivalent to the non obviousness principle in the US Patent Act.129

The third requirement of patentability turns on the industrial application of the invention. The law defines it as the possibility that any product or process will be made or used, as the case may be, in industry, including agriculture, ranching, fishing, mining, so-called transformation industries, construction and all types of services.130

### **Computer software not classified as inventions**

Among the basic provisions that delineate patent law in Mexico's LPPIP, is one providing a list of items not deemed as inventions, in which theoretical or scientific principles131 and computer software132 are included.133 The nonpatentability of theoretical or scientific principles is a clear and justifiable position and includes algorithms in the abstract. On the other hand, algorithms should be protectable if claimed for a specific purpose or directed to a specific application. The Freeman-Walter-Abele test134 is compatible with the aforementioned provision of Mexican patent law.135 However, it is not clear why the Mexican Federal Congress expressly excluded computer software as an invention. This situation not only appears to be incorrect, but it contradicts the conclusions that have been reached about the patentability of algorithms when directed to specific purposes. Computer software is a complex technology or 'legal hybrid',136 with specific features that are in part copyrightable and in part patentable.137 'However, for these hybrids, it is likely that patents would only protect a small portion of the innovation, and that "powerful reproduction rights and long term of protection [of copyright] implemented cultural policies that are largely irrelevant to the needs of a competitive market".138

Accordingly, it is unfortunate that the existence of such a provision under the LPPIIP could not only bar protection for programs embodied in computer related technology, but the functional aspects of the program and the algorithm specifically applied as well. The inventive portions of computer programs should represent patentable subject matter, as long as they comply with novelty, inventiveness and industrial application standards.

### **Circuit layouts**

Mexico has not yet implemented any special or sui generis legislation regulating circuit layouts, unlike other countries.<sup>139</sup> It is unlikely that copyright protection would be available for circuit layouts as the structure of the layers, although they may reflect some originality and contain patterns that probably manifest some creativity as photographs, are too functional as to qualify for this type of protection. Mexican copyright law and practice disfavours the protection objects which are primarily functional (although they may have some artistic merit). Furthermore, not every chip topography is produced as a photographic mask and, therefore, copyright protection would only extend to those chips produced as photographs.

The only protection that remains available for semiconductor chip products, including its layers, is patent law. This does not mean that patent protection represents the best protection possible. Under patent law the novelty, non-obviousness and industrial application standards would be applicable. The definition of invention in the patent law is broad enough to encompass circuit layouts embodied in semiconductor chips. However, the risk that this type of protection would fail is high, because while patent protection offers a more complete protection to inventions in general than would a sui generis 'mask work'

Like legislation or even copyright legislation, it could also prevent development of creativeness in this industry. Also, as in most countries in the world, patent prosecution is more costly and time consuming than copyrights.

## **Trade secrets**

### **Trade secrets and Mexican industrial property law**

For a long time trade secrets were protected and sanctioned by the Criminal Code<sup>140</sup> and were considered to be of State jurisdiction until recently, when the LPPIP was implemented and new rules were introduced in this field. Accordingly, the LPPIP created a whole new title<sup>141</sup> in which, first of all, it employed the term 'industrial secret' to refer to what is known in the US as 'trade secret'. Notwithstanding such term is narrow, it has a much broader legal meaning than mere secrets relating to manufacturing techniques and industrial processes, and comprises 'trade' or 'commercial' secrets as well. Both industrial and commercial secrets are recognized by the LPPIP as covering valuable information that is protected due to its confidential character.

In line with the above, the LPPIP considers as a trade secret information having industrial application, kept confidentially by an individual or corporate entity, which represents a competitive or economic advantage over third parties in the course of economic activities and with respect to which sufficient means or procedures to preserve confidentiality and restricted access have been adopted.<sup>142</sup> Also, the LPPIP has established some limitations as to the subject matter of protection, by stating that the confidential information of a trade secret must also refer to the nature, characteristics or purposes of the products; production methods or processes; and to the means or manner of distribution or trade of products or the rendering of services. Since the LPPIP was implemented it has been discussed whether the words 'production methods or processes' are wide enough to include not only production activities but repair and maintenance activities as well.<sup>143</sup>

Furthermore, the LPPIP established additional limitations requiring that the aforementioned 'confidential information' has to be embodied in documents, electronic or magnetic media, optical disks, microfilms, films or any other tangible instruments.<sup>144</sup>

The information subject to confidentiality needs to meet particular standards. Firstly, it has to be undisclosed matter known to an individual or corporate entity, whose attitude is oriented towards keeping such information private. Also, the LPPIP does not require absolute secrecy;

in this respect, the definition of the LPPIP provides that the holder of the trade secret needs to adopt sufficient means or procedures to preserve its confidentiality and restrict third parties' access to the information. Likewise, information in the public domain, which is obvious to a person with technical knowledge in the field, or which has to be disclosed by virtue of the law or by a court order, shall be not considered as a trade secret. In this respect, the information submitted to any governmental authority by a person possessing the same as a trade secret will not be deemed to fall into the public domain or be disclosed by virtue of the law, when it is submitted for the purposes of obtaining licenses, permits, authorizations, registrations or similar items. LPPIP's trade secret protection is aimed at ensuring that:

- (a) the trade secret is not misappropriated by any person in a confidentiality relationship;
- (b) the trade secret is not misappropriated by any person outside a confidentiality relationship; and
- (c) those to whom the trade secret is disclosed do not divulge the information or use it without consent of the holder.

The holder of a trade secret is entitled to use undisclosed material himself or herself or to disclose it to third parties, and confidentiality shall remain protected no matter if such disclosure is made as a result of an agreement<sup>145</sup> or a labour or professional relationship.<sup>146</sup> Agreements under which technical knowledge, technical assistance or supply of basic detailed engineering is transmitted may contain confidentiality clauses to protect the trade secrets they may encompass, but shall set forth the aspects they comprise as confidential. Finally, the LPPIP has established that trade secret theft will be pursued through criminal actions. Accordingly, criminal sanctions are available in cases of non-authorized disclosure,<sup>147</sup> misappropriation<sup>148</sup> and unauthorized use<sup>149</sup> of the confidential information contained therein.<sup>150</sup> Notwithstanding this situation, trade secrets are not protected when appropriated by proper means such as reverse engineering or by independently creating, discovering or inventing them.

## **Trade secret protection applied to computer software**

Nothing has been said with regard to the applicability of trade secret law to unauthorized use, appropriation, disclosure and decompiling of information contained in a program. In this respect commentators have sustained that 'Computer software possesses characteristics which make it a unique form of intellectual property. It is extremely portable and is easily misused or misappropriated. Expensive programs, requiring valuable time and expertise, can be copied for a small fraction of the development costs'.<sup>151</sup>

Computer programs are processes for processing information automatically by a machine and are thus compatible with industrial processes that have been employing trade secrets status for years.<sup>152</sup> The structure of programs is comprised of a series of levels and stages until they reach a machine readable form.<sup>153</sup> Copyright law protects all those steps and, according to Mexican trade secret law, it should cover extensively all those undisclosed features of the program of which secrecy measures have been taken by its holder, and protect them against unauthorized use and disclosure and misappropriation in terms of the LPPIP. As mentioned, these three types of improper conduct have been found in relationships of confidentiality, such as employer-employee;<sup>154</sup> however, the LPPIP does not apply to discovery by innocent means and reverse engineering.<sup>155</sup>

An issue has arisen when the program is distributed to the public, where its design could easily be discovered by third parties with no link to the secret holder. Programs are typically distributed in machine language form in Mexico as well as in the US.

'Machine language programs do not have to be assembled or compiled by the user; they are ready to be loaded into the computer and executed. In addition, distribution in machine language form has the side effect that it is difficult for others to look at the program code and understand how the program works. This can help to keep secret those elements which give programs a competitive advantage.'<sup>156</sup>

Users of programs are sometimes able to understand the design and structure of a program by decompiling' it.<sup>157</sup> In order to achieve this result, they need to translate the program in object code or machine

language program into a source code or high level language and, according to copyright principles, translation of works presupposes the production of a derivative work. In Mexico everyone is free to create derivative works, but such type of works cannot be used or exploited without the consent of the original work's copyright owner. Therefore, the program's user is allowed to decompile the program but will be only entitled to use or reproduce the idea and public domain aspects circumscribing such program<sup>158</sup> and, if the expression is copied, it would represent a copyright infringement.

### **Shrink wrap licenses**

Producers have taken additional steps and measures against decompilation of their programs by licensing them to customers under an obligation of confidence or non-disclosure. This is made mostly through a legal mechanism called 'shrinkwrap licence', which in Mexico is a kind of adhesion contract, with many particularities. As its name indicates, the license is wrapped or packaged but any way visible on the exterior of the bag or box serving as container. The user will accept the license's terms and conditions if he or she opens the wrapper. The principal clauses of the agreement relate to limitations on behalf of the user to decompile, disassemble and copy the program. In Mexico enforceability of shrink wrap licenses could represent an issue in the future (and not precisely with regard to copying limitations as they are supported by the law itself). The problem is rather oriented towards decompilation and disassembly of the program, considering that a contract limitation of that kind could lead to illegality problems, due to the fact that nobody can be deprived from creating a work of authorship from an original underlying one. In addition, there are other issues of which a software producer has to take care, as Mexican civil law requires that an adhesion contract is represented in a written form and is properly accepted by the contracting parties (this is principally through the signing of the corresponding agreement).<sup>159</sup>

Lastly, despite what has been mentioned above, Mexican and foreign software producers are recommended to establish non-disclosure measures through confidentiality agreements, restricting the copying, decompiling, disassembling, non-authorized use and disclosure and misappropriation of the licensed programs.

## Conclusions

Mexico has been facing changing times for almost one decade and new international trade, investment and intellectual property policies have been introduced, which have brought renovation and a higher level of economical development. An environment of openness has surrounded free trade agreement negotiations with its neighbours to the north. Copyright and industrial property laws have improved significantly in recent times, but there is still much to do to reach a higher standard of protection and rights enforceability as in other developed countries. In the field of computer software law, Mexico will have to be prepared and deal with new complex issues which have been testing other countries' intellectual property laws. Accordingly, as regards copyright, courts and governmental authorities will have to bear in mind that protection offered by the law extends to non-literal portions of computer programs and databases and that criminal provisions should consider plagiarism as a form of reproduction. Also, they are encouraged to apply to computer software the same type and level of protection that copyright laws grant to the rest of the works of authorship, as long as software remains protected by this branch of intellectual property law. Copyright law fundamentals will be constantly challenged, tested and interpreted, as has happened lately in Europe, and most probably they will need significant arrangements in order to cover computer software sharing characteristics with other type of creations, but very different in nature. Software is exploited exclusively through publishing and private use and there is thus no reason why a software collecting society should exist, if these organizations are entitled by law to collect royalties deriving from the public performance of works. The LPPIP will require amendment so that the restriction imposed on the patentability of software is eliminated. This provision should allow in the future for the proposition that algorithms as applied to a particular function and software related inventions are duly protected, without risks of illegality. Sui generis protection for circuit layouts is definitely needed as well. Finally, as to trade secrets, authorities should also keep in mind that they extend to those features of computer software which the publisher decides to maintain under secrecy and that accordingly, confidentiality agreements, including "shrink wrap" licenses are enforceable, in addition to trade secret protection against any attempt by third parties to obtain them by improper means.

1. (c) Luis C. Schmidt, 1993.
2. Olivares & Cia, Mexico City, Mexico. Bachelor of Law, Universidad Nacional Autonoma de Mexico and Master of Intellectual Property, Franklin Pierce Law Center. Counsel to the Business Software Alliance In Mexico. The author wishes to express his gratitude to Richard E. Neff, Esq., for his assistance in reviewing this exercise and to William O. Hennessey, Esq., for the help in collecting material relating to U.S. Computer Software Law.
3. Programa Nacional de Modernizacion Industrial y del Comercio Exterior [The National Program of Industrial and Foreign Trade Modernization], has set premises for industrial and trade development looking forward to the internationalization and privatization of the economy; achievement of development through the fostering of technology transfer and intellectual property; economic deregulation; internal market solidification and promotion of exportations. Jaime Serra Puche, "Las Relaciones Comerciales de México con el Mundo", Conference given on April 18, 1990 and published by Secretaria de Comercio y Fomento Industrial, p.10.
4. Non-petroleum products exports increased from \$5 billion USD in 1982, to \$17 billion USD in 1990. Secretaria de Comercio y Fomento Industrial 5 (1992). "Organización de los Trabajos Preparatorios del Tratado de Libre Comercio con Norteamérica" [hereinafter Organización de los Trabajos].
5. Trade with Latin American countries represents only 4% of Mexican foreign trade, although in 1980 the Latin American Integration Association (ALADI) was created, with the purpose of establishing an area of economic advantage, including regional tariff preference measures. However, the practical result has actually been highly elevated levels of protectionism. Secretaria de Comercio y Fomento Industrial 21 (1992), "Las Relaciones Comerciales de México con el Mundo."
6. During the latter part of the 19th Century, 70% of Mexican exports were sent to the U.S.A. and 50% of Mexican imports ended up there. More recently, more than 70% of the total exports to the U.S.A. were manufactured products, as compared with 2% prevailing eight years ago. Supra note 4, at 5- 6. As to trade agreements, during the eighties many bilateral agreements were negotiated in order to eliminate obstacles in some concrete areas; however, tariff and non-tariff impositions still exist between the two countries.
7. In 1987 Mexico was already Canada's 9th purveyor and represented its 15th market. On the other hand, Canada was considered number 5 among Mexican commercial partners. Petroleum was Mexico's most demanded item during the seventies and first years of the eighties. This changed later and in 1987, export of manufactured and agricultural products helped to diversify the existing trade. Pursuant to trade agreements between Canada and Mexico, before 1990 they had subscribed to some general agreements on trade and industrial and energetic cooperation. In 1989 they signed an agreement related to trade and investment, fostering cooperation and understanding in some areas such as textiles, agriculture and livestock, fishing, automobile, mining, forestall investment, technology transfer, assembly plants, tariffs and general preference systems. Id. at 6-11.
8. "Contracting Parties to the original Agreement decided to place intellectual property rights on the list of subjects that article XX(d) excepted from the

GATTs overall legal regime." J.H. Reichman, *Intellectual Property In International Trade: Opportunities and Risks of a GATT Connection*, 22 *Vanderbilt Journal of Transnational Law*, Number 4, p.756 (1989).

9. Establishes some exceptions to the free movement of goods principle, including the protection of industrial and commercial property.

10. Despite the important contribution of Article XX(d) to the GATT, there has been a longstanding battle between developed and developing countries regarding protection of intellectual property rights. Whilst in developed countries there is a position toward worldwide implementation of effective rules combating the non-authorized use or exploitation of intellectual property rights, there is a tendency in developing countries to free ride on intellectual goods originating in industrialized countries. The foregoing has arisen from the lacunae existing in the Great International Conventions, providing for a proper enforcement system. Reichman, *supra* note 8, at 756-57.

11. Susan Wagner, "GATT Tackles Intellectual Property Issues", *Copyright and Related Rights in the Service of Creativity*, Published by the International Publishers Association and the International Group of Scientific, Technical and Medical Publishers, Autumn 1987, Volume I, No.3, p.6.

12. *Id.*

13. Principally the Paris Convention for the Protection of Industrial Property, signed

March 20, 1883. revised at Brussels, December 14, 1900; Washington, June 2, 1911; The Hague, November 6, 1925; London, June 2, 1934, Lisbon, October 31, 1958 and Stockholm, July 14, 1967.

14. Principally the Paris Convention for the Protection of Industrial Property, signed March 20, 1883. revised at Brussels, December 14, 1900; Washington, June 2, 1911; The Hague, November 6, 1925; London, June 2, 1934, Lisbon, October 31, 1958 and Stockholm, July 14, 1967.

15. Wagner, *supra* note 11, at 6. "The investment required for the creation, development and marketing of high-technology products is enormous. And the ability to attract the capital necessary to support such creativity depends increasingly on the availability of a global market in which the creator can market his products. The exclusive rights provided by intellectual property laws enable the owner of such property to penetrate markets and establish a foothold for the sale and distribution of new products and services. Lack of adequate protection deprives investors of the export markets needed to recoup their costs."

16. Brazil, India, Nicaragua, Argentina, Cuba, Egypt, Nigeria, Peru, Tanzania and the former Yugoslavia.

17. Wagner *supra* note 11, at 6.

18. Law for the Promotion and Protection of Intellectual Property, Federal Gazette (June 27, 1991).

19. Decree of Amendments and Additions of the Federal Law of Copyright, Federal Gazette (July 17, 1991).

20. "Organización de los Trabajos", *supra* note 4, at 12.

21. NAFTA negotiations working groups were divided into six major areas, intellectual property being the fifth. Jaime Serra Puche, "Bases de la Negociación del Tratado de Libre Comercio entre México, Canadá y Estados

Unidos", Conference given on April 18, 1990 and published by the Secretaria de Comercio y Fomento Industrial, p.14.

22. International Chamber of Commerce, "Commission on Intellectual and Industrial Property Agreement on Trips", Policy and Program Department 1992-01- 09 DC, document No. 450/702. Specifically, Article 10 establishes that computer programs will be protected as literary works under Berne Convention and Compilations will be protected as well. Article 11 establishes a rental right. Article 12 establishes a term of protection of at least fifty years from the date of publication and, if the work is unpublished, from the date of its making.

23. Article 50 section I of the 1824 Constitution recognized exclusive rights for authors with respect to their works and nothing was said about inventors; on the other hand the Constitutional Laws of 1836 and 1857 referred only to inventor's rights and those of authors were intended to be extensively interpreted. Arsenio Farell Cubillas, *El Sistema Mexicano de Derechos de Autor*, Editor Ignacio Vado, México 1966, p.13.

24. Promulgated on February 5, 1917.

25. Although patents and copyrights were actually exclusive rights recognized by the Constitution and granted to authors and inventors, the framers of this Fundamental Law decided to use the old expression "privileges", valid at the time when European Crowns controlled press activity and granted special authorizations for the reproduction of works. In opposition to this "privileges" theory, part of Mexican doctrine follows Gustav Radbruch's ideas about "social rights". This view extrapolates Radbruch's philosophy from labor and agrarian law to copyright, stating that this latter branch of law is devoted to equalizing the rights of authors and publishers, whose negotiating capacities are economically unequal. *Supra* note 23, at 55.

26. Article 28 of the 1917 Constitution. Although not mentioned in this Constitutional provision, the exclusive rights of authors and inventors are limited by their respective laws depending on the characteristics of the rights therein. Thus, copyright limitations are found in the principles of originality, ideal expression and fair use, among others and patent limitations in the principles of novelty, inventive activity (roughly equivalent to non-obviousness in the U.S.) and industrial application.

27. Ignacio Burgoa, *Las Garantías Individuales*, Editorial Porrúa, 18th edition, México 1984, p.409. This Mexican Constitutional professor explains that the exception to what he calls "free concurrence" recognized by Constitution with regard to authors' and inventors' exclusive rights, represents an imposition on third parties to fully respect the rights of inventors and authors. The justification of article 28 "privileges" relies much on the aims of copyright and patent law themselves, that is, achieving progress of culture and technology through the protection of works and inventions. Cubillas, *supra* note 23, at 55.

28. Apparently published on December 3, 1846. It contained 18 provisions and recognized literary property rights related to the publication of a work, duration of life plus thirty years and conferred equal rights to Mexicans and foreigners. Falsification was elevated to a crime consisting of the publication, copying and performance of works without the author's authorization.

29. This code was influenced by the Spanish and French codes. It equated copyright as a property identical to that of tangible goods and considered it perpetual, with the exception of dramatic works. Rafael Rojina Villegas, *Derecho Civil, Bienes, Derechos Reales, Posesión*, at 289.

30. This code followed the one of 1870 respecting copyrights, adding to it some penalty provisions for the copying and performance of works.

31. Published on August 31, 1928 and effective to date. Different from previous civil codes in that it did not relate copyright to property; rather, it consisted of distinct rights with special characteristics - temporal privileges to use and exploit works.

32. Published on December 30, 1947 as a result of the entrance of Mexico into the Interamerican Convention of Washington D.C. This Law grants protection to patrimonial and moral rights and - with a social point of view - regulates reproduction and publishing agreements and collecting societies.

33. Published on December 29, 1956, it follows closely the law of 1947. It merely redistributes former law's chapters and harmonizes it with the Universal Copyright Convention principles, previously subscribed to by Mexico.

34. Decree of amendments to the 1956 Law of November 4, 1963 and published on December 31, 1963.

35. Differences between authors rights and copyright systems will be discussed *infra* p. 16.

36. Mexican Copyright Law does not provide a definition of "author"; however the expression exclusively refers to the natural person who creates a work. Although not a Mexican, Isidro Satanowsky provides a criterion that is valid in Mexico, stating that an author is that person who directly realizes activities oriented to create a unitary, complete and independent work of authorship, revealing his personality, artistic talent and creativity. Isidro Satanowsky, *Derecho Intelectual, Volume I, Tipográfica Editora Argentina, Buenos Aires, 1954, p.265*. As to ownership, the individual author of a work is owner of the copyright on what he or she creates, unless there is a work made for hire relationship. In this respect, article 59 of the Copyright Law establishes that everyone who produces a work with special and remunerated participation or collaboration of one or more persons shall enjoy *ab-initio* the copyright therein. The meaning of remuneration is broad, and comprises salaries, participations, payments for the rendering of services other than employment among others - there are no Court decisions that have limited this criterion.

37. Articles 12 and 13 of the Copyright Law regulate collective works and works under collaboration.

38. The originality principle will be discussed *infra* p.18.

39. Cubillas quotes many different authors to indirectly conclude that it is acceptable under Mexican Copyright Law that due to the characteristic of works, it is not the idea underlying the work which copyright protects; rather it is the expression that the author exteriorizes from his or her inner world. Cubillas, *supra* note 23, at 76.

40. Article 18 of the Copyright Law, provides some very specific limitations to copyright protection, such as industrial application to ideas in a work, non-lucrative employment of reproduction or performances of works in actual events, publication of art and architectural works which are publicly displayed,

translation or reproduction of fragments of works or "chrestomathies", reproduction of a published work as a manuscript, typed document, photograph, photocopy, drawing, painting or microfilm, as long it is done for the exclusive use of who reproduces it. In 1991 a limitation was added dealing with back-up copies of computer software. As can be perceived, this very specific limitation system differs significantly from the equity system followed by § 107 and further provisions of the U.S. Copyright Act.

41. Satanowsky, *supra* note 36, at 153.

42. Article 7 of the Copyright Law.

43. Cubillas, *supra* note 23, at 81.

44. Article 3 of the Copyright Law in connection with article 2(I) and (II) of the same statute.

45. Cubillas, *supra* note 23, at 119. Moral rights are not "ius in re aliena".

46. Right to create, right to continue and complete their own work, right to modify and destroy their own work, right to keep the work unpublished, right to publish the work under the authors name, under pseudonym or anonymously, right to select interpreters for the works performance and right to withdraw the work from commerce. See Carlos Mouchet and Isidro Radaelli, *Los Derechos del Escritor y del Artista*, Ediciones Cultura Hispánica, Madrid (1953).

47. Article 2(I) of the Copyright Law.

48. Article 2(II) of the Copyright Law.

49. Article 4 of the Copyright Law as supported by article 23 of the same statute, which establishes the general term of protection of patrimonial rights of life of the author plus fifty years after his or her death.

50. The distribution right according to Mexican Law of copyright is a broad concept encompassing rental rights, although not expressly. Exhaustion of rights operates only nationally after the first property disposal or transmission of a copy of the copyrighted good is made and there is no provision allowing the parallel importing of a corresponding foreign distributed genuine good.

51. Article 9 of the Copyright Law states that derivative works such as arrangements, abridgements, amplifications, translations, adaptations, compilations and transformations of works, shall be protected as to its original aspects, but shall only be allowed to be published if they are authorized by the copyright owner of the underlying original work. If the works or features taken to produce the derivative work pertain to public domain, it will be protected as to its original portions, but will not mean extension of the protection to its underlying aspects.

52. See National Treatment Principle of article 5(1) of the Paris Act of the Berne Convention and absence of formalities of article 5(2).

53. Mexican Law provides an easy, quick and cheap registration system based on originality standards, with no time limitation for registration. Articles 119 and 122 of the Copyright Law.

54. Article 3(1)(a) of the Berne Convention (Paris Act).

55. Article 3(1)(b) of the Berne Convention (Paris Act).

56. Article 3(2) of the Berne Convention (Paris Act).

57. Article IX of the Interamerican Convention. Article X encourages the use of notices, but it is not mandatory.

58. Article 28 of the Copyright law states that works of foreign authors whose countries do not have international copyright relationships or works published for the first time in a country with no relationships with Mexico, copyright therein will be protected for a seven year period reckoned from the date of first publication of the work, as long as there is reciprocity with the concerned country. After this period has passed and if the work has not been registered with the Mexican Copyright Office, any person shall be entitled to publish it with previous authorization granted by the Public Education Secretariat.

59. The Mexican Copyright Law establishes in its article 27 that "[p]ublished works protected by this Law shall bear the expression "Derechos Reservados" (Rights Reserved), or its abbreviation "D.R.", followed by the symbol "(c)" and the full name and address of the copyright owner and an indication of the year of publication"

60. There is no specific sanction applicable to a published work lacking of copyright notice. However, in conforming with article 143 of the Copyright Law, fines ranging from \$130,000 to \$6,500,000 Mex (approximately \$500 to \$2,100 USD) are imposed in case of infractions of the Mexican Copyright Law and Regulations there under that are not criminal in character.

61. Article 27 of the Copyright Law.

62. Article 114 of the Copyright Law.

63. Regarding government approvals, the former Technology Transfer Law (TTL) of January 11, 1982 stated that inter alia, it was required to record agreements transferring or licensing copyrights regarding industrial exploitation and computer programs: Article 2(1) and (m). The LTT was abolished with the implementation of the new Law for the Promotion and Protection of Industrial Property.

64. "Acuerdo" could be best translated into English as a resolution or decree of a government body, in this case the Public Education Secretariat, which belongs to the executive branch. It is not a statute; rather, it pertains to a formal ruling of this official body with regard to a matter within its jurisdiction.

65. Model Provisions on the Protection of Computer Software, 1978 Copyright 6, WIPO Publication No. 814.

66. See Eugen Ulmer and Gert Kolle, Copyright Protection of Computer Programs, IIC, Vol. 14 No. 2/1983. In Germany, the German Association for Industrial Property and Copyright Law submitted an opinion of the WIPO Model Provisions to the Federal Ministry of Justice, which was accepted by the latter in late 1981. There are also landmark resolutions of the matter made by the Kassel, Mannheim, Mosbach and Munich District Courts. In the United Kingdom, a special Committee to Consider the Law of Copyrights and Designs was set up, which prepared the Whitford Report which was presented to Parliament in 1977. It was widely accepted and applied in the study presented by the British Government in 1981, the "Green Paper", which was the basis for a revision to the 1956 Copyright Act. In France, there was an important decision of the Paris Court of Appeals of November 2, 1982 (1982 PIBD III.p. 260). In Japan, there was a decision of the Tokyo District Court of December 6, 1982 (Taito v. I.N.G. Enterprise) and another of the Osaka District Court of December 18, 1979, reported in 3 EIPR 131 D 61 (1981). In the Netherlands, decisions of the Arrondissements Rechbank tes Hertogenbosh of January 30,

1981 and May 14, 1982 could be found. In the U.S., "as early as 1964, the Copyright Office registered the first computer program in the book category under the rule of doubt, and continued this practice as long as the programs were deposited in humanly readable form." Marshall A. Leaffer, *Understanding Copyright Law*, (Matthew Bender, U.S) 1989 and 1990 reprint, p.64. Copyrightability of computer programs was favored by the legislative history of the 1976 Copyright Act. However, the National Commission of New Technological Uses of Copyrighted Works (CONTU) appointed by U.S. Congress to study the issue concluded with some suggested amendments to the Act, and as a result a definition was included in § 101 and some limitations in § 117. Some landmark cases in the U.S. are *Apple Computer, Inc. v. Franklin Computer Corp.*, 714 F.2d 1240 (3d Cir. 1983), cert. dismissed, 464 U.S. 1033 (1984); *Williams Elec., Inc. v. Artic Intl, Inc.*, 685 F.2d 870 (3d cir. 1982); *Stern Elec., Inc. v. Kaufman*, 669 F.2d 852, 855-56 (2d Cir. 1982) and others. Finally, in Canada "Copyright is currently the principal source of protection for computer programs ... Computer programs are now defined as literary works by virtue of legislation recently enacted to revise the Copyright Act (Bill C-60)." Max Wood, *Computer Related Intellectual Property: What Protection is Available?* *Scott & Ayles Intellectual Property Quarterly*, Volume 8, Number 2, Spring 1992. A leading Canadian case is *IBM Corp. v. Ordinateur Spirales* (1984).

67 Acuerdo 114 (Article 1).

68 Acuerdo 114 (Article 2).

69 Acuerdo 114 (Article 3).

70 Acuerdo 114 (Article 4).

71 Legislación sobre derechos de autor. Editorial Porrúa, Mexico, 1980.

72 As explained above, the life plus fifty years provision is applicable to author's rights of a natural person and it is not clear with respect to collective persons' rights. The term of life plus fifty was finally applied to computer software as well.

73 Published at the Official Gazette of the Federation of July 17, 1991, became effective 30 days after its publication.

74 On April 11, 1991, an unattributed source produced a document entitled "Comments on Provisions Relating to the Protection of Computer Software in the Copyright Law Amendment Submitted to the Mexican Congress on June, 1990." We believe that it was drafted by some American computer software organization involved in some manner in the NAFTA negotiations. In the document can be noted disagreement with the Amendments draft presented to Congress with regard to the failure to protect computer programs as literary works; failure to protect data bases explicitly; failure to exclude computer programs from the application of Berne Convention compulsory license provisions (Append ix, Arts. II and III), and Mexican Copyright Law (Articles 62 through 71); it also notes lack of clarity of deposit provisions, as it cannot be easily concluded whether "Acuerdo 114" will still apply respecting the deposit of portions of the codes of the programs to be registered, imprecisions as to the extent of the application of the distribution right, importation right, rental right and as to parallel imports and insufficiency as to the criminal sanctions and civil remedies provided by the law.

75 Jose Luis Caballero Leal, *Regulación Jurídica de los Programas de Ordenador a la Luz del Tratado de Libre Comercio*, Conference presented at the seminar entitled "Aspectos del Derecho Intelectual en su Relación con el Tratado de Libre Comercio México-Estados Unidos de América-Canadá." Organized by the Federal Prosecutor's Office, the Escuela Libre de Derecho and the Mexican Copyright Institute.

76 Article 7(j) of the Copyright Law.

77 See *infra* pp. 18-19, our comments on the originality principle.

78 Such as the SSO, screen displays and user interface, see *infra* p. 15.

79 Article 18 of the Copyright Law: "Copyright protection does not extend to the following cases: ... f) The backup copy made for the exclusive use of one who acquires an authorized copy of the computer program".

80 17 U.S.C. § 117. Limitations on Exclusive rights: Computer Programs.

81 Jose Luis Caballero Leal also questions whether for back up copy we should understand the momentary reproduction of the program in a RAM type memory. Leal, *supra* note 75, at 11.

82 Article 120 of the Copyright Law.

83 Taken from Secretaria de Educación Pública, "Revista Mexicana de Derecho de

Autor", Year II, Num.7, Jul.-Sept., 1991, p.31.

84 The "Comments on Provisions Relating to the Protection of Computer Software...", *supra* note 74, at 23, approves this provision; however it suggests that the regulations to the Law allow the deposit of "identifying material" in lieu of entire or partial copies, and that any copies deposited may be redacted for trade secrets. On the other hand, Jose Luis Caballero Leal highlights the legal and technical inconsistencies arising out of treating computer software deposits as private as opposed to other types of works, which deposit remains public; nevertheless, the legislative history of the Amendment indicates that Congress agreed to establish the exemption "because it stimulates and fortifies the creative activity in this subject." *Id.* at 32.

85 Chapter VIII (Articles 135 through 156).

86 However, Mexican litigation and its court system do not provide for injunctive relief measures.

87 Article 75 of the Copyright Act and legislative history stating that this provision is applicable in the event that a person uses non-authorized reproductions of computer programs for his own benefit or for others.

88 Whereas the manufacturer most of the times obtains direct "lucro" from the reproduction and distribution or sale of the infringing programs, the dealer normally loads programs onto the hard disks of the computer that it sells as an incentive and the end user buys one or a few original copies of a program and then loads it onto the hard disks of sometimes hundreds of computers on its premises or even onto servers that uses networks.

89 BSA members in Mexico include Aldus Corp., Autodesk Inc., Lotus Development Corp., Microsoft Corp., Novel Inc. and WordPerfect Corp.

90 Registration number 68, pages 47 and 48 of the Authors' Societies book.

91 Articles 72 and 98(II), second and third paragraphs. However, as the reader surely will know, public performance of computer software, if possible

at all, could only be found in the displays of some types of screens, like videogames.

92 Article 98(I) of the Copyright Law.

93 See comments relating to work-for-hire and Article 59 of the Copyright Law at supra p. 7, footnote 36.

94 Also, it is not completely clear whether program similarities could be identified in levels above the literal code such as "the algorithms that are implemented by the code and, at progressively higher levels, the definition and interrelationship of subroutines, modules and larger functional units." Ronald S. Laurie, Comment: Use of a "Levels of Abstraction: Analysis for Computer Programs." A.I.P.L.A. Q.J., Vol. 17:232, p.232. See also leading cases in the U.S., e.g., Whelan Associates, Inc. v. Jaslow Dental Laboratory, Inc., 797 F.2d 1222, 230 U.S.P.Q. 481, [1986]; Computer Associates International Inc. v. Altai, Inc., No. 89 CV 0811, slip op. E.D.N.Y. Aug. 12, 1991) and others.

95 Ulmer and Kolle refer to the first stage of the program's development as to the writing of a previous specification of the basic concept of the program, then secondly the program's description in a natural language, and lastly to the subsequent conversion 'into a data flow chart. The second step would be the encoding of the flow chart into the source code and finally the operational object code. See Ulmer and Kolle at 173.

96 Id.

97 Infra p. 13.

98 We believe Mexican courts would follow *Feist Publications, Inc. v. Rural Telephone Service Co., Inc.*, 499 U.S.340, 113 L.Ed.2d 358, 11 S.Ct. 1282, 18 U.S.P.Q. 2d 1275, 1991 Copyright L. Dec. (CCH) 26,702 (1991), in which the U.S. Supreme Court rejected the so-called "sweat of the brow" or "industrious collection" doctrine and held that only unique selections, arrangements and selections of data and facts are protected under copyright law. See Morton David Goldberg, "Copyright for Computer Programs and Data Bases", A.I.P.L.A. Vol. 1, Jan. 1992, at N-4. The European Community on 15 April 1992 issued a proposal for an EEC Council Directive concerning legal protection for databases. OJEC C 156, at 4 (23 June 1992) Concerning proposed legislation for the protection of databases as "reserved creations" under French law, see Le Stanc, Intellectual Property on Procrustes' Bed: Observations on a French Draft Bill for the Protection of Reserved Creations, 14 EIPR 438 (1992).

99 See Goldberg, supra note 98, at N-5., reviewing Feist. There he says that "[a]nalyzing the definition of 'compilation' in § 101 of the Copyright Act, the Court said that it conveyed the 'message through its tripartite structure' that "collections of facts are not copyrightable per se": ... 'The statute identifies three distinct elements and requires each to be met for a work to qualify as copyrightable compilation: (1) the collection and assembly of preexisting material, facts or data; (2) the selection, coordination, or arrangement of those materials; and (3) the creation, by virtue of the particular selection, coordination, or arrangement, of an 'original work of authorship'."

100 Article 9 of the Copyright Law; see supra note 51.

101 "The advent of the book trade prompted national jurisdictions to respond with new laws and entitlements". Reproduction and dissemination of

information technologies have since improved "with proliferating challenges to the Law." Edward Geller, *International Copyright: An Introduction*, 15 (Matthew Bender \_\_\_\_\_)

102 *Id.* at 17.

103 *Id.* at 20.

104 *Id.* at 23.

105 See *infra* note at 8.

106 Berne Convention Implementation Act of 1988. Pub. L. No. 100-568 (1988).

107 "The Universal Copyright Convention drawn up in Geneva in 1952, came into effect starting in 1955, and has since then attracted about the same number of adhering countries as Berne has over the last century." Geller, *supra* note 101, at 64. Berne preempts the U.C.C., which therefore remains inoperative between Berne countries who adhere it.

108 *Id.* at 28.

109 Directive 91/250 of May 14, 1990. It is derived from the "Green Paper on Copyright and the Challenge of Technology," Doc. Com. (88) 172.

110 See Antonio Delgado Porrás, "La Directiva de las CEE sobre la Protección de los Programas de Ordenador," Conference presented at the Seminar entitled "Aspectos del Derecho Intelectual en su Relación con el Tratado de Libre Comercio México-Estados Unidos de América-Canadá," Organized by the Procuraduría General de la República, Escuela Libre de Derecho and Instituto Mexicano del Derecho de Autor on March 17-26, 1992. See also Antonio Delgado Porrás, "Del Optimismo a la Perplejidad Reflexiones de un Jurista sobre la Protección de los Programas de Computo por el Derecho de Autor," VI Congreso Internacional sobre la Protección de los Derechos Intelectuales (del autor, el artista y el productor), Organized by SEP, WIPO and FEMESAC, in Mexico City, February 25-27, 1991, and Edition sponsored by CISAC, pp. 269-278.

111 *Id.* at 7.

112 *Id.* at 4.

113 May 9, 1985.

114 "Directiva...", *Id.* at 13.

115 Plenary Assembly, March 7, 1986.

116 However in Germany, Ulmer and Kolle maintain in contrast that although an engineering activity (programming, encoding, selecting data, arranging it and generally speaking, developing programs) gives ample room for personal creation and design as to the form and substance of a program, "[p]rograms made by different programmers to solve the same problem and using the same programming language may all serve their purpose. They will nevertheless differ substantially from each other as to form, contents, and quality." Ulmer and Kolle, *supra* note 95, at 179.

117 Delgado, "Directiva...", *supra* note 114, at 14.

118 Cesar Sepúlveda, "El Sistema Mexicano de Propiedad Industrial," Editorial Porrúa, S.A., Second Edition, Mexico, D.F., 1981 at p.1.

119 "Ley de Patentes de Privilegio," influenced by the French Law of 1844.

120 "Ley de Patentes de Invención."

121 "Leyes de Patentes de Invención y de Marcas y de Avisos y Nombres Comerciales," which captures principles from latest revisions of the Paris Convention.

122 "Ley de la Propiedad Industrial," which incorporates the London revision of the Paris Convention.

123 "Ley de Invenciones y Marcas."

124 Article 15 of the LPPIP.

125 Article 16 of the LPPIP.

126 Sepulveda, *supra* note 118, at \_\_\_\_\_.

127 Article 12(II) LPPIP. However, "an invention will still be considered as novel even if it has been disclosed for non-commercial purposes, provided that within twelve months prior to the filing date of the patent application, or in such case, of the recognized priority, the inventor or his assignee had disclosed the invention through any communication medium or had exhibited at a domestic or international exhibition. When the respective application is filed, documentary evidence shall be included, under the conditions to be established in the Regulations of this Law." Article 18 of the LPPIP.

128 Article 12(III) LPPIP.

129 35 U.S.C. § 103.

130 Article 12(IV) LPPIP.

131 Article 19(I) LPPIP.

132 Article 19(IV) LPPIP.

133 Former Law on Inventions and Trademarks stated the same provision.

134 *In re Freeman*, 197 U.S.P.Q. 464 (CCPA, 1978); *In re Walter*, 205 U.S.P.Q. 761 (CCPA, 1980); *In re Abele*, 214 U.S.P.Q. 682 (CCPA, 1982).

135 See Michael R. Flemming, *Patentability of Claims Involving Mathematical Algorithms and Computer Programs An Examiners Perspective*, A.I.P.L.A., Volume I, 1992. "Computer programs implemented on a computer are not per se non-statutory subject matter under 35 USC 101. However, mathematical algorithms per se are nonstatutory subject matter as determined by the courts. However, if the invention is directed to a machine or process which is statutory but uses a mathematical algorithm, then the invention is not automatically non-statutory. The Freeman test as modified by Walter and Abele determines if such an invention is statutory. The first step is to determine if a mathematical algorithm is directly or indirectly recited. The mathematical algorithm may be recited in the claims as a formula, in prose or broadly claimed but further defined in the specification. The second step is to determine whether the mathematical algorithm is applied in any manner to physical elements or process steps. The Examiner should view the claim without the mathematical algorithm to determine whether what remains is otherwise statutory ...." Likewise in Canada patent, copyright and/or trade secret protection may be available for computer programs "[d]epending on [its] nature, originality and inventiveness" Max Wood, *Computer Related Intellectual Property: What Protection is Available?* 8 *Scott & Ayles Int. Prop. Qtrly.* (1992). "Although the Canadian Patent Office has taken the position that computer programs per se are not patentable, the fact that a process is executed by a computer does not in itself negate patentability and many Canadian patents have issued for inventions which are essentially computer

programs." Id. at p.4. "Whilst there is no substitute for experience in assessing the patentability ability of a software related invention, the following criteria may generally be applied: (a) if the invention is directly or indirectly nothing more than a mathematical algorithm, it is not patentable; and (b) even though the invention includes one or more algorithms, it may be patentable if it defines or refines relationships in a process which is in itself patentable subject matter". Id.

136 J.H. Reichman, Computer Programs as Applied Scientific Know-How: Implications of Copyright Protection for Commercialized University Research, 42 Vanderbilt L. Rev. 655 (1989). However the definition of "hybrid" is not well developed.

137 See David A. Einhorn, Copyright and Patent Protection for Computer Software: Are They Mutually Exclusive?, 30 IDEA: J. L. & Tech. 265-278 (1989).

138 Id. quoted by U.S. Congress, Office of Technology Assessment, Congressional Board of the 102d Congress, Finding a Balance: Computer Software, Intellectual Property and the Challenge of Technological Change, OTA- TCT-527 (Washington, DC: U.S. Government Printing Office, May 1992).

139 See U.S. Semiconductor Chip Protection Act of 1984; Act of November 8, 1984, Pub. L. No. 98-620, 98 Stat. 3347; 17 U.S.C. § § 900 et seq. and Canadian Legislation on the subject effective October 1, 1992.

140 Articles 210 and 211 of the Criminal Code for the Federal District when applied to local matters and throughout the Mexican Republic when applied to federal matters. However, these two provisions relate to prohibition of non-authorized disclosure of confidential information obtained as a result of employment, title or professional activity.

141 Title Third, Sole Chapter of the LPPIP.

142 Article 82 of the LPPIP.

143 Horacio Rangel-Ortiz, "Industrial Secrets", Conference given at the Seminar organized on July 17, 1991 by the AMPPI, Mexican Chapter of the AIPPI, in connection with the implementation of the LPPIP.

144 Article 83 of the LPPIP.

145 Article 84 of the LPPIP.

146 Articles 85 and 86 of the LPPIP.

147 Article 223(XIII) of the LPPIP.

148 Article 223(XIV) of the LPPIP.

149 Article 223(XV) of the LPPIP.

150 The penalty in each case is of two to six years of prison and fine up from one hundred to ten thousand days of general minimum wage in the Federal District (around US\$4.00 per day). Under the foregoing premises and from the above cited provisions a duty to maintain secrecy derived from the LPPIP itself is recognized. This obtains whether the trade secret holder and the party to whom the secret is disclosed actually have signed an agreement or not. Signing of confidentiality agreements is highly recommended though.

151 Melvin F. Jager, "Trade Secrets: The Steady Protection for Computer Technology, " The Law of Computer Related Technology, A.I.P.L.A., Vol. I, 1992, at p. P-1.

152 Freed, Protecting Computer Software, 16 Les Nouvelles 89, 93-94 (June 1981), cited by Jager, *id* at p.P.2.

153 See *supra* note at p. 16.

154 See articles 84, 85 and 86 of the LPPIP and sanctions of article 223 (XIII) and (XV).

155 Article 223(XIV) of the LPPIP. This conduct presupposes improper means for obtaining a trade secret by misappropriating it. However as stated above, in Mexico reverse engineering through decompilation and independent discovery or creation should be considered proper means to obtain information which is supposed to be confidential.

156 Finding a Balance... *supra* note at p.7.

157 "Disassembly is the process of translating a machine language program into an assembly language program; decompilation is the process of translating a machine language program into a high- level program." *Id* at p.7.

158 We believe Mexican Law would be compatible with *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989), in allowing buyers to examine a distributed product and use the unpatentable or non-copyrightable portions thereof.

159 Courts would probably decide similarly as in *Vault Corp. v. Quaid Software Limited*, 847 F.2d 255, 7 U.S.P.Q. 2d, 1281 [1988].

## **DATABASE PROTECTION IN MEXICO**

*World Information Technology Contacts Handbook 2001.*

### **Information in the Digital Age.**

Information is essential nowadays as it means value and wealth in terms of culture and economics. People now think of Information as a principal asset in their businesses, and devote their time, money and effort to developing, processing and transferring it. Businesses seek control of the information that they produce, whether it is subject matter protected by intellectual property law (such as works, inventions, trade secrets and the like) or simple data not entitled to protection of any sort per se.

The Importance of information has still increased as people have learned to process and control it by using digital means. E-commerce as well as other expressions in a digital environment are centered in the idea of information. And what digital technology adds is the possibility of storing and retrieving selected data, and disposing them by having them arranged, managed and presented as the compiler may wish.

Collecting and compiling data is not a new idea. Traditionally, people have made collections of works such as anthologies and encyclopedias and have published them in as many different forms as technology has permitted. Now is the turn of multimedia and computer networks, which as the newest technologies known, they have changed the way information can be compiled and displayed. That of course has meant a great challenge for the law in general, and intellectual property, in particular.

### **The Legal protection of databases**

Database protection has been in the process of development for at least one decade. It was perhaps US courts that first dealt with issues relating to databases. Special mention should be given to the telephone directory cases, which were resolved prior to the Feist case, following a sweat of the brow analysis. However, in Feist the US Supreme Court imposed a higher standard based on the selection, arrangement or disposal of the information that was compiled — again a telephone directory. But it is perhaps in Europe where database protection has

developed into a better structured system and where a major consolidation and level of maturity has been reached. That can be certainly true as the European Union did undertake the great effort and task of harmonizing the countries national laws, by implementing a Directive specially dealing with the subject.

The first cases in Europe, Van Damme, in the Netherlands and Le Monde, in France, reflected the need of harmonizing the concept of originality in databases, as it had been viewed differently in each of the countries. Anglo-saxons had generally structured their laws over the criterion of skill and labor, where originality is triggered from the effort and investment made by compiler, regardless as to whether an artistic result has been achieved. On the other hand, Continental Europeans followed much higher standards as it is Schöpfungshöhe or imprint of author's personality, according to which any compilation would definitively require serving an artistic purpose.

The Directive on Databases became a vehicle for the balancing of equities. It placed databases in an Intermediate position of the originality scale, requiring it to be the compiler's own Intellectual creation that would attend to his or her personal contribution. This standard of originality had previously proven to fit into other forms of creativity such as software. Accordingly, as Jens Gaster has said, in order to achieve harmonization Anglo-Saxons would have to lift the bar and Continentals lower it.

Notwithstanding the foregoing, considering the thin protection that copyright law grants to databases, and the need of a more flexible approach that would in some way enlarge its scope of protection, the Directive incorporated a sui generis right to protect databases not complying with the levels of originality required by Copyright Law. As applicable standard the Directive relied on the concept of sweat of the brow analysis.

On the International field, a right on databases was first stated in article 10 (2) of TRIPS. However, article 2 (5) of the revised Berne Convention can be regarded as precedent as it considers collection of works as expressions of creativity, entitled to copyright protection, when they result from the "selection and arrangement" of their contents. Berne did not make reference to the broader notion of data base, which admits not

only works of authorship, but non copyrightable material and information as well. However, TRIPS relied on the same concept of "selection and arrangement", making it extensive to data bases. Article 10 (2) of TRIPS thus requires that compiler makes a personal contribution to the process of collecting or compiling, which merits copyright protection. WCT later confirmed the foregoing by adding difference: used the expression "selection or arrangement" instead of "selection and arrangement". The approach taken was alternative rather than cumulative.

### **Database protection in Mexico**

The Mexican law of 1996 contemplates some provisions regarding to the protection of databases. A principal rule states that bases of data or of other material perceptible by means of machines or any other form, which by reason of the selection and disposal of their content represent "Intellectual creations", shall be protected as compilations. In addition the statute regards as compilations those consisting of collections of works, such as encyclopedias, anthologies, works or other elements such as databases, provided that such collections constitute an intellectual creation by the selection or arrangement of their content or matter. The two provisions are consistent excepting for the fact that there is no definition as to whether the alternative or cumulative criterion should prevail in case of a conflict.

Accordingly, by being considered as compilations the law is affording copyright protection to databases if they are original. On the other hand, data bases which are not original can be nevertheless protected, but for the lesser term of five years.

It can be obtained that by having been inspired on the EU Directive on Data Base Protection, and naturally on articles 10 (2) of TRIPS and 2 (5) of the Stockholm Act of the Berne Convention, Mexican law has recognized protection of electronic and non-electronic databases on two different levels. The difference of course responds to the need of a flexible treatment of the standard of originality, as it happens in Europe.

Concerning the first level, the law has imposed the higher standard of originality virtually equal as for computer software. Although perhaps not as far reaching as the "imprint of the author's personae", it does

also not fall down to skill and labour. And although not expressly referred in the statute, from interpretation can be obtained that the standard points out the middle of the scale, again, as it has happened in the case of computer software.

Pursuant to the second level, which considers a rather low standard of protection, Mexican law would still offer sui generis type of protection for databases not meeting the requirements of Copyright law as original compilations. Under this category the law refers to non-original data bases. This may be an unfortunate concept, as it very well may be thought that it admits any possible form by which data are put together, without a minimum finding of selection or disposal. As there is nothing in the statute to define the meaning of non-original, the notion in the Mexican law may be understood as confirming empty shells, which naturally would go beyond to any reasonable notion as it would be sweat of the brow, followed by the EC Directive.

As to the bundle of rights, in a special chapter devoted for software and databases, the Copyright Law grants a right to make or authorize:

- i) its permanent or temporary reproduction, in all or in part and by any means or form;
- ii) its translation, adaptation, rearrangement or any other modification;
- iii) the distribution of the original or copies of the data base;
- iv) the public communication; and
- v) the reproduction, distribution or public communication of a translated, adapted , rearranged or modified database.

From the provision, it cannot be inferred whether distribution rights do exhaust and if among distribution rights a more specific rental right is available. A question can be raised as to whether rental rights in other type of works, such as computer programs, could be extended to databases. However, there is not an easy response as databases have their own bundle of rights, which is silent as to rental rights, but also as to exhaustion of the distribution right. The statute is also silent as to compulsory licenses as well as to fair use. What can be regarded as true is that, with the exception of the bundle of rights provision, titleholder of an original database is entitled to any of the copyright rights afforded by

the law, including moral rights, term of patrimonial rights of life plus 75 years and many others.

Yet a more difficult question triggers from the fact that there is no identification of the law as to the rights on non-original data bases. Would the copyright rights of original databases applicable thereto as well? While from a technical standpoint appears to be the case. It would sound pretty awkward, as there is no reason why, original and non-original databases should be granted with the same rights if they are inherently different.

## **MEXICO: INTERCEPTION AND USE OF SATELLITE BROADCASTING**

*International CRI, Issue # 3, June 2007.*

On 9 February 2007, the Second Unitary Court in Criminal Affairs in Mexico City, confirmed a resolution, granting liberty to two individuals that had installed dish equipment to their client's television receivers, with the purpose to connect satellite television signals from carriers like Sky/Televisa and Dish Networks.

The criminal investigation had originated from an action filed by Televisa (a large television program producer in Mexico) before the Federal Prosecutors Office and had been followed by a search and warrant order executed by district attorneys, with the purpose of investigating whether defendants had (a) used copyrighted content transmitted by satellite broadcasting and (b) intercepted a satellite television signal, without the consent of the carrier.

Among other aspects, the decision of the criminal courts has made clear that the penal laws of Mexico are insufficient to enforce copyright and broadcasters rights over their copyrighted contents and satellite television signals. In the first place, it has been questioned whether hackers or copyright pirates who have installed equipment to receive satellite programs are using copyrighted works, in terms of the Copyright Law or more specifically, if they are making reproductions of the same to be viewed in television sets. Likewise, the provisions in the Penal Code protecting satellite television signals are restrictive and, thereby, difficult to be enforced in situations like the present case.

In general terms, the rule renders the making or selling of devices or systems to encode a satellite signal, carrying programs, without the authorization of the carrier or making anything to encode the satellite signal a criminal offence. Content producers have very little field to protect their copyrighted materials on the grounds of the law, since it is hard for them to show that the counterfeiters actually used the content and much less that they have reproduced the same. On the other hand, they cannot bring claims that would relate to the encoding of the satellite signals, since they are not actually the broadcasters of the programs. In keeping with this, the Copyright Law, as well as the Penal

Code, requires urgent amendments in order to protect the right of content producers that are victims of illicit acts perpetrated by hackers or people making or selling the equipment to descifrate the signals carrying said contents.

### **Mexico: Resolution For Author's Remuneration Rights**

On 16 April 2007, the Supreme Court of Mexico rendered a landmark resolution with regard to author's remuneration rights. A group of users of copyrighted contents, mainly movie theaters, was successful in obtaining that result by taking constitutional actions against a bill of Congress adopting a new regime in connection with remuneration rights.

#### **1. Ambigious Copyright Bill**

In essence the bill stated that authors and their assignees should have right to receive a "royalty" not subject to waiver, for the public performance of the work that they have authored. However, the bill as adopted was criticized as it left unclear whether the remuneration right was part of the bundle of exclusive patrimonial rights or a *sui generis* right enabling authors to seek monetary compensation for the exploitation of works-of-authorship (despite the fact that they could have transferred the patrimonial rights to a third party). In view of the users, the bill triggered harm in their constitutional rights considering the use of a conjunction "...and..." (remuneration rights for authors "and" their assignees) and that the right could not be waived.

#### **2. Contradicting Previous Decisions**

The Supreme Court rendered verdicts in opposite directions. While it was specified that the remuneration right was a right in itself, of economic nature, but different from the regime of patrimonial rights, there was strong disagreement as to how the "non-waiver" provision should be read. The first chamber of the Supreme Court had admitted that the intention of Congress was that living authors could not waive the remuneration right, but could transfer it to third parties. In a later decision, the second chamber of the Supreme Court had supported the idea that, since the right could not be waived, it could only be transferred from a deceased author to an heir.

### **3. Supreme Court's Resolution**

The contradicting judgments of the two chambers were taken to the plenary assembly of the Supreme Court for analysis discussion and further resolution. The purpose was to hold a session in which the Ministers acting as a unitary body would decide the issue. Discussion by the Ministers sitting in the plenary session was a remarkable event. It was the first time in years that the highest court in Mexico would address copyright questions. The challenge for the Supreme Court would not only rest in defining whether Congress had inserted a non-exclusive remuneration right running in parallel to the exclusive patrimonial rights system of the Copyright Law or whether the newly created right could be waived or not. Policy aspects were in play being superior in terms of importance. The Supreme Court had to decide whether Mexico would depart from the strict author's right notions prevailing in the country's copyright system, following treaties and other international trends putting rights of interested parties in balance and alignment, or whether on the contrary, Mexico would adopt a tighter approach in terms of the rights owned by the flesh and bone author, without looking at other legitimate interests.

The outcome of the conflict analysis was ultimately based upon the judgment rendered by the first chamber, with minor variations. A divided plenary court, giving a five-to-four vote, decided on the existence of a remuneration right that authors enjoy for each time that the work of their authorship is publicly performed and that they can assign to third parties without limitations of any kind. In keeping with this, under Mexican Copyright Law, it shall be possible for producers of audiovisual or musical works to own the remuneration right by transfer and that they can exploit the work without a possibility for the authors participating in the production to seek monetary compensation from the communicating medium.

## **PRIVACY ISSUES UNDER MEXICAN LAW**

*Computer und Recht International, April 2002.*

In Mexico there is no equivalent to the so-called US »Anti-wiretapping“Law. However, amendments to the Federal Penal Code (published on May 17, 1999, in the Federal Official Gazette) implement, among others, criminal provisions concerning disclosure of confidential information and illegal access to information equipment and systems with jail sanctions ranging from one to eight years of prison.

### **1. Background**

Criminal provisions as those referred to above, were not considered as relevant for Mexico, as there was a believe that in Mexico hacking and other informatics crimes were not common.

Notwithstanding the foregoing, different local Congresses in Mexico (i.e. Sinaloa's Congress) incorporated in their local Penal Codes criminal provisions concerning disclosure of confidential information and illegal access to information equipment and systems.

Even though these regulations represented a legal conflict in connection with applicable jurisdiction to these kind of criminal actions (due to the fact that even if the offence had taken place in the State of Sinaloa, applicable venue to informatics and software in general belonged to Federal Courts; likewise applicable law was Federal law); these efforts to regulate criminal provisions on privacy issues were the first step in the incorporation of anti-wiretapping provisions in the Federal Code.

### **2. Anti-Wiretapping Provisions**

According to these new provisions, sanctioned conducts can be classified as follows:

Modification, destruction, triggering or loss of information pertaining either to particulars, Government or Mexican Financial System.

Wrongful misappropriation or copy of information pertaining either to particulars, Government or Mexican Financial System.

In order to be sanctioned, the conduces shall:

Rely on information contained in systems or information equipment, protected by any security mechanism or media.

Be based on unauthorized access.

Notwithstanding the above, in case of information pertaining to the Government or Financial System, sanctions would increase if the person had authorization to access the information but nevertheless modified it. In addition, the penalties above shall be higher if crime is committed by personnel of financial institutions.

### **3. Consequences**

It can be concluded that anyone including ISPs, may be held liable of a criminal misconduct if it either has triggered a loss of information in a system pertaining to a private, government or financial entity or if it misappropriates or copies that information without proper authorization.

On the other hand, the wording of new provisions is not clear as to the way of enforcing and accepting evidence for this purpose. In this respect it is necessary to highlight that although in Mexico evidence in electronic support is recognized, Criminal Courts do not have enough experience as to admit that kind of evidence, which if admitted will not be duly considered by the judges.

In addition, there is nothing indicated in the new provisions of the Federal Penal Code, as to a prohibition to transmit or send private information via Internet or by any other means. In this respect an amendment to articles 173 and 174 of the Federal Penal Code as to include a sanction to whomever opened a private communication transmitted by electronic, electromagnetic or optical means was proposed to the Federal Congress; which up to this date has not been approved.

Local Congresses and IT lobby groups are now pushing for new modifications to local and Federal Penal Codes as to classify illegal access to information supported in electronic means as a "grave crime" (crimes sanctioned with penalties with a ratio of imprisonment of more than 5 years).

## **TECHNOLOGY CHALLENGES DIGITAL RIGHTS**

*Managing Intellectual Property, November 2010.*

The theory of indirect liability in copyright law rests on the idea that anybody who encourages or assists others to perpetrate an infringement, shall be liable to sanctions of an administrative, civil or criminal kind. Depending on the legal system involved, indirect liability is usually triggered by general principles set down in civil or common law. Initially, discussions took place over whether suppliers of devices that ordinary people can employ for copying or disseminating copyrighted works or for transforming them, could be found liable for infringing copyrights. Photocopying machines, juke boxes and video recorders have all been the subject matter of disputes between manufacturers or distributors on the one hand and the holder of rights, on the other. Copyright owners have invoked indirect liability as an argument to support their position. Courts have been reluctant to prevent recordings or other media from being distributed in the market. Instead, they have searched for balanced solutions, ensuring that works are disseminated in all areas of the media, while allowing authors rights to authorize or prohibit or rights to receive compensation.

### **Intermediary infringement**

Digital networks have posed new challenges to copyright law, particularly with regards to secondary infringement issues. The term intermediary has been largely accepted to include internet and online service providers and more specifically, providers of access hosting or search engine services or providers of linking or other information location technology or tools. All of the mentioned intermediaries have taken part in litigations, brought in different jurisdictions, based on indirect liability grounds. The sources of discussion addressing indirect liability have varied depending on the prevailing system. For example, the US has followed common law theories of contributory infringement and vicarious liability as well as the concept of inducement: *Napster*, *Grokster* and other judicial decisions. Commonwealth countries like Australia or the UK have relied on a statutory figure called authorization. Civil law countries like France and Belgium have conceived indirect infringement on the grounds of civil liability or related obligation rules,

while the Netherlands has applied duty of care and Germany, injunctive relief.

Peer-to-peer and other forms of interactive communication, via digital networks, have raised particularly interesting questions in connection with indirect liability. The making available right reflected in the World Intellectual Property Organization (WIPO) treaties, was employed to ensure copyright protection in the uncertain conditions posed by digital networks – although the scope of the protection is broader, since it is applicable in connection with analogue systems as well. Scholars have discussed how the making available right fits within the classification of economic rights. A general consensus is that making available is a right of interactive nature. The target is anybody who makes available works, performances or sound recordings, so that members of the public have access to the same from anywhere and anytime and make copies for exchange or other purposes. As agreed by the WIPO diplomatic conference of 1996, the making available right is intended to differ from categories like communication to the public, transmission or distribution rights. A question has been whether the scope of the right is limited to direct infringement or whether it extends to indirect infringement. In *Cooper v Universal Music Australia Pty Ltd*, the Federal Court of Australia relied on the authorization rule of the copyright statute, to find infringement against the defendant for having allowed others, with knowledge, to place in its website hyperlinks connected to infringing works.

Countries have followed different routes in order to impose on intermediaries some sort of obligation when they provide third parties with the means to perpetrate infringement. France enacted HADOPI and then HADOPI 2. HADOPI 2 has been called the three-strikes-system: it empowers an administrative body with the capacity to ascertain infringement and then to ask a judge to impose that the Internet Service Provider (ISP) suspend the connection of internet users who infringe somebody else's copyrights. HADOPI shall be allowed to throw the third ball if after two warnings the client has not normalized an infringing activity. The bill has been criticized strongly by commentators, politicians and consumer groups for restricting the rights of the ISPs. The three-strike-rule has also been regarded a failure, notwithstanding the fact that HADOPI cannot render an order to suspend.

In addition to the liability of intermediaries, digital technologies have posed additional challenges to copyright law in the shape of hypertext links, search engines, orphan works and digitalization of works originally made in analogue media. Hyperlink has been considered an infringing activity when used to take users to sites where they can copy infringing works. Otherwise, it has been valid to create links to websites and it has also been valid to use thumbnails and other supportive references. Search engines have posed a similar problem. Courts around the globe have considered to what extent it is legal to provide users of the internet with assistance to find sites of interest. Orphan works, while not a problem exclusive to digital media, have major proportions on the internet. A number of countries have passed legislation inserting specific exceptions or limitations in connection with orphan works. Lastly, digitalization of works has implied issues as to whether users, such as libraries or online service providers, need permission from copyright holders or if they can invoke exceptions. Countries have started to implement legislation allowing exceptions or limitations.

WIPO treaties set some rules concerning exceptions and limitations. In essence the treaties enhance the three-step-test analysis of the Berne Convention. In agreed statements it has been provided that member states can decide whether to adapt exceptions and limitations to the digital environment or create new ones that are more adequate. Countries have applied the WIPO treaty provisions differently. Regarding the three-step-test, most jurisdictions have viewed it as a supplemental rule, applicable when no specific exception or limitation exists or when courts need to find a balanced solution. Likewise, some countries have not found distinctions between digital and analogue uses of works, in order to impose exceptions or limitations. They have remained technology-neutral. Some other countries have admitted a technology neutral approach, but still have required an explicit extension in certain fields that are specific to digital rights when referred to private copying or orphan works.

### **Mexican liability**

Under the Copyright Law of Mexico, intermediaries in charge of connecting internet sites operated by infringers of copyrights or neighbouring rights, are not clearly liable of infringement. Indirect infringement by providing the means to site operators – both by

connecting sites to a number of users and also providing software that users can employ for file sharing or other purposes – to perpetrate infringement of rights in a direct fashion is not an offence. Further, the law does not provide an exception or limitation system, for the simple reason that such system cannot exist in the absence of rights or actions to enforce the same.

Direct infringement has been explored, with success, in connection with works disseminated over the internet, based on the economic right of access that derives from WIPO treaties. The access rights have been tested in a number of cases related to the film and music industries. *MPAA v SigloX.com* has been a landmark criminal case in the field. There is no doubt that, under the Copyright Law, site operators, including service providers who render online services – some in addition to connecting activities - are subject to criminal, administrative or civil damages sanctions. Their services imply direct infringement of copyright or neighbouring rights, by: i) uploading or in general copying works or subject-matter protected by neighbouring rights, without the consent of the rights holders; ii) giving users access to non-authorized copies of works or subject-matter of neighbouring rights; or iii) making transmissions thereof or other forms of communication to the public by utilizing the internet as the medium.

Secondary liability of intermediaries has been debated at a government level. However, they have not yet convinced Congress that ISPs can be liable for secondary copyright infringement. The reaction has been twofold: i) associations have supported the idea that HADOPI 2 should be the model to follow; and ii) collective societies have announced litigations against ISPs. The ground they have relied on is the theory of subjective liability in civil law. However, being civil in nature, it has been questionable whether it can apply to infringement matters deriving from the Copyright Law or the penal code. Likewise, the civil theory is narrow in scope, to the extent that it would not easily accommodate non-common situations dealing with special rights. Lastly, assistance or inducement or even authorization, are additional factors that can complicate the application of civil liability doctrines.

On April 27 2010, Congress started discussions for a bill to amend the Copyright Law and protect copyrighted works based on the HADOPI model. The draft bill provides a definition of internet service providers

covering access and hosting services as well as other service operations. In essence, right holders can ask the Mexican Institute of Industrial Property (IMPI) to notify \_ two times \_ an ISP, which in turn informs the user of an alleged infringement. A third strike would be made by requesting injunctive relief (the bill calls it "preliminary measures", although it is unclear what court action would follow). ISPs who do not make the warnings are subject to administrative sanctions. The bill requires that ISPs take different measures, including technological measures, to detect users who repeat infringement. This seems a very high burden for the ISPs to bear. The bill further stipulates that ISPs shall be entitled to limitations to liability, provided that they fulfill obligations such as: adopting contract termination policies; not interfering with the measures that holders implement to protect works; not starting content transmissions themselves; and not providing their services while knowing that users infringe. However, the bill appears to be copying the Chilean law – this latter is Digital Millennium Copyright Act (DMCA) compatible \_ as it does not indicate the limitations and just refers to access services and excludes host, search engine and caching.

The Google libraries settlement has attracted interest around the globe. It can certainly be regarded as a challenging test to the copyright fair use system. Google allows its customers to search books from an index that includes a display of text snippets. For that purpose, Google scans the literary works in the books, makes online indexing and elaborates the snippets of the texts. Google invoked case law allowing free use of works under the argument that the use of the work has been transformed and for that reason, the copy serves a different function to that of the original work. Google would not be successful before the Mexican courts if they invoked the exemption or limitation rules of the Copyright Law, since Mexican rules are much more restrictive and inflexible than those of the US fair use system.

Under the Copyright Law, exceptions and limitations are restricted to what is listed in the law. The three-step-test does not work as a source of principal or subsidiary law, but just as a general reference. The copyright law does not recognize special exceptions or limitations regarding electronic or digital reproduction, making available or transmission using digital networks or works or subject matter protected by neighbouring rights. Existing exception or limitation norms apply to

digital rights when compatible with the nature of the work or right. In 2009 Congress discussed a bill dealing with certain exceptions to economic rights, such as the right to make transitional copies of works obtained from the internet in the random access memories of computers, a right to copy video or sound recordings in the memory of computers, including the digitalization of analogue recordings and a right of private copying of photographic and literary works. By rejecting the bill, Congress found that it did not improve the existing system.

The Copyright Law does not contemplate exception or limitation provisions applicable to orphan works and those referenced to library/search facilities are narrow.

Orphan works would definitively require the admission of a new specific exception, perhaps a limitation indeed. In keeping with this, the limitation provision would require that the user of the work follows a clearance process using every resource available at hand, including search or registries, records and catalogue at hand, including search or registries, records and catalogue (for example music publisher catalogues). If nothing is found, the user may start using the work, giving public notice that it is an orphan work. If the rights holder shows up at a later time, it would no longer be in a position to stop the use of the work, but would be entitled to remuneration or compensation (although there is no entitlement to profits resulting from the exploitation of the work).

## **MULTIMEDIA: CREACIÓN DE NATURALEZA JURÍDICA MULTIFACÉTICA**

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*Multimedia* es uno de los muchos conceptos que el derecho de autor ha recogido de las nuevas tecnologías de la información. Es un producto de la tecnología digital que ofrece soluciones en las que medio e información o "contenido", representado en texto, sonido e imagen estática o en movimiento,<sup>1</sup> se asocian e interactúan para generar un resultado inimitable en un ambiente o espacio analógico. Multimedia es la tecnología digital que responde a la vista, el oído y los demás sentidos humanos, presentando la información de forma más atractiva y amigable mediante aplicaciones que son prácticamente infinitas. Adopta cualquier forma: un texto con imágenes o una secuencia de imágenes en movimiento, acompañados de sonido, con fines de entretenimiento, educación o cultura, servicio, comercio o industria.

Los medios que envuelven una producción multimedia también son ilimitados. Por una parte están los off-line, en los que la información se trasfiere a medios corpóreos tales como un CD-ROM por la otra, los on-line, como internet, televisión interactiva, sistemas de videoconferencia o videofonía o cualquier otro medio capaz de comprimir el contenido para enviarlo a distancia.<sup>2</sup> Los expertos se refieren sin cortapisa a la tecnología multimedia y sus aplicaciones pero, en general, sin definirla. De hecho, hacerlo les resultaría una tarea difícil. Sin embargo, la doctrina coincide en que es un medio de "computación audiovisual interactivo" que el usuario utiliza para interactuar con el programa, almacenado en registros digitales y controlado por computadas.<sup>3</sup> De multimedia se desprende la noción de "realidad virtual" o "plástica", conocida también como "apariencia real" o "sonido real", en la que la ficción se reproduce como realidad por el parecido de formas, colores o sonidos.<sup>4</sup> La información —texto, sonido o imagen— incorporada en una producción multimedia puede constituir una obra literaria o artística, que se aporta a la producción o se desarrolla ex profeso, y es ahí donde interviene el derecho de autor. De esta forma, el programador se apoya en aquellas obras digitalizadas que crea o en obras preexistentes, que convierte en códigos binarios, a efecto de producir un resultado individual e independiente. Para Delia Lipszyc, la creación multimedia

debe estar "compuesta por obras y contribuciones pertenecientes a dos o más clases de géneros distintos, cualesquiera sean éstos".<sup>5</sup>

### **¿NATURALEZA DUAL?**

El videojuego es una producción multimedia típica que combina imágenes en movimiento y sonidos, con propósitos de entretenimiento. Los profesores españoles Gómez Segade y Bouza definen el videojuego como "una serie de imágenes gestionadas por un ordenador cuya representación en una pantalla puede ser dirigida por un ser humano mediante unas palancas u otros controles, y cuyo fin es el ejercicio de una actividad recreativa sometida a un conjunto de reglas o de normas".<sup>6</sup> Para dichos autores el videojuego constituye un "audiovisual", cuyas imágenes y sonidos están almacenados en un programa de cómputo y que, por lo tanto, adopta una doble faceta, en la cual la obra audiovisual "prevalece" sobre la informática o de computación. Sin embargo, admiten una postura que contradice la tesis de la dualidad, respaldada por quienes entienden que el videojuego es sólo un programa de cómputo y no una obra audiovisual.<sup>7</sup>

La discusión de Gómez Segade y Bouza sobre el orden dualístico, intrascendente para los efectos de su artículo jurídico, revela, sin embargo, una problemática que se presenta en la legislación mexicana y expone, como punto de partida, cuestiones acerca de la naturaleza jurídica de la producción multimedia.

La Ley Federal del Derecho de Autor (LFDA) establece lo siguiente: "Los programas efectuados electrónicamente que contengan elementos visuales, sonoros, tridimensionales o animados quedan protegidos por esta Ley en los elementos primigenios que contengan".<sup>8</sup> No obstante su deficiente redacción, el precepto transcrito encierra una serie de principios referentes a las producciones multimedia. Cabe preguntarse si éstas son obras del espíritu y, en el supuesto de serlo, si son obras per se, más allá de los textos. Sonidos o imágenes que incorporan. En caso afirmativo, resulta imprescindible saber si se trata de obras visuales o audiovisuales, de programas de cómputo o de obras sui generis, regidas bajo normas distintas a las aplicables a las audiovisuales o los programas de cómputo.

## **CUESTIÓN DE COMPATIBILIDAD**

Todas las legislaciones en el mundo coinciden en que la creación multimedia es una obra. No existe una tendencia generalizada a llamarla "obra", pero sí a reconocerla como tal.<sup>9</sup> Por otra dedparte, no parece existir una legislación que tipifique la producción multimedia. Los sistemas jurídicos —anglosajones y continentales, por igual— le han encontrado acomodo dentro del régimen preestablecido, adaptándola al género que resulta más afín o compatible. Así las cosas, la producción multimedia es visual cuando se compone de una imagen estática o en secuencia de movimientos, y audiovisual cuando se le agrega sonido.

El Copyright Act de Estados Unidos ha mantenido sin variantes su clasificador, que incluye obras literarias, musicales, visuales, audiovisuales y sound recordings.<sup>10</sup> Dicho estatuto no menciona expresamente los programas de cómputo y, por el contrario, los considera obras literarias. La protección de obras multimedia y de videojuegos se desprende de la jurisprudencia, producto de fallos, como en el caso de Stern Electronics, Inc. vs. Kaufman,<sup>11</sup> ocurrido hace más de veinte años, en el cual el tribunal colegiado del segundo circuito resolvió que los videojuegos son obras audiovisuales. En ésta y otras resoluciones judiciales posteriores se han analizado cuestiones como el requisito de fijación y la modificación de obras preexistentes frente al derecho de transformación.<sup>12</sup>

En España, como apuntan Gómez Segade y Bouza, no existe duda de que el programa multimedia y el videojuego son obras, pero sí en cuanto a su clasificación e incluso su carácter unitario o dualístico, pues se expresan en función de una parte informática y otra visual, audiovisual o sonora, entre otras. En la práctica, la balanza parece inclinarse hacia la tesis dualista, al admitir que el artículo 95 de la ley española ofrece protección individual al programa multimedia, mientras que el artículo 86 lo hace con la obra audiovisual.<sup>13</sup>

La protección en México reviste un carácter especial, curiosamente, por la convergencia de ciertos preceptos legales y los equívocos que se desprenden de su interpretación.

## **LFDA:**

### **POSTURA AMBIVALENTE**

Conforme al artículo 111 de la LFDA, la legislación mexicana reconoce las manifestaciones multimedia bajo una asociación entre "programas electrónicos" y "elementos visuales, sonoros, tridimensionales (sic) o animados", siendo que éstos son el "contenido" de aquellos. La postura de la LFDA luce ambivalente, ya que al parecer concibe la producción multimedia como programa de cómputo, no obstante su contenido y aplicación especial. Por otro lado, reconoce que el contenido de la obra es, a fin de cuentas, el elemento que circunscribe una creación multimedia. En consecuencia, la LFDA no la define ni clasifica como obra de valor sui generis, pero se inclina sobre una cierta noción dualista, que a diferencia de la española, no disocia entre lo audiovisual y lo informático.

La tipificación de las producciones multimedia no debería ocupar mucho espacio de discusión. La LFDA, apoyada por la Convención de Berna, la Convención Universal y los tratados más recientes como el de la OMPI sobre Derecho de Autor y Derechos Conexos (WCT, por sus siglas en inglés), ofrece protección a todas las obras, independientemente de su "mérito, destino o modo de expresión".<sup>14</sup> Villalba y Lipszyc sostienen que "al derecho de autor sólo le compete determinar cuándo gozan las obras de tutela legal", siendo que "a los efectos de la protección no es indispensable saber si una obra pertenece a una u otra categoría".<sup>15</sup> La LFDA establece un listado por "ramas" y aclara que las obras no referidas "que por analogía puedan considerarse obras literarias o artísticas se incluirán en la rama que les sea más afín a su naturaleza".<sup>16</sup> Sin embargo, lo anterior podría resultar ambiguo, sobre todo cuando una obra cabe en dos géneros o más.

La LFDA no está exenta del problema de clasificación de las producciones multimedia. Aparentemente las considera programas de cómputo, si se ciñe a una interpretación estricta del artículo 111 de la LFDA. Pero bien podría tomarlas por su resultado, tomando en cuenta el aspecto "visual" - estático o en movimiento - y "auditivo" que las caracteriza y desborda el aspecto informático. En última instancia, es la imagen o el sonido lo que el autor comunica. Por ende, la LFDA podría catalogar las producciones multimedia como "obras de diseño gráfico" o simplemente "gráficas"<sup>17</sup> - si abarcan un aspecto visual, estático,

combinando dibujos, fotografías o diseños y quizá algunos textos—, u "obras audiovisuales" —en caso de imágenes secuenciadas, en producciones elaboradas para cine, televisión o video o en videojuegos o programas de computadora.

La dualidad "programa de cómputo"-"obra visual o audiovisual" que distingue la creación multimedia genera un desafío peculiar frente a la LFDA, sin paralelo en otras jurisdicciones. Y es que bajo la legislación Mexicana la protección de los programas de cómputo constituye un orden especial, sustentado en un sistema de normas ad hoc. De hecho, las obras visuales, así como las audiovisuales, también prevén un régimen privativo.

Por otra parte, la LFDA contempla reglas comunes a todas las obras, inaplicables cuando se contraponen al régimen especial. Dado el conflicto de leyes resultante, luce imprescindible imponer normas que definan si las producciones multimedia deben extrapolarse al género de obra más afín o agruparse como programa de cómputo. La razón de un orden dispositivo es brindar mayor seguridad jurídica a los titulares de derechos y usuarios de obras, lo cual va más allá de cualquier ejercicio estéril de retórica jurídica.

## **DE RAMA EN RAMA**

La LFDA estipula una serie de principios fundamentales que se refieren, entre otros aspectos, a los autores, las obras, los derechos y los límites de protección. De esta forma, el autor es una persona física creadora de una obra literaria o artística;<sup>18</sup> la obra es aquella creación original que puede explotarse por cualquier medio<sup>19</sup> y corresponde a las ramas enumeradas;<sup>20</sup> los derechos son principalmente los morales - divulgación, paternidad e integridad-<sup>21</sup> y los patrimoniales - reproducción, distribución, comunicación pública y transformación-;<sup>22</sup> los límites son fronteras que demarcan el sistema de protección. Los principios apuntados son denominador común de todas las obras y, por ende, se aplican a toda situación, excepto las previstas en la ley. En los capítulos especiales los principios se adaptan normalmente para resolver un problema determinado.

El capítulo dedicado a las obras fotográficas, plásticas y gráficas contiene normas de alcance reducido, cuyo propósito es precisar conceptos sobre la enajenación de la obra plástica, el retrato de

personas y la producción de series de obra gráfica.<sup>23</sup> El capítulo sobre obras cinematográficas y audiovisuales, de mayor extensión y profundidad, establece, entre otras cuestiones, que el productor es titular de los derechos patrimoniales de una obra audiovisual<sup>24</sup> y que el director, escritor, compositor y dibujantes son autores de sus contribuciones.<sup>25</sup> Asimismo, señala que los autores "comprometidos" a "aportar" su obra a la producción audiovisual verán reducido su derecho patrimonial exclusivo a uno de simple remuneración,<sup>26</sup> aunque conservan el derecho sobre sus "aportaciones" para explotarlas fuera de la producción audiovisual.<sup>27</sup>

Por último, el capítulo sobre programas de computación y bases de datos llega todavía más lejos, al preconstituir todo un sistema de derechos patrimoniales ad hoc, centrado en un solo titular de derechos,<sup>28</sup> en el que además de los derechos de reproducción, distribución o transformación, se aprecia uno de desensamblaje y decompilación.<sup>29</sup>

### **SOMBRAS SOBRE LA DISTRIBUCIÓN**

Cabe resaltar una cuestión acerca del derecho de distribución, sobre todo la modalidad de arrendamiento. El artículo 27 fracción IV de la LFDA dice lo siguiente: Los dos preceptos transcritos se refieren al derecho de distribución como un acto de explotación de obras considerado en sí mismo, así como a las modalidades de venta y renta. El artículo 27 (IV) de la LFDA constituye una base común aplicable a todas las obras, excepto a los programas de cómputo, regidos por el artículo 104.

En el mismo artículo 27 (IV) se aprecia el límite del derecho de distribución, atribuido a la doctrina llamada de la "primera venta". De conformidad con dicha tesis, el derecho de distribución se agota efectuada la primera venta de cada copia de una obra, lo que significa que su legítimo propietario podrá disponer de la misma mediante una venta sucesiva. La gran interrogante es si conforme a dicho artículo el derecho de alquiler se agota también después de la primera venta, o si permanece bajo la tutela del autor o titular. Como puede observarse, la disposición legal referida parece inclinarse sobre la primera opción; esto es, que el derecho de alquiler sí se agota.

El artículo 104 de la LFDA parece confirmar la hipótesis al indicar que, como excepción a lo dispuesto por el artículo 27 (IV), el titular conserva el derecho de alquiler después de la primera venta del ejemplar del programa de cómputo distribuido en un objeto tangible.

### **¿Debe concluirse que la LFDA sólo prevé un derecho de alquiler para los programas de cómputo?**

Existen opiniones en ambos sentidos, algunas respaldadas sobre el tipo delictivo del artículo 424 bis del Código Penal, que no hace exclusiones.<sup>30</sup> Sin embargo, la LFDA es clara en lo sustantivo, por lo que la pregunta subsiste respecto a si hay un derecho de alquiler de obras distintas a los programas de cómputo.

En los párrafos precedentes se expuso de qué modo la LFDA ha generado un impacto sobre las producciones multimedia. A diferencia de otras jurisdicciones, las cuestiones relativas a la clasificación se han vuelto trascendentes, dada la posibilidad de considerarlas programas de cómputo, que invariablemente están regidos por normas distintas a las que tutelan otras obras. Lo anterior no implica que la legislación mexicana deba adoptar un criterio de tipificación que pretenda listar, como un Nuevo género de obra, a la producción multimedia o cualesquiera de sus aplicaciones o expresiones.<sup>31</sup> Definitivamente, deben emplearse los esquemas de clasificación existentes para dar cobijo a las obras multimedia, fuera de cualquier consideración de orden dualista. Lo anterior, en fiel resguardo de los principios más elementales de seguridad jurídica de los titulares de derechos y usuarios de obras. La LFDA será un instrumento eficiente sólo en la medida que ofrezca soluciones compatibles con las tendencias del derecho de autor universal.

### **Los titulares de los derechos patrimoniales podrán autorizar o prohibir:**

IV. La distribución de la obra, incluyendo la venta u otras formas de transmisión de la propiedad de los soportes materiales que la contengan, así como cualquier forma de transmisión de uso o explotación. Cuando la distribución se lleve a cabo mediante venta, este derecho de oposición se entenderá agotado efectuada la primera venta, salvo en el caso expresamente contemplado en el artículo 104 de esta Ley.

Por su parte, el artículo 104 de la LFDA establece:

Como excepción a lo previsto en el artículo 27 fracción IV, el titular de los derechos de autor sobre un programa de computación o sobre una base de datos conservará, aun después de la venta de ejemplares de los mismos, el derecho de autorizar o prohibir el arrendamiento de dichos ejemplares. Este precepto no se aplicará cuando el ejemplar del programa de computación no constituya en sí mismo un objeto esencial de la licencia de uso.

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1. La información digital se describe en números. Encabo Vera, Miguel Ángel, Las obras multimedia. Nuevas tecnologías y propiedad intelectual, Ed. Reus, Madrid, 1999, p. 72.
  2. Bender, David, Computer Law, Multimedia Source Materials, Institute of Intellectual Property of Japan, Multimedia Proposal (febrero, 1994), vol. 2, app. 3C1-3C27, Lexis Nexis / Matthew Bender, Newark, 2002.
  3. Wadlow, Clark and Blakely, Craig, Multimedia and the Law. Practicing Law Institute, Nueva York, 1994, p. 10.
  4. Id., p. 10.
  5. Lipszyc, Delia, Nuevos temas de derecho de autor y derechos conexos, UNESCO, Cerlalc y Zavalia, Buenos Aires, 2004, p. 453.
  6. Gómez Segade, José A. y Bouza, Miguel Ángel, Videojuegos: algunos problemas de derecho de autor, Ed. Reus, Madrid, 2001, p. 70.
  7. Id, p. 70.
  8. Artículo 111, LFDA.
  9. Lipszyc destaca las acepciones que recibe la producción multimedia como "creaciones multimedia", "programa multimedia", "producto multimedia" y "obra multimedia". Op. cit, p. 455. Nosotros consideramos que puede utilizarse cualesquiera de los términos apuntados excepto "obras multimedia", concepto que resultaría válido sólo si la ley considerase a la producción multimedia un género de obra.
  10. 17 U. S. C. Section 102 (a).
  11. 669 F.2d 852, 853-54 (2d) Cir. 1982.
  12. Slavitt, Kelly, Fixation of Derivative Works in a Tangible Medium: Technology Forces a Reexamination. Idea, The Intellectual Property Law Review, Franklin Pierce Law Center, vol. 46, núm. 1, Concord, MI, 2005, p. 37.
  13. Pérez de Castro, Nazareth, Las obras audiovisuales, panorámica jurídica, Ed. Reus, Madrid, 2001, p.28.
  14. Lipszic, Delia, Op. cit., p. 462. Asimismo, artículo 5, LFDA; artículo 2 1) y 5), Convención de Berna, Acta de París; artículo I, Convención Universal; y tratado WCT, en especial el artículo 1.4, para el entorno digital o numérico.
  15. Villalba, Carlos y Lipszyc, Delia, El derecho de autor en la Argentina, Ed. La Ley Buenos Aires, 2001, p. 12.

16. Artículo 13, último párrafo, LFDA.
17. El Glosario OMPI de derecho de autor y derechos conexos, en su edición de 1980, define obra gráfica como aquella "obra artística creada por delineación y/o coloración sobre una superficie plana, por ejemplo, los dibujos o pinturas y a veces también los grabados". La definición no se refiere a las obras gráficas de computación por lo antiguo del concepto, sin que deba haber duda, en la actualidad, que dichas expresiones deben estar dentro del concepto. Paul, Christiane, Digital Art, Thames and Hudson, World of Art, Londres, 2003. Greene, Rachel. Internet Art, Thames and Hudson, World of Art, Londres, 2004.
18. Artículo 12, LFDA.
19. Artículo 3, LFDA.
20. Artículo 13. LFDA.
21. Artículo 21, LFDA.
22. Artículo 27, LFDA.
23. Capítulo II del Título IV, artículos 85 a 93, LFDA.
24. Artículos 97 último párrafo y 99 último párrafo, LFDA.
25. Artículo 97, LFDA.
26. Artículo 99, LFDA.
27. Artículo 96, LFDA
28. Artículo 103, LFDA
29. Artículo 106, LFDA. Curiosamente, el artículo 106 no menciona el derecho de comunicación pública, por lo que cabe preguntarse si existe para programas de cómputo. Por más criticable que resulte la técnica del legislador y las omisiones en que incurrió, debe concluirse que sí hay tal derecho, con base en los principios generales del artículo 27 de la LFDA.
30. Rangel, Horacio, Rental Rights, Cinematographic Works and Videograms in México, Copyright World, octubre, 2001, núm. 114, Informa Professional, Londres, p. 24.
31. Actualmente el Congreso analiza una iniciativa de ley que busca adicionar una fracción XV al artículo 13 de la LFDA para designar las "páginas de internet" como género de obra, lo cual es un preocupante absurdo, amén de la paupérrima redacción que se utiliza. Gaceta Parlamentaria núm. 31, 3 de agosto, 2005.

## **USING THE CRIMINAL LAW TO FIGHT ONLINE PIRACY**

*Intellectual Asset Management -IAM Magazine- International Report, October 2008.*

To date, the Mexican criminal law system has proved to be an effective means of fighting against certain forms of online piracy. Judicial precedents show an increasing number of cases in which copyright owners have been able to stop counterfeiting or piracy activities.

One recent example was a criminal action brought by the member studios of the Motion Picture Association of America (MPAA) against SigloX.com, an illegal television website. SigloX.com provided an online television service showing hundreds of films illegally. The business and the server used to distribute the films were located in Culiacan in the state of Sinaloa. The group which organised the operation of the site was apparently protected by the local police and judiciary. Following complex investigations and a failed attempt to obtain a search warrant from a Culiacan court, the Federal Attorney's Office took action by entering the operator's facilities. The search found a working server as well as computers and other materials, such as original DVD copies of films. The federal prosecutor in charge of the raid proceeded to seize the server, computers and materials. Federal Attorney Office experts and representatives of the MPAA reviewed the seized material and found thousands of films in the memory of the server and computers. One person was arrested and taken before the courts on criminal charges.

The investigation is still open although the site has been taken down. The principals of the illegal business have fled and are now wanted by Interpol.

The action is a major achievement for the MPAA in its efforts to pursue piracy activities perpetrated online from countries outside the United States. Thanks to the Mexican criminal justice system, the threat posed by SigloX.com has been eliminated.

## **DIGITAL MILLENNIUM 'A LA MEXICAINE'**

*Copyright World, December 2000 / January 2001.*

### **Background: A Scenario of New Developments**

Digital Technology is nothing else but a new challenge for copyright law. An initial question that experts have raised though is how much these new technologies have represented a threat for copyright in terms of the universal value it has signified throughout times.

During the mid-nineties the approach was not so much optimistic the reason being that works-of-authorship can be so easily be copied by digital means and then distributed without any control through digital networks potentially accessed from anywhere in the world.

With the advent of such forms of digital expressions as multimedia or of technologies as the network infrastructure, new forms of creativity, reproduction and dissemination of copyrightable subject matter have developed as well, and it is the convergence of all the foregoing that has shaped the so called 'global information society.'<sup>1</sup>

However, time has shown that all that fear has been a mere speculation at the end, as copyright did indeed become a major player in the global information society. It has been generally understood that as the network would not fulfill its purpose of giving access to information in quantity and quality, should not a framework be created by which the rights of authors and other titleholders be secured, thus attracting their attention and interest to use the network for the distribution and publication of their works?<sup>2</sup>

As one commentator has stated "the idea that works and information 'deserve to be free' is no more valid or economically viable today than it was in the seventeenth and eighteenth centuries when authors' rights began to be enshrined in national and international law."<sup>3</sup> In accordance with that statement, digital forms of reproduction and distribution could have been as threatening as it was the case for other reproduction or dissemination technologies that have developed in the past. Thus, if copyright was capable enough to survive to the challenges of then 'new' but now 'old technologies' why is it not able to survive the digital revolution?

## **The External Factors which produce an Impact on Mexican Law**

With the above in mind, as from 1995 national and regional governments such as those of the USA and European Union, as well as international bodies such as WIPO, started to find their way for the setting up of the rules that would ensure that copyright institutions adapt to the new manifestations of technology. Initially, said efforts were embodied into projects such as the Green paper<sup>4</sup> and the White paper.<sup>5</sup>

However, the so-called 'Berne Protocol'<sup>6</sup> was the precedent of what later matured as the WIPO Copyright Treaty (WCT) and the WIPO Performers and Phonogram Treaty (WPPT). Internationally then, the idea of a revision to the Berne Convention expanded so strongly that nothing would have stopped it from becoming real and tangible.

The process of implementing an international set of rules was not simple and indeed troublesome. The reason was that the White Paper and draft Berne Protocol had heavily leaned towards the interests of copyright owners and mistakenly overlooked those of service providers as well as users of information on line. These projects were strongly criticized and consequently never approved.

Under the White Paper, service and infrastructure providers were bound to permanently police their clients and in general, the users of information in digital network, so that they would not infringe copyright rights of any sort. Among others, the text of the White Paper suggested changes to concepts such as fixation and reproduction, in order to include that transient copies made on random access type memories of computers is also regarded as fixation or reproduction. Likewise, it proposed that distribution right should include the transmission of copies through the network, and that a right of importation and production of derivative works be recognized in favor of copyright titleholders.

The view of service and infrastructure providers was however different. Some of them had already be held liable for infringement, whether directly as in the US case *Playboy Enterprises v Frena*,<sup>7</sup> or as contributory infringers as in *Religious Technology Center v Netcom*.<sup>8</sup> They were thus very concerned indeed as to whether they should be "considered publishers or distributors of copyright infringing material and liable for contributory infringement, even though they do not know

or have any way of controlling, limiting or policing the distributor of that infringing material.”<sup>2</sup> They were obviously against the White Paper and draft Berne Protocol and pushed before the US Congress as well as in the international front, so that their views were taken into account. The controversial position of copyright owners, users and service providers came to the attention of the framers of WCT and WPPT. Due to this, discussions at the Diplomatic Conference concerning both the draft agreements were held under more objective grounds. As a matter of fact, at the end of discussions, the position of users and service providers was definite in that the agreements had reached a major balance. This is clearly obtained from the outcome of the Diplomatic Conference of December 20, 1996 at WIPO's headquarters in Geneva, where besides TRIPS obligations having been reformulated in the language of Berne, the discussion was aimed at resolving the conflicting positions of content providers vis-à-vis principles of public interest of consumers of content (access to information and freedom of speech) and rights of infrastructure providers. The 'making available' right represented a significant achievement though, which entails the adoption of a new formula applicable against unauthorized use of works in the digital environment. The same occurred as to the new provisions concerning technology measures and rights management information. Notwithstanding the achievements, the proposal to broaden the scope of the right of reproduction to include the temporary copying of works, was not finally approved. Different groups had criticized that approach basing their arguments on the fact that digital communicated information is constantly being 'stored and forwarded', for purposes of browsing the Internet, sending e-mails or viewing or displaying digital files, amongst others. If the modification had been approved, users and service providers would have been constantly held liable for making 'reproductions', notwithstanding the concept of how fair the purpose would have been. Accordingly, after discussions among delegates of many nations, the change was not passed, at the Diplomatic Conference. It was then submitted for new analysis in the future.

The initial proposal calling for rules as to technological protection systems was subject to controversy as well. The reason for the conflict was that the initial proposal submitted to the Conference by which making of devices for the circumvention of the protection systems installed or used by anyone would be referenced as illegal regardless if

circumvention using said devices is done for legal and valid purposes. A main concern was that such a prohibition would serve to restrict access to material in the public domain. Likewise, the prohibition would also threaten legitimate dual-use technology and evisceration of copyright exceptions. As a result, the Diplomatic Conference adopted an alternative proposal which applied to the act of circumvention rather than the making of circumvention devices as the prohibition to be imposed, and which was focused on acts allowing infringement. This latter position was approved and article 11 of WCT was drafted accordingly.<sup>10</sup>

### **Mexico and the Information Society**

Mexico has been an active promoter of copyright law and a true participant in the development of an international system of protection. The Internet would have not been the exception to the rule. The Mexican delegation participating at the discussions of WCT and WPPT played an active role in the negotiation and adoption of said international agreements. As of May 18, 2000, Mexico deposited the instruments of accession to the WCT and had earlier done so for WPPT. WCT is actually pending at Congress while WPPT was approved on March 1, 2000. As a matter of fact, the Mexican Law of 1996, which was passed through Congress prior to the conclusion of the Diplomatic Conference held at WIPO's headquarters in December 1996, already had introduced certain provisions that would later become the standard of the treaties.<sup>11</sup>

Accordingly, the Mexican Law of 1996 inserted the following in anticipation of the final outcome of WCT and WPPT:

(1) A 'making available' right by which in terms of article 8 of WCT "members of the public may access these works from a place and time individually chosen by them". Accordingly, article 27 II c) of the Copyright Law regards "the public access by means of telecommunication" as a patrimonial right. Inspired on article 8 of WCT, that provision considers the 'making available' right within the broader category of 'communication to the public'. In addition, the provision employs the very broad notion of 'telecommunication', which tries to cover every single form of communication at distance and includes digital networks.

(2) A 'transmission' right, as stated in article 27 (III) of the Copyright Law, independent from the general concept of communication to public. In other words, the Mexican legislator of 1996 created a new bundle of patrimonial right, calling it a 'transmission right'.

(3) A whole chapter devoted to protection of computer programs, where amongst other many rules, it is possible to find that computer programs are protected as literary works.<sup>12</sup>

(4) Provisions relating to 'compilations of data', also known as 'databases', recognizing both a copyright right as well as a sui generis right. A principal provision establishes that bases of data or of 'other material', perceptible by the means of machines or any other form, which by reason of the selection and disposal of content represent 'intellectual creations' shall be protected as 'compilations'.<sup>13</sup> Thus, having considered them as 'compilations', the law has afforded a copyright type of protection to a data base if 'original', calculated for the regular term of life plus 75 years; on the other hand, it has also granted a sui generis right to 'non-original' databases, although protection in this case is for a reduced term of five years.

(5) Notions of 'fixation' and 'reproduction', which include the temporary or ephemeral copying of protected works.<sup>14</sup> The legislator of 1996 was certainly unaware, at the time that the statute was passed, that the Diplomatic Conference of WCT would end up dropping the original idea of 'ephemeral reproduction' as it would have imposed a high burden on users and infrastructure providers. By having anticipated the final result at WIPO, the Mexican law indeed ruled on the ephemeral copying of works as a form or reproduction.

(6) A 'technical protection system' provision aimed at protecting the circumvention of codification mechanisms of computer programs. The rule in the Mexican law has nonetheless a narrower scope than that of what it later would become article 11 of WCT, which states that the prohibition attends to the circumventing of technical mechanisms in general. Additionally, the legal provision overlooks the 'purpose of infringement' requirement of article 11 of WCT. The reason is again that Copyright Law was passed by Congress slightly before the Diplomatic Conference of WCT, in which the 'purpose of infringement' factor was approved.

Notwithstanding the above, WCT and WPPT have not been really or at least been fully implemented into Mexican Law. As it can be appreciated, the changes made already reflect some of the standards of both agreements, but in certain aspects compliance has not been made thoroughly, and in others it was made against WCT trends.

Examples of the first category can be the technical protection system provision, which in the Mexican Law was limited to software. Examples of the second group are the reproduction right which under the copyright law extends to ephemeral copying, the technical protection provision itself, which is silent as to the 'infringement purpose', and the lack of regulation on the rights and obligations concerning Rights Management Information, as in article 12 of WCT.

However, the real challenge for the Mexican Government is implementing the safe harbor rules as well as limitations to the new rights conferred by the law. This will be basically needed in order to fully meet all standards of WCT and WPPT, and in particular articles 10 of WCT and 16 of WPPT as well as the agreed statements of both articles.

Regarding circumvention of technological measures the copyright law does not state a single restriction, as for example when it is done for the copying of material or information which is or should be available and accessible to the public. A provision of this kind can be found in the US Digital Millennium Copyright Act, together with at least six additional exceptions dealing with the issue of circumvention.<sup>15</sup> Likewise, the Mexican Copyright Law could observe certain restrictions to the now very broad reproduction right. As mentioned above, the concept of reproduction admits the ephemeral copying of works, which in any event would cover situations such as a transitory transmission, system caching, storage of information on systems or networks at direction of users, and use of information location tools as browsers, search engines and directories. In conclusion, the Mexican Copyright Law has complied with most of all requirements of WCT and WPPT, which has meant a big step towards the implementation of rules protecting copyright owners in the digital or information society. But is very likely that Mexican government will soon come under pressure from other interested sectors for introducing a balance in the performance of the Mexican information society.

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1. Holleyman, Robert and Steinhart, Jeffrey; Multimedia in the Global Information Infrastructure; Memory of WIPO Worldwide Symposium on Copyright in the Global Information Infrastructure, Mexico City, May 22 to 24, 1995, p. 56.
  2. Holleyman, id at p. 60. See also Lehman Bruce A.; Intellectual Property and the National and Global Information Infrastructure; published at same WIPO Symposium Memory, p. 75.
  3. Holleyman opus cit. at p. 61.
  4. "The Green Paper on Copyright and Neighboring Rights in the Information Society" was the European approach to GII for submission to the Commission of the European Community.
  5. Global Infrastructure (GII) led to the US Government adoption of so-called White Paper.
  6. The idea of Berne Protocol arose out of GII and was mostly inspired on projects such as White Paper.
  7. 839 E Supp. 1552 (MD. FLA. 1993).
  8. 907 F Supp. 1361 (ND. Cal 1995).
  9. Street E Lawrence; Law of the Internet; Lexis Law Publishing, USA; Eight Ed. 1998, p. 415.
  10. Vinje Thomas C.; The New WIPO Copyright Treaty: A Happy Result in Geneva; EMR; Street And Maxwell, UK, Volume 19 Issue 5, 1997, p. 230.
  11. The Copyright Law of 1996 was discussed at Congress during December of 1996 and published on December 24 of same year.
  12. Chapter IV of Title IV of 1996 Copyright Law, referring to Computer Software and Data Bases. Articles 101 to 114.
  13. Article 107 of Copyright Law.
  14. Articles of 6 and 16 (VI).
  15. The Digital Millennium Copyright Act of 1998 (DMCA) signed by US President Clinton on October 28, 1998. Pub. L. No. 105-304, 112 Stat. 2860 (Oct. 28, 1998).

## **EXCEPTIONS TO COPYRIGHT PROTECTION AND THE PERMITTED USES OF COPYRIGHT WORKS IN THE HI-TECH AND DIGITAL SECTORS**

*42 World Intellectual Property Congress Paris, Palais des congrès*

*3 - 6 October 2010.*

*Mexican National Group.*

**The purpose of Q216A is to explore exceptions to copyright protection resulting not from issues of eligibility/qualification for protection but from various exceptions, permitted uses or defences. As stated above, this purpose is of itself extremely broad ranging. As such, the work will be limited to a small number of the potential exceptions, permitted uses or defences.**

***Questions about specific exceptions or permitted uses existing in your country/region.***

***1. What exceptions or permitted uses apply in relation to the activities of an ISP or other intermediaries? Are there any limitations on those exceptions/uses, for example when the ISP is put on notice of unlawful content? Which types of services provider may benefit from such exceptions: would they, for example, apply to UGC sites such as YouTube or social networking sites such as Facebook?***

The Copyright of Mexico does not provide exceptions or limitations to copyright or neighboring rights in connection with the activities of ISPs or other intermediaries, like OSPs. The reason is that intermediaries in charge of connecting Internet sites operated by infringers of copyright or neighboring rights, are not clearly liable of infringement, namely indirect infringement, by providing means to the site operators – connecting their sites to an indeterminate number of users, but also providing software that users can employ for file sharing or other purposes- who then perpetrate infringement of rights in a direct fashion. No exception or limitation system can exist in the absence of rights or actions to enforce the same.

Direct infringement has been explored, with success, in connection with works disseminated over the Internet, based on the economic right of access that derives from WIPO Treaties. The access right has been

tested in a number of cases related to the film and music industries. MPAA v SigloX.com is a landmark criminal case in the field. There is no doubt that, under the Copyright Law, site operators, including service providers who render online services –some of them in addition to connecting activities-, are subject of criminal, administrative and civil damages sanctions since their services imply direct infringement of copyright or neighboring rights, by: i) uploading or in general copying works or subject-matter of neighboring rights, without the consent of the rights holders; ii) giving access to the users the non-authorized copies of works or subject-matter of neighboring rights; or iii) making transmissions thereof or other forms of public communication utilizing Internet as the medium.

Secondary liability of intermediaries has been debated at a government level, with the participation of groups or association like the Business Software Alliance (BSA), the Motion Picture Association of America (MPAA), a number of collecting societies, as well as the largest ISPs in the country, that include Telmex and Telefonica. However, they have not convinced that ISPs can be liable for secondary copyright infringement, because the Copyright Law or international treaties do not deal with the issue. The reaction has been as follows: i) Associations have stated that HADOPI 2 should be adopted as a model; and ii) Collective societies have announced litigation against ISPs. The ground they rely on is the theory of subjective liability of civil law. However, being civil in nature, it has been questionable whether it can apply to infringement matters deriving from the Copyright Law or the Penal Code. Likewise, the civil theory is narrow in scope, and would not easily accommodate to non-common situations dealing with special rights. Lastly, assistance or inducement is additional factors that can complicate the application of civil liability doctrines.

***2. Do service or access providers have any obligation (in co-operation with intellectual property right owners of otherwise) to identify, notify or take remedial steps (including termination of access) in relation to their customers who infringe? Is the position different depending on whether the customer has only infringed once or has carried out repeated infringing activities? Do any such***

***obligations affect the scope of the exceptions or permitted uses that apply to those service or access providers?***

IPSS are free –there is still a debate in this respect- to connect infringers to the Internet, beyond acting as mere conduit, making caching or hosting or performing as a search engine. They are not under an obligation to monitor, identify and much less to notify, warn or disconnect the site, irrespective of the number of notifications made, the knowledge that the intermediary has of the infringing activities or even their deliberate acting.

***3. What exceptions exist for “digitisation” or to allow for format shifting of sound recordings, films, broadcasts or other works?***

The Law does not contemplate express exceptions for digitalization.

WIPO Treaties set some rules concerning exceptions and limitations. In essence the treaties enhance the three-step-test analysis of the Berne Convention. In agreed statements it has been provided that member States can decide whether adapting exceptions and limitations to the digital environment or creating new ones that are more adequate. Countries have applied differently the WIPO Treaty provisions. Regarding the three-step-test, most jurisdictions have viewed it as a supplemental rule, applicable when no specific exception or limitation exists or when courts need to find out balanced solution. Likewise, some countries have not found distinctions between digital and analogue uses of works, in order to impose exceptions or limitations. They have remained “technology-neutral”. Some other countries have admitted a technology neutral approach, but still have required an explicit extension in certain fields that are specific to digital rights when referred to private copying or orphan works.

The situation is quite unique in Mexico, where exceptions and limitations restrict to what listed in the law. The three-step-test does not work as a source of principal or subsidiary law, but as just as a general reference. The Copyright Law does not recognize special exceptions or limitations regarding electronic or digital reproduction, making available or transmission using digital networks or works or subject matter protected by neighboring rights. Existing exception or limitation norms apply to

digital rights when compatible by the nature of the work or right. In 2009 Congress discussed a bill dealing with certain exceptions to economic rights, such as the right to make transitional copies of works obtained from Internet into the random access memories of computers, a right to copy video or sound recordings in the memory of computers, including the digitalization of analogue recordings, and a right of private copying of photographic and literary works. By rejecting the bill, Congress found that it did not improve the existing system.

The Copyright Law mostly deals with copyright limitations to the economic right of reproduction in literary works, including: i) text quotation, when reproduction is non-substantial and not a mere "simulation", ii) copy of articles, photographs, illustrations or commentary, regarding news, previously disclosed by the press or media, and that right holders have not reserved for their own exercise; iii) copies of parts of a work for scientific, literary or artistic critique and investigation; iv) private copying on just one occasion by an individual, academic, investigative or non-profit institution; v) copy made by libraries or archives for the purpose of preserving or security, provided that copies of the work are out of stock, no longer catalogued or at risk of disappearing. Regarding neighboring rights of book publishers, phonogram producers, performing artists and video producers, limitations trigger when use (whatever the form, which includes reproduction of the subject matter of neighboring rights) is not made for the purpose of indirect gain; secondly when users employ for news reporting short fragments of performances – as fixed or reproduced – phonograms, broadcast signals, books or video recordings, under the same conditions that limit the reproduction of works. Digitalization of works or subject matter of neighboring rights is valid, by invoking exception rules of the Copyright Law, in connection with any of the activities described above.

***4. Are there specific exceptions permitting libraries to format shift or to make digital copies for archive or other purposes?***

Exceptions exist, as stated above, but not specific for digital copies of works or subject matter of neighboring rights. The exception provision is narrow though, since it refers to copies made but libraries or archives for preservation or security reasons only.

**5. Are there exceptions or permitted uses allowing the use of orphan works? If so, what is their scope?**

No. Orphan works has just been recently addressed and discussed and since there are alternative solutions to exception or limitation, such as licensing or creating registries or databases with catalogue of works, the government has not taken a position.

**6. What, if any, fair dealing/fair use provisions apply? Are there any examples of fair dealing/use provisions having a particular application to Library/search facilities such as Google Book Search?**

Fair dealing or fair use provisions do not apply in Mexico and even less in connection with library/search facilities.

It is clear that Google libraries settlement has attracted interest around the globe. It can certainly be regarded a challenging test to the copyright fair use system. Google allows its customers to search books from an index that includes a display of text snippets. For that purpose, Google scans the literary works in the books, makes online indexing, and elaborates the snippets of the texts. Before the court, Google has invoked case law allowing free use of works under the argument that the "use" of the work has been "transformed" and thereby, the copy "serves a different function than the original work". Google would not be successful before Mexican courts by invoking the exemption or limitation rules of the Copyright Law, since they are much more restrictive and inflexible than those of the US fair use system.

**7. How does the law in your country/region understand the requirement of international treaties that exceptions to copyright must not conflict with a normal exploitation of the work and must not unreasonably prejudice the legitimate interest of the author?**

The Copyright Law contemplates the three-step-test but in a rather unique fashion. It does not apply as such, whether as a principal or subsidiary law. It rather works as a headline referencing what is listed in the law. In the end the three-step-test cannot be invoked directly. Some commentators have criticized how the three-step-test has been inserted in the Copyright Law.

**8. Are there any other exceptions or permitted uses which you consider particularly relevant to the hi-tech and digital sectors with regard to ISPs, digitization and format shifting or orphan works?**

No.

**Your views**

***(a) In your opinion, are the exceptions to copyright protection for (i) the activities of an ISP (ii) digitization or format shifting; and (iii) orphan works, and the fair dealing/fair use provisions that apply to Library/search facility applications in your country/region suitable to hold the balance between the interest of the public at large and of copyright owners in the hi-tech and digital sector?***

In the particular case of ISPs the balance inclines to their side, taking into account that the Copyright Law does not recognize their liability. Copyright holders cannot invoke any sort of legal actions against intermediaries unless they perform direct infringement. However, as in other jurisdictions, the question remains if it can be justified that intermediaries are held liable of indirect copyright infringement for connecting users, regardless if these latter engage in wrong doing.

The copyright Law does not contemplate exception or limitation provisions applicable to orphan works and those referenced to library/search facilities are narrow. As a general comment, incorporating specific exceptions and limitation rules to digital rights justifies to the extent that they contribute to seek balanced solutions to tension or conflicts. New exceptions or limitations should not be considered as for digital rights when there is a general provision that includes them.

Orphan works would definitively require the admission of a new *ad hoc* exception, perhaps a limitation indeed. In keeping with this, the limitation provision would require that the user of the work follows a clearance process using every resource available at hand, including search or registries, records and catalogue (ie. music publisher catalogue). If nothing found the user may start using the work, giving public notice that it is an orphan work. If the rights holder shows up at a later time, it would no longer be in a position to stop the use of the

work, but entitled to remuneration or compensation (no profits though resulting from the exploitation of the work).

Exemption or limitation rules applicable for libraries or archives should probably be modified in order to solve problems arising out from newer library/search facilities issues.

***(b) Are these exceptions and permitted uses appropriate to the technology, understandable and realistic? Do they contribute to a situation where copyright is enforceable in practice?***

They are not appropriate in all instances, not because of technology factors, but since the whole system has proved not to be efficient. The Copyright Law should be changed not only to meet conditions imposed by new technologies, as far exceptions and limitations is concerned, but principally to reorganize the system, practically from scratch.

***(c) What, if any, additional exceptions would you wish to see relevant to these areas?***

Response for c) in a) and b).

***(d) Given the international nature of the hi-tech and digital fields, do you consider that an exhaustive list of exceptions and permitted uses should be prescribed by international treaties in the interests of international harmonization of copyright? Might you go further and say that there should be a prescribed list? If so, what would you include?***

No, the system cannot be limited to an exhaustive list, but again, not only for digital fields. The three-step-test rule should be instrumental to achieve a balance between copyrights and use of works, giving courts more ample powers to draw the dividing line. International treaties could bring standards that member countries may insert into domestic law. However, the standards should never be exhaustive.

**Note:** It will be helpful and appreciated if the Groups follow the order of the questions in their Reports and use the questions and numbers for each answer.

## Summary

Under Mexican law, ISPs and other intermediaries are not clearly liable for copyright infringement, namely indirect infringement, by providing means to the site operators – connecting their sites to an indeterminate number of users, but also providing software that users can employ for file sharing or other purposes- who then perpetrate infringement of rights in a direct fashion. Accordingly, the law does not contemplate any exception or limitation regime to mitigate unjustified application of rights.

The law does also not contemplate express exceptions and limitations for digitalization of works. Some of the existing general exceptions or limitations apply in connection with digital rights, since Mexican system is essentially “technology-neutral”. However sometimes exceptions and limitations are unaplicable to digital rights. The law should be amended to fill any gaps. Orphan works is an example of the foregoing.

## **EXCEPTIONS TO COPYRIGHT PROTECTION AND THE PERMITTED USES OF COPYRIGHTED WORKS IN THE HI-TECH AND DIGITAL SECTORS**

In the name of the Mexican Group.

México

Mexique

Mexiko

### **Report Q216B**

#### **Questions**

- **Analysis of current law and case law**

The Groups are invited to answer the following questions about specific exceptions or permitted uses existing in their national laws:

What exceptions or permitted uses apply to a service provider in relation to user-generated content (UGC)? Are there any limitations on those exceptions/uses, for example when the service provider is put on notice of unlawful content uploaded by internet users? Would they also apply to UGC sites which likely attract infringement? Which types of service provider may benefit from such exceptions: What content does your jurisdiction define as UGC?

Would exceptions for UGC, for example, apply to UGC sites such as YouTube or social networking sites such as Facebook?

The Copyright Law of Mexico does not contemplate exceptions or permitted uses of any sort applying to service providers in relation to user-generated content (UGC). Limitations are not available also. The Copyright Law does not define UGC or ISPs in general. Other statutes such as the Law on Telecommunications or the Law for Protecting Personal Data, also do not define or even make a reference neither to UGCs nor to ISPs.

Mexico is an original signor of ACTA and has subscribed the treaty as a result. Currently, the Senate is in the process of ratifying the same. However, ratification has stuck since groups represented by ISPs, Internet entrepreneurs and users, have brought objections against article 27 of ACTA. The foregoing notwithstanding the low standards imposed by article 27 and the freedom by the parties of ACTA to adopt the regime that better suits their copyright systems, taking into consideration the legitimate rights of interested parties. In keeping with the foregoing, it would be hard to know at present, whether: i) ACTA shall be ratified and hence become effective in Mexico; ii) ACTA shall be ratified and become effective, with exception of article 27; iii) if ACTA gets ratified and effective, what system would be adopted -if any at all- as a response to questions related to copyrights in digital environments and the balance between right holders, intermediaries and users of copyrighted works; and iv) if a regime is finally adopted, whether it would be based on exceptions or limitations to copyright rights, that benefit ISPs or OSPs, including UGCs.

On April 2010, and certainly before ACTA was signed, Congress received a bill with the purpose to insert into the Copyright Law, a system based on "Three-Strikes" notions. The bill was rejected shortly after having been filed

What exceptions or permitted uses apply in relation to temporary acts of infringement? Do transient/temporary copies of electronic works, held for example in a cache or in a computer's 'working memory (RAM) amount to infringing copies?

The Copyright Law does provide exceptions or limitations in relation to temporary acts of infringement. As a matter of fact, the definitions of fixation and reproduction of the Copyright law represent that fixation (or reproduction), recognize that a work can be fixed (or reproduced), despite the fact that a copy thereof has been made on a transitional basis, so long that a further copy or copies can be made out of that transitional fixation or reproduction. ISPs making cache or copies of copyrighted works for transitional purposes cannot invoke shelter and on the contrary, are on risk of copyright infringement. The balance anyway would incline in favor of the ISPs, since Mexican laws do not recognize theories based on indirect responsibilities, which makes that they ultimately cannot be declared as infringers.

On April 2009, Congress studied a bill for protecting rights of users on the Internet. Among other aspects, the draft incorporated a chapter laying down limitations to copyright rights in digital environments as well as the rights in sound and video recordings. Among other relevant exceptions the draft suggested a "right" of users to make transitional copies of works obtained from Internet into the random access memories of computers. The bill was rejected in the end, considering, as far the transitional exception is concerned, that the amendment would require modification to the existing provisions of the Copyright Law on fixation and reproduction.

Is there a private copying exception? If so, what is its scope? Should copyright levies apply for private use? If so what uses should be subject to the levy?

Yes, the Copyright Law states a private copy exception. The intention is that individuals or academic institutions make one copy of works. However, the provision is ambiguous in the sense that it does not say if individuals or academic institutions are allowed to make a copy of every work or just of those works for which they have obtained copies, on a legal fashion.

Congress is analyzing a bill intending to insert a levy system for private copying. However, it has been strongly criticized and opposed and it will hardly become accepted. It has been inspired on the Spanish legislation, which has been recently declared to contradict directives of the European Community. The scope of the bill is very broad and indeed exceeds the meaning of private copy. Likewise, the bill pretends to impose a levy as some sort of "license" of rights, but the question is what is the right subject to the license? The right (by virtue of an exception) is on the side of the user (the individual), not the copyright holder. The question has arisen why users shall have to pay for exercising a right. A further question is why manufacturers and vendors of equipments utilized by users to make private copies shall have to make the payment?

5. Under what conditions do the hyperlinking or location bol services provided by search engines infringe copyright? Are

there any exceptions or permitted uses relevant to this activity?

The question has not been addressed under the Copyright Law. However, assuming the indirect infringement issue becomes resolved, it would have to be analyzed whether by doing hyper linking, ISPs would be copying works (which is hard to conclude they are doing), communicating works to the public (which is not clear, since by hyper linking, the ISPs just makes a connection, but does not actually use the work), or making the work available to the public (which perhaps would be the closest infringed right, but still not hitting on the spot, since the website operator is the entity responsible for giving the access).

The Copyright Law does not stipulate exceptions or limitations dealing with hyper linking.

Are there any other exceptions or permitted uses which you consider particularly relevant to the digital environment (not previously studied in Q216 A)?

No, every exception or limitation in the Copyright Law that is relevant to the digital environment has been discussed either in this questionnaire or in Q216A.

## **I. Proposals for harmonization**

The Groups are invited to put forward proposals for the adoption of harmonised rules. More specifically, the Groups are invited to answer the following questions without regard to their national laws:

6. In your opinion, are the exceptions to copyright protection for (i) user-generated content, (ii) transient/temporary copies, (iii) private copying (taking into account any copyright levies) and (iv) hyperlinking in your country/region suitable to hold the balance between the interest of the public at large and of copyright owners in the hi-tech and digital sectors?

At present, the exception and limitation system has been good enough in order to set a balance of rights and interests. However, they may stay short in the future. In general terms, the four harbors seem to prove compatibility with copyright protection systems, as well as with indirect liability systems. The regime recognizes rights and

correlative exceptions and when rights are infringed, it allows that intermediaries are held liable, via three-strikes or in other forms.

The following are comments on each of the particular exceptions and limitations:

User-generated content. This exception clearly benefits on-line service providers. However, it is not very clear how. It seems to be a figure developed in Australia, that is still under testing before the courts. It probably would resemble the exception of the US Digital Millennium Copyright Act, under 512 (c). If that is the case, the exception is fine, especially when providers are unaware of an infringing activity that is perpetrated by the subscribers to their services.

Transient/temporary copying. This exception favors ISPs, as the entities in charge of providing services for connecting their clients to digital networks. The exception is justified and should be understood in the broadest sense as possible. Accordingly, it should include caching activities as well as any other form of transient copying that providers need to make for disseminating copyrighted works throughout digital networks. The exception should also include routing activities as well, despite the fact that these do not imply reproduction of the works themselves and are rather related with the transmission of the works.

Private copying. This exception has the purpose to protect individuals who make copies of works for their own use. By virtue of the levy system what is considered an exception would be changed to a limitation system, which is not right. Private copying is a "right" of users and has limited purposes. The right has to be defined properly and its scope circumscribed to what individuals can do. However, the difficulties of defining and circumscribing cannot represent an excuse in order to turn a legitimate right of free use to a right conditioned to payment. Imposing the levy on the manufacturer or distributor of the equipment or device for making the copies has even less a justification.

Hyper linking. This exception principally endorses activities carried by website operators. It might be useful if judges in different countries become confused whether hyper linking can be regarded a copyright infringement. However, it is not crucial as the question remains whether hyper linking infringes the rights of reproduction,

communication to the public or making available. It is further questioned if hyper linking can be regarded an infringing activity, even if it has the purpose to take a user to a website where infringement is committed. The reason is that hyper linking is not a cause of infringement as such.

7. Are these exceptions and permitted uses appropriate to the technology, understandable and realistic? Do they contribute to a situation where copyright is enforceable in practice?

Yes, they are understandable and realistic and should contribute to particular situations where copyright is enforceable in practice. Of course that they could also work in systems where ISPs can be held liable of infringement under theories of indirect responsibility. In strict theory, there is no need of a specific list of exceptions to copyright rights. That in view of the threestep-test provision of the Berne Convention, under which any form of utilizing copyrighted works could work as an exception of rights, potentially, as long as it meets the standards of the rule. Most, if not all of the exceptions to digital rights should be considered within the three-step-test rule. However, it is clear that giving judges the capacity to decide if exceptions apply, basing on the three-step-test rule exclusively, can be a risky decision of legislators in many jurisdictions. Accordingly, making a specific, but not exhaustive "list" —supported by the more general three-step-test rationale- seems to work as the best choice in connection with exceptions to digital rights.

8. What, if any, additional exceptions would you wish to see relevant to these areas?

As long as the list is not exhaustive and is backed by the three-step-test principle, it should be no need to be specific. Regarding the exception of private copy, it would rather be called "private use", for admitting that private rights of individuals do not restrict to reproduction rights, and could eventually extend to other rights like right to transform the work.

9. Given the international nature of the hi-tech and digital fields, do you consider that an exhaustive list of exceptions and permitted uses should be prescribed by international treaties in the interests of

international harmonisation of copyright? Might you go further and say that there should be a prescribed list? If so, what would you include?

Due to International and other considerations, exhaustive lists of exceptions and limitations are not appropriate solutions for digital rights (and for any other right as a matter of fact). Exhaustive lists may even attempt against Berne, regardless if the rights subject to the exception are digital or of other kind.

## **Summary**

Mexican Copyright Law ("MCL") does not contemplate exceptions or permitted uses of any sort applying to ISPs in relation with user-generated content (UGC); actually, MCL does not define UGC or ISP, in general. Although Mexico is an original signor of ACTA, it is uncertain if ACTA will be ratified and become effective in Mexico. In relation with temporary acts of infringement, MCL does not provide exceptions or limitations, as a matter of fact, it does not recognize theories based on indirect responsibilities. MCL states a private copying exception; however, the provision is ambiguous. Congress is analyzing a bill intending to insert a levy system for private copying, inspired on the Spanish legislation. MCL does not stipulate exceptions or limitations regarding hyper linking.

The exception and limitation system in Mexico has been good enough in order to set a balance of rights and interests; however, it may stay short on the future. In relation with USC, the exception clearly benefits on-line service providers, but it is not clear how. Transient/temporary copying exceptions also favor ISPs; the exception is justified and should be understood in the broadest sense possible, although it should include caching and routing activities. In the case of private copying, the exception protects individuals who make copies of works for their own use; however, the levy system considered in Congress would change it to a limitation system, which is not right, since private copying is a "right of users". As for hyper linking, the exception endorses activities carried by website operators. These exceptions are understandable and realistic, and should contribute to particular situations where copyright is enforceable in practice, however, there is no need for a specific list of

exceptions to copyright rights, if so, it should be backed by the three-step-test principle. Exhaustive lists of exceptions and limitations are not appropriate solutions for digital rights.

## **Résumé**

La Loi Mexicaine sur les droits d'auteurs (MCL) ne prévoit aucune exception ni aucun usage autorisé applicables aux ISP par rapport aux contenus générés par les utilisateurs ((JGC); de fait, la MCL ne définit pas d'UGC ou d'ISP en general.

Bien que le Mexique soit un signataire original de l'ACTA, il n'est pas sûr que l'ACTA soit ratifié et mis en application au Mexique.

Pour ce qui est d'éventuels actes d'effraction, la MCL ne prévoit aucune exception ni limitation, par voie de fait; elle ne reconnaît pas non plus les théories reposant sur des responsabilités indirectes. La MCL établit une exception privée de droit d'auteur: cette disposition est toutefois ambiguë. Le Congrès étudie actuellement un projet de loi afin d'insérer une redevance pour copie privée, inspirée de la législation espagnole. La MCL ne stipule pas d'exceptions ni de limitations pour ce qui a trait aux hyperliens.

Au Mexique, le Système d'exception et de limitation s'est avéré satisfaisant lorsqu'il s'agit d'établir un bilan de droits et d'intérêts; mais risquerait d'être toutefois insuffisant à l'avenir. En ce qui concerne les USC, l'exception bénéficie clairement aux fournisseurs de service en ligne; bien que la manière ne soit pas claire.

Les exceptions transitoires/ temporaires sur le copiage favorisent également les ISP; l'exception est justifiée et serait compréhensible au sens le plus large. Elle pourrait également inclure des activités de mise en cache et de routage. Dans le cas de copiage privé, l'exception protège les individus qui réalisent des copies de travaux pour leur usage personnel; le Système de redevance présenté devant le Congrès pourrait être remplacé par un système de limitation; ce qui n'est pas un droit, puisque le copiage privé est un "droit des utilisateurs". Comme pour les hyperliens, l'exception englobe des activités transmises par les opérateurs de sites web. Ces exceptions sont compréhensibles et réalistes et pourraient être utiles dans des situations particulières dans lesquelles le droit d'auteur doit être

renforcé dans la pratique. Il n'est toutefois nul besoin d'établir une liste d'exceptions aux droits de droit d'auteur. Si tel était le cas, il conviendrait que ladite liste repose sur le principe du test des trois étapes. Des listes d'exceptions et de limitations ne sont pas des solutions appropriées en ce qui concerne les droits numériques.

## **Zusammenfassung**

Das mexikanische Copyright Gesetz ("MCL") sieht keine Ausnahmen oder erlaubte Nutzungen beliebiger Art vor, die für ISPs (Internetdienstleister) gelten im Zusammenhang mit nutzergeneriertem Inhalt (UGC); tatsächlich definiert das MCL nicht UGC oder ISP im allgemeinen. Obwohl Mexico zu den ersten Unterzeichnern von ACTA gehort, ist ungewiss, ob ACTA ratifiziert wird und in Mexico in Kraft tritt. In Bezug auf zeitweilige Gesetzesübertretungen sieht das MCL keine Ausnahmen oder Beschränkungen vor, tatsächlich erkennt es keine Theorien an, die auf indirekten Verantwortlichkeiten basieren. Das MCL vermerkt eine Ausnahme für privates Kopieren; doch ist die Verfügung unpräzise. Der Kongress ist dabei, einen Gesetzesentwurf zu analysieren, der darauf abzielt, ein System zur Gebührenerhebung für privates Kopieren einzufügen, angeregt durch die spanische Gesetzgebung. Das MCL legt keine Ausnahmen oder Beschränkungen bezüglich Hyperlink-Verknüpfungen fest.

Das System der Ausnahmen und Beschränkungen in Mexico hat sich soweit bewahrt, um einen Ausgleich zwischen Rechten und Interessen zu schaffen; doch mag es für die Zukunft nicht ausreichend sein. Im Zusammenhang mit UGC begünstigt die Ausnahme klar online Dienstleister, aber es ist nicht klar wie. Auch kurzzeitige/zeitweilige Ausnahmen für das Kopieren begünstigen ISPs; die Ausnahme ist berechtigt und sollte im weitest möglichen Sinn ausgelegt werden, obwohl sie Zwischenspeicherung und Leitweglenkung (caching and routing activities) einschließen sollte. Im Fall des Kopierens für den privaten Gebrauch schützt die Ausnahme Einzelpersonen, die Kopien von Werken machen zum eigenen Gebrauch; jedoch würde das im Kongress beratene System der Erhebung von Gebühren es in ein einschränkendes System verwandeln, was nicht richtig ist, weil privates Kopieren ein "Redil der Nutzer ist". Was Hyperlink-Verknüpfungen angeht, so unterstützt die Ausnahme die von Website Betreibern ausgeführten Tätigkeiten. Diese Ausnahmen sind verständlich und realistisch, und

dürften zu besonderen Situationen beitragen, wo Copyright in der Praxis durchsetzbar ist, doch es besteht kein Bedarf für eine eigene Liste von Ausnahmen von Copyright Rechten, wenn ja, sollte sie sich auf das Prinzip des Drei-Stufen-Tests stützen. Endlose Listen von Ausnahmen und Beschränkungen sind keine angemessene Lösung für digitale Rechte.

## **DATABASE PROTECTION IN MÉXICO**

*World Information Technology Contacts Handbook 2001.*

### **Information in the Digital Age.**

Information is essential nowadays as it means value and wealth in terms of culture and economics. People now think of Information as a principal asset in their businesses, and devote their time, money and effort to developing, processing and transferring it. Businesses seek control of the information that they produce, whether it is subject matter protected by intellectual property law (such as works, inventions, trade secrets and the like) or simple data not entitled to protection of any sort per se.

The Importance of information has still increased as people have learned to process and control it by using digital means. E-commerce as well as other expressions in a digital environment are centered in the idea of information. And what digital technology adds is the possibility of storing and retrieving selected data, and disposing them by having them arranged, managed and presented as the compiler may wish.

Collecting and compiling data is not a new idea. Traditionally, people have made collections of works such as anthologies and encyclopedias and have published them in as many different forms as technology has permitted. Now is the turn of multimedia and computer networks, which as the newest technologies known, they have changed the way information can be compiled and displayed. That of course has meant a great challenge for the law in general, and intellectual property, in particular.

### **The Legal protection of databases**

Database protection has been in the process of development for at least one decade. It was perhaps US courts that first dealt with issues relating to databases. Special mention should be given to the telephone directory cases, which were resolved prior to the Feist case, following a sweat of the brow analysis. However, in Feist the US Supreme Court imposed a higher standard based on the selection, arrangement or disposal of the information that was compiled — again a telephone directory. But it is perhaps in Europe where database protection has developed into a better structured system and where a major

consolidation and level of maturity has been reached. That can be certainly true as the European Union did undertake the great effort and task of harmonizing the countries national laws, by implementing a Directive specially dealing with the subject.

The first cases in Europe, Van Damme, in the Netherlands and Le Monde, in France, reflected the need of harmonizing the concept of originality in databases, as it had been viewed differently in each of the countries. Anglo-saxons had generally structured their laws over the criterion of skill and labor, where originality is triggered from the effort and investment made by compiler, regardless as to whether an artistic result has been achieved. On the other hand, Continental Europeans followed much higher standards as it is Schöpfungshöhe or imprint of author's personality, according to which any compilation would definitively require serving an artistic purpose.

The Directive on Databases became a vehicle for the balancing of equities. It placed databases in an Intermediate position of the originality scale, requiring it to be the compiler's own Intellectual creation that would attend to his or her personal contribution. This standard of originality had previously proven to fit into other forms of creativity such as software. Accordingly, as Jens Gaster has said, in order to achieve harmonization Anglo-Saxons would have to lift the bar and Continentals lower It.

Notwithstanding the foregoing, considering the thin protection that copyright law grants to databases, and the need of a more flexible approach that would in some way enlarge its scope of protection, the Directive incorporated a sui generis right to protect databases not complying with the levels of originality required by Copyright Law. As applicable standard the Directive relied on the concept of sweat of the brow analysis.

On the International field, a right on databases was first stated in article 10 (2) of TRIPS. However, article 2 (5) of the revised Berne Convention can be regarded as precedent as it considers collection of works as expressions of creativity, entitled to copyright protection, when they result from the "selection and arrangement" of their contents. Berne did not make reference to the broader notion of data base, which admits not only works of authorship, but non copyrightable material and

information as well. However, TRIPS relied on the same concept of "selection and arrangement", making it extensive to data bases. Article 10 (2) of TRIPS thus requires that compiler makes a personal contribution to the process of collecting or compiling, which merits copyright protection. WCT later confirmed the foregoing by adding difference: used the expression "selection or arrangement" instead of "selection and arrangement". The approach taken was alternative rather than cumulative.

### **Database protection in Mexico**

The Mexican law of 1996 contemplates some provisions regarding to the protection of databases. A principal rule states that bases of data or of other material perceptible by means of machines or any other form, which by reason of the selection and disposal of their content represent "Intellectual creations", shall be protected as compilations. In addition the statute regards as compilations those consisting of collections of works, such as encyclopedias, anthologies, works or other elements such as databases, provided that such collections constitute an intellectual creation by the selection or arrangement of their content or matter. The two provisions are consistent excepting for the fact that there is no definition as to whether the alternative or cumulative criterion should prevail in case of a conflict.

Accordingly, by being considered as compilations the law is affording copyright protection to databases if they are original. On the other hand, data bases which are not original can be nevertheless protected, but for the lesser term of five years.

It can be obtained that by having been inspired on the EU Directive on Data Base Protection, and naturally on articles 10 (2) of TRIPS and 2 (5) of the Stockholm Act of the Berne Convention, Mexican law has recognized protection of electronic and non-electronic databases on two different levels. The difference of course responds to the need of a flexible treatment of the standard of originality, as it happens in Europe.

Concerning the first level, the law has imposed the higher standard of originality virtually equal as for computer software. Although perhaps not as far reaching as the "imprint of the author's personae", it does also not fall down to skill and labour. And although not expressly referred in the statute, from interpretation can be obtained that the

standard points out the middle of the scale, again, as it has happened in the case of computer software.

Pursuant to the second level, which considers a rather low standard of protection, Mexican law would still offer sui generis type of protection for databases not meeting the requirements of Copyright law as original compilations. Under this category the law refers to non-original data bases. This may be an unfortunate concept, as it very well may be thought that it admits any possible form by which data are put together, without a minimum finding of selection or disposal. As there is nothing in the statute to define the meaning of non-original, the notion in the Mexican law may be understood as confirming empty shells, which naturally would go beyond to any reasonable notion as it would be sweat of the brow, followed by the EC Directive.

As to the bundle of rights, in a special chapter devoted for software and databases, the Copyright Law grants a right to make or authorize:

- i) its permanent or temporary reproduction, in all or in part and by any means or form;
- ii) its translation, adaptation, rearrangement or any other modification;
- iii) the distribution of the original or copies of the data base;
- iv) the public communication; and
- v) the reproduction, distribution or public communication of a translated, adapted , rearranged or modified database.

From the provision, it cannot be inferred whether distribution rights do exhaust and if among distribution rights a more specific rental right is available. A question can be raised as to whether rental rights in other type of works, such as computer programs, could be extended to databases. However, there is not an easy response as databases have their own bundle of rights, which is silent as to rental rights, but also as to exhaustion of the distribution right. The statute is also silent as to compulsory licenses as well as to fair use. What can be regarded as true is that, with the exception of the bundle of rights provision, titleholder of an original database is entitled to any of the copyright rights afforded by the law, including moral rights, term of patrimonial rights of life plus 75 years and many others.

Yet a more difficult question triggers from the fact that there is no identification of the law as to the rights on non-original data bases. Would the copyright rights of original databases applicable thereto as well? While from a technical standpoint appears to be the case. It would sound pretty awkward, as there is no reason why, original and non-original databases should be granted with the same rights if they are inherently different.

## **THE CHANGING FACE TO COPYRIGHT**

*Copyright World Issue # 190, May 2009.*

### **"New technologies allow everybody to be their own copier, publisher or public communicator"**

Copyright law is a field of law that has been designed with the purpose of connecting interests of different kinds, frequently in conflict. In the first place stands the author of the works. Copyright would not exist without a physical creator of the work-of-authorship. No less important is the publisher, who utilizes media capable of disseminating the works, to make them accessible to everybody. In a blurry in-between position stands society, the receiver of works and the ultimate beneficiary that authors and publishers seek.

The Statute of Anne, a legacy to both the "copyright "and the "author's right" authors' and publishers' rights. Society would encourage authors to create and publishers to disseminate by conferring them exclusive rights to publish the works, in exchange of making culture and learning available to all. The rights to publish would necessarily return to society after the authors and their heirs, as well as the publishers, had enjoyed them for sufficient time.

The Statute of Anne took an antimonopoly orientation since censorship and monopoly had played against the rightful interests of society, in terms of how difficult it was having access to works. The Statute of Anne introduced trade-regulation and public domain worlds, was first to recognize the rights of society within creation and publication of works. Before the Statute of Anne was approved, society's rights and interest had been vastly neglected.

By conferring royal charter and privileges to the Stationers' Company, Mary Tudor was able to take control of the press (invented by Johan Gutenberg and brought to England by William Caxton) and impose monopoly and censorship rules to everything that was published.

Stationers' Copyright was the first form of protection for works, but it worked for the sole benefit of the crown and the Stationers' Company.

The Statute of Anne was a major expression of improved protection, inasmuch as it viewed society's need for learning as the central reason to grant as fundamental principles, ensuring availability of works to the people and a better balance among traditional forces and the newly-recognized position of society. In the end, statutory control of monopoly and censorship as well as of perpetuity of rights are the first examples of success and achievement that society has gained and that have contributed to the confection of a copyright systemized law.

It is clear that society has played a crucial role in building up the framework of modern copyright law. It sometimes has helped as well to fill gaps or reduce tensions that originate from non-conciliatory differences between copyright and author's rights systems — the systems emphasise authorship or publishing as vehicles of creativeness and learning and that are difficult to reconcile and even more to harmonise — or solving disputes between authors and publishers that result from global electronic or tangible forms of trade of copyright products.

New technologies allow everybody to be their own copier, publisher or public communicator. The foregoing has already transformed the way that entertainment and cultural business has been made for quite sometime. Traditional authors and publishers may have simply ignored this fact, and may have forgotten that users demand prompt and non-discriminatory access to works, without restrictions of any kind — including territorial restrictions — and for a reasonable fee. They are perhaps busy fighting their own battles, without noticing that society has challenged existing copyright structures, pointing out business, economic and legal reform needs.

This time it has been different from the times of the Statute of Anne, as technology has de facto empowered society and has placed it in a position above authors and publishers.

## **THE NEW DIGITAL AGENDA**

*Copyright World Issue # 187, February 2009.*

### **In Summary**

**-International efforts to combat illegal file-sharing include the revision of The Berne Convention by the WIPO. It has also released a Copyright Treaty and Performances and Phonograms Treaty. Both treaties address a digital agenda, and should strengthen the technical protection measures available to copyright owners.**

**-The digital agenda has also been discussed at a national level. This feature compares moves in both the US and Mexico.**

For the past two decades, the world has dealt with complex legal questions posed by digital technologies, in particular those that enable the dissemination of copyrighted content throughout digital networks. In keeping with this, the World Intellectual Property Organization (WIPO) has revised the Berne Convention and has released the WIPO Copyright Treaty<sup>1</sup> and the WIPO Performances and Phonograms Treaty<sup>2</sup>. Both treaties address a so-called "digital agenda", that redefines the notion of "public communication" by inserting a "making available" right<sup>3</sup> and that incorporates provisions that impede the deactivation of technical protection measures that copyright holders employ to prevent unauthorized use of their copyrighted works, and that protect electronic rights management information<sup>4</sup>.

### **National moves**

In addition to the efforts in the international front, the digital agenda has been discussed at a national level. The US Congress has enacted the Digital Millennium Copyright Act<sup>5</sup> which amends the Copyright Act of 1976 in connection with digital environment issues.

The DMCA provides anti-circumvention provisions that are generally broader than those in WCT and WPPT. Accordingly, the DMCA prohibits the making, using or selling of devices that encrypt or scramble technical or "access" controls, like the Serial Copy Management System<sup>6</sup>. The limitations regime limits to seven factors<sup>7</sup>. By contrast,

WCT and WPPT aim at preventing violation of technological measures and at the same time, focus on circumvention acts in general and not just the elaboration or trafficking of devices that circumvent<sup>8</sup>. WCT and WPPT also establish standards to impede that persons knowingly remove or alter electronic rights management information, or distribute copies of works in which the information has been altered or removed.

Mexican Congress has worked on anti-circumvention protection as well, based on the standards of WCT/WPPT, and with a degree of US influence that goes back perhaps, to the times of NAFTA negotiations. Around the same time that Mexican Congress adopted the Copyright Law<sup>9</sup>, the US government was undergoing the analysis the "National Information Infrastructure" and had published the 1995 NII White Paper which gave rise to the DMCA. Interaction between the US and Mexican governments is evident during the legislative discussions of the Mexican Copyright Law and the rules on anti-circumvention evidences that fact. In keeping with this, the Federal Penal Code imposes criminal sanctions against manufacturers of devices or systems that deactivate the protective electronic controls of computer software<sup>10</sup>. On the other hand, the Mexican Copyright Law regards an administrative infringement the distribution — by import, sale, rental or otherwise making available of devices that deactivate electronic controls of computer software<sup>11</sup>. The two provisions resemble the DMCA for being restricted to manufacture or distribution activities of access controls. However, limitations go further since the provisions target software and not other subject matter, like films or sound recordings. Likewise, the Copyright Law does not stipulate anything regarding the digital rights management standard of WCT and WPPT.

### **Balance sought**

Pursuant to liability of intermediaries, Title II of the DMCA has laid down provisions seeking balance between copyright industries and on-line service providers. Prior to the DMCA, right holders had relied successfully on traditional copyright rights to take either direct infringement actions against on-line intermediaries that knowingly or unknowingly reproduce copyrighted works<sup>12</sup>. They had used as well indirect "inducement" theories such as contributory infringement<sup>13</sup> or vicarious liability<sup>14</sup>. The DMCA created liability limitations that include activities of mere conduit, caching, hosting and search engine. It also

secured online intermediaries to benefit from the limitations, by implementing policy rules that foster respect to IP rights and do not interfere with protective technologies used by copyright holders<sup>15</sup>. The Copyright Law of Mexico does not safe harbour site operators and service providers for any of their online intermediary communication and reproduction activities. Likewise, the law dictates that exceptions to patrimonial rights shall be viewed literally and narrowly, to the extent that it could be questioned if the Berne and WCT/WPPT three-step rule is materially applicable.

Accordingly, site operators and service providers cannot take any defensive position against infringement claims by copyright holders, based on mere conduit, caching, hosting or search engine arguments. By contrast, they seem not to be required to adopt policy rules to prevent their subscribers to respect IP rights.

### **Developing technology**

The US peer-to-peer legal experience relates to the evolution of technologies that enable web users to download files from the computers of others. In a first P2P "generation" Napster and other network services utilized software capable of compiling the titles of music files found in the memory of a computer and of placing them in a home or "central" server together with the directories of other connected computers. Users who had installed the software could browse into the list of titles in the central server and search for a music file copied in any computer that has listed the title and has been logged on at that time and obtain by transfer a copy of saidfile. The second generation that includes KaZaa and Grogster, had in common that the directories were moved from the central servers to installations made regionally on user computers. A third generation, lead by Limewire, has been grounded on an open source software entitled Gnutella that eliminates directories and allows the sharing of music or other content files in a more simple fashion. The current trends recognize that content can be encoded for transmission without anybody having a perception thereof<sup>16</sup>.

Among other P2P operators, Napster and Grogster have faced reverse court decisions in litigations against plaintiffs that include certain companies of the Recording Industries Association of America (RIAA),

like A&M Records, Inc.<sup>17</sup> and Metro-Goldwin-Mayer Studios, Inc.<sup>18</sup>. The common ground in both decisions is that defendants engaged into contributory or vicarious copyright infringement.

In Napster the US District Court examined the 1984 Sony Betamax decision<sup>19</sup> to find out that differently from Sony<sup>20</sup>, plaintiff was likely to succeed on the merits of a copyright infringement action under the theories of contributory infringement and vicarious liability. The reason was that it had been involved in the process of facilitating users of the website a software entitled MusicShare, created to give the website's users access to exchange and download copyrighted works. Likewise, defendant gave support in connection with the compilation and indexing of files; and in general, with the fostering of interactions among users that exchange the music files<sup>21</sup>. Supported un case law, the Ninth Circuit added that Napster "knowingly encourages and assists the infringement of plaintiff's copyrights"<sup>22</sup>.

In Grokster, the US Supreme Court argued that contributory infringement can be invoked against anybody making a product or service available to the public at large allowing that copyrighted works are used profusely, and thus impossible for the copyright holder to take actions against the direct infringers. Under the theory of "inducement" the court required demonstration of "affirmative steps" to "encourage direct infringement"<sup>23</sup>. The ultimate question was whether defendants Grokster and Streamcast were involved with the infringing activity by placing their software and operating a website that allowed users to exchange files, despite the fact that their software did not require the use of a central server as it was the case in Napster. The answer was that the defendants had indeed infringed, since they "clearly voiced the objective that recipients use it (the information) to download copyrighted works, and each took active steps to encourage infringement"<sup>24</sup>.

### **Further distribution**

In more recent times RIAA has argued before the US courts that P2P is a form of making works available to the public, which is ultimately a copyright infringement behaviour. Atlantic Recording Corp. v. Howell<sup>25</sup> is an example of the foregoing. The District Court sustained that "making copyrighted works available for download via peer-to-peer network

contemplates 'further distribution', and thus constitutes a violation to the copyright owner's exclusive 'distribution', right number 17 U.S.C. Section 106 (3)"26.

Services of third-generation operators like Limewire, Morpheus or Veoh are widely used in Mexico in addition to local webcasting or downloading services. Last year the General Attorney's Office declared the switching off of SigloX.com, an illegal on-line television website holding a large catalogue of Hollywood films offered to subscribers for rent.27 The MPAA brought charges of copyright infringement for the reproduction and public performance of copyrighted films. The arguments were not much different from those that RIAA explored in the Howell case. The difference is that under the Mexican Copyright Law, the making available rule applicable in internet connects with the right of public performance and not with the right of distribution28. The Mexican legislator of 1997 just adopted the standard of WCT29. Accordingly, the argument was that SigloX.com infringed the MPAA studios' right of public performance by making the films available to the public and then actually transmitting the same online per request or demand. The case is still pending resolution.

Mexican laws do not recognize the theories of contributory infringement or vicarious liability as such. Criminal laws provide rules that can only be proximate to contributory infringement. For example, the Federal Penal Code gives the circumstances under which anybody can participate in crimes. However, they are restricted to situations when participants knowingly take positive steps to assist who has ultimately perpetrated the crime30. Likewise, the Penal Code recognizes specific secondary liability when third parties supply the "raw materials" or "consumables" for reproducing works31. In P2P service providers do not supply to the public anything like that, making it hard that they can be regarded secondary infringers. Under the Penal Code, third parties unrelated to copyright holders would not be held secondarily liable for inducing others to commit infringement.

However, copyright holders might not need to invoke indirect or secondary liability indeed, since under the Copyright Law plaintiffs can support their copyright infringement claims on direct infringement of rights, namely public performance and making available rights. In the

end, the intermediary and not only the public at large can be directly liable of copyright infringement.

## Notes

1. WIPO Copyright Treaty, adopted by the Diplomatic Conference on December 20, 1996.
2. WIPO Performances and Phonograms Treaty, adopted by the Diplomatic Conference on December 20, 1996.
3. Article 8, WCT and articles 10 and 14, WPPT.
4. Articles 11 and 12, WCT and articles 18 and 19, WPPT.
5. Pub. L. No. 105-304. 112 Stat. 2860 (October 28, 1998).
6. 17 U.S.C. Section 1201(a)(I)(A)(2000).
7. Id. Section 1201(d)-(j).
8. Wang, Richard Li-Dar, DMCA Anti-Circumvention Provisions in a Different Light, AIPLA Quarterly Journal, Volume 34, Number 2, Spring 2006, USA, p. 217.
9. Published at the Federal Gazette of December 24, 1996, and in force since March 25, 1997.
10. Article 424 bis (II), Federal Penal Code.
11. Article 231 (V), Copyright Law.
12. Playboy Enters., Inc. v. Frena 839 F. Supp. 1552 (M.D. Fla. 1993).
13. Sega Enterprises v. MAPHIA 948 F. Supp. 923 (N.D. Cal. 1996).
14. Religious Technology Center v. Netcom Online Communication Services, Inc. 907, F. Supp. 1361, 1370 (N.D. Cal. 1995).
15. Sections 512 k(I)(A) and (B), and 512 j, DMCA.
16. Einhorn, Michael A., Media, Technology and Copyright, Integrating Law and Economics, Edward Elgar Publishing Limited, United Kingdom, 2004, p.79. Also, Rosen, Ronald S., Music and Copyright, Oxford University Press, New York, NY, United States of America, 2008 and Thierrer Adam and Crews jr. Clyde Wayne, Copy Fights, The Future of Intellectual Property in the Information Age, Cato Institute, Washington D.C., 2003.
17. A&M Records, Inc. v. Napster, Inc., 114 F Supp. 2d (N.D.Cal..2000), aff'd in part, rev'd in part. F.3d 1004 (9th Cir. 2001).
18. Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd, 545 U.S. 913; 125 S.Ct. 2764; 162 L.Ed. 2b 781 (2005).
19. Sony Corp. v Universal City Studios, 464 U.S 417(1984).
20. In Sony, the US Supreme Court held that Sony was not liable as the video recorder that had manufactured and released in the market enabled the viewer to watch TV programs off the air for later private viewing, which is called "time shifting", and that was regarded a form of non-substantial infringement and certainly not subject to contributory or vicarious liability.
21. The injunction by the District Court and upheld by the Circuit Court was dictated in broad terms, including any form of facilitating others the chance to copy or transmit musical compositions. A&M Records, Inc. v. Napster, 114 F. Supp. 2d at 896 and 927, and 239 F.3d at 1004.
22. Id. at 1019 and 1020

23. Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd, at 936. 125 S.Ct. at 2779.
24. Id. at 2772. Heymann, Laura A., Inducement as Contributory Copyright Infringement: Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd, IIC International Review of Intellectual Property and Competition Law, 37 IIC I/2006, Max Planck Institute, p. 41. Frischling, Gary N. & Bitton, Miriam, Gokking Grokster: Has the Supreme Court Changed Inducement under Patent Law?, AIPLA Quarterly Journal, Volume 34, Number 3, 2006, P. 265. Band, Jonathan & Schruers, Matt, Grokster in the International Arena, Computer Law Review International, Issue 1, 15 February 2006, Verlag Dr. Otto Schmidt Köln, p.6.
25. Atlantic Recording Corp. v. Howell, 554 F.Supp. 2d 976 (D. Ariz., April 29, 2008).
26. Id at 554. Commented in Litsey, Calvin 1., Cruz, Timothy **J.** and Komanecki, Craig J., US: The Year in Review, Copyright World, December 2008/January 2009, Issue 186, Informa law, UK, p.21.
27. A.P. Sin/Cln/280/2008-N-II. Procuraduría General de la República, Delegación Sinaloa. The General Attorney's Office, regional office in the state of Sinaloa, assisted by the Motion Picture Association of America (MPPAA), searched last year and seized a working server and computers as web as thousands of film copies and started a criminal investigation that is pending resolution.
28. Articles 16(III) and 27 (II) c), Copyright Law.
29. Article 8, WCT as opposed to article 6, WCT.
30. Article 13, Federal Penal Code.
31. Article 424 bis (I), second paragraph, Federal Penal Law.

## **TIME FOR USERS TO TAKE RESPONSIBILITY?**

*Managing Intellectual Property, October 2007.*

**Digital media offer a range of ways for people to infringe copyright. Mexican law is adapting to this situation, but the question is who to prosecute for infringement.**

A number of alternatives exist for distributing copyrighted content through the internet and other digital networks. The internet has traditionally been used for uploading on to web servers. These are connected to networks. Their content can be searched through world wide web browsers and downloaded from these servers on to the memories of personal computers or other devices. Legal questions have arisen because the content disseminated through the networks can include copyrightable works of authorship. Digital networks can function as an in infringement too.

### **Digital dissemination of copyright material**

The distribution networks and systems through which people disseminate material are numerous. They may take the form of auction or related sites such as eBay, which can be a source of copyright piracy, especially when counterfeit goods are distributed. Email has become a popular vehicle for the distribution of works through computer programs such as Peer2Mail or Pando, which allow people to compress heavy files for uploading and downloading, using Simple Mail Transfer Protocol (SMTP), Post Office Protocol 3 (POP3) or similar protocols. A downside of email is its limited reach capacity. It is not typically a system in which information can easily be searched. It is a push communication medium. File Transfer Protocol (FTP) sites, in turn, need an FTP server to be set up. The server connects computers in distant places to internet or other networks, such as Local Area Network (LAN) or Wide Area Network (WAN), so that users can share information. Such information can include copyrighted works. Internet Relay Chats (IRCs), as well as newsgroups, allow file sharing within limited circles such as release or encoding groups. Peer-to-peer (P2P) networks have enabled internet users to copy and distribute pirated copies of works. The courts of many countries have been active making decisions on cases brought by copyright owners against those who facilitated the proliferation of file

sharing networks which allowed the exchange of pirated works. Portal sites and P2P portal sites are perhaps the main hubs for most of the world's copyright piracy. They are the meeting point of infringers and verification utility for P2P users. The number of files that transit through portal sites is enormous. Visitors have access to nearly anything circulating on the internet. This includes illegal copies of software and all sorts of works. Notably, P2P portal sites interconnect with other portal or show links or torrents. They hold forum sections and are managed by subscriptions. Lastly, websites, provide another means of dissemination, which may involve piracy. They are often used for e-commerce or trading of products.

Hardware technology is also capable of assisting users to connect with digital networks by using computers as well as portable devices. Use of digital networking has intensified with the advent of digital television, which enables the transmission of audiovisual content to computers or portable devices by wireless means, such as cellular telephones. The same is true for portable digital radio or TV receivers, or devices that connect equipment to digital networks by means of broadband WiFi technologies. Analogue recorded content can be digitized by virtue of TiVo or MagicGate mechanisms or formats for dissemination over the internet or similar networks.

A number of other entities have a key role in online distribution of copyrighted content. They can be liable, to a greater or lesser extent, when the distributed content is a work whose author or copyright title holder has not authorized it to be transformed into a digital code or to be communicated to the public by virtue of a digital network. Such groups include wireless telecom providers, such as telephone companies or TV cable operators, who supply the physical infrastructure that allows users to connect to the internet and have access to or disseminate content. Access or service providers (ISPs) also have a role: they use the network's infrastructure to create connection services which in turn enable users to enter and navigate the networks. They also rent space in their servers to host email mailboxes or websites. And they upload and disseminate information throughout the network, according to their clients' instructions. Operators of sites, including auction, FTP, IRC, portal or P2P portal or websites, also render services. They might be directly responsible for reproducing works, disseminating them to the

users or in general, or giving the users access to these works. Nowadays, internet and digital networks users are a heterogeneous group of corporations and individuals. They demand information of all kinds.

### **Mexican copyright law adapts**

Mexican Copyright Law has partially adapted to this situation. It is tentatively prepared to answer questions about the use of works in digital frameworks. In keeping with this, in 2002 the government joined the World Intellectual Property Organization (WIPO) Copyright Treaty (WCT) and the WIPO Performances and Phonogram Treaty (WPPT). However, the Copyright Law of 1997 had already inserted certain WIPO digital agenda standards, as they had been debated in a conference in Geneva, in December 1996. Accordingly, under the Copyright Law, infringement and other illicit acts perpetrated online would occur if parties who participate in the online distribution process infringe economic copyright rights by uploading, downloading or disseminating works of authorship. The question is who, within the distribution chain, including the users, is liable for copyright infringement.

Site operators might be found guilty of copyright infringement if it can be demonstrated that they directly uploaded or disseminated works without proper authorization, or of having reproduced or publicly performed (by granting access) or transmitted the same. The 1997 Copyright Law, supported in the WCT agreed statement to article 1.4, has redefined the fixation and reproduction concepts to meet digital environment standards. For example, fixations shall be valid and protected as long they can be "perceived, reproduced or communicated", whether publicly or privately. Under the law, the public or private nature of the communication made as a result of the work's fixation is irrelevant for the work to be regarded as "fixed". The issue to be discussed would be whether the fixation that occurred enabled the human eye to perceive the work, directly or with assistance, or allowed its reproduction (understood as the multiplication of the fixed work in copies, including its upload or download) or communication. The fixation of the work in transitional computer memories should meet the legal definition. A work of authorship that has been fixed onto RAM shall be protected if the work has been copied or communicated by any third party, despite the fact it remains visible for short time.

Likewise, the Copyright Law has made some clarifications regarding public performance rights. The definition of “public communication” is broad enough to encompass any means by which a work is made available to a generality of persons. The law has divided it into two types of right. It states that public communication rights shall be those dealing with the public performance, public exhibition, public display or making available of the works. Public transmission is the broadcasting of works to distant locations. Surprisingly, the distinction between public communication and transmission seems not to be applicable in connection with performers’ neighbouring rights.

Lastly, the Copyright Law has introduced an availability right, inspired by article 8 of WCT. Members of the public “may access these works from a place and time individually chosen by them”. In keeping with this, the Law regards as an economic right “the public access by means of telecommunication”, and considers it to be one aspect of the broader notion of public communication. The term “telecommunication” is intended to be broad in scope. It covers every form of communication at distance, including interactive references in digital networks. The availability rights is less clear in connection with neighbouring rights. Curiously enough, the WPPT itself is silent in that regard as well. In principle, it would be difficult for performers, artists and phonogram producers to claim the making available rights as an exclusive right. It might just be possible for them to claim it as a remunerative right, in terms of a bill that Congress passed in 2003.

### **Service providers, manufacturers and distributors**

It would not be as easy to prove infringement against ISPs; site operators who supply software that users can install for file sharing; and hardware or device makers who own the infrastructure or provide users with the equipment that they need to connect. This is because they do not upload, download or disseminate copyrighted works, at least in a direct fashion. In agreed statements, the WCT and WPPT have recognized the need for member states to impose restrictions on the copyright rules in digital environments. They have invoked a three-step test which empowers governments to adopt exceptions or limitations on three occasions: in special cases; when there is no conflict with the normal exploitation of a work; and when the limitations prejudice legitimate copyrights. The Copyright Law has never been adjusted to

provide safe harbours for the use of works in digital networks. A safe harbour would include the storage, caching or routing of files. Perhaps there is no need for this if the law outlines rules on contributory infringement or vicarious liability. Accordingly, Mexican ISPs are not obliged to control, police or otherwise limit the information flowing or trafficking in digital networks, knowingly or innocently. The making available provision would probably not be applicable. Only direct infringers are responsible for these types of offence.

For similar reasons, it is unlikely that manufactures and distributors could be charged for selling computers, cellular phones or WiFi devices capable of connecting users to television receivers or internet radio or television equipment, using broadband wireless systems. The producers and vendors do not make the network connections. Nor do they reproduce or publicly perform the works. Sony-Betamax has established a universal fair use principle that protects hardware makers against rights holders who claim that end users enabled unauthorized use of copyrighted content. As a matter of fact, in Mexico the Sony-Betamax doctrine would not apply because of the lack of a contributory infringement or vicarious liability regime in the Copyright Law.

### **End users and copyright**

Under the Copyright Law, users might be found guilty for reproducing or transmitting works through digital networks. The fact is that they are the parties who download the information. Likewise, end users can take strong initiatives in the information's dissemination. They may sometimes even participate in uploading and digitization activities. It is relevant to note that the WWW is a pull communication medium. It requires the user to search and find the information and then attract it to his computer. The user seeks assistance from search engines and also from ISPs and other entities, but a share of the responsibility of pulling is his. The question is whether the Copyright Law provides for legal action against the end user of works available in digital networks. Initially the answer is "no", because of the gain factor. However, it is important that not every action under the law requires that gain be proven. Accordingly, if users of unauthorized copies of works can be physically located, it may be possible for rights owners to bring legal action against them and seek reimbursement.

## **ACQUITTAL OF SATELLITE DECODERS HIGHLIGHTS NEED FOR LEGAL REFORM**

*World Copyright Law Report, May 10, 2007.*

Unitary Court in Criminal Affairs in Mexico City has confirmed a resolution acquitting two individuals that installed satellite-dish equipment to their client's television receivers with the intention of picking up satellite television signals from carriers such as Sky and Dish Networks.

The criminal investigation originated from an action filed by Televisa, a large television producer in Mexico, before the Federal Prosecutor's Office. It was followed by a search and warrant order executed by district attorneys, with the purpose of investigating whether the defendants had (i) used copyrighted content transmitted by satellite broadcasting, and (ii) intercepted a satellite television signal, without the carrier's consent.

The court's decision reiterates that the penal laws of Mexico are not exhaustive enough to enforce copyright and broadcasters' rights over copyrighted contents, including satellite television signals. In the first place, there is the question of whether hackers or pirates that install equipment to receive satellite programmes are using copyrighted works under the Copyright Act, or whether they are making reproductions of programmes to be viewed on television sets. Likewise, provisions in the Penal Code designed to protect satellite television signals are restrictive and thereby difficult to enforce in situations such as this. In general terms, the code prohibits the making or sale of devices or systems that encode or decode satellite signal without the carrier's authorization. However, this leaves content producers with little scope to protect their works, as it is very difficult to demonstrate that pirates have used or reproduced their content. In addition, content producers cannot bring claims related to the encoding of satellite signals, since they are not actually the broadcasters of the programmes.

This situation shows that the Copyright Act and the Penal Code require urgent amendments in order to protect the rights of content producers from those who make or sell devices to decode signals carrying copyright contents.

## **MEXICO: INTERNET COPYRIGHT**

*Computer und Recht International, February 2001.*

The Internet raises the most challenging and interesting questions and issues in copyright law. Although principles, including those resulting from the Berne Convention, remained the same, countries have been calling for new rules asserting copyright rights on the Internet, as well as legal remedies for solving disputes produced by conflicting interests of titleholders, on the one hand, and intermediaries and users of the web seeking access to information, on the other.

As of May 18, 2000, Mexico deposited the instruments of accession to the WCT and had earlier done so for WPPT. WCT is actually pending at Congress while WPPT was approved on March 1, 2000. As a matter of fact, the Mexican Law of 1996, which was adopted prior to the conclusion of the Diplomatic Conference held at WIPO's headquarters in December 1996, had already introduced certain of the provisions that would later become the standards of the treaties.

Accordingly, the Mexican Law of 1996 inserted a »making available« right, as a legal tool to cope with the issues triggered by the use of works of authorship in a digital environment. Likewise, the statute recognized a »transmission« right, independent from the more traditional notion of public performance, and in fact, from the more general concept of »communication to public«, as regarded by Article 8 of the WCT.

Regarding technical protection systems, a rule was included aiming to protect the circumvention of codification mechanisms in computer programs. The rule in Mexican law has nonetheless a narrower scope than what later became articles 11 and 12 of the WCT. These are not restricted to software only, but are rather designed as a general norm imposing upon the »contracting parties« the obligation to »provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty or the Berne Convention and that restricts acts in respect of their works, which are not authorized by the authors concerned or permitted by the law« (emphasis added).

Finally, the Mexican statute adopted a notion of »reproduction«, which includes the temporary or ephemeral copying of protected works. In 1996 the Mexican legislator did not anticipate that the Diplomatic Conference of Geneva would finally drop the drafted provision of a »reproduction« right in the WCT because the idea of »ephemeral reproduction« would have imposed too high a burden on Internet service providers. Mexican law indeed ruled on the ephemeral copying of works as a form of reproduction, and will now, for the sake of a proper balancing of equities, face the need to introduce a system where limitations to copyrights and safe harbor provisions counteract the controlling rights of copyright owners.

## **THE FIRST BALANCED APPROACH TO PROTECTING COPYRIGHT ONLINE**

*Managing Intellectual Property Magazine, Oct 2012.*

Mexico's draft copyright bill could be the first to effectively combine the interests of stakeholders in the digital copyright debate, says Luis Schmidt.

In an attempt to protect their rights online, copyright owners have traditionally targeted Internet Service Providers (ISPs) who provide access to digital networks, render hosting or search engine services or connect through hyper-linking. They also have brought actions against website operators – chiefly so-called rogue websites– who use works by uploading or disseminating, as well as end users of internet services who copy works by downloading them. Lastly, they have taken actions against file sharing services and the users of file sharing networks. These methods have resulted in backlash and opposition from internet freedom and consumer advocacy groups, both in Mexico and around the world.

### **Digital copyright in Mexico**

Since at least 2009, Mexico has discussed options for protecting works in digital networks and providing limitations on copying content online. An initial attempt to remedy the law was made on April 27 2010, when Congress considered a bill to amend the Copyright Law based on a hybrid model combining the US and French approaches (the Digital Millennium Copyright Act, or DMCA, and HADOPI). However, the bill was rejected after strong lobbying by ISPs, who opposed it for the following reasons: 1) if ISPs refused to collaborate with the Mexican Industrial Property Institute (IMPI) to submit notices to alleged infringers as proposed by the copyright owners, they would have been subject to administrative sanctions; 2) the bill imposed on ISPs an obligation to take all measures necessary, including technological measures, to detect users who repeat infringement; and 3) ISPs would have been entitled to limitations to liability, provided that they fulfill obligations such as adopting contract termination orders (without a prior court order), not interfering with the measures implemented to protect works, not

transmitting the works themselves, and not rendering services to the users while knowing that they infringe rights.

The Anti-Counterfeiting Trade Agreement (ACTA) was the country's next attempt to improve copyright enforcement on the internet. ACTA represented a further step to protect copyrights in digital networks from an international perspective. The purpose of ACTA has been to elevate enforcement standards of IP rights globally, above those set in existing international treaties such as TRIPS or NAFTA and by enhancing international cooperation. In addition to actions against counterfeiting and piracy in general, ACTA provides enforcement solutions in the digital environment. It suggests that contracting parties establish a mechanism so that competent authorities impose on ISPs the burden to disclose to copyright owners' information, allowing the identification of a subscriber whose account was allegedly used for infringement. ACTA received strong opposition by international user groups and supporters of internet freedom. It has been perhaps the broad language utilized by negotiators that has triggered opposition, since nothing in the agreement should affect civil rights.

Mexico was an original negotiator of the agreement. However, the Senate advised the government not to sign ACTA under threat that it would not be ratified, amid protests from various groups. The groups claimed that ACTA would endorse the interests of the entertainment industry and would not only signify the internationalization of the US DMCA, but of ACTA and the Protect Online Piracy Act (PIPA) as well. That bill, and its counterpart, the Stop Online Piracy Act (SOPA), proposed that: 1) the attorney general could seek a court order against an allegedly infringing foreign website visible in the US; 2) copyright owners could seek court orders against US directed websites to deny them access to US payment processors and ad networks; 3) it targeted websites that inform users how to get around censorship mechanisms; 4) it provided the so-called vigilante provision, granting immunity to ISPs if they block websites voluntarily, and 5), the attorney general could block domain name services and de-list websites from search engines. After avid discussion and criticism from many different sectors, the US Congress declined to pass SOPA and PIPA.

Despite the Mexican Senate's warning, the government signed ACTA on July 11 this year and the Senate is now evaluating whether to ratify or

refuse. On June 24, the Permanent Commission of Congress protested ACTA's execution.

### **A new approach**

This year, a group has been searching for agreement on a new position in order to move the debate forward. The group is comprised by representatives of copyright owners, collecting societies, major broadcasting and telecom companies, ISPs and members of academia specializing in copyright and internet law. They all share sensibility and consciousness about the need to amend the Copyright Law, since it presently falls short of what is required to enforce copyrights in digital networks. But they also know that no reform will succeed unless it is consistent with the interests of ISPs and internet users. Accordingly, the group has been drafting a consultation paper that includes all the relevant requirements for a formal bill when drafted under the initiative and leadership of a Senator. The paper has been completed and its terms have been presented to members of Congress. It is expected that a bill shall be drafted and officially submitted to the Senate shortly. In writing the paper the group reviewed as background all of the approaches of other jurisdictions to the subject. It also considered the deficiencies of Mexican Copyright Law and the rejection of the 2010 bill mentioned above, as well as ACTA. In keeping with this, the paper highlights the following proposed changes:

- Implementing a system of gradual response or so-called preventive notice. What is different from other HADOPI 2 models is that: 1) IMPI would be the agency in charge of managing the system; 2) IMPI would send out one notification per request of the copyright owner or ex-officio; 3) the copyright owner would be required to provide an IP address or any other information that identifies the account of the alleged infringer; and 4) if the copyright owner or IMPI do not have in possession the IP address of an alleged infringer, IMPI would ask the ISP who connects or hosts the files containing the infringed work to reveal it.
- Implementing an administrative proceeding before IMPI in the case of infringement of copyright in public telecommunication networks, including digital networks. The group felt it necessary to adopt an *ad hoc* proceeding, since existing proceedings are restrictive with regard to

the protection of such rights and since infringement in digital networks is different from other media. The proceeding would be independent from preventive notice.

- Presuming that the holder of an account used for connecting or hosting the files containing the infringed work would be liable for infringement.
- Implementing preliminary measures consisting of the restriction of the account used by the alleged infringer to connect with an ISP or for hosting the files containing the infringed work. These measures would be in addition to other preliminary injunction or other measures.
- Improving the remedies resulting from administrative, civil and criminal proceedings. It needs to be clearer that copyright owners are entitled to injunctive and administrative relief against infringers who pursue a purpose of gain, but also those who infringe for whatever other reason. Accordingly, damages shall only apply to infringers who make profits and criminal remedies against those who are repeated infringers. Cancellation of an account is a remedy that would be added as a discretionary power of the competent authority, in addition to the aforementioned remedies.
- Indicating that nothing regarding actions or measures to enforce copyrights in digital networks shall be used to prejudice the fundamental rights of internet users.

This paper differs significantly from any precedent. It has been carefully analyzed in order to meet the particular requirements of the Mexican Constitution and laws, including the Copyright Law in force. It follows HADOPI 2, without being so strict in terms of blacklisting users. It distances itself from PIPA or SOPA, but still confers IMPI with adequate powers to enforce copyrights in digital networks. The proposed remedies and sanctions and the manner in which they have been organized and structured, by following specific proceedings, combine gradual response, preliminary measures and administrative actions. The input by ISPs is significantly important, and the bill does not impose any high burden on them as did the 2010 bill.

Presuming that the holders of accounts can be declared infringers is one of the highlights in the paper. In order to assume the chance was

carefully studied by the group from the constitutional or other angles. The paper can be alleged for not being so strong as DMCA or HADOPI 2. However, the agreed proposal looks as the best alternative after the turmoil of SOPA, PIPA and ACTA for Mexico join the list of countries that are taking leading efforts to achieve a balanced solution to tackle complex issues.

### **Safe harbours and notice systems compared**

#### United States

The primary example of a system of safe harbours is the Digital Millennium Copyright Act of 1998 (DMCA). The DMCA has included a chapter entitled "Online Copyright Infringement Liability Limitation Act", based on limitations or safe harbours for ISPs in connection with transitory communications, system caching, storage of information on systems or networks at direction of users and information location tools. ISPs qualify for safe harbours when they adopt a policy of terminating in appropriate circumstances the accounts of sub-scribers who are repeat infringers. In practice, the policy has been dubbed a so-called notice-and-take down system. Accordingly, ISPs shall only be eligible for shields if they remove infringing copies for works upon learning that their clients have uploaded copies for dissemination, following the notice-and-take down system or so-called red-flag system of obvious infringement. An ISP who has complied with safe harbours is not liable of money damages, but can still get a court order-through a designated agent-to perform actions such as cancelling access to infringing works. The DMCA does not impose an obligation on providers to monitor their platforms for infringing works.

In general terms, a notice system implies that the copyright owner notifies-in compliance with writing and other formalities-the agent of an ISP that an infringement has been committed. Upon the notice the ISP needs to remove access to the copyrighted work. The alleged infringer can file a counter notification, which implies that the ISP shall lift the suspension or cancellation if the copyright owner does not bring a court action within a reasonable time. The court shall have last word in determining whether copyright infringement has occurred.

## **Canada**

Under Canada's Bill C-11, the Copyright Modernization Act, a notice and notice system similar to Mexico's was established, with the exception that ISPs who do not cooperate get fined. In México there are no sanctions for ISPs.

## **Chile**

Chile has used the DMCA as a guideline to develop a system combining safe harbours with notices. Instead of a private notice-and-take down approach however, it has adopted a so-called notice and notice system as the norm. The Chilean Congress said that take-down requires a judicial resolution declaring a copy-right violation. In any event, the ISP keeps the obligation to notify the infringer about the claim that the copyright owner has against it.

## **Australia and South Africa**

Australia and South Africa provide a system of take down, not only applicable in connection with copyright infringement, but in general with any unlawful activity occurring in digital networks.

## **France**

France adopted HADOPI and later HADOPI 2, with the purpose of protecting authored works on the internet. Under HADOPI 2, a government agency called HADOPI has been appointed and follows a so-called three-strikes procedure upon request of copyright owner who file claims against unauthorized downloading or other use of works. The agency asks the connecting ISP via mail to survey a given internet connection in order to stop the offence. After six months following the first contact, the ISP shall send a second warning via certified mail. If the connection holder fails to respond the second notice within a year after it was sent, HADOPI shall ask a competent court to approve that HADOPI itself orders that ISP to suspend the internet service, for up to one year. Accordingly, the holder shall be blacklisted and the ISP prevented from providing an internet connection, without interrupting billing. Also, suspended users are prevented from subscribing to a new provider for the time that the sanction lasts.

## **South Korea and Spain**

South Korea follows a provision that resembles the French. The Minister for Culture, Sport and Tourism has authority to suspend users' accounts for up to six months after a third notice. In Spain, *Ley Sinde* has empowered the Intellectual Property Commission to determine, after receiving a complaint, if infringement has been committed. If it has, the Commission shall render an order to the connection holder or the ISP to remove the infringing works from the website. If the holder or ISP ignores the request of the copyright owner, a summary proceeding shall be opened, ending with a resolution by the Commission that competent courts shall authorize. At the same time courts shall be entitled to request from the ISP the information about the holder.

## **United Kingdom and New Zealand**

In 2010 the UK Parliament passed the Digital Economy Act and in 2011 the Parliament of New Zealand approved the Copyright (Infringing File Sharing) Amendment Bill. In both cases the countries established gradual response proceedings, following France. However, neither country has established an agency to act as intermediary between copyright owners and ISPs.

**IN MEXICO, SOFTWARE OWNERS FIND RIGHTS ARE ILLUSORY**  
*IP Worldwide, November/December 1996.*

**Problems with enforcement render IP laws almost meaningless.**

History has proven that Mexico's copyright laws<sup>1</sup> effectively protect authors' rights in traditional works such as paintings, books, music and films. However, new technologies have introduced new types of works, such as computer programs, and Mexico's copyright law has not been able to keep pace. As a result, the country's protection of software is not all that it should be.

Despite what some experts say, few problems arise from the substantive aspects of Mexico's copyright law. The major problems stem from lack of enforcement.

Mexico first recognized software as copyrightable subject matter in the Decree of the Public Education Secretariat of 1984<sup>2</sup>. In 1991, the country's Copyright Law was amended, adding software as a separate and independent category of copyrightable work<sup>3</sup>. The amended law also imposed restrictions on back-up copying<sup>4</sup> and provided criminal penalties for unauthorized reproduction of software for purposes of gain<sup>5</sup>.

Some IP experts have criticized the Copyright Law for listing computer software an independent category of copyrightable work<sup>6</sup>. These experts (mostly from the US) believe that software should be considered just another type of literary work, as under US copyright law; this would extend legal precedents on literary works to computer software and ensure that non-literal elements of software are protected by copyright, as is the case with plots in literary works.

In short, these experts have strongly doubted that Mexico's system protects non-literal elements of software such as flow charts, users interfaces, and the structure, sequence and organization of the program. However, under Mexican law, non-literal elements are protected for all categories of copyrightable works, so long as the non-literal elements are integral parts of the work. Computer software is no exception to this rule.

Furthermore, the IP critics fail to appreciate that the Mexican copyright system is poor in terms of legal precedents. The author is not aware of any copyright decisions concerning literary works. Treating software as a literary work would thus do little to enhance the legal protection of software.

### **Wrong-headed reform**

Bundling software into the category of literary works would, moreover, have two disadvantages. First, SOGEM, the collecting union for literary works, could start claiming royalties for the public performance, and even publication, of software products.

Second, listing software as a sui generis category has helped to convince prosecutors and judges that software represents copyrightable subject matter. Removing software as a separate category may thus result in less protection.

However, both NAFTA<sup>z</sup> and TRIPS<sup>g</sup> require the Mexican government to protect computer software as literary works “in terms of the Berne Convention<sup>g</sup>”. A Mexican industry association, ANIPCO has thus proposed that the Mexican government keep software as a separate category of work, although not entirely independent from literary works. Under this proposal, the Copyright Law would be amended to state that software shall be considered a literary work “in terms of the Berne Convention”.

NAFTA and TRIPS require signatory countries to provide copyright holders with importation<sup>10</sup>, first public distribution and rental rights<sup>11</sup>. Although a signatory to these agreements, Mexico does not explicitly grant all these rights under its copyright law.

Mexican law gives copyright owners a broad patrimonial right to use and exploit a work, by all means presently known or which become known in the future. Article 4 of the Copyright Law provides examples of different forms of exploitation of works, but these examples are not limitative<sup>12</sup>. Article 4 expressly provides for a rental right, and due to the nature of this form of exploitation of works, it is implied that this right does not become exhausted even after first sale of the copy.

To accord with NAFTA, however, the scope of the Mexican rental right must be restricted. Specifically, in the case of computer software, the rental right will apply only when the user's essential object is to rent the software. The right would not apply, for example, when a user rents an object that operates under software and the goal is to use the object, not the just use the software.

Article 4 is silent as to any right of distribution or importation, but Mexican copyright law clearly recognizes these rights<sup>13</sup>. The law has accepted the implied exhaustion of the right to sell a copy of a work once that copy has been sold for the first time<sup>14</sup>.

### **Help for shrinkwrap**

Mexico's copyright law requires recordal of agreements entered into by authors and users of works<sup>15</sup>. If an agreement is unrecorded, it has no legal effect. It cannot be used against third-parties, or even enforced by one party against the other.

This recordal requirement has been criticized as contravening the principles of the Berne Convention – and consequently of NAFTA and TRIPS. This requirement also causes particular problems when applied to the area of computer software.

Each copy of computer software is frequently sold with an accompanying shrinkwrap agreement that substitutes for a formal license agreement. It would be impossible to record all these shrinkwrap licenses between copyright holders and software users.

Two industry groups, ANIPCO and the Business Software Alliance, have suggested that software agreements be excluded from recordal requirements.

The Business Software Alliance (BSA) has also suggested that the law be amended so that it expressly recognizes shrinkwrap licenses as a legal means to formalize licensing operations for business software that comes in a package and to restrict decompilation of such software<sup>16</sup>. Such an amendment would avoid misinterpretations by the courts about the reasons and purposes of shrinkwrap licenses.

The amendment would resolve the current murky standing of shrink-wrap licenses and make them clearly valid.

## **It's just criminal**

The major problem with Mexican copyright law is enforcement. There needs to be a radical reform of enforcement procedures and remedies if copyright is to be protected and if Mexico is to satisfy the enforcement standards set down in NAFTA and TRIPS.

Unfortunately, it will be difficult to accomplish this reform. Mexico currently has no proper domestic legal framework within which the NAFTA standards can be implemented.

Criminal penalties are the basic means for enforcing copyrights. The Copyright Law devotes a whole chapter to criminal actions, providing a list of acts that are considered criminal<sup>17</sup>. However, under Mexican law, an act must squarely violate a criminal rule in order for a court to impose a prison term, a fine or both<sup>18</sup>.

The law provides criminal penalties for the unauthorized reproduction of computer software for the purpose of gain<sup>19</sup>. This provision apparently applies only to reproduction and use of the program. It is unclear whether infringement could be found if non-literal elements of programs are copied.

The copyright Law allows an injured owner to recover damages after a court has finally determined that an infringer is liable for criminal penalties. At a minimum, the court must impose damages equal to 40% of the total value of the infringing products<sup>20</sup>.

Both the Copyright Law<sup>21</sup>, as well as the Criminal Procedure Code<sup>22</sup>, authorize the Federal Attorney General's Office to impose provisional measures during the office's preliminary inquiries of a case. These provisions allow the Attorney General to seize and destroy infringing goods, under certain circumstances.

## **Small relief**

Unfortunately, criminal penalties are not the best way to remedy most infringements (other than counterfeiting). Such penalties are normally intended to punish much graver violation of law. IP crimes are not among those that are likely to – or that should – occupy much of the government's attention.

Moreover, IP owners want infringements to be halted promptly and damages to be speedily awarded. The imposition of criminal penalties is, instead, is a long and complex process.

Most everyone interested in Mexican IP rights is thus calling for a reorganization of the whole legal structure for enforcing copyright<sup>23</sup>. Under a reformed system, civil remedies would be the primary means of punishing infringers; criminal remedies would be reserved only for grave situations.

However, enforcing copyright through civil law would require the reform of large portions of the Copyright Law, and perhaps other statutes such as the Civil Procedural Code. Under Mexico's current Copyright Law, civil actions are basically available only against infringements arising from the public performance of works<sup>24</sup>. Civil actions cannot be used to stop unauthorized reproduction of works.

Moreover, the standard for proving damages in civil actions is quite difficult to satisfy. Alternative remedies, such as punitive or statutory damages, are unavailable<sup>25</sup>.

Mexican law provides only limited provisional remedies in civil cases. Courts are authorized to seize allegedly infringing goods and the alleged means for committing infringement<sup>26</sup>.

### **Waiting for reform**

The Copyright Law and the Civil Procedure Code authorize additional provisional remedies, intended to ensure the status quo of a legal situation<sup>27</sup>. The scope of these laws is, however, unclear. It is not known if these laws allow civil courts to issue temporary or preliminary injunctions.

Finally, civil courts are normally unfamiliar with copyright issues. Partly as a result, the courts act slowly to resolve copyright cases

Since 1994, when NAFTA became effective, the Mexican Government has been studying the most convenient way to reform the country's copyright enforcement mechanisms. As part of such reforms, the government is considering the creation of a special civil court that would be empowered to issue temporary and permanent injunctive relief, and to grant damages awards.

The creation of this special civil court is still far in the future, but the government is expected to enact some other reforms soon. Nevertheless, for the near term, Mexico's protection of software will be better in theory than in practice.

1. Although referred to herein as "copyright", it should be noted that Mexico technically has an "authors' rights" system. Both legal systems have "originality" as their governing principle, but copyright defines originality in terms of independent creation, whereas author's right defines originality as the imprint of an author's personae. Under the author's rights system, it is the author, understood as the flesh and bone individual, that represents the main object of protection. The copyright system, in contrast, aims at ensuring that original works are made available to everyone, and under that rationale, publishers have been conferred with copyright rights in addition to or in lieu of the rights of individuals. The US and certain parts of Canada, for example, have a true copyright system. See Luis C. Schmidt, "Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?", 34 *idea – The Journal of Law and Technology*, 33, 52-53 (1993).

2. Acuerdo Number 114 of the Public Education Secretariat, published in the Official Gazette of the Federation of October 8, 1994.

3. Article 7 (j) of the Copyright Law as amended in 1991, and published in the Official Gazette of the Federation of July 17, 1991 (hereinafter "Copyright Law").

4. Copyright Law, art 18 (f).

5. *Id.*, art. 135 (III).

6. See Richard Neff and Fran Smallson, *NAFTA, Protecting and Enforcing Intellectual Property Right in North America* (McGraw Hill 1994).

7. North American Free Trade Agreement.

8. TRIPS' requirements for protecting and enforcing rights in software are similar to the requirements of NAFTA. See Agreement on Trade Related Aspects of Intellectual Property, art. II. Thus, by implementing NAFTA standards, Mexico should simultaneously comply with TRIPS.

9. NAFTA, art. 1705 (1)(a); TRIPS, art. II.

10. Under NAFTA, an importation right is the right to make the first import of a work into a protected territory.

11. NAFTA, art. 1705(2); TRIPS, art. II. Because these rights are not expressly provided under the Berne Convention, they are listed as additional rights to be provided.

12. This is unlike the US copyright law. Section 106 of the US Copyright Act lists five categories of rights, which are the only rights given to copyright holders: reproduction, distribution, production of derivative works, public performance and public display.

13. See Copyright Law, art. 2(II) (holder of copyright has broad right to use and exploit his work).

14. Exhaustion is implied by Copyright Law, arts. 2(III) and 18.

15. Copyright Law, art. 114. This provision does not require the recordal of work-for-hire agreements nor any agreements between producers and users of Works.

16. For further discussion of this point, see Luis C. Schmidt, "Enforceability of Shrinkwrap Licenses in Mexico", Copyright World, March 1996, at 35.

17. Id., ch. VIII. See, in particular, arts. 135 through 144.

18. Mexican Constitution, art. 14.

19. Copyright Law, art. 135(III).

20. Id., art. 156.

21. Id., art. 150 et seq. (power of Attorney General's Office to seize and dispose of infringing products).

22. Criminal Procedure Code, arts. 62 et seq. (power of Attorney General's Office to carry out searches and warrant orders that have received previous authorization from a Federal District Judge).

23. Among the groups calling for this change: BSA, ANIPCO, International Intellectual Property Alliance, USTR, legal scholars (including this author), and the Mexican government.

24. Copyright Law, art. 79.

25. The 40% rule is applicable only for criminal actions.

26. Federal Civil Procedure Code, arts. 329 through 399. A plaintiff can obtain these provisional remedies only if he first provides a bond to the court, which would be used to compensate the defendant if it is subsequently found that defendant violated no law and the seizure was improper.

27. Id., art. 384; Copyright Law, arts. 146 and 147.

# **INTERNET Y LA INDUSTRIA FARMACÉUTICA**

1994.

## **I. INTERNET Y SUS ANTECEDENTES.**

### **A. La Revolución de Internet: El Protocolo TCP/IP**

La verdadera revolución en la informática moderna se produce por virtud del Internet. Este novedoso medio ha permitido la conexión y convergencia de redes de computadora, localizadas en todo el mundo y operadas por todo tipo de sistemas operativos, a través del protocolo estándar TCP/IP. Dicho protocolo hace posible el envío de mensajes en "paquetes electrónicos", que se diseminan en la red en forma direccionada, llegando a sus destinos finales a través de rutas diseñadas electrónicamente.

### **B. El Nacimiento.**

Internet nace durante los años 60 con el establecimiento del instrumento conocido como ARPANET y se desarrolla más tarde con el surgimiento del protocolo TCP/IP de los años 80. De ahí se desprenden servicios tales como los "Electronic Bulletin Boards y los comerciales "en línea", prestados por compañías como Aol, Prodigy, Compuserve y después MSN, entre otros.

### **C. El Advenimiento del www.**

Pero la verdadera explosión de Internet se da con la invención del sistema de navegación por hipertexto o www, realizada por el ingeniero suizo Tim Berners-Lee. Dicho sistema, manipulado por el programa HTML (Hypertext Markup Language), permite la pronta localización y acceso de contenido en Internet dado por el uso de "browsers" y "search engines" y por la representación gráfica del contenido presentado a través de "sitios" o "páginas".

El www es sólo una parte del Internet, ya que éste contempla a su vez otros servicios como son el "e-mail" y los "usenet newsgroups", entre otros.

Sin embargo, www resulta mucho muy atractivo por la facilidad con la que presenta la información y por el hecho que permite establecer

"ligas" o "links" entre los sitios o páginas, sin tener que recurrir a los complicados sistemas de búsqueda de antaño. El programa de navegación o "browsers" y aun el "search engine" se encargan de facilitar la tarea. En tal virtud, desde su concepción la gente ha utilizado el www como una herramienta para la presentación y diseminación de información y como instrumento de negocios.

#### **D. Los URLs.**

Uno de los aspectos más relevantes del www es la compatibilidad entre el protocolo TCP/IP y el mecanismo de codificación generado por el empleo del HTML, el cual identifica o localiza los sitios o páginas a través de caracteres que llama "Universal Resource Locator" (URL). El URL tiene por objeto la identificación del nombre y dirección de cualquier sitio y documento en Internet, obviamente compatible con el www. El URL se compone de lo siguiente:

- a) El protocolo utilizado por el servidor que se busca, que se conoce como "Hypertext Transfer Protocol" (HTTP).
- b) El tipo de "sitio" o protocolo www usado para la transferencia de archivos de una computadora a otra.
- c) La dirección del dominio, identificado por su nombre (en dos niveles);  
y
- d) La localización específica del documento en la red (folder, subfolder y nombre del documento).

#### **E. La función del www.**

Por su peculiar naturaleza y por la forma en como se presenta la información, empresas y organizaciones de todo tipo han recurrido a este instrumento para:

- a) Informar al público.
- b) Publicitar productos o servicios.
- c) Comercializar dichos productos a través de formas tales como el DTC o B to B.

En la actualidad es posible emplear Internet para comprar y vender prácticamente todo lo que podría adquirirse en tiendas y comercios. A lo anterior se le ha denominado "e-commerce" (comercio electrónico) "ebusiness" (negociación electrónica). Las empresas que más han recurrido a estas formas son las de:

a) Entretenimiento. ie: venta de libros, discos, videos y entradas a espectáculos.

b) "Retail" (Menudeo). ie: de todo tipo de productos de consumo, incluyendo electrónicos y automóviles.

c) Servicios. ie: Algunos sectores de la industria de servicios lo utilizan también.

## **II. EL CASO DEL INTERNET Y LA INDUSTRIA FARMACÉUTICA.**

### **A. Las dificultades de la Industria.**

A comparación de las demás industrias, la farmacéutica ha avanzado con mayor lentitud en la explotación de este medio, quizá porque la información, publicidad y venta de productos farmacéuticos es objeto de una serie de restricciones de orden legal. Por otra parte, las empresas farmacéuticas no interactúan directamente con el consumidor, lo que dificulta el empleo de mecanismos como Internet, el cual está enfocado a este grupo, principalmente. A su vez, el consumidor se vuelve más sofisticado y conocedor de los temas de salud y medicamentos, por lo que demanda más y mejor información y servicios.

### **B. Los Servicios y Farmacias "en Línea".**

La avidez del público por el conocimiento de los temas farmacéuticos a través del Internet, ha generado gran expectativa y demanda. Por lo anterior han surgido diversos sistemas de información en la red y varias "farmacias en línea" o "en Internet".

#### **1. Estadísticas de Publicidad.**

En las estadísticas, la inversión en publicidad de medicamentos en Internet ha incrementado en grandes proporciones hacia los últimos años y se proyecta a la cantidad de US \$265 Millones hacia 2002.

#### **2. Venta de Producto Farmacéutico en Línea.**

Por otra parte, la venta de producto farmacéutico "on line" ha incrementado de US \$440 Millones en 1999, a US \$1 Billón en el 2000 y se estima ascenderá a US \$2 Billones en el 2004. Esta cifra se distribuye en los siguientes términos porcentuales aproximados:

- Producto de prescripción (10%).
- Producto nutricional (25%).
- OTC (40%).
- Producto de belleza (25%).

Durante los últimos dos años han proliferado las farmacias Internet, varias de éstas apoyadas por capitales importantes, como es el caso de *drugstore.com*, respaldada por *amazon.com* y la cadena de farmacias Rite Aid. Junto con *planetrx.com* han surgido diversas cadenas como *soma.com* y *planetrx.com* hasta una farmacia de la US National Community Pharmacists Association denominada *cornerdrugstore.com*.

### **C. Los Conceptos de Servicios y Farmacia On Line Obligan el Replanteamiento de Principios.**

Los conceptos de información, publicidad y venta de producto farmacéutico en Internet han obligado a replantear los principios tradicionales que caracterizan a la industria farmacéutica. Y el replanteamiento se da por el hecho que, dada la naturaleza global de Internet, la información derivada del tema salud y la publicidad cruza fronteras en segundos, pudiendo ser accesada desde los lugares más remotos.

Naturaleza de Internet como Sistema Global vs la Exigencia de Proteger la Salud. Obligación a Equilibrar.

Por lo tanto la industria se cuestiona cómo equilibrar y conciliar la necesidad de imponer restricciones a la información, publicidad y venta de productos farmacéuticos con el libre derecho de acceso a la información que plantea Internet. Por una parte, la ley exige la protección de la salud del hombre a través del establecimiento de límites en el suministro de información y en la venta de productos. Por el otro lado, está el sistema Internet que presupone el libre albedrío y acción responsable de quien pone la información y quien la consulta y utiliza.

### **III. LOS PRINCIPALES CUESTIONAMIENTOS DERIVADOS DE LA INTERSECCIÓN DE LOS PRINCIPIOS LEGALES Y ETICOS DE LA INDUSTRIA FARMACÉUTICA Y EL INTERNET.**

#### **A. Factores Incidentes.**

La problemática resultante del encuentro producido por la normativa del Internet y los principios rectores en materia farmacéutica podría circunscribirse a lo siguiente:

##### **1. Información.**

a) En la actualidad, cualquier persona puede colocar información en línea, la cual a su vez puede ser consultada por todo el mundo.

b) Por otra parte, la información sobre tópicos farmacéuticos, por referirse a la salud humana, reviste de carácter especial ya que requiere de veracidad absoluta.

c) No existe garantía legal alguna de que todos los sitios que ponen información sobre temas farmacéuticos y de salud sean confiables.

d) Resulta muy difícil imponer controles sobre quienes coloquen información de contenido farmacéutico en línea, lo cual implicaría el que los gobiernos de todo el mundo lo hagan, realizando el mismo nivel de esfuerzo en la creación de normas legales y en la supervisión y aplicación de las mismas.

##### **2. Publicidad de Productos de Prescripción.**

a) La publicidad asimismo requiere de veracidad absoluta.

b) De hecho hay países como los europeos y los latinoamericanos que prohíben la publicidad DTC de productos de prescripción. Por su parte países como los EEUU son más flexibles al respecto y permiten ese tipo de publicidad, en ciertos casos.

c) Surge así la pregunta cómo resolver el conflicto que se produce por cuanto a que la publicidad DTC de producto de prescripción, puesta de manera lícita en un país, sea a la vez objeto de acceso por el público consumidor en jurisdicciones donde existen prohibiciones o restricciones.

d) ¿Qué hacer para conciliar?

### **3. Venta de Productos de Prescripción.**

a) Al igual que los puntos anteriores, el de venta de productos de prescripción a través de sitios en Internet, merece la mayor de las atenciones.

b) Ello sobre todo en los casos en los que el responsable del contenido de la página se localiza fuera de la jurisdicción donde se realiza la venta.

c) ¿Cómo puede el gobierno del país de venta ejercer las acciones legales correspondientes, especialmente cuando el vendedor no se apoya en distribución local o que ésta se efectúa por correo?

### **4. Requisito de Registro de Producto.**

a) Por lo general, las legislaciones de salud exigen registro o autorización de los productos farmacéuticos que se comercializan.

b) Por lo tanto, éste podría representar un problema adicional al anterior que el gobierno del país de venta tendría que enfrentar.

### **5. Patente del Producto Farmacéutico o de Procedimiento de Obtención.**

a) La venta del producto farmacéutico en jurisdicciones distintas a aquel donde se localiza el responsable del sitio, podría resultar violatoria de derechos de patente.

b) Lo señalado en el punto que antecede podría complicar el panorama, y sería el titular de derechos quien estaría legitimado para iniciar acciones. Pero ¿qué hacer si el presunto infractor no tiene presencia en el territorio de venta, ni comercializa a través de distribuidores?

### **6. Importación Paralela de Productos Farmacéuticos Patentados y/o con Marca.**

a) Finalmente, puede presentarse el caso que las legislaciones de los países de exportación y venta de un producto farmacéutico "genuino", pero destinado a otros mercados, establezcan la prohibición a la importación paralela del producto patentado y/o con una marca.

b) Al igual que el punto anterior, este representa otro problema que debe analizarse.

## **B. Factores Incidentes Adicionales.**

1. El problema jurídico/internacional plantea cuestionamientos muy diversos, fundamentalmente producidos por el hecho que el responsable de la información, publicidad o venta en Internet, puede localizarse fuera de la jurisdicción donde éstas están dirigidas o encaminadas, no obstante sea titular de un dominio .com (que puede accesarse en México o cuyo servidor se localiza en México) o en un dominio .com.mx.

a) El país donde reside el responsable puede resultar "paraíso" de la infracción, de la piratería o de la laxitud en la aplicación de la ley.

b) Aun cuando dicho país sea respetuoso de las leyes, resultaría muy complicado entablar acción en contra del sujeto responsable, por cuanto a que:

i) habría que demandarlo en esa jurisdicción.

ii) si se demandara en el país donde se comete la violación, el juez competente tendría grandes complicaciones en ejercer jurisdicción. Estados Unidos tiende a ser el único país que impone jurisdicción "in personam" fuera del territorio americano o "in rem" dentro de éste. ¿Es eso válido?

2. Aun en el caso que el responsable resida en la jurisdicción donde se comete la violación, podrían preverse problemas derivados de las características particulares de Internet:

a) ¿A quién demandar si no se conoce al responsable, titular del dominio donde se coloca la información?

b) ¿Podría demandarse al contacto administrativo? ¿Cómo localizarlo, en el entendido que en las bases de datos "Who is" (ie: Nic México), solo se le puede localizar por su dirección de e-mail?

c) ¿Se puede pedir a la autoridad judicial o administrativa que ordene a Nic México cancele la página, siendo que la violación se da en cuanto al contenido de ésta -de la que Nic México no es responsable- más no por la disputa del dominio mismo?

d) ¿Se puede pedir a la autoridad judicial o administrativa (ie: IMPI o Salud) exija a Nic México, o al contacto administrativo proporcione información precisa que permita identificar al responsable del dominio y su domicilio?

#### **IV. ¿QUÉ HA HECHO EL MUNDO AL RESPECTO?**

##### **A. Por lo que hace a la Información.**

1. La tendencia generalizada ha sido aceptar y permitir la libertad en el flujo informativo. Sin embargo, por otra parte se han establecido ciertos parámetros jurídicos y técnicos a fin de preservar y fomentar la veracidad de la información.

2. La resolución de la Organización Mundial de la Salud de 1998 sobre la publicidad, promoción y venta de productos medicinales transfronteras reconoce lo anterior. Además, recomienda a los gobiernos nacionales adoptar medidas tendientes a la formulación y medida de autorregulación y establecer mecanismos de colaboración a todos los niveles. Por último, gira instrucciones al Director General de la OMS a establecer los fundamentos que sirvan de guía a los usuarios de información de contenido farmacéutico en Internet a que busquen y lo accedan a aquéllas que resulte veraz y cierta. Dicha guía fue publicada en 1999.

3. Instituciones como la International Federation of Pharmaceutical Manufacturers Association (IFPMA) se ha pronunciado en el sentido de que la información en Internet debe ser confiable, veraz, correcta y responsable, en beneficio de los pacientes y médicos. Asimismo, debe realizarse con esmero y cuidado a fin de que las medidas impuestas no resulten inaceptables y desequilibrantes. Ello por supuesto por cuanto a la aceptación de que la información debe fluir libremente en Internet.

4. La gran mayoría de las voces en la industria, gobiernos y organismos internacionales pugnan por la educación al consumidor sobre el daño que pueden causar los malos "webs", sobre todo aquéllos que informan mal o que promueven la venta de productos de dudosa calidad. Resulta imposible poner control rígido sobre todos a aquéllos que abusan de Internet. Tampoco será posible inhibir el uso de Internet como medio de información sobre temas farmacéuticos. En tal virtud, debe educarse al consumidor, creándole consciencia plena a que recurra a las fuentes que

le provean de información de calidad, apoyada por la opinión de médicos expertos y serios.

5. Gobiernos de ciertos países tienden a "certificar" los buenos "webs" a través de "watermarking" o "kitemarking".

a) El gobierno Suizo instituyó un programa que ha llamado "Health on the Net", el cual se apoya de un programa de cómputo denominado MARVIN, que permite localizar documentos médicos y de un search engine, llamado MedHunt, que identifica y clasifica la información farmacéutica y médica en el Internet. De ahí ha generado el HON code el cual se otorga a todo aquel "site" cuya información sea de calidad. El consumidor puede saber así qué página es confiable.

b) Por supuesto, el gobierno de los EEUU ha emprendido una acción semejante, apoyado de cambios legislativos tendientes a sancionar a los responsables de la operación de sitios cuyo contenido resulte contrario al derecho.

## **B. Por lo que Hace a la Publicidad de Productos de Prescripción.**

1. La misma tendencia relativa a información se produce en cuanto a la publicidad de productos de prescripción. Esto es, el principio de libertad de información en Internet se transporta al caso de publicidad. De esta forma, en principio resulta válido hacer publicidad en línea, salvo que contradiga disposiciones legales en el país de donde se emita.

2. En los casos en que se presenten diferencias de normatividad entre el país donde se transmite la publicidad (que por ejemplo, si permita la publicidad de productos de prescripción) y aquél donde ésta se recibe (que prohíbe este tipo de publicidad) debe respetarse la norma del país de transmisión aplicando el principio del derecho internacional conocido como "Mutuo Reconocimiento". En tal virtud, no debe considerarse violación al derecho nacional del país donde la publicidad puede accesarse, salvo de que se trate de un verdadero acto ilícito, más allá de la mera publicidad del producto de prescripción.

3. Como medida de buena fe, el responsable de la publicidad por Internet podría adoptar medidas técnicas tendientes a informar al receptor de la publicidad dónde es válido realizar publicidad de productos de prescripción y dónde no. Ello podría establecerse a través

de mecanismos técnicos tales como los "Global Switching Pages" que expliquen los diferentes sistemas, podría establecerse a través de los "Global Switching Pages" que permitiendo a cualquiera elegir la información sobre el país que elija en lo particular.

### **C. Por lo que Hace a la Comercialización y Venta de Productos de Prescripción.**

1. La tendencia a la libre información se extiende asimismo a las "Farmacias en Línea". En estos casos también resulta imprescindible la educación del consumidor. La validación de "sites" constituye una excelente opción adicional.

2. Resulta sencillo eludir la normativa relativa a la comercialización de productos de prescripción. Ciertas farmacias Internet anuncian recurrir a distribuidores asociados ubicados en jurisdicciones donde no existe regulación alguna en relación al tema, o donde ésta no se aplica o se hace con laxitud. Supuestamente drugstore.com y otras farmacias en Internet tienen relación con farmacias mexicanas, las cuales sin embargo, después de preguntar manifiestan que sí requieren receta médica para surtir el producto de prescripción que se les solicita. Este es el caso de drugstore.com, que se supone un negocio serio, pero habrá otros que con toda intención eludan las prohibiciones y limitaciones que las leyes imponen.

3. Lo preocupante en estos casos es cómo imponer las medidas y sanciones tendientes a prevenir la venta espuria de producto de prescripción, utilizando el Internet. La dificultad estriba en que el responsable de las ventas se encuentra fuera del territorio de venta, por lo que la autoridad no puede acceder a él. Además, el tipo de distribución que realiza puede ser por correo, por lo que es la compañía de correos la única a la que se le prohibiría distribuir. Sin embargo, surgen las dificultades prácticas, en virtud de lo difícil que resultaría rastrear los envíos.

4. La autoridad debe contar con facultades precisas conferidas por la ley, para adoptar medidas, iniciar acciones legales e imponer sanciones. Al respecto cabe preguntarse si resultaría necesario modificar las legislaciones nacionales a fin de hacerlas compatibles con Internet.

#### **D. Por lo que Hace a la Necesidad de Contar con un Registro de Producto.**

1. Este asunto guarda íntima relación con el anterior por lo que en principio, todas las mismas preguntas y cuestionamientos le son aplicables.
2. Resultaría factible el que, por virtud de la actividad y operatividad de las farmacias Internet y sobre todo aquéllas que no son serias, se envíen productos sin registro o autorización a jurisdicciones que lo requieren, lo cual definitivamente sería contrario a derecho y por lo cual las autoridades competentes podrían actuar.

#### **E. Por lo que Hace a Productos Patentados.**

1. En estos casos habría, en definitiva, violación a derechos de terceros, por lo que los titulares correspondientes podrían iniciar acciones.
2. Las facultades que las legislaciones patentarias confieren a los jueces y autoridades administrativas, por lo general implican la posibilidad de tomar medidas, incluyendo el aseguramiento de producto en frontera y la orden de cesación o suspensión.
3. No obstante dichas facultades, las mismas consideraciones prácticas se observarían en los casos que la distribución, procedente del extranjero, se realice por correo.

#### **F. Por lo que Hace a la Comercialización de Producto "Genuino" a través de Importación Paralela.**

1. Existen jurisdicciones que prohíben la importación paralela de productos patentados, de productos con marca, o en ambos casos.
2. Hay otros países que permiten una u otra forma de importación paralela o las dos.
3. Si existe prohibición, el titular del derecho de patente y/o marca en el país de importaciones tendrá las mismas acciones que las del titular de este tipo de derechos en contra de productos "falsos", "espurios" o de fabricación no autorizada.

## **G. Por lo que Hace a la Comercialización de Genéricos.**

1. Las farmacias en línea pueden comercializar producto "genérico" o "similar" que no cumple con las disposiciones del país de venta.
2. En México se presenta el muy palpable caso de Farmacia de Similares.
3. Las autoridades competentes deben tomar las medidas y acciones correspondientes.

## **V. EL CASO MEXICANO**

### **A. Regulación en lo Referente a la Información en Internet.**

1. La Ley General de Salud (LGS) nada dice en lo específico sobre las características que debe cumplir la información médica o farmacéutica en Internet. En lo general habría lo siguiente:

a) Artículo 2 Fracciones VI y VII de la LGS. Se refieren al derecho de la población a conocer los servicios de salud.

b) Artículo 6 fracciones VII y VIII de la LGS. Hacen del conocimiento en información un objetivo estratégico del Sistema Nacional de Salud.

c) Artículo 7 fracciones V y X de la LGS. Deposita en la Secretaría de Salud (SS) la facultad de dictar políticas en relación a la información. En concreto, se le otorga competencia para promover un "Sistema Nacional de Información" (SNI). Dicho SNI no está limitado a medios en lo particular. Dicha acción se podrá ejercitar en coordinación con las autoridades de las entidades federativas.

d) Artículo 17 fracción VI. Otorga facultad en el Consejo de Salubridad General para participar en el funcionamiento del SNS.

2. La SS está facultada para:

a) Imponer diversas sanciones administrativas por la violación a los preceptos de la LGS. Lo anterior debe incluir, implícitamente, cualquier conducta tendiente a la desinformación, sin estar limitada a medios en lo particular.

3. Sin embargo, la SS no ha respondido a las recomendaciones de la Organización Mundial de la Salud en relación a programas de educación

al consumidor de información y productos en Internet, así como el establecimiento de programas de certificación "watermarking", etc.

## **B. Regulación en lo Referente a Publicidad en Internet.**

1. De manera similar, la LGS contempla disposiciones en materia de publicidad.

a) En lo específico, los artículos 3 al 6 de la LGS permiten a la SS llevar a cabo "verificación física" del cumplimiento de la ley y a efectuar visitas o informes de verificación.

b) El artículo 396 bis faculta a SS a sancionar en los casos en los que se "detecte publicidad que no reúna los requisitos de ley", previa elaboración de un informe detallado, expresando las características de la publicidad y el medio de comunicación en que se difunde, entre otras.

2. Las disposiciones anteriores no limitan a la autoridad sanitaria a efectuar los actos de verificación y la imposición de sanciones cuando la publicidad se transmite a través de internet.

3. Las dificultades, como se ha dicho antes, comienzan cuando:

a) El responsable de la publicidad se localiza fuera de México no obstante sea poseedor de dominios .com o .com.mx.

b) Cuando no es posible detectarle de acuerdo a la información que proporciona la base de datos "Who is" -en tratándose de páginas mexicanas que correspondan al CCTId.mx-.

c) ¿Podrá la entidad de salud en México requerir información sobre el responsable a NIC México y/o al contacto administrativo?

d) ¿Podrá sancionar al contacto administrativo?

e) Las dos interrogantes anteriores no podrían responderse fácilmente, por lo que cabe la pregunta sobre si deben ampliarse las facultades legales de las autoridades de salud.

4. Lo que resulta definitivo es que la SS o cualquier otra autoridad de salud no pueden imponer sanciones a subsidiarias, licenciatarias o cualquier otra empresa o sociedad relacionada a la responsable de la

información o publicidad, salvo que la empresa relacionada co-participe en la comisión de los actos ilícitos.

### **C. Regulación en lo Referente a las Farmacias en Línea.**

1. En principio las reglas que rigen a las farmacias en línea no deben diferir en nada a las aplicables a farmacias en general, ni a las que se aplican a la venta de productos farmacéuticos sean DTC o B to B.

2. Por lo tanto, debe cumplirse con lo que exige la ley respecto de:

a) Autorización y Registros sanitarios (artículos 368 y subsiguientes de la LGS).

b) Recetas o permisos especiales (artículo 226 fracción 1 de la LGS).

3. Si el responsable de la comercialización no cumple con lo anterior se hará acreedor a las sanciones previstas en la ley.

4. Por supuesto que caben aquí los mismos cuestionamientos hechos para información y publicidad.

## II. TRADEMARK LAW ARTICLES

### HOW LATIN AMERICA TACKLES CUTTING-EDGE IP ISSUES

*Roundtable: IP in Latin America.*

*Managing Intellectual Property, June 2010.*

**As Latin America becomes an increasingly important market, rights owners must be aware of the evolving laws around issues such as digital rights and non-traditional trade marks in the region. *Managing IP* discussed the key challenges with several prominent members of the Latin American IP community.**

#### **Participants:**

Luis Schmidt (**LS**), Mexico. Olivares & Cia.

Gabriela González (**GG**), Mexico. Olivares & Cia.

Marco A. Morales Montes (**MM**), Mexico. Legal Director, Mexican Copyright Office (INDAUTOR).

Daniel R. Zuccherino (**DZ**), Argentina. Obligado & Cia.

Nils Montan (**NM**), Brazil. Founder, IPAlly and former president of the International AntiCounterfeiting Coalition.

Juan Martin Aulmann (**JA**), Argentina. Obligado & Cia.

Eileen McDermott (**EM**), Americas editor *Managing IP*

**EM:** Is there case law or legislation regarding the protection of copyrighted content and trade marks on the internet in your region?

**LS:** In Mexico there is no ad hoc legislation, such as the US Digital Millennium Copyright Act (DMCA). Protection for copyrighted works or trade marks triggers from the Copyright Law and the Law on Industrial Property, respectively.

The Copyright Law contemplates provisions which accommodate concepts such as fixation, reproduction or communication to the public in the digital environment. It also grants a right of access to works disseminated in digital networks. Finally, the Copyright Law provides

certain limited protection to Technological Protection Measures (TPM) and Digital Rights Management (DRM) systems against illegal circumscription.

On the other hand, the Copyright Law does not make internet service providers (ISPs) liable or provide any safe harbours excluding liability in specific situations like caching, mere conduit, search engine or routing. The exceptions and limitations imposed by the Copyright Law are so restrictive in scope that it would be difficult to invoke in connection with digital rights.

As to trade mark rights, the general provisions of the Law on Industrial Property are adequate to protect trade mark rights in a digital environment. Likewise, the domain name dispute resolution policy system of Mexico is aligned with WIPO/ICANN standards, and is managed either by WIPO/ICANN – in connection with the Uniform Domain – Name Dispute – Resolution Policy (UDRP) – or WIPO/NIC Mexico – in connection with the local dispute resolution policy (LDRP). Accordingly, the Mexican UDRP and LDRP systems have been regarded among the most effective in the world.

**DZ:** In Argentina, there is neither specific case law about conflicts related to the use of works on the internet, nor specific legislation, since Intellectual Property Law No. 11,723/33 regulates all author's rights, regardless of the means by which a civil or criminal unlawful act is committed.

Nils, what advice do you have for IP owners seeking to enforce their rights to copyrighted content or trade marks on the internet in countries where there is no case law of specific legislation addressing the issue?

**NM:** Pick the best lawyer for the job. This is always fundamental. Not every lawyer or law firm who knows how to register trade marks in Latin America is knowledgeable and equipped to advise on digital piracy, which has its own discrete set of challenges.

The law of trade marks and copyright is not that different in the context of the internet. Of course, because trade marks are territorial, it is imperative that the IP owner comply with the requirements of the local jurisdiction in order to protect the mark. This will normally require that the mark be registered before protection can be obtained. Copyrighted

material normally be protected under the local law for nationals and through the provisions of the Berne Convention for non-nationals.

The complex part of digital piracy is the investigation of the location of the infringers and the forum that may be used to stop the piracy or infringement once the infringer has been located, assuming that a simple cease and desist letter is not sufficient to stop the infringement.

### **EM: How large is the online piracy/counterfeiting problem?**

**DZ:** In Argentina, online piracy is becoming a major problem and, depending on the sector, it is causing almost irreversible damage to the creative industries.

**NM:** Online piracy is quite widespread throughout Latin America. This is due to the fact that the internet inherently has no boundaries, so that pirates and infringers can be located anywhere in the world and the infringing activity can be beamed, so to speak, into any location. The widespread use of pharmaceutical pirates in Asia, for example, of advertising the sale of their counterfeit products and drop shipping orders is widespread in Latin America as it is in North America and in Europe. In other industries, such as the music industry, digital content is downloaded directly by consumers from unauthorised sites.

### **Which types of goods and services are most at risk?**

**NM:** The most vulnerable goods to online piracy and counterfeiting are, first, any good that may be reduced to a digital format. This includes at the moment music, film and books. The music industry worldwide has been decimated by online piracy. The lack of fast internet connections and relatively small band width has saved the motion picture industry from the same fate, but it is only a technological matter of time before movies and television shows suffer the same fate. Book piracy will be a growing phenomenon with the spread of e-readers in Latin America over the next two to three years. The next most vulnerable goods are high value hard goods, such as pharmaceuticals. The counterfeit goods in these cases are not transferred through the internet, but the internet is used as a mechanism to facilitate their promotion and sale.

**DZ:** Based on data provided by the CAPIF (Argentine Chamber of Phonogram and Videogram Producers and Industrials), online piracy

related to the unlawful use of musical file exchange programs, caused a loss of more than 21% in CD sales in the last few years. A search conducted by the Chamber estimates that, during 2006, Argentines unloaded more than 600 million songs from the internet through programs that allow the exchange of unauthorized music files, thereby infringing, in most of the cases, intellectual property laws. The film industry has also been damaged by the illegal reproduction of movies.

**LS:** Music and film have suffered the most in Mexico, but other industries, such as software and videogames, have also been affected.

**EM: How have these industries responded locally?**

**LS:** They have made efforts on various fronts: they have lobbied Congress for changes to the law and before the Attorney General's Office (PGR) and other enforcement agencies or authorities.

A landmark case for the film industry was *MPAA v SigloX.com*, relating to an illegal online video service. In 2008, PGR took actions in the city of Culiacán, Sinaloa, where the business was traced, and a server was seized holding thousands of movies and TV programmes. As a result of that, APCM — an alliance formed by the motion picture and music industries.

**NM:** The industries suffering from online piracy have major antipiracy and anti-counterfeiting programmes in Latin America. This includes the music and film industries, the pharmaceutical industry and book publishers. Generally, there will be a regional head of the programme located in a major city in Latin America, such as Mexico City or Rio de Janeiro, who will oversee the activities of country managers.

**DZ:** At the local level, there have been very important advertising campaigns to educate the public about the damage caused by piracy, mainly in the music and movie industries.

Regarding civil legal actions, in 2005, in the framework of a world campaign against piracy on the internet, CAPIF sent around 500 formal notices to individuals who were found to upload and download large amounts of phonograms containing musical works (more than 5000) without proper authorisation. The campaign resulted in the filing of 20

civil legal actions; most of them have been settled by agreement between the parties.

**Marco, has the Mexican Copyright Office (INDAUTOR) been involved in any efforts to curb online piracy?**

**MM:** Yes, the Office has taken several steps in this respect. These include providing legal advice by email, telephone and in writing; amending the copyright and IP law to provide for the persecution of most types of digital infringement; reaching agreement with the Federal Institute of Public Defense, in order to assist users who require legal representation for the defence of their copyrights; and maintaining relationships with the collecting societies in charge of protecting authors and owners of related rights, both national and foreign.

**Should legislation be passed to help enforce digital rights in Mexico?**

**MM:** No, because the copyright law already accounts for defence mechanisms against digital infringement.

**EM: What mechanisms are in place to fight the problem in other countries? Do ISPs have any liability in Latin America?**

**NM:** Every country in Latin America has laws that make the piracy of copyrighted and counterfeiting of goods protected by trade marks a crime. I am unaware of any cases that have held an ISP liable in any way for the hosting of websites in the region.

**DZ:** There is really no useful mechanism in Argentina to fight online piracy. ISPs have no specific liability, but they may eventually be held liable for damages for providing a means to commit unlawful acts. However, there is still no evidence of positive results in combating online piracy.

**EM: Which agencies are responsible for enforcement and investigation procedures regarding online infringement in your countries?**

**DZ:** Since piracy of both intellectual and trade mark works is a public offence, security agencies can intervene at their own will in the investigations of such infringements. In Argentina, the security agencies

that frequently intervene are the Argentine Federal Police within the City of Buenos Aires, and the National Gendarmerie and Coast Guard in the rest of the country. In the crime under investigation is only an infringement to the Intellectual Property Law, the entity authorised to intervene in the investigation is the provincial police. However, most of the procedures are directed by prosecutors or judges who are in charge of the judicial investigation of piracy.

**LS:** The Attorney General's Office (PGR) and the Mexican Institute of Industrial Property (IMPI), principally. Civil courts, the Copyright Office and Customs have additional jurisdiction, but to a lesser degree than PGR and IMPI.

**EM: Nils, how effective would you say such agencies generally are?**

**NM:** The effectiveness of the agencies responsible for enforcement in Latin America varies tremendously from country to country. This is no different in the digital realm than in the world of the concrete enforcement of goods. Most government agencies in Latin America are not sophisticated in the area of digital piracy and counterfeiting and it will require the local counsel of the IP owner in question to do most of the heavy lifting to get cases to court.

**EM: Are the courts generally effective?**

**NM:** No. Latin America, as a general proposition, has a relatively poorly trained judiciary and overtaxed court system. Once cases are filed, they often languish for years before a resolution is reached. This is a problem that faces almost all courts in developing countries and Latin America as a rule is no different.

**EM: In which courts can right holders take action to enforce digital rights? Are they effective?**

**LS:** In Mexico, actions are generally handled by PGR and IMPI. They have proven to be effective, particularly PGR.

**DZ:** According to the most recent case law, when the crime is committed by means of the Internet, federal courts have jurisdiction over the case because the effects of the unlawful act are spread throughout the country. The effectiveness of the measures depends

mainly on the knowledge of the judges and prosecutors. In Argentina, the answer may vary, particularly in criminal cases.

**EM: How can right owners maximise their chances of success enforcing digital rights?**

**DZ:** Due to the general lack of social knowledge on this matter, rights owners affected by piracy should explain carefully to the judge the extent of the infringement and damage to his rights and to all of society. It is advisable to be especially careful when filing preliminary injunctions or obtaining anticipated evidence.

**NM:** The best way for IP owners to maximise their chance of success in court is to hire a lawyer who is an expert in piracy and counterfeiting and one who has excellent relationships with local government authorities. The case must be very well prepared and the prosecutors trained and closely monitored.

**LS:** By making thorough investigations, collecting sufficient evidence and assisting the district attorneys with good technical and legal support, as not every IP attorney in Mexico is qualified to work on online piracy matters. Establishing good channels of communication with enforcement agencies is essential as well.

**EM: Have there been any significant recent cases addressing these issues?**

**LS:** The most significant in Mexico has been *MPAA y SigloX.com*. As a result of that case, the site was dismantled, the server seized and one employee convicted. The owner fled and continues to be searched for by Interpol.

**EM: What role do free trade agreements play with respect to this issue in your country, if any?**

**DZ:** At the national level, the major free trade agreement in which Argentina participates is Mercosur. This instrument does not contain tools for fighting piracy, so it does not play a relevant role.

**LS:** Neither NAFTA or the TRIPs Agreement address digital rights expressly. However, they have been relevant in creating the IP enforcement structure of their member states. That general framework

works in connection with digital rights as it applies in connection with more basic copyright or trade mark rights.

**NM:** Free trade agreements with the US tend to have requirements which seek to ensure that intellectual property is protected in a manner that mirrors the way it is protected in the US. As mentioned already, however, it is not the law that is the problem in the case of digital piracy and counterfeiting. The problem is first one of investigation and detection, and second one of poorly trained and funded government agencies.

**EM: What role will ACTA play?**

**DZ:** The purpose of the Anti-Counterfeiting Trade Agreement (ACTA) is to establish new standards for the enforcement of IP rights, so as to efficiently fight the prolific growth of pirated and counterfeited goods trade. I think it can become a useful tool as long as it is subscribed to by many countries. This is the only way a treaty can be efficient, as happened with the Berne Agreement and the WIPO agreements on the internet, which have been signed by many countries.

**NM:** ACTA is designed to upgrade TRIPs by compelling signatories to the agreement to live up to stronger levels of enforcement than TRIPs presently requires. This is fine as far as it goes, but we have had two decades of a number of Latin American countries, for example, being put on the USTR's 301 list of countries that don't live up to TRIPs requirements. Simply making those treaty obligations stronger will not necessarily make the situation on the ground in Latin America better. Countries need to see that it is in their best interest to protect intellectual property and they have to have the resources available to do so.

**LS:** ACTA is very specific about the protection of digital rights, even more so than the WIPO treaties. I believe ACTA will majorly contribute to a better digital rights system in copyright. The discussions about liability for ISPs and other topics addressed in ACTA are not new. However, that discussion has taken place mostly in the US and Europe so far. ACTA will take the discussion to a truly global level, and the developing world may have something different to say. Additionally,

ACTA will motivate new discussions about these topics, which will be beneficial as far as striving toward a global IP system.

**EM: Marco, what major challenges has the internet posed to the Office's goal of protecting authors' works?**

**MM:** Technological advances have made it quite urgent that we update our internal systems in order to maintain the databases, as well as make them interoperable with external media. This is true not only for purposes of processing registrations, classification and searches, but for sufficiently maintaining information and data and speeding up the registration process.

For this reason, we are working toward implementing new technologies for processing registrations, as well as for the management of data and information access. This includes digitising documents, better management of online processes and exchanging information online and in real time.

**EM: Has the internet made it harder for authors and artists to protect their original works in your opinion?**

**MM:** In some respects it has been beneficial, since authors' works are now easily disseminated around the world.

However, the problem has become out of control with respect to unauthorised reproduction.

**EM: How should the problem be addressed?**

**MM:** By amending the Mexican copyright law to allow for the integration of measures relating to new technologies, as foreseen in the WIPO Treaty on copyrights, which Mexico has been part of since March 6 2002.

**EM: Daniel, what key strategies should right holders employ to protect their IP online in your region in the meantime?**

**DZ:** In the first place, right holders should hold periodic meetings organised by their respective chambers to share which is the most successful local experience. This should be also accompanied by formal requirements to governmental and judicial authorities asking for training

campaigns, mainly directed to judges and prosecutors. Regarding judges, it is important that they constantly update their knowledge, not only on specific legal matters, but also on the types of technologies that are the means for committing these types of infringements. It is particularly useful to promote regional workshops and seminars for judges in order to share methods of investigation, evidence assessment, and any other experience on this issue.

Furthermore, it is important to promote meetings among the main law enforcement authorities (such as the police, customs officers and municipal inspectors) so that they receive training on how to identify pirated and counterfeited products, secure evidence, and file formal complaints with the corresponding jurisdictional authorities.

Before resorting to technological measures for curbing the illegal use of works on the internet, it is important to insist on creating public awareness. For example, making users aware that if piracy levels continue, many families will lose their jobs; making governments aware, so that they respond with efficient policies to avoid tax evasion and the consequent unlawful competition; and making judges aware, so they take into consideration, when issuing a decision, not only the economic value of the intellectual work, but also the understanding that piracy damages the whole cultural heritage of a society.

### **Non-traditional marks**

#### **EM: What types of non-traditional marks can be registered in your country?**

**JA:** Traditionally, trade marks are signs detected by sight. However, non-traditional trade marks, or marks pertaining to other senses, like smell, hearing, touch, and taste, can obtain trade mark protection in the Argentine legal system under certain circumstances.

If the smells, sounds, flavours, tastes, and textures have distinctive capacity, they can obtain trade mark protection because under the Argentine legal system, unlike other law systems, it is not necessary to comply with the requirements of visual perception and graphic representation.

**GG:** Under Mexican Law, colours that are isolated shall not be registrable "unless they are combined or accompanied by elements such as symbols, designs or denominations that give them a distinctive character". Thus, combination of two or more colours can be subject to trade mark protection and registration, regardless of the form or surface to which they are applied.

Furthermore, Article 89 of the IP law expressly establishes that three-dimensional signs can constitute a trade mark and can be registered with the Mexican Trademark Office as long as they are not part of the public domain; have not become of common use; do not lack sufficient originality to be easily distinguished; represent the shape of the product or that imposed by their nature or industrial function.

Motion marks are not only not protected by our IP law, but are expressly considered as a sign that cannot constitute a mark based on Section I of Article 90 of the law, which establishes that changing names, figures or forms expressed in a dynamic way regardless of whether they are visible, shall not be registered as trade marks.

Finally, registration of sound, smells, texture and taste marks is not allowed in accordance with our IP law.

**EM: What are the chief obstacles for companies seeking to obtain protection for these marks?**

**JA:** Although the Argentine laws allow the registration of these trade marks, there have not been many prior cases of non-traditional registered trade marks. For example, in the case of motion trade marks, the first application was filed in November 2001 and granted in July 2002. In the case of sound trade marks, the first application was filed in 1997 and granted in June 2000. At present, there are many other sound trade marks which are pending or have been already granted. However, it is important to note that in all these cases, the applications are for sounds represented in musical pentagrams.

**NM:** An underlying problem with protecting non-traditional marks in Latin America above is purely financial in nature. The industrial property offices in Latin America tend to be underfunded and the staff under trained. The court systems are very slow and the judges not particularly sensitive to IP issues. Having better laws on the books is a good start,

but will ultimately be relatively meaningless if IP owners are not able to get timely protection of their IP.

**GG:** The prohibitions established in our IP law, as well as the strict criteria applied by the Trademark Office for non-traditional marks that are registrable.

**EM: Are there other ways of protecting those marks that cannot be registered?**

**JA:** One way is through the law of unfair competition. Even though the protection offered by the trade mark law is stronger and more efficient than the protection that can be obtained by the unfair competition legal regime, the imitation of distinctive elements which are not registered is likely to result in an unfair advantage, which is precisely the kind of conduct that the unfair competition law seeks to avoid and punish.

**GG:** With respect to sound marks, it is possible to seek copyright protection through Federal Copyright Law, as it grants protection over musical works. Although a sound mark might not comply with the requirements to be considered a song. Article 13 of the law establishes that copyright protects those works that can be considered artistic works. So as long as a sound mark shares a similar nature to a musical work, sounds with a harmonic composition and that can be identically reproduced each time, might be considered within the scope of protection of the copyright law. However, the decision on whether this premise applies for a word mark relies on the Mexican Copyright office's interpretation.

As far as smells, tastes and textures, there is no specific law or provision that recognises such marks as trade marks, since they do not fulfil the requirement of being visible signs. However, Section IX of Article 213 of the Mexican Trademark Law establishes an administrative infringement to be one committed "in the exercise of an industrial or commercial activity acts, which deceive or induces the public to confusion, error or deceit", based on several criteria. Therefore, one option for obtaining a favourable resolution regarding the use of a non-traditional mark that is not recognized and protected under the Mexican IP law is to file evidence that proves that consumers have become confused by the unauthorized use of such signs. This might imply an act

of unfair competition. However, there are no pending or resolved cases involving these types of marks.

**EM: What efforts are underway to convince the trade mark offices to allow these marks?**

**JA:** Improvements must be made in connection with the substantive examination process of these signs to determine if they are registrable, since at present, the Trademark Office is not technically equipped to accurately perform a comparative analysis between different non-traditional trade marks in order to raise objections. A short-term solution is unlikely.

**GG:** An initiative to amend the Mexican Trademark Law including, among other issues, the recognition of non-traditional trade marks, was proposed before the Congress, but was sent back without being approved. However, it has opened the door for future amendments on this important issue, as there is no doubt that non-traditional trade marks are signs used by companies to distinguish their products or services from the ones of their competitors on the marketplace. As modern marketing strategies continue to evolve, trade mark protection will have to be adjusted.

**EM: What is stopping the offices from allowing protection for these marks?**

**JA:** In Argentina, the only limitation on non-traditional registrations is the specific prohibition of the law regarding 3D trade marks. This issue was resolved by the courts, which determined that the traditional shape of a product does not constitute a trade mark. Therefore, shapes can be registered as trade marks, as long as they are non-traditional shapes of known products.

Another important problem lies in the fact that the law does not allow the registration of a single colour applied to a product, but it does allow the registration of a combination of colours. In this sense, the Trademark Office has admitted the registration of a single colour applied to a product, as long as it is combined with other elements forming a distinctive set. For example, Pfizer obtained the registration of the Viagra pill in light blue colour as a 3D trade mark.

**EM: Have there been any significant recent cases regarding non-traditional marks in your country?**

**JA:** On January 30 2009, the National Institute of Industrial Property (INPI) registered the first scent trade mark to be applied to the container of a product in Argentina. They are owned by L'Oreal and registered in International Class 3.

The registrations were granted by Resolution 131/09. In all the cases, the scents comprised a "Fragrance of... [different fruits in each case]... applied to the Containers".

If the fragrances had been applied to the product rather than to the container, then INPI's criteria would surely have been different, since in certain cases the application of the fragrance to the product itself would have been objected by parties which manufacture such products in the public domain.

L'Oreal's applications for the scent trade mark registrations date back many years, following a third party opposition when they were first published. When legal action was brought for the withdrawal of such opposition, the court emphasised that in order to determine the registration of a sign, it is not a "substantial requirement" under the Argentine trade mark legislation that such sign be "visually perceptible" or "graphically represented". Subsequently, the intervening court notified INPI about the withdrawal of the third party opposition.

The final decision to deny or grant registration of the trade marks in question fell to INPI. By means of a brief report, INPI evaluated the marks' intrinsic and extrinsic distinctive capacity (compared to other identical or similar signs in the same class), and reached the above conclusion, permitting registration of the scent trade marks.

It is important to highlight the criteria adopted by the INPI when it originally accepted the registration applications and ordered the corresponding Publications, and now proceeds to grant such non-traditional trade marks without requesting that they fulfil impossible requirements.

**GG:** The Mexican Trademark Office's criteria makes it very difficult to transcend the limitations in the law, as already mentioned. However, the

Federal Court of Tax and Administrative Affairs (FCTAA) has issued several decisions reversing denials of registrations by the Mexican Trademark Office. With the creation of the FCTAA, we expect an increase in these favourable resolutions and that new criteria will be established eventually changing the Office's perception regarding distinctiveness of three dimensional marks.

**EM: What key strategies should right holders employ to protect non-traditional marks in the meantime?**

**GG:** Apply for protection of a sound mark through copyright registration.

**JA:** In Argentina, in order to register a motion mark, for example, it is essential to describe in detail the sequence of the complete movement sought to be protected, attaching, for such purposes, the media that reproduce that sequence. In this way, the description can be included with the certificate of trade mark registration in case it should be used in a possible legal action.

In the case of sound trade marks, if the trade mark applied for cannot be represented in a pentagram, it would be necessary to provide a written description of the sound and also the filing of a material medium containing the recorded sound in question.

Considering the Trademarks Office's inability to compare and analyse similar non-traditional trade marks, it is important that the owners of these types of rights take a proactive attitude and defend their rights by challenging the trade marks they consider similar; this is presently the only available way of mitigating the problem.

## PROTECTING NON-TRADITIONAL MARKS IN MEXICO

*Trademark Yearbook, 1997.*

**Mexico's trade mark law significantly extends the protection available. Luis C Schmidts, of Olivares & Cía in Mexico City, analuzes some of its aspects.**

The Mexican Industrial Property Law (LIP) protects trademarks, service marks, collective marks, slogans, trade names and appellations of origin, on an exclusive basis, if sufficiently distinctive, and if duly registered with the Mexican Industrial Property Institute (IMPI).

The LIP defines marks as "every visible sign that distinguishes products or services from others of the same kind or class in the market". Denominations and designs, among other symbols, may be registrable. The requirement is that the sign can be perceived through the eyes.

Besides denominations and designs, the LIP grants protection to other less traditional marks as well as the following.

Isolated symbols that are combined

Under the LIP, letters, digits or colours that are isolated shall not be registrable "*unless they are combined* or accompanied by elements such as symbols, designs or denominations that give them a distinctive character" (emphasis added). From the literal interpretation of that provision, it can be concluded that a combination of neo or more "isolated" colours can be subject to trade mark protection and registration, regardless of the form or surface on which they are applied. And the form can be the shape of the capsule of a pharmaceutical product, for example, on which the combination of colours is applied.

Notwithstanding the above, there are no reported cases addressing the issue of whether the combination of colours can be registered. The trend at the Trade Mark Office has been not to grant protection for a combination of colours if they are not part of a design, logo, or the like. However, that criterion is against Supreme Court decisions as it was the case of a mark consisting of the combination of three colours, which were applied on the sides of a denim textile product. Here the Trade Mark Office refused registration, and the Supreme Court reversed that decision as it "produced a

visual impression which was capable of functioning as a trade mark". More recent Supreme Court decisions continue the same trend. In addition, commentators as Professor David Rangel Medina also favour trade mark protection for a combination of colours. that authority must definitively supersede the wrong interpretation of the Trade Mark Office.

Trademarks that may be protected under certain conditions

### *Geographic marks*

Names of geographic sites and places, including countries, regions, cities, towns and other population centre and administrative districts, famous business industrial, commercial and amusement places and buildings are registrable in accordance with Mexican law if they are not indicative of the source of origin of the products and services generating confusion or error in respect to such an origin. They are also registrable if the country, city, population centre or place is not noted for the manufacture of products identified by the mark. This also applies for marks consisting of gentle names, maps and even the names of rivers, lakes, seas, mountains and other natural landscapes which are not normally regarded as places where the kind of products to which the mark is affixed are produced, made, extracted or grown. Names of privately owned places are also registrable when they are special and no room for confusion, provided that the owner consents thereto.

On the contrary, geographic names will not be registrable if they are likely to produce confusion as to the origin of the product or service or if they indicate such an origin or "describe" it as is said in other countries.

Following the above-cited rules the courts have found HAMILTON as a protectable mark for watches, COLUMBIA for glasses, FRANCO AMERICAN for food products, PANAMA for carbon paper; TAPATIA (female from the city of Guadalajara in the state of Jalisco, Mexico) for threads and stamen, TULSA for tools, and MANHATTAN for clothing products.

### *Surnames*

A person's name is composed in Mexico by the given and family names, including both the father and mother's family names. This is reflected in the legal treatment of surnames and makes a difference from protection given in other countries. Names of persons, including surnames as such, have been traditionally protected in accordance to Mexican Trade mark Law. Article 89

(IV) of LPP1P the Law for the Promotion and Protection of Industrial Property of 1991 (in 1994, the name was changed to the Law on Industrial Property) considered individual names to be registrable provided there were no homonyms already registered as a mark.

This restrictive legal view was somewhat upgraded in the amendments of 1994. Now surnames will be protected as long as they are not likely to confuse with an existing registered mark. Additionally, the Law states that names, pseudonyms, signatures and portraits of persons, shall not be registrable as marks if no authorization is given by the interested person, or, in his or her absence or incapacity, by the husband, wife and other members of the family (these are expressly mentioned in the same provision). Finally, a registered mark will not produce effects if it relates to the name of a person which is then applied as a mark on products or services, as long as this latter person applies the name in the form that is regularly used by that person and which is clearly distinguished from the homonym that is registered with the Trade Mark Office.

#### Non-traditional marks Titles and characters

The Law on Industrial Property (LIP) establishes that titles of intellectual or artistic works, titles of periodical publications, characters, artists names and names of artistic groups are not deemed to be registrable without the express consent of the corresponding title holder, and if inadvertently registered by the Trade Mark Office, the LIP grants a cancellation action against such a registration.

Additionally, Mexican Copyright Law recognizes *sui generis* protection for titles of publications and radio and TV programmes, that are periodically used as well as fictitious and real characters, artistic names and publicity promotions that are remarkably original, through legal protection known as "Reserva of exclusive rights". In accordance with the Copy-right Law, protection to "Reservas" differs from that afforded to works of authorship, as it is not devoted to protect the work of authorship itself, but features that are related. Reserva protection is closer to principles of trade mark than copyright law. Accordingly, "Reservas" confer rights of exclusive use for characters, titles, etc, but do not recognize additional person-al or moral rights. From a procedural standpoint, deposit and periodical renewal are required for maintaining "Reservas" in force, as well as proof showing that the tale or character has been used in connection with publications or broadcasts, among others.

Additionally, examination of "Reserva" applications is closer to that of Trade Mark Law, however prosecution proceeding is full of ad hoc practices, and variable and change-able criteria.

Trade mark, "Reserva" and even copyright law may intervene in protecting a particular title or character. In essence, protection afforded by these three legal figures is different and complementary. Trade mark law aims to protect the commercial side, copyright the artistic side, and reserva the psycho-logical and physical characteristics of the character itself. Copyright law may protect a drawing or photo of a character, but not the character itself. The trade mark law would protect a character if used for distinguishing products or services in commerce. The scope is much narrower than protection afforded to a character by reserva law.

Mexican practitioners normally recommend obtaining as much protection as possible, considering the legal problems and disputes that may arise. Trade mark, reserva and copy-rights have been confronted when one party owns a trade mark registration and someone else a reserva or even a copy-right registration.

There is limited legal authority to solve this type of issue. In general terms, it can be concluded that the cancellation provision in the LIP is the guideline to follow. However, it would have only a limited effect as it is incapable of solving all potential problems that in fact could develop. Just provide an example, how would this rule be applied if authorized third party seeks and obtains a reserva for a title or character owned by somebody else? Should this Reserva be cancelled despite the absence of a senior trade mark registration? These uncharted areas in the application of the double or cumulative protection principles definitively affect protection of titles and characters and should be improved.

### *Three-dimensional marks*

Product and container shapes, among other of three dimensional designs, are protectable under the LIP. However, the following four basic limitations have been imposed:

That the three-dimensional marks are not part of the public domain.

That the three-dimensional marks have not become of common use.

That the three-dimensional marks lack sufficient originality to be easily distinguished.

That the three-dimensional marks represent the shape of the product or that imposed by their nature or industrial function.

Specific comments on the foregoing point follow:

### *Public domain*

There is not clear and uniform criterion of what the Trade Mark Law should understand as "public domain". However, it appears that the meaning implies a patent connotation. In accordance to Mexican Patent Law, protection is available for designs that are novel and that are applied to industrial products, devices, containers or any other kind of forms. Novelty is restricted to the industrial forms not found in the state of the art anywhere in the world.

An industrial design may fall into the public domain if no proper and timely registration is sought therefore before it is used in commerce, in accordance with the Patent Laws and Regulations. Also, it can fall into the public domain after the term of protection of the industrial design, which in Mexico is of 15 years.

From a practical standpoint, one should be very careful to know whether the three-dimensional device has been already exploited and whether patent protection has already been sought therefor. In the affirmative, it should be taken into account whether the corresponding industrial design registration has expired. The filing of a three-dimensional trade mark application does not necessarily require that an industrial design application is simultaneously or previously filed. Protection afforded by trade mark and industrial design is alternative, therefore, it is important that the three-dimensional mark "has not fallen into the public domain".

Notwithstanding the above, from a theoretical point of view, Congress should re-examine the "public domain" requirement,

as it clearly contradicts principles of trade mark law. Inventions and designs that are used or exploited prior to the filing of an application lose novelty and fall into the public domain. It would be difficult to say that marks that were used prior to registration also fall into the public domain.

Distinctive marks used prior to registration trigger — not lose in accordance with trade mark law. Therefore public domain is not an appropriate concept for trade marks, as it is contradictory to established principles under trade mark law.

### *Common use*

Mexican trade mark law considers to a certain degree that a novelty standard is to be applicable for three-dimensional trade marks. It thus will be required that the mark meets a minimal level of uniqueness, and not be reputed or recognized of common use. Forms and shapes in general that are too simple or that have served as containers or the shape of products, shall be definitively not be protected.

### *Distinctiveness*

As explained above, this represents a basic principle of Mexican trade mark law. Accordingly, the following will have to be considered:

That the three-dimensional mark shall not be confusingly similar to pre-existing ones.

It also shall not be generic, or descriptive as regards the products or services to which it will be applied.

### *Originality*

The word "original" is vague and cannot be used in the context of three-dimensional trade mark protection or even trade mark protection in general, as it is exclusively related to copy-right law. As the concept is so imprecise, it could be concluded that works of authorship that are original are entitled to protection, which probably would go too far in terms of how the scope of three-dimensional trade mark protection should be determined.

## Ordinary industrial function

The present requirement is related to the previous three; however, in this case the law is intended to ensure that ordinary forms or functionality features of products, devices, containers, packages and other three-dimensional forms are not exclusively appropriated by single entities, which would be detrimental to third parties. Thus, the shape of the three-dimensional product, container, etc, will have to be distinct and unrelated to its ordinary form or function if trade mark protection is intended to be made available thereto. Non-functional devices or features of products or packages, boxes or containers will represent the most adequate forms of protection in accordance to trade mark law.

## Additional comments/Regulations of 1994

In accordance with the Regulations of 1994, wrappers, packages, containers and the form of presentation of products have been expressly considered three-dimensional forms for the purpose of the LIR. This regulatory provision has given a more precise understanding of that term, making clearer that product shapes can function as three-dimensional marks. Needless to say that they have to comply with the LIP requirements explained above. Notwithstanding the foregoing, it has been the Trade Mark Office's interpretation that shapes of products cannot represent three-dimensional marks, which is obviously wrong.

It is worth mentioning, again, that the LIP does not confer protection on descriptive marks regardless of how widely they have been used and how much consumer recognition they possess. This has a particular importance in cases of "three-dimensional marks", considering that products and container shapes may not be inherently distinctive. Frequently, it is not only the non-functional feature of the shape, wrapper, package, bottle or container, that applicants wish to protect, but additionally some features that may be not registrable or that may at least not be considered inherently distinctive. Other times, a dividing line between functional and non-functional, useful and useless, art and industry is just impossible to be drawn.

The lack of an acquired distinctiveness doctrine makes it more difficult for many three-dimensional marks to become registered under Mexican Law. Patent and Copyright Laws may not offer much additional assistance as well. However the

Trade Mark Office has generally taken a flexible approach in conducting registrability exams and a positive view in protecting these forms of marks.

## **DESIGN AND TRADE DRESS PROTECTION MEXICO**

*World Trademark Review, July/August 2008.*

**Mexican law provide protection to designs used as trade dress for both products and services by virtue of industrial design, copyright or trademark law, as well as by unfair competition.**

Design is perhaps the most interdisciplinary subject in IP law. The notion of design embraces everything that humans can create by recording images, pictures or three-dimensional figures and doing so with pencils, brushes or even computers. Designs cover everything from the appearance of products intended to fulfil an industrial function to works of art, which are associated with pure aesthetics. Designs within that spectrum can thus incline more or less towards industry or aesthetics, or – as in the case of works of applied art – industrial function and aesthetics are linked into one indivisible notion.

Every field of IP law, whether based on novelty, originality or distinctiveness, has dealt with designs. First, patent law has conceived industrial design registrations to protect the ornamental aspects of products made for mass marketing. Second, copyright law has recognized that works of authorship should be entitled to protection regardless of their destiny, including non-functional media such as paper, cloth or wood. This protection extends to the shape of furniture, toys, wallpaper, fabrics or functional products. Ultimately, art works can be embodied in all sorts of material and thus be utilized for an array of different purposes. Third, trademark law has sometimes been driven to protect designs when these have been capable of performing as trademarks and distinguishing products in trade. This is where trade dress comes in.

### **Industrial designs and copyright protection**

Under Mexican law, designs that fulfil novelty or originality standards qualify for either industrial design or copyright protection. In addition, a novel or original form can be regarded as a distinctive trade symbol and thereby be the subject of additional trademark protection. The Law on Industrial Property sets the standards of protection for industrial designs limited to novelty and industrial application. Inventive step or

inventiveness is not a legal requirement. The Law on Industrial Property has defined 'novelty applicable to industrial designs' to mean "independent creativity". However, this expression has been considered misleading since independent creation is a concept that has more to do with copyright than patent law. Under the Copyright Law, works of authorship need to be original. Mexico subscribes to the author's rights system and thereby follows an 'imprint of the author's persona' approach.

### **Cumulative rights**

The Mexican IP system is favourable to a cumulative protection formula, taking into account that it is sometimes not clear enough in prescribing when a particular shape or object deserves patent, copyright or trademark protection. On the other hand, neither the Law on Industrial Property nor the Copyright Law impose an express or implied prohibition on the cumulation of rights, or regard industrial design and copyright protection to be mutually exclusive.

However, Mexican trademark authorities have recently considered that if a particular shape has been the subject of industrial design or copyright protection, it shall not be possible that it further serves as a trademark. It is hard to know where this criterion comes from, inasmuch as Mexico does not follow a common law system that could be invoked to distinguish rights which derive from registered trademarks and trademarks in use. In other jurisdictions, courts have attempted to distinguish between statutory industrial design protection and common law trademark protection. Conflicts between statutory and common law rights have led courts to eliminate trademark protection for designs. In Mexico, the idea that designs cannot be the subject of industrial design and trademark protection at the same time has principally affected three-dimensional trademarks, but also certain two dimensional marks.

The foregoing synthesizes the law applicable in situations when product shapes are ornamented with art works or industrial designs that can simultaneously:

- meet the standards of novelty or originality; and
- perform as trademarks.

## **Unfair competition**

Despite the questions or concerns deriving from the cumulation of rights, the Mexican IP laws have ultimately allowed companies to rely on industrial design, copyright or trademark law to take action against imitators or copiers of designs that are used as the trade dress of a product or service. However, the challenge has been to select the best and most adequate action. Unfair competition has been available to companies in addition to, or in lieu of, patent, copyright or trademark actions in order to stop trade dress imitators or copiers.

Under the Law on Industrial Property, unfair competition has been viewed as an administrative infringement that is readily available against anti-competitive behaviour that takes place against fair practices in a given industry or against the Industrial Property Law. Such infringement can also be invoked against imitators or copiers that lead consumers to confusion, error or deceit by making them believe or inferring that:

- two commercial establishments have been associated;
- products have been made under authorized specifications as dictated by legitimate third parties; or
- the sale of products or rendering of services was authorized by a legitimate third party.

The scope of the foregoing rules has been regarded as broad enough to find that the unauthorized use of the design, decorative element, shape of a product or its packaging, bottle or container, as well as the design of the frontage of a commercial establishment, constitute unfair competition.

## **Trade dress cause of action**

On January 25, 2006 the Mexican Congress approved amendments to the Law on Industrial Property, in order to insert an administrative infringement cause of action that targets trade dress. The new provision was part of a larger reform concerning franchising rights. Congress dealt with trade dress because:

- it uses design as a decoration or as an identification factor; and

- it is closely associated with franchising, in particular the franchising of businesses such as restaurants.

The provision reads as follows: “The following behaviours are [considered] administrative infractions: Using the combination of distinctive signs, operative or image elements that allow [the identification of] products or services that are identical or confusingly similar to other signs, operative or image elements protected by the Law on Industrial Property, which for the reason of use cause or induce the public to confusion, mistake or fraud, by making believe or infer[ring] the existence of a relationship between the holder of the right that is subject to protection and the non-authorized user. [The] use of [the] said operative and image elements represents unfair competition in terms of paragraph I of this article.”

That provision did not improve the existing unfair competition law. By inserting this language to the bill of amendments, Congress implemented a strict repetition of the pre-existing unfair competition regime that seemed to have worked fairly well. The amendments have only added confusion, considering that there are now two infraction provisions that IP right holders can invoke to pursue the same wrong. The only difference is that one of the infractions has a more general scope than the other. However, the main problem is that by being so specific, the newer rule turned out to be mostly inapplicable.

For example, combining distinctive symbols to trigger confusion is something that is already punished under the Law on Industrial Property. In any event, it is hard to know whether ‘distinctive symbols’ are restrictively understood as those recognized in the Law on Industrial Property. Further, combining operative elements that distinguish products or services to trigger confusion cannot be regarded as an infraction of the law, simply because operative elements as such cannot distinguish. Lastly, combining images that distinguish products or services to trigger confusion has been also sanctioned under the law. As a matter of fact, it would be hard to know what would be the legal or practical differences between the words ‘sign’ and ‘image’, considering that images can be regarded as signs utilized in trade to distinguish products or services.

## **Conclusion**

Notwithstanding the inconsistencies within the Law on Industrial Property, one can conclude that the statute affords protection to designs used as trade dress by virtue of industrial design, copyright or trademark law, as well as by unfair competition.

Protection is equally valid for:

- the designs of product shapes and their packaging; and
- the decorative or distinctive features of the façades, roofs, furniture or other elements of commercial establishments.

The question remains of what rules a court should apply in order to find that a trade dress depicting a given design resembles a pre-existing one that is sufficiently distinctive. This question becomes more sensible when the preexisting design has not been registered at the Trademark Office, or when registration cannot be obtained due to a lack of distinctiveness. The plaintiff would bear the burden of proving that the defendant used a trade dress consisting of a design protected either by copyright or industrial design law. In addition or in lieu, the plaintiff would need to show that the design has been utilized as the distinctive symbol of a product or to identify a business establishment. The foregoing can be proven by virtue of a trademark registration. However, in the absence of a registration, the plaintiff would need to:

- establish prior rights in the design; and
- prove that the same is distinctive enough to lead consumers to believe that the businesses are related or the products licensed.

## **EXHAUSTION OF RIGHTS**

*Managing Intellectual Property, International Briefings, February 1999.*

Exhaustion of rights, as an exception to the rights afforded by IP laws, has been recognized in the laws of many countries in the world. In general terms, it implies that the owner of intellectual property rights cannot oppose the further trading of products embodying its rights, if and to the extent that such products have been marketed by or with its consent. Exhaustion of rights marks the border between intellectual property rights and those of the buyer of a product or copy embodying the IP rights.

As to trade marks, it appears that Mexican law allows parallel importation in blank, without restriction or control. There are cases in which trade mark holders have claimed trade mark infringement and unfair practices, from importers who are not respectful of warranty policies and the standards imposed by manufacturers. However, all of those cases have been decided allowing the parallel imported products to enter Mexican territory.

Accordingly, Mexican trade mark Law has been interpreted to recognize an International exhaustion of trademark rights. The case of patents is different as the Patent Law does not allow international exhaustion of rights, exhaustion having effects on a national level only.

As to copyright, the Mexican copyright Law of 1996 seems to allow international exhaustion of rights and, as is the case with trade marks, it is also questionable if it would provide the tools or mechanisms necessary to stop indiscriminatory practices. The Copyright Law considers a right of distribution as well as a first-sale exception. It also grants a right of importation of illegitimate copies as part of the bundle of patrimonial rights. However, as the Copyright Law does not specifically grant to the holder a right to prevent importation of legitimate copies of works of authorship, it can be concluded, *contrario sensus*, that Copyright Law is in favor of international exhaustion, and consequently parallel imports.

## **NULLITY AND LAPSE ACTIONS UNDER MEXICAN LAW**

*By Luis C. Schmidt and Antonio Belaunzarán.*

*Trade Mark Yearbook 1994.*

In common with many other countries Mexico is not exempt from pirates who obtain registration for trade marks previously adopted by their genuine owners. In most cases the pirate registration covers a mark that was originated in a foreign country. The registration will be rejected if the mark happens to be well known in Mexico; however, if the Trade Mark Office concludes that the mark has not reached that statutes, registration will be granted and the genuine owner will have no other choice but to initiate nullity or lapse actions, as the case may be.

Before giving a full analysis of the present situation, it should be mentioned that, under Mexican Law, exclusive rights to use a mark are only acquired through a registration granted by the Trade Mark Office. The registration process in Mexico rests on the principle of "first to file, first in right". Mexican Law does not provide for opposition proceedings, but the genuine owner of a mark is entitled to seek the cancellation of spurious registrations by the filing of nullity and lapse actions which will be briefly explained below.

### **Nullity Actions**

Article 151 of the Mexican Law for the Promotion and Protection of Industrial Property (LPPIP), which is comprised of six specific provisions, constitutes the legal framework for filing nullity actions.

The first paragraph of Article 151 considers a registration to be void if it was granted in violation to the legal requirements and conditions for the granting of registrations established in sections I to XV of Article 90. Section XV of this Article deserves special mention as it grants authority to the Trade Mark Office for rejecting applications of marks considered to be well-known in Mexico. A nullity action under this paragraph will be pertinent if the registration covers a well known mark and it was granted to a third party other than the true owner.

The second and third paragraphs of Article 151 refer to nullity actions based on prior use, in Mexico or abroad respectively, of an identical or confusingly similar mark. In the latter hypothesis the existence of a

foreign registration, as well as a reciprocal provision benefiting Mexican trade mark owners in the country of origin, is required. However, in practice reciprocity has represented a requirement impossible to meet as it appears that there is no foreign trade mark law granting similar standards to Mexican trade mark owners. We therefore invite our colleagues abroad to conduct a thorough research to determine whether the laws in their countries reciprocate with Mexican Trade Mark Law.

The fourth paragraph of Article 151 states that a registration shall be considered nullity and void if it was granted on the grounds of false or inaccurate information that is considered to be "essential". Discussion has developed as to what represents essential information in the context of this provision. Perhaps the Trade Mark Office will not cancel a registration based on information that is false or inaccurate but not deemed to be of transcendental importance. However, the Office will most likely declare to be void any registrations granted on the basis of false or inaccurate information given in the application papers related to the date of first use, address of the business and of the manufacturing or commercial establishments.

The fifth paragraph deals with registrations that the Trade Mark Office grants in error, inadvertently or on the basis of a misappreciation of those marks that are identical or confusingly similar to previously registered ones. In these cases the prior registration is deemed to be violated by the latter one because of the identity or similarity of the marks and the services or products to which they are applied. The issue has usually been determining whether the expression "similar products and services" should be restricted to cover only those in a particular class of the international classification or whether it should also extend to include products or services within different classes which are nevertheless similar in nature.

Paragraph six of Article 151 represents a cancellation provision arising from situations involving a business relationship between the owner of a foreign trade mark registration and its Mexican agent, representative, user or distributor. In these cases, any of these latter will have sought a Mexican registration of the mark or a confusingly similar one, in its own name, and without the express consent from the trade mark owner. The law regards the registration as having been obtained in bad faith.

It is not clear how broad the scope of this provision should be considered. At first glance, it seems that a direct and personal relationship is needed between the owner of the foreign mark and its business partner in Mexico. However, it remains to be seen whether this provision would apply where the distributor or user of the mark is appointed by the foreign registrant's agent and the relationship with such distributor or user is only an indirect one.

The period of limitations runs for five years in connection with the nullity provisions in paragraphs two, four and five of Article 151 and one year as to paragraph three. In every case this is reckoned from the circulation date of the Trade Mark Gazette in which the corresponding registration was published. There is no statute of limitations for bringing actions under paragraphs one and six.

### **Lapse Action**

A lapse action was introduced into the LPPIP in 1991. It can be an effective tool for cancelling pirate registrations when their marks are not in use. The LPPIP states that registrations are valid for a 10-year period: however, if the mark is not used for a three full years, a lapse action can be filed, unless justifiable reasons exist for the lack of use. While the law does not establish what type of excuses will be accepted as "justifiable reasons", it can be concluded that they will necessarily be directed to show that the registrant had the willingness to use it but could not, on account of causes beyond his or her control.

## **PROTECTING FAMOUS MARKS IN MEXICO**

*Trade Mark Yearbook 2001, Managing Intellectual Property.*

Mexico, as well as many other foreign countries, does not follow the concept of dilution, but rather protects famous marks based on the "confusion" doctrine. For the purposes of this article it will be assumed that dilution can be somehow equated to the Mexican system of well-known marks. However, it is acknowledged that there are also great differences, which will be discussed.

The Dilution Act of the USA has a unique purpose: it has created a legal figure for protecting trade marks as themselves, in their capacity to identify and distinguish products or services. The House Report of the Dilution Act follows definitions of McCarthy and Schechter which state that dilution applies when a defendant's use of a famous mark represents a unique, singular or particular source of goods and services. From the House Report of the Dilution Act it is possible to read that in order for dilution to occur the defendant must have used the mark commercially.

From the foregoing it is possible to draw a first conclusion: dilution actions are different from infringement and false designation claims, as they are targeted to protect trade marks (and other trade symbols perhaps) from essentially different wrongs.

In accordance with the Dilution Act, dilution can be divided into blurring and tarnishment. Blurring lessens the capacity of the famous mark to distinguish by informing consumers that the mark no longer represents one source. Tarnishment lessens the capacity of the famous mark to distinguish by interfering with the goodwill consumers associate with the famous mark and/or products.

Under the US Dilution Act, for being diluted, the mark needs to be distinct and famous, and has to be used by the defendant in commerce.

### **Protection of famous marks in Mexico**

#### ***Principles of trade mark law***

The key function of trade marks is distinguishing products and services from others in commerce. In fact, only marks that perform such a

function are protected by the Law. The Law of Industrial Property (hereinafter LIP) defines marks as "every visible sign that distinguishes products or services from others of the same kind or class in the market." Professor David Rangel-Medina considers the principle of "distinctiveness" as an essential condition of validity of trade marks. By this virtue the mark shall specialize, individualize and singularize particular products or services and identify the source from which they originate. Following the ideas of Paul Roubier, Dr. Rangel- Medina holds that for justifying an exclusive right and the existence of renewal and enforcement rights arising therefrom, the mark shall be distinctive and that will happen only if it is not likely to be confused with other marks, in connection with identical or similar products or services, or if it does not constitute a generic symbol or one of usual use in the market or industry.

Following the legal principles and doctrines referred to above, the Third Circuit Court for Administrative Affairs in the First Circuit (Mexico City), ruled in 1981 that trade marks have the purpose to individualize and distinguish goods, which in addition have not to be confusingly similar with respect to other prior marks.

The Law of Industrial Property (LIP) protects inherently trade marks only, that is, trade marks which are suggestive, fanciful or arbitrary. On the other hand, the LIP categorically prohibits registration of generic and descriptive marks, even if they have acquired distinctiveness as a result of a continuous and extensive use.

### ***The traditional concept of trade mark infringement***

The LIP provides various different causes of nullity actions.

From the provisions in the LIP it is clear that "confusion" represents the standard applicable in trade mark infringement cases. One of the particular provisions prohibits use of identical marks. Likelihood of confusion would be presumed if the identical mark is applied to the same products or services. If a variant or similar mark is used in connection with the same or similar products or services, then a "confusion" analysis would turn to be relevant.

Mexican trade mark jurisprudence applies a test for determining "confusion", from a "phonetical, "visual" and "ideological" standpoints.

In addition, "confusion" would be examined by having the marks analyzed in their entirety; by viewing them at their differences prior to their similarities; by entirety; by viewing them at their differences prior to their similarities; by looking them alternatively and not simultaneously; and by considering relatedness in the trade channels, and the sophistication of consumers.

IMPI is the authority empowered to apply the test, and to decide on whether there is a likeness between two particular marks. To that end, it has followed the principle that products or services within a particular class are deemed to be similar, with some exceptions. Accordingly, the law and jurisprudence have considered that similarity of products or services can occur when they share the same characteristics (ie similar trade channels or forms of commercialization), despite the fact that they fall into different classes.

### ***Famous marks***

The 1994 amendment to the LIP introduced a modification to the rule of well-known marks. The new rule represents an improvement of the former law as it broadens and elevates the standards of protection of well-known trade marks. It is basically grounded on Article 1708 (6) of NAFTA, and in certain aspects on Article 6 bis of the Paris Convention for the Protection of Industrial Property. However, the Mexican provision certainly exceeds the requirements in both article 6 bis of the Paris Convention and article 1708(6) of NAFTA.

Article 90(XV) of the LIP understands for well known marks those with which a particular sector in the public or commercial circuits in Mexico is acquainted as a result of commercial activities carried on in Mexico or abroad, by any person that employs the mark in connection with their products or services, as well as the knowledge that the public has of the mark in the territory of Mexico, resulting from the publicity or advertising given to the mark anywhere in the world.

Article 90(XV) imposes a limitation, considering that if registered, the mark subject to registration is likely to create "confusion" or "risk of association" with a famous mark or to "disparage" it.

Accordingly, the LIP will protect famous trade marks upon the existence of a likelihood of confusion, association or disparagement. As

mentioned, this would represent a restriction to the principle of "specialty", although it is not absolute. And it is not absolute as it would not be possible to seek cancellation or infringement of a mark which is not sufficiently similar to the famous one, or that is applied to products or services that are entirely different, and that consequently, confusion is not strictly possible. Notwithstanding the fact that the Mexican rule is not absolute, such a provision is still above the standards of the Paris Convention of NAFTA, and has also been interpreted widely by the courts, as will be discussed below.

It bears mentioning that the LIP has given IMPI the powers to decide on the well-known status of trade marks. This would be true while prosecuting the trade marks, while under article 90(XV) of the LIP, as well as when resolving trade mark infringement causes of action in conformity with article 213(VII) of the LIP. The question has arisen though, as to whether IMPI would be additionally empowered to grant special registrations for famous marks. A specific reference cannot be found in the LIP, however the statute could be interpreted so widely as to say that the LIP has given the IMPI sufficient capacity to declare if trade marks have reached well-known status. This could be made *sua sponte* or by request of a party with so called "legal interest".

Lastly, the LIP does not make any distinction whatsoever between famous or high reputed marks and well-known marks. It simply refers to "notorious" marks as one single concept. However, it is possible to draw a dividing line between "notorious" marks known to everyone and those known to particular sectors. That can be considered as a difference of degree, however such a division would be purely academic without any practical effect as, being a single concept, notorious and well known marks will be protected equally.

## **History**

The first statute in Mexico recognizing the protection of well-known marks is the Law of Inventions and Trade Marks of 1975, as amended in 1986. Prior to that the issue on well known marks was addressed in cases that go back to the early fifties. The *BULOVA* decision represents a landmark case, whereby that famous trade mark used in connection with watches was protected by virtue of article 6 *bis* of the Paris Convention. The pirate obtained a registration for identical products,

namely watches, a situation that allowed the courts to decide in favour of the rightful owners without any trouble.

There are also decisions by the Mexican courts where the issue was whether the products to which the alleged infringer applied the mark was "similar" in the context of article 6 *bis* of the Paris Convention. Thus, among others, the trade mark CADILLAC was protected against application of the same to clothing products. Similarly, the trade mark GE was protected against a registration covering hardware, plumbing and steam fitting supplies. The same happened concerning the trade mark OMEGA associated with machinery and tools; the trade mark GUERLAIN as applied to perfumes and cosmetics; MARLBORO as applied to clothing; and CHANEL in connection with clothing as well.

Notwithstanding the importance of *BULOVA* as well as the other resolutions that were produced later, the *GUCCI* case would perhaps represent the most relevant decision on the subject of well-known marks. The *GUCCI* case involved two spurious registrations that the Trade Mark Office had granted to a pirate for the trade marks GUCCI and GUCCI AND DESIGN to cover footwear. In that case the courts discussed, among other things, whether the Paris Convention as an international treaty was self-executing. The plaintiff took two actions which were handled by two different courts. Judgments came in opposite directions, creating contradiction. As a result, and before the two decisions were taken to the Supreme Court, Congress passed an amendment to the law, implementing the protection of famous marks.

Accordingly, with the exception of the *GUCCI* court, the remaining decisions have been flexible, and have given a wide and positive interpretation to the rule.

### **Present situation**

Coming back to the new rule on famous marks, we are not aware of any decisions pronounced by the courts interpreting the notions of "confusion", "association" or "disparagement". We tend to believe that as the language used in that provision is broader than that of the Paris Convention, the rationale of the *CADILLAC* and other courts would still be applicable to situations arising from the new rule.

IMPI has imposed a strict view in connection with the well-known status of a mark, and has imposed a burden so high that it has triggered problems to plaintiffs, as they would have to undoubtedly demonstrate to the satisfaction of IMPI, that the mark is widely sold and advertised, and that the consumer public of at least the sector connected with the products or services to which the mark is applied, has knowledge of the existence of the mark.

Thus in brief, the Mexican Trade Mark Law protects famous marks when the following conditions are met:

- (1) That they are known in Mexico, by virtue of trade or advertisements made in Mexico or abroad.
- (2) That they are known at least among a particular sector of industry or trade.
- (3) That a third party use a mark which is likely to create confusion or risk of association mark with the famous mark or lead to its discrediting.

### **Famous mark protection compared**

From all the foregoing, it can be concluded that both the US and Mexican laws afford a certain form of protection to famous marks. The regimens are equivalent as they are aimed at protecting the same object, however, they are different at the same time, considering that under the US Dilution Act, famous marks are given protection from the perspective of their capacity to distinguish. In Mexico, protection of famous marks is viewed from the standard of "confusion". The Mexican LIP grants trade mark infringement actions and in a minor context unfair competition actions for repressing use of famous marks, and for prohibiting their tarnishment.

## **LAS MARCAS EN EL COMERCIO NORTE/SUR: EL IMPACTO DEL TLC Y DE OTRAS MANIFESTACIONES DE MERCADO**

*Panel sobre el tema titulado "LA LEY"*

*Revista Colombiana de la Propiedad Industrial, Volumen X, 1996.*

*Lecture: INTA Forum, Mexico City, 1995.*

### **I. INTRODUCCION.**

Este panel tiene por objeto el análisis de los acuerdos adquiridos por los Estados miembros del Tratado de Libre Comercio de Norteamérica (en adelante "TLC"), esto es, Canadá, E.E.U.U. y México, en materia de marcas, y su forma de implementación interna.

A consecuencia de la firma del TLC, los gobiernos de los tres países signatarios se dieron a la tarea de ajustar sus leyes, incorporando disposiciones del TLC no contempladas previamente, o modificando aquéllas incompatibles en el texto de dicho tratado, lo cual han hecho en mayor o menor medida, dependiendo de las necesidades de cada caso concreto. En forma paralela, los tres países del TLC firmaron TRIPS, el cual han venido adaptando en su régimen jurídico interno.

México es sin duda el país miembro de TLC que más compromisos ha generado, no sólo en materia marcaría, sino en general en todo el campo de la propiedad intelectual. Bajo estos parámetros sería el caso de México el único que se estudiaría en este panel, por lo que, para hacer más interesantes las cosas y a efecto de escuchar a nuestros distinguidos colegas, procuraremos hacer referencia a temas que asimismo fueron objeto de cambio en Canadá y los E.E.U.U.

### **II. INDICACIONES GEOGRAFICAS.**

#### **2.1 Comentarios iniciales.**

El primero de dichos temas lo constituye el de indicaciones geográficas, en el que se presenta un interesante intento de armonización de normas en los tres países signantes del TLC. Cabe mencionar que los tres sistemas difieren entres sí por razones históricas.

## **[A] Nombres Geográficos en México.**

Empecemos por México, país que ha establecido una clasificación en su legislación, jurisprudencia y doctrina, la cual, hablando de lo más general a lo particular, reconoce la existencia de nombres geográficos, los cuales se dividen en indicaciones geográficas y marcas geográficas. Las indicaciones geográficas a su vez se abren en indicaciones de origen o procedencia y denominaciones de origen. Nuestro máximo catedrático en la materia, Dr. David Rangel Medina, ha recogido dicha doctrina, así como otros de los más distinguidos profesores mexicanos, como lo es el Dr. Horacio Rangel Ortiz. A su vez, la escuela mexicana es compatible, en gran medida, con la española y francesa, que encuentran sus más importantes exponentes en los profesores Carlos Mascareñas, José Antonio Gómez Segade. Alberto Chavane y Jean-Jaques Burst.

## **[B] Indicaciones de Origen o Procedencia en México.**

Bajo la doctrina mexicana por indicación de origen o procedencia se entiende todo aquel signo que se utiliza con el objeto de indicar el lugar de producción, obtención, extracción y recolección de un producto, sin importar la calidad o características de dicho producto o de quien lo produce. En gran medida, México acepta el concepto proveniente del Arreglo de Madrid para la Represión de Falsas Indicaciones de Procedencia, aunque no constituya miembro de éste.

## **[C] Denominaciones de Origen en México.**

Por otra parte, México constituye miembro del Arreglo de Lisboa relativo a La Protección de las Denominaciones de Origen y su Registro Internacional. Por lo tanto, es protector de las llamadas denominaciones de origen, las cuales se definen de la siguiente manera tanto en el texto del tratado como de la Ley mexicana:

"Se entiende por denominación de origen, el nombre de una región geográfica del país que sirva para designar un producto originario de la misma y cuya calidad o característica se deban exclusivamente al medio geográfico, comprendido en éste los factores naturales y los humanos".

En cuanto a la forma y alcance de la protección de estas dos figuras, cabe señalar que las indicaciones de origen o de procedencia son de libre utilización, siempre y cuando el producto cuya procedencia

geográfica indiquen, se origine realmente del lugar descrito. En otras palabras, no se permite el uso de indicaciones que sean falsas respecto de la procedencia de un producto determinado.

Por lo que respecta a las denominaciones de origen, la Ley mexicana protege aquéllas que el gobierno de este país haya declarado como tales, o que se hayan declarado por otros Estados miembros de Lisboa y que se hayan registrado ante la Oficina Internacional de Propiedad Industrial. La denominación de origen corresponde a una figura sui generis, considerada como una especie de signo distintivo, pero diferente a la marca, en cuanto a naturaleza jurídica y funciones. No es posible la utilización de una denominación de origen sin la autorización del Estado, sea como indicativo de procedencia o como marca.

### **[E] Marcas Geográficas.**

La Ley mexicana permite el registro y por lo tanto uso exclusivo de nombres geográficos como marcas, siempre y cuando no incurran dentro de las limitaciones que impone ésta.

## **2.2 Indicaciones Geográficas en el Tratado de Libre Comercio de Norteamérica (TLC) y en TRIPS.**

Previo al análisis y comentario del contenido de los preceptos de la Ley mexicana, haremos referencia al artículo 1712 del TLC, el cual como ya se dijo, tuvo por objeto establecer el parámetro que debe regir entre los tres Estados miembros en materia de indicaciones geográficas. Asimismo, se hará una breve referencia a TRIPS, dejando sin embargo, a una discusión futura, lo que pudiese derivar de los tratados celebrados entre México y otras naciones centro y sudamericanas.

En principio, tanto TLC como TRIPS formulan un concepto de indicación geográfica que no necesariamente corresponde al que sigue la doctrina mexicana y que de alguna manera se equipara al de denominación de origen.

### **[A] Definición en el TLC.**

Dice el artículo 1721 del TLC que:

“Indicación geográfica significa cualquier indicación que identifica un producto como originario del territorio de una de las Partes de una

región o localidad de ese territorio, en casos en que determinada calidad, reputación u otra característica del producto se atribuya esencialmente a su origen geográfico”.

### **[B] Definición en TRIPS y Distinciones con el Sistema Mexicano.**

La definición de TRIPS es de contenido similar, por lo que la omitiremos, para no extender esta plática. Sin embargo, cabe mencionar que el concepto de indicación geográfica que recoge TRIPS, refleja la óptica de países no protectores de la denominación de origen, o al menos que no lo hacen con la profundidad que aquéllos que como México, son signatarios de Lisboa. El TLC también recoge esa influencia, sin que México haya podido obtener que Canadá y los E.E.U.U. reconociesen y protegiesen las denominaciones de origen con toda la fuerza que requiere dicha figura. La verdad es que como en Canadá y E.E.U.U., a diferencia de México, una indicación geográfica puede constituir una marca, aunque sea de certificación, no convenía aceptar una definición más estricta y tendiente a proteger a la denominación de origen. Por otro lado, es una realidad que al menos en los E.E.U.U., tradicionalmente se ha permitido la libre utilización de denominaciones de origen provenientes de todo el mundo.

En México, según se ha dicho, no es posible proteger indicaciones geográficas como marcas. Por un lado, resulta claro que, por su carácter genérico, la indicación de procedencia no puede constituir una marca válida. Por otra parte, en México se considera que la marca no tiene el mismo alcance que la denominación de origen para proteger una indicación geográfica toda vez que aquélla no vincula de forma apropiada al producto a una región determinada.

### **[C] Artículo 1712 del TLC y su Implementación en la Ley Mexicana.**

El artículo 1712 del TLC impone diversas obligaciones a los Estados parte:

1. En primer lugar, como indicación de procedencia, el TLC establece que las partes contratantes deben impedir que éstas sean falsas, a modo que induzcan al público a error en cuanto al origen geográfico del producto.

Al respecto, el gobierno mexicano reforzó el artículo 213 fracción IX, añadiendo un inciso d), mismo que considera la falsa indicación de procedencia como un acto de competencia desleal, reprimible como infracción administrativa. Por otro lado, la falsa indicación de procedencia se combate a través de otras leyes, tales como la Ley Federal de Protección al Consumidor. Ley Federal sobre Metrología y Normalización y de alguna manera la Ley Federal de Competencia Económica, y Ley de Comercio Exterior.

2. Por otra parte, el artículo 1712 del TLC, establece una obligación a cargo de las partes contratantes para negar registros y anular los ya concedidos, que contengan o consistan en una indicación geográfica respecto de productos que no se originan en el lugar indicado, si con esto se induce al público a error en cuanto al origen geográfico del producto.

Aquí cabe cuestionar, a fondo, si bajo la Ley mexicana, tal y como está escrita, se cumple con la disposición derivada del TLC. Los preceptos fundamentales de la Ley en este respecto con los siguientes:

"No son registrables como marca:

.....

X. Las denominaciones geográficas, propias o comunes, y los mapas, así como los gentilicios, nombres y adjetivos, cuando indiquen la procedencia de los productos o servicios y puedan originar confusión o error en cuanto a su procedencia:

XI. Las denominaciones de poblaciones o lugares que se caracterizan por la fabricación de ciertos productos, para amparar estos, excepto los nombres de lugares de propiedad particular, cuando sean especiales e inconfundibles y se tenga el consentimiento del propietario:

Las dos disposiciones legales que se invocan han perdurado, con ciertos cambios, al transcurso de diversas leyes que sobre la materia se han promulgado en México. De su texto se desprende la posibilidad de proteger marcas geográficas con las limitaciones ahí impuestas. Así las cosas, la Ley protege la marca geográfica fantasiosa (ie: El País del Nunca Jamás para aplicarse a cualquier producto o servicio) y la marca geográfica arbitraria (ie: Júpiter, asimismo para cualquier producto o

servicio). En ambos casos no se indica la procedencia del producto o servicio y mucho menos se origina confusión.

En forma adicional, las referidas disposiciones legales protegen marcas geográficas que sí indican la procedencia del producto, siempre y cuando no exista confusión posible, o el nombre geográfico que se use como marca se caracterice por la fabricación del producto marcado. Así las cosas, la marca Guadalajara para camisas deberá protegerse atendiendo a lo siguiente:

a) Si las camisas provienen de la ciudad de Guadalajara, creemos que dicha marca será registrable, ya que esta población de la República Mexicana – e inclusive la de España – no se caracterizan por la producción de camisas. En esa virtud, no será posible que dicho nombre geográfico, usado como marca induzca a confusión o error.

b) Si las camisas no provienen de Guadalajara, dicha marca sería registrable asimismo en caso de que no se origine confusión respecto de la procedencia del producto y en general si no induce a confusión o error. De esta forma, en el caso de la denominación Guadalajara, el registro deberá concederse. A diferencia de la denominación Guadalajara para proteger camisas, sería imposible obtener protección para la denominación California para vinos, toda vez que esta zona sí se caracteriza por la producción de vino, lo cual, además, podría constituir un generador de confusión.

Por último, en términos generales, la Ley mexicana protege la marca geográfica que corresponde a un lugar de propiedad privada, imponiendo limitaciones específicas, como lo son los elementos de especialidad,

inconfundibilidad y consentimiento.

3. Derivado del mismo artículo 1712 del TLC los Estados parte deben impedir la protección de indicaciones geográficas que, aunque de alguna manera indiquen el lugar donde se originan productos, se proporcione al público una idea falsa de que éstos se originan en otro lugar. Como ejemplo cabe citar la marca CHAMPAÑA DE MEXICO. Lo anterior debe quedar contemplado por las disposiciones de la Ley mexicana, cuyo contenido es suficientemente amplio, aunque no todo lo claro que podría ser.

Los tribunales de México han intervenido en reiteradas ocasiones en la resolución de casos de marcas geográficas. Cabe citar los siguientes como algunos en los que se ha otorgado protección a la marca:

HAMILTON para relojes

COLUMBIA para anteojos

FRANCO AMERICAN para productos comestibles

PANAMA para papel carbón

TAPATIA pan hilos y estambre

TULSA para herramientas

MANHATTAN para productos de vestir

4. El resto de las disposiciones del artículo 1712 del TLC establecen excepciones a la restricción sobre el uso de indicaciones geográficas. Cabe destacar la excepción al uso del nombre geográfico tal y como se acostumbra emplear en una región determinada, la excepción de libertad al uso del nombre propio y la excepción "desuetude" o de libre uso de indicaciones geográficas no protegidas o en desuso. Todo lo anterior está contemplado por nuestra Ley de marcas.

Sin embargo, el artículo 1712 (4), establece un principio de no retroactividad, en relación con la obligación de impedir el uso de buena fe de una indicación geográfica por más de diez años, aunque sobre ésta recaiga protección en alguno de los Estados parte. Asimismo, opera el principio de no retroactividad en los casos que el nombre geográfico se haya usado o registrado como marca, de buena fe, con anterioridad a la fecha en que el TLC entró en vigor, o que la indicación geográfica estuviera protegida en la parte de origen.

5. Las partes del TLC se comprometieron a considerar como productos distintivos "Tequila" y "Mezcal", por lo que se refiere a México. "Bourbon Whiskey" y "Tennessee Whiskey" por los Estados Unidos y "Whiskey Canadiense" por lo que respecta a Canadá. Por lo tanto, las Partes reconocen que esos productos sólo podrán producirse en los lugares de referencia. Resulta interesante saber en qué consiste el calificativo "productos distintivos" a que se refiere el anexo 303 del TLC y cómo

deberá aplicarse éste, en virtud, de que, a diferencia del nombre geográfico genérico, en México una indicación geográfica "distintiva", solamente puede ser objeto de protección como denominación de origen y, salvo el caso de las denominaciones "Tequila" y "Mezcal", las demás no parecen merecer esta forma de Protección. Por su parte, resulta difícil pensar cómo se dará protección a estas cinco indicaciones geográficas en Canadá y los E.E.U.U., países donde sólo podrían considerarse "distintivas" como marcas de certificación.

### **[D] Los artículos 22 y 23 de TRIPS y su implementación en las legislaciones de Canadá y México.**

Canadá, E.E.U.U. y México son signatarios de TRIPS. En tal virtud. Las distintas disposiciones de dicho tratado internacional, son aplicables en los tres países, como lo es el caso del TLC. Por lo que se refiere a indicaciones geográficas, TRIPS Y TLC son equivalentes en algunas de sus disposiciones, en especial el artículo 22 de TRIPS, el cual establece limitaciones al uso de falsas indicaciones de origen y marcas "misdéscriptive" que son engañosas, mismas que se reproducen en el artículo 1712 (1), (2) y (3) del TLC.

No obstante lo anterior, TRIPS incluye una disposición adicional (artículo 23), que establece obligaciones a cargo de los signatarios a fin de impedir la utilización de indicaciones geográficas relativas a vinos y licores, que no sean originales del lugar que designan. Lo anterior deberán prohibirlo los Estados parte se trate de indicaciones de origen o marcas. Al respecto, TRIPS pretende crear un sistema multilateral de "notificación y registro" relativo a indicaciones geográficas de vino que sean susceptibles de protección entre los miembros participantes en ese sistema.

Entendemos que Canadá se encuentra próxima a modificar su Ley marcarla a fin de implementar su propia lista, lo cual incluirá indicaciones geográficas de vinos (y quizás licores), y estará bajo custodia de la Oficina de Marcas de ese país. Será interesante saber cuántas indicaciones geográficas, y más aún, denominaciones de origen provenientes de México abarcará dicha lista.

En forma adicional será interesante saber qué hará el gobierno mexicano una vez que se implemente el sistema proveniente de TRIPS,

toda vez que, como se sabe, no todas las indicaciones geográficas que aparezcan en las listas de TRIPS podrían representar denominaciones de origen, en tal virtud, la Ley mexicana debe ser capaz de prever una forma de protección distinta para las mismas.

### **III. USO HONRADO.**

#### **1.1 Comentarios Generales.**

Existen casos en que terceros necesitan hacer mención de marcas para referir el nombre de sus productos o alguna cualidad o característica de éstos. Por lo general, en estos casos la práctica del derecho marcario mexicano ha aceptado el “uso honrado” o “fair use” de dichas marcas, no obstante que la Ley mexicana de marcas no prevé regulación específica al respecto.

#### **1.2 Uso Honrado en Caso del Nombre Propio.**

Por su parte, la Ley de la Propiedad Industrial permite expresamente el uso de nombres propios de personas físicas que se encuentren registrados como marcas, siempre y cuando se haga de la manera que se acostumbra usar ese nombre. Esa forma de uso honrado está contenida dentro del régimen de excepción a la protección a las marcas registradas de la Ley mexicana.

#### **1.3 Uso Honrado en Caso de Indicaciones de Procedencia.**

Siguiendo el mismo criterio, es posible usar indicaciones geográficas designando la procedencia u origen de un producto, independientemente de que este se proteja como marca. Lo anterior corresponde a la interpretación, a contrario sensu, de lo que dispone el nuevo artículo 213 IX (d) de la Ley de la Propiedad Industrial y por lo tanto no existe uso honrado si la indicación se utiliza para designar, falsamente, la procedencia u origen del producto.

## **MEXICO Y LATINOAMÉRICA ANTE EL SISTEMA DE MADRID**

*Junio 2001.*

### **I. Introducción**

1. El "Sistema de Madrid" está constituido por:

a) Arreglo de Madrid sobre el Registro Internacional de Marcas. Resultado de la Conferencia Diplomática del 14 de abril de 1891, en Madrid.

b) Protocolo del Arreglo de Madrid. Resultado de la Conferencia Diplomática de Madrid, de Junio de 1989. Vigente desde el 1° de abril de 1996.

c) Reglamento del Arreglo de Madrid (y del Protocolo), en vigor desde el 1° de enero de 1989 – Reglamento Común.

2. Por el "Sistema de Madrid", los estados miembros pueden extender la protección de sus marcas registradas en el país de origen al territorio de otros estados mediante la presentación de una solicitud de registro internacional ante la oficina central de registro, domiciliada en Ginebra, Suiza y administrada por OMPI.

3. El "Sistema de Madrid" pretende simplificar los procedimientos de registro de marcas, utilizando un solo procedimiento centralizado ante una sola oficina, un solo idioma, una sola divisa, lo cual genera un solo registro con extensión simultánea en todos los países designados.

### **II. Naturaleza y características**

1. Las características fundamentales del sistema son:

a) La formulación de una solicitud de registro internacional, en base a un registro de origen (Arreglo) o una solicitud (Protocolo).

b) La solicitud de registro internacional se presenta ante la OFICINA DE ORIGEN, por parte del solicitante, persona física o jurídica. El solicitante debe designar en la solicitud, los países donde desea obtener protección. Asimismo, deben proporcionar la información requerida por el Arreglo o Protocolo – según el caso – y el Reglamento. El efecto es

equivalente a presentar la solicitud en cada país, de forma directa (depósito simultáneo), respetándose la fecha de presentación originaria.

c) El solicitante debe estar domiciliado en país miembro o tener establecimiento "real y efectivo" en él o en su defecto, ser nacional de algún país de la Unión.

d) La OFICINA INTERNACIONAL debe otorgar el registro de inmediato, sin practicar exámenes más que el de forma. La fecha de presentación es la del depósito en la OFICINA DE ORIGEN, salvo que la OFICINA INTERNACIONAL reciba la solicitud después de dos meses. En estos casos la fecha de presentación será aquella en que la OFICINA INTERNACIONAL reciba la solicitud. Derivado de lo anterior, la OFICINA INTERNACIONAL debe enviar las solicitudes a las OFICINAS DESIGNADAS, una vez se le haya asignado número de registro se haya publicado como registro internacional en la gaceta bimestral y se haya expedido un título.

e) La OFICINA INTERNACIONAL funge como un intermediario entre el solicitante y las OFICINAS DESIGNADAS. De hecho, por las características de su función, le corresponde sustituir a la OFICINA DE ORIGEN y las OFICINAS DESIGNADAS, en muchas de sus tareas

f) La OFICINA INTERNACIONAL debe enviar la petición de extensión territorial a las OFICINAS DESIGNADAS, quienes tienen la facultad plena de practicar exámenes, conducir procedimientos de oposición y en general, de aceptar o rechazar la solicitud de registro en cada país en lo particular. Al respecto, las OFICINAS DESIGNADAS pueden aplicar la legislación nacional de cada país en lo particular.

g) La OFICINA DE ORIGEN y las OFICINAS DESIGNADAS deberán practicar los exámenes de registrabilidad, con base en lo dispuesto por el artículo 6 del Convenio de París. Por lo tanto, los registros podrán ser rehusados solo cuando se trate de marcas que i) afecten derechos adquiridos por terceros en el país; ii) estén desprovistas de todo carácter distintivo o se hayan convertido en signos de uso común; y iii) cuando sean contrarias a la moral o al orden público o resulten engañosas.

h) El solicitante interesado tendrá los derechos derivados de la legislación doméstica para alegar contra los fundamentos de objeción o de oposición que formulen autoridades y terceros.

i) Las OFICINAS DESIGNADAS cuentan con un año para producir el rechazo, en definitiva, a la solicitud planteada. Sin embargo, el Protocolo prevé la posibilidad de que los nuevos miembros opten por establecer dicho compromiso a 18 meses, mas otros siete adicionales, por caso de oposición. En las estadísticas de mediados del 2000, 18 de 47 miembros del Protocolo, se habían acogido a la alternativa de referencia.

j) Una vez transcurridos los plazos mencionados en el punto anterior, sin que se haya generado respuesta de la OFICINA DESIGNADA que corresponda, operará una positiva ficta, entendiéndose que ésta ha consentido el registro.

k) La negativa del registro de ORIGEN producirá la consecuente negativa del INTERNACIONAL. Ante esto, el solicitante contará con un plazo de tres meses para transformar las solicitudes de registro internacional, en solicitudes nacionales ordinarias. A tal efecto, el solicitante conservará los "derechos adquiridos" derivados de la solicitud de origen, como es la fecha de prioridad.

l) La vigencia del registro internacional es de 20 años (Arreglo) y 10 (Protocolo), por lo que la parte interesada podrá renovarlo ante la OFICINA INTERNACIONAL, con tan solo solicitarlo y pagando la tasa de renovación correspondiente.

m) Cualquier cambio o modificación al registro podrá hacerse con el único requisito de solicitarlo a la OFICINA INTERNACIONAL y pagando la tasa correspondiente. Al igual que la renovación, la OFICINA INTERNACIONAL se encargará de comunicar dichos cambios a las OFICINAS DE ORIGEN Y DESIGNADAS.

n) El registro internacional puede ser anulado si previamente se obtiene la nulidad del registro base o de origen. Esto por cuanto a que está vinculado a aquél. El Protocolo establece la desvinculación del registro internacional después de cinco años de la fecha de su registro sin que se haya pedido la nulidad del registro base.

2. El arreglo contempla ciertos aspectos negativos que el Protocolo intentó corregir. Estos son los siguientes:

a. La necesidad de utilizar registros como base de las solicitudes internacionales, en vez de solicitudes, como se dio con el protocolo.

b. La posibilidad de destruir el registro internacional y las extensiones correspondientes al producirse la nulidad del registro de origen, a lo cual se le conoce como "ataque central". Lo anterior se produce por el principio de vinculación o dependencia. El Protocolo establece modificaciones a dicha regla mitigando el efecto del "ataque central", al señalar que: i) la vinculación o dependencia se dará solo por cinco años, contados a partir de la fecha de registro internacional, y ii) si durante los primeros cinco años se produce la nulidad del registro de origen y consecuentemente la del registro internacional, el solicitante tendrá tres meses para pedir la transformación o conversión del registro internacional en solicitudes o registros nacionales ordinarios.

c. El plazo límite de 12 meses para que las OFICINAS DESIGNADAS produzcan su negativa o rechazo final fue objeto de modificación en el Protocolo. De esta forma, se abrió la posibilidad a que los Estados y organismos parte pudiesen optar por ampliar a 18 meses el plazo de negativa, mas otros 7 meses por cuestión de oposiciones.

d. El idioma oficial del Arreglo solía ser el francés, únicamente. Con el Protocolo se añadió el inglés.

e. El Protocolo adopta un sistema de tasas básicas, complementarias y suplementarias, mediante el cual los países miembros pueden optar entre tener derecho a la tasa nacional que establezca el país miembro o a tener derecho a una parte de los ingresos producidos por las llamadas tasas complementarias. Estas posibilidades harán más atractiva la situación financiera para los países que se adhieran al Protocolo, estableciéndose una serie de reglas para tales efectos en los diversos párrafos del Artículo 8.

f. El Protocolo amplía la membresía a organizaciones intergubernamentales, además de Estatales, lo cual le hace más atractivo a organizaciones con oficina regional – como la Comunidad Europea – a pertenecer al Protocolo con tal carácter.

3. El propósito fundamental del Protocolo ha sido atraer la adhesión de países distintos a los europeos, de donde emana el "Sistema de Madrid". De esta forma, los cambios efectuados lo harían más compatible con sistemas marcarios de otras regiones, especialmente del mundo anglosajón, donde rigen principios derivados del uso de marca como fuente de derechos exclusivos.

4. La reacción del mundo frente al Protocolo ha sido relativa. Países "target" como Japón y Gran Bretaña lo han firmado. Otros como EEUU le coquetean, aunque todavía hay distancias que les separan. Latino América ha encontrado elementos de rechazo y es por la lucha que desde este polo se ejerce, que se han divulgado posturas que hacen notar sus debilidades. Por su parte, INTA acepta el Protocolo y se encuentra ejerciendo una intensa labor de cabildeo para obtener el que se apruebe en los EEUU y el resto del mundo.

### **III. Protocolo y análisis**

1. Analizando el Protocolo a la luz de las disposiciones de la legislación mexicana y de otros países, se ha llegado a la conclusión de que dicho instrumento podría generar conflicto, de difícil conciliación, por lo que hace a ciertos aspectos. Los conflictos se pueden dividir en aquellos que afectan el sistema constitucional del país y aquellos que si bien no llegan a ese grado o nivel, pueden ser inconvenientes, por atender contra el sistema jurídico o práctica marcario del país, en lo general.

2. Los conflictos de orden constitucional podrían ser:

a) El artículo I, párrafo tercero, del Protocolo, produce trato desigual a extranjeros – a quienes la Constitución asimismo protege. – Sólo los nacionales mexicanos y los extranjeros con domicilio o establecimiento industrial o comercial "efectivo y real" en México o que sean nacionales de países de la Unión, podrán utilizar el "sistema" de Madrid, presentando solicitudes de registro en México. Por el contrario, todos aquellos nacionales de países no miembros del "Sistema", que presenten solicitudes ante IMPI, no se beneficiarán de dichos tratados.

b) Los plazos de un año o año y medio para resolver las solicitudes producen un doble régimen, asimismo desigual, toda vez que las oficinas nacionales deberán estar sujetas a un mayor grado de presión sobre las solicitudes derivadas del "sistema", por lo que se les dará

preferencia sobre las solicitudes originarias o regulares. La positiva ficta representa otro factor de desequilibrio, toda vez que ésta no habrá de producirse en los casos de solicitudes nacionales ordinarias. Por otra parte, la limitación de plazos deberá producir mayor afectación en los países de examinación "estricta", como es el caso de Canadá, México y EEUU. De hecho, surge la pregunta ¿porqué EEUU analiza la posibilidad de adherirse al "sistema", siendo que su régimen de registro marcario está basado en conceptos incompatibles con éste, como lo es el de examinación estricta, entre otros?

c) Por lo general, las causales de denegación de registros a cargo de administraciones nacionales (por lo menos el caso de Mexico), son más limitadas que las que menciona el Protocolo al hacer envío al Convenio de París. Las causales de negativa del artículo 6 bis, ter y quinquies (B), son más restringidas en cuanto a alcance que las de la LIP misma. Las causales de negativa del artículo 90 de la LIP son aplicadas a toda solicitud que es examinada por IMPI, por lo que un examen especial y más limitado a solicitudes provenientes de la oficina internacional luce desigual. Lo anterior produce el que los solicitantes de registros mexicanos u otros nacionales derivados de internacionales, tengan la posibilidad de obtener protección de marcas que contradicen las disposiciones de la LIP que no se vinculen con el 6 quinquies (B) del Convenio de París. Por lo que respecta a los EEUU, su visión restrictiva del examen de registrabilidad – incluyendo el tema de productos y servicios – lo colocará en serias desventajas. Cabe preguntarse si se tomarán como válidos los registros "suplementarios" en apoyo del registro internacional.

d) La Constitución y leyes de Mexico, como las de otros países, imponen el idioma español como único oficial. En tal virtud, no es posible el que autoridades conduzcan asuntos e integren expedientes en idiomas diversos al oficial, máxime si estos son de consulta al público. Dicha cuestión es contradictoria de la Constitución por lo que dichos textos son inválidos. Por lo tanto, como señalan las leyes, todo documento en idioma distinto al español deberá ser traducido a fin de adquirir valor jurídico.

e) Del artículo 7 del Protocolo se desprende que la renovación del registro internacional se produce como simple efecto del pago de la tasa correspondiente. El uso no es requisito. Sin embargo, la LIP sí exige uso

y sin éste la renovación puede negarse. Por lo tanto, se observa una circunstancia en la que las disposiciones del Protocolo pondrían a los titulares de registros nacionales mexicanos en situación desigual respecto de los registros internacionales. Cabe preguntar ¿qué es lo que harán los EEUU a este respecto? En este país, al igual que los demás del sistema de derecho común, el uso de marcas constituye fuente de derechos exclusivos. Resulta difícil pensar pues, el que los EEUU pudiesen modificar el Lanham Act para por ejemplo, eliminar las secciones 8 y 15 de dicho ordenamiento.

f) El que organizaciones distintas a los Estados puedan ser miembros del Protocolo y por lo tanto constituirse como miembros de la Asamblea, ejerciendo un voto distinto al de los Estados que la conforman, podría ser violatorio de la Constitución de México y por lo tanto, podría limitar a éste al establecer relaciones y pactos de índole internacional.

3. Los inconvenientes adicionales podrían ser:

a) Mayores costos.- Esto en el caso de que la solicitud base se niegue o el registro correspondiente se anule, lo cual ameritaría la necesidad de convertir las solicitudes internacionales a nacionales.

b) Las oficinas nacionales estarían sometidas a mayor presión por la limitación del tiempo para expandir negativas. Lo anterior deberá trastornar la práctica de registro, al menos en países como EEUU y México, donde se parte del sistema de "examinación estricta". Al fin y al cabo ¿qué oficina deseará el que se otorguen registros por operación de la positiva ficta? En tal virtud, dichas oficinas podrían relajar sus criterios de examinación, reduciendo calidad, con tal de cumplir los plazos. Por la presión podrían recurrir a las "negativas provisionales" u otro tipo de trucos inconducentes e insostenibles. Parecería aconsejable que Mexico analice la posibilidad de implementar un sistema de oposición a fin de solventar dicho problema. Por cuanto a EEUU, el 80% de las solicitudes son objeto de rechazo, lo cual deberá representar una desventaja a la USPTO al fungir como OFICINA DE ORIGEN, en virtud, especialmente, a que existen muchos otros países donde el proceso de examinación es laxo o inexistente.

c) El sistema de uso previo de los países anglosajones, y que México sigue, puede resultar incompatible con los principios derivados del

sistema de Madrid. Y es que cualquier registro puede ser vulnerado y sucumbir por el uso previo que terceros realicen del signo objeto de registro. En Mexico, el problema se agudiza ya que el concepto de uso previo se extiende al efectuado en el extranjero.

#### **IV. Trabajo extra para IMPI y demás oficinas nacionales**

Entre otros, la adhesión al "Sistema de Madrid" representaría lo siguiente para IMPI:

1. Empezar iniciativas para ajustar la ley a Madrid y TLC, considerando seriamente la adopción del sistema de oposición.
2. Recibir la solicitud "Base" y preparar presentación de registro internacional ante OMPI. (Art. 2 párrafo 1, Protocolo).
3. Certificar que la solicitud "Base" vaya completa (Art. 3 párrafo 1, Protocolo).
4. Coordinar con oficina internacional clasificación de productos ¿Qué criterios de clasificación se aplicarán? (Art 3 párrafo 2, Protocolo)
5. Como oficina nacional, recibir las solicitudes de registro internacional y darles trámite. Administrar los ejemplares de las publicaciones oficiales que reciba (Artículos 3 párrafo 4 y 3 párrafo 5, Protocolo). Difundir en México la publicación.
6. Tramitar ante OMPI las peticiones de extensión territorial (Art. 3 Ter párrafo 2, Protocolo)
7. Tomar nota de registros internacionales substituyendo por el nacional anterior (Art. 4 bis, Protocolo).
8. Resolver, inclusive negando registros, antes de 1 año (Arreglo) y 18 meses + 7 meses adicionales por oposición (Art. 5 párrafo, Protocolo). Ver la sanción del Artículo 5 párrafo 5, Protocolo.
9. Si IMPI es OFICINA DE ORIGEN deberá coordinar y administrar los casos en los que otras oficinas produzcan negativas a través de la comunicación que sostenga con la OFICINA INTERNACIONAL. Para ello deberá notificar al solicitante de las negativas y actuaciones que correspondan.

10. Administrar cancelaciones voluntarias, transmisiones, modificaciones, renovaciones, etc. (Artículos 6, 7 y 9 del Protocolo).
11. Administrar el sistema de tasas y subordinarse a éste (Art. 8, Protocolo).
12. Notificación de cambios en el registro (Art. 9 Protocolo).
13. Administrar y coordinar con oficina internacional el régimen de transmisiones (Art. 9 bis y 9 ter, Protocolo).
14. Administrar el Reglamento en coordinación con la OFICINA INTERNACIONAL.
15. Necesidad de personal mejor capacitado y trilingüe; necesidad de más recursos e infraestructura.
16. Necesidad de revisar criterios de aplicación de la LIP y tratados, que en muchos casos son muy absurdos y contrarios a tendencias internacionales.
17. Costo de operación y administración mucho más alto.
18. Si se entra a Protocolo habrá que entrar a Niza (criterio de aplicación distinto a IMPI en algunos casos) y TLT (implica la modificación de muchas disposiciones, incluyendo oposición).
19. IMPI tendrá que ser doblemente cuidadoso en todos los actos relacionados con tramitación de solicitudes de registro de marca.
20. Tendrá que procurar la modificación de la LIP, por lo menos.
21. Aumentará la posibilidad de conflicto para reconocer prioridades, sobre todo provenientes del CTM.
22. No podrá haber búsquedas manuales de ninguna especie, incluyendo marcas figurativas.
23. Deberá procurar traducciones al español de los expedientes, sobre todo si hay negativas o litigios, en general

## **THREE DIMENSIONAL MARKS: THE BORDERLINE BETWEEN TRADEMARKS AND INDUSTRIAL DESIGNS**

*Report Q 148, 2000.*

### **I. As far as national law or case-law is concerned:**

#### **1. To indicate if in their own countries there is legislation, or other sources of law, to protect shapes of goods, packages and other 3D signs as Industrial Designs and/or as Trademarks.**

Before addressing the question above, the following reflection can be made:

- Intellectual Property has been regarded as the branch of the law aimed at ensuring protection to human creativity;
- Human creativity can be defined as the capability, skill or quality, that people may have in observing, analyzing, abstracting, communicating, and accordingly, transforming or expressing the environment surrounding them, leading to and resulting in something novel, original or distinctive;
- As a notion, human creativity is certainly very broad. It is unlimited in scope and extent, as it is referred to subject matter that is in a permanent evolution and change. Creativity, and consequently Intellectual Property Law, shall evolve as long as people continue to develop ideas which are novel, original or distinctive;
- Not every form of human creativity can be subject to legal protection, as the concept can be viewed as to also include ordinary creations, without being a result of inventiveness or artistic sensibility. Accordingly, it is not a mere effort that will be protected, regardless how well qualified that effort may be, if it is not supported by a minimum level of ingenuity (novelty), talent (originality) or goodwill (distinctiveness).
- Intellectual Property laws in the world have recognized the complex nature of human creativity, and have divided it into three major areas: patents – which stands for creativity in technology, and is based on the principle of novelty-, copyrights – which

stands for artistic creativity, and is based on the principle of originality-, and trademarks – which stands for creativity in trade symbols, and is based on the principle of distinctiveness. -

- But the system is not perfect and the forms do constantly overlap. Accordingly, a particular object could at the same time meet the standards of novelty and distinctiveness, for example. This would raise the question whether patent and trademark law would be mutually exclusive or, if to the contrary, protection may complement and “accumulate”. It has to be considered that both patents and trademarks, may view a same object from different angles, and may thus grant complementary rather contradictory rights.
- It is a challenge of intellectual property laws finding a balance where confrontation of principles is avoided and if a conflict arises is then resolved.

With the foregoing in mind, the question under I.1 of the AIPPI questionnaire shall now be responded as applied to the Mexican Law on Industrial Property (hereinafter referred to as “LIP”).

Shapes of products and of their packaging as well as other 3D signs can certainly be protected through Trademark and Design Law. Protection afforded by both figures is different, but not contradicting. Principles of trademark and design laws may overlap as applied to the same 3D object. However, such principles are not mutually exclusive and rights can perfectly “accumulate” and be complementary. Thus, if a same object qualifying for protection as an industrial design can also function as a source indicator, why should then double protection be refused? Principles of design and trademark law could be compared one to one, without to find that they collapse when applied to the 3D object, or that they trigger a disruption in the harmonic interaction of the figures of IP law.

## **2. If so, what are the conditions and minimum requirements to protect them as:**

### **i) Industrial Designs.**

First of all, the following provisions of the LIP can be quoted:

“ARTICLE 9.- Any individual who makes an invention, utility model or industrial design, or his assignee, will have the exclusive right of exploiting the same to his benefit, either by himself or by third parties who have his consent, in accordance with the provisions of this Law and its Regulations.”

“ARTICLE 10.- The right referred to in article 9<sup>th</sup> will be granted by means of a patent, in the case of inventions; and in the case of utility models and industrial designs, by means of registrations”.

“ARTICLE 12.- For the purposes of this Title, the following terms shall mean:

I. Novel, anything not found in the state of the art;

II. State of the art, to the aggregate of technical know-how that has been made public by an oral or written description, by the working or by any other medium of dissemination or information locally or abroad;

III. Inventive activity, a creative process, the results of which are not apparent, from the state of the art, to a person with technical knowledge in that field;

IV. Industrial application, to the possibility that an invention may be produced or utilized in any branch of economic activity;

“ARTICLE 13.- Industrial designs that are novel and that are susceptible of industrial application may be registered.

Deemed as novel are designs that are independently created and that are significantly different from known designs or from known combinations of characteristics of designs.

The protection granted to an industrial design will not include the elements or characteristics that are dictated solely for technical considerations or for the performance of a technical function and that do not include any arbitrary contribution of the designer; nor those elements or characteristics whose exact reproduction is necessary so that the product that embodies the design can be mechanically mounted or connected with another product or which it is an integral part or piece; this limitation will not apply in the case of products in which the

underlying design is a form designed to allow the mounting or multiple connection of the products of their connection within a modular system.

An industrial design will not be protected when its aspects includes only the elements or characteristics referred to in the preceding paragraph.”

“ARTICLE 32.- Industrial designs include:

I.- Industrial drawings, which are all combinations of figures, lines or colors that are incorporated in an industrial product for ornamental purposes and that give it a special aspect of its own; and

II.-Industrial models, constituted by every tridimensional form that serves as a sample or pattern for the manufacture of an industrial product, which give it a special appearance, insofar as it does not imply technical effects”.

“ARTICLE 36.- Registrations of industrial designs will be effective for fifteen years, unextendable, starting from the filing date of the application, and will subject to payment of the respective fee”.

From the above rules, it can be obtained that the standards of protection of industrial designs are basically novelty and industrial application. In accordance with the LIP they differ from general “utility patents”, in that for patents the law imposes standards of novelty (article 12 (I) and (II) of the LIP). By the way, the notion of “novelty” that is used in article 31 of the LIP is not consistent with the definition given in article 12 (I) of the same statute.

The expression “independently created” has been related to the concept of “originality”, and not “novelty”. In addition, the idea of “significant differentiation” as a requirement of industrial design registrability is confusing which, if interpreted literally, may lead to the conclusion that the LIP is imposing burdensome requirements of protection. However, for the purpose of this questionnaire the standards of protection of industrial designs will be “novelty” and “industrial applications”

## **ii) Trademarks**

Hereunder we are quoting provisions of the LIP expressly mentioning 3D trademarks. Obviously, general provisions on prosecution, licensing,

maintenance, enforcement and the like, are applicable to 3D marks as they are to any other trademark formats protected by the LIP:

“ARTICLE 87.- Industrialists, merchants, or service providers may use trademarks in industry, in commerce or in the services they render; nevertheless, the right to their exclusive use is obtained through their registration with the Institute.”

“ARTICLE 88.- Understood as a trademark is every visible sign that distinguishes products or services from others of their same kind or class in the market”.

“ARTICLE 89.- The following signs may constitute a trademark:

II. Tridimensional forms:

“ARTICLE 90.- Not registrable as trademarks are:

I.- Animated or changing denominations, figures or tridimensional forms expresses dynamically, even though they are visible;

III.- Tridimensional forms which are a part of the public domain or which have become of common use, and those that lack sufficient originality to easily distinguish them, as well as the normal and ordinary form of products or that imposed by their nature or industrial function;

IV.- Names, figures or tridimensional forms which, considering the aggregate of their characteristics, are descriptive of the products or services they purport to protect as a trademarks. Included in the above hypotheses are descriptive or indicate words which in trade are used to designate the species, quality, quantity, composition, end use, value, place of origin of the product or production era;

XIV.- Denominations, figures or tridimensional forms that could deceive the public or lead to error; understood as such as those that constitute false indications about the nature, components or qualities of the products or services they purport to protect;

XV.- Names, figures or tridimensional forms, equal or similar to a trademark which the Institute considers to be notoriously known in Mexico, to be applied to any products or service.

It will be understood that a trademark is notoriously known in Mexico when a particular sector of the public or of the trade circles in the country know the trademark as a result of commercial activities developed in Mexico or abroad by a person who uses this trademark in connection with its products or services, as well as knowledge of the trademark in the territory resulting from its promotion or advertising.

In order to demonstrate the notoriety of the trademark, all evidentiary media allowed by this law may be used.

This impediment will be appropriate any time that the use of the trademark by the person who requests its registration may create confusion or a risk of association with the holder of the notoriously known trademark, or when it constitutes a utilization that causes a loss of prestige of the trademark. Said impediment will not apply when the applicant of the registration is the holder of the notoriously known trademark.

XIV.- A trademark that is identical or confusingly similar to another pending registration that was filed at a prior time or to a registered and effective trademark, applied to the same or similar products or services. Nevertheless, a trademark that is identical to another already registered trademark may be registered if the application is filed by the same holder to apply it to similar products or services, ..."

"ARTICLE 95.- A registration for a mark will be effective for ten years from the filing date of the application, and it may be renewed for equal periods of time."

Also, the Regulations to the LIP state as follows:

"Article 53. For the purpose of what stated in Article 84 (II) of the LIP, it shall be considered as tridimensional form the wrappers, packaging, bottles, shape or presentation of a product".

From the foregoing, it is clear that product and container shapes, among other three-dimensional forms, are protectable under the LIP. The limitations in article 90 (III) are crucial in determining the scope of protection of three-dimensional marks in the LIP. The four basic standards shall be mentioned hereunder followed by comments on each of the points:

(1) That the three-dimensional marks are not part of the public domain.

(2) That the three-dimensional marks have not become of common use.

(3) That the three-dimensional marks lack sufficient originality to be easily distinguished.

(4) That the three-dimensional marks represents the ordinary shape of the product or that imposed by their nature or industrial function.

- Public domain

There is not a clear and uniform criterion of what the Trade Mark Law should understand as “public domain”. However, it appears that the meaning implies a patent connotation. In accordance to Mexican Patent Law, protection is available for designs that are novel and that are applied to industrial products, devices, containers or any other kind of forms. Novelty is restricted to the industrial forms not found in the state of the art anywhere in the world.

An industrial design may fall into the public domain if no proper and timely registration is sought therefore before it is used in commerce, in accordance with the Patent Laws and Regulations. Also, it can fall into the public domain after the term of protection of the industrial design, which in Mexico is of 15 years.

From a practical standpoint, one should be very careful to know whether the three-dimensional device has been already exploited and whether patent protection has already been sought therefore. In the affirmative, it should be taken into account whether the corresponding industrial design registration has expired. The filing of a three-dimensional trademark application should not necessarily require that an industrial design application is simultaneously or previously filed. Protection afforded by trade mark and industrial design is alternative, therefore, it is important that the three-dimensional mark “has not fallen into the public domain”.

Notwithstanding the above, for a theoretical point of view, Congress should re-examine the “public domain” requirement, as it clearly contradicts principles of trade mark law. Inventions and designs that are

used or exploited prior to the filing of an application lose novelty and fall into the public domain. It would be difficult to say that marks that were used prior to registration also fall into the public domain. Distinctive marks used prior to registration trigger-not lose-rights in accordance with trade mark law. Therefore public domain is not an appropriate concept for trademarks, as it is contradictory to established principles under trade mark law.

- Common use

Mexican trade mark law will require that the mark meets a minimal level of uniqueness, and not be reputed or recognized as of common use. Forms and shapes in general that are too simple or that have served as containers or the shape or products, or that have in general been extensively used shall definitively not be protected.

- Distinctiveness

As explained above, this represents a basic principle of Mexican trade mark law. Accordingly, the following will have to be considered:

That the three-dimensional mark shall not be confusingly similar to pre-existing ones.

It also shall not be generic, or descriptive as regards the products or services to which it will be applied.

- Originality

The word "original" is vague and cannot be used in the context of three-dimensional trademark protection or even trade mark protection in general, as it is exclusively related to copyright law. As the concept is so imprecise, it could be concluded that works of authorship that are original are entitled to protection, which probably would go too far in terms of how the scope of three-dimensional trade mark protection should be determined.

- Ordinary industrial function

The present requirements are related to the previous three. However, in this case the law is intended to ensure that ordinary forms or functionality features of products, devices, containers, packages and

other three dimensional forms, are not exclusively appropriated by single entities, which would be detrimental to third parties. Thus, the shape of the three-dimensional product, container, etc. will have to be distinct and unrelated to its ordinary form or function if trademark protection is intended to be made available thereto. Non-functional devices or features of products or packages, boxes or containers will represent the most adequate forms of protection in accordance to trade mark law.

- Additional comments/Regulations of 1994

In accordance with the Regulations of 1994, wrapper, packages, containers and the form of presentation of products have been expressly considered three-dimensional forms for the purposes of the LIP. This regulatory provision has given a more precise understanding of that term, making clearer that product shapes can function as three-dimensional marks. Needless to say that they have to comply with the LIP requirements explained above. Notwithstanding the foregoing, it has been the Trade Mark Office's interpretation that shapes of products cannot represent three-dimensional marks, which is obviously wrong, and attempts against the principles of the LIP and regulations as well as NAFTA and TRIPS.

It is worth mentioning, again, that the LIP does not confer protection on descriptive marks regardless of how widely they have been used and how much consumer recognition they possess. This has a particular importance in cases of "three-dimensional marks", considering that products and container shapes may not be inherently distinctive. Frequently, it is not only the non-functional feature of the shape, wrapper, package, bottle or container, that applicants wish to protect, but additionally some features that may be not registrable or that may at least not be considered inherently distinctive. Other times, a dividing line between functional and non-functional, useful and useless, art and industry is just impossible to be drawn.

The lack of an acquired distinctiveness doctrine makes it more difficult for many three-dimensional marks to become registered under Mexican Law. Patent and Copyright Laws may not offer much additional assistance as well. However, the Trade Mark Office has generally taken

a flexible approach in conducting registrability exams and a positive view in protecting these forms of marks.

**3. Is there a specific rule that precludes Trademarks protection for a shape of an object protected or previously protected, as an Industrial Design or under another modality of Industrial Property (e.g., Utility Models or Patents)?**

Yes, as mentioned above, article 90 (III) requires that three dimensional shapes and objects cannot be part of the “public domain”, and although that said legal provision has not defined what can be understood for “public domain”, it has been interpreted through the case law and doctrine that the term refers to “public domain” in the Patent Law, which would be equally extended to other patent-like formats as utility models and industrial designs (drawings and models). As mentioned, the “public domain” requirement is burdensome and restrictive, and creates confrontation of principles of trademark and patent law. As a result, many good and potentially valid 3 D trademarks would be blocked from adequate protection –by the via of registration-, by the fact that the object which they embody pertains to “public domain”, from a patent stand point obviously.

The question would arise if that 3D object that has fallen into “public domain”, would be protected through the laws of unfair competition. The answer is maybe, but on the other hand, nothing is clear cut in this regard.

Rules on unfair competition dictate that:

"ARTICLE 213.- The following constitute administrative infringements:

I.- To carry out acts contrary to good use and customs in industry, commerce and services, that imply unfair competition and that relate to the subject matter governed by this Law;

IX.- To perform, during the exercise of industrial or commercial activities, acts which confuse or lead the public to confusion, error or deceit, by making it believe or presume, without and foundation:

a) The existence of a relationship or association between one establishment and that of a third party;

b) That products are manufactured under specifications, licenses or the authorization of a third party;

c) That services are provided or products are sold under the authorization, licenses or specification of a third party;

d) That the product in question originates in a territory, region or locality other than the true place of origin in such manner as to induce the public to error as to the geographic origin of the product; "

From the foregoing, it can be noticed how broad can be the scope of sections I and IX of article 213 of the LIP. The fundamental standard is that i) unfair competition is related to the rights in the LIP and that there is an attempt against "good customs" or "practices in trade", or ii) a competitor acts unfairly by inducing consumers into a false believe about the existence of a relationship (license, etc.) between infringer and the party whose rights have been affected.

If the foregoing is met, notwithstanding the fact that the infringing competitor relies on a 3D object, which is distinctive (related to a particular source), protection by these rules should be afforded to the affected party, regardless if the 3D object pertains to the "public domain", and even perhaps if it is functional.

#### **4. If there is no specific legal disposition under 3., can it be understood from national case law that this possibility is excluded?**

There is a limitation for "public domain", so this question is non - applicable.

#### **5. Is it possible to accumulate protection on the same shape as an Industrial Design and as a Trademark?**

Yes, although "accumulation" is limited due to the pitfalls in the LIP. Accumulation triggers by the mere fact that, as it has been extensively discussed above, certain 3D objects can be viewed as trademarks and designs. And as trademark and industrial design law afford protection as they look at the object from different angles, and as they rely on different principles and rules of protection, those of patent laws not being contradictory to those of trademark law, it can be concluded then that "accumulative" protection is possible.

**6. Is it possible to claim priority of an Industrial Design in a Trademark application or viceversa, can priority of a Trademark application be claimed in an Industrial Design Application?**

No, the LIP refers in particular to how rules of priority apply to trademarks and patents.

**7. Can a shape or packaging used in combination with a word mark acquire distinctiveness through use to be protected as a 3D Trademark without the word mark.**

Two things have to be considered here:

- LIP does not recognize acquired distinctiveness as a source of trademark rights.

Thus the above question can be answered as non-applicable.

- Even if it is assumed that UP would recognize the doctrine of acquired distinctiveness, this would not be automatically applicable to any 3D form, regardless if it is used in combination with a word mark. That would be true, if for example, in addition to being a non-inherent distinctive 3D form it would be functional.

**8. Is there any distinction between the protection afforded by a Trademark and by a Design? In particular:**

**8.1. Is there a distinction on what constitutes an infringement and in the remedies available?**

Enforcement of trademark and design rights is essentially not different. In both cases, actions are administrative, and are handled through the Mexican Institute of Industrial Property (IMPI). This is true both, as regards cancellation and infringement actions. Proceedings are thus quite similar as well as sanctions and remedies, which are fundamentally administrative (i.e.: injunction, fines, shut down of premises, and the like), with the possibility of further civil action for damages.

However, trademark actions are different from design actions (and patent actions in general), if they are considered specifically. This is due again to the particular nature of patent and trademark law. Whereas

trademark actions commonly look at issues such as "confusion", "association", and "dilution", among others, design and other patent-like actions focus at the "making", "using" and "selling" of patented products or designs.

Criminal remedies would be available in the case of counterfeiting of products.

### **8.2 Is it possible to forbid the two dimensional reproduction of a 3D object protected by an Industrial Design or Trademark registration of such a 3D object?**

Not really concerning design law, specially if a 3D object is then made part of a drawing. Three-dimensional reproduction of the two dimensional design could possibly become infringement, although this is not clear, and there are no legal precedents in this regard that could give support to either direction. The case of trademark law may be different, if it is shown that consumer public could fall into confusion by the fact that a 3D mark has been used bi-dimensionally or the other way around. However, if trademark infringement is not possible, it would be expected that the rules on unfair competition would grant a solution.

### **8.3 Can the use of a sign as an Industrial Design lead to the loss of distinctivity of this sign as a Trademark, so that this sign could no longer be registered as a Trademark I), If registered, cause the registered Trademark to become invalid?**

The following points need to be considered here:

- First of all, it would be difficult to contemplate how a "sign" can be "used" as an "industrial design". In line with IP principles trademarks can be "used" in connection with products or services, and products covered by patents, or designs can be "made" and/or "sold". The "making" 2 of a product covered by an industrial design, can not lead to loss of distinctivity, even if at the same time, the shape of the product is being "used" as a trademark.
- In order for a trademark to lose distinctivity and thus be subject to cancellation actions, shall occur only to the extent that, as the cancellation rules of the LIP dictate, the trademark would be used

as a generic and the consumer relates the shape to the ordinary form of the product and not a distinctive feature thereof. This may of course happen, but in any event would not be the consequence that the 3D shape is being covered and protected by a design registration. The same could occur if the 3D shape is not protected by an industrial design registration. Lose of distinctiveness is a trademark and not a patent question.

#### **8.4 What kind of measures can be taken by the proprietor to avoid that a sign loses its distinctive character as a consequence of the use of the corresponding design made by third parties?**

**SUMMARY.- Shapes of products and their packaging as well as other 3D signs can certainly be protected through Trademark and Industrial Design Law. Whereas standards of protection for industrial design law are "novelty" and "industrial application", for three dimensional trademarks it will be distinctiveness, and that the 3D mark is *i)* not in the public domain; *ii)* it has not become of commerce use; and *iii)* is not functional. Under the Mexican Law on Industrial property protection by trademark and industrial design law may accumulate. There is on burdensome and restrictive limitation for registrability of 3D trademarks: that the object does not pertain to public domain. However, the limitation has been regarded as unfair as it creates a contradiction between the principles of patent and trademark law.**

Measures that can be taken by the proprietor of a 3D trademark registration to avoid that the sign loses its distinctive character as a consequence of the use of the corresponding design made by third parties, would include: *i)* a strict licensing policy with strict requirements stated upon licenses not to use the mark, or advertise it as generic; *ii)* impose obligations upon licensees to employ pertinent marking and *iii)* if the third parties are not licensees, then take proper infringement actions to avoid non-authorized use of the trademark.

**8.5 Any other comment you would like to make in connection with this matter, not covered above.**

The issues arising of confronting 3D trademarks and copyrightable works of authorship is also very interesting, but as they are not part of Q148, we shall not cover them

## **INTA COUNTRY GUIDES: MEXICO**

### *INTA Country Guides*

***This Guide is only intended to provide an introduction and outline of Mexican trademark Law and practice and is primarily directed toward Individual and corporate trademark owners considering registering a trademark in Mexico. This Guide is not intended to replace or supplant the advice and service provided by a local trademark attorney.***

#### 1. Why register a trademark?

For both commercial and protection reasons, trademarks should be registered. The ask or not registering is that it allows others to register an identical or similar mark that could impede the ability to use or register the mark in Mexico. Registration is prima facie evidence of ownership and validity. Registration can generate royalties through licensing.

#### 2. Is registration of a mark mandatory?

Registration is not compulsory, but it is advisable. Exclusive trademarks rights depend upon ownership of a registration and, as discussed further below, the legal benefits of registration may not be available otherwise.

#### 3. What is registrable?

Denominations and visible signs, three dimensional forms; trade and business names, the proper name of a person with his or her consent; as well as pseudonyms, signatures, portraits, titles of intellectual or artistic works of authorship, titles of publications and TV radio programs, the name and image or form of fictitious and real characters and elements of a distinctive character are registrable. Service marks also are registrable.

#### 4. Should a trademark be searched before filing?

Applications are officially searched as to prior marks, but this takes several months. If no pre-filing search is made by the applicant, and the official search is clear, the cost of the pre-filing search is saved. However,

if the official search is not clear, the pre-filing search could have saved the applicant the cost of filing an application. If the mark is to be used in many countries, a pre-filing search is recommended, at least in major countries, to avoid unnecessary costs entailed by adopting, developing, and filing a mark that has already been registered by someone else.

5. How do I file?

An applicant may file either via a home trademark attorney or by directly contacting a Mexican trademark attorney.

6. What information must be provided before filing?

Before filing, an applicant must provide ten specimens of the mark unless the mark can be represented in plain block capital letters, full details of the applicant, a list of goods/services to be covered, the date of the first use of the mark in Mexico, or a statement that the mark has not been used, and a combined "Certificate of Nationality"/Power of Attorney form.

7. Is local registration the only option or are there international alternatives?

A Mexican application only has effect in Mexico. Mexico has no plans to join the Madrid Agreement or Protocol.

8. Is it necessary to file more than one application if a mark is used in more than one class of goods and/or services?

Yes. A separate application must be filed for each class of goods or services.

9. How much does a registration application cost?

Many variables are involved. An applicant can contact a home trademark attorney or directly contact a Mexican trademark attorney to obtain an estimate of costs.

10. Is it possible to take advantage of a home application or registration?

If an applicant's home country is a member of the Paris Convention, and provided its home application has been filed within the six months

preceding a Mexican application, the filing date of the home application can be claimed as the filing date in Mexico. Similarly, if an applicant's home country is a member of the World Trade Organization it should be possible to claim the home filing date; consult a Mexican trademark attorney.

11. Must a trademark be used after registration, and what happens if trademark is not used?

A mark must be used within three years of the registration date. If not, the registration will become vulnerable to cancellation for non-use. However, late use after three years may cure nonuse, provided that in the interim no third party has filed an action for cancellation for nonuse.

12. Is using a variation of the trademark allowable?

If the distinctive character of the mark is not altered, there should be no problem.

13. Is there any advantage to using a trademark before filing an application?

Yes. A person who has used an identical or similar mark without registration has rights if the use was in good faith, continuous, and commenced prior to the filing date of an existing registration for the same or similar trademark covering the same or similar goods, or prior to the date of first use declared by the registrant in the application papers. A prior user has the right to apply to register, but to obtain registration it is necessary to file a cancellation action against the existing registration within three years of the date when the existing registration was published.

14. For an application to be valid, are there any particular requirements that must be met?

Yes. An applicant must be a manufacturer, merchant, or renderer of services who uses or wishes to use a mark to distinguish its goods or products.

15. What kind of examination (if any) will a new application undergo?

An application is examined to determine if the mark complies with local rules as to distinctiveness and deceptiveness. While examining an application, an official search is then conducted for prior conflicting marks that can be cited against the application.

16. What response to official objections is required?

An application has two months to file a response to the Examiner's objections, but the response deadline is generally extendible.

17. How long is the registration process?

The registration process takes approximately one to two years from filing. The time period may be less if the application papers contain all required information, including the power of attorney, and if no objections or references are found by the examiner.

18. What rights does an application confer?

The application can be officially cited against a subsequent conflicting application. However, Mexican law does not contemplate opposition proceedings. (See Response 20 below.)

19. What is the legal effect of a registration?

The registrant can use the mark exclusively, sue for infringement and cancellation, and license and assign registrations and corresponding marks.

20. Can an application be opposed or canceled by third parties?

Mexican law does not provide an opposition system.

21. Can an application or registration be assigned?

Yes. Both applications and registrations can be assigned, but consult a Mexican trademark attorney.

22. Must an assignment include goodwill?

No. in Mexico, a trademark may be assigned without restriction separate from any goodwill of the assignor and any part of the business of the assignor.

23. Does an assignment have to be recorded?

All assignments must be registered to be effective against third parties.

24. Can an application or registration be licensed?

Yes. Both applications and registrations can be licensed, to one or more persons, and for some or all of the goods.

25. Does a license have to be recorded?

The license must be registered to be effective against third parties.

26. What is the territorial limit of a registration?

The territorial jurisdiction is México.

27. How long does a registration last?

The term of registration is 10 years from the filing or priority date and is renewable for like periods.

28. What is required to renew a registration?

A statement of use must be filed upon renewal in the form of a written communication declaring, under oath, continuous use during at least three consecutive years before renewal. A power of attorney form is also required.

29. It is necessary to indicate a trademark registration on goods or services?

Yes. "Marca Registrada," its abbreviation "Marc Reg.," "MR," or ® must be used, but only on the products or services covered by the registration.

## **FAMOUS MARKS PROTECTION VERSUS DILUTION**

*Trade Mark Yearbook 1998, Managing Intellectual Property.*

Mexico can be counted within a large group of countries that grant protection to famous marks based on the principles of confusion. Some others, such as the US and Benelux, follow the concept of dilution. Whereas the former has the purpose of protecting famous marks against use or registration made by third parties of identical or similar marks, dilution rather protects the trade mark from the standpoint of the uniqueness of the mark itself.

The Mexican Law on Industrial Property (LIP) provides trade mark infringement actions, and in a minor context, unfair competition actions for repressing the non-authorized use of famous marks. Accordingly, among the provisions of the LIP as amended in 1994, there is one that deals specifically with the protection of famous marks.

### **Famous marks under Mexican law**

The LIP understands as "notorious" marks those with which a particular sector of the public or commercial circuits in Mexico are acquainted as a result of commercial activities carried on in Mexico or abroad, by any person that employs the mark in connection with their products or services, as well as the knowledge that the public has of the mark in the territory of Mexico, resulting from publicity or advertising given to the mark anywhere in the world. There is however a standard that needs to be met; an infringer's non-authorized use or registration of the famous mark should lead the public or commercial circuits to confusion, risk of association, or disparagement.

The IMPI has the power to decide about the famous status of a mark. This would be true while prosecuting and rejecting trade marks, as well as when resolving trade mark infringement causes of action. A question arises as to whether the IMPI would be additionally empowered to grant special registrations for famous marks. A specific reference cannot be found in the LIP. However, from the interpretation of the statute it can be concluded that it would allow IMPI to determine whether trade marks have reached the status of being well-known. This could be made *sua sponte* or by the request of a party with a so-called legal interest.

Lastly, the LIP does not make a distinction between famous or high reputed marks and well-known marks. It simply refers to notorious marks as one single concept. It is possible to draw a dividing line between notorious marks known to everyone and to particular sectors. However, such a division would have a mere academic purpose, without a practical effect, as being a single concept, notorious and well-known marks would be protected equally.

### **Mexico compared to the US**

We shall now make a comparative analysis between the Mexican and US systems. The US is undoubtedly the jurisdiction where the theory of dilution was originally developed.

Under the US Dilution Act, marks need to be distinctive. Distinctiveness should be inherent. However, marks that have acquired distinctiveness can be diluted as well. Under the LIP, there is nothing that would initially impede non-distinctive marks from becoming famous and deserving protection as a result, as long as they acquire distinctiveness. However, the question arises at the same time as to whether the law would protect such marks on the basis of trade mark infringement or unfair competition.

The Dilution Act requires marks to be famous to qualify for this type of protection. The LIP would require that situation as well.

The US courts follow an eight factor test to determine the level of fame of a mark. Neither IMPI nor Mexican courts rely on any particular standards.

The US Dilution Act requires that the fame of the mark extends throughout a substantial portion of the US territory. The LIP establishes that marks have to be famous in Mexico, which would initially refer to the entire country. However, this is also not clear and the question would arise what would happen if a mark is known in part of the country. It is important to consider that more than 50% of the consuming population of Mexico lives in Mexico City, Guadalajara, Monterrey, Puebla, Ciudad Juárez and Tijuana.

The US Dilution Act may extend its protection to trade dress. Under LIP it would not be possible to protect trade dress through trade mark

infringement actions unless the trade dress is registrable as a mark and has been actually registered. Enforcement of trade dress rights would anyway be available through unfair competition actions.

Under the US Act, it appears not to be clear whether the famous and diluting marks must be identical or similar. This would not represent a question under LIP as it is precisely the standard of confusion that prevails in trade mark infringement actions, including famous marks.

The US Dilution Act has created a language applicable to dilution, which differs from the traditional concepts of trade mark infringement. This would not be the case of the LIP as it does not recognize the concept of dilution.

The US Dilution Act divides dilution into blurring and tarnishment. The LIP would protect the blurring of a famous mark by virtue of trade mark infringement or cancellation actions. Trade marks could be protected against tarnishment by applying the principles of unfair competition. The LIP provides expressly that third parties are prohibited from disparaging products, services, activities or establishments of others. From the foregoing, it could be concluded that the LIP provides protection equivalent to dilution by tarnishment without the need for the "distinctiveness" or "famous" status of marks to be examined.

The concept of use that is employed in the US Dilution Act is flexible enough not to be restricted to sales. For example, domain names, which are not used in the context of the Lanham Act, may be protected by virtue of the principles of dilution. The LIP would require sales of products or services to occur in order for trade mark infringement actions to become available. Domain names and other symbols that are not used in the traditional context required by the LIP, may still be protectable under the principles of unfair competition.

# **THE MEXICAN SYSTEM FOR PROTECTING FAMOUS MARKS VIS-A-VIS THE U.S. DILUTION THEORY: A COMPARATIVE ANALYSIS**

*INTA 1998, New York, NY, USA.*

## **I. INTRODUCTION**

I should start this presentation by congratulating INTA for its effort to put the present forum together.

The topic of Trademark Dilution shall always be interesting for the U.S. practitioner, especially in view of the Dilution Act adopted in 1995. There certainly must be a lot to discuss on the topic, two years after the statute went into effect. However, the forum shall undoubtedly be attractive to foreign practitioners also as the theory of dilution has become so important that it would be simply unacceptable for trademark law experts ignoring it, despite the fact that it does not apply in their particular jurisdictions.

Mexico, as well as many other foreign countries, does not follow the concept of dilution, but rather protects famous marks based on the "confusion" doctrine. For purposes of this presentation I shall assume that dilution can be somehow equated with the Mexican system on well known marks. However, it is also acknowledged moment that there are also great differences, which of course will be referenced and commented.

## **II. BRIEF REVIEW OF THE U.S. DILUTION THEORY**

### **A. FIRST REMARKS**

First of all, it bears mentioning that for preparing the present document I first researched the U.S. law on dilution. I thus went through some books and published articles, written by some leading experts in U.S. Trademark law. The initial purpose was to focus on the concept of dilution, as on first impression, it did not particularly convey or suggest something with which a Mexican Trademark law practitioner would be familiar.

## **B. HISTORY**

What came to mind in the first place was that the concept of dilution owed its origin to Professor Frank Schechter, who in 1927 wrote an article in the Harvard Law Review entitled "The Rational Basis of Trademark Protection"[\[1\]](#). A prior case was judged in 1925 between *Wall v. Rolls Royce of America*[\[2\]](#), which to some extent covered the issue.

However, Schechter made his point very clearly, and without calling it "dilution", stated that trademark protection involved not only the question of deception to the public, but protection of the owner of the trademark, who should be able to prevent other people from transgressing the uniqueness of its mark. His definition, which is still valid, represents that dilution consists of "the continuous use of a mark by a subsequent user which results in the gradual whittling away or dispersion of the identify and hold upon the public mind of the mark"[\[3\]](#).

Later, 25 States of the American Union enacted local dilution legislations based on the so-called Model State Trademark Bill[\[4\]](#). Finally, during the '90s a strong impulse was made by different sectors, including USTA (now INTA), in order to make amendments to the Lanham Act, and among others, implement a provision on dilution with a federal scope.

## **C. COMMENTS ON DILUTION**

From my research, it was possible to appreciate the unique purpose of the dilution statute: it created a legal figure for protecting trademarks as themselves, from the standpoint of their capacity to identify and distinguish products or services. The House Report on the Dilution Act, follows a definition provided by McCarthy and Schechter which states that dilution applies when defendant's use of a famous mark represents a unique, singular or particular source of goods and services. From the House Report of the Dilution Act it is possible to read that in order for dilution to occur defendant must have used the mark commercially[\[5\]](#).

Based on the foregoing it is possible to draw a first conclusion: Dilution actions are different from infringement and false designation claims, as they are targeted to protect trademarks (and other trade symbols perhaps) from essentially different wrongs[\[6\]](#).

In accordance with the Dilution Act, dilution can be divided into blurring and tarnishment. "Blurring lessens the capacity of the famous mark to distinguish by informing consumers that the mark no longer represents one source. Tarnishment lessens the capacity of the famous mark to distinguish by interfering with the good will consumers associate with the famous mark and/or products"[7].

Since it was enacted the U.S. Courts have frequently gotten confused and troubled when applying the Dilution Act. That can be appreciated in many of the judgments published by Court Reporters. Also in their articles, commentators have criticized some of the Court's decisions. This becomes evident, for example, as the Courts have had a hard time drawing the dividing line between dilution and confusion as separate and independent wrongs. For one commentator trademark litigation concentrates in few states, which have long had dilution statutes before the Federal Act. Very few Courts have actually awarded relief based on dilution[8].

From my investigation I could appreciate that under the U.S. Dilution Act, to be diluted, the mark needs to be distinct and famous, and has to be used by defendant in commerce. However, the foregoing has led to questions of many sorts.

**1. FAME:** In accordance with the Dilution Act, plaintiff's mark must be famous to qualify or acquaint for protection. U.S. Courts use an eight factor analysis in order to determine how famous a particular mark can be. The test involves examination of distinctiveness as well as the scope and extent of the mark's use. The test has brought the following questions:

a) The degree of inherent or acquired distinctiveness of the mark. Apparently, the U.S. Dilution Act requires inherent distinctiveness. However, protection by a Circuit Court of the mark THE GREATEST SHOW ON EARTH[9] on a dilution claim, may have opened the possibility that the principles apply to trademarks showing acquired distinctiveness as well.

b) Is the fame of a mark determined by the likelihood of its confusion? It may not be possible in U.S. dilution type of actions as they are distinct from infringement and unfair competition.

c) In line with the House Report on the Dilution Act fame of a mark needs to be extended throughout a substantial portion of the U.S. territory. However, by the reading of cases we came to the conclusion that such a question is still under hot debate.

d) *U.S.* Dilution Act does not expressly provide protection for trade dress; it merely provides protection for marks, trade names, labels, and forms of advertising. Nevertheless, two Courts have ruled that the Dilution Act indeed protects trade dress<sup>[10]</sup>.

e) It is hard to determine the level of fame of a mark, notwithstanding the eight factor test. Accordingly, a federal super-register has been proposed. This would leave in the PTO and not the Courts the power to determine famous status. However, this proposal was not made part of the Dilution Act<sup>[11]</sup>.

**2. USE BY DEFENDANT IN COMMERCE:** In accordance with the Dilution Act, a violation of this kind is perpetrated when the defendant uses in commerce plaintiff's famous and distinctive mark. The key questions here would be the following:

a) It is unclear whether the famous and diluting marks must be identical or similar.

b) Some courts have developed a special language for making a distinction between confusion and dilution. For example, a majority of courts are now using expressions such as "substantial similarity" to apply to dilution claims, which would pretend to differ from the traditional "confusing similarity" concept<sup>[12]</sup>.

c) The Second Circuit Court developed a test of factors relevant to determining likelihood of dilution by blurring. This test appears to be a stricter application than the one used for ordinary confusion cases. Among the factors the courts are required to consider is similarity between the marks, which is clearly comprehensible. However, it additionally considers similarity between products or services. There are critiques to that point as in dilution cases, it is not competition, but rather distinctiveness that represents the standard of analysis<sup>[13]</sup>."

d) Does defendant dilute plaintiff's mark by selling products or rendering services? This question deals with the expression "to use" the mark in

the dilution context. Would the dilution provision accept other forms of using marks that are broader and thus not simply restricted to "sales"? From the investigations made it could be possible indeed, if it is considered that U.S. Courts have resolved dilution claims related to domain names in favor to the plaintiffs, when strictly speaking, a domain name may not be generally used as a mark<sup>[14]</sup>.

**3. REMEDIES:** Injunction is the basic and typical remedy in dilution actions. The scope should be nationwide generally speaking. In addition to the injunction remedy damages and attorney's fees are available as well.

### **III. PROTECTION OF FAMOUS MARKS IN MEXICO**

#### **A. PRINCIPLES OF TRADEMARK LAW**

The key function of trademarks is to distinguish products and services from others in commerce. In fact, only marks that perform such a function are protected by the law. The Law of Industrial Property (hereinafter LIP) defines marks as "every visible sign that distinguishes products or services from others of the same kind or class in the market."<sup>[15]</sup> Professor David Rangel-Medina considers the principle of "distinctiveness" as an essential condition of validity of trademarks. By this virtue the mark shall specialize, individualize and singularize particular products or services and identify the source from which they originate. Following the ideas of Paul Roubier, Dr. Rangel Medina holds that to justify an exclusive right and the existence of renewal and enforcement rights arising therefrom, the mark shall be distinctive and that will happen only if it is not likely to be confused with other marks, in connection with identical or similar products or services, or if it does not constitute a generic symbol or one of usual use in the market or industry<sup>[16]</sup>.

Following the legal principles and doctrines referred to above, the Third Circuit Court for Administrative Affairs in the First Circuit (Mexico City), ruled in 1981 that trademarks have the purpose to individualize and distinguish goods, which in addition are not confusingly similar to other prior marks.

The Law of Industrial Property (LIP) protects inherently distinctive trademarks only, that is, trademarks which are suggestive, fanciful or

arbitrary. On the other hand, the LIP categorically prohibits registration of generic and descriptive marks, even if they have acquired distinctiveness, as a result of a continuous and extensive use<sup>[17]</sup>.

## ***B. THE TRADITIONAL CONCEPT OF TRADEMARK INFRINGEMENT***

The LIP provides different causes of action against behaviors or conducts against trademarks and other rights, including the right to compete. One of said causes of action is trademark infringement. The Trademark Law states in that respect:

Article 213.— The following constitute administrative infringements.

To use a trademark confusingly similar to another registered trademark, to cover the same or similar products or services as those protected by the registered trademark.

Use of a registered trademark without the consent of the holder or without the respective license, on products or services equal or similar to those to which the trademark is applied.

Offer for sale or place into circulation products equal or similar to those to which a registered trademark is applied, knowing that the mark was used on them without the consent of their holder.

In accordance with Article 62 of the Regulations to the LIP, by trademark use it shall be understood that it applies to products which are then sold, or services that are rendered.

From the analysis of the foregoing provisions it is clear that "confusion" represents the standard applicable in trademark infringement cases. One of the provisions prohibits use of identical marks. Likelihood of confusion would be presumed if the identical mark is applied to the same products or services. If a variant or similar mark is used in connection with same or similar products or services, then a "confusion" analysis would be relevant.

Mexican Trademark jurisprudence and doctrine recognizes application of a test to determine "confusion". Trademarks are viewed from "phonetic", "visual" and "ideological" standpoints. In addition, "confusion" would be examined by having the marks analyzed in their entirety; by viewing them at their differences prior to their similarities;

by looking at them alternatively and not simultaneously; and by considering relatedness in the trade channels, and sophistication of consumers.

IMPI is the authority empowered to apply the test, and to decide whether there is likeness between two particular marks. For that end, it has followed the principle that products or services within a particular class are deemed to be similar, with some exceptions. Accordingly, the law and jurisprudence have considered that similarity of products or services can occur when they share the same characteristics (i.e.: similar trade channels or forms of commercialization), despite the fact that they fall in different classes.

### ***C. UNFAIR COMPETITION LAW***

In accordance with the Mexican Law on Industrial Property, the Mexican Industrial Property Institute is empowered to repress and impose sanctions on those acts attempting to the good and honest practices in the industry and commerce and the Laws of Congress. Specifically, the LIP provides a cause of action in relation to unfair competition, which has support in the text of article 10 bis of the Paris Convention. The LIP provides as follows:

Article 213.— The following constitute administrative infringements:

To carry out acts contrary to good use and customs in industry, commerce and services, that imply unfair competition and that relate to the subject matter governed by this law.

The foregoing represents a general statement wide enough to cover any conduct violating fair practices in commerce as related to industrial property. However, courts are required to apply the foregoing rule in combination with this other:

Article 213.- The following constitute administrative infringements:

To perform, during the exercise of industrial or commercial activities, acts which confuse or lead the public to confusion, error or deceit, by making it believe or presume, without foundation:

a) The existence of a relationship or association between one establishment and that of a third party;

- b) That products are manufactured under specifications, licenses or authorization of a third party;
- c) That services are provided or products are sold under the authorization, licenses or specification of a third party;
- d) That the product in question originates in a territory, region or locality other than the true place of origin in such manner as to induce the public to error as to the geographic origin of the product.

As it can be perceived the scope of this rule is very broad and in general would include any behavior or act that would induce or lead the public to believe or presume, mistakenly and without foundation:

- On the existence of an association, relationship, license or authorization between establishments, products or services.
- On the use of false indications of origin in products.

Under the doctrine of unfair competition, it is not necessary that a trademark or trade symbol be registered or even registrable. What is required is that the infringer sells its own products, services or establishments and passes them off as if they belonged to the party that has been affected. The essential characteristics of the products, services or establishments are thus copied or imitated by the infringers, triggering confusion among the consumer public.

#### ***D. DIFFERENCES BETWEEN TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION***

We would identify the following as some of the main differences between trademark infringement and unfair competition causes of action:

##### ***1. Trademark infringement:***

- a) implies a registered trademark,
- b) the registered marks need to be inherently distinctive,
- c) Requires use of the mark in connection with products or services sold or rendered in commerce,

d) Infringing mark can be identical or confusingly similar to the one registered,

e) products or services in connection with the infringing mark is applied can be same or similar to those of the one registered,

f) requires analysis of "confusion" test.

## **2. Unfair competition:**

a) does not necessarily imply the need for a registered mark;

b) it even does not imply the need for a mark. It may protect any trade symbol (i.e.: trade dress) as long as it is capable of distinction;

c) it is likely that marks or trade symbols that acquire distinctiveness may be protected, as long as the consumer public is mistakenly induced to believe that there is association or relationship between establishments, products or services;

d) it would not necessarily represent the need that the mark or trade symbol be used by way of sales or commercialization as in the case of trademark infringement. The theory of "association" or "relationship" can be broader than that and embrace the possibility that unfair competition is made through infringer's use of advertisements, copyrighted materials and domain names, among others, pertaining to the holder of the rights subject to violation.

e) requires also analysis of "confusion" test.

## **E. FAMOUS MARKS**

### **1. NOTION OF FAMOUS MARKS**

The 1994 amendment to the LIP introduced a modification to the rule of well known marks. The new rule represents an improvement to the former law as it broadens and elevates the standards of protection of famous trademarks. It is basically grounded on Article 1708(6) of NAFTA<sup>[18]</sup>, and in certain aspects on Article 6 bis of the Paris Convention for the Protection of Industrial Property<sup>[19]</sup>. However, the Mexican provision certainly exceeds the requirements in both article 6 bis of the Paris Convention and article 1708 (6) of NAFTA.

Article 90(XV)<sup>[20]</sup> of the LIP understands for "notorious" marks those with which a particular sector in the public or commercial circuits in Mexico is acquainted as a result of commercial activities carried on in Mexico or abroad, by any person that employs the mark in connection with their products or services, as well as the knowledge that the public has of the mark in the territory of Mexico, resulting from the publicity or advertising given to the mark anywhere in the world.

Article 90(XV) imposes a limitation, considering that if registered, the mark subject to registration is likely to create "confusion" or "risk of association" with a famous mark or to "disparage" it.

Accordingly, the LIP will protect famous trademarks upon the existence of a likelihood of confusion, association or disparagement. As mentioned, this would represent a restriction on the principle of "specialty", although it is not absolute. It is not absolute as it would not be possible to seek cancellation or infringement against a mark which is not sufficiently similar to the famous one, or which is applied to products or services that are entirely different, and that consequently, confusion is not strictly possible. Notwithstanding the fact that the Mexican rule is not absolute, such a provision is still above the standards of the Paris Convention of NAFTA, and has also been interpreted widely by the courts, as it will be commented below.

It bears mentioning that the LIP has appointed IMPI with the powers to decide the famous status of trademarks. This would be true while prosecuting the trademarks, under article 90(XV) of the LIP, as well as when resolving trademark infringement causes of action in conformance with article 213(VII)<sup>[21]</sup> of the LIP. The question has arisen though, as to whether IMPI would be additionally empowered to grant special registration for famous marks. A specific reference cannot be found in the LIP, however, the statute could be interpreted so widely as to obtain that the LIP has conferred IMPI with sufficient capacity to declare if trademarks have reached the status of well known. This could be made *sua sponte* or by request of a party with so called "legal interest".

Lastly, the LIP does not make a distinction whatsoever between famous or highly reputed marks and well known marks. It simply refers to "notorious" marks as one single concept. However, it is possible to draw a dividing line between "notorious" marks known to everyone and those

known to particular sectors. That can be considered as a difference of degree, however such a division would be purely academic without any practical effect as, being a single concept, notorious and well known marks will be protected equally.

## **2. HISTORY**

The first statute in Mexico recognizing protection of famous marks is the Law of Inventions and Trademarks of 1975, amended in 1986. Prior to that, the issue of famous marks was addressed in cases that go back to the early fifties. The BULOVA decision represents a landmark case, whereby that famous trademark, used in connection with watches, was protected by virtue of article 6 bis of the Paris Convention. The pirate obtained a registration for identical products, namely watches, a situation that allowed the courts to decide in favor of the rightful owners without any trouble.

There are also decisions by the Mexican Courts where the issue was whether the products to which the alleged infringer applied the mark was "similar" in the context of article 6 bis of the Paris Convention. Thus, among others, trademark CADILLAC was protected against application of the same to clothing products. Similarly, trademark GE was protected against a registration cover hardware, plumbing and steam fitting supplies. The same happened concerning trademark OMEGA associated with machinery and tools; trademark GUERLAIN as applied to perfumes and cosmetics; MARLBORO as applied to clothing; and CHANEL in connection with clothing as well.

Notwithstanding the importance of BULOVA as well as the other resolutions that were produced later, the GUCCI case would perhaps represent the most relevant decision on the subject of famous marks. The GUCCI case involved two spurious registrations, that the Trademark Office had granted to a pirate for trademarks GUCCI and GUCCI AND DESIGN to cover footwear. In that case the courts discussed, among others, whether the Paris Convention as an international treaty, was self executing. Plaintiff brought two actions which were handled by two different courts. Judgments came in opposite directions, creating contradiction. As a result, and before the two decisions were taken to the Supreme Court, Congress passed an amendment to the law, implementing protection of famous marks<sup>[22]</sup>.

Accordingly, with the exception of the GUCCI court, the remaining have been flexible, and have given a wide and positive interpretation of the rule.

### **3. PRESENT SITUATION**

Coming back to the new rule on famous marks, we are not aware of any decisions pronounced by the courts interpreting the notions of "confusion", "association" or "disparagement". We tend to believe that as the language used in that provision is broader than that of the Paris Convention, the rationale of the CADILLAC and other courts would still be applicable to situations arising from the new rule.

IMPI has imposed a strict view in connection with the famous status of a mark, and has imposed a burden so high, that has triggered problems to plaintiffs, as they would have to undoubtedly demonstrate to the satisfaction of IMPI, that the mark is widely sold and advertised, and that the consumer public, or at least the sector connected with the products or services to which the mark is applied, has knowledge of existence of that mark.

Thus in brief, the Mexican Trademark Law would protect famous marks when the following is met:

- i) That they are known in Mexico, by virtue of trade or advertisement made in Mexico or abroad:
- ii) that they are known at least among a particular sector of industry or trade;
- iii) that a third party use a mark which is likely to create confusion or risk of association mark with the famous mark or produce its discredit.

### **IV. COMPARISON BETWEEN U.S. DILUTION AND MEXICAN WELL KNOWN THEORIES**

As mentioned above, Mexico does not follow a system of dilution, but rather protects highly distinctive and famous marks on the grounds of a "confusion" type rule. Accordingly, a first distinction can be made

between the way U S and Mexican laws offer protection to famous marks. Additional differences can be identified as follows:

**A.** The Dilution Act requires distinctive marks to qualify for this type of protection. Distinctiveness should be inherent, however, marks may be "diluted" if acquired distinctiveness as well. Under LIP there is nothing that would initially impede non-distinctive marks from becoming famous and deserving of protection as a result, as long as they acquire distinctiveness. However, the question arises at the same time as to whether the law would protect such marks on the basis of trademark infringement, of unfair competition.

**B.** The Dilution Act requires famous marks to qualify for this type of protection. The LIP would require that situation as well.

**C.** The U.S. Courts follow an eight factor test in order to determine the level of fame of a mark. Neither IMPI nor Mexican Courts rely on any particular standards.

**D.** The U.S. Dilution Act requires that the fame of the mark extends throughout a substantial portion of the U.S. territory. The LIP establishes that marks have to be famous in Mexico, which would initially make one consider whether the provision refers to the entire country. However, this is not clear, and the question would arise what would happen if a mark is known in part of the country. It is important to consider that more than 60% of the population of Mexico lives in Mexico City, Guadalajara, Monterrey, Puebla, Ciudad Juárez and Tijuana.

**E.** The U.S. Dilution Act may protect trade dress besides trademarks. Under LIP it would not be possible to protect trade dress through trademark infringement actions. Enforcement of trade dress rights would be available through unfair competition actions.

**F.** The U.S. Dilution Act does not contemplate a register for famous marks. Neither is it provided by the LIP, however, from interpreting the statute it may be possible to conclude that IMPI has a general power to determine the well known status of marks.

**G.** Under the U.S. Act it appears not to be clear whether famous and diluting marks must be identical or similar. This would not represent a

question under LIP as it is precisely the standard of "confusion" that prevails in trademark infringement actions, including famous marks.

**H.** The U.S. Dilution Act has created language applicable to dilution, which differs from the traditional concepts of trademark infringement. The LIP has not been obligated to make differentiations as it does not recognize the concept of dilution.

**I.** The U.S. Courts have developed a test of factors relevant to determining likelihood of dilution by blurring. Mexican Courts have not made the same as the theory of dilution is not applicable in Mexico.

**J.** The U.S. Dilution Act divides dilution into blurring and tarnishment. The LIP would grant protection against blurring of a famous mark by virtue of trademark infringement and cancellation actions. Trademarks could be protected against tarnishment by application of article 90 (XV), as well as the principles of unfair competition, and article 213 (X) of the LIP<sup>[23]</sup>. This latter provision prohibits third parties from disparaging products, services, activities or establishment of others. From the foregoing, it could be concluded that the LIP provides protection equivalent to dilution by tarnishment without the need to examine "distinctiveness" or the status of "famous" marks.

**K.** The concept of "use" that is employed in the U.S. Dilution Act is flexible enough not to be restricted to "sales". For example, domain names, which are not "used" in the context of the Lanham Act, may be protected by virtue of the principles of dilution. The LIP would require "sales" of products or services in order for trademark infringement actions to become available. Domain names and other symbols that are not "used" in the traditional context required by the LIP, would be still protectable under the principles of unfair competition.

## **CONCLUSIONS**

From all the foregoing, it can be obtained that both, the U S and Mexican Laws afford special protection to famous marks. The regimens are equivalent as they are aimed at protecting the same object, however, they are different at the same time, considering that under the U.S. Dilution Act, famous marks are given protection from the perspective of their capacity to distinguish. In Mexico protection of famous marks is viewed from the standpoint of "confusion" that would

arise in terms of competition. The Mexican LIP grants trademark infringement actions and in a minor context unfair competition actions for repressing use of famous marks, and for prohibiting their tarnishment. The standards of the Mexican rules are much above that those in NAFTA and Paris Convention.

1. Reference obtained from Leimer, Jacqueline A., "Trademark Dilution in the US", Trademark World, issue 62, November 1993. Armstrong Group IP Publishing Ltd., England, p. 16.

2. 4F2d 333 (3d Cir 1925) ROLLS-ROYCE automobile opposed to ROLLS-ROYCE radio parts.

3. Leimer, Jacqueline A., opus cit p. 16.

4. 1964 and 1992 Model State Trademarks Bills.

5. Hein, Clinton, "Confused About Federal Trademark Dilution?", The Trademark Reporter, Vol. 87, July-August, 1997, No. 4 INTA, USA, pp 370-417.

6. Id. at p. 334.

7. Id. at p. 395

8. Kirkpatrick Richard L. and Klein Sheldon H., "U.S. Federal Dilution Law", Trademark World, issue 88, June/July 1996, Armstrong Group IP Publishing Ltd., England, p. 35.

9. Ringling Bros.-Barnum & Bailey Combined Shows Inc. v. B.E. Windows Corp., 937 F Supp 204, 40 USPQ2d 1010 (SDNY 1996).

10. Clinique Laboratories, Inc. V. Dep Corp., 945 F Supp 547 (SDNY 1996), and Sunbeam Products, Inc. V. West Bend Co., 39 USPQ2d 1545 (SD Miss 1996).

11. Kirkpatrick et al., opus cit at p. 36.

12. See Hein, Clinton, opus cit, at p. 387 (He states: Does dilution require substantial similarity between the marks?). See also Sommer, Mark, "The News U.S. Trademark Dilution Act: Problems Lurking?," Trademark World, Issue 84, February 96, Armstrong IP Publishing Ltd., England, P. 16.

13. Hein, Clinton, opus cit at p. 391.

14. Hein, Clinton, opus cit at p. 413.

15. Article 88 of the LIP.

16. Rangel Medina David, "Tratado de Derecho Marcario", Editorial Litores de México, S.A., México, 1960 p. 184.

17. Article 90 subsections I through V of the LIP.

18. Article 6 bis of the Paris Convention shall apply, with such modifications as may be necessary, to services. "In determining whether a trademark is well-known, account shall be taken of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Party's territory obtained as a result of the promotion of the trademark. No Party may require that the reputation of the trademark extend beyond the sector of the public that normally deals with the relevant good or services". NAFTA art 1708.

19. Article 6 bis [Well-Known Marks]. (1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an

interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. The provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith. (2) A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested. (3) No time limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or use in bad faith.

20. Article 90.- Not registrable as trademark are: "...XV.- Names, figures or tri-dimensional forms, equal or similar to a trademark which the Institute considers to be notoriously known in Mexico when a particular sector of the public or of the trade circles in the country know the trademark as a result of commercial activities developed in Mexico or abroad by a person who uses this trademark in connection with its products or services, as well as knowledge of the trademark in the territory resulting from its promotion or advertising. In order to demonstrate the notoriety of the trademark, all evidentiary media allowed by this law may be used. This impediment will be appropriate any time that the use of the trademark by the person who requests its registration may create confusion or a risk of association with the holder of the notoriously known trademark, or when it constitutes an utilization that causes a loss of prestige of the trademark. Said impediment will not apply when the applicant of the registration is the holder of the notoriously known trademark..."

21. Article 213.- The following constitute administrative infringement: "...VII.- Use as trademarks the names, signs, symbols, initial or emblems referred to in article 4<sup>th</sup> and sections VII, VIII, IX, XII, XIII, XIV and XV of article 90 of this law".

22. A more in depth discussion can be found at: Gomez-Vega Bernardo and Rangel Ortiz Horacio, "Protection of unregistered but well-known Trademarks (Art. 6 bis Paris Convention) and Protection of Highly Known Trademarks; Reports AIPPI Exco'90, Barcelona, Spain, AIPPI, Zurich, 1990, pp. 157-172. Olivares Sergio L., "Protection of Well-Known Trademarks in Mexico, Brazil and Venezuela", The United States Trademark Association 110<sup>th</sup> Annual Meeting, Phoenix, Arizona May 1-4, 1988. Rangel-Medina David, "La protección de las marcas notorias en la jurisprudencia Mexicana", Actas de Derecho Industrial, 10, 1984-85, Instituto de Derecho Industrial, Universidad de Santiago, Editorial Montecorvo, S.A. Madrid. Rangel-Medina David, "La piratería de marcas en México", Jurídica, anuario del departamento de derecho de la Universidad Iberoamericana, número 18, 1986-1987, México, D.F. Rangel-Medina David, "La especialidad de la marca en la jurisprudencia mexicana", en Revista Mexicana de la Propiedad Industrial y Artística, AÑO X, Número 20, julio-diciembre de 1972, Mexicana de la Propiedad Industrial y Artística, AÑO X, Número 20, julio-diciembre de 1972, México, D.F.

Rangel-Ortiz Horacio, "La protección de la marca notoria en las reformas a la Ley de Invenciones y Marcas", EL FORO, Órgano de la Barra Mexicana Colegio de Abogados, Octava Época, Tomo I, Número 2, 1988, México, D.F. Rangel-Ortiz Horacio, "Conceptos fundamentales de la competencia desleal en materia de propiedad industrial", Revista de Investigaciones Jurídicas, Escuela Libre de Derecho, AÑO 9, Número 9, 1985, México, D.F.

Sepúlveda César, "La discusión sobre las llamadas marcas notorias o marcas de gran renombre", Revista de la Facultad de Derecho de México, Tomo VIII, núm. 29, enero-marzo del 1958.

23. Article 213.- The following constitute administrative infringements: "...Attempt or succeed in giving a bad name to the products, services, industrial or commercial activity or establishment of another. Not included in this provision is a comparison of products or services covered by the trademark for purposes of informing the public, provided that said comparison is not slanted, false or exaggerated in the terms of the Federal Consumers Protection Law; ..."

# **THE MEXICAN LAW OF 1991 AND THE AMENDMENTS AND REGULATIONS OF 1994: A STEP FORWARD TO ENHANCED TRADEMARK PROTECTION**

*INTA 1995 Annual Meeting.*

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## **I. INTRODUCTION.**

### **1.1 Mexico and NAFTA: The Factors of the Changes.**

Before the year of 1989 the idea of an international treaty among North American countries seemed to be far away from becoming crystallized. However, such an idea developed and later matured into actual negotiations. This matched with the structural economic reform that Mexico had been already conducting since 1983, when former protectionist views were replaced by a new open border policy based on international trade, technology transfer and investment. The objective behind was introducing an improved legal infrastructure that would allow the country to better compete in a modern global economy.

The Mexican Government knew that adoption of free trade principles required higher standards of intellectual property protection and enforcement, something that the Law on Inventions and Trademarks of 1976 (hereinafter LIT) was definitively not able to achieve. Accordingly, steps were initially taken in 1991 with the implementation of a new statute entitled "Law for the Protection and Development of Industrial Property" (hereinafter LPPIP), which offered significant changes in the fields of patent and trademark protection, prosecution and maintenance and enforcement of rights. From an international standpoint, Mexico joined the efforts of other countries in support of the Uruguay Round of GATT and later, when conceived, Mexico backed the TRIPS agreement.

Effective as of October 1<sup>st</sup> of 1994, major amendments to the LPPIP were approved and enacted by Mexican Congress aiming at ensuring a full compatibility of Mexican Patent and Trademark Laws with the standards in NAFTA. The title of the statute was reduced from LPPIP to Law on Industrial Property (hereinafter LIP). Finally on November 23, 1994, the Government published Regulations to the LIP, which entered into force fifteen working days after they were published in the Federal Official Gazette. Specific comments on all the foregoing will be made all along the present document. Comments will also be made concerning some of the fundamentals of Mexican Trademark Law in light of the standards of NAFTA and the way that NAFTA provisions were implemented into domestic Law.

## **1.2 The Objectives of the North American Free Trade Agreement in Relation to Intellectual Property Law.**

As it was planned originally, the North American Free Trade Agreement (NAFTA) included specific discussion on Intellectual Property, resulting in the implementation of a special chapter (NAFTA, Article 102(1)(d) and Chapter XVII). The main idea backing it was to standardize, as much as possible, the domestic patent, trademark and copyright laws of each of the three subscribing countries [NAFTA article 1701(1)], over principles of national treatment [NAFTA, Article 1703(1)] and minimum standards of protection [NAFTA, Articles 1702 and 1703 (2)] . The last was not an easy one, considering the differences in the legal regimens of these three countries and their level of economic development. But more than one year after executed, chapter XVII of NAFTA has proved how different laws may be adequately standardized and even upgraded. As one commentator states, NAFTA “[i]5 the most comprehensive multilateral intellectual property agreement ever concluded, and generally establishes a higher level of protection than any other bilateral as multilateral agreement”. (See Richard E. Neff and Fran Smallson, NAFTA, Protecting and Enforcing Intellectual Property Rights in North America, Shepard’s McGraw-Hill, USA 1994, p.1).

## **II. OVERVIEW OF MEXICAN TRADEMARK LAW.**

### **2.1. Constitutional Framework/Federal Protection.**

Along with patents, trademarks are protected in Mexico under a federal statute known as the Law on Industrial Property (LIP). Copyrights are regulated in another statute, also of federal nature, entitled “Federal Law on Authors’ Rights” (hereinafter and for the purposes of this paper it will be called simply as “Copyright Law”). The division between patent and copyright is recognized in Article 28 of the Mexican Constitution of 1917, which reputes both of them as permitted monopolies, or in more proper words, as exclusive rights or “privileges”, limited in time, conferred upon authors and artists with respect to reproduction of their works and upon inventors for exclusive use of their inventions or improvements (For a more indepth discussion see: Luis C. Schmidt, Computer Software and the North American Free Trade Agreement: Will Mexican Law Represent a Trade Barrier?, 34 IDEA – The Journal of Law and Technology – Number 1, 33-65 (1992).

Nothing was mentioned in said constitutional provision respecting trademarks. Notwithstanding the omission, the Mexican Constitution appointed Federal Congress with the powers to legislate on general aspects of commerce, category in which trademarks have been traditionally included (1917 Federal Constitution of Mexico, Article 73 (X)). The foregoing has been reputed as the constitutional provision in support of trademark law as a federal legal subject.

## **2.2. Duality of Rights: Registration and Use of Marks.**

As a statute of federal jurisdiction the LIP extends its legal effects over the entire territory of Mexico. There are no state legislations dealing with the subject or common law rights –as they exist in other countries– granting protection to any of the institutions and figures that are comprehended in that legal body. However, the Trademark Laws in Mexico (including the LIP and precedent Laws on Industrial Property of December 31, 1942 and of Inventions and Trademarks of February 10, 1976) were framed on a dual rights system based on registration and prior use of marks.

Registration has been considered the only source granting exclusive trademark rights; use is nevertheless protected if commenced prior to the filing date of a trademark application. In other words, exclusive rights arise from the registration of the mark in Mexico, however, anyone using an identical or similar mark without having sought for registration, will be entitled to specific rights if the use has been made continuously and in good faith.

Accordingly, an existing registration cannot be used for opposing a good faith previous user of an identical or confusingly similar mark that has been used on an interrupted basis, and in case that this may happen, such a senior user will be entitled to seek cancellation against the junior registration within five years following the date in which the Federal Gazette, publishing the existing registration, was put into circulation. Also, if the junior registrant of the mark files infringement action against the senior user of the mark, this latter may defend by "requesting registration of the trademark within three years following the day on which the registration was published, in which case it will first have to request and obtain a declaration of nullity of said registration" [LIP, Article 92(II)]. This is in full compliance with Article 1708(2) of NAFTA,

which states that "[e]ach member country shall provide to the owner of a registered mark the right to prevent all persons not having the owner's consent from using in commerce identical or similar signs for goods or services that are identical or similar to those goods and services in respect of which the owner's trademark is registered, where such use would result in a likelihood of confusion in the case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any prior rights, nor shall they affect the possibility of a member country making rights available on the basis of use" [NAFTA, Article 1708(2)].

### **2.3 Registrations Based on Intent to Use of Marks.**

Although with many variants from Canada, U.S. and other common law systems, Mexican Law accepts intent-to-use applications under the condition that use of the mark begins after a registration has been issued. This is in compliance with NAFTA provisions which state that subscribing Parties may condition registrability to the prior use of a mark, but adoption of that system will not be mandatory for any of the three member countries. "No party may refuse an application solely on the ground that intended use has not taken place before the expiration of a period of three years from the date of application for registration" (NAFTA, Article 1708(3)).

The Supreme Court of Mexico ruled in 1955 that the expression "whoever is using or wishes to use a mark", which was used in former Industrial Property Law of 1942, includes anybody who is actually manufacturing products covered by the mark, and anybody who is not yet producing but wishes to do so in the future. Consequently, under that rationale, registration was not conditioned to the fact that products were actually manufactured prior or simultaneously to the filing of an application. The Court understood that an exclusive right cannot be justified if the mark has not been exploited, and in case that use is suspended for more than five years (this was the term provided in the law of 1942), the registration would lapse. (See Unanimous Resolution from the Supreme Court of Justice, "Amparo" No. "Toca" 17/955/1°, filed by Legh-Chemie Gelathofen May 4, 1955). This resolution of the Supreme Court still should be applicable considering the possibility to file on intent-to-use under the present Law.

## **2.4. The meaning of “Trademark Use”**

As in other systems, Mexican Trademark Law has been concerned with the meaning of trademark “use” and the amount of “use” acceptable in order that rights are triggered. As it was mentioned above, the Mexican Law provides a system primarily based on registration but additionally recognizing use as a source of rights. In keeping with this, use of marks in commerce shall accrue rights, but exclusivity arises from a valid registration only.

In principle, use may be restricted to the mark being affixed onto products or their containers. The Law of 1976 required that products and services were made, distributed, commercialized or rendered in “quantities and conditions corresponding to an effective commercial exploitation in the territory of Mexico”. That rule was not included in the LPPIP of 1991 and there was apparently no justifiable reason for the omission. It was until last year that a similar provision was implemented in the Regulations to the LIP, which establishes that “use” of a mark will exist whenever products and services under the mark have been launched in commerce, in accordance to the practices and customs that are followed in each particular industry or market. Additionally, “use” will be determined if products and services are commercialized using adequate means and in quantities satisfying the needs of the industrial or commercial sector in particular. Lastly, it has also been considered that a mark is “used” when it is applied to products that are devoted to exportation. From the interpretation of the above explained rules, it is possible to conclude that sham sales would not give rise to trademark rights and that token use would also not be permitted in accordance with Mexican Laws.

Professor David Rangel Medina wrote in his Treaty on Trademark Law that the Law of 1942 allowed a broad interpretation of the word “use”, comprising any possible and imaginable forms by which a link between trademark and product could be established. He sustained that the purpose of Trademark Law is building a relationship, between the marks and the product to which it is applied, that is recognizable to the consumer public. The meaning and extension of the concept of trademark use should be only limited if all the foregoing is not fulfilled. (See: David Rangel Medina, *Tratado de Derecho Marcario*, Editorial Libros de Mexico, S.A., Mexico, 1960, p. 202-203).

In some Court resolutions it has been provided that marks shall not only be "used" when products are sold at retail level. "Use" requirements will suffice if products bearing the mark are available in commerce. To that end, produce will be "in commerce" when manufactured or produced in this country or at least when they are on sale or resale. (See Unanimous Resolution for the First Circuit Court for Administrative Affairs in the First Circuit (Mexico City). "Amparo" (in appeal) No. RA-721/1970(4439/1965), filed by the R.T. French Co., July 13, 1971).

Notwithstanding the foregoing, it remains to be seen whether "use" of the mark would be accepted if not necessarily applied onto goods themselves, but instead if used in connection with material such as publicity, invoices, price lists, letters, calendars, merchandising products, and in general any oral and written reference made of the mark in vehicles, publications and newspapers, radio and television, among others.

## **2.5 Time Frame for the Use of Trademarks.**

Article 1708(8) of NAFTA states that "each party shall require the use of a trademark to maintain a registration. The registration may be canceled for the reasons of non-use only after an interrupted period of at least two years of non-use unless valid reasons based on existence of obstacles to such use are shown by the trademark owner. Each Party shall recognize, as valid reasons for non-use, circumstances arising independently of the will of the trademark owner that constitute an obstacle to the use of the trademark, such as import restrictions on, or other government requirements for, goods or service identified by the trademark". That threshold is substantially and even extensively fulfilled by Mexican Trademark Law.

The 1976 imposed use requirements based on the filing of affidavits of use, accompanied by pertinent evidence showing that the mark had been effectively in commerce, as well as information about sales, including total amounts of revenues for the past three years -in case of prove of use after three years following the date of grant and past five years -in the event of successive renewals-. That practice was abandoned with the implementation of the LPPIP in 1991 and was substituted for a more simple formula.

Under the 1991 Law the holder of the trademark registration -or licensee provided that the license agreement had been recorded with the Mexican Trademark Office-, had to use the mark without interruptions of three consecutive years or more. On the contrary, the registered mark not in use would be exposed to lapse actions, unless the existence of a legally justified reason, acceptable to the Trademark Office (Mexican LPPIP, Article 130).

By the same token the term of renewal was increased for indefinite periods of ten years -again anticipating what later would become Article 1708(7) of NAFTA-.

Article 130 of the LPPIP, as originally drafted, proved to have had some inconsistencies. A significant number of registrations that had not been in use for more than three years, were experiencing the risk of lapse actions; risk that would have subsisted even if the mark was used again. In accordance with the amended provision of the LIP, now is possible eliminating potential actions in case that use is restarted. This rule has brought the possibility to cure registrations in jeopardy. Therefore, actions pretending to claim non-use going beyond the three years period allowed by the LIP, will simply not be sustainable and enforceable.

### **III. CHOOSING A DISTINCTIVE MARK**

#### **3.1. What is a Mark and what Functions is Required to Perform in Accordance to the LIP.**

The LIP specifically protects trade marks, service marks, collective marks, commercial establishment or "trade" names (as they are called under the Mexican Trademark Law), slogans and appellation of origin. Trade, service and collective marks may be awarded with exclusive protection by means of a registration with the Trademark Office (which since 1994 has been known as "Mexican Industrial Property Institute" or "IMPI"). To qualify for registration a mark applicant must be a manufacturer, merchant, or render of services, who uses or wishes to use a mark to distinguish its goods or products from those of competitors.

The LIP defines as marks "every visible sign that distinguishes products or services from others of their same kind or class in the market". Registrable as such in accordance with the LIP may be denominations

and visible signs, three dimensional forms, trade names and business names and the proper name of a person with his or her consent as well as pseudonyms, signatures and portraits, titles of intellectual or artistic works of authorship and titles of publications and TV and radio programs, the name and image or form of fictitious and real characters, also with the consent of the owner of the corresponding rights. Isolated letters, digits, and colors may not be registered unless they are in combination or accompanied by elements that give them a distinctive character.

The foregoing is in conformance with NAFTA, which in this connection states that "for the purpose of this Agreement, a trademark consists of every sign, or any combination of signs, capable of distinguishing the goods and services of one person from those of another, including personal names, designs, letter, numerals, colors, figurative elements, or the shape of goods or of their packaging. Trademarks shall include service marks and collective marks, and may include certification marks. A member country may require, as a condition for registration, that a sign be visually perceptible" (NAFTA, article 1708 (1)). As it can be appreciated, under Mexican Law marks need to be visually perceptible in order to qualify for protection.

The key function of trademarks is distinguishing products and services from others in commerce. In fact, they are compelled to perform such an identificatory function in order to be recognized as valid trade symbols. Professor Rangel Medina considers the principle of "distinctiveness" an essential condition of validity of trademarks. By this virtue the mark shall specialize, individualize and singularize particular products or services and identify the source from which they originate.

Following the ideas of Paul Roubier, Dr. Rangel Medina holds that for justifying an exclusive right and for justifying the existence of renewal and enforcement rights arising therefrom, the mark shall be distinctive and that will be recognizable only if it is not likely to confuse with other marks, in connection with identical or similar products or services, or if it does not constitute a generic symbol or one of usual use in the market or industry (David Rangel Medina, *id.* at p. 184).

Following the legal principles and doctrines referred to above, the Third Circuit Court in the First Circuit (Mexico City), ruled in 1981 that

trademarks have the purpose to individualize and distinguish goods and they also need to be special and not confusingly similar with respect to other prior marks.

The LIP grants protection on trademarks possessing the ability to distinguish or identify products and services in commerce and this is understood only if the marks are inherently distinctive, that is, if they are suggestive, fanciful or arbitrary. On the other hand, the Trademark Law categorically prohibits registration of generic and descriptive marks and, in this latter case, it does not recognize protection even if the descriptive mark is capable of distinguishing as a result of a continuous and extensive use.

### **3.2 Non-Protectable Marks (Genericness and Descriptiveness).**

#### ***[A] Generic Marks.***

Generic marks are incapable of exclusive protection under the Law in Mexico. These include "technical or commonly used names and products or services intended to be protected by a mark, as well as such words which, in everyday language or in commercial practice, have become the normal or generic designation thereof" [LIP, Article 90(II)] and "tridimensional forms which are a part of the public domain or which have become of common use, and those that lack sufficient originality to easily distinguish them, as well as the normal and ordinary form of products or that imposed by their nature or industrial function" [LIP, Article 90(III)]. Specific comments on three-dimensional marks will be found below.

Additionally, Article 153 of the LIP states that cancellation of the registration of a mark will be available for anyone having a so-called "legal interest" if the holder of the registration has caused or tolerated to cause the trademark to convert into a generic name of the products or services for which it was registered in such way that the mark has lost its nature as a means of distinguishing the product or service to which it is applied.

#### ***[B] Descriptive Marks.***

Under Mexican Trademark Law it is not possible to obtain registration for the "names, figures or three-dimensional forms which considering the

aggregate or their characteristics, are descriptive of the products or services they purport to protect as a trademark. Included in the above hypothesis are descriptive or indicative words which in trade are used to designate the species, quality, quantity, composition, end use, value, place of origin of the product or time when it was produced" [LIP, Article 90 (IV)].

Dr. Rangel Medina understands for "descriptive" all those marks "describing certain subject" and the action "to describe", as the imperfect definition of something, giving a general idea of their parts or properties (David Rangel Medina, id. at. p. 184).

For many years the Supreme Court of Mexico, the Circuit Courts and even the Trademark Office, have developed jurisprudence on the topic of "descriptiveness", construed over the following basic rules:

a) Registration cannot be refused simply if any part of a mark – including a design, work, three-dimensional feature, etc.- is descriptive. Analysis has to be made of the mark in its entirety, without to disconsider or ignore any of the elements of which it is comprised.

b) Descriptiveness can be concluded when the mark under study relates to an undeniable and categoric characteristic of the product or service to which it is applied. In case of no necessary or individual connection between the mark and the product it will not be considered descriptive but rather suggestive. As in most other jurisdictions the demarking or division line between descriptive and suggestive is something difficult to draw, however, in a recent decision it was held that prohibition of descriptive marks is not absolute as long as they bring a remote idea of the product or suggest its nature or utilitarian aspects.

c) Radicals, suffixes and prefixes with a specific meaning are not subject to protection if widely used in the market by different competitors or if they give a direct understanding or idea of the product or service to which the mark will be applied. Combination of radicals and descriptive words or of two or more descriptive terms will not be considered distinctive if in its entirety the mark continues to be descriptive. In this regard it was declared that trademark NARANJINA for soft drinks described the idea of "Naranja" (in English Orange)

considering that “Naranja” represented the predominant and most relevant portion of the mark and that suffix “ina” was not sufficiently distinctive.

d) It will be registrable a mark that is composed of a radical, prefix, suffix, generic word or design or in general a non-protective element, in connection with a distinctive element which predominates or has a major importance over the descriptive or generic portion of the mark.

e) Some trademarks, mostly of pharmaceutical products, share the characteristic that they combine distinctive elements with other elements of a generic or descriptive nature. Such generic or distinctive element usually consists of a prefix or a suffix that is used to give a slight or indirect idea of the main characteristics (e.g. active ingredient) in the product identified under the particular trademark. Mexican Law has granted protection for these marks without the need for the generic or descriptive element to be disclaimed and has allowed the co-existence of registrations for trademarks that include the same prefixes or suffixes, as long as the overall impression remains distinctive. In such cases the Courts have ruled that the distinctive portion of the mark must be product- without the need for the generic or descriptive element to be disclaimed and has allowed the co-existence of registrations for trademarks that include the same prefixes or suffixes, as long as the overall impression remains distinctive. In such cases the Courts have ruled that the distinctive portion of the mark must be sufficiently different from others as it is normally the general public who buys the product-without being generally careful when selecting between two to chose-, whereas in case of chemical products this rule may vary considering that the consumer is more sophisticated, specialized and better trained in the field.

f) Descriptiveness will not be reduced or eliminated if the mark is written in a capricious orthography. For example, word mark QUESO (in English Cheese) for cheese and milk derivative products was not considered to be sufficiently arbitrary if written as KESSO.

g) The following are examples of how Courts have dealt and resolves in regard to descriptiveness: INSTANT PROTEINE for food and derivative products, FAMOSA (in English Famous) for aluminum containers, BLINDADA (in English Armored) for tires, vehicles cameras and gaskets,

EXTRA for detergents, and COMPLETARROZ (with no particular meaning in English but "Completa" equivalent to "Complete" and "Arroz" to Rice) for foods products, were declared not to be descriptive of the qualities of the products but rather suggestive. METROBUS for transportation services and ELECTROPURA (in English something approximate to Electropure) for purified water, were reputed as valid combinations of two generic words together representing new term that qualified for registration. On the other hand, TACO BAR for restaurant and bar services, MAIZARINA (a combination in one word of the terms "Maiz –in English Corn and "Harina"- in English Flour-) for corn flour and EXTRA SUAVES (in English Extra Light) for tobacco products, SABROSITOS (in English Tasty) for candy products, and MUY INTERESANTE (in English Very Interesting) for publications, were found to be descriptive of the qualities of such kind of products or unprotectable adjectives. Finally, descriptive marks in foreign languages have been declared as not registrable by the Courts, for example, REAL SILK for silk textiles and REPLACE-A-POINT for pens.

***[C] Deceptive, Misdescriptive and Deceptively Misdescriptive Marks.***

***[C.1] Deceptive Marks.***

Trademarks which misrepresent or convey a false impression of the nature of a product or service will not be protectable under Mexican Law. Specifically, the LIP states that "[d]enominations, figures or tridimensional forms that could deceive the public or lead to error" are not registrable being those "that constitute false indications about the nature, components or qualities of the product or services they purport to protect" [LIP, Article 90 (XIV)].

For Dr. Rangel Medina the prohibition not to protect deceptive marks is found on principles of commercial ethics and is oriented to protect the rights of the general public. Deceptive marks are not legally acceptable trade symbols considering that they generally deceive the consumer public, instead of performing as source indicators and as tools assisting consumer in the selection of the products or services available in the market. He additionally considers not to be admissible that marks misrepresent the quality, nature, constitution or origin of the goods and services, situation influencing consumers to take erroneous decisions

when exercising an opinion to chose for a certain good or service. (David Rangel Medina, id. at p. 426).

*[C.2] Misdescriptive and Deceptively Misdescriptive Marks.*

In Mexico, as virtually any other jurisdiction, is possible to find marks that do not only describe features or attributes of the product or service that they are intended to distinguish but that they additionally may deceive the consumer public respecting to the nature, characteristics, quality or quantity of that product or service. In order to describe or deceive, these kind of marks misrepresent the attributes or features of the product. In other words, they produce a false or inaccurate impression of the product or service, which is detrimental to the consumer public, as it is induced or influenced to mistakenly deciding in the purchase of such good or service.

In other countries these marks are known as “Misdescriptive” –when they significantly produce an influence in the consumer in determining whether to buy a product or not- and “Deceptively Misdescriptive”- when they do not really induce the consumer public in taking erroneous decisions-. “Misdescriptive” marks do not qualify for protection in general terms, whereas “Deceptively Misdescriptive” marks may be protected as long as a minimum level of distinctiveness is shown.

The Trademark Law of Mexico does not recognize the above classification. However, the Trademark Office has traditionally objected registration of “Misdescriptive” and “Deceptively Misdescriptive” marks, on the grounds that they both, descriptive and deceptive. Thus, if the arguments of applicant are persuasive enough to convince the examiner not to refuse registration on the grounds of descriptiveness, the objection based on deceptiveness would still need to be addressed and overcome, which is sometimes difficult.

In a decision that goes back to the sixties, the Supreme Court of Mexico confirmed the resolution of the Trademark Office refusing registration of the mark THE SCIENCE DIGEST for publications. The rationale was supported on the fact that the mark was descriptive for those products, but that, additionally, the publication product did not possess the attributes described by the mark. These were considered sufficient elements for refusing the mark as a false indication of the products

(Semanao Judicial de la Federaci3n T.XCV, page 290. Toca 1977/47. Ejecutoria de 14-1-948).

It is difficult to know whether the Mexican Trademark Office would adopt the application of that thin division between "Misdescriptive" marks, which are not subject to protection, and "Deceptively Misdescriptive" marks, which are potentially registrable. In any event, an excellent idea would be that the foregoing classifications were implemented into the LIP as an additional tool for assisting IMPI and the judicial system in providing more consistent and legally acceptable resolutions in regard to descriptive and deceptive marks.

### **3.3. Trademarks that may be protected when Meeting with Certain Particular Conditions.**

#### ***[A] Geographic Marks.***

Names of geographic sites and places, including countries, regions, cities, towns and other population centers and administrative districts, famous business, industrial, commercial and amusement places and buildings are registrable in accordance with Mexican Law if they are not indicative of the source of origin of the products and services generating confusion or error in respect to such an origin. They are also registrable if the country, city, population center or place is not noted for the manufacture of products identified by the mark. This also applies for marks consisting of gentle names, maps and even the names of rivers, lakes, seas, mountains and other natural landscapes which are not normally regarded as places where the kind of products to which the mark is affixed are produced, made, extracted or grown. Names of privately owned places are also registrable when they are special and leave no room for confusion, provided that the owner consents thereto.

On the contrary, geographic names will not be registrable if they are likely to produce confusion as to the origin of the product or service or if they indicate such an origin -or "describe" it as it is said in other countries-.

Following the above-cited rules the Courts have found HAMILTON as a protectable mark for watches, COLUMBIA for glasses, FRANCO AMERICAN for food products, PANAMÁ for carbon paper; TAPATIA (female from the city of Guadalajara in the State of Jalisco, Mexico) for

threads and stamen, TULSA for tools, and MANHATTAN for clothing products.

### ***[B] Surnames***

A person's name is composed in Mexico by the given and family names, including both, father and mother family names. This is reflected in the legal treatment of surnames and makes a difference from protection given in other countries. Names of persons, including surnames as such, have been traditionally protected in accordance to Mexican Trademark Law. Article 89 (IV) of the LPPIP considered individual names to be registrable provided there were no homonyms already registered as a mark.

This restrictive legal view was up graded in the amendments of 1994. Now surnames will be protected as long as they are not likely to confuse with an existing registered mark. Additionally, the Law states that names, pseudonyms, signatures and portraits of persons, shall not be registrable as marks if no authorization is given by the interested person or, in his or her absence or incapacity, by the husband, wife and other member of the family (these are expressly mentioned in the same provision). Finally, a registered mark will not produce effects if it relates to the name of a person which is then applied as a mark on products or services, as long as this latter person applies the name in the form that is regularly used by that person and which is clearly distinguished from the homonym that is registered with the Trademark Office.

### **3.4. Non-Traditional Marks.**

#### ***[A] Titles and Characters.***

The LIP establishes that titles of intellectual or artistic works, titles of periodical publications, characters, artists names and names of artistic groups are not deemed to be registrable without the express consent of the corresponding title holder, and if inadvertently registered by the Trademark Office, the LIP grants a cancellation action against such a registration.

Additionally, Mexican Copyright Law recognizes sui generis protection for titles of publications and radio and TV programs, as well as fictitious and real characters that are remarkable original and periodically used,

among other figures, through legal protection known as "Reserva of exclusive rights". In accordance to Copyright Law, protection to "Reservas" differs from that afforded to works of authorship and relates closer to principles of trademark law. Accordingly, "Reservas" confer patrimonial rights of exclusive use to characters, titles, etc., but do not recognize additional personal or "moral" rights. From a procedural standpoint, deposit and periodical renewal are required for maintaining "Reservas" in force, as well as prove showing that the title or character has been used in connection with publications or broadcasts, among others.

Additionally, examination of "Reserva" applications is closer to that of Trademark Law, however, as the corresponding prosecution proceeding is not as well regulated and complete as that of trademarks, the Copyright Office has sometimes followed a sui generis practice, which not always should be considered as very appropriate.

Trademark, "Reserva" and even Copyright Law may intervene in protecting a particular title or character. In the practice this situation has been known as "double protection" or "triple protection". In such cases Mexican practitioners normally recommend obtaining as much protection as possible, considering the legal problems and disputes that may arise when the same character or title is in dispute among different parties. Trademark, "Reserva" and Copyrights have been confronted when someone owns a trademark registration and somebody else a "Reserva" or even a copyright registration. There are no provisions and resolutions addressing the issue. In general terms, it could be concluded that the cancellation provision of the LIP should be the guideline to follow, however, it would have only a limited effect as it is incapable to solve all potential problems that in fact could develop. Just to provide an example, how would this rule be applied if a non-authorized third party seeks and obtains a "Reserva" for a title or character owned by somebody else? Should this "Reserva" be canceled despite the absence of a senior trademark registration? These uncharted areas in the application of the "double protection" doctrine definitively affect protection of titles and characters and should be improved.

### ***[B] Three-dimensional Mark.***

Product and containers shapes, among other forms of three-dimensional designs are protectable under the LIP; however, the following four basic limitations have been imposed:

- a) That the Three-dimensional marks are not part of the public domain.
- b) That the Three-dimensional marks have not become of common use.
- c) That the Three-dimensional marks lack sufficient originality to be easily distinguished.
- d) That the Three-dimensional marks represent the shape of the product or that imposed by their nature or industrial function.

Specific comments on the foregoing point follows:

#### ***[B.1] Public Domain.***

There is not a clear and uniform criterion of what the Trademark Law should understand for "public domain". However, it appears that the meaning implies a patent connotation. In accordance to Mexican Patent Law, protection is available for designs that are novel and that are applied to industrial products, devices, containers or any other kind of forms. Novelty is restricted to the industrial forms not found in the state of the art anywhere in the world.

An industrial design may fall into the public domain if no proper and timely registration is sought therefor before it is used in commerce, in accordance to Patent Laws and Regulations. Also, it can fall into the public domain after the term of protection of the industrial design, which in Mexico is of fifteen years.

In line with the above, one should be very careful to know whether the three-dimensional device has been already exploited and whether patent protection has already been sought therefor. In the affirmative, it should be taken into account whether the corresponding industrial design registration has expired. The filing of a three-dimensional trademark application does not necessarily require that an industrial design application is simultaneously or previously filed. Protection afforded by trademark and industrial design law is alternative, therefore, it is

important that the three-dimensional mark “has not fallen into the public domain”.

***[B.2] Common Use.***

The Mexican Trademark Law considers novelty standards to be applicable in case of three-dimensional trademark. It thus will be required that the mark meets a certain level of uniqueness, and not to be reputed or recognized by the public as of common use.

***[B.3] Distinctiveness.***

As explained above, this represents a basic principle of Mexican Trademark Law. Accordingly, the following will have to be considered:

-That the three-dimensional mark shall not be confusingly similar as regards to preexisting ones.

-It also shall not be generic, descriptive or even deceptive with regard to the products or services to which it will be applied.

***[B.4] Ordinary Industrial Function***

The present requirement is related to the previous three. However, in this case the Law is intended to avoid that ordinary forms or functionality features of products, devices, containers, packages and other three-dimensional forms, are exclusively appropriated by single entities, which would be detrimental to third parties. Thus, the shape of the three-dimensional product, container, etc., will have to be distinct and unrelated to its ordinary form or function if trademark protection is intended to be made available thereto. Nonfunctional devices or features of products or packages, boxes or containers will represent the most adequate forms of protection in accordance to trademark law.

***[B.5] Additional Comments/Regulations of 1994.***

In accordance to Regulations of 1994, wrappers, packages, containers and the form of presentation of products have been expressly considered three-dimensional forms for the purpose of LIP. This regulatory provision has come to give a more precise understanding of that term, making clear that product shapes may function as three-

dimensional marks. In any event, needless is to say that they have to comply with the LIP requirements that have been explained above.

It is worth mentioning, again, that LIP does not confer protection to descriptive marks regardless how widely have been used and how much consumer recognition they possess. This has a particular importance in case of "three-dimensional marks", considering that products and container shapes may not be inherently distinctive. Frequently, it is not only the non-functional feature of the shape, wrapper, package, bottle or container, that applicants wish to protect, but additionally some features that may be not registrable or that may at least not be considered inherently distinctive. Some other times, the dividing line between functional and non-functional, useful and useless, art and industry, is just impossible to be drawn (See: Luis C. Schmidt, *La Protección de Obras Plásticas y de Arte Aplicado en México y en los Países Latinoamericanos*, Revista Mexicana del Derecho de Autor, Año V - Número 14, Diciembre - Marzo 1994, pp 11-12).

The lack of a secondary meaning doctrine makes more difficult for many three-dimensional marks to become registered under Mexican Law. Patent and Copyright Laws may not offer much additional assistance as well. However, the Trademark Office has generally taken a flexible approach in conducting registrability exams and a positive view in protecting these forms of marks.

#### **IV. OTHER NEW DEVELOPMENTS.**

##### **4.1 Rationale of the Amendments of 1994.**

As it was explained above, the Mexican Congress approved and passed substantial amendments to the LPPIP -now LIP-, with the following main purposes:

- a) Updating the LPPIP and adapting it to the requirements of modern times. Application of LPPIP since 1991 had revealed the need for some change.
- b) Harmonizing the LPPIP in compliance with the principles and provisions of NAFTA.
- c) Generally speaking, to offer more and better protection to Industrial Property.

## **4.2. Modifications in the Field of Trademarks.**

### ***[A] Well Known Trademarks.***

The new provision on well known trademarks represents one of the most relevant amendments in the LIP. It is supported on Article 1708 (6), which at the same time is grounded on Article 6 bis of the Paris Convention for the Protection of Industrial Property.

However, NAFTA additionally extends protection to service marks and defines “well known” as the knowledge of the mark resulting from the promotion that is given to such a mark in the Party’s territory (ie: advertising or public display). Also, article 1708(6) states that none of the signatory Parties shall require a prove that the reputation of the mark is extended beyond the sector of the public that normally deals with the relevant goods or services as opposed to the “public generally” (unless that knowledge of the mark is not limited to a sector of the public or a segment in the market, but it covers the public in general). (See Richard Neff et al, id. at p. 52).

Lastly, Article 1708(6), continues to establish that discretion for determining whether a particular mark is “well-known” shall vest with the “competent authority” of each member country.

The above rules are reflected in new Article 91(XV) of the LIP, which protects well known marks against any third party distinct from the legitimate owner that obtains registration thereof. These registrations will be subject to cancellation under Article 151(1). Article 91(XV) of the LIP establishes that well-known marks will be protected when a particular sector in the public or commercial circuits in Mexico is acquainted with the mark as a consequence of the commercial activities carried on in Mexico or abroad, by any person that employs the mark in connection with their products or services, as well as the knowledge that one has of the mark in the territory (Mexico) as a result of the promotion or publicity given to the mark.

As it can be appreciated, that provision complies and even extends the maximum standard requirement in both, Article 6 bis of the Paris Convention and Article 1708(6) of NAFTA. Thus, well known marks pertaining to particular sectors are protected regardless whether the commercial activity is conducted in Mexico or abroad, as long as the

particular sector in the Mexican Industry or trade becomes acquainted with said mark. In addition prove of notoriety will not only result from the use of the mark in commerce but also from the publicity reaching the territory of Mexico.

***[B] Parallel Imports.***

Mexican Law appeared to allow parallel imports in a fairly blank form. In fact, a provision was introduced in the 1991 Law in terms so broad that was supposed to allow third parties' importations of products into the Mexican territory as long as they had been legitimately introduced in commerce by the owner of registration or an authorized licensee. However, the term "legitimate" was not necessarily restricted to products qualifying for exclusive protection in accordance with Mexican Law but with the Laws of other countries as well. This necessarily would have allowed foreign fake products –but of legitimate origin in accordance with their respective local legislations- to freely enter the Mexican territory and compete with originals produced or sold in this market.

The Regulations of 1994 made clear that introduction of the product in the market of the country from which it is imported will be "legitimate" if made by the owner of the registered mark in the country of export or its authorized licensee, and that the owners of the registration in Mexico and the foreign country are the same person or corporation, or are members of the same "group of economic interest" or their licensees or sublicenses, by the time the products are imported into the Mexican territory. In addition, it would have had to comply with product standards and regulations and consumer law provisions.

A complex formula for "group of economic interest" was also provided based on the level of interrelationship between two corporations or entities and the direct or indirect control that one has over the other or others.

Notwithstanding the foregoing, the Regulations did not provide control measures for the case that parallel products of lesser or different quality enter the Mexican market without complying with requirements, standards and other specifications required by the laws or the owner of the registration. Apparently, the original draft prepared by IMPI on this provision and further submitted to the President's Office for review

approval and publication, was in favor of a system of control measures. However, it appears that it was not finally approved and now the question arises whether IMPI and the Courts would prohibit parallel imports of products not complying with quality standards or of different quality devoted to other foreign markets.

Also, nothing appears to be provided in the regulations in connection with repackaging and relabeling of gray marketed products. However, it can be expected that, if repackaging or relabeling of products is used as a means of misleading the consumer for example as to quality or origin of the products, such acts will constitute a bar to the right of the importer to bring the gray marketed product into Mexico.

### ***[C] Trademark Prosecution.***

The registration procedure in Mexican Law meets the minimum standards provided by NAFTA in Article 11708(4). Examination of applications; notice to be given to an applicant of the reasons for the refusal to register a mark; a reasonable opportunity for applicant to respond to the notice; publication of each trademark "promptly" after it is registered, and a reasonable opportunity for interested persons to petition to cancel the registration of a mark are considered in the Law. Opposition proceedings, which are not mandatory under NAFTA, are not contemplated by the Law although many experts in this country have considered them as an advisable idea.

Article 93 of the LIP has brought important modifications in regard to interpretation and application of the international classification of goods and services. In conformance with the former practice, applicants were entitled to quote entire class headings from the international classification, giving them the right to cover, extensively, every single products and services pertaining to the class of interest. This practice was used in a wide form and was applied regardless of the differences or similarities among products or services pertaining to any particular class.

In accordance to the new provision of LIP, applicants will be required to particularly cite the "species" of products or services that they wish to protect. The amendment is focused to reducing the scope of

applications, as much as possible, so to avoid that they cover products or services that are not in use or are not going to be used in the future.

The Regulations have confirmed the foregoing by stating that the names of products and services indicated in the application shall have to be specifically referenced as they appear in an "alphabetic list" and related rules of application as they will be published in the Patent and Trademark Gazette. IMPI is expected to publish the list of products and services soon, which will bring major definition of what will be understood for the "species" of products and services that applicants will be authorized to cite in their applications. Also, IMPI will be allowed to follow its own practice and interpretation on how the classification should be applied if particular products or services can not be found in the "alphabetic list".

Notwithstanding all that interesting modifications and additions, there is still much to say in regard to the issue under present discussion. Presently, the question has arisen as to the extent and scope of the afore-mentioned provision, in as much as applicants will be allowed to cite, in their applications, as many "species" of products or services that may be desired, provided that they pertain to the same international class.

IMPI will need to review, very deeply, some of the practices that it has traditionally followed. Accordingly, examiners will have to start conducting real searches, as thorough and comprehensive as the circumstances surrounding the particular case may impose it, before any mark is passed for registration. For that end, searches will have not to be limited to the particular class for which the mark has been applied as examiners normally do. The foregoing may represent just an example of the effects that the amendments to the LIP will bring. The purpose of that measure is positive, however, it depends on practitioners and much more on IMPI whether it will be finally beneficial or not.

### ***[D] Cancellation Proceedings.***

A cancellation action is available "when the trademark is identical or confusingly similar to another that has been used in the country or abroad prior to the date of filing of the application for the registered mark and is applied to the same or similar products or services,

provided that the person who asserts the greater right for prior use proves having used a mark uninterruptedly in the country or abroad prior to the filing date or, in such case to the date of first declared use by which he registered it".

Formerly, second and third paragraphs of article 151 of the LPPIP referred to nullity action in case that a mark was filed for registration after the date of first use in Mexico -second paragraph- or abroad -third paragraph- of an identical or confusingly similar mark. In case of use of trademarks abroad, the Law required the additional existence of a foreign registration as well as a reciprocal provision benefiting Mexican trademark owners in the country of origin. The "reciprocity" requirement had represented a burden impossible to meet as there was no other foreign legislation (probably excepting the French) conferring a similar right to Mexicans. (See Antonio Belaunzarán and Luis C. Schmidt, Nullity and Lapse Actions under Mexican Law, Trademark Yearbook, Managing Intellectual Property, London, U.K. pp. 96 - 97).

Accordingly, that burden was abolished with the amendments of 1994, and since then foreign trademarks, whether well known or not, which have been in use uninterruptedly, and such use having commenced prior to the filing date of a Mexican registration or date of use declared in the corresponding application, will be awarded with cancellation actions. This is definitively a very broad provision probably not found in any other statute or law in the rest of the world.

#### **4.3 Very Brief Comments on the Modifications in the Field of Procedures and Enforcement.**

##### ***[A] Introduction.***

It has been said that there is no real intellectual property system if the corresponding enforcement mechanisms are weak or if they are nonexistent at all. Mexican Industrial Property and Copyright Laws have been long criticized for lacking adequate enforcement measures. Thus, as the main concern of the legislator was to simplify and give strength to industrial property rights' procedures, harmonizing them with the international compromises undertaken by the Government of Mexico, it is then understandable why the amendments emphatically focused in

the review and analysis of former enforcement structures and why replacement for a more effective system was intended.

***[B] Administrative and Civil Procedures.***

New proceedings such as “discovery”, nonexistent under Mexican Laws, have been introduced in the LIP in all those cases when evidence is kept in control of the opposing party and is relevant in support of a particular claim. The LIP has set new rules in this respect and sanctions for the case that the opposing party refuses to provide the requested evidence or blocks access thereto. The foregoing provisions deal specifically with Articles 1715(2)(a) and (b) of NAFTA. However, it has to be noted that the LIP conferred upon IMPI and not the Courts –as it traditionally should have been made –the powers to undertake the foregoing action and for issuing orders to opposing parties to produce the evidence. This is different from the practice in Canada and the U.S. and has been questioned by many commentators and experts in Mexican Procedural Law. It remains to be seen whether the Courts will be giving support to that portion of the amendments.

***[C] IMPI’s Enforcement Powers.***

In line with Article 1715(2)(c) of the NAFTA Agreement, IMPI (and again not the Courts) will be empowered to issue orders for deterring infringement, enjoining and restraining infringing parties not to continue with the activity and removing from circulation of commerce any infringing products as well as the means for producing and advertising them. The IMPI will also have the authority to have infringing products and instruments disposed out of commerce or destroyed in compliance with article 1705(5) of NAFTA. Prior to the amendments an injunction relieve provision was something not recognized in Mexican Law.

***[D] Preliminary Measures.***

Following NAFTA’s main goal of achieving more expedite justice by offering “prompt and effective” provisional measures [NAFTA, Article 1716(1)], the LIP has conferred on IMPI an authority to issue preliminary measures orders for preventing infringement as long as the same threshold stated in Article 1716(2) of NAFTA is complied with. Thus, the moving party shall be required to prove to be the owner of the industrial property right and that such right is being infringed or that

infringement is imminent, or that delay in such measures will likely causes irreparable harm to the owner or the right, or that the possibility that the evidence will be destroyed may arise against infringer or third parties, because of the application of these measures.

### ***[E] Sanctions***

The great majority of acts that are considered as crimes by the LPPIP will be reduced to administrative remedies, but this type of sanctions will be strengthen. The only criminal provisions that will remain will deal with trademark counterfeiting and violation of trade secrets, including its unauthorized disclosure, use and appropriation.

As to administrative sanctions, fines have been doubled from 10,000 up to 20,000 times the general minimum wage in the Federal District, but criminal sanctions have remained from two to six years in prison and fines for the amount of one hundred up to ten thousand days of the daily general minimum wage in the Federal District.

Pursuant civil actions, the LIP has introduced a provision stating the possibility to pursue recovery of damages of civil nature before the corresponding judicial authority, and the amount shall not be less than 40% of the retailing price of each product or service that infringes the LIP.

## **USE OF TRADE MARKS IN MEXICO**

*Trade Mark Yearbook 1997, Managing Intellectual Property.*

Patents and trademarks are protected in Mexico under a federal statute known as the Law on Industrial Property (LIP). The LIP follows a dual system based on the registration and use of marks.

### **Registration**

Registration confers nationwide exclusive rights as of the date of grant, regardless of whether use of the mark would be confined to a particular territory within the Mexican Republic. Anyone who uses the mark after the registration has been issued would be infringing trade mark rights even if the use is made in a region where the registrant has not used its trade mark, or has no plans or intention in doing it in the future.

### **Use of marks**

*Bona fide* and uninterrupted prior use of a mark would confer the user a right to seek cancellation of a conflicting registration. It would also give the user a right to defend from infringement actions brought on the grounds of a junior trade mark registration.

As Mexican experience dictates, complex questions and issues can be raised from the application of a mixed system such as the one followed by the LIP. Territorial considerations require additional analysis in context of the use and registration of marks. For practical purposes all the foregoing could be classified as follows.

#### ***Hypothesis A: Two or more parties use the same or similar mark, without any one of the parties having obtained a registration***

In this case, none of the parties would be entitled to infringement actions against any other user of the same or similar marks. Considering that infringement actions would be inferred from the existence of trade mark registrations only, it would be possible that the same or similar marks co-exist and overlap in the Mexican territory, or a particular state, region, city or town.

***Hypothesis B: The senior user obtains registration for the same or similar mark***

Here, the LIP would find a clear cut situation: A senior registrant would be entitled to infringement action against any junior users of the mark. The same would happen if the junior user started doing business before the filing date of the application, but after the date that the senior user started using the mark by its own. However, in an eventual litigious situation based on the foregoing grounds, the senior user/registrant may be requested to show use of the mark without the interruption for all that time. As to the territorial aspect, the senior user/registrant would have standing to take action even if it is doing business in a limited part of the Mexican Republic, or it has not used the mark where the junior user is doing business.

***Hypothesis C: The junior user of the mark or someone not having used it obtains registration for the same or similar mark***

Defense: An existing registration cannot be used for opposing the good faith previous user of the identical or confusingly similar mark that has been used on an interrupted basis, and in the event that the registrant would proceed with an infringement action, the senior user may assert the foregoing arguments in defense.

The *user/defendant* would bear the obligation to prove that it has used the mark without interruption, prior to the filing date of the junior user's application or the date when it used the mark for the first time. If that is proven to the satisfaction of the Trade Mark Office in the infringement action, the senior registration would not produce effects against such a prior use. In addition, the senior user would be entitled to request registration of the conflicting trade mark. However, for that end the law would require that the application is filed within three years following the day on which the registration was published, and previous to the request and obtaining of a declaration of nullity of said registration.

A question arises as to what would happen if the foregoing is not met by the senior user or if the term of three years would have expired. The answer is not easy. However, commentators in Mexico would probably agree that co-existence of the marks would be difficult to avoid in such a case, irrespective of the region where the marks have been used.

## **Important issues**

The Trade *Mark* Law grants a cancellation action against senior registrations conferred by the Trade Mark Office, when the registered mark is identical or confusingly similar to the one that has been used in the country, or even abroad, prior to the date of filing of the application for the registered mark, and is applied to the same or similar products or services, provided that the person who asserts the greater right or prior use proves having used the trade mark uninterruptedly in the country or abroad prior to the filing date or, in such case, to the date of first declared use by which he registered it.

The territorial aspect in hypothesis C bears particular mention. Under Mexican Law, it would be possible, for example, that the senior user of a mark takes a cancellation action against a junior registration, regardless of how wide or reduced is the area or region where the senior user has been doing business. Similarly, if a junior registrant files an infringement action against the senior user of the same or similar mark in a limited area, this latter party may assert a prior use defense that, if successful, would extinguish the action, and would allow such a senior user not only to continue using the mark in that limited area, but also to expand business to the entire country.

The foregoing would be possible notwithstanding the existence of a federal registration. The question arises then whether concurrent registration proceedings should be implemented in the LIP. The ultimate purpose of concurrent registrations is avoiding confusion by granting protection to independent users of the same or similar mark, all of them having certain rights from the use or registration of the conflicting mark. The concurrent user registration would confine the users to the region where they are effectively using the marks. Accordingly, use of marks in limited areas would not necessarily represent a standing for the cancellation of federal registrations, which would finally benefit the dual system of use and registration.

## **TRADEMARK LICENSING AND FRANCHISING**

*Report Q 116, June 12 - 18, 1994, Annuaire 1993/IV.*

*Copenhagen AIPPI Exco.*

### **I. Definition of a trade mark licensing agreement and a franchise**

#### **A. A trade mark licence**

##### **1. Is there a definition of a trade mark and, if some, what is it?**

Industrial Property is ruled in Mexico principally through a statute known as the "Law For the Promotion and Protection of Industrial Property" (LPPIP), which was published in the Federal Government Gazette of June 27, 1991 and became effective as of June 28, 1991. Besides patents, said statute of Congress represents the legal instrument aimed to protecting trade marks, service marks, collective marks, commercial or trade names, slogans and appellations of origin. The foregoing are defined as follows by the LPPIP:

#### **A. Marks (term comprising trade marks and service marks):**

"Understood as a mark is every visible sign that distinguishes products or services from others of their same kind or class in the market". (Article 88, LPPIP)

"The following signs may constitute a mark:

I. Visible, sufficiently distinctive names and figures, capable of identifying the products or services to which they are applied or attempted to be applied, against other products or services of their same kind or class;

II. Tridimensional forms;

III. Trade names and denominations or corporate names, provided they do not fall in the following article; and

IV. An individual's own name, provided there is no homonym already registered as a mark". (Article 89, LPPIP)

**B. Collective marks:** "Legally incorporated associations of producers, manufacturers, merchants or purveyors of services may apply for the registration of a collective mark to distinguish in the market the

products or services of their members from products or services of such persons who are not members of said associations". (Article 96, LPPIP)

**C. Slogans:** "Deemed to be slogans are the phrases or sentences whose purposes is to advertise to the public establishments or commercial, industrial or service businesses, products or services, to easily distinguish them from others of their kind". (Article 100, LPPIP)

**D. Trade names:** "The trade name of a company or industrial, commercial or service establishment, and the right to its exclusive use will be protected, without the need of a registration. The protection will cover the geographic zone of the actual clientele or the company or establishment to which the trade name is applied, and will extend throughout the entire country if there is a massive and constant dissemination thereof at the national level". (Article 105, LPPIP)

**E. Appellation of origin:** "Understood as an appellation of origin is the name of a geographic region of the country which is used to designate a product that originates there, and the quality or characteristics of which are due exclusively to the geographic medium, which includes natural and human factors". (Article 156, LPPIP)

## ***2. Is there a definition of a trade mark licence and, if so, what is it?***

The Mexican LPPIP does not convey any particular definition of trade mark license, however, from the combination of some of the provisions in said statute a legally acceptable concept can be obtained:

a) First of all, in accordance to the LPPIP, "the holder of the registration of a mark may grant, by means of an agreement, a license to one or more persons respecting all or some of the products or services to which the mark is applied..." (Article 136, LPPIP). Although not expressly mentioned by the LPPIP, the holder of a trade mark registration may license any rights arising therefrom, but most frequently the right for the use of the mark in the manufacture and commercialisation of a product or the rendering of a service. Also, due to the nature and scope of the exclusive rights in a trade mark registration, its owner is entitled to decide whether to grant the corresponding license on an exclusive or non-exclusive basis, with an additional right to sublicense and covering the entire Mexican Republic or a particular territory therein.

b) Secondly, the LPPIP imposes an obligation of quality control by stating that "the products that are sold or the services that are rendered by the user must be of the same quality as those manufactured or rendered by the holder of the mark..." (Article 139, LPPIP). Further comments in this regard can be found at 3 a) below.

c) The LPPIP further establishes that "the use of the mark by the user to whom a license, recorded with the Ministry, has been granted, will inure to the benefit of the owner of the mark". The present provision as the foregoing one is aimed to protecting uniformity of trademarks and the goodwill backing them. More detailed comments in this regard can be consulted at 3 b) below.

d) In order to achieve a quality and uniformity standard in the manufacture of products or the rendering of services under the licensed trade mark, it seems warranted that licensor shall have to disclose information and to provide training and technical assistance to licensee, pursuant to the procedures and techniques for the manufacture and commercialization of the products and the rendering of the services. Accordingly, it is commonly observed in complex trade mark license agreements that they include knowhow and confidentiality clauses in connection with the quality control and training programs by licensor.

e) Finally, as to consideration, it is frequently found that licensee pays a license fee in the form of a lump sum and/or a fee measured by the number of products sold or by gross sales.

From the above, and based on the principles and provisions of the LPPIP, a trademark license could be reputed as a form of business, represented in a contract, in which licensor will grant to licensee the right for using his trademark in connection with the products manufactured and commercialized or the services rendered by said licensee, under an exclusive or non-exclusive basis, with the option of an additional right to sublicense and for the Mexican territory or a part of it. In other words, a trade mark license agreement allows licensee sharing a portion of the goodwill associated with the licensed trade or service mark, in exchange for a consideration that is commensurate with such goodwill. Accordingly, licensor will be interested in expanding his operation or business by letting third parties using his trademark in return of a royalty. Licensee will only be interested in paying for the

value of a trademark or service mark carrying sales and increasing profits. In addition to the particular interest of licensor and licensee, the LPPIP protects the legal interest of that non-measurable entity being the consumer public from any form attempting against uniformity of a licensed trade mark. In fact, this justifies in a very important manner the LPPIP's policy of combating the so-called naked licenses, by promoting quality control provisions, which are mandatory according to the Law itself.

Lastly, the Mexican doctrine has provided various definitions of trade mark license, deserving special mention the one made by Dr. David Rangel - Medina in the "Revista Mexicana de la Propiedad Industrial y Artística "(La Licencia de Explotación de Marcas en el Derecho Mexicano, number 4, July - December 1964, at p. 279):

"The condition of authorized user arises from an agreement entered into by the owner of the trade mark and an individual or legal entity who agrees employing the same manufacturing procedures and technical formulas, in order that those products by the registration owner and those of the user are equivalent. The exchange to complying with said substantial obligations, said person shares the exploitation of the trademark. The document in which the agreement is written is known as license for exploitation of the trade mark".

### ***3. Are there specific provisions concerning a trade mark licence and what are those provisions?***

Following are comments to provisions in the LPPIP regulating trade mark licenses as well as to clauses usually contained in these kind of agreements and compatible with the LPPIP, although not necessarily included in the statute in an express manner:

**a) Quality Control:** Article 139 of the LPPIP - referred to at 2 b) -, does not particularly point out who bears the quality control obligation referred to above. However, it can be obtained therefrom that, on the one hand, licensee shall have to manufacture its products or render its services following the standards and guide-lines dictated by licensor in order to at least achieve the same level of quality as to the products or services of this latter party. On the other hand, licensor is bound to keep control of licensee's products or services quality standards, which not

only has to be considered as a right, but as well as a commitment on its behalf for monitoring, testing and approving licensee's products or services. Considering that one of the main objectives of the LPPIP is that trade marks remain as instruments for standardizing quality in a uniform manner in the benefit of consumers, we have to understand the quality control provision as broad as possible and as a result, the authority of licensor to control quality of licensee's products or services going beyond the simple approval of the products or services themselves, but also of the manufacturing or production techniques and procedures.

As to enforcement of the quality control provision, Mexican law would most likely support termination of trade mark license agreements on the basis of breach of quality control clauses. However, it remains to be seen what actions could be taken if the license agreement does not convey a quality control clause. Perhaps, the Trademark Office would be entitled to refuse recordal of the agreement for contradicting the public interest; also, although never explored or tested before in Mexico, there should be the possibility that the members of the general public file consumer class actions against the parties' failure in taking adequate measures for procuring uniformity of the licensed trade mark.

**b) Recording System:** The LPPIP has introduced an assignment and license recording system, having similarities with the Anglo-Saxon registered user system. In keeping with this, article 136 of the LPPIP states that "the license shall be recorded with the Ministry in order for it to be enforceable against third parties". In addition, article 141 of the LPPIP establishes that "the use of the mark by the user to whom a license, recorded with the Ministry (Trademark Office), has been granted, will be deemed to be used by the holder of the mark".

As in some Anglo-Saxon jurisdictions, the idea surrounding the requirement of the LPPIP for recording license agreements, in order for a trade mark's use made by a licensee to inure in the benefit of licensor and owner of the registration, arises from the principle of uniformity in the quality of the products manufactured or services rendered under the licensed trade mark. Thus, in those cases licensee's use of licensor's trade mark will be made as if it was made by licensor himself. The recordal requirements have the intention that the Trademark Office is able to trace, from the official records themselves, if steps have been taken for imposing quality control provisions as to uses of the trade

mark made by any authorized user. However, as in practice a single license recordal has been considered as sufficient ground in order for licensee's use of the trade mark to inure in the benefit of licensor, it is unclear whether in case of multiple users of said trade mark, the lack of recordation of any of them would produce abandonment of rights and the availability of sanctions against licensor for non-compliance with *the* afore-mentioned quality control legal provisions.

In accordance with the LPPIP, license recordals have no longer the purpose of producing legal effects, prior to strong scrutiny and approval measures as it used to be with the former Technology Transfer Law (LTT). Nowadays, recordations are not mandatory but are anyway recommended in order that they produce effects against third parties and the Trademark Office has now the authority to refuse and reject recordations of licenses and assignments in case of public interest, as well when the applicability of the LPPIP is expressly excluded from the respective agreement, without detriment to the fact that the parties may submit any dispute or controversy to international arbitration.

**c) Cancellation of a license's recordation:** Pursuant cancellation of the recordal of a trade mark license agreement, article 138 of the LPPIP establishes the following:

Cancellation of the recordation of a license will be available in the following cases:

"I. When jointly requested by the holder of the mark and the user to whom the license was granted;

"II. As a result of the nullity, lapsing or cancellation of the registration of the mark; and

"III. By a court order". (Article 138, LPPIP)

The foregoing provision is directed to protecting licensee's interest in keeping with the licensing relationship, in those cases when licensor unilaterally terminates the agreement without licensee's will concurring as to that end. Thus, for instance, if licensee should not accept or recognize the termination of the license or rescission of the same, notwithstanding the fact that the license has terminated or can be rescinded in accordance with the terms agreed upon by the parties,

licensor will have to resort to a Court of Law seeking for the corresponding judgment, so the provisions of the Commerce Code, Civil Code, Codes of Procedures and the LPPIP would be applicable.

**d) Legal Actions:** The last specific provision governing trade mark license agreements is article 140 of the LPPIP, which states that "the user to whom a license has been granted and who is recorded with the Trade mark Office, will be entitled to exercise legal actions to impede the counterfeiting, imitation or illegal use of the mark, as he himself was the holder, unless otherwise agreed upon".

It is important to take into account that no additional legal restrictions or obligations are imposed by the LPPIP, besides the ones that we have referred to above. As the LTT was abolished as a result of the implementation of the LPPIP, it is now the will of the contracting parties that rules trade mark license agreements, in general terms. However, restrictions can sometimes be found in laws and other provisions regulating specific subjects, such as tax law - that for example, would consider a disproportional and unreasonable royalty as only partially deductible-, or antitrust law - in this regard please refer to comments in the corresponding chapter below-.

***4. Are there provisions concerning collective or certification marks, and, if so, is there any obligation imposed by regulations on the users of such a collective or certification mark?***

The Trademark Laws in Mexico does not recognize protection for certification marks; however, as to collective marks, the following provisions are found:

"Legally incorporated associations of producers, manufacturers, merchants or purveyors of services may apply for the registration of a collective mark to distinguish in the market the products or services of their members from products or services of such persons who are not members of said associations". (Article 96)

"Together with the application for the collective mark, it will be necessary to submit a list of the associates and the rules for use of the mark. Once the registration of the collective mark has been obtained, the association shall notify the Ministry of any changes that occur in the list of associates". (Article 97)

"The collective mark may not be transferred to third parties, and its use is reserved to the members of the association. Collective marks will be governed, in absence of a special provision, by the provisions of this law relating to marks. (Article 98)

## **B. A franchising agreement**

**1. Does domestic law include provisions which are specific to a franchise, and if so, what are they?**

***In this case, what definitions are laid down by the law? If there are no legal definitions, what are the definitions which are admitted by case law, of it there are none, what definitions could be suggested?***

The LPPIP provides the following as a legal definition for a franchise:

"A franchise will exist when, with the license of a mark, technical knowledge is transmitted or technical assistance is provided, allowing the person to whom it is granted to produce or sell products or render services uniformly and with the operational, commercial and administrative methods established by the holder of the mark, for the purpose of preserving the quality, prestige and image of the products or services distinguished by the mark.

"Whoever grants a franchise shall provide to the person to whom it is intended to be granted, prior to the execution of the respective agreement, information about the status of his business, in the terms established in the Regulations of this Law.

"The provisions contained in this chapter will apply to the recordation of a franchise". (Article 142, LPPIP)

**2. Does legislation include particular rules as regards a franchise, especially in relation to territorial restrictions, an obligation to register the agreement, protection for the franchised parties in the event of expiration of the agreement, and responsibility for the fact of the product. In the absence of a legislative provision, are there rules which have been laid down by case law or doctrine?**

Mexican law has recognized franchise and trade mark licenses as two different forms of doing business and accordingly, as two different forms of agreement, which despite some similarities, are independently conceived and governed. The basic similarity arises from the fact that in both it is a trademark that constitutes the core of the business. A second similarity arises from the fact that the two forms of agreements share the same historical root. However, they both developed afterwards taking different directions and aimed to resolve essentially different situations.

In line with the above, trade mark licenses are found in every franchise agreement but not every trade mark license will necessarily be forming part of a franchising agreement. Also, quality control provisions and even know-how and confidentiality clauses can be found in both type of agreements, which can be understood precisely from the fact that the trade mark represents the ground on which both forms of agreements rely.

The first forms of franchising that appeared in Mexico can be found back during the decades of the 50's and 60's, and are now identified by the experts as "franchises of the first generation". The most suitable example can be found in the automobile distribution business and further in the soft drink bottling and distribution industry. However, as the franchising business has been developing in Mexico, it is now virtually impossible referring to such "first generation" franchises as real franchises, if they only represent basic forms for distributing products by dividing territories.

The term "franchising" remained associated with the division of a market into various fragmented territories until the last decade, when a modern concept of franchise known as "business format" became effective as a result of the changes in Mexico's protectionist policies of the 70's and 80's. Essentially a franchise is still a form for producing and distributing goods or rendering services, but presently based on a "system", comprising a complete marketing, operation, commercial and administrative strategy or method established by the owner of the mark and that is planned to be disclosed to third parties, whose work and investment will contribute to a business expansion that otherwise would not have been reached by franchisor. Therefore, as the use of the trademark will be permitted to a multiplicity of parties, which requires

strict uniformity standards, it is of utmost importance that they all follow the same instructions and comply with the same rules in the production and distribution of the products or the rendering of the services.

The relationship between franchisor and franchisee has become in Mexico one of a close participation, in which franchisor is constantly assisting franchisee in accomplishing the purposes of the franchise and in which franchisee works for implementing franchisor's ideas and indications. This type of business requires franchisee to be acquainted with how the "system" works and franchisor to exercise tight quality control measures. In Mexico it is a common practice that only information related to the franchise shall be contained in manuals that are handed to the franchisees as part of the deal.

Being a "system" integrated by a diversity of elements, a franchised business can include not only trademarks but patents, copyrights and other intellectual property rights as well, which are normally licensed as part of the franchise agreement. The territory of the franchise constitutes a very important element in this type of business frequently divided according to demographic distribution and market needs. The only restrictions that are imposed in a franchise agreement are those established by franchisor as there are none imposed by the LPPIIP; in any event, it has to be borne in mind that due to the nature of the franchise itself a plurality of users of the trademark will be strategically distributed along the Mexican territory, attending to the demographic and market criteria explained above.

As to consideration in a franchise agreement, a royalty is not only justified because of the licensing of trade marks and other intellectual property rights, but also in connection with the range of services that franchisor renders to its franchisees and the investment made by licensor in the development of the "system" and programs surrounding it, including publicity and marketing strategies. In addition, it is common in Mexico that licensor charges a so-called "franchise fee" which is paid at the time that the agreement is executed and which has the purpose of reimbursing the expenses in which franchisor incurred for preparing the execution of the business arrangement.

Under Mexican LPPIIP, franchisors are required to provide to a potential franchisee, information about the status of his business, in the terms

established in the regulations of the LPPIP. Although no regulations have been published so far, it is expected that the obligation in behalf of franchisor for disclosing its business and financial information to the prospective franchisee - "offering" as it is known - will not exceed the scope that is actually required in other countries.

Finally, the LPPIP states that the recordal provisions that were previously discussed for the case of trade mark licenses shall be applied to franchise agreements as well.

### **III. Line of demarcation between trademark licensing and franchising agreements**

1. What are the essential element of a trademark licensing agreement and a franchising agreement?

A) An obligation on the part of the franchiser to give the franchised party all financial and other information relating to this activity, which may be decisive in terms of inducing a new franchised party to sign the agreement.

B) Transfer of the technical and commercial know-how. In this the determining element in the franchising agreement?

C) Quality control in respect of the products or services.

Does such quality control also exist in regard to a trade mark licensing agreement, and is it then exercised at a different level, in relation to a franchising agreement?

While discussing the elements of trade mark licenses and franchising agreements, it was mentioned that although they both share characteristics in common and are strongly framed on trademarks, they actually represent two different forms of doing business directed to resolve different problems.

Notwithstanding the foregoing, and in case of a vis-a-vis analysis of the two forms of agreement the following dividing lines can be drawn:

a) The LPPIP requires franchised to disclose information about his or her business to franchisee, which this is not an obligation imposed by the LPPIP in case of licenses;

b) As to transfer of information, it is frequently found in franchise agreements, but also in most type of license agreements, depending on its complexity level;

c) Quality control provisions are equally required by the LPPIP in both types of agreements. However, franchises deserve a special attention as to quality control in general terms, considering that it will be normally a large number of franchisees that will make use of the franchised trade mark. However, a franchise will never be granted on exclusivity as it is frequently the case of trade mark licenses;

d) Licensor shall not provide ancillary services to licensee and shall not make licensee participate in any kind of marketing, administrative or operative plan or strategy, which is essential in any franchise agreement.

e) As a difference from a franchise agreement, the licensor may condition the licensee to meeting minimum sales quotas or other performance criteria during each year of the license agreement. Some trade mark license agreements provide that failure to meet minimum sales quotas or make minimum royalty payments will result in loss of exclusive use of the mark, while others provide that the failure to meet such quotas gives the licensor the right to terminate the license.

2. Independently of a franchising agreement, the proprietor of a trade mark may be induced to grant enjoyment thereof to a number of licensees

On the other hand, some countries make provision for a collective or certification trade mark.

Regulations in respect of use often include obligations on the part of the users of such a collective or certification mark, with the possibility of monitoring.

The owner of a trade mark registration has the right to decide whether to grant licenses his trade mark or not and there is no obligation set by the LPPIP on his behalf for doing it. However, in case of franchises, their objectives will be fulfilled only if a trade mark is licensed as it is this element the core of the agreement.

The LPPIP does not provide whether a trade mark, a service mark or a collective mark are to be the subject of a franchise agreement; it should be possible to have any of the three as no restrictions are imposed by the LPPIP. However, a collective mark requires an association to be the owner of the registration, which would be difficult in case of a franchise agreement. In keeping with this idea, use requirements could have very different purposes in both cases.

### III. Anti-trust rules

A trade mark licensing agreement and a franchising agreement may fall foul of antitrust rules.

Before fully addressing the present question, the rules of unfair trade practices in commerce deserve some previous comment. Formerly, restrictive practices and limitations were expressly prohibited and controlled in most intellectual property licensing and technology transfer agreements. This was governed by the so-called Technology Transfer Law, which was however repealed in June 1991, at the same time that the new Law for the Promotion and Protection of Industrial Property (LPPIP) was implemented. Among other provisions, the LTT prohibited tying arrangements, confidentiality covenants beyond the expiration date of agreements, and limitations in general that could attempt against the strict technology transfer policies of former governments.

After the LTT was repealed, the old principle stating that the intention and will of the contracting parties shall rule the legal relationships between them was incorporated as the governing rule in intellectual property licenses and assignments.

Notwithstanding the foregoing, on December 24, 1992, a new law entitled "Federal Law of Economic Competition" (FLEC), was published in the Federal Official Gazette, in force as of June 24, 1993, with the aim of ensuring free competition by preventing and eliminating monopolies, monopolies practices and any restriction to the efficient functionality of every market of goods and services.

The FLEC objectives are avoiding monopolies and monopolic practices, including trusts and cartels; in fact, the provisions of such statute are so broad that comprise unfair trade and restrictive practices in commerce - including all type of agreements-, if they are directed to diminish,

distort, impede or block competition in the production, processing, distribution and commercialization of goods and services.

The statute has set a distinction between the so-called "absolute practices" and "relative practices". The first category prohibits and sanctions any act that attempts against free competition under any angle and the latter relates to practices requiring a more detailed and exhaustive analysis for ensuring that they attempt or distort free competition. Such distinction has thus the purpose of establishing different levels in the application of the rules and sometimes of the FLEC.

With regard to "relative monopolic practices", the FLEC further establishes that in order to determine whether it has been infringed, it must be shown that the licensor has "substantial power" over the "relevant market" and that the violations upon the law are made respecting the goods or services of the corresponding "relevant market".

The FLEC understands that in order to determine the meaning of "relevant market", the possibilities of substituting the good or service by third parties, should be considered in addition to the costs of the good itself, of its raw materials, components and substitutes in other regions or foreign countries and the government restrictions imposed on them. Also, the FLEC understands as "substantial power" over a market, the fact that a particular entity has power to fix prices unilaterally or to restrict the supply of the good in "relevant market", without an opportunity for competitors to contra rest said power.

As it can be appreciated the provisions of the FLEC are so broad that could be extensively applied to restrictive practices in a license or franchise agreement. However, it seems that application of these rules will be more justified in case that the particular goods are considered as non staple. Accordingly, we believe the more possibilities customers have to find the same or substitute products in the market from third parties competing against licensor, the more likelihood will exist that the authorities in charge of governing this law will apply the sanctions and remedies offered by such law. Such sanctions represent administrative fines and orders of suspension, correction and suppression of the infringing practice.

In conclusion, after the LTT was repealed there was no doubt that most restrictive practices in licensing agreements were seemed to be considered legal, as long as the contracting parties agreed upon in that direction. However, after the implementation of the FLEC restrictive and monopolic practices could be pursued again, in those cases in which a "relevant market" is undertaken by a single entity representing a "substantial power". It has to be realized that this law would most likely not cover ordinary situations, but rather situations in which there is a real or monopolic practice.

## Summary

Mexican law has recognized franchise and trade mark licenses as two different forms of doing business and accordingly, as two different forms of agreement, which despite some similarities, are independently conceived and governed. The basic similarity arises from the fact that in both it is a trademark that constitutes the core of the business. A second similarity arises from the fact that the two forms of agreements share the same historical root. However, they both developed afterwards taking different directions and aimed to resolve essentially different situations.

In line with the above, trade mark licenses are found in every franchise agreement but not every trade mark license will necessarily be forming part of a franchising agreement. Also, quality control provisions and even know-how and confidentiality clauses can be found in both type of agreements, which can be understood precisely from the fact that the trade mark represents the ground on which both forms of agreements rely.

Franchise agreements have evolved in Mexico from the "first generation" franchises, which were closer to distribution agreements to franchises of "business format, which have become real "systems", comprising a complete marketing, operation, commercial and administrative strategy. Therefore, the franchise will be surrounded by very complex legal and business requirements, which in most cases differ from those observed in license agreements.

On the other hand, trade mark license agreements in Mexico have also matured through the passing of time and its complexity has also

increased, however, in most cases the relationship between a licensor and a licensee shall be not as close as franchisor's and franchisee's, considering that besides technical assistance and training, licensor will normally not provide ancillary services and the operation, administration and marketing policies of licensee's company will be set up by this latter party.

## **MEXICO'S HEALTH LAW THREATENS DRUG TRADEMARKS**

*IP Worldwide, May/June 1999.*

### **Mexico's Health Law Threatens Drug Trademarks**

Over the past six years, the world's pharmaceutical companies have been faced with new and steadily increasing trademark troubles. Their difficulties began on May 12, 1993, when the World Health Assembly announced resolution WHA 46.19<sup>[1]</sup>.

This resolution was intended to end the confusion caused by the marketing of generic drugs under trademarks and brand names derived from the drugs' international non-proprietary names. Such use could "compromise the safety of patients by creating confusion in prescribing and dispensing medicines and by interfering with the orderly development of nomenclature for international non-proprietary names<sup>[2]</sup>".

Accordingly, the World Health Organization (WHO) declared there was an urgent need to discourage the use of trademarks that are derived from international non-proprietary names (INNs)<sup>[3]</sup>. WHO asked Member States to enact appropriate rules and regulations to ensure that pharmaceutical manufacturers will be encouraged to create and market generic drugs (after the appropriate patent terms have expired), manufacturers will be pressured to rely on their corporate name and INNs, rather than on trademarks, in their labeling and marketing of drugs; manufacturers will use and prominently display the INNs of their products; and manufacturers will be discouraged from using of trademarks derived from INNs – particularly marks containing established INN stems<sup>[4]</sup>.

This WHO resolution was not well received among the world's pharmaceutical laboratories, especially those that devote considerable efforts in the difficult task of researching, developing, marketing and promoting their patented drugs through trademarks and other distinctive symbols. The WHO resolution would not only place a burden on the use of trademarks for generic drugs, it also would impose limitations on the generally accepted industry practice of using trademarks derived from the common stem of INNs<sup>[5]</sup>.

The pharmaceutical industry recognized that WHO's objectives were, to a certain extent, reasonable. The use of INN stems in trademarks had made it difficult to choose distinctive brand names for generic drugs.

However, the industry thought it was unreasonable and harmful to avoid using trademarks on generic products, and instead, force manufacturers to market the drugs under their corporate names. The industry also objected to any requirements that the INN be prominently displayed.

As commentators have noted, "after patent protection expires, the trademarks is the most valuable asset a product often carries in the marketplace,<sup>[6]</sup>" "So pharma companies need brands, lots of them. Brands that patients will remember and associate with their condition.<sup>[7]</sup>"

Distinctive trademarks can also help patients, increasing the likelihood that they get the right drug for their condition. "While in other areas avoiding confusion is very important, with pharmaceuticals, you could be talking about life or death<sup>[8]</sup>".

The pharmaceutical industry has further argued that it is necessary to clarify the term "common stem", or else the "industry will not know which trademarks are acceptable and which unacceptable to individual trademark authorities.<sup>[9]</sup>" Industry representatives have suggested that all future common stems should be suffixes and should contain at least five letters, and that all future variable parts of generic names should be prefixes and should contain at least four letters<sup>[10]</sup>. Under this suggestion, Health Authorities throughout the world could make a more objective decision on whether to accept or reject trademark applications for drugs<sup>[11]</sup>.

## **Mexico responds**

On May 7, 1997, the Congress of Mexico amended the country's 1984 Health Law and opened the market to generic pharmaceuticals. Before this amendment, the manufacture and distribution of generic drugs was restricted to specific areas within the government and public health sectors.

However, one part of 1997 amendments were clearly written in order to comply with resolution WHA 46.19. Article 225 of the Health Law states,

in part, that “pharmaceuticals, for use and commercialization, must be identified by their generic and distinctive names.<sup>[12]</sup> Use of the generic name shall be mandatory”.

Article 225 goes on to prohibit the drug’s distinctive name from explicitly or implicitly mentioning the composition of the drug or its therapeutic action. The provision also prohibits the distinctive name from containing anything related to a disease, syndrome, symptom, anatomic data, or physiological phenomena. However, this latter prohibition does not apply to the names of vaccines and biotechnological products.

Finally, Article 225 authorizes government officials to issue regulations on how generic and distinctive drug names are to be used, including in prescriptions, publicity, and labeling of the drugs.

Mexico’s pharmaceutical companies strongly objected to Article 225<sup>[13]</sup>, but they did not wind up accepting a few of the statute’s requirements without too much complaint. For instance, they basically acquiesced in Article 225’s prohibition on the use of INN stems in trademarks.

The companies also reluctantly accepted the requirement that drug labels and ads contain both the INN and distinctive names for a drug. Certainly, the companies were pleased that Article 225 did not require that INNs be displayed prominently – and so it set a lower standard than WHA 46.19.

The companies’ principal objection to Article 225 was that it failed to define when a drug could be labeled using the INN – i.e., when a drug can be considered to be a generic. The trouble is that even if two drugs contain the same active ingredients, the drugs’ composition and quality may not be identical. The two drugs could thus produce different effects.

Accordingly, the main flaw of Article 225 was that it did not guarantee the bioequivalence of generic pharmaceuticals. If bioequivalence were required, the generic product, to be considered an equivalent substitute for an “original” product, would be required to act in the human body, in the same degree and same strength as the “original” product<sup>[14]</sup>.

The Mexican Government responded positively to these arguments by implementing new “Regulations for Health Expenditures<sup>[15]</sup>”. These 1998 regulations introduced a definition of “Interchangeable Generic Drug”

which recognized the principle of bioequivalence and required generic drugs not only to have same active ingredient, but also the same pharmaceutical presentation, in identical concentration.

### **Forbidden names**

The regulations require that government authorities must test and approve every generic drug in order to ensure that it is equivalent to the original drug. After approval, the drug is registered in the Catalog of Generic Interchangeable Drugs, under the appropriate INN<sup>[16]</sup>.

Labels affixed on pharmaceutical products must include, inter alia, the drug's generic name and its distinctive name, unless the drug's name was published in the Catalog of Generic Interchangeable Drugs<sup>[17]</sup>.

If the drug's name was published in the Catalog, a distinctive name cannot be used, since the drug is sold as a generic and only the generic name can be used. An exception is made for original products, however. They may continue to use their distinctive names.

The law is silent as to whether non-interchangeable generic products are required to be sold in its generic name only. Since there is no applicable legal prohibition, the correct interpretation seems to be that these type of generics can be sold using both generic and distinctive names.

Prescriptions must indicate the "generic denomination" when referring to products in the Catalog<sup>[18]</sup>.

If a prescription is for a drug that does not have a generic version included in the Catalog, the doctor can write a prescription using just the drug's distinctive name or using both the generic and distinctive names<sup>[19]</sup>.

### **Conflicting standards**

In Mexico, as in other countries, pharmaceutical trademarks need to satisfy two different types of government examinations. The first examination is made by the Mexican Industrial Property Institute (IMPI), for trademarks registration purposes. The second examination is made by health authorities, for product registration purposes.

The Health Law now imposes restrictions on pharmaceutical trademarks that go beyond the restrictions of Mexico's Industrial Property Law (LIP)<sup>[20]</sup>. This is creating some problems for drug companies doing business in Mexico.

As mentioned above, the Health Law prohibits pharmaceutical trademarks based on the stem of a generic name. The LIP does not impose any such prohibition.

The regulations under the Health Law provide that trademarks submitted to Health authorities for approval must be distinct from other registered products' trademarks in "at least three letters<sup>[21]</sup>". The LIP contains no such limitations.

The LIP states that a mark can be registered so long as it is inherently distinctive, i.e., suggestive, fanciful, or arbitrary<sup>[22]</sup>. Generic and descriptive marks cannot be registered under the LIP<sup>23</sup>. Even a descriptive mark has acquired secondary meaning, it cannot be registered.

In the past, a large number of pharmaceutical trademarks registered under the LIP had prefix or suffixes that consisted in whole or part of the common stem of INN's. Many registered marks thus had the same (or similar) prefixes or suffixes as already existing marks<sup>24</sup>. These owner marks have often been allowed to coexist with preexisting registered marks even without the descriptive portion or stem having been disclaimed, as long as in their entirety or as a whole, the new marks were sufficiently distinctive and different from those preceding them<sup>25</sup>. The IMPI is charged with ensuring that any new marks are sufficiently different from existing marks so as to avoid consumer confusion<sup>26</sup>. However in the case of pharmaceutical marks, IMPI has not always carried out this duty as strictly as it should be<sup>27</sup>. After all, confusion in pharmaceuticals could easily be a matter of life and death<sup>28</sup>. Moreover, the risk of confusion is only present at the time that pharmaceuticals are purchased, but when the drugs are dispensed by people in hospitals, clinics, or their homes.

Thus the new, stricter rules under the Health Law should serve a good purpose and help consumer confusion over drugs. At the same time,

these rules contradict trademark law principles, creating technical confusions in the law.

### **How to save your trademark**

As a result of the restrictive provisions of the Health Law and its implementing regulations, drug companies doing business in Mexico will have to change their branding and marketing strategies. This will become especially important in regard to generic drugs, as it will not be possible to continue selling them under word marks.

Fortunately the LIP does not limit its protection to word marks. The LIP also allows for the registrability of, inter alia: symbols, pictures, drawings, and three-dimensional forms<sup>29</sup>. Isolated letters, numbers, or colors are not registrable “unless they are combined or accompanied by elements such as symbols, designs or denominations that give them a distinctive character<sup>30</sup>”.

Reading this provision literally, one could conclude that a combination of two or more “isolated” colors can be receive trademarks protection, regardless of the form or surface on which the color combination is applied. This form could be the shape of a capsule, so that a capsule’s color could be trademarked.

Notwithstanding this analysis, there are no reported cases addressing the issue of whether a combination of colors on capsules can be registered. From a practical standpoint, the IMPI is reluctant to grant trademark protection to color combinations. However, this position runs counter to several old Supreme Court decisions.

In the case, for instance, the Trademark Office (the IMPI’s predecessor) refused to register a combination of three colors applied to the sides of certain denim textiles. The Supreme Court reversed, stating that the colors “produced a visual impression which was capable of functioning as trademarks<sup>31</sup>”.

Moreover, commentators such as Professor David Rangel Medina strongly support the position that the LIP allows registration of color combination<sup>32</sup>. Thus, there is good reason to think that manufactures of generic drugs can protect their goodwill by using colors, designs and other non-word trademarks.

Manufacturers of “innovative” drugs that fall into the public domain after patent expiration can continue using their old marks, including word marks, in connection with the innovative product. If the drug is then registered in the Catalog of Generic Interchangeable Drugs, the manufacturer of the innovative drug, and any third party fulfilling the legal requirements, will be entitled to make the generic product, although the third parties can’t make use of the registered word mark.

### **A new form of competition**

The original manufacturer of an innovative drug may wish to use in connection with its generic product the designs and color combinations originally used on the capsules and packaging of its innovative products. But it is likely that third party competitors will wish to use the same designs and color combinations on their generic versions of the drug or on similar versions of the drug<sup>33</sup>. In fact, manufacturers of similar, non-interchangeable drugs have already started to mislead consumers into thinking that their drugs are approved substitutes for innovative drugs by doing such things as slipping the innovative drug’s trademark onto their labels. The ethical pharmaceutical industry is thus facing a powerful new form of competition.

In order to handle this competition, the ethical manufacturers will need support from IMPI. IMPI should, to be fair, protect the “original” marks against new competitors in the generic field whose trademarks are the same or similar to the “originals”.

In enacting Article 225 of the Health Law, Mexico’s Congress demonstrated that it was not fully aware of the needs of drug companies to protect their good name and their goodwill. It is to be hoped that the IMPI will be more sensitive to these concerns.

[1] Resolution of the World Health Assembly, WHA 4619 of May 12, 1993. “Nonproprietary Names for Pharmaceutical Substances”, adopted at 46<sup>th</sup> World Health Assembly, Agenda Item 18.2.

[2] WHA 4619, paragraph five.

[3] WHA 4619, paragraph seven.

[4] WHA 4619, point 1 (1) (2) and (3).

[5] For instance, the trademarks KEFTAR, ZOVABIN, DANTRON and ZEPOVIR, rely on stems that are widely used in many different marks Stephen R. James

"Pharmaceutical Trademarks and Generic Drug Names, WHO's right?"  
"Trademark World, December/January 1994/1995, p. 29.

[6] PHRMA president Gerald Messingoff in correspondence on the Resolution WHA 4619 to Dr. Arpad Boggsch, ex-Director General of WIPO. Quoted by Nancy Dwyer Chapman, "WHO, WHA and why? The World Health Assembly's Resolution on Nonproprietary Names for pharmaceutical substances". Trademark World. December/January 1994/1995, p. 20.

[7] Tom Nicholson "In Search of Outstanding Branding": Managing Intellectual Property, November 1998, P. 34.

[8] Lesley Edwards, Chair of PTMG, quoted by Tom Nicholson, id at P. 34.

[9] James supra, at note 5

[10] See Stephen James, supra. At p. 31. See also Nancy Chapman, supra. At p. 22.

[11] Daniel Boring. Irving A. Stein, and George Dr. Domildo. "United States: Trademark Trade Wrecks at FDA", Trademark World July 1998, p. 29.

[12] Subsequent regulations have defined "distinctive name" as the trademark that a laboratory uses to distinguish its drug from similar ones and which is used in connection with obtaining required approval and registration from health authorities and government officials Regulations for Health Expenditures, Article 2 (IV), published in the Oficial Gazette of February 4, 1998. These regulations have defined "generic name" as the name of a product identifying the drug or active ingredient that is internationally recognized and accepted by health authorities. Id., Article 2 (V).

[13] Various pharmaceutical companies worked together in order to bring a constitutional actino against implementation of Article 225, but the companies lost on technical grounds.

[14] See Alejandro Perez Serrano, "Mexico to Open Pharmaceutical Market to Generic Products", Novedades/News from the National Law Center for Inter.-American Free Trade, Volume 5, number 1, February 1998, P.1.

[15] Published at Oficial Gazette of February 4, 1998.

[16] Regulations, Article 2 (XIV) See also, id., Article 75 et seq. (concerning the nature, purposes and characteristics of catalog).

[17] Regulations Article 24.

[18] Id., Article 31 (I).

[19] Id., Article 31 (II).

[20] Published in the Oficial Gazette of June 27, 1991, and amended on August 2, 1994 (the amendments became effective on October 1, 1994).

[21] Regulations, Article 23 (I).

[22] LIP, Article 89 (I) and 90 (II), (III) and (IV).

[23] Id. Article 90 (II), (III) and (IV).

[24] For example class 5 registration for AZAPETINE coexist with registration for ACCEPTINE, OXOPOTINE, ACEPTIN, ZAPATIN, NOCEPTINE, HERCEPTIN, AZATINA, ASASANTIN, AZATIN, FUMETINEX, ASTRIMSIN, ANSIOPEPINE, EUCALIPTINE, MEPTIN, ASCRIPTIN AND AZAPURIN.

[25] LIP. Article 90 (IV).

[26] Id., Articles 113 et seq.

27 See Laboratorios Reforma SA., Tribuna Colegiados de Circuito, Tomo III administración, p. 370. Mayo Ediciones S. de R.L. Mexico D.F. 1977: Amparo en Revisión R.A. 262/74.

28 One commentator has argued that any confusión análisis requires a “circunstantial” rather flexible approach, and that the degree of screen should be determined. See Jorge Otamendi. Derechos de Marcas P. 1 (Abeledo-Berrot, Argentina 1989).

29 LIP, Article 89 (I) and (II).

30 Id., Article 90 (V) (emphasis added).

31 Toca 74/40; ejecutoria form 30-XII-94 confirmed by 17-X-946, dictated by Supreme Court in Toca 263-1/41. See also Resolution of Supreme Court of Justice, published at “Semanario Judicial of la Federación”, Tomo CV, p. 1290, No. Reg. 319,727; Amparo en revision 8593/49 of August 1950: Resolution of Supreme Court of Justice, published at “Semanario Judicial de la Federación Volumen XXXIIL Thrid Part, P. 32 No. Reg. 267,974; Amparo en Revisión 8009/57 of Marzo de 1960, filed by Parke Davis & Co.

32 See David Rangel Medina. Tratado de Derecho Mexicano pp. 361-365 (Mexico 1960).

33 Pharmaceutical products manufacturers may validly produce an interchangeable drgs based on the same active ingredient as the products, without a bioequivalence in these cases the product will be called “similar” and be allowed to use a word mark. However, it will be possible for the manufacturers calling that product a “generic”.

## **TRADEMARK INFRINGEMENT IN MEXICO**

*Mexico, January 2000.*

### **A. TRADEMARKS AND TRADE IDENTITY LAW**

Trademarks mean value as they represent goodwill. At the same time goodwill is the main goal to achieve by companies in business as a vehicle of reputation and success. Goodwill is thus the result of human creativity devoted to the development of trade identity. In this context, trademarks become essential, as they are the support on which business stand in order to build up a trade identity. Trademarks deserve protection because of the foregoing.

The question is what type of protection would a trademark require so that goodwill is preserved. Trademark law has established a whole system of protection based on exclusive rights, triggering either from use or registration of trademarks. However, as it has been wisely said, there are no real trademark rights in the absence of an enforcement system, which can prevent that third parties will not use identical or similar trademarks as those subject to protection, likely producing confusion among the consumer public.

The theory of trademark infringement has emerged as an answer to the above question, as it pursues, as its main objective, that trademark rights are preserved in the benefit of trademark owners, principally, but also of consumers. Each jurisdiction has had a particular response to the problem of trademark infringement by creating their own legal institutions, and by setting up the rules of the game. Mexico is not the exception, although the system is very unique as it will be later explained.

### **B. THE NOTION OF TRADE MARK**

Under Mexican law the idea of "trademark" is restricted to symbols used in connection with products or services. As a matter of fact, the Law on Industrial Property (herein after referred to as the "LIP") provides a definition, which stands on the foregoing grounds. In addition to the notion of "trademarks", the "LIP" protects other forms of source indicators, which aim at identifying the name of business or commercial establishments -also known as "trade names"-, commercial phrases or

"slogans" used in advertisements, as well as appellations of origin of products having certain characteristics. Doctrine has regarded the foregoing under the common designation of "distinctive signs", and although LIP refers to each of them individually, without to mention the name "distinctive signs", it has nevertheless regarded them as the subject matter of trademark protection in that statute, by applying same or similar principles and rules.

### **C. TRADEMARK RIGHTS**

In accordance with the "LIP" exclusive trademark rights arise from registration. Registration confers a nation wide exclusive right to use a trademark and to oppose it against third parties who use identical or similar signs, which resemble the registered mark. Use is also a source of trademark rights, producing limited effects. First of all, use does not trigger any exclusive rights and rather, it confers the prior user of a mark a right to bring cancellation action against owners of senior registrations.

### **D. THE NOTION OF TRADEMARK INFRINGEMENT**

The concept of "Trademark Infringement" deals with the unauthorized use in commerce of a previously owned -by use or registration- trademark, as applied on same or similar products or services as those made, sold or rendered by the trademark owner. Trademark infringement is a narrower idea than the broader notion of "unfair competition", this later embracing a wider spectrum of unfair trade practices related with industrial property rights, which obviously shall include trademark infringement.

Mexican law does not convey a particular meaning for "trademark infringement". However, doctrine has come to recognize the concept by using the Spanish translation "infracción de marca". The "LIP" rather employs the expression "administrative infractions", as a legal remedy that applies not only to trademark infringement, but to unfair competition as well.

### **E. STANDARDS OF TRADEMARK INFRINGEMENT**

Definitively, "consumer confusion" is the standard of trademark infringement under Mexican law. And the "LIP" has conferred the

Mexican Industrial Property Institute (herein alter referred to as "IMPI") with the power to determine when trademark confusion is likely to occur. The question arises how trademarks can be similar and how can IMPI determine if similarity existing between two trademarks has triggered confusion. Is IMPI bound by legal or other rules to find similarity between trademarks? The answer is yes, but to a certain extent as while the LIP refers to "similarity" and "confusion" of trademarks, such notions would be meaningless in the absence of criteria which add some objectivity.

Accordingly, confusion is presumed when the trademark used by infringer is identical to that of trademark owner's as applied to same products or services. This can be obtained from interpretation of the LIP, as well as by application of treaty provisions such as NAFTA and TRIPS. In such a case IMPI will not be required to perform an analysis. The case is different when the infringing mark is similar and applied to same or similar goods or services. Here IMPI would be required to conduct a so-called "confusion test", attending at phonetical, graphic and ideological similarities with the purpose to have proper elements to decide whether two marks are likely to result in confusion.

Additionally, in accordance with the jurisprudence, IMPI is required to follow certain rules, by stating that: *i)* the marks have to be analyzed in their entirety; *ii)* comparison between the marks would be concluded viewing at its differences but not similarities; imitation must be appreciated by analyzing the marks alternatively and not by comparing one first and then the other; *iv)* it has to be proven that the products covered by both trademarks are sold in same or related markets, thus the senior mark interfering the junior one; and similarity needs to be concluded by supposing that confusion will be suffered by a person of ordinary intelligence, a buyer of general knowledge that pays ordinary attention to the marks.

As to the goods, they are viewed from the perspective of how related they are to those claimed in the registration. As Mexico follows the international classification of goods and services of the Nice Convention, the fact that two products pertain to the same class has been considered a prima facie indication of similarity. However, this traditional approach has recently been interpreted in a more flexible form, under the argument that trademark rights afford protection against not only the

use of similar marks on goods in the same class, but also against use on other goods or services, which notwithstanding the fact that they do not fall in the same class, can still be considered as similar. In this later case the theory of similarity on goods is dictated by facts as the strength of marks, the proximity of relatedness of the products or services, and the trade channels where they are distributed and/or sold. As well as in the case of confusion test for trademarks, the factor test for similarity of products has been developed from jurisprudence, as there are no rules expressly making reference to the aforementioned test.

The "LIP" considers the case of famous trademarks as an exemption to the principle of "specialty", as Mexican doctrine calls what in English is know as the "related goods" theory. And the exemption deals indeed with famous trademarks, which in conformance with Mexican law and international treaties, have been afforded with greater protection than those less well-known. And among the benefits of greater protection that are granted to famous trademarks the law will bound IMPI not to perform "similarity tests" of non-competitive products or services, and thus circumscribing the "confusion test" to similarity of the trademarks and not the products or services.

## **F. ADMINISTRATIVE INFRACTIONS**

Trademark Infringement in Mexico is truly peculiar: It is not the Courts but rather the Trademark Office itself that is in charge of enforcing trademark rights and deciding over disputes, including infringement, naturally. The enforcing powers of IMPI extend to patents, trademarks and other source indicators or "distinctive signs", such as trade names, slogans and appellations of origin.

From the foregoing, under LIP, trademark infringement has been categorized and divided into a diversity of different administrative faults or infractions, each of them dealing with particular wrongs. The list of infractions in the "LIP" is long, and contemplates various different illegal conducts regarding patent, trademarks and other source indicators. For the purpose of this article, hereunder will be quoting those exclusively related to trademarks:

## **CHAPTER II**

### **Administrative Infringements and Sanctions**

ARTICLE 213.- The following constitute administrative infringements:

IV.- To use a trademark confusingly similar to another registered trademark, to cover the same or similar products or services as those protected by the registered trademark;

V.- To use, without the consent of the holder, a registered trademark or a trademark confusingly similar as an element of a trade name or of a firm or corporate name, or vice versa, provided that said names, firm or corporate names relate to establishments that operate with the products or services protected by the trademark;

VII.- Use as trademarks the names, signs, symbols, initials or emblems referred to in article 4th and sections VII, VIII, IX, XII, XIV and XV of article 90 of this law.

VIII.-To use a previously registered trademark or a confusingly similar one as a trade name, firm or corporate name or as part thereof, of a natural or corporate person whose activity is the production, import or marketing of commodities or services equal or similar to those applied to the registered trademark without the written consent of the holder of the trademark registration or the person empowered therefore.

XVIII.- Use a registered trademark without the consent of the holder or without the respective license, on products or services equal or similar to those to which the trademark is applied;

#### **G. ADMINISTRATIVE ACTIONS AND PROCEEDINGS.**

The above types of infringement are considered as administrative violations to the law and will be briefly referred hereunder to the available action under current Mexican Law to enforce these rights:

Infringement actions are taken with IMPI, which is an administrative authority and not a Court of Law. A formal written claim is required. Plaintiff can request an inspection to the premises of infringer to seize infringing goods or the commercial establishment in this case. IMPI accepts the claim and sets a day to effect the visit of inspection and

seizure and at the time of carrying out the inspection IMPI serves defendant notice of the claim giving a term to answer it of 10 days.

Normally, IMPI requires plaintiff to post a bond if it considers that the outcome of the seizure warrants it. In this case, defendant can post a counterbond to release the seized goods. Both plaintiff and defendant must produce evidence at the time of filing the claim or answering it, respectively. After defendant answers the claim and IMPI has assessed the evidence and conducted the "confusion test", this later shall produce a resolution on the merits of the case. The decision of IMPI can be appealed to a District Court and the decision of this Court can be further reviewed by a Circuit Court.

The sanction for this type of infringement, considered as a violation to the law, range from fines for up to \$60,000.00USCy approximately, to temporary or definitive closure of the infringing business and even administrative arrest for 36 hours. IMPI usually imposes fines, however, if defendant continues committing the infringement after a firm resolution, the fines will double the amount mentioned before and if the illicit conduct continues notwithstanding that a decision of IMPI on the merits of the administrative infringement claim became firm, that is beyond shadow of appeal, it is then a conduct considered as a crime, so penal actions can be taken against defendant.

Before the infringement action, plaintiff may move for preliminary injunction, which would represent two different situations: The seizure of products, and most importantly, a temporary restraining or cease order issued by IMPI, by which defendant would be barred from producing and selling, while decision on the case is pending. Defendant would have ten business days to argue against the preliminary measures, and plaintiff twenty business days to file the complaint, reckoned from the date that the cease order has been notified. The bond in these cases should not only cover the value of seized products, but also of the whole operation that was stopped.

## **H. INTENT**

While the intent of an alleged infringer is a relevant consideration in the determination of trademark infringement, and the consequent application of higher sanctions, it is not a requisite that a plaintiff shows

wrongful intent in order to prevail in such an action. As said, intent will be only a factor of higher sanctions.

## **I. COUNTERFEITING**

Mexico, as well as many other countries in the world has been seriously hit by counterfeiting. The problem is significant, but the government has taken steps to fight against it. As a concept, counterfeiting is the copying of a product, including all single identity features, resulting into something practically identical to an original product. Differences between the two products are normally hard to tell, excepting as to the quality of materials used to produce the copy.

Accordingly, counterfeiting is a blatant infringement, and because of the inferior quality of the copied products, and the danger that it may pose to public health and danger, the law has upheld a system of criminal sanctions so that the problem is diminished and gradually stopped.

The "LIP" refers to counterfeiting by using the equivalent term of "falsification of products". The expression "falsification" has a more clear meaning in Spanish, as Spanish and Mexican doctrine dictate. There is also no literal translation for the word "counterfeiting" as a notion that refers to the copying of products and its trade identity.

Criminal actions start with a "querrela" or complaint by the offended party. Upon the complaint the General Attorney's Office (PGR) starts a so-called preliminary inquire, with the purpose to investigate on whether a crime has been committed and if there is alleged responsibility by someone(s). The District Attorney gathers all evidence required (search and warrant included), assisted by the offended party, in order to reach a conclusion and position of the PGR as to the inquiry involved. If the results are positive, the DA indicts the matter with a Federal District Judge, who following precise Constitutional and Legal proceedings resolves as to whether 1) arder a so-called apprehension arder against all those being allegedly responsible of having committing the crime, and *ii*) issue a so-called "formal prison" order, which means the starting point of the corresponding trial. The parties to the trial are PGR and the defendants. Defendants may file appeal against the two Court orders. The trial represents an adversarial proceeding with hearings, testification, cross-examination, allegations, evaluation of evidence; and

so forth. By the judgement the Judge may condemn defendants or absolve them. Sanctions in the law include prison for up to ten years. The losing party may file appeal with a Unitary Court, whose decision may be further reviewed in so-called "Amparo" proceeding before a Circuit Court.

## **J. CIVIL ACTIONS**

It would be possible as well that after the administrative and criminal resolutions become firm, plaintiff brings a civil action for damages with a Civil Court. The minimum standard applicable in damages is of 40% of the commercial value of the infringing products (or services). It has to be recognized, however that there is a current trend to take a civil action directly with the Court, by skipping the administrative infraction at IMPI. This theory has not been tested as there are, as far as it is known, no precedents pronounced by the Courts and which have become firm. The theory is under aligid discussion, as on the one hand, a sector from doctrine believes that the existence in the LIP of administrative infractions go directly with the Courts. However, on the other hand, a second opinion is that, in accordance to LIP, it is only IMPI who can bring resolutions on the merits of Industrial Property matters, being a civil action restricted to the collecting of damages. Also, this side of the doctrine has argued that allowing Civil Courts to interfere in decisions that correspond to IMPI is against Constitutional principles as the Industrial Property rights would now be enforced by two different authorities, which would trigger the possibility of contradicting resolutions.

## **USETRADE MARKS AND OTHER MEANS TO PROTECT SHAPES**

*Managing Intellectual Property, April 2007.*

Intellectual property laws around the world have recognized the complex nature of human creativity, and have divided it into three major areas: patents — for creativity in technology, based on the principle of novelty; copyright — for artistic creativity, based on the principle of originality; and trade marks -for creativity in trade symbols, based on the principle of distinctiveness.

However, a particular object could at the same time meet the standards of novelty or originality, on one hand, and distinctiveness, on the other, making the forms overlap. One of the most exciting questions of IP law is whether patent, copyright and trade mark law would exclude in order to protect one single shape or object or if, on the contrary, protection may complement and accumulate.

Trade mark, design and copyright law can certainly protect shapes of products or their packaging as well as other 3D signs. The protection afforded would be different in each case and not necessarily contradictory despite the overlap. Protection is not mutually exclusive and rights can accumulate and be complementary. An object showing aesthetic or artistic features meeting novelty — industrial design — or originality — art work — requirements can also be a source indicator that distinguishes goods or services in trade. Why should double protection then be refused? In such cases, industrial design or copyright would take care of the configuration of the shape and trade mark law of its capability to perform as a trade symbol. The principles would harmonize without causing disruption, for example by extending a monopoly.

### **Trade mark protection for 3D shapes**

In Mexico the general provisions of the Law on Industrial Property (LIP) regarding prosecution — including registrability, licensing, maintenance and enforcement — are applicable to 3D marks as they are to other types of trade mark. However, the most relevant section of the LIP states:

ARTICLE 89. — The following signs may constitute a trade mark:

...

II. — Three-dimensional forms:

ARTICLE 90. — Not registrable as trade marks are:

III. — Three-dimensional forms which are part of the public domain or which have become of common use, and those that lack sufficient originality to easily distinguish them, as well as the normal and ordinary form of products or that imposed by their nature or industrial function.

Likewise, the Regulations to the LIP states: "ARTICLE 53. For the purpose of what is stated in Article 89 (II) of the LIP, the wrappers, packaging, bottles, shape or presentation of a product shall be considered as a three-dimensional form."

It is therefore clear that product and container shapes, among other 3D forms, can be protected under the LIP. The limitations in article 90 (III) are crucial in determining the scope of protection of 3D marks in the LIP, and give four basic standards:

- 1) 3D marks are not part of the public domain.
- 2) 3D marks have not become commonly used.
- 3) 3D marks lack sufficient originality to be easily distinguished.
- 4) 3D marks represent the ordinary shape of the product or that imposed by its nature or industrial function.

### **Public domain**

There is not a clear and uniform criterion of what article 90 (III) should understand as "public domain". However, it appears that the meaning implies a patent or copyright connotation. For example, protection is available for designs that are novel and that are applied to industrial products, devices, containers or any other kinds of forms. Novelty is restricted to industrial forms not found in the state of the art anywhere in the world.

An industrial design may fall into the public domain if no proper and timely registration is sought before it is disclosed, in accordance with

the LIP and Regulations. It can also fall into the public domain after the term of protection of the industrial design, which in Mexico is 15 years, expires.

From a practical standpoint, you should be very careful to know whether the 3D device has been already used in commerce and whether patent protection has already been sought. Whether the industrial design registration has expired also has to be considered. The granting of a 3D trade mark registration should not necessarily require that an industrial design application be simultaneously or previously filed. Protection afforded by trade mark law stands on its own principles. However, it is advisable that applicants consider the public domain restriction.

However, from a technical point of view, Congress should re-examine the public domain requirement, as it clearly contradicts the principles of trade mark law. Inventions and designs that are disclosed prior to the filing of an application lose novelty and fall into the public domain. It would be difficult to say that marks that were used prior to registration also fall into the public domain. Distinctive marks used prior to registration trigger-not lose-rights in accordance with trademark law. Public domain is not an appropriate concept for trademarks, as it would contradicting to established principles under trademark law.

### **Common use**

Mexican trade mark law requires that the mark meets a minimal level of uniqueness, and not be reputed or recognized as of common use. Forms and shapes in general that are too simple or ordinary or that have served as containers or the shape of products, or that have in general been extensively used, will definitively nor be protected.

### **Distinctiveness**

As explained above, distinctiveness is a basic principle of Mexican trade mark law. Accordingly, it is important to consider:

- 1) That the 3D mark should not be confusingly similar to existing ones.
- 2) That the mark should nor be generic or descriptive as regards the products or services to which it will be applied.

## **Originality**

The word "original" is vague and cannot be used in the context of 3D trade mark protection or even trade mark protection in general, as it is exclusively related to copyright law. As the concept is so imprecise, it could only be regarded as an additional burden making registration a harder process.

## **Ordinary industrial function**

These requirements are related to the previous three. However, in this case the law is intended to ensure that ordinary forms or functionality features of products, devices, containers, packages and other 3D forms are not exclusively appropriated by single entities, which would be detrimental to third parties. Thus, the shape of the 3D product, container, etc., will have to be distinct and unrelated to its ordinary form or function if trade mark protection is intended. Non-functional devices or features of products or packages, boxes or containers will represent the best 3D trade marks in accordance to the law.

## **Regulations of 1994**

In accordance with the Regulations of 1994, wrappers, packages, containers and the form of presentation of products have been expressly considered to be 3D forms for the purpose of the LIP. That regulatory provision has made it clear that product shapes can perform as 3D marks, provided that they comply with the LIP requirements explained above. However, the Trade Mark Office has recently found that shapes of products cannot represent 3D marks, which is obviously wrong, and goes against the principles of the LIP and regulations as well as NAFTA and TRIPs.

It is worth repeating that the LIP does not protect descriptive marks regardless of how widely they have been used and how much consumer recognition they possess. This has a particular importance in cases of 3D marks, as products and container shapes may not be inherently distinctive. Frequently, it is not only the non-functional feature of the shape, wrapper, package, bottle or container, that applicants wish to protect, but additionally some features that may not be registrable or that may at least not be considered inherently distinctive. Other times, a dividing line between functional and non-functional, useful and useless,

art and industry is just impossible to draw. However, the lack of an acquired distinctiveness doctrine makes it more difficult for many 3D marks to be registered under Mexican Law.

### **Accumulative protection for 3D shapes**

Three-dimensional forms that fulfill the novelty or originality standards qualify for either industrial design or copyright protection under Mexican laws, regardless of whether the novel or original form performs as a distinctive trade symbol and can therefore be the subject of additional trade mark protection.

The LIP indicates that the standards of protection for industrial designs are novelty and industrial application. The law defines novelty as "independent creativity" for the purposes of industrial design protection. This expression is misleading, however, since "independent creation" is a concept that can be rather contradictory and thus inapplicable to novelty. Under the Copyright Law, works of authorship are required to be original. Mexico subscribes to the author's rights system and thereby follows and "imprint of the author's personae" approach.

The Mexican IP system is favorable to the accumulative protection formula, taking into account that it is clear enough in prescribing when a particular shape or object deserves patent, copyright or trade mark-like protection. On the other hand, neither the LIP nor the Copyright Law impose an express or implied prohibition against the accumulation of rights. However, Mexican trade mark authorities have recently considered that if a particular shape has been the subject of industrial design or copyright protection it cannot further serve as a trade mark. It is hard to know if they have supported their analysis in *Sears-* and *Compco-* type arguments or if they have referenced something similar (considering that Mexico does not have a common law system). The fact is that they consistently refuse applications filed in connection with 3D marks, based on public domain or other weak considerations.

### **Unanswered questions**

Some of the questions triggered by 3D trade mark protection are:

- It is an open issue whether it is possible to forbid the two dimensional reproduction of a 3D object that has been registered

as such. However, infringement might still be possible in that situation if the plaintiff is able to show that a consumer could fall into confusion by the fact that a 3D mark has been used bi-dimensionally or the other way around. If infringement is not possible under the rules of trade mark law, it might still be possible that the law of unfair competition provides a solution.

- The use of a 3D sign as an industrial design or as a piece of artwork might lead to the loss of distinctiveness if it can be proven that the title holder did not use that symbol for distinguishing goods or services in trade and that the consumer recognizes the symbol as a generic figure — speaking in trade mark terms — despite being novel or original under the patent or copyright laws. In line with the LIP, in order for a trade mark to lose distinctiveness and be the subject of a cancellation action, that trade mark would have to be used as a generic 3D shape.

Measures that can be taken by the owner of a 3D trade mark registration to stop the sign losing its distinctive character, despite being a novel or original shape and as a consequence of the use of the corresponding design made by third parties, would include: (1) have a strict licensing policy with requirements stated on licences not to use the mark, or advertise it as a generic shape; (2) impose obligations upon licensees to employ appropriate marking legends; and (3) if the third parties are not licensees, take the proper legal or extra-legal action to stop the mark becoming diluted.

## IV. PATENT LAW ARTICLES

### **AN INTRODUCTION TO THE PCT**

*By Cesar Ramos, Jr. and Luis C. Schmidt.  
Managing Intellectual Property, April 2006.*

**Eleven years after Mexico joined the international patent system, Luis Schmidt and César Ramos of Olivares & Cía look at the recent changes to the PCT system, and consider their impact in México.**

The Patent Cooperation Treaty (PCT) was conceived with the purpose of responding to a problem that the traditional patent system posed. The right of priority is one of the fundamentals of the Paris Convention, as it grants to patent applicants located in countries that are members of the treaty the chance to file applications in other member states, within 12 months of the filing date, without losing the right to get a patent.

Patent applicants generally claim priority and other rights in the Paris Convention. However, time has revealed the need for the traditional patent system to adapt to new trends and the challenges imposed by globalization. There is simply no doubt that applicants look for more certainty in their expectation of obtaining patents in multiple jurisdictions.

The PCT was designed to improve the rights of the Paris Convention. As its name suggests, the PCT has set a mechanism of international cooperation, coordinated by the World Intellectual Property Organization (WIPO), to rationalize and simplify the filing of patent applications, under the formula of one application and one search and preliminary examination. All the foregoing comes within the framework of an "International Phase" that leads to a "National Phase". This instance is characterized by the filing of applications before the national or regional offices of the member states.

The National Phase comprises two proceedings that are independent from each other, within a Chapter I and Chapter II and that are different in a technical aspect that is fundamental: Chapter I refers to an

International Search (known by its initial ISR), while Chapter II is referenced to a so-called International Preliminary Examination (IPE).

Chapter I starts by the filing of an International Search that would be generally preceded by a priority claimed to the Receiving Office (RO) and by the payment of three fees (international fee, search fee and fee for the transmission to the RO). Patent applicants can choose one Administration of International Search (ISA). The ISA has to perform the search and to report within 16 months of the filing date of the priority application. The applicant can use the ISR to analyze whether to continue with the process, by the filing of applications before the Designated Offices (OODD) and in that event, making whatever modifications that the applicant regards to be appropriate, to overcome the prior art that the ISA has cited in the ISR. Before the amendment of the PCT, the National Phase had to start between the 18th month, corresponding to the International Publication, and the 20th month.

According to Chapter II of the PCT, the applicant appoints an Administrator for the International Preliminary Examination (IPEA), to render an IPE, three months after the ISR and pay the fee for the IPE. Once the proceeding has started, the IPEA generates a written opinion and eventually modifies the application as originally drafted, for adjusting it to the recommendation of the IPEA. The IPEA is an official communication of the outcome of a patentability examination, made by the IPEA, that is forwarded to the Designated Offices to begin the National Phase. The National Phase of Chapter II needs to start 30 months after the priority date.

### **The amendment of Article 22 (1) of PCT**

Effective as of April 1 2002, the PCT Assembly increased from 20 to 30 months the term of article 22 (1) for the entrance of an international application to the National Phase in accordance with Chapter I of the PCT. The modification was inspired by the idea to unify the term of entrance to the International Phase, irrespective of which chapter an application has followed. In addition to the convergence of terms, the Assembly promoted the reform, with the purpose of extending the entrance to the National Phase.

Applicants felt satisfied with the amendment, to the extent that the proceedings under Chapter I soon overtook those of Chapter II. The reasons are obvious: the renovated proceeding of Chapter I. The time period to enter into National Phase was extended to 30 months, the same time as in Chapter II, but without an IPE and an examination fee. Accordingly, applicants would have to wait to enter into the National Phase taking advantage of the time to investigate and analyze the state of the art and the commercial expectations of the invention.

### **The EISPE system**

The national and regional offices have noticed that the number of PCT applications that they receive has increased, and as a result so has the need to perform a greater number of patentability examinations without the benefit of an International Preliminary Examination Report. In 2004 the PCT Assembly made changes to the PCT Rules to set a mechanism that it would call International Search and Preliminary Examination Reinforced (EISPE). By virtue of the EISPE, the ISA are required to elaborate an opinion in writing for each ISR, which is called International Preliminary Report on Patentability (IPRP).

The IPRP is an opinion in writing issued by the ISA with comments of the ISR and that can be utilized for both Chapter I and Chapter II proceedings, although in a different fashion. The Preliminary Inform on Patentability of Chapter I gives support to the national and regional offices, and minimizes the workload triggered by the PCT. The Preliminary Inform of Chapter II is the basis to elaborate the IPER and accordingly is used for backing the work of the IPEAS.

The EISPE reduces the differences between Chapter I and Chapter II. However, it does not extinguish these differences as Chapter I continues to be oriented to the search of the ISR, whereas Chapter II relates to the examination by the IPEA. Under Chapter I, there is no dialogue between the applicant and the examiner of the ISA. Modifications can also not be made before the issuance of the Preliminary Inform.

The EISPE triggered some changes in the timing of the proceeding in Chapter II. With the amended rules, applicants can request an IPE within three months after having received the Preliminary Inform and the ISR or 22 months after the priority date, if it happens later.

Some members of the PCT (Switzerland, Luxembourg, Sweden, United Republic of Tanzania and Uganda) notified to WIPO that they would not apply the EISPE system. In these countries the period of 19 months to file an IPE continues to apply. In those cases in which there is no applicant for an IPE within 19 months, the National Phase must commence in 20 months.

### **Mexico and EISPE**

The PCT entered into force in Mexico on January 1 1995, since then the PCT National Phase became the principal source of applications of the Mexican Office, whose official name is the Mexican Institute of Industrial Property (IMPI). According to statistics that IMPI has published, PCT applications have been substantially increasing. In a general context the number of PCT applications that were filed in Mexico in 2005 represented 8.9% of the world total of PCT applications, that is 132,500 filings. Of the total of PCT applications filed in the world in 2005 only 104 pertain to Mexicans, which is proportionally low in regard to the number of applications filed by nationals of other emerging economies.

Mexico subscribed to the amendment of Article 22 of the PCT to receive National Phase applications by Chapter I, since April 1 2002. IMPI was one of the National Offices that resented the increase of applications by Chapter I, mainly because in 1995, the year that PCT came into effect in Mexico, IMPI adapted its structure and internal organization to receive the majority of Chapter II applications. In the year 2004, Mexico welcomed the EISPE system and a little after that, it started receiving the Preliminary Informs elaborated by the ISA. Although it is true that the EISPE system is still young, in the opinion of IMPI the benefit of Preliminary Informs is limited, because they do not reflect the depth and level of detail in the International Preliminary Examination Reports. In any event, IMPI continues to practise the patentability examination locally.

## **FROM MINIMUM TO MAXIMUM** *Pharmaceuticals Supplement 1994.*

Historically, the patent and trade mark protection of chemical products and processes, particularly pharmaceutical products and process for preparing them, have been subject to periodical cycles of protection and non-protection in Mexico.

### **The 1976 Act**

The Mexican Patent Law, enacted in 1976, established that chemical products and chemical pharmaceutical products were not patentable and that the only way to protect them was by means of certificates of invention. The most important difference between a patent and a certificate of invention was that the owner of a patent had an exclusive right to the patented invention, while the owner of a certificate of invention indeed had the right to work the invention himself but was also under an obligation to grant a non-exclusive licence to any third party who wished to use the invention.

As a result of the provisions of the 1976 Patent Law, many foreign pharmaceutical companies ceased filing patent application in Mexico.

At that time, the maximum duration of a patent and of a certificate of invention was 10 years from the date of grant.

### **The 1987 Amendments**

On 17 January 1987 very important amendments were introduced to the 1976 Law. For example, the duration of patents and of certificates of invention was extended up to 14 years, also from the date of grant. The following, previously unpatentable, became patentable;

- processes for the obtainment, modification or application of chemical products or mixtures of them, with the exception of biotechnological process;
- processes for the obtainment of alloys, pharmaceutical products, medicines in general, foods and beverages for animal consumption, fertilizers, pesticides, herbicides or fungicides.

With these amendments, the term of patents was increased and at least processes for preparing pharmaceutical products became patentable – a small step in the right direction.

### **The 1991 Reform**

Finally, in 1991 a great change was made and a new law was put in operation on 28 June. First of all, the old certificates of invention were removed. The patent term was further extended for up to 20 years, counted from the filing date, and the concept of patentability was broadened to include:

- plant varieties (however, plant species remained unpatentable);
- inventions relating to microorganisms, such as inventions involving their use, inventions that are applied to microorganisms or inventions that result from them, covering all types of microorganisms, such as bacteria, fungi, algae, viruses, microplasm, protozoa and, in general, cells that do not reproduce sexually;
- pharmaceutical chemicals, medicines in general, foods and beverages for human or animal consumption, fertilizers, pesticides, herbicides, fungicides or products with biological activity, such as vaccines and hormones.
- biotechnological processes for obtaining any of the preceding products.

### **Pipeline and Transitional Provisions**

Besides the above, “pipeline” protection was provided by means of Transitional Articles which allowed the recovery of protection for inventions already patented in other countries but which had not yet been produced or imported into Mexico; such inventions now qualify for a national patent. Pipeline protection was granted to the original applicant of the patent abroad, provided be presented and application in Mexico within a year following the date the new Law came into effect. This patent protection was available in the case of chemicals, pharmaceuticals and biotechnological processes and products.

Besides this improvement in the term of patents and the broadening of patentable inventive concepts, this new Law included a three year

extension in the term of Patents related to pharmaceutical chemicals or pharmaceutical products or processes for obtaining them, provided that their owner granted a licence for the use of the invention to any legal entity the majority of whose capital is controlled by Mexican parties.

### **The 1994 Amendments**

As of 1 October 1994 the 1991 Law will incorporate substantial amendments to further strengthen patent protection for pharmaceutical patents and to satisfy the NAFTA provisions without discrimination as to:

- the field of technology,
- the territory of the three parties in which the invention was made and
- whether products are imported or locally produced.

Regarding plant varieties, Transitional Article 5 provides that, until the Law that complies with the substantive provisions of the International Agreement for Protection of Vegetable Obtentions 1978 is enacted (on or before 17 December 1994) or with the provisions of the International Convention for the Protection of New Plant Varieties, 1991 (UPOV), the applications from plant obtainers for varieties in all plant genera and species will be received by a new administrative authority. This authority will replace the Patent and Trademark Office with a new office named the Mexican Institute of Intellectual Property, (IMPI), starting from the effective date of the Decree of Amendments (1 October 1994) and in due course will remit them to the competent authority for further processing.

From the above, it is quite evident that only the items mentioned under Article 16 may not be subject of patents in Mexico; all other inventive concepts are patentable, including second medical uses of known pharmaceutical products and compounds.

It is important to mention that the provision regarding the three-year extension in the term of patents related to pharmaceutical chemicals or pharmaceutical products or processes was deleted by the amendments to the Law, both because it was optional for Mexico under the NAFTA and also in order to avoid certain discriminatory treatment of Mexican nationals.

## **Trade Marks**

In the field of trade marks, Mexican Law grants pharmaceutical marks the same type and level of protection and regulations that it offers to trade marks or service marks in other industrial sectors, without making any distinctions. As in other countries, Mexican Law considers marks registrable if they are inherently distinctive, that is, marks that are suggestive, fanciful and arbitrary. On the other hand, it prohibits registration of generic and descriptive marks and, in this latter case, does not recognize protection even if a descriptive mark has acquired a secondary meaning.

Some pharmaceutical trade marks share in common the characteristic that they combine distinctive elements with other elements of a generic or descriptive nature. Such generic or descriptive element usually consists of a prefix or suffix that is used to give a slight or indirect idea of the active ingredient in the pharmaceutical product identified under the particular trade mark. Mexican trade mark law has granted protection for these marks without the need for the generic or descriptive element to be disclaimed and has allowed the co-existence of registrations for trade marks that include the same prefixes or suffixes, as long as the overall impression of the marks remains distinctive.

## **Parallel Imports**

Mexican Law appears to allow parallel imports in a fairly broad form. In fact, a provision was introduced in the 1991 Law in terms so broad that they practically permit any form of grey marketed goods. The regulations to the Law that are expected to be published in October 1994, will impose control measures aiming at ensuring that not every single form of parallel import will be permitted in Mexico. This limitation will be focused on protecting the consumer and the goodwill of trademarks by imposing a burden on behalf of the importer to introduce into the Mexican market parallel imported goods of the same quality to those circulating in the territory of this country. In addition, it will have to comply with product standards and regulations and consumer law provisions.

## **Omissions**

Nothing appears to be provided in the regulations in connection with repackaging and relabeling of the grey marketed products. It can however be expected that, if repackaging or relabeling of products is used as a means of misleading the consumer, for example as to quality or origin of the products, such acts will constitute a bar to the right of the importer to bring they grey market product into Mexico.

In 1991 the Mexican Trade Mark Law abolished the grant of compulsory licences, which was adopted in the Law of Inventions and Trade Marks of 1976. The 1976 Law gave authority to the Trade Mark Office to declare compulsory registration and use of marks or even prohibit it when the use of the mark was considered to be associated with monopolistic practices or used for distorting or blocking production and commercialization of goods and services, when that practice was conducted by a particular industrial sector. Unfortunately, under the Law such authority still subsists. These rules are applicable to all industrial sectors without distinction, including of course the pharmaceutical industry.

From all the above it may be concluded that the patent and trade mark protection of pharmaceutical products and processes has been highly improved in Mexico in recent years.

### **The 1994 amendment: Article 16**

**Article 16 provides that inventions that are new, the result of an inventive activity and susceptible of industrial application are eligible for patent protection except:**

- **processes that are essentially biological for the production, reproduction and propagation of plants and animals;**
- **biological and genetic material as found in nature;**
- **animal breeds;**
- **the human body and the living parts that compose it and**
- **plant varieties.**

## **OBSERVANCIA DE DERECHOS Y REPRESIÓN DE ILÍCITOS EN EL DERECHO MEXICANO DE PATENTES**

*Derecho de Patentes*

*Observancia en Diversos Países, LexisNexis Depalma. 2003.*

*Breve Análisis del Sistema de Represión de Ilícitos en Materia de Patentes*

### **I. Generalidades del Sistema Patentario Mexicano**

#### **1. Ley de la Propiedad Industrial**

México protege las invenciones, producto del intelecto y creatividad humanas, a través de la Ley de la Propiedad Industrial de 1991<sup>565</sup>, reformada en 1994<sup>566</sup>. Diversos estatutos se encargaron de la protección de invenciones en el pasado, concretamente desde el decreto de las Cortes Españolas del 2 de octubre de 1820, primer ordenamiento que hizo referencia a este tipo de protección, hasta la Ley de Invenciones y Marcas del 30 de diciembre de 1975<sup>567</sup>, reformada en 1987<sup>568</sup>, la cual es antecesora de la Ley de la Propiedad Industrial (en lo sucesivo LPI).

El estatuto mexicano de 1991 recoge la clásica fórmula del derecho de la propiedad industrial, y la divide en patentes y marcas, o creaciones nuevas y signos distintivos<sup>569</sup>, como los define la doctrina en ese país. Así, por "creaciones nuevas" o "creaciones industriales" la doctrina se refiere a las patentes de invención, modelos de utilidad, modelos industriales, dibujos industriales, secretos industriales, circuitos integrados y variedades vegetales, todas ellas figuras contempladas en la propia LPI, excepto las variedades vegetales, reguladas en la Ley de Variedades Vegetales<sup>570</sup>. Las creaciones nuevas comparten, en mayor o menor medida, los principios característicos de las patentes, esto es, el de novedad, actividad inventiva y aplicación industrial.

El objeto de protección de la patente lo constituye la invención, definida por la LPI como "toda creación humana que permita transformar la materia o la energía que existe en la naturaleza para su aprovechamiento por el hombre y satisfacer sus necesidades concretas"<sup>571</sup>. La ley no define el término patente, sin embargo, la doctrina se ha encargado de hacerlo al señalar que "la patente es el documento expedido por el Estado para hacer constar el derecho

exclusivo temporal que una persona física o jurídica tiene para explotar a nivel industrial un invento que reúna las exigencias legales"572. Y por "exigencias legales" la LPI se refiere, según lo mencionado anteriormente, a los requisitos de novedad, actividad inventiva y aplicación industrial573.

## **2. Los derechos de la patente**

No hay en la LPI un precepto único en el que converjan todos los derechos que este instrumento jurídico reconoce a favor del titular de la patente. Sin embargo, el art. 25574 establece prerrogativas diversas, relativas a la posibilidad de oponerse al uso y explotación de la invención objeto de la patente —según se trate de un producto o procedimiento de invención—, lo cual implica actos de "no hacer". Pero el derecho exclusivo se extiende a la facultad de usar y explotar la invención en exclusiva, lo cual atiende al criterio de "hace?", entendido en el sentido "positivo" de actuar, salvo que el titular esté impedido a hacer el uso por sí mismo, cuando al hacerlo invada una patente tercera575.

## **II. El Régimen de Infracciones Administrativas**

### **1. Presupuestos de la infracción de patentes**

Desde 1994, en México, la usurpación de patentes se ha perseguido mediante un sistema *sui generis* de infracción administrativa, en el que la misma oficina que expide la patente se encarga de la observancia de los derechos que emanan de ésta. Dicho sistema no es exclusivo de la legislación vigente y se remonta a ordenamientos anteriores a ésta, al menos en lo que se refiere a la Ley de Invenciones y Marcas de 1976 y la Ley de la Propiedad Industrial de 1943576.

Las leyes de 1975 y de 1991, con anterioridad a la de 1994, contemplaban disposiciones y sanciones de índole penal, coexistentes con el sistema de infracciones administrativas577. La diferencia entre ambos regímenes punitivos atendía a los distintos niveles de sanción — multas por infracción y penas privativas de libertad por acción penal—. Obviamente, la aplicación del criterio diferenciador debía regirse teniendo en cuenta el nivel de gravedad de la conducta. Así, la infracción administrativa debía ser procedente en los casos en que la conducta violatoria fuera menos grave y los delitos reservarse a aquellos

otros en los que el nivel de gravedad fuera superior. Sin embargo, el "sistema dualista" estaba condenado al desuso - al menos por lo que respecta a la parte penal - por cuestiones de índole técnico, pero asimismo por la imposibilidad en el trazo de una línea de frontera clara, precisa y objetiva, que distinguiera entre las disposiciones de infracción y delito. Los casos que los particulares ventilaban ante las autoridades administrativas o penales se complicaban con frecuencia, lo cual se traducía en discrecionalidad, subjetiva, y en el último de los análisis, inseguridad jurídica. La consecuencia final fue por supuesto la despenalización de la mayoría de delitos de la propiedad industrial, lo cual se produjo al reformarse en 1994, la Ley de Fomento y Protección de la Propiedad Industrial de 1991.

El caso particular de patentes fue distinto al de marcas y demás signos distintivos, toda vez que en las legislaciones de 1943, 1976 y 1991, la usurpación de derechos sobre patentes se persiguió como delito y en 1994 se redujo a infracciones. Se desconoce la razón precisa, pero en mucho fue siguiendo la tendencia general a despenalizar y así dejar la sanción penal a la falsificación de marcas, fundamentalmente. En virtud de lo anterior, a partir de 1994, la competencia para resolver los ilícitos en materia de patentes fue conferida al naciente Instituto Mexicano de la Propiedad Industrial (IMPI), a través del sistema de infracciones administrativas. Nadie pues más que el IMPI parecía tener injerencia en la resolución de litigios en materia patentaria.

## **2. Posturas a favor y en contra del sistema**

El régimen de infracciones administrativas tiene una razón de ser básica y fundamental: pretende conferir jurisdicción sobre disputas en materia de patente y demás derechos de la propiedad industrial —cuya naturaleza es eminentemente técnica— a la autoridad experta del tema y de las disposiciones sustantivas de las legislaciones de propiedad industrial y derecho de autor. Lo anterior se ha justificado mayormente en un país como México, en el que la justicia civil es cuestionada en cuanto a su calidad y eficacia, máxime por tratarse de temas de orden técnico derivados de leyes especiales, completamente ignoradas por los jueces. Adicionalmente, el procedimiento civil es lento, por lo general, lleno de incidentes y recursos, lo cual produce que el administrativo resulte atractivo, por lo sencillo y expedito. Sin embargo, para algunos el sistema de infracciones administrativas ha resultado inoperante, al

haberse depositado en la autoridad encargada del trámite y concesión de patentes. Dicha autoridad ejerce, materialmente hablando, una función que corresponde en realidad al órgano jurisdiccional emanado del Poder Judicial. Quienes sostienen esta postura insisten que sólo este último está provisto de los elementos, recursos e infraestructura necesarios para el ejercicio de la tarea de juzgar. Así pues, al no pertenecer a su ámbito real y objetivo de funciones, la autoridad administrativa está siendo rebasada por la cantidad y complejidad de los asuntos contenciosos a su cargo, no obstante la clara intención del legislador de 1991 por establecer un procedimiento sumario y simple<sup>578</sup>.

A pesar de las muy diversas dificultades que ha enfrentado a través del tiempo, el IMPI ha realizado una buena labor en el campo contencioso. La lucha por presupuesto y recursos ha sido permanente, siempre enfocando su acción al abatimiento de rezago y al mejoramiento de la calidad de sus resoluciones y opiniones. El Tratado de Libre Comercio de Norteamérica, por supuesto vino a detonar la demanda de más y Mejores servicios en materia de propiedad industrial. El número de solicitudes de patentes y marcas se vio incrementado y en el mismo sentido, el número de asuntos contenciosos<sup>579</sup>. En lo que respecta a litigio de patentes, éste fue creciendo poco a poco y no obstante el porcentaje se mantiene reducido frente al de marcas, día a día pueden verse más casos complejos, algunos de ellos de grandes cuantías monetarias<sup>580</sup>.

De lo anterior se aprecia la tendencia existente desde hace alguna década a solventar las disputas sobre derechos de patente a través del sistema de infracciones administrativas. Asimismo, se puede constatar la tendencia creciente, ello debido al factor económico desde luego, porque México es un mercado atractivo, pero también por el jurídico, en lo sustantivo y procesal, debido a que hay una mejor ley de patentes y mejores procedimientos para resolver disputas y reprimir ilícitos.

### **3. Causales de infracción**

La elección de jurisdicción en las infracciones administrativas no es una tarea difícil, ya que el IMPI surge como el único órgano competente. Desde el punto de vista jurídico constituye un organismo descentralizado de la Administración Pública, lo cual significa que cuenta

con patrimonio y personalidad jurídica propias, que lo rigen de manera autónoma e independiente de la Administración centralizada. Entre las facultades con que cuenta se mencionan aquellas tendientes a la sustanciación de procedimientos represivos de los ilícitos a los derechos de la propiedad industrial 581 .

El procedimiento de infracción está apoyado en la existencia de una serie de disposiciones legales conocidas como "causales de infracción", en las que se tipifican conductas ilícitas relativas a los distintos derechos conferidos por la LPI.

Con relación a las causales de infracción en patentes, el art. 213 de la LPI establece:

Art. 213. Son infracciones administrativas:

I...]

"II. Hacer aparecer como productos patentados aquellos que no lo estén. Si la patente ha caducado o fue declarada nula, se incurrirá en la infracción después de un año de la fecha de caducidad o, en su caso, de la fecha en que haya quedado firme la declaración de nulidad...; .

"XI.Fabricar o elaborar productos amparados por una patente o por un registro de modelo de utilidad o diseño industrial, sin consentimiento de su titular o sin la licencia respectiva;

"XII. Ofrecer en venta o poner en circulación productos amparados por una patente o por un registro de modelo de utilidad o diseño industrial, a sabiendas de que fueron fabricados o elaborados sin consentimiento del titular de la patente o registro o sin la licencia respectiva;

"XIII Utilizar procesos patentados, sin consentimiento del titular de la patente o sin la licencia respectiva;

"XIV.Ofrecer en venta o poner en circulación productos que sean resultado de la utilización de procesos patentados, a sabiendas que fueron utilizados sin el consentimiento del titular de la patente o de quien tuviera una licencia de explotación;

"XV.Reproducir o imitar diseños industriales protegidos por un registro, sin el consentimiento de su titular o sin la licencia respectiva".

#### 4. Procedimiento administrativo

Respecto del procedimiento mismo, como fue expuesto líneas arriba, éste se ventila ante el IMPI, comenzando con la presentación de un escrito al que técnicamente se le llama "solicitud de declaración administrativa de infracción"582, aunque en la práctica se le conoce como "demanda". La solicitud o demanda debe formularse por escrito y debe estar firmada por el solicitante o su apoderado583. La parte solicitante o "actora" —como hay quien así la refiere—debe acreditar legítimo interés en la causa que persigue584. Asimismo, la acción puede iniciarse de oficio585, siendo el IMPI la autoridad competente para presentarla, sin que la LPI sea clara si en representación de la sociedad o de algún interés en lo particular. La actuación de oficio del IMPI en todo caso debe fundarse en el cumplimiento del deber que le atribuyen la ley y la Administración Pública 586.

En general, poco se ha explorado sobre la naturaleza de este procedimiento *sui generis*, toda vez que la ley lo considera como de investigación587, siendo que a su vez es de tipo contencioso588 o *inter partes*, usando el vocablo latino. Por lo tanto, se trata de un híbrido que conforma o integra las características de uno y otro procedimiento.

Según se mencionó en los párrafos precedentes, el solicitante o "actor" inicia el proceso589 y de hecho sobre éste recae la carga probatoria, salvo que de conformidad con las reglas procesales dicha carga deba recaer en la demandada, por operación de ley o por las defensas "afirmativas" o excepciones que oponga. A la solicitante corresponde, pues, formular demandas y alegatos, ofrecer pruebas y participar en su desahogo, entre otros.

La labor del IMPI va más allá que la de un simple investigador de ilícitos. Su función es en realidad la de administrador de un procedimiento que se sigue en forma de juicio, en el que se encarga de la coordinación de etapas y plazos y del control de la actuación de las partes, las cuales, a su vez, deben acreditar los requisitos previos al procedimiento, y dentro del mismo590, producir sus argumentos legales y aportar pruebas. Su intervención culmina con la emisión de una resolución en forma de sentencia, por la que declara y aun constituye derechos u obligaciones.

En otras palabras, el IMPI funge como juzgador en un procedimiento entre partes, más que investigador de infracciones administrativas.

Volviendo a la etapa inicial del procedimiento, el IMPI comienza su intervención al admitir la solicitud formulada por la "actora" o en su defecto, desecharla por improcedente. Después de admitida, el IMPI procede a emplazar a la presunta infractora o "demandada", concediéndole un plazo de diez días hábiles para dar respuesta a la solicitud<sup>591</sup>. Los arts. 189 y 190 de la LPI establecen los requisitos formales que el escrito de solicitud debe cumplir como el objeto, descripción de hechos y fundamentos de derecho, además de las pruebas que se ofrezcan en apoyo de la causa. El solicitante interesado debe proporcionar su domicilio para oír y recibir notificaciones dentro del territorio nacional, además los datos y domicilio del presunto infractor y de la fábrica, establecimiento o almacén donde se localiza la unidad de producción o los productos objeto de la infracción<sup>592</sup>.

Las peculiaridades del procedimiento administrativo se manifiestan en la forma en como se estructura y organiza, siendo que su objetivo fundamental es el de resolver disputas sobre temas técnicos, bajo un procedimiento simple y sumario, a diferencia del procedimiento civil, en el que se observan más etapas en su instrucción, como lo son la probatoria y de alegatos, además de una serie de incidentes cuya finalidad es atacar los vicios formales suscitados durante el procedimiento<sup>593</sup>.

Respecto de las pruebas, la LPI contempla ciertas reglas procesales aplicables al respecto, como lo es el que éstas deben acompañarse al escrito de demanda o contestación<sup>594</sup>, y que a las partes les está permitido ofrecer todas aquellas aceptadas por el Código Procesal Civil Federal —el cual se aplica supletoriamente—, con ciertas limitaciones<sup>595</sup>. A veces, el desahogo de pruebas requiere de preparación, sobre todo aquellas que son complejas o colegiadas, como la pericial. En estos casos resulta necesario abrir un espacio de tiempo dentro del procedimiento, el cual sin que la ley lo especifique, viene a convertirse en una especie de fase probatoria. Hay otro tipo de pruebas que se ofrecen y desahogan a través de visitas de inspección. De hecho el IMPI tiene la plena jurisdicción para conducir dichas visitas a través de un procedimiento específicamente contemplado en la LPI<sup>596</sup>.

Cabe destacar que una vez cerrada la instrucción del IMPI procede a resolver<sup>597</sup>, ordenando la cesación del acto ilícito en forma definitiva, en caso de que encuentre elementos para dictarla en ese sentido y de ser así, procede a aplicar sanciones administrativas tales como multas y clausuras, además del apercibimiento a sanciones mayores, aplicables por la continuidad de la infracción o por reincidencias<sup>598</sup>. Sin embargo, por tratarse de una autoridad administrativa, no está en su esfera de facultades el dictar condenas de daños y perjuicios<sup>599</sup>.

Definitivamente, el procedimiento de infracción administrativa no fue diseñado para casos de patentes. El legislador tuvo en mente el esquema del procedimiento marcario, el cual permite plazos más reducidos y en el que las pruebas, por lo general documentales, se desahogan por su propia naturaleza, sin necesidad de actos preparatorios. En patentes se recurre frecuentemente al peritaje y a las pruebas de índole técnico, lo que de suyo aumenta el nivel de complejidad del caso. Por otra parte, los plazos de contestación de la demanda son exageradamente reducidos, sobre todo si se toma en cuenta que dentro de los 10 días que la ley confiere, deberán recabarse, ofrecerse y exhibirse la totalidad de las pruebas, que serán utilizadas en descargo de la parte demandada<sup>600</sup>. Asimismo, dentro de este plazo deberá ejercitarse la acción en vía de reconvención a cargo de la parte demandada, acompañada de las pruebas que le sirvan de apoyo<sup>601</sup>. En tal virtud, si por ejemplo, la presunta infractora reconviene la nulidad de la patente, base de la acción, por falta de novedad o concepto inventivo, tendrá que apresurarse para que dentro de los 10 días hábiles en que conozca de la acción en su contra, prepare su defensa con todo y pruebas y prepare la reconvención, también con pruebas<sup>602</sup>.

## **5. Recursos legales contra la resolución**

En México existe una figura denominada "amparo" que los gobernados pueden utilizar a fin de recurrir las resoluciones *de* autoridades como el IMPI. El amparo es distinto a la casación, el recurso de revisión y la apelación, y más bien se centra en la protección y preservación de libertades y garantías constitucionales, entre ellas la de audiencia y debido proceso legal<sup>603</sup>. El art. 103, constitucional, define el alcance y naturaleza del juicio de amparo al decir que "los tribunales de la federación, resolverán toda controversia que se suscite:

- I. Por leyes o actos de autoridad que violen garantías individuales;
- II. Por leyes o actos de la autoridad federal que vulneren o restrinjan la soberanía de los Estados;
- III. Por leyes o actos de las autoridades de éstos que invadan la esfera de la autoridad federal"604.

En el caso de resoluciones como las del IMPI que contravienen garantías individuales, procederá el amparo por constituir "actos de autoridad" violatorios de las mismas. Y la contravención se produce cuando dichas resoluciones no están debidamente fundadas o motivadas o en general, cuando no se apegan a derecho.

El amparo, según las características que presente, se sigue ante el Juzgado de Distrito —en caso de amparo indirecto o binstancial—cuya sentencia puede ser revisada por el Tribunal Colegiado de Circuito, o directamente ante el Tribunal Colegiado de Circuito —en caso de amparo directo o uninstancial—. Las causas para acudir a uno o a otro juicio pueden variar, pero por lo general se distinguen en razón de que el primero procede contra actos (resoluciones) provenientes de autoridad distinta a los tribunales judiciales, administrativos o del trabajo605. Dichos actos de autoridad pueden dictarse dentro de "procedimientos seguidos en forma de juicio", sin que la autoridad que los emite sea un tribunal propiamente hablando606. Como requisito adicional, la Ley de Amparo establece que los actos que se recurran en amparo indirecto deben tener por objeto resolver, en definitiva, la petición del gobernado —solicitante de la infracción administrativa—, salvo ciertas excepciones, por las que puede recurrirse al amparo durante el procedimiento, antes de su conclusión, si la autoridad comete violaciones que dejen sin defensa o derechos al "quejoso" o promotor del amparo607 o que sean de imposible reparación608. La resolución del Juzgado de Distrito puede revisarla el Tribunal Colegiado, lo cual no sucede en el amparo directo en el que la resolución que pone fin al juicio y que dicta el tribunal judicial o administrativo, debe impugnarse sólo ante el Colegiado609.

El amparo constituye un juicio seguido ante tribunales federales. Es un juicio de "control constitucional" y no de anulación de sentencia, resolución o acto o de "control de legalidad610. Por lo tanto, lo que el tribunal de amparo hace es revisar la resolución de la autoridad

responsable a la luz de las garantías individuales que pudieron haberse violado y de estimar su violación, normalmente ordena que la autoridad responsable emita un nuevo acto, corrigiendo o subsanando el que fue objeto de la impugnación. El juez procede a revisar el fondo del asunto sólo si el quejoso plantea su demanda de amparo en ese sentido, esto es, si los conceptos de violación que formula se enfocan a la aplicación de fondo de la ley sustantiva, como es el caso de la LPI. Sin embargo, lo anterior ocurre con poca frecuencia. A la sentencia de amparo que ordena a la autoridad responsable subsanar las violaciones en las que incurre, se le denomina "sentencia para efectos"611 y al acto por el que la autoridad responsable la sustancia se le conoce como "cumplimiento de ejecutoria"612. Las sentencias de amparo, por lo tanto, difieren de las resoluciones sobre recursos de casación o apelación, en que aquéllas no tienen por propósito anular la resolución de la autoridad responsable, sino revisarla y en su caso ajustarla al orden constitucional. De forma similar, el juez de amparo está impedido de revisar los hechos, materia de controversia, resueltos por el *a quo*, y, en general, para sustituir a la autoridad inferior cuyo acto revisa613. Es por lo tanto la autoridad responsable la que debe emitir un nuevo acto en cumplimiento de lo que el juez le ordena.

Muchos han criticado el juicio de amparo por cuanto, por lo general, las resoluciones "en cumplimiento de ejecutoria" son recurridas a través de nuevos juicios de amparo, sobre todo cuando la autoridad responsable al emitir la nueva resolución, vuelve a conculcar garantías. Dadas las características del amparo para efectos y la posibilidad de que las partes promuevan amparos cada vez que la autoridad cumpla ejecutorias, los procedimientos de infracción administrativa pueden extenderse indefinidamente.

## **B. Problemas específicos relativos a la Observancia de Derechos**

### **I. Supletoriedad, Recurso de Revisión y Juicio Contencioso: La Nueva Practica**

#### **1. Generalidades**

En los últimos años el sistema procesal patentario y de propiedad intelectual en general, ha experimentado grandes cambios y transformaciones. Ello obedece a que los principios y criterios rectores

tradicionales, a los cuales se ha hecho referencia a lo largo del presente trabajo, han comenzado a mutar, quizá por las deficiencias y lagunas del sistema de infracciones administrativas.

De acuerdo con lo expuesto, el sistema administrativo es insuficiente e imperfecto. Sus debilidades y defectos son mayores a sus fortalezas y virtudes. Por una parte, se limita a la imposición de sanciones administrativas, por lo que no puede emplearse para condenar daños. La autoridad administrativa está limitada en cuanto a su esfera competencial. Por otra parte, el pretendido "juicio sumario", en la práctica, puede extenderse más allá que el más largo de los litigios civiles. Y la autoridad experta resulta no serlo en muchos casos, o resulta serlo sólo en el contexto técnico, mas no en el jurídico, por lo que su actividad "jurisdiccional" es a veces cuestionable. Sin embargo, los cambios actuales parecen seguir la tendencia administrativa. Basta observar lo que se han desencadenado en torno al concepto de supletoriedad, así como la aplicabilidad al procedimiento administrativo del recurso de revisión y el juicio ante el Tribunal Federal.

## **2. Supletoriedad de la Ley Federal de Procedimiento Administrativa**

El criterio de supletoriedad ha trastornado la práctica patentaria y, en general, de todo el derecho de la propiedad industrial. Y para entender ese fenómeno debe explicarse, en principio, qué se entiende por supletoriedad y después hacerlo por los argumentos y razonamientos empleados por el legislador mexicano y por el Poder Judicial al dictar jurisprudencia. El de supletoriedad es un concepto muy recurrido en el derecho mexicano, especialmente en materia administrativa. Éste se sostiene en que, por lo general, las leyes sustantivas y adjetivas pueden "suplirse" con la aplicación de ordenamientos cuyos postulados y disposiciones, por su alcance y grado de especificidad, permiten resolver sobre una situación particular no prevista en la ley que se aplica. De esta forma, la ley que suple se convierte en el "apoyo" de la ley suplida.

Existen reglas que rigen la aplicación supletoria de leyes, como la que establece que la ley supletoria debe estar expresamente referida en el ordenamiento suplido y que éste a su vez debe prever la figura jurídica que se pretende suplir<sup>614</sup>. De esta forma, para que el IMPI pueda invocar la supletoriedad del Código Federal de Procedimientos Civiles,

por ejemplo, al prepararse y desahogarse la prueba pericial dentro del procedimiento de infracción administrativa de patentes, la LPI, como ordenamiento que lo regula, deberá prever expresamente la supletoriedad del Código Procesal aludido, y a su vez contemplar la figura de la prueba pericial<sup>615</sup>.

Como se anticipó en el párrafo anterior, la LPI prevé la aplicación supletoria del Código Federal de Procedimientos Civiles en la sustanciación de los procedimientos de declaración administrativa, mejor conocidos como "contenciosos" o "jurisdiccionales"<sup>616</sup>. El título referente a procedimientos administrativos<sup>617</sup> y, en concreto, el capítulo relativo al procedimiento de declaración administrativa<sup>618</sup>, tiene por propósito establecer postulados —específicos en ciertos casos y generales en otros— aplicables a la capacidad legal de los apoderados y representantes de las partes en el litigio<sup>619</sup>; las características y requisitos de las solicitudes de declaración administrativa—entre ellas la de infracción—, y de la contestación<sup>620</sup>; notificaciones y plazos<sup>621</sup>; pruebas<sup>622</sup>; resolución<sup>623</sup>; y medidas provisionales<sup>624</sup>. La aplicación supletoria del Código Procesal Civil Federal tiene por objeto pues, servir de apoyo a las disposiciones de la LPI, toda vez que las que aquél prevé, por su naturaleza, se extienden y pronuncian a detalle.

No obstante lo anterior, en abril del año 2000 se reformó el ordenamiento procesal administrativo denominado Ley Federal de Procedimiento Administrativo (en lo sucesivo LFPA)<sup>625</sup>, el cual con anterioridad a dicha reforma regulaba la supletoriedad de las leyes administrativas relacionadas con la Administración Pública centralizada<sup>626</sup>. El propósito de la reforma fue que el Código Procesal Administrativo extendiera su alcance a organismos descentralizados como el IMPI<sup>627</sup>. Lo anterior produjo gran polémica, toda vez que entre otros, la LPI no fue reformada para incluir, expresamente, que la LFPA habría de ser aplicable supletoriamente<sup>628</sup>.

Hacia finales del año 2000, se produjeron los primeros criterios de los tribunales federales, desechando —en algunos casos—, o sobreseyendo —en otros—, amparos promovidos en contra de resoluciones del IMPI, bajo el argumento de que, por la aplicación de la LFPA al procedimiento de declaración administrativa de la LPI, debe agotarse el recurso de revisión previamente a la acción de amparo, por lo que, al no cumplirse

con el principio de definitividad, la vía del amparo resultaba improcedente<sup>629</sup>.

Ciertos tribunales han sostenido que los principios y reglas dictadas por la jurisprudencia no tienen aplicación en el particular, toda vez que la LFPA constituye una "ley marco" de "aplicación general", sobre todos los procedimientos administrativos, con excepción de los casos expresamente señalados en la misma LFPA. Por lo tanto, no importa si ésta se publicó con posterioridad a la ley que suple, si la suplencia no está específicamente prevista en ella<sup>630</sup>. Para dichos tribunales resulta asimismo incuestionable la aplicación supletoria de la LFPA a la LPI, ya que ésta no se excluye del art. 1º, el cual impone excepciones a la supletoriedad de la LFPA<sup>631</sup>.

Asimismo existe debate entre la doctrina. Hay dos corrientes básicas: por un lado, la que sostiene que la LFPA no es supletoria, al menos a la parte de la LPI que se refiere a procedimientos contenciosos o jurisdiccionales —sobre los que recae la supletoriedad del CFPC—. Apoyados en las ideas de tratadistas del derecho administrativo, señalan que el acto "jurisdiccional" materialmente emitido por una autoridad administrativa, no puede ser calificado como acto administrativo, y, por lo tanto, no debe caer en el ámbito de la LFPA<sup>632</sup>. En contraposición a lo anterior, algunos señalan que ni la LFPA ni la LPI hacen distinción entre actos administrativos, por lo que la LFPA se aplica tanto a actos ordinarios como jurisdiccionales<sup>633</sup>. Aun aceptando la división, consideran que dicha doctrina sería inoperante desde el punto de vista procesal, en virtud de que el criterio competencial en el amparo, atiende a la naturaleza de la autoridad y no del acto que emite.

Desde cualquier ángulo que se vea, la problemática resulta compleja, por lo que la incertidumbre, desconcierto y preocupación, habrán de prevalecer en los procesos contenciosos de la LPI, mientras no se produzca una solución de fondo.

### **3. Recurso de revisión**

Desde el punto de vista contencioso, que la LFPA se aplique en forma supletoria a la LPI produce descontrol, ya que confirma la tendencia administrativista en los procedimientos de observancia de derechos de propiedad intelectual. Sin embargo, la confusión no termina ahí, toda

vez que la LFPA, como legislación supletoria a la LPI, vendría a modificar la vía de impugnación de los actos de autoridad pronunciados por el IMPI —entre éstos las resoluciones de declaración administrativa—. Así las cosas, a partir de la reforma de mayo de 2000, los particulares afectados por las resoluciones del IMPI ya no acudirían al amparo indirecto, sino al recurso de revisión previsto en la LFPA y que debe interponerse ante el mismo Instituto o de preferirse así, directamente al juicio contencioso administrativo ante el Tribunal Federal de Justicia Fiscal y Administrativa (en adelante Tribunal Federal)<sup>634</sup>. El recurso de revisión sería optativo por lo que de elegirse como vía debe formularse ante el superior jerárquico de la autoridad que emite el acto impugnado, quien en teoría lo podrá revocar, anular o modificar o, en su defecto, podrá confirmarlo<sup>635</sup>. Sin embargo, hay voces que sostienen que el recurso es obligatorio, ello en virtud de la reforma del art. 11 (XIII) de la Ley orgánica del Tribunal Federal, el cual establece la procedencia del juicio contencioso administrativo contra resoluciones dictadas por autoridades administrativas "en términos de la LFPA". Para esta corriente el IMPI se rige por las disposiciones de la LFPA al resolver recursos de revisión, mas no al emitir "declaraciones administrativas".

#### **4. Juicio contencioso administrativo**

La problemática generada por la reforma de los arts. 1° y 83 de la LFPA, no se agota con la respuesta sobre la procedencia del recurso de revisión. ¿Qué vía emplear contra la resolución del recurso de revisión — si la parte recurrente elige presentarlo ante el IMPI— o contra la resolución originaria *de* IMPI —si la parte afectada decide impugnarla directamente ante el Tribunal Federal, sin agotar el recurso de revisión en forma previa—?

El origen del debate se da en función de que el art. 83 de la LFPA señaló que contra el recurso de revisión, el particular podrá acudir a la vía "jurisdiccional". No fue posible definir si por "jurisdiccional", la ley se refería al acto material de juzgar o al formal. Y la indefinición volvía a producir confusión toda vez que se cuestionaba si por "jurisdiccional", el art. 83 de la LFPA se refería al Juzgado de Distrito o a la instancia administrativa referente al Tribunal Federal. Así, los litigantes recurrieron a la vía de su preferencia apostando a la suerte. De hecho, los tribunales produjeron tesis encontradas por lo que la Suprema Corte tuvo que intervenir y resolver<sup>636</sup>. En virtud de lo anterior, el

31/12/2000, el Presidente de la República promulgó y publicó en el Diario Oficial de la Federación, una serie de reformas a la Ley Orgánica del hoy Tribunal Federal de Justicia Fiscal y Administrativa, así como al Código Fiscal de la Federación<sup>637</sup>.

La reforma a la Ley Orgánica del Tribunal Fiscal y de Justicia Administrativa estableció el que el Tribunal debía conocer de los juicios contenciosos promovidos contra resoluciones "dictadas por las autoridades administrativas que pongan fin a un procedimiento administrativo, a una instancia o resuelvan un expediente, en los términos de la Ley Federal de Procedimientos Administrativos"<sup>638</sup> y "las que decidan los recursos administrativos..."<sup>639</sup>. Así, considerando que la LFPA debiera ser supletoria de LPI, el objeto de dichas disposiciones legales sería definir que contra las resoluciones del IMPI deba recurrirse al Tribunal Federal, sin importar si, mediante dicha resolución, el IMPI decide un procedimiento de "declaración administrativa" o un recurso de revisión.

En virtud de lo anterior, quedaría despejada la duda respecto del juicio contencioso, como la vía a recurrir contra resoluciones del IMPI y del amparo directo como recurso posterior<sup>640</sup>. Lo que seguiría siendo incierto es el carácter optativo u obligatorio del recurso de revisión. El que fuera obligatorio iría en contra de los arts. 2º y 83 de la LFPA, que le confieren el carácter de optativo. Sin embargo, no puede soslayarse el criterio que surge de interpretar "literalmente", el art. 11 (XIII) de la Ley Orgánica, en concreto la expresión "en los términos de la LFPA". Desde el punto de vista práctico, si el recurso fuera obligatorio, se estaría añadiendo una instancia más a los procedimientos contenciosos de LPI, por lo que en total se contarían cuatro en vez de tres (procedimiento ante el IMPI, recurso de revisión, juicio contencioso y amparo directo). De esta forma aumentaría sensiblemente la duración, costo y complejidad de dichos procedimientos, impactando la práctica negativamente ¿Contrario a NAFTA y TRIP'S?<sup>641</sup> .

## **5. Los efectos del juicio contencioso**

El Código Fiscal de la Federación se reformó con el propósito de ampliar el ámbito de facultades del tribunal, antes limitadas a la anulación de créditos fiscales (impuestos, multas, etc.). De esta forma, el régimen de atribuciones se amplió a la revisión de la legalidad de todo tipo de actos

administrativos, que abarca las resoluciones dictadas en procedimientos seguidos en forma de juicio o "materialmente jurisdiccionales"642 602. Asimismo, se perfeccionó el sistema de suspensión provisional de los efectos del acto impugnado, antes reservado a créditos fiscales643. Ahora, puede pedirse la suspensión de los actos administrativos objeto de la impugnación, sin que ello implique restricciones o reservas644. Pero lo más importante: las sentencias del tribunal ya no sólo serán declarativas de la nulidad del acto impugnado645; además podrán "declarar la existencia de un derecho subjetivo y condenar al cumplimiento de una obligación..."646.

Por ellos, parece que contra la resolución del IMPI ya no es procedente la vía del amparo indirecto, sino el recurso de revisión y el juicio contencioso administrativo, no obstante la incertidumbre producida por la interpretación equívoca de las leyes y la jurisprudencia. Surge la pregunta sobre los beneficios que resultarían del cambio de vía. Ello dejando a un lado el cuestionamiento de fondo sobre el que el procedimiento de observancia de derechos de propiedad intelectual deba depositarse en la Administración Pública o en la judicial.

Sería muy positivo que las facultades del tribunal fueran de plena jurisdicción o sustitución y no sólo de anulación y revocación. El Tribunal Fiscal parece cumplir esa expectativa, en especial por cuanto la reforma del 31/12/2000, al Código Fiscal, tuvo por propósito, entre otros, la ampliación de sus facultades, según se señaló anteriormente. Además, la ley impuso al Tribunal Federal el deber de analizar los aspectos formales del acto objeto de revisión, una vez que se hayan examinado los de fondo o sustantivos647. En la práctica procesal de la propiedad intelectual se necesita urgentemente que el ente revisor de las decisiones del IMPI, pueda sustituirse a plenitud. Sólo así se despejaría la viciosa tendencia de los "amparos para efectos" y la consecuente necesidad de "cumplir ejecutorias". La vía contencioso-administrativa, ante el Tribunal Federal, luce aconsejable en principio. Sin embargo, para algunos estudiosos las facultades del tribunal no son en realidad de plena jurisdicción y sólo se limitan a la anulación o revocación con ciertos matices como es la facultad para constituir derechos y obligaciones, de ser así, la nueva vía no habría aportado mucho y lejos de beneficiar, sólo habría servido para entorpecer los procedimientos jurisdiccionales en materia de patentes.

## 6. Los retos del Tribunal Federal

Si resulta elegido, el Tribunal Fiscal y de Justicia Administrativa tendría que comenzar a trabajar de cero, por lo que se vería obligado a familiarizarse con las complejidades de la propiedad intelectual. Entre otras tendría que desarrollar su propia jurisprudencia, no obstante el hecho que, por aplicación de ley, ésta debe seguir la de la Suprema Corte de Justicia y los Tribunales Colegiados de Circuito<sup>648</sup>. Asimismo, los plazos de presentación de demanda y contestación tendrían que reducirse, porque resultan excesivos<sup>649</sup>. Por último, se esperaría que el Tribunal cuente con infraestructura y recursos suficientes, toda vez que recibiría una fuerte carga de trabajo adicional. Lo anterior genera la pregunta de si el nuevo sistema de revisión de resoluciones del IMPI debe considerarse como la antesala de un tribunal de la propiedad industrial con verdadera especialización, no obstante de carácter administrativo.

## II. ACCIÓN CIVIL DE DAÑOS

Por su carácter de autoridad administrativa el DM no puede imponer condena de daños en los procedimientos de infracción administrativa. De conformidad con el sistema jurídico en México, las acciones de daños están reservadas a los tribunales del Poder Judicial en materia civil y mercantil<sup>650</sup>. Naturalmente lo anterior representa un problema, ya que la parte actora en el procedimiento de infracción, por lo general no sólo busca impedir o suspender la actividad ilícita, y el que tenga que recurrir a una acción distinta para el resarcimiento de daños, resulta desmotivador.

El art. 221 de la LPI establece: "Las sanciones establecidas en esta ley y demás disposiciones derivadas de ella, se impondrán *además* de la indemnización que corresponda por daños y perjuicios a los afectados en los términos de la legislación común y sin perjuicio de lo dispuesto en el artículo siguiente" (se añade destacado).

Por su parte, el art. 221 bis señala: "La reparación del daño material o la indemnización de daños y perjuicios por la violación de los derechos que confiere esta ley, en ningún caso será inferior al cuarenta por ciento del precio de venta al público de cada producto o la prestación de

servicios que impliquen una violación de alguno o algunos de los derechos de propiedad industrial regulados en esta ley".

Los preceptos transcritos confirman que deba recurrirse a una acción independiente a la administrativa a fin de pedir el resarcimiento por daños. Sin embargo, de lo anterior han surgido varias preguntas, por el estado de indefinición del sistema dualista, lo cual ha sido aprovechado por litigantes en la formulación y planteamiento de sus estrategias legales. ¿Cuándo debe interponerse la acción civil: antes, durante o después de la administrativa? ¿Puede el juez civil conocer del fondo del asunto —la violación al derecho de propiedad industrial— en el juicio de daños, lo cual en principio parece estar reservado al IMPI?

Todo pareciera indicar que la acción de daños puede promoverse en cualquier momento, incluso antes de la administrativa. Dentro de este esquema pareciera que el IMPI debe conocer del fondo del caso, a través de una acción administrativa, tendiente a resolver el fondo justamente y sólo hasta que éste se resuelva en firme, el juez civil podrá declarar los daños, aplicando la fórmula del art. 221 bis. Y lo anteriores por cuestión de competencia y no en virtud de que la LIP deba considerar la acción administrativa como prerrequisito de la de daños, como pudiera pensarse. Sin embargo, lo anterior no se ha dado así en la práctica, ya que las acciones civiles que se han interpuesto, aun en adición a las administrativas, han sido admitidas por los jueces y sustanciadas en el fondo. La justificación estriba en que la acción civil es de "naturaleza" distinta a la administrativa.

Asimismo, los litigantes recurren a la acción civil sosteniendo, liberalmente, que el art. 221 de la LPI, al emplear la referencia "además", permite que la actora en un litigio interponga acciones administrativas y civiles de manera simultánea o alternativa, según prefiera, para dirigirse al fondo de la controversia<sup>651</sup>. Además de comprobarse el ilícito, la parte actora puede exigir el pago del 40% del valor de los productos o servicios objeto de la violación<sup>652</sup>. Dicha postura desvirtúa el sistema dualista por el que optó el legislador mexicano. Así, el riesgo de resoluciones contradictorias entre autoridad administrativa y judicial siempre está latente<sup>653</sup>.

Los gastos y costas procesales no pueden ser determinados por la autoridad administrativa y corresponde hacerlo a la judicial, por lo que

son procedentes sólo en las acciones civiles de daños. El juez debe exponer sus razonamientos<sup>654</sup> para condenar costas y éstas deben resultar justificables plenamente, por lo que es complicado que se obsequien en juicios de propiedad industrial, y menos cuando la autoridad administrativa resolvió sobre la infracción.

### **III. Medios Preparatorios al Procedimiento Administrativo**

#### **1. Medidas provisionales**

La LPI contempla la posibilidad de que previamente a la presentación de la demanda administrativa, la parte actora puede pedir una serie de "medidas provisionales", a fin de obtener la suspensión de la actividad presuntamente infractora. Dichas medidas pretenden estar en contexto y armonía con los estándares impuestos por el Tratado de Libre Comercio de América del Norte (NAFTA), así como con el TRIP'S<sup>655</sup>.

De esta forma, la LPI faculta al IMPI a emplear medidas tendientes a ordenar al presunto infractor la suspensión o cesación de la actividad presuntamente infractora<sup>656</sup> y a retirar del comercio las mercancías objeto de la infracción<sup>657</sup> y los utensilios, empaques, anuncios y demás objetos empleados en la producción o comercialización de los productos objeto de la infracción<sup>658</sup>. También podrá ordenar el aseguramiento de bienes y objetos, incluyendo los equipos, instrumentos, materiales e insumos empleados en la perpetración del ilícito<sup>659</sup>. Por otra parte, a los terceros que comercialicen o participen en la fabricación del producto, el IMPI puede ordenarles la suspensión o cese de los actos que representan la infracción de la ley<sup>660</sup>. Sin estar del todo definido, la LPI contempla un procedimiento *inaudita altera pars*, que la parte solicitante de la medida podrá plantear al IMPI y que éste otorgará dependiendo del cumplimiento de los supuestos de ley.

En tal virtud, el solicitante de la medida deberá acreditar la titularidad del derecho y que éste se ha violado<sup>661</sup>. Además debe garantizar posibles daños a través de fianza<sup>662</sup> y proporcionar la información para identificar los bienes, servicios o establecimientos sobre los que se deba aplicar la medida<sup>663</sup>.

Una disposición polémica es aquella que prevé que "la persona contra la que se haya adoptado la medida podrá exhibir contrafianza para responder a daños y perjuicios que se causen al solicitante de la misma,

a efectos de obtener su levantamiento"664. "El Instituto deberá tomar en consideración la gravedad de la infracción y la naturaleza de la medida solicitada para adoptar la práctica de ésta y determinar el importe de la fianza y la contrafianza"665. Dicho precepto confiere al IMPI amplias facultades discrecionales en la decisión e implementación de la medida.

Por lo que hace a plazos, la LPI concede 10 días hábiles para que la persona en contra de quien se ordene alguna de las medidas realice sus observaciones666 y otros 20 días hábiles para que la parte solicitante presente la demanda de infracción que corresponda667. El cómputo de dichos plazos comenzará en el momento en que el IMPI haya modificado la medida, lo cual podrá ocurrir cuando se realiza una visita de inspección en la fábrica, bodega, oficina o instalaciones de aquella parte en contra de quien éstas deberán ser impuestas. Por último, en cuanto a responsabilidad, la parte solicitante deberá responder por los daños que se generen en caso de que la resolución definitiva, dictada en firme, le resulte desfavorable por no demandar dentro del plazo de 20 días hábiles668 .

## **2. Preservación de pruebas y requerimiento de informes**

La LPI contempla ciertos mecanismos a fin de preservar pruebas o facilitar aquellas de difícil acceso. Así las cosas, el IMPI está facultado a pedir de cualquier persona los informes y datos que considere pertinentes, siempre y cuando lo solicite por escrito y la información tenga por motivo el esclarecimiento de los hechos en conflicto. La persona a quien el IMPI solicita información tiene 15 días para entregarla669. Por otro lado, las partes en los procedimientos de declaración administrativa podrán solicitar al IMPI que requiera a la contraparte la producción de pruebas bajo el control de éstos y cuyo acceso sea difícil para la solicitante, no obstante los esfuerzos realizados encaminados a su obtención. El IMPI podrá dictar "resoluciones preliminares y definitivas, de naturaleza positiva o negativa", en caso de que la parte a quien se dirige el requerimiento se niegue a aportar la prueba u obstaculice su acceso670.

## **IV. Aspectos Particulares de la Prueba en Materia de Patentes**

### **1. Reversión de la carga probatoria**

La LPI contempla ciertas disposiciones relativas, en lo específico, a la prueba en los procedimientos de patente. La más importante resulta la de reversión de la carga de la prueba, por la que el presunto infractor debe probar que el producto que elabora se fabrica bajo un proceso diferente al patentado, cuando 671..."I. El producto obtenido por el proceso patentado sea nuevo; y II. Exista una probabilidad significativa de que el producto haya sido fabricado mediante el proceso patentado y el titular de la patente no haya logrado, no obstante haberlo intentado, establecer el proceso efectivamente utilizado" 672.

### **2. Prueba técnica**

De gran interés resulta asimismo el tema de la prueba técnica en los litigios de patente. La prueba técnica es la de mayor importancia en procedimientos del tipo de los de la LPI, en los que se busca resolver disputas sobre eso precisamente: lo técnico 673. La pregunta es cuál debe ser esa prueba, procesalmente hablando, ya que ésta puede adoptar la vertiente de peritaje o testimonio, fundamentalmente. El peritaje se justifica en aquellos casos en los que el juzgador no está versado en la técnica, por lo que tiene que recurrir a la asistencia de las partes, quienes a su vez proveen la información técnica que permite al juez tomar su decisión. ¿Pero qué sucede cuando el juzgador es perito en patentes y la técnica? ¿qué tipo de pruebas se presentará ante éste? El procedimiento de declaración administrativa de la LPI se justifica por eso: se sigue ante la autoridad experta. La LPI faculta al IMPI a resolver sobre las disputas de patentes, así como le atribuye poder conceder las patentes mismas. Además, dado la naturaleza de sus funciones, el IMPI puede allegarse de las pruebas que le permitan decidir. Lo anterior lo faculta a examinar y dictaminar sobre los testimonios y opiniones técnicas que reciba de las partes en el procedimiento o aun aceptar peritajes, para lo cual en este supuesto, debe procurar que se observen las reglas de preparación y desahogo de este tipo de pruebas 674. En términos generales, las facultades del IMPI son lo suficientemente amplias como para emitir sus dictámenes y decisiones, valiéndose de los medios probatorios que reciba de las partes, más los que el instituto

produzca por su cuenta.

565 Publicada en el Diario Oficial de la Federación (DOF), del 27/6/1991.

566 Decreto publicado en el Diario Oficial de la Federación (DOF), del 2/8/1994 y en vigor el 19/10/1994.

567 Publicada en el Diario Oficial de la Federación, del 10/2/1976.

568 Publicada en el Diario Oficial de la Federación, del 16/1/1987.

569 Así, el maestro David Rangel Medina en sus diversas obras, en especial la más reciente, RANGEL MEDINA, David, *Derecho intelectual*, UNAM - McGraw Hill, México, 1998.

570 Ley Federal de Variedades Vegetales, publicada en el Diario Oficial de la Federación del 25/10/1996.

571 Art. 15, un.

572 RANGEL MEDINA, David, *Derecho...*, cit., p. 23.

573 Art. 16, LPI, otros precedentes establecen el concepto de novedad —arts. 12 (I) y (11), 17 y 18— el cual plasma una excepción a dicho criterio, de actividad inventiva (art. 12 [II]) y aplicación industrial (art. 12 UVI).

574 Art. 25, LPI: "El derecho exclusivo de explotación de la invención patentada confiere a su titular las siguientes prerrogativas: I. Si la materia objeto de la patente es un producto, el derecho de impedir a otras personas que fabriquen, usen, vendan, ofrezcan en venta o importen el producto patentado, sin su consentimiento; y II. Si la materia objeto de la patente es un proceso, el derecho de impedir a otras personas que utilicen ese proceso y que usen, vendan, ofrezcan en venta o importen el producto obtenido directamente de ese proceso, sin su consentimiento. La explotación realizada por la persona a que se refiere el art. 69 de esta ley se considerará efectuada por el titular de la patente.

575 Art. 9º, LPI. Asimismo véase el resumen de los derechos de patente que hace el maestro RANGEL MEDINA, David, *Derecho...*, cit., p. 23.

576 Art. 210 de la Ley de Invenciones y Marcas de 1976, publicada en el Diario Oficial de la Federación (DOF), del 10/2/1976 y art. 229 de la Ley de la Propiedad Industrial de 1943, publicada en el Diario Oficial de la Federación (DOF), del 31/12/1942.

577 La Ley de 1975 listaba una serie de causales de infracción administrativa, en el art. 210 y de tipos delictivos en el art. 211. De manera similar lo hacía la ley de 1991, antes de la reforma de 1994, así las infracciones estaban contempladas en el art. 213, que en ciertas de sus fracciones se refería a patentes, lo mismo que el art. 223, éste relacionado a los delitos. Al respecto ver OLIVARES, Sergio, *International patent litigation*, Report on Mexico, Michael Meller Editor, BNA Books, Washington DC, 1996.

578 Así, César Sepúlveda analiza las posturas a favor y en contra del sistema o régimen de infracciones administrativas, sosteniendo que quienes están en contra ven en la actuación materialmente jurisdiccional de la Administración Pública algo que rompe con el equilibrio de poderes. Además está el desequilibrio producido por cuanto es la autoridad administrativa juez y parte, y la posibilidad de que los asuntos se "politicen" con mayor facilidad. Sin embargo, la postura a favor dice que en el mundo moderno es posible ver

gobiernos que cumplen la función de legislar, juzgar y administrar, dividiendo las cargas entre los tres poderes, lo cual no necesariamente implica desequilibrio (SEPÚLVEDA, César, *El sistema mexicano de propiedad industrial*, 2ª ed., Porrúa, México, 1981, ps. 194 a 196).

579 De acuerdo con los informes anuales del IMPI, especialmente el de 1999, la presentación de patentes ha incrementado de 10.531 en 1977 a aproximadamente 12.000 en 1999. La tendencia es alcista. Sobre los procedimientos de patentes no hay una cifra exacta pero de los 1500 litigios seguidos ante el IMPI en el 2000, aproximadamente el 5% fue de patentes. Consúltense IMPI, *Informe Anual*, 1999 y anteriores.

580 RANGEL ORTIZ, Horacio, *Usurpación de patentes*, Tesis Doctoral, Universidad Panamericana, México DF, 1994, ps. 410/421. Horacio Rangel Ortiz se refiere en su tesis doctoral a algunos de los primeros casos importantes en el litigio de patentes. Entre otros casos resueltos por la Suprema Corte de Justicia de la Nación o los Tribunales Colegiados de Circuito, menciona los siguientes: "Gustavo Vázquez Glumer v. General Motors de México" (1940); "General Tire Cía. Hulera el Centenario" (1952); "David Kahn Inc. v. Artefactos Metálicos McGregor" (1959); "The Dow Chemical Company v. Fotograbadores Unidos" (1960); "R. v. Compañía Singer de Máquinas de Coser y Singer Mexicana" (1957).

581 Art. 6º, fracción V de la Ley de la Propiedad Industrial.

582 Arts. 187, 188 y 215 de la LPI.

583 Arts. 179, 180 y 197 de la LPI.

584 De acuerdo con los arts. 19 y 25 de la LPI y 1º del Código Federal de Procedimientos Civiles, el titular de la patente es, en principio, quien tiene el interés jurídico para entablar acciones derivadas de ésta. Sin embargo, el art. 68 de la LPI señala que el licenciatario de la patente, cuyo contrato obre inscripto ante el IMPI, tendrá la facultad de ejercitar acciones legales, salvo que en el contrato se estipule lo contrario, esto es, que el licenciatario no tenga ese derecho.

585 Arts. 188 y 215 de la LPI. Curiosamente, el art. 6º de la LPI no es expreso en cuanto a la facultad del IMPI para actuar de oficio en las investigaciones.

586 El autor no tiene referencia de casos que el IMPI haya llevado "de oficio" en materia de patentes. En marcas y derecho de autor sí se han producido (piratería, por ej.), lo cual ha permitido constatar lo cuestionable que resulta que lo haga, desde el punto de vista legal. Es contrario a derecho que el IMPI promueva acciones por cuenta de un interés particular, a quien finalmente correspondería efectuarlo.

587 El IMPI puede realizar inspecciones, requerir informes y datos y puede practicar visitas de inspección para hacer las verificaciones (art. 203, LPI). Derivado de lo anterior, puede inspeccionar establecimientos, productos y documentos relacionados con el objeto de la verificación o visita (arts. 205 a 212 bis, LPI). Los preceptos anteriores se refieren a las reglas de visita, inspección y aseguramiento. El art. 204 LPI se refiere a la facultad del IMPI para pedir informes y documentos a las partes. El IMPI, asimismo, puede allegarse de las pruebas que estime pertinentes para resolver (art. 192 bis, LPI).

588El término "contencioso administrativo" guarda una acepción de índole formal y material. Formalmente se refiere a los órganos con competencia para resolver las controversias o reclamaciones entre la Administración Pública y los particulares (tribunales administrativos o contencioso administrativos). Materialmente se refiere al "control jurisdiccional de la Administración". Así Orendain y Manzanero, citando a los profesores Gabino Fraga y Andrés Serra Rojas (ORENDAIN KUNHARDT, Ignacio - MANZANERO ESCUTIA, Francisco Xavier, *Un Tribunal Federal de lo Contencioso Administrativo. Un paso más en la justicia administrativa*, la ed., Barra Mexicana de Abogados, Estudios Jurídicos Conmemorativos del Setenta y Cinco Aniversario de la Barra Mexicana, Colegio de Abogados, México, noviembre de 1998, ps. 38/39).

589Entre otros presupuestos, el actor debe acreditar personalidad en su calidad de solicitante "por su propio derecho", o en su representación. En este segundo caso requiere poder en los términos del art. 181 de la LPI. Si la demanda se formula por varios actores, se debe designar representante común (art. 182, LPI).

590 Entre otros debe acreditarse el interés jurídico del art. 1º del Código Federal de Procedimientos Civiles; la personalidad que da legitimidad a las partes y sus representantes para actuar *ad causam*; y *procesar* ya sea por propio derecho o en representación de alguna de las partes; y el cumplimiento de exigencias legales sobre demanda, contestación, alegatos, ofrecimiento de pruebas, etc., lo cual incluye los plazos para su presentación. Ver SEPÚLVEDA, César, *El sisee.: ma..., cit.*, ps. 197/198. Ver asimismo RANGEL MEDINA, David, *Derecho...*, cit., p. 166.

591Arts. 209 (IX) y 216 de la LPI.

592Arts. 183 y 189 de la LPI y 69 del Reglamento de la LPI.

593Resulta incuestionable la diferencia existente entre ambos procedimientos. El de la LPI se rige por las particularidades ya expuestas. Respecto de los incidentes, el art. 195 de la LPI los excluye expresamente, por lo que todas las cuestiones de índole formal ocurridas durante el procedimiento deben valorarse y resolverse en la resolución definitiva. Por su parte, el CFPC establece con toda claridad un procedimiento bien demarcado y delineado, en el que las etapas procesales se dividen en instrucción, dividida a su vez en etapas preparativa, expositiva, probatoria, conclusiva, resolutoria, impugnativa y ejecutiva (BECERRA BAUTISTA, José, *El proceso civil en México*, 4ª ed., Porrúa, México, 1974).

594 Arts. 190 y 216, LPI. El art. 198 de la LPI, proporciona un plazo especial de 15 días para presentar pruebas provenientes del extranjero. El IMPI requerirá al solicitante el cumplimiento de los requisitos del art. 189, si lo omite el solicitante (art. 191, LPI), lo cual no implica que éste pueda omitir la presentación de poder o pruebas.

595 Art. 192, LPI. Las excepciones a las reglas tradicionales del procedimiento civil están en las pruebas confesional y testimonial, las cuales deben estar contenidas en documentos.

596Título Séptimo, Capítulo I de la LPI, arts. 203 a 212 bis.

597Art. 199 de la LPI.

598Arts. 214 y ss. de la LPI.

599 La aplicación de daños y perjuicios está reservada a los tribunales civiles del Poder Judicial. Arts. 73 (XXIX-H), 94, 104 (I), 116 (III) y (V) de la Constitución Política; art. 19 del CFPC; art. 53 de la Ley Orgánica del Poder Judicial de la Federación; art. 156 del Código de Procedimientos Civiles para el D.F. y art. 50 de la Ley Orgánica del Tribunal Superior de Justicia del DF.

600Art. 1' LPI.

601ATL. 216, LPI y 330 y 333, CFPC.

602La única excepción son las pruebas provenientes del extranjero. Al respecto el art. 198, LPI otorga un plazo de 15 días adicionales para presentarlas.

603Arts. 14 y 16 de la Constitución Política de México.

604 El precepto constitucional transcrito asimismo constituye el art. 1° de la Ley de Amparo reglamentaria de los arts. 103 y 107, constitucionales.

605Art. 114, fracción II, Ley de Amparo. A su vez el art. 114 cobra su fundamento en lo que disponen los arts. 107 (111) y 107 (IV) de la Constitución.

606El art. 17, constitucional, se refiere al hecho de que la administración de justicia sólo puede dictarla los tribunales previamente establecidos. Los arts. 94 y ss. se refieren a la composición, estructura y atribuciones de los tribunales del Poder Judicial. Por su parte, los arts. 73 (XXIX-ID, 122 (IV-E) y 1041-B de la Constitución se refieren a la justicia y tribunales administrativos. El Tribunal Fiscal es un tribunal administrativo.

607Art. 114, fracción 11, Ley de Amparo.

608Art. 114, fracción IV, Ley de Amparo.

609Art. 158, Ley de Amparo.

610Así, NORIEGA, Alfonso, *Lecciones de amparo*, T. I, 4° ed., Porrúa, México, 1993, ps. 43 y 55.

611Art. 80, Ley de Amparo.

612Arts. 104 y ss., Ley de Amparo.

613Así de la interpretación del art. 78 de la Ley de Amparo, conforme a la jurisprudencia.

614Existe abundante jurisprudencia sobre este tema, dictada por los Tribunales Colegiados. Consúltese entre otras la del Cuarto Tribunal Colegiado en Materia Civil del Primer Circuito, *Gaceta del Seminario Judicial de Federación*, 8' época, t. 76, abril de 1994, tesis 1, 4 o 6, J/58, p. 33. Dicha tesis enumera los anteriores puntos, entre otros. La doctrina asimismo define y explica el concepto diciendo que lo supletorio es lo que "reemplaza o sustituye" y que "en materia jurídica la supletoriedad se da cuando en una ley falta algo o se encuentra incompleto o deficientemente regulado". MINVIELLE SEMPÉ, Carlos, *Técnica legislativa y desregulación*, 3' ed., Pomía, México, 2000, p. 122. Dicho autor se refiere también a los factores de la jurisprudencia.

615 En el caso particular, lo anterior se actualiza por completo, ya que la LPI prevé la supletoriedad del CFPC, en el art. 187 y asimismo admite la prueba pericial, en el art. 192. La aplicación supletoria se da pues, en virtud de que no obstante la LPI prevé la figura de la pericial, no contempla reglas específicas de preparación y desahogo.

616Ver nota anterior.

617 Título Sexto de la LPI, el cual abarca tres capítulos.

618 Capítulo II del Título Sexto de la LPI.

619 Art. 181, LPI.

620 Arts. 189, 190, 191, 193 y 197, LPI.

621 Arts. 193, 194, 196, 198 y 199, LPI.

622 Arts. 192, 192 bis, 198 y 192 bis 1, LPI.

623 Art. 199 de la LPI, el cual por cierto es limitadísimo en su ámbito, al no prever situaciones tales como los efectos de la resolución.

624 Art. 199 bis, LPI.

625 LFPA, publicada en el DOF del 4/8/1994 y reforma del 19/4/2000. Para incluir organismos descentralizados.

626 Justamente el art. 1° de la LFPA, conforme a la reforma de abril, extiende su ámbito de aplicación a los organismos descentralizados. Por otra parte, la LFPA contempla diversos capítulos que regulan entre otras figuras, el acto administrativo, su régimen jurídico, nulidad eficacia y extinción, así como el procedimiento administrativo y la "mejora regulatoria". Por otra parte, cabe señalar que el capítulo 3 de la "mejora regulatoria" es la única excepción a la aplicación supletoria de la LFPA, aplicando obligatoria y directamente a los actos de la Administración Pública.

627 Ver art. 6° en el que se estipula que el IMPI es un organismo descentralizado y art. 45 de la Ley Orgánica de la Administración Pública Federal, que define lo que es un organismo descentralizado.

628 Ello en aparente violación de los criterios jurisprudenciales en materia de supletoriedad.

629 Como se ha visto, el amparo está regido por el principio de definitividad, previsto en el art. 107 (III) (a), constitucional y en el art. 73 (XIII) de la Ley de Amparo. En términos generales, dichos criterios significan que el juicio de amparo o garantías sólo puede promoverse una vez agotados los recursos o instancias previas. En el caso "Bacardí v. Superetes Comercial SA de CV", Juzg. 3° de Distrito en Materia Administrativa del DF 389/2000, resolución del 15/12/2000, se produjo uno de los primeros sobreseimientos generados por la aplicación del recurso de revisión.

630 Así la sentencia del juez Tercero del Distrito en Materia Administrativa en el Distrito Federal, quien el 15/12/2000, en el caso "Bacardí and Company Limited v. Superetes Comercial SA de CV". La juez decretó el sobreseimiento del juicio de amparo, por incurrir en la causal de improcedencia del art. 73 (XV) de la Ley de Amparo, referente al principio de definitividad. Para la juez resultaba procedente el recurso de revisión, previo al amparo —curiosamente no se refiere al juicio contencioso administrativo—, debido a la aplicación supletoria de la LFPA a la LPI. Las razones son las anteriormente expuestas. Además citó la jurisprudencia nro. 116/99 que resuelve una contradicción de tesis en el sentido de que los recursos o medios de defensa ordinarios sí pueden establecerse en ordenamiento legal diverso del que sirve de fundamento a la emisión del acto reclamado.

631 El art. 1°, única y expresamente, excluye del ámbito de la LFPA las materias fiscal, responsabilidad de servidores públicos, ministerio público, competencia económica (*antitrust*) y en parte las prácticas desleales de comercio internacional y la financiera.

632• SERRA ROJAS, Andrés, *Derecho administrativo*, Porrúa, México, 1980.

633La crítica que se hace es que la primera postura sólo se queda en la teoría y doctrina. Resultaría viable modificar la LFPA y probablemente la LPI misma.

634Art. 83 de la LFPA. Como se dijo anteriormente, se considera a la LEA una ley marco que rige supletoriamente las disposiciones de legislaciones administrativas como la LIP. Por lo tanto, el recurso de revisión que aquélla prevé resulta aplicable por extensión, en contra de actos de autoridades como el IMPI, sin importar si está expresamente previsto en la LPI. Esto lo sostuvo el juez Tercero en el caso "Bacardf", citado *supra*. El art. 83 se reformó el 30/5/2000, para dejar claro que el recurso de revisión resulta procedente ahora para todos los actos administrativos de organismos descentralizados como el IMPI, que pongan fin a un expediente —por ejemplo, una resolución del IMPI— o resuelvan una instancia.

635Arts. 86 y 91, LFPA.

636 Quienes proponían la vía de amparo lo hacían sosteniéndose de dos jurisprudencias de la Suprema Corte, resolviendo en contradicción de la tesis producidas por los Tribunales Colegiados de Circuito. Las contradicciones referidas son la 12.199, tesis 117/99 y 118/99. Ahí resolvió la Corte que el juicio ante Tribunal Fiscal sólo era procedente cuando la condena o sanción de la autoridad administrativa no se limita a una multa o crédito fiscal, las resoluciones de IMPI típicamente imponen otras sanciones además de la multa como lo es la suspensión definitiva, clausuras, publicación en la Gaceta.

637 Antes de la reforma, autores como ORENDAIN KUNHARDT, Ignacio - MANZANERO ESCU- TIA, Francisco Xavier, *Un Tribunal.* cit., p. 46, propusieron que se instituyera un tribunal administrativo, dependiente del Poder Judicial (no del Ejecutivo) y de plena jurisdicción. Sin embargo, como se verá, dicho tribunal administrativo no es otra cosa que la modificación del Tribunal Fiscal, con ampliación de la competencia a casi todas las materias administrativas y con ciertas atribuciones adicionales, como es que puede constituir derechos y obligaciones, siendo que antes sólo era *de* nulidad. Sin embargo ¿llegan las atribuciones a jurisdicción plena? Además, el tribunal quedó en el Poder Ejecutivo.

638 Art. 11 (XIII) de la Ley Orgánica del Tribunal Federal de Justicia Fiscal y Administrativa, reformado el 31/12/2000. Sin embargo, reina ambigüedad en cuanto al significado del concepto "en términos de la LFPA", toda vez que no se dice expresamente si se refiere a la aplicación de dicho Código en forma directa —lo cual luce absurdo— o supletoria, lo cual resulta más consistente con la naturaleza de dicho ordenamiento legal y está incluso establecido en el art. 2° de la LFPA. Una parte de la doctrina está en desacuerdo con la reforma de diciembre de 2000, considerándola un nuevo "albazo", que condujo a un cambio precipitado e irreflexivo. Ver trabajo sin cita bibliográfica de PÉREZ DE ACHA, Luis M. *et al.*, *Reflexión crítica sobre el nuevo contencioso administrativo*.

639 Art. 11 (XIV) de la Ley Orgánica del Tribunal Federal de Justicia Fiscal y Administrativa, reformado el 31/12/2000.

640Art. 85, Ley de Amparo.

641Arts. 41 (1) y (2) de TRIP' S y 1714 (1) y (2) de NAFTA. Ambos tratados exigen procedimientos expeditos y de plazos razonables.

642El encabezado del art. 208 bis, Código Fiscal de la Federación, se refiere a "actos impugnados".

643 Art. 144, Código Fiscal de la Federación, se refiere a la suspensión de créditos fiscales y el art. 208 bis, a todo tipo de actos administrativos. Este último se insertó con la reforma. Sin embargo, el art. 208 bis ha sido objeto de severas críticas por parte de la doctrina, por cuanto las nuevas reglas de suspensión "provocan inseguridad jurídica y colocan a los justiciables en estado de verdadera indefensión". Entre otros, hay definición de plazos y reglas de impugnación de negativas. Ver trabajo de PÉREZ DE ACHA, Luis M. *et al., Reflexión...*, Cit.

644Art. 208 bis, Código Fiscal de la Federación.

645 Art. 239, fracciones I, II y III del CFF. Antes de la reforma las facultades del tribunal básicamente eran de nulidad.

646Art. 239 (IV) del CFF, conforme a la reforma del 31/12/2000. Para PÉREZ DE ACHA, Luis M. *et al., Reflexión...*, cit., "el texto vigente a partir del 1° de enero de 2001 de los arts. 208, *frac-* VIII, 237, primero y último párrafos y 239, fracción IV, del Código Fiscal de la Federación atribuyeron plena jurisdicción al Tribunal Federal de Justicia Fiscal y Administrativa, al cumplir la materia del contencioso administrativo y los efectos de las sentencias dictadas en los juicios,

y facultarlo para reconocer la existencia de derechos subjetivos, condenar a la Administración Pública federal al cumplimiento de una obligación, así como declarar la nulidad de las resoluciones impugnadas". Por su parte ORENDAIN KUNHARDT, Ignacio - MANZANERO ESCUTIA, Francisco Xavier, *Un Tribunal...* cit., p. 45, distinguen entre tribunales de justicia retenida, justicia delegada, de anulación y plena jurisdicción. Por estos últimos entienden aquellos tribunales con poderes, potestades y facultades de un juzgador, esto es, con la fuerza y competencia para hacer cumplir sus resoluciones.

647Art. 237, CFF.

648Código Fiscal de la Federación. Título Sexto, "Del procedimiento contencioso administrativo", capítulo XII, "De la jurisprudencia", arts. 259 y ss. El art. 259 menciona que la jurisprudencia se publica en la *Revista del Tribunal de la Federación*.

649 Art. 262, cuarto párrafo del CFF, los arts. 207 y 212 conceden respectivamente al actor y demandada 45 días hábiles (más de 2 meses), para presentar la demanda o contestación. Dichos plazos son muy superiores a los 15 días hábiles que concede la Ley de Amparo para la presentación de demandas de amparo. Será recomendable revisar lo anterior o, de lo contrario, podrán venir reclamaciones comerciales de los socios comerciales de México, derivadas del TLC y TRIP'S.

650 En principio, de conformidad con el art. 104, constitucional, los tribunales contencioso administrativos tienen facultades restringidas. Por otra parte, los códigos de procedimientos civiles, federal y estatal sustanciaron los procedimientos derivados de los derechos consignados en los códigos civiles y el de daños es un tema que concierne el Código Civil. Ver como ejemplo el artículo 1910 del Código Civil Federal.

651Ver, OSTOS DELA GARZA, Alejandro, "Defensa de la propiedad industrial", apunte de clase sin publicar. Ahí el creador de la teoría independentista de las

acciones civiles y administrativas, sostiene que el art. 221 es claro al emplear el concepto "además", lo cual permite al juez conocer de la acción de daños ya que la conducta que deriva del ilícito se produce de conformidad con el art. 1910 del CCiv., independientemente que sobre ésta, asimismo, se genere una infracción administrativa. De la teoría anteriormente señalada se produjo la siguiente tesis de los tribunales civiles: "Propiedad industrial, Ley de la": "No es necesaria la previa declaración administrativa de infracciones para la procedencia de las acciones mercantiles y civiles previstas en dicha legislación". "La procedencia de las acciones civiles y mercantiles a que alude el art. 227 de la Ley de la Propiedad Industrial no están condicionadas a la previa declaración de alguna o algunas de las infracciones administrativas previstas en el diverso numeral 213 de esa legislación, pues la finalidad de éstas es eminentemente sancionadora y se da en el marco de las relaciones Estado-particular, mientras que la finalidad de las primeras es netamente conmutativa, cuya relación atañe sólo a particulares; por tanto, al ser independientes unas de otras, para que proceda la acción de daños y perjuicios, reclamada como suerte principal, la parte actora tendrá que probar los hechos constitutivos de la misma, es decir, la conducta o actos de la demandada que los ocasionaron, independientemente de que los mismos puedan actualizar determinadas infracciones administrativas".

652 Art. 221 bis. La reparación del daño material o la indemnización de daños y perjuicios por la violación de los derechos que confiere esta ley, en ningún caso será inferior al cuarenta por ciento del precio de venta al público de cada producto o la prestación de servicios que impliquen una violación de alguno o algunos de los derechos de propiedad industrial regulados en esta ley. Al respecto Ostos de la Garza sostiene que el monto del 40% corresponde a un daño "punitivo" o "compensatorio", que se aplica en forma directa sin que se requiera prueba alguna. Lo anterior parece alentador, sin embargo hay posturas que se manifiestan en sentido contrario.

653 Ver "Ernesto Barba Gómez v. McDonald's Sistemas de México SA de CV *et* resuelto por el Juzgado 11 Civil en el Distrito Federal (ciudad de México) y revisado por el Tercer Tribunal Colegiado en Maten a Civil, 655/2000-13. En este caso la acción administrativa se resolvió a favor de la demandada y la civil a favor de la actora. Por cierto que, a fin de cuentas, el juez civil no efectuó ninguna condena y existe la posibilidad de que ésta no se produzca, aun en vía de incidente como fue planteada por la actora. No se han determinado daños y probablemente no se determinen. Por lo tanto, la sentencia de tribunales sólo habrá servido para producir confusión. Consúltese: OLIVARES (Jr.), Sergio - LUNA, Alejandro, "New Trends in IP Damages", *IP Litigation Yearbook* 2000, Managing Intellectual Property, Euromoney Publications, England", p. 20.

Art. 222, CFPC.

654 Art. 222, CFPC.

655 Art. 1716, TLCN y art. 50, TRIP'S.

656 Art. 199 bis III, LPI.

657 Art. 199 bis I y II a), LPI.

658 Art. 199 bis II b), c) y d), LPI.

659 Art. 199 bis IV, LPI.

660 Art. 199 bis V y VI, segundo párrafo, LPI.

661Art. 199 bis 1 a), b), c) y d), LPI.

662Art. 199 bis II, LPI.

663Art. 199 bis III, LPI.

664Art. 199 bis I, III, segundo párrafo, LPI.

665Art. 199 bis I II, tercer párrafo, LPI.

666Art. 199 bis 2, LPI.

667Art. 199 bis 3, LPI.

668Art. 199 bis 3, I y II, LP1.

669Art. 192 bis, LPI.

670 Art. 192 bis I, LPI.

671Art. 94, LPI.

672Art. 192 bis 1, LPI.

673 Consúltese RANGEL ORTIZ, Alfredo, "The role and function of experts in patent proceedings", *Quesrion* 136 AIPPI, Report on Mexican Group, Rio Congress, 1998.

674Al respecto, los arts. 144 y ss. del Código Federal de Procedimientos Civiles establece la mecánica de instrumentación y desahogo de la prueba pericial. Por lo general, cada parte nombra un perito, **y** éste rinde su dictamen, de resultar contradictorio deberá nombrarse perito tercero a cargo del tribunal (o del IMPI), quien rinde un tercer dictamen que deberá aportar mayores elementos de convicción al juez y al juzgador.

## **REFORMING TO HARMONIZE**

*By Luis C. Schmidt and Cesar Ramos Jr.  
Patent Yearbook 1996.*

Mexico has granted protection inventions since 1832. Various laws were promulgated over the following years, until finally in 1991 the current Law was passed. It introduced substantive amendments to improve the protection of industrial property rights which were, at least partially, forerunners of the North American Free Trade Agreement (NAFTA) negotiations. Accordingly, when NAFTA went into effect, significant changes to Mexican legislation were unnecessary. However the changes required to conform to NAFTA were made in 1994.

### **Patentability requirements**

If we accept as valid the premise that the phrases "inventive step" and "capable of industrial application" are equivalent to "non-obvious" and "useful", the patentability requirements of the US, Canada and Mexico did not differ greatly prior to the Treaty. Therefore there was no debate on these items among the NAFTA negotiators.

NAFTA's Article 1709 (I) adopted this position establishing that: "For purposes of this Article, a Party may deem the terms 'inventive step' and 'capable of industrial application' to be synonymous with the terms 'non-obvious' and 'useful' respectively".

Under the Mexican Law of Industrial Property (LIP), "novel" means anything that is not included in the state of the art. This is interpreted as something different from what preceded it. The novelty concept is absolute, since state of the art includes the composite of knowledge that has been published in an oral or written form, exploitation or any other medium of publication or information, domestically or overseas. The LIP however contemplates a 12-month grace period from the date the invention is first disclosed, within which a patent application may be filed, without the invention losing its novelty. Disclosure of the invention by means of the publication of a foreign patent application or by the grant of a foreign patent, however, constitutes a bar to novelty.

On the other hand, the LIP defines as "inventive step" the creative process whose results are not obviously inferred from the state of the

art by someone familiar with the subject matter. This definition is equivalent, to a degree, to the “non-obviousness” principle contemplated in the US Patent Act.

The third patentability requirement is the “industrial application” of the invention. The LIP defines it as the possibility of an invention being produced or used in any field of economic activity, including industry, ranching, fishing, mining, the so-called transformation industry, construction, services of every kind, etc.

### **Patentability exceptions**

NAFTA’s Articles 1709(2) and 1709(3) defined the types of inventions which the Parties may exclude from patentability. This issue led to controversy among the negotiators because of the differences that have existed and that still exist in the laws of the three countries. These two precepts reflect the efforts of the member countries directed at conciliating the differences as to what is considered as something non-patentable by each of them.

Article 1709(2) is very broad and somewhat ambiguous. It could be interpreted in several ways, mainly relative to “public order” and “morality”. Notwithstanding the foregoing, Mexican legislation has excluded only:

- (i) biological and genetic material as it is found in nature, and
- (ii) the human body and the live parts that make up the human body, in addition to the exceptions contemplated in Article 1709(3).

Despite the controversy this precept could generate, it is interesting to note that the fact that it establishes that exclusion cannot be based only on a Party’s prohibiting commercial exploitation in its territory of the subject matter of the patent, is a frame of reference.

Article 1709(3) establishes that the Parties may exclude the following from patentability:

- (a) diagnostic, therapeutic, and surgical methods for the treatment of humans or animals;
- (b) plants and animals other than microorganisms; and

(c) essentially biological processes for the production of plants or animals other than non-biological and microbiological processes for such production.

Notwithstanding subparagraph (b), each Party shall provide for the protection of plant varieties through patents, an effective scheme of *sui generis* protection, or both.

In addition to the subject matter mentioned in point (a) above, the LIP considers not to be inventions: scientific and theoretical principles; discoveries of something previously existing in nature; schemes, plans, rules and methods for carrying out mental acts, games or business; computer software and forms of presenting information. On the other hand, the same considers not to be patentable:

(I) essentially biological processes for the production, reproduction and propagation of plants and animals;

(II) animal breeds; and

(III) plant varieties.

Comparing the above point (I) with (c), it is observed that under Mexican Law, non-biological processes fall outside the exclusion, but microbiological processes, if they are essentially biological, are considered non-patentable. On the other hand, comparing points (II) and (III) with point (b), it is observed that Mexican Law does incorporate restrictions relative to plants and animals.

As to plant varieties, exhibit 1701.3 of NAFTA establishes that Mexico, (a) will use its best efforts to comply as soon as possible with the substantive provisions of the UPOV Convention, 1978 of 1991, and will do so no later than within two years from the signing of the Treaty; and (b) as of the effective date of the Treaty, it will accept applications from obtainers of plants for varieties in every plant genus and species and will grant protection pursuant to said substantive provisions promptly after complying with the provisions of subparagraph (a).

The provisions of the UPOV Convention have not yet come into effect in Mexico, but the Mexican Industrial Property Institute (IMPI) has been receiving the respective applications.

## **Exceptions to rights**

NAFTA'S Article 1709(6) allows the countries to make exceptions to the exclusive rights granted by a patent, "provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interest of the patent owner, taking into account the legitimate interests of other persons".

In this respect, Article 22 of the LIP contains six exception cases: (i) experimental scientific or technological research; (ii) the use and marketing by third Parties of a patented product or obtained from a patented process, once such product has been legally placed on the market; (iii) use of the patent prior to the filing date of the application or recognized priority date; (iv) use of an invention in a transport vehicle pertaining to another country, that forms part of it, when the vehicle is passing through the country; (v) a third Party who, in the case of living matter, uses a patented product as the initial source of variation to obtain other products, unless he uses it repeatedly, and (vi) a third Party who, in the case of living matter, uses or distributes products for purposes other than multiplication and propagation after they have been legally introduced on the market.

Thus it is observed that although the NAFTA provisions is extremely broad, the exceptions to the rights contemplated under Mexican Law have a clearly defined and specific sphere of action.

From all the above it can be concluded that Mexican Patent Law has implemented a system that allows protecting inventions in a fairly broad manner, and has established clear rules in terms of the rights conferred and exceptions imposed. This has now led to increased interest among companies and individuals in protecting their inventions in Mexico.

## **LICENSING AS A SOURCE OF TECHNOLOGY TRADE: A PICTURE OF LATIN AMERICA**

*LES/AIPPLA Meeting, November 2005.*

### **1.0 The role of licensing in today's business and economy.**

There is no question that intellectual property licensing has played a major role in today's business and economy. Nobody would disagree that companies in a modern world can only grow on the basis of technology or other intangible properties and that licensing is essential for achieving that goal.

#### **1.1 Intellectual Property as a valuable asset.**

Intellectual Property is the right that authors or inventors hold for having created something original or novel. The subject matter of intellectual property, that is, works of authorship, inventions and trademarks, has significant value. The value of intellectual property can be viewed from different angles. From the cultural side intellectual property is valuable as it represents an exceptional contribution to human progress and wealth. From an economic perspective intellectual property is valuable since it is a scarce intangible asset giving companies or individuals a key competitive advantage in trade. Under the law, intellectual properties are protected on an exclusive basis and accordingly, their use is restricted to eliminate all possible forms of competition. Governments have considered that by protecting intellectual property they will ultimately stimulate creativity and accordingly, raise the cultural or economic level of the country.

#### **1.2 Intellectual Property Rights can be licensed.**

Holders of intellectual property rights can authorize third parties to use their works, inventions or trademarks. From a formal standpoint the authorization is called a license, generally a contract and thereby subject to the principles and provisions of contract law. Licensing has proved to be a very effective mechanism for trading goods that are made under technologies or other proprietary rights. Licensing contracts entitle third parties unrelated to the rights holder to make a patented product, to copy or publicly perform a copyrighted work of authorship or to use a trademark. In the end "authorizing" or "licensing" the use of

technologies to other properties is what licensing is all about. Licensing helps to reduce the “monopoly” effects of intellectual property rights. Licensing is principally “voluntary” in the sense that rights holders are free to decide who they will designate as licensees and what rights they will grant to them. However, in certain cases and for determined purposes the law will impose compulsory licenses, without to give the licensor the chance to grant a voluntary authorization.

## **2.0 Licensing fosters the growth of business and economy**

Licensing is one of the principal mechanisms available for ensuring that a given technology, trademark or copyrighted work will contribute to the growth of a business. Companies get attracted to licensing as it offers the chance of making profits without having to invest much money or resources like labor or other kinds. Licensees generally participate in investments and take their own risks in that regard.

### **2.1 The need of technologies or other properties**

In complex world like the one we live few companies are able to develop internally every technologies needed for the manufacture of their products. On a frequent basis companies require technology from outside providers and accordingly, rely on licensing as the vehicle for obtaining the same. On the other hand, companies that develop technologies have the chance of expanding their business by using licensing as a strategy to penetrate markets that are unknown to them. However, if managed efficiently, licensing can certainly be the source of important income for the licensor.

Licensing has typically attracted governments as well. For the past decades international trade operations have multiplied and nations have become more sensitive to that. In that context governments have used intellectual property to capture economic value, making international trade operations more profitable, and ultimately contributing to the trade balance of countries. Economic values obtained from intellectual properties can take different forms, which include taxes, wages and salaries, among others. Governments have in fact been interested to protect and enforce intellectual property rights only to the extent that the represent a benefit for the country. Accordingly, the more benefit a

country is expected to receive from the trading of intellectual property rights the stronger means of protection and enforcement it will utilize.

### **3.0 Is licensing merely a local problem?**

Licensing is important in the local context of trade and business. However, it is equally important on a global level. Companies would likely survive without expanding their business to foreign lands, especially if their local markets are large enough and sufficiently wealthy to keep the company working. However, cross-border licensing of intellectual property rights can be an additional attraction for expanding a business. Likewise, cross border licensing can be the chance of technology receivers to produce a more competitive product.

#### **3.1 Licensing from the US to abroad**

US Companies are in the up front of international licensing. As professor Karl Jorda has stated, US companies and the country as a result, have benefited from international licensing: "Between 1950 and 1980, US companies signed approximately 32,000 licensing agreements" and that amount "grew at an unprecedented pace with the advent of technological developments". Examples of the foregoing can be found in nearly every field of culture and industry: U.S, pharmaceutical laboratories like Abbott, Eli Lilly and Pfizer celebrate international patent license operations on a frequent basis with a number of foreign parties. In a similar fashion, McDonald's, Starbuck or Domino's Pizza have embarked into hundreds of franchise deals practically in every corner of the world. And in the cultural industry U.S. film and TV producers distribute their movies around the globe for public exhibitions, broadcasting or rental and also for dubbing or sub-titling.

#### **3.2 Licensing for abroad to the US.**

United States is a large market and a very competitive one as well. Notwithstanding that fact, companies from other countries have always been interested doing all forms of trade, licensing included naturally. A number of European and Asian corporations have been able to conquest the US consumer, in a direct fashion or in alliance with US business partners. Latin American companies have entered the US market in a lesser degree, but there have been some remarkably successful stories to tell.

## **4.0 What would a typical cross-border licensing operation require?**

### **4.1 Differences**

International licensing is not like licensing in a domestic setting. US licensors exploring new markets need to consider this:

- The level of economic developments of the receiving country.
- The particularities of the geography, history and culture, including the language and the economic, social and political systems.
- Differences in business practices and in the manner that negotiations are conducted in the receiving country. Cultures can vary a lot in this regard. Professor Jorda refers to syndromes like the Black Ship (exertion of pressure from outside), Totem Pole (value to authority, title and hierarchy), Black Hole (reception but not emission of signals).
- The legal system and the differences with the US own system.
- The intellectual property system of the country. That includes any considerations on the constitutional and legal regime as well as to the number of international treaties that the country has signed.
- In complex licensing like franchising, the characteristics of the local market and of the financial, real estate and labor systems.

### **4.2 Aspects to consider in the drafting of agreements.**

In probably most respects international licensing agreements are the same that domestic licensing agreements. It is normally possible to see in both events a grant clause defining the licensed subject matter as well as consideration and termination clauses. Licensors are interested to impose controls in the use of the work, invention or trademarks. Most legislation would allow licensors to do that without facing legal restrictions. However, the following needs to be taken into account:

- Not every contractual provision valid under US law would be necessarily recognized in foreign countries.

-The granting clause may require specificity to a more-or-less extent. In keeping with this, the scope of the agreement could be interpreted broadly in favor of licensees unless limitations are express.

-Representation and warranty clauses may be the subject to certain form of legal restrictions. The law may indeed impose obligations on the side of the licensor with the purpose to protect licensee.

-Notice or marking provisions may be requisite in certain jurisdictions.

-Jurisdictions and applicable law may also be restricted under local regimes. The foregoing limitations could include arbitration.

-The same could be true as to term and termination.

-Antitrust and competition rules sometimes vary from country to country.

-Confidentiality or non-disclosure clauses may not be an acceptable practice.

-Clauses not to complete may also not be valid.

-In franchising agreements the law may impose a burden on issues like the offering of the franchise.

-Typical international licenses would require to consider points like the place of payment, the rate of exchange, tax burdens, government approval (in some jurisdictions), recordation of the agreements, export and import considerations, and applicable language.

## **5.0 Licensing in Latin American countries**

### **5.1 The Inter American Project**

The increasing number of trade blocs in the region has characterized the picture of the American continent. At least four well defined areas can be identified there: The North American Free Trade Agreement ("NAFTA") region: The Central American Convention and the Central American Permanent Secretariat on Economic Integration ("SEICA"); the Andean Pact or "Andean Union"; and the South American Common Market ("MERCOSUR"). Nations in the Americas have entered into either bilateral or multilateral free trade agreements. As a matter of fact, there

are ongoing discussions to adopt a model agreement for the whole continent that would be called the Free Trade Area of the Americas ("FTAA").

## **5.2 Copyright licensing in Latin America**

The number of copyright licensing operations in Latin America is quite significant. The major US cultural industries have a strong presence in the region. Examples are numerous:

-Music recording labels license reproduction rights to produce sound recordings. They also license public performance rights of sound recordings[1]. In Mexico US labels lead in a market generating incomes of nearly 190 million of US Dollars, while in Brazil incomes are of 150 million, approximately[2]. Mexico and Brazil are respectively considered number 12<sup>th</sup> and 13<sup>th</sup> music markets in the world.

-Business software publishers license reproduction rights, mainly for the end use of computer programs. In 2004 US software publishers sold in Mexico US \$718 million and expect to grow in 2005 in an average of 10%.

-Book publishers license reproduction, distribution and sometimes translation rights of literary works. In 2003 US publishers obtained incomes for the sale of books and publications in Mexico in the approximate amount of 8 million US Dollars.

-Film and TV producers license reproduction rights for video sale or rental. They also license public exhibition or broadcasting rights of movies or TV programs.

-Merchandising company's license reproduction and distribution rights of characters and similar properties.

By contrast, not many Latin American companies owning intellectual property rights have licensed in the US or other foreign countries. However, there are the following examples:

-Latin American music has become a big success in the world and Mexico City the "Mecca" of the entertainment industry in the Hispanic world, together with Miami and Los Angeles. IFPI has reported increasing sales of Mexican sound recordings in the US,

during the first semester of 2005, in great part due to a rise of 17% of music coming from Mexico and other Latin American countries.

-Mexican publishers also license the printing of books or magazines in the US. In 2003 they obtained an income of 5 million US Dollars for sales in the US and 30 million US Dollars in the whole world.

-Mexico and Argentina have a rather strong cinematographic industry. As a matter of fact, Mexican films of the so-called "Golden Age" are very popular and thus demanded by the Hispanic population of the US and are regularly distributed for broadcasting and public exhibition.

-Mexico and Argentina in the Spanish market and Brail in the Portuguese are countries that are very strong for TV program production. Procedures and broadcasters such as Televisa, Television Azteca, Television Argentina and O'Globo, export soap operas and other shows to the US and other countries of the world.

### **5.3 Patent Licensing in Latin America**

Patent licensing has grown in Latin America, in particular the pharmaceutical field. Of course, the proportion of patent licensing in the sector is higher in Brazil and Mexico, countries granting protection to pharmaceutical products and that are a member of the Patent Cooperation Treaty. US Laboratories like Abbott, Eli Lilly, Pfizer and Wyeth, have established subsidiaries in many Latin American countries and make licensing operations on a frequent basis.

### **5.4 Trademark licensing is common practice in Latin America.**

US trademark owners grant licenses to Latin American companies on a daily basis. The other way around, that is, licensing that goes from Latin American countries to the US is certainly not so large, but has increased throughout the years. Licensing is made for the making and distribution of an array of products and services in practically every industry. Franchising bear special mention since it has developed significantly in Brazil and Mexico, but also in Argentina, Chile and other countries. The spirit of franchising has been adopted in the region and has been well

accepted. At the same time, US companies have learned that franchise requires that the parties undertake a joint effort to satisfy a need of the market.

-Franchise started in Mexico in 1985 with four companies pioneering in this field: Mc Donald's, KFC. Howard Johnson and Helados Brind (a Mexican company later acquired by Unilever). In 1993 the number of franchising companies expanded adding Alphagraphics, Arby's, Blockbuster, Domino's Pizza, Oxxo (a Mexican food retailer) and Subway<sup>3</sup>. In 2005 the number of companies in the franchising sector has multiplied to nearly 730<sup>4</sup>, placing Mexico among the ten countries having more franchise operations<sup>5</sup>.

-The Brazilian franchising industry is also quite large. By 1993 had already reached the number of 50 thousand franchised establishments and was the third place in terms of business size, just after USA and Japan. IVIX, CAN and other local corporations have joined the many US franchisers in the business.

-In Argentina and Chile franchising has also represented a factor of business expansion and growth.

<sup>1</sup> In some countries like in Mexico, the law recognizes a right of public performance in sound recordings to US companies although the other way around is not necessary true.

<sup>2</sup> IFPI reported incomes for sales of physical records (mainly CDs) and for digital sales (single or album online sale on demand to computers or other devices or for subscription of ring tunes, ring back tunes or whole downloads to mobile devices) in Mexico of US \$187.9 millions and in Brazil of US \$151.7 millions during the first semester of 2005.

<sup>3</sup> Alphagraphics had in 1993 a total of 53 establishments: Arby's 12; Blockbuster 22; Domino's Pizza 94; Oxxo 901; Howard Johnson 18 and Subway 50. In a similar fashion, in 1987 Helados Bing had 12 units and 331 in 1993; KFC had grown from 42 to 10; and in the same period McDonald's jumped from 5 to 61 units.

<sup>4</sup> The franchising industry of Mexico represents more than 500 thousand employments, 42 thousand stores or establishment, US \$58 thousand million of income and an estimated annual grow averaged in 17%.

<sup>5</sup> Together with Mexico, the UK. Australian, Brazil, Japan, Germany, Canada, USA, and China are part of the group of ten countries.

## **TIGHTENING THE GENERICS LOOPHOLE**

*Managing Intellectual Property, September 2005*

For the past couple of years the world has battled with the idea of pharmaceutical generics. The reason is the expiration of a great number of active ingredient patents in force during the 1970s and 1980s, giving rise to a market for drugs that are copies of the formerly patented or so-called innovative products, generally known by the same of generics.

Generic drugs have become an alternative to innovative drugs, in particular those subject to patent protection that has expired. However, pharmaceuticals is an industry that differs greatly from others, considering that manufacturers of generic products cannot just make their own generic version of an innovative product to be so freely launched into the market. Drugs are remedies to protect human health and are thus the subject of strict legal control.

Developers of new drugs or substances are usually compelled to submit technical information in a dossier so that the government can approve the new discovery and grant marketing authorization or registration. The key purpose of this requirement is to ensure that such discoveries meet efficacy and safety standards. Accordingly, applicants are required to provide the results of investigations or tests of different kinds, including pharmacological, toxicological and clinical tests.

The efficacy and safety process is generally divided into phases including the pre-clinical phase, which determines the toxicity and pharmacological effect of the product, and the clinical phase, which tests the product in the human body. In countries or regions such as the US, Japan and the EU, the approval process for new drugs is complex, which is expensive and time consuming. Not surprisingly, the innovative industry has vehemently protested, as the timing issue has led to patent term reduction, and is regarded as an obstacle or barrier to patent rights.

Another sensitive issue is what producers or sellers of generic drugs need to show to obtain the authorization and right to sell. At first glance, it appears that they are required to perform their own clinical tests so that regulators have no doubt that the product in question can be prescribed to patients. However, generic producers complain that it is

unnecessary to make them submit full investigative analysis when the innovator has already produced the tests.

Generic drugs copy the active ingredient of the innovator. The innovator's original findings become a reference for the generic maker for equivalency and interchangeability effects, thus making it possible for physicians to prescribe or dispense them. Accordingly, the government should gather every proof needed from generic makers so that drugs subject to approval meet appropriate quality standards. For example, the regulatory authority should require information showing that the generic drugs have the same composition and method of manufacture as the innovator, that their ingredients have been controlled, and that the product is rather stable. However, anything concerning clinical trials or other investigative evidence indicating safety or efficacy should be exempted or, if still required, should be freely taken from the dossier of the innovator. Obviously, innovators are not comfortable with the latter as they consider data in dossiers to be confidential.

Tensions have become evident as innovators have pushed for extended patent terms and for stricter rules during the marketing approval process for generics, including safety and efficacy and data exclusivity. Likewise, innovators have stressed the need for better communication between the patent and healthcare authorities. On the other hand, generic makers have claimed that approval requirements should become more flexible, while recognizing their right to begin experimentation before patent expiration.

National governments have adopted a number of measures to tackle these problems. For example, the US solution to the marketing authorization issue has been the subject of healthcare legislation reform and in particular the implementation of the so-called Hatch-Waxman Act.

As a result of Hatch-Waxman, generic drugs makers can obtain drug approvals by filing an abbreviated new drug application (ANDA). Not filing the full safety and efficacy information as required for a new drug application (NDA), companies seeking ANDAs are entitled to submit bio-equivalence data between the innovator and the generic sought to be marketed. European countries have adopted similar laws. For example,

Spain has an abridged proceeding by which an applicant seeking authorization for a generic drug proves safety and efficacy by pointing out documentation in the dossier of the relevant innovator, and then showing that the generic and innovative are bio-equivalent.

### **The situation in Mexico**

Mexico requires government sanitary approval - a registration - for the lawful sale of pharmaceutical products. Applicants for approval need to show that the product meets efficacy and safety profiles. In addition, the Regulations to the Health Law on Health Investigation of 1987 impose on the applicants an obligation to perform investigative or clinic analysis to show safety and efficacy.

The requirement is not for every drug, but exclusively for those medicines or biological products for human use "for which there is no previous experience in the country, that have not been registered and therefore, that have not been distributed for commercial purposes as well as medicaments that have been registered and approved for sale, when investigation is being made for different modalities, indications, doses or via administrations than those approved already". In keeping with this, health authorities in charge of marketing approvals ask from applicants of products "with no previous experience" investigative analyses divided into pre-clinical and clinical phases.

The regulatory authorities also require that products comply with the pharmacology of Mexico, which among other things, refers to a certificate of good manufacturing practices, certificate of free sale, quantitative and qualitative formulas, ingredient specifications and method of analysis, certificate of analysis of supplier of the ingredients and the manufacturer of the end product, protocol of manufacture, protocol of stability data and proof of stability, chromatograms and spectrograms and fulfillment of government stability standards. For products "with previous experience" the government only requires the pharmacology.

The new generics system immediately raised a number of questions and concerns dealing with quality, efficacy and safety considerations and how these concepts would be affected in connection with the marketing approval and product registration of these types of drugs.

In response, on May 7 1997, the Congress of Mexico passed a bill of amendments to the Health Law enhancing streamlined rules for generic pharmaceuticals. This was made in response to the WHO's initiatives (see box). Before the amendment, the manufacture and distribution of generics were restricted and confined to specific areas in the government and public health sectors. But a key provision, article 225, of the amended law established that pharmaceutical products should be called by a generic name, the use of which was regarded as mandatory, as well as a distinctive name, the use of which was voluntary.

While the bill was under discussion in Congress, research and development laboratories objected to article 225 because it failed to define when a drug could be labelled using the generic name — in other words, when a drug can be considered generic. The trouble is that even if two drugs contain the same active ingredient, the drugs' composition and quality might not be identical. The two drugs could thus produce a different effect.

The main flaw of article 225 was that it did not impose any sort of restrictions in connection with the use of INNs — the official international generic name as determined by the WHO — ensuring that every product called by a particular name is bio-equivalent to the original or innovator. If bio-equivalency were required, the generic product, to be regarded an equivalent substitute of the innovator, would have to act with the same degree and the same power and strength as the innovator in the human body.

The government responded positively to industry's arguments, and implemented a new set of regulations, the Regulations for Health Expenditures. These 1998 regulations introduced a definition of interchangeable generic drug (GI), as a pharmaceutical speciality that is equal — same active ingredient, pharmaceutical form, concentration, potency, means of administration and specifications — and equivalent— same dissolution profile and bio-disponibility — to the innovator drug, and that is solely identified under generic name. Later, between 1998 and 1999, the government published a sequence of standards that determine the different proofs for demonstrating interchangeability of generic drugs and the requirements that entities carrying the proofs shall comply with.

The regulations and standards required that government authorities test — or authorized third parties to perform tests — and approve interchangeable generic drugs to ensure that they are equivalent to the original drug. After approval, the drug is registered in the Catalogue of Generic Interchangeable Drugs, under the appropriate INN. Labels affixed on the products must include, *inter alia*, the drug's generic name and the reference GI. As interchangeable drugs were sold as generics it would not be possible to use distinctive names.

Under the framework of the Health Law and Expenditures Regulations, laboratories making generics could choose between having an inscription in the Catalogue for a non-branded bio-equivalent product or selling an untested generic with a brand.

In accordance with the Health Law and the Regulations for Health Expenditures, generics are exclusively those fulfilling the GI requirements. The provisions state that laboratories are entitled to one registration per product, unless they make a second addressed to the generics market. The Law does not include a definition of the word generics, but the Regulations have made it clear that for the purposes of the Law of Health generics are those exclusively fulfilling the requirements of interchangeable generics.

The healthcare system has struggled with the odd situation triggered from the fact that innovator drugs started to coexist with generics tested for bio-equivalency as well as drugs untested for that same reason. In other words, the government did not impose bio-equivalency as a requirement for all generic products to comply with and rather contributed to the situation whereby applicants could voluntarily choose between testing or not to obtain sale approval. It is hard to know why the government made divisions by creating the GI definition. In any event, by doing that, the government dug a hole that generic producers and distributors used for escaping from the bio-equivalency rule.

### **The 2005 amendment**

Problems generated by the hybrid generic system have been enormous. Similar and other types of untested drugs suddenly started invading the pharmaceutical market. Generic drug makers were lawfully allowed to produce low-quality and perhaps unsafe medicines to be legally sold

in the Mexican market and abroad. Online and other media became the usual means of distribution. The US Food and Drug Administration and other equivalent foreign compliance authorities complained about the new practice, but could not do much because under treaties or other international instruments there were no rules addressing the issue of generics regulatory compliance. The health secretary recognized the issues and reacted by lobbying for modifications to the Health Law to solve a very sensitive problem. As a result of the lobbying efforts, Congress discussed and passed a bill of amendments, which the president signed into law on December 14 2004, and which was published in the Gazette of the federal government of February 24 2005.

The amendment deals with product registration of drugs and other supplies for health. Registration was formerly indefinite and was reduced to a five-year term that can be renewed. The key aspect of the reform is that renewal implies the need to prove safety and efficacy. The health secretariat is responsible for rendering regulations to determine the requirements, tests and other proofs that medicines must comply with for renewal purposes. The provision targets every single product registered, including innovator, GIs and other generics. However, from a practical standpoint, the government's aim is to regulate the number of registrations covering untested medicines.

Regulations have not yet been published — the government is still working on them. However, it can be anticipated that bio-equivalency shall be required without exception so that all products can be interchanged when referenced with an innovator. Likewise, registrants will have to demonstrate that the products continue to comply with pharmacology norms and procedures.

The step that the Mexican government has taken with this amendment is certainly encouraging, as it signifies the phasing out of the similars industry.

Implementation of a regulatory system is under discussion, including determination of government fees, verification powers of health authorities and the framework of time for the submission of renewals and the government's response. There are concerns raised by industry that the renewal process will not be completed for five years. However, the main concern will be re-defining the concept of generics now sub-

divided into interchangeable generics that cannot use a trade mark and generics that can use a trade mark. Under a GI system, brand generics that are renewed would be required to stop using trade marks, and that could be a tough measure. If every registered generic product will now have to be tested for renewal, it seems that the GI regime will become more irrelevant than when it was implemented. Obviously, the government will have to deal with this issue in the future so that the generic system is strong and consistent.

The amendment looks quite positive and the expectation is that it will ultimately contribute to the aim that medicines made or sold in Mexico are safe and of a quality at least comparable to innovator drugs.

### **The notion of bio-equivalency**

**The equivalency question has become a hindrance for generics. As a matter of principle, innovator drugs are required to act as a point of reference for generics when it comes to testing products for marketing approval. It has been stated that innovator products can be interchanged by generics when the latter show therapeutic bio-equivalency. That can only be achieved if a generic drug contains the same active ingredient, in the same pharmaceutical form, and in the same level of concentration as the original product.**

**The efficacy and safety profiles are dependent on when a drug becomes available for activity in the targeted part of the body: for example, the time that it would take for it to be dissolved — if the active ingredient makes contact with a liquid medium — or disintegrated — if a tablet breaks down into particles when entering the body.**

**Disintegration and dissolution are factors that could negatively alter the clinical efficacy and safety profiles relative to innovators. Therefore there need to be rules to ensure that generic drug makers make products equivalent to the innovator drug.**

**On May 12 1993, the World Health Assembly adopted resolution WHA 416, with the purpose of ending any confusion caused by the marketing of generic drugs. The main reason was defining**

the use of non-proprietary names and trade marks in connection with generic drugs. However, the resolution has also been useful for stressing the differences between generic and innovator drugs and the need for equivalency rules.

Accordingly, the World Health Organization (WHO) asked its member states to encourage pharmaceutical manufacturers to create and market generic drugs after the corresponding patent terms had expired. While most member states have had a positive reaction to WHO's recommendations, approaches have been rather different. The majority of countries in the developed world have adopted the formula generic/bio-equivalency, whether it is used under a particular mark or not.

Other countries have taken alternative, and questionable, routes, for example by having directly or indirectly fostered a market for pseudo-generics or so-called similars. Countries that followed this line have mostly struggled when dictating quality control rules applicable to an ever-growing similars industry that has gained in power and market share.

## **EN MEDICINAS, LO BARATO SALE CARO**

*El mundo del Abogado, Año 6 Núm. 55, Noviembre 2003.*

**¿Qué tanto ha habido detrás de los desplegados y marchas que pretendían reformar el artículo 77 de la Ley de Propiedad Industrial? ¿Es cierto que el afán de vender medicinas baratas era sólo para beneficiar a México? En esta entrevista, Luis Schmidt, experto en la materia y defensor de los derechos de propiedad intelectual, nos revela los entretelones de este movimiento que generó tanta controversia y publicidad, cuestiones que generalmente vienen de la mano cuando la política y los negocios se tocan tan cerca**

***Usted vivió de cerca la polémica sobre la modificación a la Ley de Propiedad Industrial, ¿por qué se pretendía modificar el artículo 77 de esta ley?***

Luis Schmidt: El problema se desarrolló, principalmente, en el momento en que una serie de políticos oportunistas y un grupo de fabricante de medicinas genéricas muy ambicioso unieron fuerzas para presionar al Congreso de la República con el fin de conseguir la autorización necesaria para producir medicamentos a muy bajos costos.

***¿Desde entonces se trató de modificar el referido artículo?***

No. Primero se propusieron reducir el tiempo estipulado por ley, de veinte a diez años, para la protección de patentes. Al perder la pelea, redireccionaron su estrategia para atacar la figura de la Licencia de Utilidad Pública. Sin embargo, no existe un argumento técnico, o no lo encontraron, que explique los cambios de dicha licencia, aún pensando en el propósito que estos grupos pregonan: abaratar los productos farmacéuticos patentados. Pero eso no es viable, porque lo único que producirían es un hueco en el sistema de patentes, de efectos devastadores.

***En los últimos meses el tema ha ocupado mucho espacio en los medios de comunicación. Se han lanzado varias campañas publicitarias. En una de ellas vimos a Rigoberta Menchú abogando por las medicinas baratas ¿qué opina al respecto?***

El principal argumento de estas personas es que los medicamentos patentados son muy costosos y que ellos los pueden abaratar para beneficio del país. Esto no es así. Lo que realmente buscan es obtener grandes utilidades a costa de la propiedad privada. Para ello se están valiendo de cualquier tipo de arreglos: económicos, políticos y mercadológicos basados en un discurso que raya en la demagogia.

El tema se presta al oportunismo y la especulación. Su intención es sorprender al pueblo y, con ello, a sus gobernantes. Si les interesara la reducción de precios de los productos farmacéuticos, como medida humanitaria, no lo habrán hecho modificando la Licencia de Utilidad o apelando a la reducción del plazo de las patentes. Cualquiera de estos dos supuestos les representa un beneficio directo y por ello el interés. Beneficiar al pueblo es sólo secundario, por lo que, desde mi punto de vista, la labor altruista queda en duda.

***Una vez desechada la idea de reducir la protección de las patentes se recurrió a la modificación del artículo 77 de la LPI, en sí ¿qué se está proponiendo?***

Es simple. Se considera a las enfermedades graves como una categoría nueva distinta a la de emergencia y de seguridad nacional, que son las que contemplan los tratados y las leyes internacionales tradicionalmente consideradas como únicas posibilidades para la concesión de una Licencia de Utilidad Pública. Así, en dos casos específicos, el del Sida y el Cáncer, servían de pretexto para introducir este nuevo concepto de enfermedad grave en el artículo referido valiéndose de la novedad.

***¿Por qué no se pueden considerar las enfermedades graves dentro del esquema de Licencias de Utilidad?***

En principio, porque no cumplen con las especificaciones de los tratados que hemos firmado. No se adaptan a las leyes que hasta el momento contamos: uno, que sea una situación de urgencia; dos, que haya una temporalidad; y tres, que cualquier licencia de utilidad conferida se abstraiga de la situación comercial. Sin embargo, todas las causas, incluso las enfermedades graves, pueden ser objeto de Licencia de Utilidad conforme a lo que dispone la ley, siempre y cuando satisfagan las condiciones de emergencia o seguridad nacional.

Un buen ejemplo es lo que sucedió en China con la neumonía atípica. No tengo noticia si en ese caso el gobierno de ese país recurrió a Licencias de Utilidad. Lo que sí puedo asegurar es que si la enfermedad hubiera traspasado nuestras fronteras y puesto en riesgo a la población, dado las características de emergencia y seguridad nacional que dicha afección revistió, podrían haberse conferido Licencias de Utilidad.

***Quizá lo que mas salta a la vista es que una condición sinequanón para activar la licencia es la temporalidad y ninguna de esas dos enfermedades se aliviarán en un corto plazo.***

Además de la situación de emergencia, para que se dé la Licencia de Utilidad Pública, tendría que suceder algo parecido, valga la analogía, a las especulaciones que dan con el pescado en vigilia. Ante la alerta y el inminente incremento de la demanda del producto, el Gobierno declararía la situación de emergencia y pondría en marcha la búsqueda de los artículos necesarios que puedan aliviar la problemática. Sin embargo, éstos pueden estar protegidos por patentes. Si un laboratorio, sabiendo que sus productos son necesarios, (y en abuso de su derecho), sube los precios o en general especula en el precio de venta, el gobierno tiene la obligación de declarar la Licencia de Utilidad Pública para que otros laboratorios lo produzcan. Aliviada la situación terminaría la licencia de Utilidad, restituyéndose el derecho exclusivo de patente a su titular.

***Pero, existe otro problema, ante la opinión pública han quedado como enemigos de las personas de menores recursos.***

Creo que nadie está en contra de que exista la posibilidad de abaratar los medicamentos. En lo que no estoy de acuerdo es en que se sacrifique al sistema de patentes. Al hacerlo, lo único que causaríamos sería inhibir el incentivo que se dan en las compañías –tanto extranjeras como mexicanas- para investigar y desarrollar nuevos y mejores productos. Las patentes no son las culpables de que las medicinas no sean baratas, lo que las encarece es la gran inversión en investigación y desarrollo de las mismas. Se calcula que antes de que una medicina salga al mercado ya se gastó en ella más de ochocientos millones de dólares.

### ***¿Qué consecuencias puede traer la aprobación de la producción de medicinas sin importar las patentes?***

México no puede darse el lujo de exponer al sistema de patentes a los abismos populistas, no puede tolerar más impunidad y corrupción donde cualquier grupo político o económico, cuando se le venga en gana, presione sólo para ganar dinero. Si los gobernantes de este país aprueban esta medida estarían mandando una terrible señal al mundo. Imaginen por un momento las terribles presiones que sufriremos por parte de los países afectados y que nos surten dada su gran industria farmacéutica.

### ***Si esta medida es tan perjudicial ¿por qué pasó de la Cámara de Diputados?***

La respuesta es simple. Había un gran compromiso político. A la entonces presidenta de la Comisión de Ciencia y Tecnología la sometieron a muchas presiones. Trataron de resolverlo con un juego de palabras muy extraño: sólo se pueden dar Licencias de Utilidad Pública para enfermedades graves cuando éstas asemejen a los casos de seguridad nacional. Afortunadamente, hubo Diputados que meditaron el tema e hicieron ciertos cambios a la propuesta inicial de introducir el concepto de enfermedades graves, gracias a ellos no caímos en un gran error.

### ***¿Cuál es el estatus de la iniciativa?***

El texto que aprobó la Cámara de Diputados fue sometido a la revisión de la Cámara de Senadores. La Comisión de Ciencia y Tecnología de dicha Cámara dictaminó respetando la integridad del texto proveniente de los Diputados.

Así fue presentado al pleno, donde se detuvo en segunda lectura. La razón formal fue la presión del PVE a fin de modificar la iniciativa, de modo que, las enfermedades graves quedarán como un rubro independiente de las causas de emergencia o seguridad nacional. Pero en ese momento surgió la duda sobre si la propuesta del PVE pudiese contradecir tratados como el TLCAN o el ADPIC. En tal sentido, se hizo el planteamiento a la Dirección de Asuntos Internacionales de la Cámara, la cual se pronunció y determinó que sí se viola.

Disipada la duda, la iniciativa fue reenviada a la mesa directiva para su segunda lectura y posterior votación. Esto ocurrió el pasado martes 7 de octubre. Se aprobó sin la propuesta del PVE.

Por supuesto, todo ello se ha dado dentro de un pintoresco (pero a la vez lamentable) ambiente de cabildeo, rodeado de exóticas marchas, bellas edecanes, botargas y disfraces y en el que se exhiben enfermos de Sida y Cáncer con el propósito de "crear conciencia".

***¿Significa que la reforma al artículo 77 pasará con los cambios aprobados por Diputados?***

Sí, el nuevo artículo 77 constituye una plasta jurídica producto de un manoseo increíble. No obstante, pudo salvarse el punto que empujó el PVE, sobre el que se enfocó toda la atención. Así en la declaratoria de enfermedades graves de atención prioritaria intervendrá el Consejo de Salubridad General y en el procedimiento de declaratoria de Licencia de Utilidad Pública. Además participarán el IMPI y la Secretaría de Salud. Nadie sabe quien declarará la situación de emergencia o seguridad nacional en casos distintos a las enfermedades graves. La mecánica de concesión de licencias es muy confusa y resulta difícil encontrar un argumento lógico que justifique la reforma.

***No tenemos cultura del respeto a la propiedad intelectual. Un ejemplo es la invasión de la piratería ¿qué piensa sobre ese flagelo?***

A nuestro país no le queda claro qué es la propiedad intelectual; es un fenómeno sociológico de ilegalidad. Es del común pensamiento que la propiedad intelectual es un bien secundario, que existe pero que no es necesario respetar. Es un problema que el gobierno ha dejado crecer pues no toma una acción frontal, es tímido y tolerante bajo la premisa que dentro de los ilícitos que se cometen en el territorio nacional, la piratería es el menos grave. La piratería se parece al contrabando, al comercio ilegal, a la evasión, se tolera siempre y cuando esto permita tener a la población ocupada y tranquila.

***¿Qué se necesita para acabar con ella?***

Se debe mejorar el nivel económico del país y de sus ciudadanos. La educación también es importante. Desde el punto de vista legal se

necesita perfeccionar la ley, pero más importante resulta la necesidad de una mayor efectividad en su aplicación, para lo cual se requiere de conocimiento jurídico y técnico, voluntad política y mucha honradez.

## **PROTECTING PATENTS IN MEXICO**

*Litigation Yearbook 2002*

The standard of patent infringement under Mexican law is basically the same as in the US. Accordingly, to determine patent infringement it is required that someone without authorization makes, uses, offers to sell, sells, or imports a patented invention in the territory of the Mexican Republic during the term of the patent.

### **Infringement defined**

The patentee holds the right to the invention by excluding others from making, using or selling it. From a legal standpoint, a patent holder is entitled to utilize the patented invention as long as it does not encroach on patents pertaining to third parties. Broadly speaking, infringement is triggered when third parties perform any of the above-mentioned activities. Infringement can be imputed to direct infringers only, as the law does recognize the theory of contributory infringement. In other words, only persons or entities making, using or selling the patented invention can be liable of infringement, but not those who help them to perform the infringing activity. The theory of contributory infringement is not recognized as a legal rule or practice under the IP laws of Mexico. Infringement could anyway be found when there is more than one infringer, held equally liable or responsible for having participated in the infringement activity in a direct form.

### **The test**

Generally speaking, Mexican patent law would find infringement when a third unauthorized party makes, users or sells a patented product or process. The test of infringement is thus whether the patent claims would cover the product or process that the alleged infringer makes, uses or sells. While conducting an analysis of infringement, the competent authority would make claim construction through claim interpretation (from a legal standpoint) and claim coverage (from a factual standpoint). Infringement can only be literal, which would require that an accused product or process would fall within the scope of

the claims. The Patent Law does not recognize the doctrine of equivalents.

### **Without authorization or right**

Authorization to make, use or sell a patented invention is given by the patentee principally through a licence. A licence represents that the beneficiary thereof will not be the subject of infringement. Certain rights on the use of a patented invention may also be triggered by virtue of implied licences. For example, anyone buying a patented product will have the right to repair and resell it. Compulsory licences are considered by the Law as vehicles by which rights to practice a patented invention may accrue to interested third parties, without the need of the patentee's authorization. They are, however, very difficult for third parties to get and as a matter of fact they have never been granted.

In accordance with the Patent Law, infringement will only be incurred when it has been committed within the territory of the Republic of Mexico. The current Patent Law does provide as an exception that infringement will not be considered if the patented invention has been used in a foreign vessel, aircraft or vehicle in transit in Mexico. (The Patent Law does not require reciprocal treatment by the laws of the foreign country where the vehicle comes from.)

### **Patent validity**

Infringement is possible only if the patent is valid. Validity of patents is for a term of 20 years from the filing date. However, infringement will commence as of the date of grant of the patent, which means that it cannot be infringed before it has been issued. Nonetheless, it would be possible to bring a civil action after the date of grant of the patent, claiming damages from third parties who had been using the patented invention, within a period comprising the date of publication of the application and the date of grant. A patent will also not be infringed after its expiration date. It will nevertheless be possible to bring infringement actions filed after the patent has expired as long as the violation claimed occurred during the term of protection. There is no statute of limitation applicable to these cases under the law. Patents granted before June 1991 were valid for a term of 10 years.

## Defences against infringement actions

Among the defences that an alleged infringer may raise against claims of patent infringement are:

1. That the defendant is not making, using or selling the patented product or process.
2. The product or process does not fall within the scope of the patent.
3. The alleged infringer can show that they are acting under the scope of a licence (whether expressed or implied licence).
4. The activity by the alleged infringer falls into one or more of the exceptions to patent rights: that is, non commercial experimental use, exhaustion or rights (which would probably include the international exhaustion or rights), prior use, in transit foreign vehicle exception, and the use of patented micro-organisms for the reproduction or preparation of others that are new.

## Claims of annulment

An accused infringer may assert that the patent that is the subject matter of the infringement action is void and hence subject to nullity. This argument can be brought by means of a nullity action, generally filed as a counterclaim. There are certain ways to establish that a patent is invalid:

1. By proving that it covers subject matter that cannot be regarded as an invention; that is theoretical or scientific principles, discoveries, schemes, plans, game rules, business, methods (in the abstract) and mathematical methods, computer programs, forms of presenting information, artistic and literary productions, methods of surgical or therapeutic treatment, and juxtaposition of inventions which are known; or that it is not a product (machine, device or composition of matter) or a process.
2. If the subject matter *ab-initio* qualifies as an invention, by proving that it does not meet or more of the patentability standards or conditions, namely novelty, inventive activity or step, and industrial application.

3. By proving that the granted patent does not fulfill the formal or technical provisions of the law.

### **Remedies and actions**

A patent owner filing an infringement action may seek the following remedies:

1. Preliminary and permanent injunctions are remedies that under the Mexican Patent Law can be requested through an administrative action filed with the Patent Office. However, under certain conditions permanent injunctions – not preliminary injunctions that are exclusive to the Patent Office- can be requested from the Civil Courts as well. Traditionally, injunctions have been awarded by the Patent Office since at least 1976, together with administrative sanctions such as fines or the shutdown of infringing facilities. Preliminary injunctions, for example cessation orders, were inserted into the Patent Law in 1994 as a result of the NAFTA implementation act into Mexican Law. The Law conferred the Patent Office with the power to impose so-called preliminary measures, as it had already done with enforcement of patents in general. The Law on Industrial Property has established certain rules concerning preliminary measures; the most relevant of them being that the plaintiff has to show a *prima facie* case of infringement. The powers of the Patent Office are quite broad and discretionary as it can, among other things, order an alleged infringer or a third party to stop or cease from performing their infringing activities. It can also impose that products are withdrawn from the marketplace, and conduct seizures. The proceeding is *inaudita altera pars* with no formal hearing, as it is preferred in writing. A downside is that the alleged infringer is entitled to the lifting of preliminary measures by placing a bond, which serves the purpose of a warranty for potential damages. The patentee, as the party moving for the application of preliminary measures, is required to file an infringement claim within a term of 20 business days after the measures are duly notified to the alleged infringer. Likewise, preliminary injunctions would be confirmed and become a permanent injunction only once the infringement action is resolved. Marking is, under the Law, a condition to the request of

a preliminary injunction and the awarding of monetary damages. However, the marking obligation can be substituted by an announcement made in national publications claiming ownership of the patent. The burden of showing infringement rests on the plaintiff, except when it comes to process patents, in which case the burden reverts to the defendant.

2. Monetary damages are available to the plaintiff through civil actions. Normally, civil actions are filed once an administrative action has been resolved beyond the possibility of appeal. Accordingly, what plaintiffs regularly do is seek an injunction (as well as a preliminary injunction) from the Patent Office and bring the case before the Civil Courts when ready to request the awarding of damages. It has been nevertheless more frequently seen that they go with the Court from the beginning, instead of attending the Patent Office. The problem of taking this route is requesting preliminary measures from the Court, because in accordance with the Patent Law the Patent Offices is the only competent authority for imposing them. As a matter of principle, and in accordance with the Civil Procedural Law, the type of monetary relief that can be obtained from the courts is actual losses and lost profits. Actual losses mean those that the plaintiff can actually prove, and lost profits are the gain that the plaintiff could have made should infringement not have happened. Damages and or losses need to be proved through clear and convincing evidence, showing direct cause and effect situation; that is, that the plaintiff lost the opportunity to sell their own patented product as a consequence of the infringing product having been put on the market. In addition, the Law on Industrial Property provides a rule, applicable in all types of patent, trade mark and copyright infringement actions, obliging the Civil Courts to impose monetary damages of at least 40% of the total value of the products or services subject to the illicit manufacture or commercialization. This minimum standard provision is known as the 40% rule. Whether the 40% rule is considered as a punitive damage or whether damages still need to be proved is a question which has remained unanswered, as there is so far no case that has been decided on the basis of this theory. Attorney fees are very hard to get, and in any event, would be discretionary to the

judge. The civil laws do recognize the figure of attorney fees, without expressly stating how judges can make them applicable.

## **PATENTABILITY OF HUMAN GENOME IN MEXICO**

*Patent World May 2001, No. 132, Informa Professional.*

### **Background**

In patent law biotechnology is a fashion. There is currently an on going discussion as to whether DNA and resulting proteins as well as genes of living species, including human beings, can be patentable subject matter. The developed world has taken the lead in granting the first patents in the field of biotechnology; and Mexico has followed that initial steps. The purpose of this article is to provide an insight to the readers of how Mexico has dealt with the patentability of gene technology, with a special focus on the human genome.

### **Foreign Influence**

#### **United States**

In the US the question of gene protection – nucleic acid and amino acid sequences – has been responded by applying the Chakravarty rule<sup>[1]</sup>, which means that biotech products and processes shall be patentable if they meet the statutory criteria: utility, novelty and non-obviousness. Originally, the USPTO rejected patent applications for DNA sequences, finding that the claimed inventions did not satisfy the novelty and/or non-obviousness requirements. In addition, the question arose whether genes should be protected as they are a part of nature, existing in living beings. Can a gene or any DNA sequence be an novel invention and not merely a discovery, if it relates to something already existing in nature?

All the initial objections were changed afterwards. US Courts granted the first DNA patents during the 1980's. The basic argument was that genes are a chemical substance which can be patentable if extracted by artificial means, and perform a useful function. Patentable subject matter became thus open for isolated and purified DNA molecules, RNA molecules or amino acids molecules; as well as for full-length genetic sequences, gene fragments or ESTs, SNPs and amino acid sequences.

The USPTO has set a rather high standard for utility though as gene, expressed in a sequence for example, must be "isolated and purified from its natural environment<sup>[2]</sup>" "and they are getting quite specific

about it[3]". Some commentators state that in practical terms, the DNA gene sequence for which patent protection is being sought "will need to be some actual, credible, specific utility described for that gene[4]". Homology comparisons with known genes may be just not enough, and rather the PTO "will need some credible scientific data presented that addresses the actual utility[5]". Also, the utility requirement will normally not be fulfilled in cases in which isolating a DNA is made to obtain a protein of which the function is unknown[6].

As to the notion of non-obviousness, the case law has developed criteria by which, a DNA invention would not be rendered obvious if "there is an enormous number of corresponding base sequences", and unless "a structurally very similar DNA (in which only a minimum part of the base sequence is different) is known[7]".

## **Europe**

Europeans have a similar view, although made under the principles of industrial application and inventiveness or inventive step.

*There is no difference between patenting chemicals and all the other chemicals and pharmaceuticals that have been patented for hundred of years, and patenting genes, so long as genes are isolated and a specific utility is disclosed by the patentee for the gene based products[8].*

In Europe gene patents will meet the utility (industrial application) standard if, as it is the case of the USA, the function of the protein can be known and when the use for the diagnosis of a specific disease was adequately demonstrated[9]. Similarly, the inventive step requirement is generally fulfilled by applying the 'problem and solution approach'. The test may sometimes not be extendable to for example ESTs as it will be possible to conclude from the discussion hereunder.

## **ESTs, SNPs and Sequence in General**

The case of ESTs (Expressed Sequence Tags), SNPs (Single Nucleotide Polymorphisms and genetic sequences) shows many particularities as it was the first real step taken for the testing of whether human genes could be the subject matter of protection. During the nineties the USPTO refused patent applications filed by entities such as the National Institute of Health (NIH), for a number of ESTs obtained from a DNA

library of genes from the human brain, on the grounds that they indicated “general uses of the ESTs as diagnostic probe or for chromosome identification, chromosome mapping, gene therapy, identification of individuals, etc[10]”. “The ESTs of these applications were so-called gene fragments, “and the function of the fragments was described merely by comparing the similarity with known sequences[11]”. “All NIH’s applications were found not to comply with novelty and non-obviousness standards and were thus refused in the end.

The in *re Deuel*[12] decision superseded the original argument of the PTO. There the Court rejected the position of the PTO by holding

*that the cDNA sequence coding for the proteins termed heparin binding growth factors (HBCF), isolated by standard gene cloning techniques are not obvious and that these cDNA sequences constitute patentable subject matter*[13].

A determination of non-obviousness was made based on the argument that methods used for isolating cDNA are irrelevant regardless how general they are and how they are used to obtain the specific molecules.

As a result of in *re Deuel*, an announcement of February 1997 given by the Deputy Commissioner of USPTO and the opinion of May 1998 of Mr. John Doll, Examiner-in-Chief of the USPTO, this authority started to grant patents for ESTs and not only for probes, but for DNA fragments, similar as those of the NIH applications. The utility standard would be met in anyway.

### **Comparative Studies**

The comparative studies[14] discussed at the trilateral meeting of June 2000, have served the purpose of harmonizing, as much as possible, the practice of the US, European and Japanese offices regarding patentability of DNA fragments, from various points of view. As a matter of fact, the outcome of the study was that the three offices would adopt certain general principles applicable to this type of inventions[15]. However, said principles come back to the same basic idea: DNA inventions have to show a function or specific utility, and have to fulfill, in general, all principles of patent law.

## **The Situation in Mexico**

### **Background**

On a general basis, all patent applications for DNA technologies originally filed in the USA, Japan or Europe, have then been filed in Mexico. There is simply no doubt that Mexico has become an important market for national and international investors. Biotech industries have found in Mexico a good place where to do business[16]. Due to the foregoing, and to the fact that its patent system has reached a fair level of development – among others Mexico is a member of the major patent treaties as PCT – Mexico has taken a more important role internationally, certainly, as a leader in the Latin American region.

The Mexican Institute of Industrial Property (herein after referred as to “IMPI”) has followed the trends taken by the European and US offices. Likewise, it has been consistent with the standards of the “Law on Industrial Property” (herein after referred as to “LIP”), which state that the scope of patent protection can be extended to virtually every field of technology, as dictated by NAFTA and TRIPS. These treaties have set, among others, rules for restricting patentability to only very few fields, living organisms being one of them.

### **Restriction Fields**

In line with the foregoing, the Law on Industrial Property, excludes the following from patent protection:

- I. Processes that are essentially biological for the production, reproduction and propagation of plants and animals;
- II. Biological and genetic material as found in nature;
- III. Animal breeds;
- IV. The human body and the living parts that compose it; and
- V. Plant varieties[17]

As in other jurisdictions, a question under the LIP has been whether DNA technologies, including DNA sequences, genes of living species and ESTs, would fall into the statutory prohibition. A simple answer would be yes they are excluded, but that would be a very superficial approach

and finally wrong. Fortunately, IMPI has not shared this point of view and as mentioned above, it has been granting patent protection on a continuous basis, for biotech products and processes, and for DNA structures and genes specially, not per se, but when having a particular function, in a similar way as US and Europe are doing obviously if statutory requirements are met.

### **Patent Protection for DNA Technologies**

The LIP regards as an invention

*every human creation which allows for the transformation of matter or energy existing in nature, for its utilization by man and to satisfy man's specific needs<sup>18</sup>.*

In biotechnology, isolation and characterization of genes in any form by which it can be read (ie: by sequencing and presenting the resulting information as a sequence listing), and the ulterior production of something new as a useful protein, would be regarded an invention as 'matter' existing in the nature is 'transformed' for the 'needs of man'. However, the LIP would anyway require that statutory requirements of novelty, inventive activity and industrial application are satisfied. Accordingly, 'matter' would be 'transformed' not only if a DNA sequence listing has been obtained and a gene found, but that a useful, tangible and practical result is obtained.

The patentability factors of the LIP do not have the exact same meaning as the corresponding concepts in the Canadian and US laws. However, they are considered by NAFTA as implying equivalency<sup>19</sup>. Perhaps, the notion of inventive activity would have a broader scope and industrial application a stricter approach. But they all three can perfectly deal with the question of patentability of DNA sequences and gene-based technologies, same as they have been capable to cope with the issues and queries triggered by all other technologies.

In line with the above, the question whether ESTs are patentable subject matter under the LIP goes very much in the same direction as in countries as Canada, US and Europe. In Mexico, however the specific question would not be, again, if the fragments have a known or unknown 'utility', but if they have an 'industrial application'. Could the narrower scope of this latter concept mean that said forms of

biotechnology are not patentable in Mexico? The LIP understands for industrial application

*the possibility that an invention may be produced or utilized in any branch of economic activity.*[\[20\]](#)

And as DNA fragments are chemical compounds or in other words, physical substances subject to be 'used' in connection with any 'economic activity', then they should be regarded as patentable subject matter.[\[21\]](#)

IMPI believes that once human genome is completely known lots of different patents for related genes could potentially be granted. And as mentioned above, patentability will depend on how much function is shown in the specification and claims of the patent application. Currently, IMPI has been conducting examination of applications going back to the year of 1998; the turn is now for transgenic plants and animals and for other related cloning technologies. For example, Dolly and Polly are being subject to examination at present. The younger generation of biotechnologies as ESTs is awaiting their own turn, which will definitively be made in the near future. For the moment, it can be stated that a substantial number of applications have been filed and that some of them will be published soon. Then it will be possible to determine, precisely, how the industrial application and inventive step principles will be address. Whether IMPI will take *re Deuel* type approach, characterized by a liberal interpretation of said principles or a less flexible view by requiring that the ESTs technologies indicate a specific function, is something that still remain to be seen.

### **Bioethics the Mexican Way**

Worldwide there has been a big debate as to whether life generated from the manipulation of genes should be controlled and restricted. That debates turns more challenging when human genes come into play. Various groups, specially in developing countries, strongly believe that plants, animals and human beings should not be patented[22](#). On the other hand, experts in biotechnology claim that people are not getting the right message as to what biotechnology patents are all about. Accordingly, a consensus has been reached by everyone in the biotech

industry, whether in the public or private sectors, that the public need to be educated. One commentator has stated that

*a number of the concerns that are expressed are actually based on a complete misapprehension of the patent system-what a patent allows a patentee to do and what it doesn't<sup>23</sup>.*

In part, the fact that the Human Gene Project has been publishing through the Internet all genes that has been discovering, aiming thus preventing that patents being granted for them, will definitively not stop people from doing other type of research and seeking patents in new areas or as to different applications of the DNA technologies<sup>24</sup>. So, patents on gene-related inventions will continue to be sought and granted by patent offices in many countries as long as there is a patent system in support of them.

In Mexico there has not been a truly important debate on bioethics. The reason may be twofold, as it on the one hand, the issue is completely new, looking as a kind of science fiction not pertaining to reality or at least not involving Mexico at all. However, the reasons could also be that the Mexican society has been growing up and has understood that the granting of patents for biotech inventions in general, and of human beings in particular, will assist people-particularly poor people-to get the right tools to fight against starvation and disease<sup>25</sup>.

## **Conclusion**

Mexico, the NAFTA partner, is having a positive reaction towards patentability of human gene inventions as it has been having for all other forms of biotechnology. IMPI's position that DNA fragments are to be regarded as chemical compounds, found and developed by 'man', will certainly facilitate their protection, as long as they meet the statutory requirements. Currently, transgenic animal applications are in the process of examination and of course, the forecast is positive for them maturing into patents. Finally, as to bioethics Mexico appears not to be part of the group of countries which are not against patentability of DNA and gene related inventions. At least the authors has not become aware of any voices being opposed to the trend so far, at least openly. Therefore, the future looks good and that environment will contribute for

the industry to continue growing, supported by a local and foreign infrastructure of research and development.

[1] *Diamond v. Chakravarty*, 447 U.S. 303 (1980). These bacteria obtained from genetic engineering was considered patentable under the rule "anything under the sun that is made by man" shall be patentable.

[2] See cases as *Amgen Inc. v. US Int'l Trade Commission*, 902 F. 2d 1532, 14 USPQ 2d 1734 (Fed. Cir. 1991); *Asgrow Seed Co. v. Winterboer*, 982 F. 2d 486, 25 USPQ 2d 1202 (Fed. Cir. 1992). Rev'd 513 US 179 (1995). Kristi Rupert in her conference at the Forum entitled "Le Propriété Intellectuelle et les Nouvelles Technologies", jointly organized by IPIC, AIPPI and FICPI in Quebec Canada, February 15, 2001, at slide number 3, explained that 6,000 US patents have been issued to genetic issues, including full length genetic sequences from human, animal, plant, bacteria and viruses, and of that number 1,000 pertain to human genetic sequences and 20,000 applications to human sequences are still pending.

[3] Cuck Ludham at the Gene Patents Round Table of the Managing Intellectual Property Magazine, Euromoney Institutional Investor Plc, England, September 2000, Issue 102, page 16.

[4] Sean Johnston, *id.* p. 18. The USPTO has issued guidelines of February 5, 2001. The foregoing standards as well as the case law develop the standards of substantial and specific utility, among others. As Kristi Rupert explains these refer to utility that is specific to the particular subject matter disclosed and substantial utility, which refers to the real world use.

[5] *Id.* P. 18.

[6] Kiyoshi Kuzuwa, *Developments in Human Genome Analysis and Possibilities of Patent Protection*; text of conference delivered at APAA Annual Meeting, Cebu Philippines, November 2000. See also "Comparative Study on Biotechnology Patent Practice" of June 1999.

[7] Simon Cohen, Round Table MIP, *opus cit.* p. 16. See also, *In Re Bell*, 991 F.2d. 781 (Fed. Cir. 1993) and *In re Deuel*, 94-1202, slip op. (Fed. Cir. Mar 28, 1995).

[8] Simon Cohen, Round Table MIP. *Id.* p. 16.

[9] *Comparative Study of June 1999.*

[10] Kiyoshi Kuzuwa, *opus cit.* P. 4.

[11] *Id.* p. 4.

[12] 94-1202, slip. Op. (Fed. Cir. Mar 28, 1995).

[13] Mentioned above in footnote 7.

[14] Kiyoshi Kuzuma, *opus cit.* p. 6.

[15] "All nucleic acid molecule-related inventions (gene-related inventions including full-length cDNAs and SNPs), of which function or specific, substantial and credible utility is not disclosed, do not fulfill industrial applicability, enablement or written requirements. Isolated and purified nucleic acid molecule-related inventions (gene-related inventions including full-length cDNAs and SNPs), of which function or specific, substantial and credible utility is disclosed, which fulfill industrial applicability, enablement and written

description requirements are patentable as long as there is no prior art (i.e., as long as there is novelty and inventive step/non-obviousness) or other reason for rejection (e.g., best mode [US] or ethical grounds [EPC/JP])”.

16 Hedwig Lindner and Miguel Angel García; Condiciones de Patentabilidad y Alcance de Protección de las Secuencias (EST) de los Polimorfismos Singulares de Nucleótidos (SNP) y de los Genomas Completos (Enteros); Report of Mexican Group AIPPI to Q150, Sorrento Italy, 2000.

17 Article 16, LIP.

18 Article 15, LIP.

19 Article 1709 (I) of NAFTA states that expressions “inventive activity” and “industrial application” shall be regarded equal to “non-obvious” and “utility”.

20 Article 12 (IV) LIP.

21 In a Canadian case the Federal Court declared to be patentable subject matter as a “physical substance” the transgenic higher life from comprising an oncogene.

22 Alex Wijeratna; MIP Roundtable: opus cit. p. 19.

23 Catriona Hammer; MIP Roundtable: opus cit. p. 20

24 Id. p. 24

25 While doing research for this paper, the autor came accross an article of a science magazine entitled “Cómo ves”, under “El Proyecto del Genoma Humano”, page 10, this is basically focused at explaining the phenomenon. The article makes specific reference about the discussion on patentability of human gene, by describing the problem and the race between the Human Genome Project and Celera. It also refers to the sensitive issues on the patent protection on this field. Besides that it does not adopt-or even explains- any position against that issue from a “Mexican” standpoint.

## **THE PROS AND CONS OF A NORTH AMERICAN PATENT OFFICE**

*Paper presented at the 74<sup>th</sup> Annual General Meeting of the Intellectual Property Institute of Canada, September 21-23, 2000, Vancouver, British Columbia.*

### **1.0 Why a North American Patent Office?**

The North American Trade Region, composed of Canada, Mexico, and the United States, has a total population of 350 million inhabitants and an internal gross income of approximately US\$6 trillion. This makes this region one of the largest economic trading blocs in the world. It is thus attractive not only in terms of its size, but also, in terms of its characteristics as a market, because it joins two of the most powerful economies in the world with a leading country of the developing world.

NAFTA has been the principal force behind the integration of the area into a free trade zone. It has triggered international trade by reducing tariffs and eliminating trade barriers in general, and this is reflected in major growth and wealth among the three member countries.

As a legal instrument, NAFTA is one of the most comprehensive multilateral intellectual property agreements ever conceived, and has generally established a higher level of protection than any other bilateral or multilateral international agreement, including GATT/TRIPS.

As a result, NAFTA has been the vehicle for the setting of higher standards and, to some extent, harmonization of the industrial property and copyright laws of Canada, Mexico, and the United States. All of the foregoing have made North America a true global competitor.

### **1.1 One patent office for North America?**

In a global context, intellectual property laws go hand in hand with international trade and competition laws. However, the crossing of paths of intellectual property and international trade has raised questions about territoriality. Traditionally, intellectual property has been framed by the concept of territoriality. And, as a result of globalization, IP laws are likely to become more flexible. Otherwise, instead of a mechanism for the fostering of free trade, IP would be a source of conflict and struggle.

But would the softening of the territoriality principle in IP law mean that countries have to relinquish their own national patent systems and offices?

Would it be a justifiable undertaking for the three countries, signatories to one treaty, to engage in the effort of creating a regional patent office, considering the expense that this would represent in terms of money and other resources?

Would a single office attract investment into the region and foster the transfer of technology and trade?

## **2.0 Economic and legal conditions today**

Each member of NAFTA has different industrialization and economic levels. There are also differences in the numbers of patent filing-that is, national applications.

- The Canadian Patent Office receives approximately 35,000 national patent applications per year. Of these applications, 0.05 percent are filed by Mexicans, 14 percent by Canadians, and 47 percent by Americans.
- The Mexican Patent Office receives approximately 13,000 national applications per year. Of these applications, 3 to 4 percent are filed by Canadians, 60 to 65 percent by Americans, and 5 percent by Mexicans.
- The US Patent Office receives approximately 280,000 national applications per year. Of these applications, 2 percent are filed by Canadians, 0.06 percent by Mexicans, and 56 percent by Americans.

## **2.1 Difference in number of patent cooperation treaty applications**

The Canadian Patent Office receives approximately 21,500 Patent Cooperation Treaty (PCT) applications per year. The Mexican Patent Office receives approximately 7,000 PCT applications per year. The US Patent Office receives approximately 30,000 PCT applications per year.

## **2.2. Conditions in Mexico**

Since 1983, Mexico has undergone political and economic change. There is now a better framework for democracy. Mexico has also opened its borders by entering into different bilateral and multilateral free trade agreements.

Industrial competitiveness and economic development have become more perceptible. A dynamic process can also be observed in the greater volume of exports a different kinds of products. Mexico has become the eighth largest exporting nation in the world.

Commerce between Mexico and its neighbors to the north has increased significantly. The United States is Mexico's principal trading partner, while Mexico is the United States' third or even second largest trading partner, after Canada and perhaps Japan. While it was practically non-existent before, its commercial relationship with Canada has developed quickly since the signing of NAFTA.

## **2.3 Conventions and Treaties other than NAFTA**

The three countries are signatories to the Paris Convention, which recognizes:

- priority rights
- the right to consider a patent granted in any of the three countries independent from a patent granted in the other two;
- an inventor's right to be mentioned in the patent;
- the right to keep a patent in force notwithstanding restrictions of sale by the law;
- rules of failure to work the patented invention, or insufficient working including possible ways of granting compulsory licenses;
- importation rights of products manufactured by patented processes in the importing country; and
- industrial design protection;

The three countries are also signatories to the Strasbourg Convention, UPOV, PCT, TRIPS, and NAFTA. These conventions all require that

patents be made available for inventions (products or processes) that are new, the result of an inventive step, and capable of industrial application. There are, however, differences in conceptualization of requirements in each country.

These conventions also provide certain exclusions:

- To protect “public order” and morality, patents on “human, animals or plant life and health” or those that may “prejudice nature or environment” are not available. This exclusion is subject to each country’s interpretation.
- Also excluded are patents on diagnostic, therapeutic, and surgical methods for the treatment of humans or animals; plans and animals other than micro-organisms; and essentially biological processes for the production of plants or animals, other than non-biological and microbiological processes for such production.

It is unclear what would be done in connection with exclusion areas that are not specific in NAFTA but that are still considered in member countries’ laws (for example, Mexican Law), such as the patentability of business methods or computer software.

For the economic and legal reasons explained above, there may be sufficient reason to create a regional patent office that integrates the three NAFTA member countries. There are, however, additional factors that should be taken into account before a regional patent office becomes a reality.

### **3.0 Challenges of a North American Patent Office**

#### **3.1 Economic and human resources issues**

The setting up of a Patent Office cannot be regarded as an easy task. A regional office would represent a major effort. The European Union has dealt with this issue, and has expended significant amounts of time and money from its signatories’ budgets.

Would such an expense be reasonable for only three countries, who have their own patent systems and patent offices working well? Would the growth of commerce among the three NAFTA countries, and NAFTA itself, justify the creation of a regional patent office?

### **3.2 Harmonization issues**

The creation of a regional patent office would not imply the integration of the market. The European office is an example of that. It would, however, require the harmonization of patent rules in the laws of the three countries - that is, the abolition of first to file to first to invent. Would the United States drop its first-to-invent system, or would Canada and Mexico leave behind the first-to-file system and adopt a first-to-invent system?

It would also require the harmonization of patentability requirements:

- with regard to novelty, the three countries have adopted an absolute novelty model;
- with regard to industrial application, there may be differences in each country's interpretation of the concept; and
- with regard to inventive step, there is a need to harmonize the principles of "non-obviousness" and "inventive activity".

Finally, it would require the harmonization of exclusions. For example, would Mexico reduce the scope of exclusions as it now exists in article 19 of the law, including the patenting of business methods and computer software?

### **3.3 Administrative Issues**

The creation of a regional patent office would require that decisions be made on a number of administrative issues:

- What would be the governing language in official communication and application handling? English? Spanish? French? All three?
- Would Canada and the United States accept filings in languages other than English?
- Would a regional patent office coexist with the national system in each of the three countries?
- Would national offices continue to grant patents in each of the NAFTA countries?

- Would the three countries accept the closure of their national offices?
- Where would a regional office be located? If it were located in Mexico, that certainly would be an incentive for Mexico to join the project. But would the United States accept that location?
- The creation of a regional office would mean that national offices would lose a lot of revenue. What would be done with regard to the reduction of personnel at national offices?
- Would a regional office be composed of officers and personnel of the three countries? What would be its structure and size? How would it be governed? Who would supervise the management, operation, and performance at the office? What would be the budgetary constraints?
- Would the national offices revalidate the regional patents? Despite the costs of translations and national filings, patents are revalidated in Europe.

#### **4.0 North American Patent Office and PCT**

The PCT has made a tremendous impact on patent prosecution around the world. Among other things, it has been a factor in cost reduction because it eliminates steps in the prosecution of national patents, requiring just a single search and examination.

The PCT can also perform as a vehicle for reducing steps in the prosecution of regional patents. Accordingly, it would be feasible to use it in connection with the creation of a North American patent office.

The use of the PCT in the creation of the North American patent office poses many questions; and the fact that countries maintain national patent offices would raise additional questions.

- If national patent offices continue to exist, would users be allowed with their national offices first and then with the regional office, or the other way around? Would there be any difference as to the treatment given under the PCT? Could international filings be made at either office?

- Would the regional office be an international searching and/or examining authority? Would the US. PTO let the regional office perform that function or would both the US. PTO and the regional office do it?
- Would users of the PCT be entitled to choose, upon entering into the nation at phase, whether to use either the national or the regional office?
- If the regional office is appointed as the international searching or examining office, would it be, as it is in Europe, the first option of Canadian, Mexican, or US applicants? If it were, Americans would not have the alternative of going with the European office, and Mexicans would lose the chance to file with the European, Swedish, Spanish, and US. PTOs.
- Would agents need special qualifications to file applications? How would they be compensated for the loss of activity?
- Who would keep the fees of national filings after 30 months?
- Would there be one single publication in three languages? How would the national publication system work, especially when an application is first filed with the national office?
- Would the PCT publication system be adopted? Would that imply a triple publication system (national, regional and PCT)?

## **5.0 Conclusions**

North America has become an attractive market in which to invest, and NAFTA has been an important factor of this attraction. NAFTA, as well as other international treaties in patent law, has reduced the gap and distances among the patent laws of Canada, Mexico, and the United States.

For the economic reasons outlined above, the setting up of a North American patent office may be interesting on its face. However, the creation of a regional patent office would demand much organization and investment. It would require answering many questions-especially from a legal standpoint.

In addition, the three NAFTA countries would have to modify their patent laws in order to harmonize their patent systems. They would have to change principles and practices, and alter or abandon certain views and policies that they now follow.

Finally, many issues regarding the structure, organization and performance of a regional office would have to be discussed to ensure that it can function as a single entity and in coordination with the three national offices, and with international bodies, and with treaties such as the PCT.

## **PATENTING OF COMPUTER SOFTWARE**

*By Luis C. Schmidt and Cesar Ramos, Jr.*

*Report Q 133 in the name of the Mexican Group, AIPPI 1997.*

### **A) Legal situation in the country in question:**

#### **a) Does national law expressly exclude protection for software by means of a patent?**

Yes it does. The patent Law establishes that for inventions it shall be understood "every human creation which allows for the transformation of matter or energy existing in nature, for its utilization by man and to satisfy man's specific needs".

The Law of Industrial Property (LIP) considers the following to be patentable inventions:

"Eligible for patent protection are inventions that are new, the result of an inventive activity and susceptible of industrial application in the terms of this law, except:

- I. essentially biological processes for the production, reproduction and propagation of plants and animals;
- II. biological and genetic material as it is found in nature;
- III. animal breeds;
- IV. the human body and the parts that make up the human body; and
- V. plant varieties.

Finally, the LIP establishes in Article 19 that the following does not represent inventions in terms of the statute:

- I. scientific and theoretical principles;
- II. discoveries of something previously existing in nature;
- III. schemes, plans rules and methods for carrying out mental acts, games or business;
- IV. computer software;

V. forms of presenting information;

VI. aesthetic creations, artistic and literature works; and

VII. diagnostic therapeutic and surgical methods for the treatment of humans and animals.

As it can be noticed, computer software was included in the list of those elements that the LIP excludes as being inventions. Thus lack of protection of this form of creation is express and radical.

***b) Does case law in certain cases accept such protection and under what conditions?***

Under the above mentioned rule it is absolutely clear that computer software per se would not be qualified as statutory subject matter. However, patent protection has been conferred by the Mexican Patent Office (IMPI) to the so called software related inventions, with the limitation that claimed subject matter interacts or produces effect on objects, substances or processes in a physical environment, or if on the other hand, the claimed invention has some technical application or utility even if it is essentially mathematical or abstract in nature.

And what is the current trend in case law and doctrine?

It still would remain to be seen how broadly the IMPI and the Courts will interpret the computer software prohibition. At this time it seems that the trend is to keep computer software per se as a non statutory subject matter.

***c) If protection for software by means of a patent should be accepted, would it be necessary to alter the law or would it be enough to alter interpretation of the law by the Courts?***

In our opinion, *in* order to allow possibility of rescuing patentability of computer software per se the LIP should be modified for at least deleting the computer software as "non-invention" rule.

On the other hand, it would also be necessary to at least alter the interpretation of industrial activity.

**B) What are the problems raised by patentability of software?**

## **1. The definition of patentable software:**

***Is it possible to give a general definition of patentable software? If it is not possible to give such a definition, is it possible to distinguish the elements of patentable software from those which can be protected by means of copyright?***

We would consider very difficult finding a definition of patentable software, as it has been noticed by AIPPI. Notwithstanding the trends, it is at present time impossible reaching a uniform position on whether patent protection should be conferred to software or not. However, at least at present we believe it is possible to draw a division line between the copyrightable and the patentable that would be satisfactory in general terms. In our opinion, if patentability of software would be accepted it would be difficult to determine the difference between the copyrightable and the patentable. We even see the dividing line as needless assuming that patent law will be made available to computer software sometime in the future, we would believe that copyright should still represent an alternative form of protecting the form of expressing the ideas that circumvent the program itself as well as the aesthetic presentation thereof. In other words, we would not see incompatibility between the two systems of protection, which could nicely operate on an alternate basis.

## **2. The subject of protection:**

***a) If patentability of software is admitted, at what level of conception can such software be the subject of a patent? In other words, can the subject of a patent relate to functional analysis, that is to say, the elements involved in preparatory conception of the software, or in contrasts that subject to be limited to the elements embodying the software?***

We do not consider that the subject of a patent should be limited to the elements embodying the software since such elements constitute nothing more than a carrier. In our opinion, in order to determine the patentability of software, special attention should be given to the stage of conception, including a deep functional analysis of all the elements involved in preparatory conception and even of the elements involved in reduction to practice.

***b) To admit patentability of software is it necessary to distinguish between the different types of software such as basic software which is integrated in machines, operating software providing a user-machine dialogue, application software or integrator software providing for communication of an application software to another, etc.?***

The distinction between the different types of software could be helpful for classification purposes, but as long as the computer software meets with the patentability criteria no distinctions should be made.

### **3. The notion of technical or industrial character:**

***If patentability of software is admitted the first condition to be fulfilled by the software is that it is to be of a technical character. How is the technical character of software to be defined? Two series of questions can be raised on this subject.***

***a) Do purely abstract data handling operations comply with the condition of technical character?***

We would not realize that the mere handling of abstract data would meet the requirement of the invention having a technical character (capability of industrial application) as it should be understood. Even if the legal definition of "industrial application" or its interpretation would be modified, we should disregard any possibility that the handling of abstract ideas would be protected. In order to be patentable, the computer software should represent transformation of data, but also the obtention of a tangible result, notwithstanding the likelihood to represent that result in the form of a screen display.

***b) Can the mere fact of presenting information in digital form on a diskette or a CD-ROM be considered as patentable? Is such an information support to be treated differently from a conventional paper support? How are information supports which involve a technical character to be distinguished from those which, when they are carried into effect, produce only purely aesthetic effects?***

Patents should not be awarded to computer programs by the mere fact that information is presented in digital form, on a diskette, CD-ROM, or any other type of objective form.

***c) In general terms, is the notion of industrial character, which is conventional in patent law, applied directly to patentability of computer programs, or in contrast is to be adapted in relation to such inventions?***

As discussed above, it would be necessary to at least alter the interpretation of industrial activity contemplated by the Mexican Law.

#### **4. The requirement for description:**

***If patentability of software is admitted, the minimum condition is for the description of the patent application to be sufficient for a man skilled in the art to be able to carry the invention into effect. That question is not truly a new one as it already arises in relation to patents concerning inventions using a computer program, which corresponds to the situation of inventions which are currently recognized as patentable. However, if a computer program in itself constitutes the subject of a patent, should not particular rules concerning the description be envisaged? The difficulties inherent in prior-art searches in this area should also not be forgotten.***

***a) Is it sufficient to indicate a simple flow chart in the description of a patent application, leaving to the man skilled in the art the task, by a simple performance measures, of producing the program which can be used by a corresponding machine?***

In our opinion, simple flow charts would not represent sufficient indication for assisting the examiner in the analysis of the invention, and thus the granting of a patent. Under Mexican Patent Law, the inventor would be required to provide a detailed analysis of the elements involved in the preparatory conception of the software as well as the elements embodying the software. In addition, inventor is required to describe the best mode for carrying out the invention, by including all possible information related to the program in a complete and detailed

form, as well as with the adequate performance of the program as an invention.

It is not considered to be appropriate that basic principles of patent law are modified with the sole purpose of granting protection to software. Accordingly, patent protection should not be extended to software per se if it would not meet the standards, requirements and rules in the patent law.

***b) Or in contrast is it necessary to provide all the information relating to the program in fully detailed manner?***

See point 4 a) above.

***c) Would it be desirable to standardize the presentation of programs or extracts from programs, for example in the form of a magnetic support, to permit subsequent performance? It can be observed that there are already provisions requiring the people drafting patents to supply diskettes in an area which is as different as that of sequences of amino acids.***

Yes, it would be desirable to standardize the presentation of programs or extracts of programs, with the purpose to have an easy access to the information contained therein. The existence of legal provisions in other different laws such as copyright should work as a supporting tool for the standardization in the presentation of the programs or its extracts.

***d) Are the lists of instructions which constitute the program in the true sense to be provided in their totality or only in the form of extracts permitting identification of the program, as is already done for protection by means of copyright in some countries?***

The most important form of disclosing the best mode in the performances of the program as invention, if not the only one, would be definitively to file the lists of instructions backing it. The filing of such lists, presented in the form of diskettes, would represent the best standard on which to rely for presenting information about the program. Additionally, it would be worthwhile to rely on extracts that would allow identification of the program, particularly concerning prior art searches, investigations, and even the publication of the invention.

## **5. The drafting of the claims:**

***It is necessary to lay down particular rules for the drafting of claims determining the scope of a patent relating to the program in itself?***

Yes, it would be convenient indeed. Such particular rules for the drafting of claims would represent the most adequate framework assisting examiners to apply standards in the way that computer program would be claimed, as well as the scope of the corresponding claims.

## **6. Assessment of inventive activity:**

***Is the conventional notion of non-obviousness in patent law directly applicable in regard to assessing the patentability of programs?***

The expression "inventive step" is equivalent to "non-obvious" under Mexican Law. In our opinion that term is somewhat more flexible, and would probably apply in respect to patentability of software. However, due to reasons explained above, it still would need some adjustment to properly include software as subject matter of protection.

## **7. Prior-art searches:**

***It would be appropriate to show the difficulties with which the Offices would be faced in carrying out prior art searches in the area of patents covering software. As indicated above, do not those specific difficulties result in the observation of certain rules in terms of presentation of the description and claims of patent applications?***

Patent Offices would have difficulties for conducting prior art searches in the field of software. Legal provisions related to description and claims establish obligation on behalf of applicant to absolutely include every single precedents that could represent the prior art in regard to a particular program and that would be related therewith. The Patent Law could be amended with a cancellation provision applicable in the event that the foregoing requirement has not been fulfilled. Perhaps, this could work out even better under opposition systems, as it would permit third parties to bring prior art that could have been not identified in official searches, all this before the patent would be granted.

## **8. Exercise of the rights:**

***Do you think that particular problems would arise in regard to exercise of the rights of patents protecting software? For example, within the context of applying the rules relating to copyright, it is accepted that interfaces permitting interoperability, that is to say the circulation of items of information from one program to another, can be freely reproduced. Should provision also be made for exceptions within the framework of the rights afforded by a patent covering a program in itself?***

We would not have a doubt that different particular problems would arise to exercise of the rights of patents protecting software, as it has been the case of copyright law. However, the idea to use the patent system for protecting software would be that the scope of protection of the program itself increases much more as in case of copyright law. Otherwise, it could be pointless considering the possibility of including software as a patentable subject matter, which as it has been said along this report, it would finally require major modification of the general principles in patent law, and the provisions in the law.

## **9. Double protection by copyright and a patent:**

***Do you already have knowledge of programs which may arise by virtue of the possibility of protecting software both by means of copyright and by means of patents? In the absence of experience, what assumed problems could occur?***

In Mexico there is no experience in applying a double system comprising copyright and patent law. As mentioned above, patent law would emerge to offer protection in those aspects or portions of the programs which are functional, and that copyright law has been incapable to protect. Governments and judicial systems in many countries have sought to adapt copyright principles to the particular case of software. There is no question at present that under practically every legislation in the world, reproduction of source and/or object code of a program may represent infringement of copyright rights, in the absence of proper consent. Mexican Copyright Law has proved to be the best form of protecting software in these cases. Besides, application of fundamentals

of copyright law to software, such as registration procedures, have resulted determinant factor of increased and adequate protection .

In addition to the "literal" copying of computer programs, legislations and Courts have applied copyright principles in order to protect the "non-literal" reproduction of programs. Copyright protection in the structure, sequence and organization of programs would represent the most significant example of the foregoing. Also, they have used copyright law for protecting the so-called "look and feel" of screen displays. Notwithstanding such achievements, it has been now considered that Patent Law would be more effective in protecting the functional aspects of the programs, which is something that copyright law would definitively be unable to offer. We thus believe that the best would be that patent and copyright principles are alternatively applied to software and that it would be decision of applicants to chose for one or the other, or even both.

### **C) What is the wish of the National Groups?**

***Do the National groups want protection for software by means of a patent to be accepted?***

***The Groups are invited to set out the arguments in support of their position whether the answer is in the positive or the negative, while analyzing the advantages and disadvantages involved?***

Mexican Group position has been expressed all along the present document and that will be summarized hereunder.

### **Summary**

**Mexican Patent Law expressly excludes computer software as patentable subject matter; it even disqualifies it as a form of invention. However, patent protection has been conferred by the Mexican Patent Office to the so-called software related inventions under particular circumstances. In case that the Patent Law is being changed for allowing patentability of software per se, it would require to delete the "non-invention" rule. It also would be necessary to at least alter the interpretation of industrial activity, as well as standardizing the**

representation of inventions, the draft of claims, the description of the invention, and clearly determine on which supporting material to rely, and what the criterion of best mode to carrying out the invention. As to the issue of double protection of computer software, first of all it would be somewhat difficult imposing a dividing line between the copyrightable and the patentable, which by the way could be even needless. Assuming that patent law would be made available to computer software sometime in the future, copyright should still represent an alternative form of protection, as there are no substantial incompatibilities, and can work alternatively, being the decision of applicants to chose for one or the other, or still both.

## V. INTELLECTUAL PROPERTY RELATED ARTICLES

### **PENALTIES TO PROTECT INFORMATION**

*International Technology Law Review, June 2001.*

There is no equivalent to the so called US Anti-wiretapping law in Mexico. On May 17 1999 however, the Mexican government published in the Federal Official Gazette a bill passed by congress, amending the Federal Penal Code. It puts in place certain criminal provisions concerning disclosure of confidential information and illegal access to information equipment and systems.

Penalties include imprisonment between one and eight years. The amended provisions include the following issues:

Loss of information without authorization pertaining to particulars - A person is liable if they modify, destroy or trigger a loss of information contained information systems or equipment, protected by a security mechanism, without authorization.

Wrongful misappropriation of information pertaining to particulars - A person is liable if they misappropriate or copy information contained in systems or information equipment, protected by any security mechanism or media.

Loss of information without authorization of systems pertaining to the government - A person is liable if they modify, destroy or trigger a loss of information contained in information systems or equipment, pertaining to the government and that are protected by a security mechanism.

The sanction increases if the person had authorization to access the information and modifies it unlawfully.

Wrongful misappropriation of information pertaining to the government - A person is liable if they misappropriate or copy information contained in systems or information equipment, protected by any security mechanism or media. Sanctions would increase if the person had authorization to access the information but not to misappropriate or copy it.

Loss of information without authorization of systems pertaining to the financial system - A person is liable if they modify, destroy or trigger a loss of information contained in information systems or equipment, pertaining to the financial system and that are protected by a security mechanism. The sanction increases if the person had authorization to access the information and modifies it unlawfully.

Wrongful misappropriation of information pertaining to the financial system - A person is liable if they misappropriate or copy information contained in systems or information equipment, protected by any security mechanism or media. Sanctions increase if the person had authorization to access the information but not to misappropriate or copy it.

The penalties above are higher if the offenders are personnel of financial institutions.

From the foregoing it can be concluded that anyone including ISPs, may be held liable for criminal misconduct if triggering loss of information in a system pertaining to a private government or financial entity or if it misappropriates or copies that information without proper authorization. There is however nothing indicated in the new provisions of the Federal Penal Code. as to prohibit transmission or sending private information over the internet for any other means.

## **LIABILITY FOR CONTRIBUTORY INFRINGEMENT OF IPRS**

*Question Q204, 2008.*

### **I. Analysis of current legislation and case law.**

**1) Does your national law provide for liability for contributory infringement of IPRs, in respect of the offering or supply of means for working an invention, for enabling illicit commercial use of a trademark, for making a copyrighted or design protected product, etc.**

No

**2) If so, is it a condition for such liability that the means supplied are actually used by another (the person supplied) for committing acts amount to direct infringement of the IPR in the same country (or in another country where there is a corresponding IPR)? Are there any additional conditions that apply in such cases?**

NA

**3) If it is not a condition for liability for contributory infringement that the means supplied are actually used by another (the person supplied) for committing acts that amount to direct infringement in the same country (or in another country where there is a corresponding IPR), is it then, or the other hand, a condition for such liability, for example:**

-that the means offered and/or supplied were suitable to be put into an infringing use;

-that the means relate to an essential, valuable or central element in the invention or product or service that constitutes direct infringement;

-that the means offered and/or supplied were actually intended for such use on the part of the person supplied;

-that the means offered and/or supply of the means, the suitability and intended use were known to the supplier or were obvious under the circumstances; or

-that, to the extent the means are staple commercial products, the supplier induces the person supplied to infringe directly?

**4) Are there other conditions? Please respond separately for patents, trademarks, designs, copyright, etc., if the rules differ from each area of IPR to the other.**

NA

**5) Are the rules concerning contributory infringement set out in the laws protecting IPR?**

NA

**6) If such protection is not set out in the laws protecting IPR, does it follow from generally applicable principles of e.g. tort law?**

NA

**7) What are the legal consequences of holding an act to be a contributory infringement of and IPR, in particular:**

-can the IPR owner obtain injunctive relief to the same extent as in case of direct infringement?

-can be IPR owner obtain damages and other compensation to the same extent as in case of direct infringement, or only relative to the contributory infringer's contribution?

NA

## **II. Proposals for substantive harmonization**

The Groups are invited to put forward their proposals for adoption of uniform rules, and in particular consider the following questions:

**8) Should measures generally be available against acts that qualify as contributory infringement of IPR's, as defined in these Working Guidelines?**

Yes, at least in connection with patent and copyright law. Contributory infringement rules referenced to trademarks law are unclear. Concerning Copyright Law, contributory infringement is particularly urgent.

**9) If so, what should be the conditions for holdings an act to be a contributory infringement of and IPR?**

It should be no condition imposed at all. Contributory infringement should be opened not only when a contributory infringer offers or supplies means to perpetrable infringement, but also when induces or assists the direct infringes to violate the law.

**10) Should the conditions be different for different kinds of IPRs? Why?**

No. Rules just need to be broad enough to cover all array of possibilities.

**11) What should be the legal consequences of holdings an act to amount to contributory infringement of an IPR, in particular?**

**-Should the IPR owner be able to obtain injunctive relief to the same extent as in case of direct infringement?**

Yes

**-Should the IPR owner be able to obtain damages and other compensation to the same extent as in case of direct infringement, or only relative to the contributory infringer's condition?**

Yes

**12) Should the legal consequences be different for different kinds of IPR? Why?**

No

**13) Does your Group have any other views or proposals for harmonization in this area?**

**SUMMARY**

**Mexican patent, trademark and copyright laws do not provide contributory infringement rules, applicable in connection with the offering or supply of means for working inventions, enabling the use of trademarks or making works of authorship or even inducing or assisting direct infringers to violate the laws. The Mexican group would support that pertinent IP laws are amended so that measures and remedies become available against all possible acts that qualify as contributory infringement, including the inducement and assistance for breaking the law.**

The scope of contributory infringement rules should be as broad as possible. They should not only encompass patents, but should be extended to any other rights, like copyrights, that might be violated when third parties carry indirect acts of infringement. In Copyright Law, contributory infringement should not be restricted to when third parties offer or supply tangible means to the direct infringement to inflict a copyright infringement. Intermediary indirect infringement has a special connotation and an importance, in particular when the third parties induce or assist the direct infringers to violate the law. WIPO treaty standards should be enhanced. Likewise, intermediary liability should be balanced with a fair system of safe harbors protecting Internet intermediaries.

## **ENFORCING YOUR RIGHTS IN LATIN AMERICA**

*Managing Intellectual Property, December 2006/January 2007.*

**Latin America has long been an attractive market in which to do business. But with high levels of counterfeiting and piracy continuing to affect the region, how should IP owners respond? MIP, together with Cavelier Abogados, Obligado & Cia and Olivares & Cia, invited in-house counsel, IP officials and representatives from industry lobby groups to discuss enforcement issues across the continent**

**Participants:** Juan Aulmann-Obligado & Cia.- Nancy Lee Carter-Senior Trade Mark Counsel at Kimberly Clark.- Emilio Ferrero-Partner at Cavelier Abogados.- Armando Irizarry-Counsel at the US Federal Trade Commission.- Chris Israel-US Coordinator for International Intellectual Property Enforcement, US at Commerce.- Nils Victor Mountain-President of the International Anti-Counterfeiting Coalition.- Kathryn Park-Trade Mark Counsel at GE.- Mark Koesler-Chairman and CEO & CMG Worldwide.- Luis Schmidt-Partner of Olivares & Cia.- Shathazz M.-Americas Editor, Managing Intellectual Property Magazine.-

***SM: Can you describe what you see in terms of the escalating problems of counterfeit and piracy? Can I ask you, Juan, to start this off as you are based in Latin America.***

**JA:** Counterfeiting and piracy is a widespread problem – specifically referring to Argentina. Basically, we are seeing counterfeit goods fairly easily. The problem is – it probably depends on the area – it is not that you can find counterfeit goods on the streets. Perhaps there are some known black markets there, which are recognized by industry practitioners as a focus of the problem.

**EF:** The situation in Colombia is quite similar. There are a lot of counterfeit products that you can find on the street, and there is also the black market where you can find counterfeits and smuggled goods in several main cities of Colombia, especially in Bogotá.

**LS:** The problem is already severe and levels of counterfeiting and piracy are high enough. Counterfeiting has developed as an industry in

the region with mafias that have taken control, sometimes working in coalition with governments, in the distribution of products that are mainly produced abroad.

For example, Mexico is viewed as the number three counterfeiting market in the world. Escalating would just represent that the country jumps into number two or one, by replacing Russia and China. Is that a goal to achieve?

**AI:** Let me just add that there are several Latin American countries that have free trade agreements with the US or have been negotiating free trade agreements with the US. But, my perception of the problem is that it is up in every country, which includes Chile, Peru, the Dominican Republic, Mexico and Guatemala. I have seen different degrees of these problems in several countries. For example, I went to the Dominican Republic earlier this year and I was told that the problem wasn't as serious as two years ago. And all of sudden it has escalated. For example, CDs in the tourist areas and counterfeit and pirated goods are becoming more and more easily available. So, that has been my experience – the countries are trying to address the problems in different ways, but I think with limited success.

**KP:** We also see an escalation and it's interesting because I think when a lot of people think about counterfeiting, they think of consumer products, DVDs, T-shirts and caps and things of that sort. But what we are seeing is that there is counterfeiting increasing in Latin America of things like circuit breakers and component parts for use in electrical goods, things of that sort which aren't the kinds of things you think of someone coming up to your car and offering you through the window.

**CI:** I think Kathryn's point on the breadth of products that we see now counterfeited around the world is important. What you are seeing are very sophisticated products marketed around the world that are being produced and delivered into global supply chains, like very sophisticated organizations. I think another trend that we are seeing is the sophistication of the criminal organizations. They can rival some of the biggest and probably some of the best companies in the world. And they are not confined to just one product either. They can be in the business of entertainment or apparel one day and then circuit breakers or aircraft parts, brake pads, or some other products in pretty short order. The

chase the profit margin and they chase the demand. Unfortunately I think there is a lack of global enforcement. So this is a relatively low risk, high profit criminal activity to be in.

**AI:** Let me just add to the point on the problem that this is not limited to entertainment groups or to software groups, but also includes industrial parts and pharmaceutical products. These are all products that endanger the welfare of the consumer and that appears to be an increasing problem in some of the countries and people are not aware that many times they are selling fake products that could harm their health. Countries have to work more to create awareness of the risk associated with dealing with counterfeit goods.

***SM: Chris, the US government has been undertaking a number of measures to help IP owners – including sending IP attachés to some counterfeiting hot spots. So, why is there such a lack of enforcement?***

**CI:** To some extent it's an infrastructure problem that probably needs to be looked at under the same lines as other big infrastructure problems in developing countries and developed countries around the world. It's an integration of the private sector where you have got to have companies working with law enforcement at a local level and a national level. There is a Customs dynamic there. There is a cross-border dynamic to this with Operation Jupiter. I am not trying to hide the complexity of the challenge and certainly governments are up to this challenge – we have to be. But you know, it does require a lot of organization, it requires resources that sometimes aren't always there being dedicated to the problem and as everyone here has pointed out, the problem is just getting bigger and it's just accelerating. So, we are in a situation where we are trying to keep up and we are trying to hold our ground.

**NM:** I think a lot of it is resources. We see that this is a very sophisticated web of, in some ways, interlocking criminal enterprises. Yet we are still treating it like it's a formal trade mark or copyright infringement. So we are facing the greatest, the wealthiest and most organized and sophisticated criminals of all time in a very fragmented way and I think the exciting thing that is happening now is that many companies, many trade associations, many governments are trying to

wake up to this fact. Buy what we are going to have to do is start bringing money to the table. So, developing countries in particular need some resources to fight the problem in an appropriate manner.

**AI:** I have observed – or have been informed – that in some countries in Latin America the law enforcement finds a bottle neck when the cases are transferred to the courts. The judicial system are either not prosecuting them in an expedient way or do not understand the cases or see the cases as matters of victimless crimes and impose very small penalties, both in terms of damages or even in terms of imprisoning in criminal cases that do not have a deterrent effect. I think there is the problem at the local court level and I am wondering if the participants from Argentina and Colombia are observing the same thing in their country.

**EF:** Yes, we find that the judges are not very well prepared when there is a case of infringement. And it was not so long ago when DVDs, for instance, were seized by the police and afterwards they went missing. Nobody knows where they went. I think the total was 50,000 pirated DVDs that went missing. The judges don't know how to handle these kinds of matters. Now there is a new criminal court and fines have been increased and jail sentences have gone up from four to eight years. That was implemented at the beginning of this year. But no judge has imposed this penalty yet. So, I think that the judges must learn a lot – they have to be well prepared and they must understand the problem that's behind this because they are not accustomed to these matters.

**JA:** I think that the budget that private companies dedicate to IP enforcement is an issue because my idea and – and probably the participants from US companies can confirm this – is that the lack of efficiencies sometimes lead to no enforcement. Because enforcement efforts are rather expensive, particularly when there is no resolution in sight. So that combined with the lack of public and official awareness of the counterfeit problem leads to a very slow solution. Imagine for a moment that we do have some sort of legal framework to address counterfeits. But sometimes we see a lack of political will to consider the issue.

**KP:** I wanted to pick up on two things Juan just said. The first was on when you spend a lot of money and you don't get a lot of results. Others

have spoken about the bottleneck and some of the court systems and that's certainly been my experience. In many instances where business are prepared to start initiating a series of legal actions in this never never land where things don't seem to move forward, it's very frustrating. And when they are doing their budget that is one distinctive. Often I will say that the cost of keeping things in storage or sort of waiting for the case to proceed can end up our weighing the cost of doing the initial action. This can end up being more expensive than just having purchased all the goods outright in the first instance. So it is a real problem. The other point I would like to pick up on is education, because in thinking for many years about counterfeiting it seems it's not just to adapt the good laws – it's not even enough to have a really effective enforcement system. We really need the education component both for consumers to understand that buying counterfeit goods is not in their own best interest, it's not an entitlement just to get cheaper goods. It really does have detrimental effects both to their person potentially, but also to the state of the world, the ties with organized crime – the ties potentially with terrorism. It seems to me we as a group of stakeholders need to be very interested in furthering education and I think that's something organizations like yours can do probably effectively with the help of your members. But I also think the educational effort has to filter through the law enforcement officers and the judiciary as to why this isn't a victimless crime. And there is a lot more the IP community can be doing in that regard in Latin America and probably around the world.

**LS:** There is a large lack of enforcement despite the efforts, because they are only made on the surface or in isolation. Counterfeiting is a problem in itself but is at the same time connected to other social disorders: poverty, lack of education, corruption and organized crime. Eliminating counterfeiting would require tackling dysfunctions as a whole.

**MR:** In addition to the lack of sufficient numbers of enforcement personnel, many Latin American countries probably lack sufficient experts to detect infringing products. With so many categories falling within the broad IP heading, such as computer software, electronics hardware, communications hardware and software, celebrity personality rights, trade marks, and copyright (itself made up of several

subcategories), most enforcement agencies would be hard-pressed to include experts on their staffs in more than a few of these areas.

***SM: How aware are Latin Americans that counterfeiting and piracy is damaging the economy?***

**LS:** My impression is generally they are not very aware that it is damaging to the economy. They still see it very much as a victimless crime. I think that foreign investors or even local investors are going to be very concerned about the investments they make. Whatever IP they produce in the country is going to be pirated. And I have seen that happen in the pharmaceuticals industry. In a way it's not worked for us to introduce a new medicine here, because within a week we have this counterfeiting competition that just does not allow us to recover. However, it is fair to say that the media publishes messages in a constant fashion to educate the public about the negative effects of counterfeiting. But the public does not listen to these messages and generally buys illicit products due to price considerations. It will always be attractive to wear the latest fashion for less money.

***SM: Nils, can you talk about any efforts that your organization is undertaking?***

**NM:** The AICC has done training in Latin America, mostly in Mexico and Colombia, some in Venezuela, and in Central America. It's an area that we have some experience in and we tend to train law enforcement officials like Customs officials in the US. We have also done training with the FBI for example. But these area programmes that really need to be expanded.

***SM: What would you realistically like to see happen to help stamp out these problems?***

**NM:** Well, first of all we will never stamp them out. This will live with us for as long as we live and will get passed on to further generations. It's a problem that's more properly looked at as something that needs to be managed. But, I think the major thing that I would like to see happen is sending the message of getting resources in developing countries that help them with the structural reforms that they need. That's the major thing, but I want to add that there is plenty of piracy in the US and frankly the US government could do more at home.

**JA:** There is no silver bullet to combat or to solve the problem of counterfeiting. I would like to see more resources coming to the country particularly for educational purposes and for the court system. Unfortunately, with regards to the general public my impression is that it is not aware that counterfeiting is a big problem and if they are they probably don't care. We in Latin America see other problems as a high priority. I would like to see international organizations and foreign governments put this issue on the discussion table with the Argentinean government. This would help a lot in at least using the resources we already have.

**SM: *I am quite curious to learn what external help from other countries or global organizations have been most effective?***

**CI:** The US government obviously does a tremendous amount of training around the world. That certainly opens the door to even more specialized and effective coordination and assistance that goes back and forth between the US and our trading partners. We had some success with a programme in El Salvador within the last 12 to 18 months. It involved US Customs officials working with El Salvador Customs officials in the wake of the CAFTA agreement. This gave their officials greater authority to act. This raised a lot of interest in this type of collaboration. So if there is a priority for the US government – we spend tens of millions of dollars every year around the world doing a significant amount of training. I am glad to hear that this is really following some of the trends and the observations of this group.

**MR:** The availability and adaptability of procedures and protocols for trade mark registration in various countries can expand the umbrella of commercial protection for a particular mark, design, or image. The same goes for a country's legal system in facilitating the best means to achieve that expanded protection.

**SM: *Where does Mexico stand in terms of prosecution? Have your jail sentences and fines become tougher for dealing with counterfeiting and piracy?***

**LS:** I think the problem in Mexico is not of awareness, because the laws are good. That helps to fight against many social situations that turn counterfeiting into a very sensitive problem. By social I mean there are

people in the government that don't really cooperate and are corrupt. And there is also organized crime – which sometimes works together with some officials in the government. But, added to that, despite the fact that there are awareness campaigns, the consumer doesn't pay attention since what they want is to buy the cheapest branded products possible. They really don't care about quality and they don't care about the negative impact. So, I think this is a social problem combined by many factors. Solved together, you will see less counterfeiting and less piracy in countries like Mexico.

**NM:** You really have to look at this from a global perspective but also from a developing country perspective. There are a lot of social issues – there is a tremendous amount of poverty in many countries. I think a third of the population in Brazil has an income of less than a dollar a day so whether those people know anything about counterfeiting is really irrelevant. I mean this is a small piece of a much bigger problem and judges are going to be reagent about putting people in jail particularly if they believe that they are poor people or it's just the tail end of the distribution system. And it's not usual for people to go to jail, in the US for example. We don't have a lot of criminal penalties. We just passed the Sub Manufacturing Counterfeiting Goods Act which increases the penalties and now for the first time counterfeiters who get caught with significant amounts of product are actually getting jail sentences. But that's not the norm and it probably won't be in many countries.

**CI:** I think we are definitively seeing an increase in federal criminal prosecutions for IP crimes in the US. And the number of cases that the US Department of Justice brought for IP offences went up about 50% in 2004 to 2005. There are over 200 prosecutors in the US who are dedicated specifically to IP in cyber crime so we are seeing more cases brought forward. I think jail sentences are certainly a deterrent. I think what you have got to have is a system that emphasizes that there is a meaningful risk that's out there for someone – particularly a large scale operator. That there is a pretty significant potential for a jail sentence if they get caught and if they get caught it's going to hurt. That's what I think from a policy perspective we advocate around the world. In terms of a jail sentence, that's at the discretion of an individual's jurisdiction – but you have got to have a deterrent.

**AI:** I want to add that we have people in power in charge of running the country who understand that fighting against counterfeiting and piracy is not a fight against cheap goods. We are not saying that those cheap goods by themselves cannot be sold. It's just like using a trademark or copyright or the logo of another company that is the infringement. I think a lot of times people confuse that.

**NM:** Yes, I agree. Take China for example. What would be the incentive of somebody in China to start, say, a designer purse business. I'm sure there are many entrepreneurs in China – really good designers – but how could one of them compete with the avalanche of counterfeit product bags? So counterfeiting actually throttles local innovation and initiative.

***SM: What are the most effective weapons available to rights owners in dealing with counterfeiting and piracy?***

**LS:** Criminal actions are the best weapons since they are strong and effective. In countries like Mexico, administrative action is available as well, but it is not as effective and tends to be more costly.

**KP:** I think that one of the key things – and this is obvious – but in Latin America if you don't have your trade marks registered, you can't go anywhere, you can't enforce them. And I think a lot of companies are much savvier than they were when I started practicing in this area and understanding you have to be registered in order to enforce that. And I would like to say that it would be helpful in Latin America if we could get some of the countries to enter into the Madrid Protocol, which would make the registration of our marks much more cost effective and much faster. The Madrid Protocol is long overdue and much needed in Latin America.

***SM: What is the likelihood that most or all of the Latin American countries would look to join the Madrid Protocol? Brazil is reportedly just about to do that.***

**EF:** I am not aware about Brazil, but I know that Columbia has agreed to adopt the Madrid Protocol in 2009.

**JA:** I think that sooner or later most of the Latin American countries will join the Protocol because industry wants to see Latin America be a part

of that. I also heard that Brazil is in talks and the government is moving towards that direction. We are closely linked with Brazil. So if this is seen as a benefit to South America's biggest economy we would sooner or later join the Protocol.

**LS:** I see exactly the same thing as Juan. It's a matter of time. When – we don't know. Latin America has received a little bit more pressure than normal and I think the largest economies in Latin America have been targeted. I have heard about Brazil. I believe the country is in more serious talks about moving towards the Madrid Protocol. And Mexico has been discussing that, it has been delayed due to the change in government.

***SM: What else can rights owners do to improve the protection of their rights?***

**LS:** As a starting point it is very important that they understand the country that they have selected to implement a campaign. Systems vary in every country in cultural economic and legal terms. Practice and usages are also different. Successful rights owners know this well. By understanding the fundamentals they will be able to allocate the right human and economic resources, perform investigations and take action, having the best return in terms of cost-benefit. Rights holders need to understand that eliminating counterfeits cannot be achieved in the short term, and that requires a lot of action and patience. Counterfeiters tend not to distribute counterfeits with brands of companies that are proactive.

**NLC:** If it comes to changing how trade mark applications are examined and how courts view infringement actions, owners can take advantage of the International Trademark Association to press for changes.

**NM:** Well, I think in most countries they have to have TRIPs-compliant laws. Kathryn, maybe you want to talk about his from GE's perspective as you can't do civil actions and have goods seized. That is a tool – a weapon that's useful. The problem is then what happens thereafter? Do these cases just trail on forever or is there is going to be some meaningful damages available or the like?

**KP:** One of the things I would like to add- and I certainly know that this has been an effective way of dealing with some of the laws that are

available throughout much of Latin America – is the possibility of joining forces with other rights holders in the same position you are and bringing the sort of actions that involve multiple plaintiffs. I know there are groups of rights owners similarly aligned in certain types of product sectors and I think that's something that sometimes we don't take advantage of as much as we should. We are just sort of seeing what our competitors are doing and seeing if there is a possibility to enforce, because it's certainly been my experience not just in Latin America but everywhere, that if they are counterfeiting my goods, they are counterfeiting my competitors' goods and they are being sold side by side.

**NLC:** Also, to work with local counsel in various countries and persuade them to lobby for changes in trade mark practices in their countries so that rights holders have more protection. We do both of those things.

***SM: What types of enforcement efforts are you involved in?***

**KP:** One of the things that we have done in Latin America is to form an internal working group base, which is GE investigators on the ground, people who work for us, who are located in the countries as it's hard to do an assessment of where we see particular problems and which countries we see those problems in. Basically they help us to assess what the landscape is and where are the places we are most likely to be effective, so that the message gets out on some level that we are actively going to engage against the counterfeiters.

**LS:** Olivares is a law firm that among other things represents a number of companies in their fight against counterfeiting. We advise clients in adopting strategies, developing campaigns, and implementing all kinds of judicial or extra-judicial actions.

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**MR:** I have a broad body of expert witness work where I have been involved in many of the landmark intellectual property cases in the world whereby I place a value on intellectual property.

***SM: What are the main threats to the protection of IP rights in Latin America?***

**AI:** It's definitely the lack of resources from the local government who prosecute the crimes and also the bottleneck in the court. It's critical to have a legal and social system where IP rights are respected. In the long run this will be a benefit economically and socially and it's going to encourage creativity as it has in countries that already have this in place – the United States, Japan and western Europe. And I think if Latin American countries don't place value on this then there are going to be more lags in the enforcement of the rights.

**LS:** Protecting IP rights against counterfeiting has become a social problem that includes different layers or levels; Mafias are well organized and have all sorts of resources to achieve their illicit goals; governments and judiciaries are weak and sometimes corrupt; customers seek the cheapest products regardless of the quality and regardless of the possible negative impact of their purchasing decisions. Counterfeiting is like a vicious circle that makes society sink as a whole.

**NLC:** The trade mark offices allow very descriptive terms to become registered trade marks and deprive other of the ability to use legitimate descriptive terms to advertise and promote their goods. Registrants try to lock up descriptive terms as trade marks and disadvantage their competitors. Possibly the trade mark offices are keen to have the revenue from the trade mark applications, and that out weights their obligation to examine applications under good trade mark principles.

***SM: Where are we with regards to harmonization in the fight against IP theft?***

**EF:** There is harmonization among the Andean community countries because there have been legal actions established against counterfeiting and unfair competition for them.

***SM: And what about the other countries?***

**EF:** No, not with the other Latin American countries.

**CI:** I was going to mention that the agreements that we have in the US, I think with at least Peru and Colombia and certainly with CAFTA, the Central American countries and the Dominican Republic as well as with

Mexico and Canada – those free trade agreements have a chapter on intellectual property rights that set forth some mutual obligations on the parties to the agreement. And I think that's going to help harmonize some of the legal regimes in the enforcements of intellectual property because these chapters establish the nature of penalties, such as jail terms and fines and garnishment of revenue obtained from the illegal activity and the like and I think it will help in harmonizing at least the countries that are part of this agreements with the United States.

***SM: What has been a pivotal moment where you have said to yourself, we have got to be better or we have got to ask our governments to be better? Or we have to take it upon ourselves to really try and control these problems?***

**KP:** You know when we think about counterfeit equipment, certainly in my past experience at the NBA, it was all about consumer products. But one of the things that made me realize we had a particular issue in Latin America was the discovery of shipments through the Philippines to various countries in Latin America of counterfeit circuit breakers. That didn't sound like a big deal but if you use those in your house instead of a regular circuit breaker, that can cause a fire which can cause property damage and ultimately death. And so it certainly was a moment where all of us at GE realized it wasn't a problem that we could just ignore.

**JA:** In march this year, there were some new amendments proposed to out laws because we had a case where someone bought fake medicines and died. And actually this was punt on the table of the government because at that point the government realized the criminal laws were not good enough to enforce against counterfeit pharmaceutical. So there is a proposed amendment that is in Congress now, which increases the penalties.

***SM. What are the most positive signs you have seen that Latin America is working towards managing counterfeiting and piracy?***

**AI:** I am encouraged by the people I meet, both the local practitioners and from organizations like the American Chamber of Commerce at the local level. They are very active in giving out grants to battle counterfeits and piracy. I am also encouraged to see that education is

being emphasized and that there is a willingness to address the problem by local governments.

## **LAS MEDIDAS CAUTELARES EN LA OBSERVANCIA DE DERECHOS DE PROPIEDAD INTELECTUAL EN MÉXICO**

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**RESUMEN.** El valor de las medidas cautelares radica en que contrarrestan el defecto que se produce por el tiempo que el ejercicio de juzgar y ejecutar conlleva. Las medidas cautelares garantizan la eficacia en el resultado del proceso principal.

La problemática que ofrece el tema de medidas cautelares, es debido a que las medidas de los códigos procesales no resuelven las exigencias de los procesos de propiedad intelectual, respecto a medidas efectivas y expeditas que precisen la ejecución anticipada de la resolución.

El tema es equivalente en la normativa de TRIPS y NAFTA, en que procuran la observancia de derechos a través de medidas rápidas y eficaces. Por lo cual, dando cumplimiento a los objetivos trazados por NAFTA y TRIPS, las medidas cautelares contempladas en el artículo 199 Bis de la Ley de la Propiedad Industrial, guardan un alcance muy amplio, resultando innovadoras dentro del contexto de la teoría modernista de las medidas cautelares, toda vez que con su aplicación, puede realmente anticiparse la satisfacción de la pretensión.

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## **1. INTRODUCCIÓN**

Las medidas cautelares, como se les conoce en algunos sistemas procesales modernos, son aquellas que tienen por objeto garantizar o asegurar la eficacia en el resultado del proceso principal. Todo proceso, por lo general, se articula en fases definidas como la declarativa y ejecutiva. En este esquema, la medida cautelar funciona como el elemento garante de las dos primeras.

La teoría general del proceso se desarrolla en torno a la idea de un proceso común, aplicable a todo tipo de pretensiones y objetos. Sin embargo, hay corrientes que por el contrario, se postulan en el sentido de que el proceso, si bien parte de principios determinados, debe ser dinámico y adaptable.

En tal virtud, ha surgido el concepto de tutela judicial especial, en el que la idea del proceso central y único se disipa. Son procesos especiales aquellos que atienden criterios específicos tales como cuantía o materia entre otros. El proceso especial es distinto al general, por cuanto a que se funda en el principio general, reconociendo a su vez que la norma procedimental debe satisfacer el objetivo particular. En la actualidad no es sostenible canalizar en todas las pretensiones en un solo proceso, por lo que legisladores en todo el mundo han entendido, que se necesita regular más de uno.

México no está ajeno a la tendencia que el proceso especial ha venido marcando. Los códigos procesales en materias como la civil o comercial, se han visto desbordadas por la proliferante evolución de disciplinas nuevas, que reclaman acomodo en el sistema procesal. Sería difícil pensar que ordenamientos de corte procesal como el civil o comercial deban ser modificados para dar cabida a decenas de procedimientos particulares. El camino ya fue trazado: el proceso especial contemplado en legislación particular, constituye una realidad irrefutable. La Propiedad Intelectual es el ejemplo perfecto de lo anterior. La Ley de la Propiedad Industrial establece procedimientos de orden declarativo y ejecutivo, de carácter específico, relativos a creaciones nuevas, signos distintivos y aun derecho de autor. Dicha legislación establece asimismo un régimen sobre medidas cautelares, aplicable a situaciones que son propias de la materia.

Los procedimientos jurisdiccionales de la Ley de la Propiedad Industrial se apartan de los ordinarios, por cuanto a que cumplen las exigencias de dicha disciplina y por quien los aplica es una autoridad formalmente administrativa ejerciendo una función jurisdiccional, materialmente hablando. Sin embargo, la tutela privilegiada de la Ley de la Propiedad Industrial, se produce por cuanto a que dicho ordenamiento contempla un solo procedimiento especial, que abarca por igual a patentes, marcas, publicidad, competencia desleal y derecho de autor, materia esta última que ni siquiera es de naturaleza mercantil. En países como España, la ley establece procedimientos distintos para cada una de las disciplinas de la propiedad intelectual. En tal virtud, el régimen procesal especial de la ley mexicana no llega a los extremos de su similar española, por lo que las críticas que algunos hacen a ésta, no podrían extenderse a aquélla.

En este contexto, el presente trabajo pretende abordar la figura de la medida cautelar, desde el punto de vista de la doctrina, legislación y jurisprudencia en México. Así, se analizará la problemática que se suscita de la aplicación de dicha figura y del impacto que se ha generado en la práctica forense en la materia especializada de la propiedad intelectual.

## **2. LA FUNCION DE LA MEDIDA CAUTELAR EN EL DERECHO PROCESAL MEXICANO**

### **2.1. Propuestas Básicas**

La función de juzgar y ejecutar requiere de tiempo, a veces mucho o demasiado. Lo anterior encierra una realidad objetiva y de carácter universal, misma que se actualiza en todos los sistemas, sin excepción. El valor de las medidas cautelares radica en que contrarresta el defecto que se produce por el tiempo que el ejercicio de juzgar y ejecutar conlleva. El fin del proceso se habrá cumplido solo en la medida en que la función declarativa y ejecutiva, puedan garantizarse. Como se ha hecho de manifiesto, las medidas cautelares otorgan esa garantía.

Para autores como Calamandrei, Montero Aroca y Barona Vilar, las medidas cautelares cumplen las siguientes características:

a) Instrumentalidad. Por cuanto a que las medidas están preordenadas a una resolución definitiva, cuya eficacia viene asegurada por aquéllas

de forma preventiva. Las medidas son instrumentos del derecho sustancial o instrumentos del instrumento. Necesitan de éste para existir.

b) Provisionalidad y Temporalidad. Por cuanto al carácter temporal de las mismas. Las medidas pierden su razón de ser cuando el proceso principal garantiza la preservación y hace irrelevante o inútil mantenerlas.

c) Variabilidad. Atendiendo al principio *rebus sic stantibus*, pueden ser modificadas si la medida deja de cumplir su función.

En relación a los efectos de las medidas, la doctrina identifica dos posturas. La primera sostiene que las medidas deben asegurar la sentencia. Esta representa una visión tradicionalista limitada al embargo y las anotaciones preventivas. La segunda se extiende a los efectos innovativos y anticipativos en la satisfacción de la pretensión deducida del proceso. Esta visión modernista no se restringe al embargo; también abarca la cesación de la actividad ilícita, entre otras. Este tipo de medida pretende la ejecución anticipada de una resolución no dictada (ejecución sin título), lo cual es esencial a las materias como la propiedad intelectual, en la que se necesitan acciones prontas y expeditas.

## **2.2. Medidas Concretas en los Códigos Procesales**

Las medidas cautelares pertenecen a lo que la teoría general del proceso denominaría – “Etapa Preliminar” o previa a la iniciación del proceso civil. Diversos autores mexicanos como Briseño Sierra y Ovalle Favela dividen la etapa preliminar en las tres siguientes partes:

a) Medidas preparatorias del Proceso. Sirven para despejar dudas, remover obstáculos o subsanar deficiencias antes del inicio de un proceso. Se utilizan por ejemplo, para obtener la confesión del futuro demandado acerca de hechos relativos a su personalidad, entre otros; la exhibición de alguna cosa mueble o documento; o el examen anticipado de testigos. Así lo reconocen los Códigos Federales de Procedimientos Civiles y de Procedimientos Civiles para el Distrito Federal.

b) Medidas cautelares. Se utilizan para asegurar con anticipación las condiciones necesarias para la ejecución de la eventual sentencia definitiva. Obviamente, como señala Briseño Sierra, ésta no tiene por

propósito ejecutar la sentencia, "sino eliminar un obstáculo, cierto o presunto, para hacerla efectiva".

c) Medios provocatorios, para cuando los actos preliminares tiendan, precisamente, a provocar la demanda. La legislación procesal mexicana reconoce la acción de jactancia y la preliminar de consignación.

La doctrina y legislación mexicana ven las medidas en el sentido tradicional del concepto, esto es, como formas de aseguramiento del fallo. Por lo general se imponen en la fase preliminar del proceso, aunque pueden decretarse durante el proceso principal. Los Códigos Federal de Procedimientos Civiles y de Procedimientos Civiles para el Distrito Federal reconocen lo anterior. Asimismo, tanto ley como doctrina señalan que en ningún caso la tramitación de la medida cautelar tiene incidencias sobre el proceso principal o afecta su desarrollo, dado su carácter instrumental o "accidental", como lo denomina Briseño Sierra. Para él, "la pretensión de la medida cautelar no impide, no prolonga ni interrumpe el procedimiento principal. Esta medida debe seguirse por separado, lo que no obsta para que en su día lo actuado caiga, acceda al procedimiento principal. Este acceder, este caer en el procedimiento conexo, es el que origina el carácter accidental".

Los Códigos Federal de Procedimientos Civiles y de Procedimientos Civiles para el Distrito Federal no se refieren a las medidas cautelares como tales. Ambos ordenamientos las llaman "providencias precautorias" y bajo ese rubro establecen una serie de instrumentos enderezados al aseguramiento de la sentencia. El Código de Procedimientos Civiles para el Distrito Federal es más exhaustivo que el Código Federal de Procedimientos Civiles, por cuanto al alcance de sus disposiciones. Entiende dicho ordenamiento la diferencia entre medidas de carácter personal, como el arraigo o separación de personas y de carácter real, como el secuestro provisional de bienes. Considera procedente el secuestro provisional "cuando se teme que se oculten o dilapiden los bienes en que debe ejercitarse una acción real" (artículo 235 fracción II) o "cuando la acción sea personal, siempre que el deudor no tuviere otros bienes que aquéllos en que se ha de practicar la diligencia y se tema que los oculte o enajene" (artículo 235 fracción III). Asimismo, el Código de Procedimientos Civiles para el Distrito Federal contempla otras medidas reales, de contenido más específico, aplicables

a acciones particulares como el juicio especial de desahucio, concursal, sucesorio, ejecutivo o hipotecario, además de cierto tipo de interdictos.

En lo referente al procedimiento, el Código Procesal del Distrito Federal obliga al solicitante de la medida o providencia precautoria "acreditar el derecho que tiene para gestionar y la necesidad de la medida que solicita" (artículo 239, primer párrafo). La necesidad podrá estar determinada por el peligro de que el bien se pierda en caso de que el procedimiento se demore. Independientemente de la prueba que acredite el derecho y la necesidad de la medida, el solicitante deberá otorgar fianza para "responder por los daños y perjuicios que se sigan, ya porque se revoque la providencia, ya porque entablada la demanda, sea absuelto el reo" (artículo 244). A su vez, el afectado puede otorgar contra garantía para levantar la medida, la cual podrá consistir en fianza o hipoteca (artículo 245). Las providencias precautorias (reales o personales), se decretan siguiendo el principio *inaudita altera pars* (artículo 246), lo cual significa que el afectado sólo puede hacer manifestaciones después de que la medida se haya decretado (artículo 252). Si la medida es previa al inicio del proceso, el solicitante deberá presentar demanda sobre el fondo de la controversia, a más tardar tres días después de que la autoridad judicial la haya ejecutado (artículo 250). En caso contrario, "la providencia precautoria se revocará luego que lo pida el demandado" (Artículo 251).

La normativa prevista en el Código Federal de Procedimientos Civiles difiere de lo que dispone el Código de Procedimientos para el Distrito Federal. En un contexto general, el alcance de aquélla es más reducido que el de ésta; sin embargo, por lo que respecta al embargo precautorio, el alcance del Código Federal es mayor.

En efecto, el artículo 389 del Código Federal establece que "dentro del juicio, o antes de iniciarse éste, pueden decretarse a solicitud de parte, las siguientes medidas precautorias: I. Embargo de bienes suficientes para garantizar el resultado del juicio, y II. Depósito o aseguramiento de las cosas, libros, documentos o papeles sobre que verse el pleito". De lo anterior se observa que la noción del Código Federal no se restringe a acciones reales o personales o a juicios de tipo especial como desahucio, concurso, sucesorio, ejecutivo o hipotecario, entre otros. El lenguaje que utiliza el Código Federal permitiría, en principio, considerar su aplicación a embargos efectuados sobre bienes y derechos distintos a los reales o

personales, como podrían ser los inmateriales sobre los que recae la protección de la propiedad intelectual.

El procedimiento cautelar del Código Federal se funda en los mismos principios básicos que rigen el Código Procesal del Distrito Federal. De esta forma, el solicitante de medidas deberá acreditar su derecho y el peligro (artículos 390 y 329); asimismo deberá otorgar garantía suficiente para responder de daños y perjuicios, con la posibilidad de que el afectado haga lo propio, a través de contra garantía, con la que se levante la medida (artículos 391 y 329). El procedimiento se seguirá sin audiencia de la parte afectada (artículo 395). El tiempo para presentar demanda sobre el fondo de la controversia es de cinco días (artículo 397).

### **3. MEDIDAS CAUTELARES Y PROPIEDAD INTELECTUAL**

#### **3.1. Fundamentos**

En principio, nada impide que las medidas cautelares de los Códigos Federal de Procedimientos Civiles y de Procedimientos para el Distrito Federal puedan ser solicitadas en contiendas en materia de propiedad intelectual. La viabilidad se da, por supuesto, por cuanto a la posibilidad de ventilar este tipo de conflictos ante la justicia civil. En tales casos aplica la norma procedimental civil, en toda su extensión y sin cortapisas, lo cual sin duda incluye el régimen de medidas preparatorias a juicio y medidas cautelares.

Párrafos atrás se ha hecho referencia a la dicotomía entre la tutela judicial ordinaria y la especial. La propiedad intelectual pertenece a la segunda. Dicha disciplina jurídica se basa en un procedimiento propio, incorporado en la legislación particular. El procedimiento de la Ley de la Propiedad Industrial suscribe el criterio de especialidad, lo cual le permite ajustarse a los requerimientos propios de la materia. Existiendo un régimen de tutela procesal especial luce ocioso recurrir al ordinario, máxime por cuanto a que éste no satisface la carga impuesta por aquél. Lo anterior refleja exactamente la problemática que ofrece el tema de medidas cautelares. Las medidas de los códigos procesales simplemente no resuelven las exigencias de la propiedad intelectual, por lo que el legislador mexicano optó por un régimen particular.

¿Por qué las medidas de los códigos procesales no sirven los propósitos de la materia? Porque éstas se limitan a la visión tradicionalista del concepto, que sólo se refiere al embargo y otras de carácter restringido. Los procesos de propiedad intelectual requieren de medidas efectivas y expeditas, que precisen la ejecución anticipada de la resolución.

### **3.2. Propiedad Intelectual y Creatividad Humana**

El derecho de la propiedad intelectual se divide para su estudio, en propiedad industrial -que a su vez se refiere a las creaciones nuevas y signos distintivos- y derecho de autor. La doctrina reconoce y admite una serie de materias vinculadas al concepto originario de propiedad industrial y derecho de autor, que asimismo se ocupan del elemento creativo como factor de protección. Propiedad intelectual es el conjunto o resultado de lo anterior, valor que se reconoce en la mayoría de los sistemas jurídicos en el mundo.

El objeto de protección de la propiedad intelectual, esto es, la creatividad humana, se manifiesta en campos diversos como la ciencia, tecnología, arte o literatura. En mayor o menor medida, dicho objeto se proyecta en el ámbito comercial. La preservación de dicho bien jurídico -en este caso inmaterial- se justifica a plenitud, por cuanto a la relativa sencillez con la que puede usurparse, a través de actos tales como el simple uso -de una marca o invención, por ejemplo- la reproducción o comunicación pública -de una obra-, o en general, a través de la realización de actos ilícitos, contrarios a derecho.

La preservación del bien inmaterial (creatividad humana) objeto de protección de la propiedad intelectual, por las características que reviste, requerirá con frecuencia de protección eficaz, en muchos casos mediante la intervención del órgano jurisdiccional. Y para que dicha acción sea verdaderamente efectiva, deberá investirse al órgano jurisdiccional de facultades de represión suficientes para satisfacer la pretensión legítima del titular de derechos.

### **3.3. Propiedad Intelectual y Represión de Ilícitos**

En el pasado, la observancia de derechos de propiedad intelectual no era vista como una verdadera prioridad. Las legislaciones de propiedad industrial y derecho de autor en el mundo, lo cual incluye la mexicana, solo se preocupaban por el derecho sustantivo. El derecho adjetivo era

dejado en un plano secundario o bien, se le soslayaba. Durante los años setenta y ochenta, muchos países emplearon lo anterior como directriz de crecimiento y desarrollo del Siglo XX: había que copiar para salir adelante. La convicción sobre esa postura justificaba cualquier cosa, incluyendo el fomento o tolerancia del ilícito. Algunos países capitalizaron lo anterior en el impulso de una infraestructura industrial propia; otros como México solo copiaron y empobrecieron.

El mundo se dio cuenta de lo equivocado que resulta el utilizar la copia como estrategia de crecimiento. Lo anterior se dio en forma paralela a la tendencia de cambio sustentada en el fortalecimiento de la economía de libre empresa y comercio internacional. El comercio sano rechaza toda forma de "piratería", como algunos se refieren al ilícito consistente en la fabricación o comercialización de productos sin la autorización del titular del derecho correspondiente.

Los tratados internacionales de libre comercio como el "General Agreement of Tariffs and Trade" (GATT) o el Tratado de Libre Comercio de América del Norte (NAFTA), reconocieron por primera vez, la necesidad de estándares de protección referidos a la observancia de derechos de propiedad intelectual. El objeto general de dichos tratados es el impulso y preservación del comercio internacional, dentro de un marco de protección a los derechos de propiedad intelectual. Lo anterior se produce en gran medida por la normativa en materia de observancia, motivada por la necesidad de que se brinden remedios que garanticen el comercio de productos legítimos.

NAFTA Y TRIPS -que es el acuerdo específico proveniente de GATT enfocado a propiedad intelectual-, establecen disposiciones muy específicas en la observancia de estos derechos. Los referidos tratados buscan que los procedimientos de observancia sean justos, equitativos, no exageradamente costosos o complicados y que no sean demasiado largos o dilatorios (artículo 41 (1) y (2) de TRIPS y 1714 (1) y (2) de NAFTA). Asimismo, estipulan ciertas normas estándar que los países miembros deben seguir a fin de que los procedimientos de represión de ilícitos garanticen lo anterior (artículo 41 y subsiguientes de TRIPS y 1714 y subsiguientes de NAFTA).

### **3.4. Observancia de Derechos de Propiedad Intelectual y Medidas Cautelares**

En el contexto anterior, surge la medida "precautoria" -según la denomina NAFTA- o medida "provisional" -según la llama TRIPS-, como instrumento de observancia de derechos de propiedad intelectual. La medida cautelar es la figura central de NAFTA y TRIPS y constituye el eje sobre el que giran dichos instrumentos internacionales. Como diría la doctora Schlatter del Max Planck Institut, citando a su vez a Fernández Novoa, Gómez Segade y otros ilustres profesores españoles y alemanes, "las medidas cautelares representan el corazón de la protección de la competencia desleal y la infracción de derechos de propiedad industrial". En efecto, como señala Schlatter, la afectación al derecho de propiedad intelectual provocado a través del acto ilícito produce daños inconmensurables, a veces irreparables o difícilmente resarcibles, aun mediante compensación económica o monetaria. El acto ilícito destruye el bien tutelado; lo pulveriza, por lo que a fin de evitarlo, el órgano de justicia debe recurrir a todos los medios al alcance.

¿Qué tipos de medidas podrán emplearse en contra de los ilícitos de propiedad intelectual? Para dar respuesta a lo anterior deben identificarse las conductas ilícitas en la materia, y los instrumentos y sanciones que la ley emplea para combatirlos. En la propiedad intelectual puede haber tantas medidas cautelares como tipo de ilícitos sean previsibles. Los ilícitos de patentes, marcas y derechos de autor guardan cierta similitud, en términos generales. Ello especialmente por cuanto a que pueden perpetrarse en el ámbito del comercio. Los ilícitos de la competencia desleal y el régimen de publicidad observan variaciones respecto de los primeros. Mientras que la represión de ilícitos de patentes y demás, reconoce la tutela de derechos exclusivos sobre bienes inmateriales, en el segundo caso la represión se endereza en contra de actos que disturban la sana competencia. En todos podrá solicitarse la medida consistente en el embargo o aseguramiento de productos e inclusive los medios para elaborarlos, -que de acuerdo a las teorías procesales es la tradicional.- Sin embargo, en muchos casos el ilícito de propiedad intelectual no se agota con la fabricación de productos o de puesta en el comercio. De hecho, si el ilícito representa solo la realización de actos, como lo es la publicidad o los servicios, la medida tendría que consistir en algo distinto al aseguramiento, como

podría serlo una orden de cesación o suspensión de la actividad ilícita misma. Por otra parte, la medida podría requerir la preservación de una prueba o de la entrega, para análisis y valoración, de documentos o información en general. En fin, las medidas pueden adoptar tantas variantes como formas ilícitas puedan concebirse.

### **3.5. TRIPS, NAFTA y Medidas Cautelares**

El tema de medidas cautelares es equivalente en la normativa de TRIPS y NAFTA. Estos procuran la observancia de derechos a través de medidas "provisionales" -en el caso de TRIPS- y "precautorias" -para NAFTA-, "rápidas y eficaces, tendientes a evitar que se produzca la violación o infracción de derechos y a preservar las pruebas pertinentes relacionadas con la presunta infracción" (artículos 50 de TRIPS y 1716 de NAFTA). Ambos tratados prevén la posibilidad de que la medida se adopte, sin haber oído a la otra parte (artículo 50 (2) de TRIPS y 1716 (4) de NAFTA). Asimismo contemplan la facultad de la autoridad jurisdiccional para exigir al demandante según dice TRIPS o solicitante según dice NAFTA, a que presente las pruebas necesarias para acreditar, presuntivamente ("con un grado suficiente de certidumbre"), que es el titular del derecho infringido y que se han cumplido una serie de supuestos, que varían en uno y otro tratados, tendientes a demostrar que el derecho haya sido o sea inminentemente objeto de infracción (artículo 50 (3) de TRIPS y 1716 (2) (a), (b) y (c) de NAFTA). En relación al procedimiento, los tratados se refieren a la forma de notificación; la oportunidad del demandado a la revisión de las medidas, una vez impuestas, a fin de que se modifiquen o revoquen; el depósito de fianza para garantizar posibles daños o perjuicios; la obligación de entablar acción en el fondo del asunto, para lo cual se establece un plazo máximo de 20 días hábiles; la obligación a cargo del demandante o solicitante a pagar compensación "adecuada" (así lo dicen los dos tratados), si no se presenta demanda o pierde la acción de fondo (artículo 50 (4), (5), (6), (7) y (8) de TRIPS y 1716 (3), (5), (6) y (7) de NAFTA).

Una acción contemplada en los dos tratados y que es de gran relevancia, es la medida en frontera. A través de ésta las autoridades aduaneras de estados miembros de TRIPS y NAFTA deberán ordenar la suspensión del despacho de mercancías para su libre circulación, siempre y cuando se acredite la presunción de la infracción, se ofrezca

la descripción "suficientemente detallada" de las mercancías, la posterior presentación de la demanda y una fianza de garantía (artículos 51, 52 y 53 de TRIPS y 1718 (1), (2), (3), y 4 de NAFTA). El procedimiento establecido en los dos tratados es asimismo muy similar. También hay parecido entre el procedimiento de medidas en frontera y el de medidas en general. Los tratados señalan la obligación a cargo de la autoridad a notificar la medida con prontitud y el derecho del sujeto pasivo de la medida a pedir su revisión.

Las diferencias en el procedimiento de medidas en frontera, se dan por cuanto a la intervención de la autoridad aduanera, quien supervisa la importación. Para que la autoridad aduanera mantenga la suspensión, debe ser informada dentro los 10 días hábiles posteriores a la fecha en que se comunicó al solicitante el despacho de la medida, que éste presentó una demanda, o que la autoridad competente para conocer del fondo ha hecho lo propio o ha adoptado medidas provisionales que prolonguen la suspensión del despacho de aduanas de las mercancías (artículos 51 y 55 de TRIPS y 1718 (1), (6), (7) y (8) de NAFTA).

La autoridad competente puede imponer medidas en frontera actuando de oficio, pudiendo requerir al titular del derecho toda la información que pueda aportar en el desarrollo de la acción. Asimismo, la autoridad competente debe notificar tanto al titular como importador de la ejecución de la medida (artículo 58 de TRIPS y 1718 (II) de NAFTA). A su vez, los tratados confieren al solicitante el derecho a la inspección de los productos retenidos por las autoridades de aduanas; el importador podrá pedir la inspección también (artículo 57 de TRIPS y 1718 (10) de NAFTA). Por último, el procedimiento contempla el derecho del importador a obtener compensación o indemnización "adecuada", en los casos que no se formula demanda o que la acción se resuelva de fondo en su favor (artículo 56 de TRIPS y 1718 (9) de NAFTA).

### **3.6. Medidas Cautelares en España y Alemania**

Menciona la doctora Schlarter que España y Alemania son dos países ejemplares en la previsión y aplicación de medidas cautelares de propiedad intelectual. Tiene razón la doctora, en virtud de lo técnico de los conceptos que se emplean en las legislaciones de ambos países y de lo exhaustivo de sus disposiciones.

En España, la Ley de Enjuiciamiento Civil recientemente reformada, establece tres puntos fundamentales. El primero es que la medida cautelar debe servir a la efectividad de una futura sentencia e impedir el cambio de la situación procesal en concreto. El segundo está referido al principio de proporcionalidad, esto es, el órgano jurisdiccional debe adoptar la medida menos gravosa posible. El tercero, es que la medida debe ser temporal, provisional, condicionada, susceptible de modificación y revocación, y no ha de prejuzgar la sentencia final. Como podrá observarse, la antigua ley de enjuiciamiento civil se ha puesto al día, siguiendo las tendencias modernistas sobre los efectos innovativos y anticipativos en la satisfacción de la pretensión.

La legislación española reconoce entre otras, el embargo o aseguramiento preventivo de bienes, intervención o administración judicial de bienes productivos, depósito de cosas muebles, formulación de inventarios de bienes, anotación preventiva de la demanda, otras anotaciones registrables; la cesación provisional de una actividad (abstención o prohibición en la realización de una conducta, la prohibición de interrumpir o cesar en la realización de una prestación que viniera llevándose a cabo), e intervención y depósito de ingresos obtenidos de la actividad ilícita.

En Alemania las medidas cautelares son esencialmente las mismas que las del derecho español, por lo que puede señalarse lo siguiente:

- a) El embargo corresponde al *Arrest*;
- b) La intervención de bienes al *Pfendung*;
- c) El depósito de cosas muebles al *Hinterlegung*;
- d) La formulación de inventarios de bienes al *Inventarerstellung*;
- e) La anotación preventiva de la demanda y demás anotaciones registrables al *Anspunchregistrierung und anderen Registerevermerke*;
- f) La cesación provisional de una actividad al *Unterlassung*; y
- g) La intervención y depósito de ingresos al *Pfendung und Hinterlegung Sicherheitsheinstung fur Tantiemen*.

En relación al procedimiento de implementación de medidas en este último país, explica la doctora Schlatter, que antes de iniciarse el procedimiento de medidas -de cesación,- se acostumbra el que el posible solicitante envíe un comunicado al presunto infractor, que en alemán se conoce como *Abmahnung*. Este es necesario para evitar el riesgo de incurrir en la obligación al pago de gastos y costas "cuando al comienzo del procedimiento de medidas cautelares o de la acción principal, el demandado acepta la obligación de cesación mirando solamente el soportar los costos de dicho procedimiento, con el argumento de que no ha dado motivo para comenzar este procedimiento." Ante el *Abmahnung*, el demandado puede reaccionar a través de un escrito llamado *Schutzschrift*, en el que formula defensas y cuyo propósito es evitar que el juez competente siga el procedimiento *inaudita altera pars*.

Otro aspecto muy interesante del derecho alemán, es la posibilidad de que el solicitante de la medida envíe al demandado una carta requerimiento o *Abschlussklärung*, en el que el demandado reconoce la medida de cesación que se le impone, procediendo a su cumplimiento voluntario. De esta forma, como sostiene Schlatter, esta acción se presenta como una invitación a concluir el conflicto en un contrato dentro o fuera del procedimiento. En el evento de que el demandado no se someta a la petición del solicitante en general o no responda la carta de requerimiento, el solicitante quedará en plena libertad de ejercitar la acción de fondo. Señala la doctora Schlatter que este método de solución de conflictos dentro de los procedimientos de medidas cautelares, se ha establecido con mucho éxito. Este representa una verdadera alternativa, en la que el conflicto puede resolverse expeditamente y a un costo más razonable, de lo que podría representar cualquier litigio. Favorece además, el que cualquiera pueda invocarlo, sin que necesariamente se trate de empresas con grandes recursos.

## **4. MEDIDAS CAUTELARES EN LOS PROCEDIMIENTOS DE PROPIEDAD INTELECTUAL EN MÉXICO**

### **4.1. Introducción**

En los capítulos anteriores del presente trabajo, se analizó el concepto de medida cautelar y sus efectos, beneficios y ventajas. Se estudió la división y tendencia marcada por el régimen de tutelas jurisdiccionales

especiales, referidas a materias particulares como la propiedad intelectual. Dentro de dicho marco, se anticipó que en México, los procedimientos jurisdiccionales de la Ley de la Propiedad Industrial se apartan de los ordinarios derivados de los códigos procesales, no obstante, en muchos de sus aspectos y bajo circunstancias determinadas, la Ley de la Propiedad Industrial prevé la aplicación supletoria de los códigos a las disposiciones procedimentales de la ley.

Las medidas cautelares de los procedimientos de propiedad intelectual asimismo se regulan en la Ley de la Propiedad Industrial. En principio, es posible recurrir a aquéllas contempladas en los Códigos Federal de Procedimientos Civiles o de Procedimientos para el Distrito Federal. Sin embargo, por la especificidad de las disposiciones de la Ley de la Propiedad Industrial y por la amplitud de su contenido, resulta innecesario recurrir a los códigos procesales. Según se ha dicho en este trabajo, la visión de los códigos es limitada y no refleja las necesidades que la materia impone. El objeto de la propiedad intelectual es presa fácil del 'licito y por su naturaleza y características, es susceptible a extinguirse. Por ello la necesidad de que el legislador mexicano trabaje en un ordenamiento que propugnara por la preservación y garantía del objeto de la propiedad intelectual.

## **4.2. Historia**

El antecedente a la Ley de la Propiedad Industrial (LIP), lo constituye el estatuto conocido como Ley de Invenciones y Marcas de 1976. Dicho ordenamiento contemplaba un capítulo de procedimientos administrativos. Asimismo establecía una serie de causales de infracción administrativa y sanciones. Desde entonces, las violaciones de derechos de propiedad industrial (derecho de autor todavía no), se regían por la Ley de Invenciones y Marcas y se perseguían a través de los procedimientos contenciosos administrativos, mismos que conocía y resolvía la entonces Dirección General de Desarrollo Tecnológico.

Los procedimientos de la Ley de 1976 establecían medidas cautelares en forma muy reducida. De hecho se limitaban al aseguramiento de bienes presuntivamente infractores. De conformidad con el procedimiento de la ley, el aseguramiento se dictaba como resultado de una visita de inspección, llevada a cabo por la autoridad a solicitud de parte. La visita se ofrecía como prueba de la demanda y se efectuaba como acto previo

a su notificación. La parte demandada, por lo general, conocía de la visita hasta el instante en que la autoridad procedía a desahogarla y solo se enteraba de la demanda y acción, con posterioridad a que la visita fuera practicada y la medida implementada.

El procedimiento de referencia pasó a la Ley de Fomento y Protección de la Propiedad Industrial de 1991. El nuevo ordenamiento recogió la práctica descrita, a la cual sólo añadió ciertos cambios. En términos generales, el procedimiento funcionó igual hasta la reforma de 1994 a la Ley de Fomento y Protección.

La reforma de 1994 constituye un acontecimiento trascendental en la historia de la propiedad intelectual en México. A través de ésta se incorporaron prácticas nuevas, particularmente en el campo de procedimientos contenciosos. La reforma planteaba modificaciones sustanciales, las cuales reforzarían el régimen de medidas cautelares, de manera especial. México había sido blanco de críticas y presiones por la ineficacia de su sistema de observancia de derechos de propiedad intelectual.

Resulta evidente que el cambio efectuado por el gobierno mexicano e incorporado en la Ley de la Propiedad Industrial, fue gestado en virtud de los compromisos suscritos por México en el plano internacional. NAFTA había sido firmado y ratificado meses antes. Por lo tanto, solo faltaba el acto de implementación, el cual se dio por virtud de la reforma de 1994; el nuevo régimen de medidas es producto de la reforma también.

#### **4.3. Influencia del Régimen de Medidas Cautelas de la Ley de la Propiedad Industrial en NAFTA (y TRIPS)**

Párrafos arriba se hizo mención a las medidas cautelares en función de los estándares de NAFTA y TRIPS. Se decía ahí que los dos procedimientos prevén disposiciones aplicables a medidas, entre otras, referidas a las causas y efectos, a los fundamentos y presupuestos y al procedimiento que las rige. Ninguno de los tratados señala medidas en concreto, con excepción de aquélla que se adopta en frontera. Por lo demás, los estados miembros adquieren la libertad de establecer las medidas que consideren más adecuadas, siempre y cuando se cumplan los objetivos trazados, como lo es el "evitar que se produzca la

infracción", y en particular, que las mercancías objeto de ilícito "ingresen en los circuitos comerciales".

Asimismo, TRIPS y NAFTA marcan como parámetro el que los estados parte deban imponer medidas tendientes a la preservación de las "pruebas pertinentes" que se relacionen con la presunta infracción.

#### **4.4. Las Medidas Cautelares de la Ley de la Propiedad Industrial**

El gobierno de México dio cumplimiento a las obligaciones contraídas por virtud de NAFTA, mediante la reforma de 1994. En tal virtud, modificó el capítulo de procedimientos administrativos de la Ley de 1991, ajustándolo a las directrices de dicho tratado. El legislador de 1994 mantuvo el sistema de infracciones administrativas, ello por supuesto, actuando en concordancia con el artículo 1715 (8) de NAFTA. Conforme a la reforma, la Ley de la Propiedad Industrial estableció acciones civiles y penales asimismo, lo cual dio como resultado el sistema actual, en el que el titular puede recurrir a tres tipos de acción distintas, cuyas diferencias atienden al nivel de gravedad de la conducta ilícita.

No obstante el criterio diferenciador, la ley no es muy clara entre acciones civiles y administrativas. En teoría ambas pueden entablarse contra el mismo tipo de ilícito. En otras palabras, éstas pueden duplicarse, lo que significa que son dos las autoridades -judicial y administrativa- que las conocerían y resolverían. Hay mucha discusión en torno a este punto, sin embargo, no se abundará en el mismo, por no ser materia de este trabajo. Lo que se quiere dejar sentado, es que el mismo ilícito puede combatirse a través de dos acciones y procedimientos y por lo tanto, dos categorías de medidas: las derivadas de los códigos procesales para la acción civil y los de la Ley de la Propiedad Industrial para la administrativa. Párrafos atrás se explicaba que las medidas de los códigos procesales no funcionan en los procedimientos de propiedad intelectual. Ello coloca a la acción civil en una situación de desventaja. En tal virtud, las medidas cautelares administrativas, como se verá ahora, resultan mucho más convenientes, lo cual favorece esta acción.

La Ley de la Propiedad Industrial contempla lo siguiente:

*"ART. 199 Bis.- En los procedimientos de declaración administrativa relativos a la violación de alguno de los derechos que protege esta Ley, el Instituto podrá adoptar las siguientes medidas:*

*I.- Ordenar el retiro de la circulación o impedir ésta, respecto de las mercancías que infrinjan derechos de los tutelados por esta Ley;*

*II.- Ordenar se retiren de la circulación:*

*a) Los objetos fabricados o usados ilegalmente;*

*b) Los objetos, empaques, envases, embalajes, papelería, material publicitario y similares que infrinjan alguno de los derechos tutelados por esta Ley,*

*c) Los anuncios letreros, rótulos, papelería y similares; que infrinjan alguno de los derechos tutelados por esta Ley; y*

*d) Los utensilios o instrumento destinados o utilizados en la fabricación, elaboración u obtención de cualquiera de los señalados en los incisos a), b) y c), anteriores.*

*III.- Prohibir de inmediato. la comercialización o uso de los productos con los que se viole un derecho de los protegidos por esta Ley;*

*IV.- Ordenar el aseguramiento de bienes, mismo que se practicará conforme a lo dispuesto en los Artículos 211 a 111 Bis 2;*

*V.- Ordenar al presunto infractor o a terceros la suspensión o el cese de los actos que constituyan una violación a las disposiciones de esta Ley; y*

*VI.- Ordenar se suspenda la prestación del servicio o se clausure el establecimiento cuando las medidas que se prevén en las fracciones anteriores, no sean suficiente para prevenir o evitar la violación a los derechos protegidos por esta Ley.*

*Si el producto o servicio se encuentra en el comercio, los comerciantes o prestadores tendrán la obligación de abstenerse de su enajenación o prestación a partir de la fecha en que se les notifique la resolución.*

*Igual obligación tendrán los productores, fabricantes, importadores y sus distribuidores, quienes serán responsables de recuperar de inmediato los productos que ya se encuentren en el comercio."*

El precepto citado establece las distintas medidas que es posible adoptar en los procedimientos de declaración administrativa, cuyo alcance es muy amplio. El solicitante de la misma está facultado para pedir a la autoridad competente, esto es, el Instituto Mexicano de la Propiedad Industrial (en lo sucesivo referido por sus siglas "IMPI"), que ordene lo siguiente:

- a) SE RETIREN del comercio, las mercancías u objetos que infrinjan derechos, por cuanto a que se fabriquen, comercialicen o usen en contravención a la ley;
- b) SE RETIREN de la circulación, los objetos, empaques, envases, embalajes, papelería, material publicitario o similares; los anuncios, letreros, rótulos, papelería o similares; o los utensilios o instrumentos destinados o utilizados en la fabricación, elaboración u obtención de objetos, empaques o publicidad, que infrinjan la ley;
- c) SE IMPIDA O PROHIBA la comercialización de productos que infrinjan la ley;
- d) SE ASEGUREN bienes o productos que infrinjan la ley;
- e) SE CESEN O SUSPENDAN los actos que realice el presunto infractor y que sean violatorios de la ley;
- f) SE CESEN O SUSPENDAN los actos que realicen terceros y que sean violatorios de la ley;
- g) SE RECUPEREN los productos que se hayan puesto en el comercio y que hayan sido objeto de una orden de retiro o cesación. Esta obligación puede estar dirigida al presunto infractor o a uno o más terceros.

Las medidas cautelares contempladas en el artículo 199 Bis, guardan un alcance muy amplio, por lo que puede sostenerse que cumplen el objeto y fin que la ley y tratados han trazado. Además, resultan innovadoras dentro del contexto de la teoría modernista de las medidas cautelares, toda vez que aplicándolas, puede realmente anticiparse la satisfacción de la pretensión.

De su análisis se desprende la posibilidad de adoptarlas extensivamente a ilícitos de propiedad industrial (y derecho de autor, ya que la legislación en esta materia hace un envío al capítulo de procedimientos administrativos de la Ley de la Propiedad Industrial), y a ilícitos sobre publicidad y de competencia desleal. Cualquier conducta cabe dentro de los muy amplios supuestos del referido precepto; en general, puede ordenarse la cesación de cualquier acto contrario a la ley, lo cual es aplicable por igual al acto de competencia desleal o de publicidad comparativa falsa o engañosa. En lo específico, puede ordenarse la prohibición de fabricar o comercializar productos o sus contenedores; la prohibición de introducirlos en los canales comerciales y aun de retirarlos cuando hayan sido puestos en el comercio. Asimismo, es posible ordenar el retiro de la circulación –concepto de contenido más amplio que el de comercio,- de los contenedores de los productos infractores, de la publicidad y material publicitario empleado para anunciarlos o promoverlos, así como los instrumentos utilizados para elaborarlos. Un punto interesante es el que las medidas se aplican tanto al presunto infractor como a terceros ajenos al juicio o procedimiento, como son proveedores de insumos, materias primas, empaques o instrumentos utilizados en la elaboración del producto; además de comerciantes o prestadores de servicios, como publicistas, entre otros; y en general, cualquier persona o empresa que participa en el proceso de fabricación o comercialización del producto infractor.

#### **4.5. Presupuestos Legales de las Medidas Cautelares de la Propiedad Intelectual**

El Artículo 199 Bis I de la Ley de la Propiedad Industrial, estipula que en la determinación de las medidas cautelares que se pidan a IMPI, el solicitante deberá acreditar:

"ART. 199 Bis I.- Para determinar la práctica de las medidas a, que se refiere el artículo anterior, el Instituto requerirá al solicitante que:

I.- acredite ser el titular del derecho y cualquiera de los siguientes supuestos:

- a) La existencia de una violación a su derecho;
- b) Que la violación a su derecho sea inminente;

- c) La existencia de la posibilidad de sufrir un daño irreparable; y
- d) La existencia de temor fundado de que las pruebas se destruyan, oculten, pierdan o alteren,

II.- Otorgue fianza suficiente para responder de los daños y perjuicios que se pudieran causar a la persona en contra de quien se haya solicitado la medida; y

III.- Proporcione la información necesaria para la identificación de los bienes, servicios o establecimientos con los cuales o en donde se comete la violación a los derechos de propiedad industrial.

La persona contra la que se haya adoptado la medida podrá exhibir contrafianza para responder de los daños y perjuicios que se causen al solicitante de la misma, a efecto de obtener su levantamiento.

El Instituto deberá tomar en consideración la gravedad de la infracción y la naturaleza de la medida solicitada para adoptar la práctica de ésta y determinar el importe de la fianza y la contrafianza”.

La disposición legal en cita guarda mucha importancia, toda vez que establece las condiciones mínimas que el solicitante de una medida debe acreditar para obtenerla. De esta forma, el solicitante deberá satisfacer a plenitud, su calidad de titular del derecho o en general su interés jurídico en el negocio, además de la presunción válida de que tal derecho ha sido violado, que la violación es inminente, que el titular puede sufrir un daño irreparable, o que las pruebas pueden ocultarse o destruirse. En otras palabras, el solicitante deberá acreditar la existencia de un caso *prima facie*, bajo los rubros que IMPI debe tomar en cuenta para la adopción de medidas.

La ley no es restrictiva de las formas en que el derecho puede probarse. El titular de un derecho de propiedad intelectual podrá hacerlo mediante título, certificado o cualquier otro medio que la ley permita. Por otro lado, la parte afectada por un acto de competencia desleal, podrá probar de diversas formas –no necesariamente títulos o certificados-, incluyendo documentos, testimonios y demás elementos idóneos que demuestren que el solicitante compite con quien ha perpetrado la conducta que se tilda de ilícita y que ésta ha actuado en contravención a la ley.

La ley tampoco impone limitantes por cuanto al cómo el caso *prima facie* deberá acreditarse. Como se ha dicho, la violación puede estarse cometiendo en el momento mismo que la medida se pide, como causa directa de ésta. Aquí la medida se solicita contra el acto ya actualizado, a efecto de suspenderlo y de que los productos infractores sean asegurados o retirados del comercio. Cuando la violación es inminente, pero no se ha actualizado, el solicitante debe pedir que los productos infractores sean asegurados o retirados del comercio. Si la violación es inminente, pero no se ha actualizado, el solicitante debe pedir que los productos no salgan al comercio a través de una medida de prohibición.

Es más fácil probar la conducta actualizada que la inminente. En el primer supuesto, la violación se ha materializado y probarlo puede ser evidente. En cambio la segunda hipótesis, el litigante debe tener la capacidad de demostrar que el acto es en verdad inminente, no obstante el que no se ha actualizado. Solicitar medidas contra actos inminentes, no objetivados, implicaría un riesgo: el sistema de infracciones administrativas de la ley no está enfocado a situaciones de inminencia y exige materialización. En este sentido están redactadas las diferentes causales de infracción administrativa. Así las cosas, IMPI otorgará medidas en contra de actos inminentes, porque así lo dispone la ley.

Sin embargo, de no presentarse pruebas de fondo que demuestren la consumación de la conducta (i.e. fabricación o comercialización del producto infractor), dicha autoridad podría negar la infracción de fondo, lo cual generaría una grave afectación al solicitante de la medida y actor en el juicio ¿Debe considerarse en esos casos que la infracción si se produjo? Hay elementos para sostenerlo, toda vez que a fin de cuentas, el acto no se consumó, por los efectos mismos de la medida impuesta.

Otro tema de gran polémica es el de la garantía, el cual ha generado discusión entre los círculos académicos del país. Y es que, como se puede apreciar de la lectura del precepto citado, la parte a quien se impone la medida tiene derecho a levantarla, tan solo con otorgar contra garantía. La ley impone al solicitante la obligación de garantizar los daños y perjuicios que pudiesen generarse de la implementación de la medida. En la práctica, el solicitante exhibe una fianza por la cantidad que a su juicio representa el valor del caso. IMPI está facultado para aceptarla o incrementarla, lo cual puede hacer discrecionalmente

después de haber valorado el asunto y las pruebas que lo soportan. Una vez fijado el monto de la fianza y adoptada la medida, IMPI podrá determinar el incremento adicional, si desde su punto de vista subjetivo el monto del caso excede el valor de la fianza original. De igual forma, IMPI deberá fijar la contrafianza, según lo solicite la presunta infractora, para lo cual suele exigir el doble de la cantidad inicialmente impuesta al solicitante.

Pagando la fianza, el presunto infractor podrá levantar la medida y continuar con su actividad, tal y como lo venía haciendo antes de que se adoptara. He ahí la crítica, en virtud de que mediante dicho esquema, la misma ley legitima al infractor a seguir infringiendo con tan sólo exhibir contrafianza. Así, el fin de la medida termina por no haberse conquistado ¿Para qué entonces el sistema de medidas cautelares que el legislador de 1994 desarrolló con tanto esmero?

Hay quienes sostienen que la ley mexicana es contraria a NAFTA y TRIPS, ya que ninguno de los dos tratados confiere derecho al levantamiento de medidas. Por otra parte, hay voces que pretenden justificar la contrafianza, sosteniendo que la misma se permite en los procesos civiles y mercantiles en general. Asimismo esbozan razones de orden pragmático, por cuanto a que la práctica forense en México está plagada de vicios, irregularidades e imperfecciones, de tal modo que, sin la posibilidad de contragarantía, la medida cautelar podría utilizarse para cometer atropellos y abusos sobre productores o comerciantes honestos. Si lo anterior fuera válido y sostenible ¿No se estaría admitiendo intrínsecamente el que a fin de cuentas la medida cautelar no sirve, por no ser exigible y por no poderse hacer observar?

No obstante lo anterior, el legislador de la Ley de la Propiedad Industrial dejó de prever el que, una vez levantada una medida, resultaría imposible que el solicitante de la misma pueda perpetrar daños a la presunta infractora. ¿Qué daño podrá cometerse si la medida se levanta y la actividad presuntamente infractora continúa? Justo sería, en tal virtud, que el IMPI devolviese la fianza al solicitante una vez levantada la medida y que la única garantía subsistente fuera la exhibida por la presunta infractora.

#### **4.6. Procedimiento de la Medida Cautelar en la Ley de la Propiedad Industrial**

*"ART. 199 Bis 4.- El Instituto pondrá a disposición del afectado la fianza o contrafianza que se hubiesen exhibido cuando se resuelva el procedimiento de declaración administrativa de infracción."*

*"ART. 199 Bis 5.- El Instituto decidirá en la resolución definitiva del procedimiento de declaración administrativa de infracción, sobre el levantamiento o definitividad de las medidas adoptadas,"*

*"ART. 199 Bis 6.- En cualquier medida provisional que se Practique, deberá cuidarse que ésta no sirva como medio para violar secretos industriales o para realizar actos que constituyan competencia desleal. "*

*"ART. 199 Bis 7.- El solicitante sólo podrá utilizar la documentación relativa a la práctica de una medida provisional para iniciar el juicio correspondiente o para exhibirla en los autos de los procesos en trámite, con prohibición de usarla, divulgarla o comunicarla a terceros."*

*"ART. 199 Bis 8.- En los procedimientos de declaración administrativa de infracción, el Instituto buscará en todo momento conciliar los intereses de los involucrados".*

El procedimiento comienza con la presentación de una solicitud, en la que se dirige al IMPI una formal petición de medidas por supuesto acreditando el derecho, exhibiendo la prueba sobre la que se funda dicha solicitud, así como la fianza con la que se garantice el daño. Al recibir la solicitud, el IMPI determina sobre la procedencia de las medidas solicitadas. En estricto sentido se sigue el sistema *inaudita altera pars*, aunque sin audiencia oficial. En la práctica, la parte solicitante podrá sostener reuniones de carácter informal con el funcionario del IMPI encargado del caso. En dichas reuniones el solicitante expone su punto de vista de forma verbal. La presunta infractora no interviene en esta fase del procedimiento. Normalmente el IMPI responde positivamente hacia la adopción de las medidas, las cuales suele aprobar, despachar e implementar con prontitud (entre 2 y 10 días, según las circunstancias del caso). Si la medida cautelar consiste en orden de cesación, prohibición o similar, es posible hacerla del conocimiento del demandado a través de notificación personal, entendida con la persona interesada o su representante legal. Si la

medida consiste en el aseguramiento de productos, objetos o instrumentos, el IMPI la comunica a la parte contra la que se endereza, después de practicada una visita de inspección, en la que haya investigado los productos materia de infracción y de los datos que le permitan conocer y determinar sobre su fabricación o comercialización. El IMPI procede a asegurar solo después de que la visita se ha consumado y de haber determinado sobre la existencia de producto ilícito. Cuando la medida además del aseguramiento, contempla una orden de cesación o prohibición, el IMPI la notificará junto con la de orden de aseguramiento y en su caso, con el emplazamiento a juicio. Lo mismo sucede cuando las medidas se aplican a terceros. Las medidas surten efectos a partir de la fecha en que hayan sido notificadas.

El artículo 199 Bis 2 de la ley estipula que "la persona en contra de quien se haya ordenado alguna de las medidas a que se refiere el artículo 199 Bis de esta ley, tendrá un plazo de diez días para presentar ante el Instituto las observaciones que tuviere respecto de dicha medida". Asimismo señala el precepto citado la facultad del IMPI para "modificar los términos de la medida que se haya adoptado tomando en consideración las observaciones que se le presenten".

Por su parte, el artículo 199 Bis 3 de la ley establece:

*"ART 199 Bis 3 -El solicitante de las medidas provisionales a que se refiere el Artículo 199 Bis será responsable del pago de los daños y perjuicios causados a la persona en contra de quien se hubiesen ejecutado cuando:*

*I.- La resolución definitiva que hubiese quedado firme sobre el fondo de la controversia declare que no existió violación ni amenaza de violación a los derechos del solicitante de la medida; y*

*II.- Se haya solicitado una medida provisional y no se hubiese presentado la demanda o solicitud de declaración administrativa de infracción ante la autoridad competente o ante el Instituto respecto del fondo de la controversia, dentro de un plazo de veinte días contado a partir de la ejecución de la medida".*

De igual forma, el artículo 199 Bis 4 establece la facultad de IMPI para poner a disposición del afectado la fianza o contrafianza exhibidas originalmente, cuando se resuelva el procedimiento de declaración

administrativa de infracción. Por último, la ley obliga al solicitante de la medida presentar demanda forma de infracción, que verse sobre el fondo de la controversia, dentro de los 20 días hábiles siguientes a la fecha en que surte efectos la aplicación de la medida. En caso de no hacerlo, el solicitante de las medidas provisionales "será responsable del pago de darlos y perjuicios causados a la persona en contra de quien se hubiesen ejecutado". El precepto en comento no prohíbe al solicitante formular demanda de fondo al momento en que la medida se ejecuta o bien, dentro de los 20 días hábiles siguientes.

#### **4.7. Medidas Cautelares en Frontera**

La regulación de las medidas en frontera está prevista en la Legislación Aduanera. Son solo dos preceptos de dicho ordenamiento (artículos 148 y 149) los que se refieren a este tema. Los mencionados preceptos postulan lo siguiente:

*"Art. 148. - Tratándose de mercancías de procedencia extranjera objeto de una resolución de suspensión de libre circulación emitida por la autoridad administrativa o judicial competente en materia de propiedad intelectual, las autoridades aduaneras procederán a retener dichas mercancías y a ponerlas a disposición de la autoridad competente en el almacén que la autoridad señale para tales efectos .*

*Al momento de practicar la retención a que se refiere el párrafo anterior, las autoridades aduaneras levantarán acta circunstanciada en la que se deberá hacer constar lo siguiente:*

*I. La identificación de la autoridad que practica la diligencia.*

*II. La resolución en que se ordena la suspensión de libre circulación de las mercancías de procedencia extranjera que motiva la diligencia y la notificación que se hace de la misma al interesado.*

*III. La descripción, naturaleza y demás características de las mercancías.*

*IV. El lugar en que quedarán depositadas las mercancías a disposición de la autoridad competente.*

Deberá requerirse a la persona con quien se entienda la diligencia para que designe dos testigos de asistencia. Si los testigos no son designados

o los designados no aceptan fungir como tales, la autoridad que practique la diligencia los designará.

Se entregará copia del acta a la persona con quien se hubiera entendido la diligencia y copia de la resolución de suspensión de libre circulación de las mercancías emitidas por la autoridad administrativa o judicial competente, con el objeto de que continúe el procedimiento administrativo o judicial conforme a la legislación de la materia.

Art. 149.- Lo dispuesto en el artículo 148 de esta ley solamente será aplicable cuando la resolución en la que la autoridad administrativa o judicial competente ordene la suspensión de la libre circulación de las mercancías de procedencia extranjera, contenga la siguiente información:

I. El nombre del importador.

II. La descripción detallada de las mercancías.

III. La aduana por la que se tiene conocimiento que van a ingresar las mercancías.

IV. El periodo estimado para el ingreso de las mercancías, el cual no excederá de quince días.

V. El almacén en el que deberán quedarse depositadas las mercancías a disposición de la autoridad competente, el cual deberá estar ubicado dentro de la circunscripción territorial de la aduana que corresponda.

VI. La designación o aceptación expresa del cargo de depositario.

Los artículos 148 y 149 de la Legislación Aduanera son restrictivos. De hecho, es probable que contradigan los estándares de NAFTA y TRIPS. De conformidad los preceptos referidos, la intervención de la autoridad aduanera se limita a retener mercancías, objeto de una resolución de suspensión de libre circulación emitida por autoridad judicial o administrativa competente en materia de propiedad intelectual (por ejemplo, IMPI o el Ministerio Público Federal). La autoridad aduanera debe poner las mercancías retenidas a disposición de la autoridad competente, levantando acta circunstanciada en la que se desahoguen los puntos referidos en el artículo 148.

Por otra parte, el artículo 149 aduce lo que el solicitante de la medida en frontera deberá acreditar a fin de que la autoridad competente expida la orden de suspensión de libre circulación de mercancías. De lo anterior se aprecia el carácter restrictivo de los requisitos que la ley pide satisfacer. Obtener la información tan a detalle que la ley señala resulta difícil o casi imposible. Son pocos los casos en los que se cuenta con ella. Ese no es el espíritu de TRIPS o NAFTA, los cuales solo piden que la descripción sea detallada "suficientemente".

Por fortuna la práctica es distinta a lo que la ley que señala. La autoridad aduanera se ha mostrado interesada por resolver este tipo de problemas y se ha avocado a obtener y revisar los embarques y contenedores que entran al territorio nacional, según lo indique el "semáforo fiscal" o "sistema aleatorio". Si de la revisión se percata de producto posiblemente infractor, procede a llamar a IMPI o al Ministerio Público. Este último tiene de hecho oficinas en las aduanas, las cuales se encargan de la investigación de delitos tales como narcotráfico, contrabando y piratería. El procedimiento pues se lleva de oficio, casi siempre y bajo los parámetros

que se mencionan. El interesado (titular, etc.) es notificado posteriormente, a efecto de que ratifique la acción y se inicie el procedimiento.

## **5. ¿QUÉ HACE FALTA AL SISTEMA DE MEDIDAS CAUTELARES DE LA LEY DE LA PROPIEDAD INDUSTRIAL?**

En los apartados precedentes se han hecho notar fallas y lagunas del sistema de medidas cautelares especialmente por cuanto a que contravienen NAFTA y TRIPS. Adicionalmente, el sistema de medidas de la ley mexicana está diseñado sólo para cumplir con las obligaciones que derivan de los tratados.

No hubo de parte del legislador de 1994, iniciativa o imaginación más allá que la de simplemente ajustarse a los estándares mínimos que los tratados le impusieron. El procedimiento en México no conoce el *Abmahnung*, el *Schutzschrift* o el *AbschuBerklärung*. Las medidas cautelares de la Ley de la Propiedad Industrial son útiles, pero podrían ser más efectivas. La posibilidad de la contra garantía desluce el procedimiento, ya que pierde la dimensión de su propósito y de su

efecto. Así no resulta posible terminar el litigio en forma rápida y económica.

Todo lo contrario, en México el sistema de medidas cautelares, viene a constituir un añadido más al largo proceso que implica el litigio de propiedad intelectual. Para superar el problema, se necesitan cambios reales y de fondo a la legislación.

## **PROTECTING IP IN A BRAVE NEW WORLD**

*Managing Intellectual Property, September 1998.*

**The Internet poses many new challenges for IP owners. But, says Luis C. Schmidt, Mexico City, existing protection in Mexico should prove sufficiently powerful.**

The purpose of this article is to analyze the challenges posed by cyberspace and digital technology in view of the Mexican copyright, trade mark and unfair competition laws.

### **Copyright law**

There is no doubt that the medium used for the copying or communication of a work of authorship has produced an impact and influence on the way that it is protected by the law. Copyright and other laws dealing with IP rights have thus faced challenges for keeping up with the pace of technology development, to provide with the proper tools of protection and enforcement. The digital age has been especially challenging as it now permits the possibility of reducing images, text and sounds into codes that homogenize and compress the information, allowing its transmission through a network.

Two of the most significant expressions of digital technology are represented in multimedia productions and information superhighways. Both have transformed the form of using works raising legal questions of many sorts.

As to multimedia, it has been asked whether they should be regarded as independent works or if they only represent new forms of using works. Similarly, would it be possible that a work has been reproduced and communicated, in the traditional sense, when it has been subject to a prior digitalization.

The Mexican Copyright Law of 1996 addressed these questions to some extent. Concerning multimedia, it appears to be in favour of protecting them as a separate category; however, it would be so only if represented as a "program" integrated by text, visual and sound "elements" and the program "being original in itself, independently from the underlying elements".

On the other hand, the Copyright Law understands for fixation "the incorporation of letters, numbers, signs, sounds, images and other elements by which a work of authorship has been expressed, or of the digital representation of those, in any form or medium, including the electronic, allowing its perception, reproduction or any form of communication". Also, the Copyright Law provides a right of transmission, which is different from the right of distribution, the distinction being first that in the case of transmission, the transmitted work would be reduced to digital codes, and second that it would not be exhausted after a "first sale", as is the case under the right of distribution.

### **Trade mark and unfair competition law**

Nowadays products can be sold and services rendered through the Internet and consequently trademarks may be used and misused in this context. The question is whether the rules of trade mark protection and enforcement would be applicable in those cases.

The Law on Industrial Property (LIP) provides various different causes of action against violation of trade mark and other rights, including the right to compete. One of the said causes, of action is trade mark infringement. The basic premise is that the mark or confusingly similar one is used by a non-authorized third party as applied to the same or similar products or services. The regulations of the LIP understand for trade mark use the fact that it is applied to products that are then sold, or services are rendered.

As to unfair competition, in accordance with the LIP, the Mexican Industrial Property Institute (IMPI) is empowered to repress those acts that harm the good and honest practices in industry and commerce and the laws of Congress. In particular, the LIP provides causes of action against unfair competition, which find support in Article 10 Bis of the Paris Convention. The scope of that provision is broad and in general would tend to stop and sanction any act that would induce or lead the public to believe or presume, mistakenly about the existence of an association, relationship, licence or authorization between establishments, products or services or on the use of false indications of origin on products.

Under the doctrine of unfair competition, it is not necessary that the trade mark or trade symbol is registered or even registrable. What is required is that the infringer sells its own products, services or establishments, passing them off as if they belonged to the party that is being affected.

The foregoing principles of trade mark infringement and unfair competition should be applicable to violations committed on the Internet. At least there is nothing in the law that would impede it. Under the said principles it would be consistent to think that if a non-authorized third party uses the mark be a violation would occur despite the fact that such a violation happens to be made in cyberspace. The same would happen if a more general unfair competition violation is committed, such as imitation or copying of a trade dress.

### **Domain names**

The case of domain name theft would be a somewhat different problem and would require a different approach, as there are no clear actions in the Mexican laws for requesting the user of a domain name consisting of a trade mark to stop using it, as well as for seeking cancellation of a domain name registration that is granted by the mark in Mexico, and for obtaining declaration of trade mark infringement if the domain name is being used as a trade mark except as the identifier of a web site. The LIP and regulations of NIC Mexico need changing to reflect all the foregoing.

Concerning infringement actions involving domain names, it can be said that the LIP contemplates a provision, which considers as infringement the fact that trademarks are used in trade names, without the authorization of the trade mark owners. The provision states as follows:

*Article 91. A registered trade mark or a confusingly similar trade mark that has been previously registered may not be used nor may it form a part of the trade name, corporate or firm name of an establishment or corporate person, in the following cases:*

- In the case of establishments or corporate persons whose activity is the production, import or marketing of commodities or services equal or similar to those to which the registered trade mark is applied; and

- When there is no written consent of the holder of the trade mark registration or of the person empowered to do so.

A violation of this precept will lead to the application of the sanctions referred to in this law, and a judicial claim may be filed to suppress use of the registered trade mark or to the trade mark confusingly similar to one previously registered, of the trade name, of the respective corporate or firm names and payment of harm and damages.

The provisions hereof will not apply when the trade names, corporate or firm name included the trade mark prior to the date of filing or of the first declared use of the registered trade mark.

It has been thought that such a provision could be changed to include domain names besides trade names. This may represent a solution to the problem, giving relief to trade mark owners whose property is taken by users of domain names. Of course, such a change would need, additionally, that the regulation of NIC MEXICO are changed to adopt the following points, many of which AIPPI has already sanctioned in a recent resolution adopted in its Congress in Rio de Janeiro:

(1) Requiring the domain name applicant to identify itself sufficiently to enable the service of legal documents on the registrant of the domain name.

(2) Requiring a domain name registrant in its application to attest that their domain name does not knowingly conflict with another party's intellectual property rights.

(3) Requiring a domain name registrant to submit disputes regarding the domain name to a particular arbitral or judicial tribunal.

(4) Requiring that a domain name registrant establish within a defined period of time a working website, or adequate link, with respect to that domain name.

(5) Requiring that a domain registration is only valid for a specific period of time (one to two years) and must be renewed upon payment of a fee.

(6) Requiring a domain name registrant to resolve disputes regarding the domain name in accordance with the laws of a particular jurisdiction.

(7) Requiring that a domain name correspond to an existing trade mark, trade name right or personal name.

(8) Restricting the types of entities that may register domain names in certain sub-domains.

(9) Restricting the number of domain names registrable by a single party.

(10) Providing for an objection procedure whereby the domain name is placed on-hold at the request of a third party-pending disposition of the merits of the request by an arbitral or judicial tribunal.

(11) Providing for an objection procedure whereby the registrar, or its appointee, after examining the merits, may delete or assign the domain name to a party with a superior right.

(12) Providing for a waiting period of provisional domain name registration, affording third parties an opportunity to object to the registration of the domain name within the waiting period.

## **MEXICO BATTLES WAVE OF PARALLEL IMPORTS**

*Intellectual Property Worldwide, September 1995.*

The good news is that Mexico has undergone a major legal and economic reform. Since 1983, the country has moved from economic protectionism to a new open border policy that looks favorably on international trade, technology transfer and investment. As a result, the amount of imports entering Mexico has significantly increased.

The bad news is that, as a result of the new open border policy, Mexicans must now confront the problem of parallel imports. Goods bearing Mexican trademarks are being shipped into Mexico without the consent or control of the owner of the Mexican mark. The Mexican government is, however, attempting to provide some protection to Mexican trademark owners.

The problem of parallel imports is not unique to Mexico. In much of the world, trademark owners generally lose control over non-authorized importations of original products once the products are sold by either the trademark owner or authorized third parties such as distributors, licensees or franchisees. If the goods are resold and exported into another territory, this can create serious difficulties. If these grey-market imports are lower in price than those already in the territory, this can significantly hurt sales of the product by the territory's trademark owner. The problem can become even worse if they grey-market imports are of inferior quality or do not comply with territory's legal standards.

The Mexican government has entered into two main treaties on the subject of international trade and intellectual property rights: the North American Free Trade Agreement (NAFTA) and the Uruguay round's Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs). One commentator has stated that NAFTA "[i]s the most comprehensive multilateral intellectual property ever concluded, and generally establishes a higher level of protection than any other bilateral or multilateral agreement<sup>[1]</sup>. However, neither NAFTA nor TRIPs contains provisions specifically concerning parallel imports.

NAFTA expressly provides for the protection of IP rights as long as such protection does not constitute a bar on the free circulation of goods and

services[2]. Similarly, Article 1 of TRIPs can be interpreted as providing for a balanced system of rights between traders and intellectual property owners. Thus, although neither treaty specifically provides for protections against parallel imports, neither treaty specifically prohibits national laws from dealing with the problem.

### **Protects parallel imports**

In 1991, Mexico did enact a statute dealing with parallel imports. On its face, however, Article 92(II) of the Law for the Promotion and Protection of Industrial Property (LPPIP) seems to allow practically every type of parallel import.

The statute states: "The registration of a trademark will have no effects against...any person trading with, distributing, acquiring or using the product to which the registered trademark is applied after said product has been legally introduced into the market by the holder of the registered trademark or by the person to whom a license has been granted." The statute goes on to expressly state that this provision covers the "import of legitimate products to which the trademark is applied".

For the first several years of its existence, this statute was interpreted literally. The statute was read as authorizing third parties to import grey-market goods into Mexico provided the goods were legitimately introduced in commerce by the trademark owner or an authorized licensee.

Moreover, the term "legitimate products" was not necessarily restricted to products that complied with Mexican trademark law. The term could also have been applied to products that merely satisfied the trademark laws of the exporting country. This allowed foreign products bearing a Mexican trademark to be exported to Mexico even if the products were not made or licensed by the Mexican trademark owner. So long as the products were of legitimate origin in accordance with the local laws of the country of export, they could be freely exported to Mexico and compete with genuine Mexican products.

## **Regulations to the rescue**

The regulations of 1994 changed this interpretation of the statute. The regulations made clear that a product made in a foreign country is “legitimate” only if (1) the product is made by the foreign country’s trademark owner or authorized licensee, and (2) the mark’s owners in both Mexico and the foreign country are either the same person or corporation, or members of the same “group of economic interest” or are their licensees or sublicenses, at the time the foreign products are imported into Mexico.

The regulations set out a complex corporate formula defining “group of economic interest”. This formula examines the level of interrelationship between two (or more) corporations or entities and the direct or indirect control that one has over the other (or others).

One of the greatest concerns in allowing parallel imports of foreign legitimate products has been whether the products must satisfy the quality standards of the Mexican trademark owner as well as the quality standards imposed by Mexican law. The quality of products can vary widely, of course, especially when one is comparing products manufactured in different territories and by different parties. The issue is thus whether foreign legitimate products, but of lesser or different quality, should enter Mexico without restrictions.

The original draft of the 1994 Regulations prepared by the Mexican Institute of Industrial Property (IMPI) created a system of control measures. This proposal was weakened by the time the Regulations were ultimately adopted.

The final draft of these Regulations state that a foreign product is “legitimate” if it complies with Mexico’s consumer laws and Mexico’s legal requirements concerning product standards and regulations. However, the final Regulations make no mention of measures to ensure that the imported goods satisfy the quality standards of the Mexican trademark owner. It remains to be seen how this issue will be treated in the future by the IMPI and the Mexican courts.

The final Regulations also say nothing concerning the repackaging and relabeling of grey-market products. However, it can be expected that, if repackaging or relabeling of products is used as means of misleading

consumers (for example, as to quality or origin of the products), the importation of such products can be prohibited.

The statute and regulations do not forbid grey-market resales of legitimate Mexican products-i.e., products legitimately made in Mexico for sale in one part of the country and which are subsequently resold in another part of the country. Article 92(II), paragraph 1, of LPPIP recognizes exhaustion of trademark rights in a national level, i.e., a trademark owner is not allowed to impose restrictions or prohibitions on the further sale of a trademarked product once the product has been "legitimately" introduced in the Mexican market. Paragraph two of this Article extends the territorial scope of the exhaustion of rights doctrine to cover to any country in the world. Accordingly, Mexican trademark rights are exhausted whenever a trademarked product has been exported, regardless of the country to which it has been sent. The worldwide scope of this doctrine far exceeds the scope of most other countries' exhaustion of rights doctrines.

### **Patent and copyright protection**

In addition to Article 92 of the LPPIP, Mexico has other intellectual property laws that can be used to control parallel imports. For instance, Article 22(II) of the Law on Inventions and Trademarks of 1976 allows a Mexican patent owner to prevent the import of foreign goods covered by the Mexican patent.

This statute contains an exhaustion of rights provision, declaring that patent rights are exhausted after a patented product is introduced into the Mexican market by the patent holder or its licensee. The product can thereafter be resold without the permission of the patent holder. However, this provision applies only to products originally sold in Mexico. Accordingly, if a parallel import is covered by a Mexican patent, the product is not allowed to be imported into Mexico, unless permission is given by the holder of the Mexican patent.

A Mexican copyright holder may be in an even stronger position than a Mexican patent holder to stop parallel imports of products. The Mexican copyright law as presently drafted does not expressly contain any exhaustion of rights provision. The law does not recognize a first sale doctrine or anything similar.

Nevertheless, it is probable that copyright owners are not exempt from the exhaustion of rights doctrine that has been applied to patent and trademark owners. It would be prudent to expect that once a copyrighted product (such as a book or audiotape) is sold in Mexico, the copyright holder cannot restrict any further resale of the product. In other words, copyright rights should be considered to be exhausted as soon as a book or audiotape is sold in the market.

This exhaustion of copyright rights, if it exists at all, probably applied only to sales originally made in Mexico by the Mexican copyright holder. To extend the exhaustion of rights doctrine internationally, a provision would probably have to be introduced into the Mexican copyright law expressly modifying the rights that the Mexican Constitution, statutes and judicial decisions have granted to Mexican copyright holders.

[1] Richard E. Neff and Fran Smallson, *NAFTA, Protecting and Enforcing Intellectual Property Rights in North America*, at 1 (McGraw Hill 1994).

[2] Article 1701 (1) of NAFTA states: "Each Party shall provide in its territory to the nationals of another Party adequate and effective protection and enforcement of intellectual property rights, while ensuring that measures to enforce intellectual property rights do not themselves become barriers to legitimate trade".

# LA PROPIEDAD INDUSTRIAL Y EL SISTEMA DE JUSTICIA PENAL EN MÉXICO

1994.

## I. LA REPRESIÓN DE ILÍCITOS EN MATERIA DE PROPIEDAD INDUSTRIAL.

### A. DISCURSO PREVIO.

1. La defensa y observancia de los derechos de propiedad industrial puede darse, como se ha dado, a través de acciones penales, civiles y administrativas.

2. Dichos mecanismos de defensa son distintos entre sí, buscando proteger la propiedad industrial desde ángulos o enfoques distintos. Las diferencias son por cuanto a:

a) **La autoridad que impone o aplica la sanción:** Así la autoridad judicial penal y civil y la autoridad administrativa.

b) **La naturaleza de la acción en sí misma considerada:** La penal atiende a conductas que atentan en contra del estado de derecho, con las características de típicas, antijurídicas, y culpables; la civil opera en contra del daño que se produce en la esfera de derechos de la persona en su patrimonio; y la administrativa, por cuanto al rompimiento del orden impuesto por las leyes en materia de administración pública y gobierno.

c) **Las características e importancia de la sanción:** en donde la gravedad de la conducta representa el criterio rector.

De esta forma, la acción penal es la de más alto rango, llegando hasta la privación de libertad, dado el hecho que reprime conductas punibles, por antijurídicas y culpables. La civil se encamina a la declaración de los daños y perjuicios perpetrados por la comisión de actos ilícitos. La administrativa, en la que primordialmente se busca la corrección de la falta, se limita a la multa, clausura y arresto administrativo.

d) **El tipo de procedimiento del que la sanción emana:** penal, civil y administrativo. Este último es sui generis, en el caso del de propiedad

industrial, por sus características y cualidades únicas, diferentes, aun respecto de otros en materia de administración pública.

## **B. CARACTERÍSTICAS DE LA ACCIÓN PENAL CIVIL Y ADMINISTRATIVA DE LA PROPIEDAD INDUSTRIAL.**

1. **Penal.** Reprime la conducta contraria al orden social bajo la noción de tipicidad, antijuridicidad, y culpabilidad. Observa pues la violación del derecho de propiedad industrial como una conducta contraria, no solo a la esfera de la víctima, sino del orden social, por lo que debe castigarse con la sanción penal.

2. **Civil.** Reprime la conducta como acto ilícito que produce daño o perjuicio de índole patrimonial al titular de derechos.

3. **Administrativa.** Reprime las faltas al sistema de administración pública.

## **C. EL OBJETO Y FIN DE LA ACCIÓN REPRESORIA DE LOS ILÍCITOS DE LA PROPIEDAD INDUSTRIAL.**

1. El derecho de propiedad industrial necesita de protección adjetiva, además de la sustantiva. Sin un sistema de protección adjetiva, que entre otros se encamine a la represión de ilícitos, el derecho de la propiedad industrial no tendría razón de ser y existir, quedando solo en la teoría. El derecho de la propiedad industrial se actualiza pues, a través de un sistema adecuado de protección y observancia.

2. La pregunta sin embargo se produce ¿cómo debe darse? Y ¿hasta dónde los límites?

3. En el derecho positivo en general y de propiedad industrial en particular, se observan factores diversos, relativos a las fuentes reales de dicha disciplina, dictados entre otros por:

a) los principios fundamentales de la organización del Estado.

b) el entorno político, económico y social y sus tendencias. Así, las políticas y tendencias en la propiedad industrial están supeditadas a las condiciones políticas, económicas y sociales de cada país. Por lo tanto, en un momento dado, los derechos pueden ser mayores o menores, dependiendo del sistema y sus tendencias.

c) el sistema jurídico al que por cuestión de territorialidad o afinidad, pertenezca cada Estado. Por ejemplo, sistema continental europeo contra anglosajón.

4. De lo anterior se producen muchas preguntas:

a) ¿Qué sistema represivo debe seguirse y cuál es el orden que debe establecerse?

b) ¿Qué finalidad concreta se persigue en la adopción de tales o cuales medidas?

c) ¿Qué autoridad debe intervenir y en qué momento?

5. Preguntas adicionales, considerando los factores determinantes en el establecimiento del sistema represor:

a) Dichos factores determinantes están influidos por una circunstancia fundamental: el interés particular y el colectivo.

b) Así la pregunta ¿qué le interesa al particular, titular de derechos de propiedad industrial, víctima de una conducta ilícita? La respuesta: la cesación del ilícito y el resarcimiento del daño.

c) Y la segunda pregunta ¿qué le interesa a la sociedad y en qué casos puede concedérsele o reconocérsele interés? La respuesta: La competencia en los mercados bajo reglas y parámetros justos y equitativos, que le permitan adquirir productos y servicios de calidad. ¿le afectan los ilícitos perpetrados por un particular a otro? Podría ser, en la medida en que el ilícito afecte dicho interés social.

6. En virtud de lo anterior, el sistema de represión de ilícitos debe contemplar los aspectos enunciados, referidos al interés particular y colectivo que éste deberá tutelar.

7. ¿Cómo podrían convivir en armonía los sistemas penal, civil y administrativo en la confección de una organización, estructura y orden represivo en el derecho de propiedad industrial?

8. ¿Debería establecerse un sistema en el que coexistan la sanción penal, civil y administrativa, para perseguir los actos que atenten el interés privado y colectivo?

9. El doble régimen civil/penal se manifiesta en la mayoría de las jurisdicciones en el mundo. El administrativo se observa en países como México y China. La coexistencia entre el régimen civil y penal se da con naturalidad, en función a la organización y estructura del sistema de derecho mismo. La coexistencia entre el régimen penal y administrativo no resulta tan clara, no obstante la línea que se ha intentado demarcar en la Ley de la Propiedad Industrial (LPI), y que en términos generales atiende a la gravedad de la conducta.

#### **D. LOS DELITOS DE LA PROPIEDAD INDUSTRIAL Y SUS ELEMENTOS.**

1. ¿Se justifican los delitos en materia de Propiedad Industrial? La tendencia despenalizadora muestra que no todas las conductas son merecedoras de sanción penal, por lo que el derecho penal debe quedarse con aquellas donde prevalece la antijuricidad y culpabilidad. El nivel de gravedad de la conducta representa un factor a considerar, siendo el principal, muy probablemente.

2. No pueden ser punibles las conductas producidas por la mera invasión de derechos de propiedad industrial o por la disputa de los derechos mismos. En dicho caso el interés privado prevalece sobre el colectivo o social. El interés privado está dado aquí por cuanto a que el titular busca, como se ha dicho, detener la actividad infractora y resarcir el daño perpetrado o producido por dicha actividad. Lo anterior nos lleva a concluir que, en casos como el presente, la penal no siempre resulta la vía adecuada.

3. Sin embargo, hay conductas típicas y antijurídicas que definitivamente sí interesan al derecho penal, ya que van más allá de la trasgresión al interés particular. Así, la llamada "piratería" constituye el más claro ejemplo de una conducta antisocial que el orden penal debe encargarse de reprimir. La "piratería", se manifiesta en el derecho de autor, aunque también impacta a la propiedad industrial, especialmente a las marcas. Y es que la "piratería" se caracteriza por lo sencillo y barato que representa el reproducir obras o imitar productos, por sus signos distintivos. La producción y comercialización de productos bajo signos espurios se da de forma masiva, lesionando intereses particulares y sociales. Los particulares porque el titular se ve despojado de su legítimo derecho y del fruto de la explotación. Los sociales porque se

ofrecen productos de mala calidad, los cuales en muchos casos, podrán ser peligrosos o dañinos a la salud o integridad física de las personas.

## **E. HISTORIA: LA TENDENCIA DE LA DESPENALIZACIÓN Y LA TENDENCIA AL RESARCIMIENTO DEL DAÑO.**

1. Ley de 1943. Solo establecía disposiciones penales (arts. 240 y subsiguientes). En contra de patentes, por el uso y explotación en general y por la venta o importación de productos patentados o producidos por métodos patentados. También de marcas, por el uso de las mismas, aplicadas a mismos o similares productos. El artículo 257 ya se refería a la falsificación de marca –o etiqueta-. ¿Qué diferencia hay entre uso y falsificación de marca? Todas las demás conductas que atentaban contra los derechos de la Ley de 1943 eran sancionables como delitos.

2. Ley de 1976. Se revisan los tipos y se despenalizan algunos. Algunos autores consideraron el cambio como "tibio". Nace el concepto de infracción administrativa ¿bueno o malo? Se intenta distinguir entre infracción y delito, justamente por cuanto al criterio de gravedad. Así, invasión de patentes queda como delitos y se va como infracción solo el aparecer como productos patentados aquellos que no lo están. En marcas, el uso de signos similares en grado de confusión a otros registrados o cuando se usa como nombre comercial. Aparece el concepto de competencia desleal y su protección.

3. Ley de 1991. Sigue la misma línea que la del 1976: Infracciones y delitos en los mismos casos que la ley de 1976. No hay cambios sustanciales y los que se dieron tuvieron por propósito el mejoramiento en cuanto a forma de los textos anteriores.

4. Reforma de 1994. Aquí se da la despenalización de varias conductas, principalmente las relativas a patentes. En cambio se tipifican las de secretos industriales, así el texto conocido en la actualidad. ¿Por qué despenalizar los delitos de patentes y tipificar secretos industriales? Por un lado, se siguió el marco de NAFTA, en el que los estados miembros se comprometen a tipificar la falsificación de marcas. Por el otro, surgieron voces sosteniendo el que por ser un tema técnico, la represión de ilícitos patentarios debía quedar en manos de IMPI. Pero no debe olvidarse que el de secretos industriales es un tema técnico también y

que por lo tanto no cabe la posibilidad de usar el criterio "técnico" para marcar las diferencias. Además, hay quienes dicen que en cuanto a su nivel de jerarquía, los derechos de patentes están por encima de los secretos industriales ¿será cierto? La verdadera justificación, válida o no, está dada en que el bien jurídico llamado "secreto industrial", de ser objeto de apoderamiento o revelación, podría perderse o destruirse de tal forma que se produzca un daño irreparable. De esta forma, el valor privativo viene a convertirse o transformarse en valor "colectivo".

5. El legislador de 1994 encontró en la despenalización y por lo tanto en la implementación de más infracciones administrativas, el vehículo adecuado para organizar y equilibrar el sistema de observancia de derechos de propiedad industrial. Sin embargo, ¿es esa la tendencia correcta? ¿Cumple lo anterior con la tutela del interés privado y público a que se ha hecho referencia?

6. En la actualidad la tendencia es, por un lado, emplear el sistema penal en los casos de "piratería", en los que el infractor que actúa con dolo, conocimiento y apoyado en recursos que le permiten encarar la justicia. Por el otro, día a día se recurre más a la acción civil de daños y quizá menos a la administrativa. La razón: las dos acciones de referencia ofrecen mayores elementos para cumplir el objetivo de proteger el interés privado y público.

## **F. CRÍTICA A LA ACCIÓN ADMINISTRATIVA EN LA OBSERVANCIA DE LOS DERECHOS DE PROPIEDAD INDUSTRIAL.**

1. Hay quienes están en contra de la función jurisdiccional (materialmente hablando) del poder ejecutivo, ya que quebranta el principio de separación de poderes.

2. IMPI no puede declarar daños.

3. Hay dificultad en el trazo de fronteras entre la infracción administrativa y el delito. ¿Dónde termina el interés particular y comienza el de la colectividad? Los factores de diferenciación pretenden fundarse, en términos generales, en criterios tales como la "gravedad" de la conducta y la "intención" de la misma. Sin embargo:

a) El concepto "gravedad" está ciertamente imbuido de subjetividad. El legislador de 1991 y el de 1994 pretendieron establecer líneas de

demarcación de las características específicas de la conducta ilícita. De esta forma, se utilizaría la sanción penal en la represión de aquellas conductas encaminadas a la imitación del producto y sus signos distintivos (criterio de falsedad). Sin embargo, no resulta fácil aplicar lo anterior como criterio de diferenciación. De hecho, entidades como PGR sólo persiguen aquellas conductas en las que la copia de marcas o signos distintivos (obviamente registrados) es exacta.

b) La "intencionalidad" asimismo podría funcionar como factor de distinción. Sin embargo, la "intencionalidad" es factor común de todo ilícito de la propiedad industrial, independientemente de su consideración como delito o infracción. No hay ilícitos de la propiedad industrial que sean el resultado de conductas culposas, salvo muy contados casos, como pudiera serlo la comercialización de productos falsificados a pequeña escala. Sin embargo, la ley contempla tipos delictivos aun en éstos.

4. La autoridad administrativa funge como juez y parte y por lo tanto, le es difícil anular los registros o patentes que confiere o en general, pronunciarse con toda imparcialidad.

5. Los actos de la administración pública en general, están imbuidos de política.

6. La autoridad administrativa carece facultades y apoyo suficiente para el cumplimiento cabal de sus atribuciones. Definitivamente no tiene el poder de inspección de la autoridad penal. De igual forma sus facultades para aplicar medidas e imponer sanciones están limitadas.

7. En la práctica, sus decisiones toman mucho tiempo; además, en ciertos casos su personal no cuenta con la experiencia que poseen los jueces de carrera y que se requiere para resolver las complicadas controversias y disputas que frecuentemente llegan a IMPI.

8. Hay quienes recomiendan la implementación de un tribunal contencioso administrativo, como órgano jurisdiccional distinto a la autoridad que emite el acto. Pero aún así el tribunal contencioso no podría declarar daños.

## **G. CRÍTICAS A LA INTERVENCIÓN DE LA AUTORIDAD PENAL DE LA OBSERVANCIA DE DELITOS DE LA PROPIEDAD INDUSTRIAL.**

1. Carece de conocimiento técnico y especialización en el derecho de la propiedad industrial. El Agente de MP especializado, a su vez tiene que asistirse de "expertos" en la materia sustantiva. Con frecuencia, PGR integra mal las averiguaciones y por lo tanto, se consignan con vicios.
2. Fuera de la "piratería", parece no justificarse el que las conductas violatorias de derechos de propiedad industrial sean delitos. Ello provoca desatención y desdén hacia estos delitos, por parte de la autoridad ministerial y judicial.
3. No obstante perseguirse por querrela de parte ofendida y por lo tanto admitir el perdón, ésta no puede ejercer control total sobre el curso de la averiguación. El Ministerio Público presiona sistemáticamente al querellante según le convenga.
4. Sus actos también pueden imbuirse de política.
5. En los procedimientos penales pueden observarse prácticas de corrupción.

## **II. EL OBJETO DE LA PROPIEDAD INDUSTRIAL: EL BIEN INMATERIAL PRODUCTO DE LA CREATIVIDAD HUMANA.**

### **A. NATURALEZA JURÍDICA DE LA PROPIEDAD INTELECTUAL.**

1. No es posible establecer un régimen de sanción adecuado si se desconoce la naturaleza jurídica del bien que el derecho represor está tutelado. El sistema de justicia falla cuando no responde a las exigencias que el derecho sustantivo le impone. En dichos casos prevalece la falta de comunión o disgregación o el desprendimiento entre los sistemas sustantivo y adjetivo de derecho, distanciando el fin trazado por la norma represiva del resultado material que se consigue.
2. Tradicionalmente, el derecho penal ha recogido las instituciones del derecho civil mercantil, tipificando las conductas contrarias a derecho e imponiendo la sanción penal. De esta forma, es común observar en los códigos penales delitos referidos al robo, fraude y otros relacionados con los bienes, materiales o corpóreos (muebles e inmuebles).

3. ¿Pero qué hay del bien inmaterial o incorpóreo? ¿Considera el derecho penal las diferencias que existen entre éste y las figuras que protege el derecho común?

4. ¿Qué puede considerarse característico del bien inmaterial?

a) Bajo la acepción "Propiedad Intelectual" se comprende una serie de derechos que se ejercitan sobre bienes incorpóreos. Estos son las producciones de tipo científico, artístico o literario; los inventos y creaciones nuevas y las marcas y signos distintivos.

b) Los bienes incorpóreos son distintos a los corpóreos, susceptibles de posesión material. Los incorpóreos no pueden ser objeto de posesión individual.

c) Los bienes incorpóreos no pueden ser muebles o inmuebles y no pueden ser objeto de regulación por las figuras o instituciones del derecho civil. Su naturaleza es distinta, por lo que el derecho que los protege también lo es (así lo sostienen diversos tratadistas). Son como dice Baylos, realidades nuevas y extravagantes con respecto a los esquemas conceptuales heredados de Roma. Es un dominio que el derecho civil no pudo ni puede marcar. No son, por lo tanto, objeto de derechos reales o personales, son objeto de derechos intelectuales.

d) Volviendo al tema de la posesión, no son como los bienes muebles o inmuebles, toda vez que son susceptibles de reproducción y de comunicación por diversos medios y formas. Por su carácter de inmateriales, pueden recorrer el mundo en segundos o multiplicarse en ejemplares o copias. Son por lo tanto bienes que no pueden poseerse individualmente y su "propiedad" -sin duda este es un término prestado del derecho civil-, se da por otras circunstancias, más bien referidas a las manifestaciones de la creatividad humana.

e) El derecho represor penal debe considerar la naturaleza de los bienes incorpóreos al clasificar las conductas penales y al dictar las reglas y tipos delictivos. De esta forma, en delitos como la falsificación o revelación de secretos industriales, debe considerarse la necesidad de reprimir al responsable de la reproducción del bien y de sus elementos distintivos, o de quien difunde la información confidencial protegida.

### **III. PROPIEDAD INDUSTRIAL Y DELITOS. ANÁLISIS DOGMÁTICO DE LOS DELITOS DE LA LPI A LA LUZ DE LA TEORÍA DEL DELITO, DE LA TÍPICIDAD Y LA CULPABILIDAD.**

#### **A. CLASIFICACIÓN GENERAL DEL DELITO.**

1. En función de su gravedad.

a) Crímenes.

b) Delitos.

c) Faltas.

Comentario: En México no tiene gran relevancia ya que solo hay delitos, los que a su vez pueden ser graves o privilegiados. Sin embargo, las "faltas" se atribuyen a la esfera competencial de la autoridad administrativa.

2. Según la conducta del agente.

a) **Acción:** comportamiento positivo que viola ley prohibitiva.

b) **Omisión:** comportamiento negativo o abstención que viola una norma dispositiva. La omisión puede ser simple (el resultado no importa) o por comisión (se produce un resultado objetivo).

3. Por el resultado que producen:

a) **Formales:** De actividad o acción. No se da resultado material o externo; son de mera conducta; se sanciona la acción u omisión en sí misma. El artículo 12 del Código Penal se refiere a la "Tentativa" punible, que se da cuando "la resolución de cometer un delito se exterioriza realizando en parte o totalmente los actos u omisiones si el delito no se consuma".

b) **Materiales:** Se produce resultado objetivo o material.

4. Por el daño que causan.

**De lesión:** causan daño directo y efectivo al interés jurídicamente protegido por la norma violada.

**De peligro:** ponen en peligro sin que necesariamente se produzca lesión.

Comentario: Atienden al peligro que causan a la víctima. Esta clasificación no se limita a delitos contra la salud. Puede aplicarse a los delitos patrimoniales y demás. Es un concepto formal o jurídico más que material u objetivo.

5. Por su duración.

a) **Instantáneos:** La acción que lo consuma se perfecciona o agota en un solo momento, aunque puedan darse varios actos, acciones o movimientos. De conformidad con la ley, se consume "en el mismo momento en que se realizan todos sus elementos constitutivos" (art 7 (I) del Código Penal). Hay unidad de acción produciendo la lesión jurídica. Los instantáneos a su vez pueden ser temporales (cuando su efecto no permanece) y permanentes (cuando se da la destrucción del bien jurídico en un momento y con efecto de consumación permanente).

b) **Continuados:** Se produce a través de varias acciones y una sola lesión jurídica. Sucede "cuando con unidad de propósito delictivo y pluralidad de conductas y unidad de sujeto pasivo, se viola el mismo precepto legal" (artículo 7 (III) del Código Penal).

c) **Permanentes:** Se da a través de una serie de actos y un estado de consumación perdurable. No hay cesación de producción de efectos. "La consumación se prolonga en el tiempo" (artículo 7 (II) del Código Penal).

6. Por Elemento Interno o Culpabilidad.

a) **Dolosos:** Voluntad consciente a realización del hecho típico y antijurídico. El artículo 9 del Código Penal considera el "conocimiento" y la "previsión" del resultado típico obrando con voluntad.

b) **Culposos:** El resultado se da por el obrar sin cautela y precaución. El artículo 9 del Código Penal requiere que el resultado típico no sea "previsto" o no se "previó", confiando en que no se produciría.

c) **Preterintención:** El resultado va más allá del deseado.

7. Por su Estructura o Composición:

a) **Simple:** La lesión jurídica es única e inescindible.

b) **Complejos:** La lesión se produce por la unificación de dos infracciones que al fusionarse dan una nueva figura delictiva, superior en gravedad. Difiere del concurso en que en éste no se da resultado sinérgico. En el complejo, la misma ley crea el compuesto como delito único, pero en el tipo intervienen dos o más delitos que pueden figurar por separado. En el concurso, las infracciones existen separadas y las ejecuta un mismo sujeto. El Código Penal se refiere al concurso en el artículo 18, el cual establece el criterio de concurso ideal "cuando en una conducta se cometen varios delitos" y concurso real, "cuando con pluralidad de conductas se cometen varios delitos". El artículo 19 establece que "no hay concurso cuando las conductas constituyen un delito continuado".

8. Por el Número de Actos Integrantes de la Acción Típica.

a) **Unisubstanciales:** Se forman por un solo acto.

b) **Plurisubstanciales:** Se forman por varios actos. No son complejos. Son varios delitos juntos, producto de varios actos o comportamientos típicos. Los actos de una figura no son, a su vez, delitos autónomos. El delito plurisubstancial es fusión de actos; el complejo, fusión de figuras delictivas. Repetición de conductas similares, que aisladamente no devienen delictuosas (Soler Castell). Como ejemplo: reincidencia (art. 171 (1) Código Penal, artículo derogado).

9. Por la Unidad o Pluralidad de Sujetos.

a) **Unisubjetivos:** Lo produce un solo sujeto.

b) **Plurisubjetivos:** Lo producen dos o más, sin llegar a asociación delictuosa.

10. Por la Forma de Persecución.

a) **Privados o de querrela:** A instancia de parte.

b) **Oficio:** La autoridad tiene obligación legal de actuar, persiguiendo y castigando independientemente a la voluntad del afectado.

11. En función de la materia.

- a) **Comunes:** de orden local.
- b) **Federales:** de orden federal.
- c) **Oficiales:** en las esferas de gobierno.
- d) **Militares:** castrenses.
- e) **Políticos:** por cuanto a fuero.

## **B. CLASIFICACIÓN DEL DELITO POR SU TIPICIDAD.**

El tipo como creación legislativa. Describe la conducta en leyes penales. La tipicidad es la adecuación de la conducta en el tipo.

### 1. Por su Configuración.

- a) **Normales:** Cuando no se necesita su descripción, por su lenguaje objetivo, con significado apreciable por los sentidos.
- b) **Anormales:** Cuando se necesita su descripción o valoración, a través de elementos subjetivos adicionales, producidos por cuestiones culturales o jurídicas.

### 2. Por su Ordenación Metodológica.

- a) **Fundamentales o Básicos:** Conforman una familia o grupo de delitos, la cual les es común por aspectos diversos. Estos delitos forman la espina dorsal de la parte especial de código penal.
- b) **Especiales:** Los forma el básico y otros requisitos, que excluyen la aplicación del básico y obliga a subsumir los hechos bajo el tipo especial.
- c) **Complementados:** Se integran con un básico y una circunstancia distinta, aunque estas no se funden. Por ejemplo: el delito y una calificación o agravante.

### 3. En Función de su Autonomía.

- a) **Autónomos o Independientes:** Son los que tienen vida propia, sin depender de otro simple.
- b) **Subordinados:** Dependen de otro tipo. Adquieren vida en razón del tipo que siguen.

4. Por su Formulación.

a) **Casuísticos:** El legislador no describe una modalidad única, sino varias formas de ejecutar el ilícito. Se subdividen en "Alternativamente Formados" (dos o más hipótesis causivas) y "Acumulativamente Formadas" (necesitan el concurso de todas las hipótesis).

b) **Amplios:** Se describe una hipótesis única, donde caben todos los modos de ejecución. Se pueden verificar mediante cualquier medio o vía idónea.

5. Por el Daño Que Causan.

a) **De daño (o lesión):** protegen contra la disminución o destrucción del bien.

b) **De peligro:** tutelan los bienes contra la posibilidad de ser dañados.

### **C. CLASIFICACIÓN DEL DELITO EN FUNCIÓN A LA CULPABILIDAD.**

1. La culpabilidad existe independientemente del factor de voluntad para cometer el delito. Es la capacidad del sujeto para entender y querer en el campo penal. Según teorías psicologista y normativista la culpabilidad se da por la relación psicológica entre autor y su acto en la que el dolo equivale a la intención en la comisión del delito y la culpa a la imprudencia.

2. **Dolo.** Contiene elementos ético y volitivo: psicológico emocional. Conciencia (se quebranta el deber) y Voluntad (se quiere realizar el acto y sus consecuencias).

3. Clasificación del Dolo.

a) **Directo:** resultado y propósito coinciden.

b) **Indirecto:** se propone el agente fin y sabe que habrá otros efectos.

c) **Indeterminado:** intención genérica de delinquir sin proponerse resultado delictivo en general.

d) **Eventual:** se desea resultado previéndose el que puedan surgir otros no queridos directamente.

4. **Culpa:** Obrar sin intención, pero sin la debida diligencia, causando resultado dañoso, previsible y penado por la ley. El deber de cuidado le incumbe al agente y lo puede prever.

5. Clasificación de la Culpa.

a) **Consciente:** El agente prevé el resultado posible, aunque no lo quiere; abriga esperanza de que no se producirá.

b) **Inconsciente:** El agente no prevé la posibilidad del resultado típico, a pesar de ser previsible.

6. Código Penal.

a) **Artículo 8:** División de delitos en acciones u omisiones.

b) **Artículo 9:** Se refiere a los conceptos de dolo y culpa.

#### **D. LOS DELITOS EN TRIPS Y NAFTA.**

1. **TRIPS:** Artículo 61 (redactado en lenguaje hetero-aplicativo).

a) "Falsificación dolosa de marcas de fábrica o de comercio o de piratería lesiva del derecho de autor a escala comercial." El texto en inglés: "Willful trademark counterfeiting or copyright piracy on a commercial scale."

b) Pena de prisión y/o imposición de sanciones pecuniarias suficientemente disuasorias, proporcionales a la gravedad del delito.

c) Confiscación, decomiso y destrucción de mercancías y materiales y accesorios empleados para comisión de delito.

d) Los miembros pueden prever aplicación de procedimientos y sanciones penales en otros casos de infracción de derechos de propiedad intelectual, en particular cuando se comenta con dolo y a escala comercial.

2. **NAFTA:** Artículo 1717. Muy parecido a TRIPS. No hay distingo; prácticamente igual.

## **E. LOS DELITOS DE LA LPI SE APOYAN EN NAFTA Y TRIPS.**

1. En efecto, la LPI transporta los lineamientos básicos de TRIPS y NAFTA, en especial por lo que se refiere a los que denomina "falsificación de marcas".

2. Asimismo, en uso de la facultad que los tratados le confieren, el legislador de 1994 se apoya en éstos para tipificar los delitos de secretos industriales y los de reincidencia, no obstante en ningún caso señala el calificativo del "dolo" y "escala comercial", mismos que aunque deben entenderse implícitos, como se explicará más adelante.

3. La reforma publicada en el Diario Oficial de 17 de mayo de 1999, tuvo por objeto ajustar el lenguaje del tipo original, procurando (¿lo logró?) su total alineamiento a los estándares de NAFTA y TRIPS.

## **F. LOS DELITOS DE LA LPI. 3 GRUPOS BÁSICOS.**

1. Delitos enfocados a la "falsificación de marcas".

a) **Falsificación de marcas** "con dolo y fin de especulación comercial" (art 223 II). ¿Cuál es la diferencia entre esta fracción (falsificación de marca) y las demás del 223?

b) **Producción, almacenamiento, transportación, importación o venta** (de intermediación) "con dolo y fin de especulación comercial", de "objetos" que ostentan marcas falsificadas (art. 223 III).

c) Proveeduría de insumos o materias primas "a sabiendas" para la "producción de objetos" con marcas falsificadas (art. 223 III).

d) Venta al consumidor en vía o lugares públicos "con dolo y fin de especulación comercial" (art. 223 bis).

e) Venta al público en establecimientos comerciales o de manera "organizada" o "permanente" (art. 223 bis).

2. Delitos contra los secretos industriales.

a) Por la apropiación o apoderamiento indebido de secreto industrial, sin derecho o consentimiento, para uso o revelación posterior y para obtener beneficio económico o causar perjuicio (art. 223 V).

b) Por la revelación a terceros de secreto industrial que se conozca por trabajo, servicios o licencia, sin consentimiento, bajo prevención y para obtener beneficio económico o causar perjuicio (art. 223 IV).

c) Por el uso de secreto industrial obtenido bajo relación contractual (de servicios de trabajo o por licencia), sin consentimiento, bajo prevención y para obtener beneficio económico o causar perjuicio (art. 223 VI).

3. Delitos por reincidencia de infracciones administrativas.

## **G. SANCIONES Y PENALIZACIONES DE LOS DELITOS DE LA LPI.**

1. Delitos enfocados a la "falsificación de marcas".

a) Falsificación de marcas (art. 223 fr. III). Delito grave. Aplicable penalidad del artículo 224, segunda parte de la LIP: tres a diez años prisión y multa de dos mil a veinte mil días.

b) "Producción", almacenamiento, comercialización, etc. de "objetos" con marcas "falsificadas" (art. 223 III). Delito grave. Misma penalidad.

c) Proveeduría de insumos (art. 223 III). Delito grave. Misma penalidad.

d) Venta en lugares o vías públicas (art. 223 bis). Delito atenuado o privilegiado. Aplicable el artículo 223 bis: dos a seis años de prisión y multa de cien a diez mil días.

e) Venta al público en establecimientos comerciales (art. 223 bis). Delito atenuado o privilegiado. Aplicable el artículo 223 bis, que a su vez remite al 223 y 224, sin especificar la fracción. Al haber dos distintas penalidades en el 224, resulta obscuro y ambiguo saber cuál debe considerarse en estos casos ¿Será la más baja: dos a seis años?

2. Delitos contra los Secretos Industriales.

a) Apropiación o apoderamiento (artículo 223 V). Delito atenuado. Aplicable la penalidad del artículo 224, primera parte de la LIP: dos a seis años de prisión y multa de cien a diez mil días de salario.

b) Revelación (artículo 223 IV). Delito atenuado. Misma penalidad.

c) Uso (artículo 223 VI). Delito atenuado. Misma penalidad.

3. Delitos de Reincidencia.

Delitos atenuados. Aplica también la penalidad del artículo 224, primera parte de la LIP: dos a seis años y multa de cien a diez mil días.

## **H. DELITO DE FALSIFICACIÓN DE MARCAS.**

1. Características del Delito v Tino de Falsificación.

a) **Sujeto Activo:** Quien "falsifica" la marca; quien produce el objeto con marca falsificada, lo transporta, comercializa en intermediación o importa; quien provee insumos o materias primas; o quien efectúa ventas en la vía pública o establecimientos dirigidos al consumidor.

b) **Sujeto Pasivo:** El titular de los derechos.

c) **Objeto del Delito:** Las marcas registradas (o protegidas) del producto objeto de fabricación y comercialización, y en general, el producto mismo, en cuanto a sus elementos y signos distintivos.

Una pregunta de difícil respuesta sería si por "marcas protegidas", la fracción III del artículo 223, podría referirse no solo a aquellas cuya "protección" se produce en virtud de registro, sino a las no registradas - que no obstante ello son objeto de protección, de conformidad con la LPI- como podría serlo el llamado "trade dress", entre otros signos distintivos posibles.

d) **Comportamientos Típicos:** "Falsificación" de la marca; fabricación, transportación o comercialización del producto; proveeduría de insumos; venta en vía pública o establecimiento. ¿qué es "falsificación de marca"? Desde 1889 y en particular, en la ley de 1943 estuvo asociado el concepto con la reproducción de marcas y etiquetas. Para Cesar Sepúlveda es ambiguo. El dice que es la reproducción exacta del signo; fabricar una marca ajena, copiar la etiqueta; si hay envases y envolturas que se usen como "marcas", su copia será falsificación. Existe la falsificación "parcial" o imitación de algunos elementos de la marca. Para Jalife no debiera decirse "falsificación de marca" sino de "producto". La primera acepción es limitada, toda vez que la marca es sólo uno de los elementos del producto. Para hacerlo parecer al original, el "pirata" puede reproducir otros elementos que no sean marcas, pero sí característicos del mismo. Esto se acerca más a la noción anglosajona del "counterfeiting"; término muy amplio que por supuesto rebasa la simple falsificación o reproducción de la marca. El Blacks Law Dictionary

define "counterfeit" como la realización de copias o imitaciones, sin derecho o autorización a fin de engañar o confundir, haciendo pasar "passing for" el bien copiado o imitado como el original o genuino. Ello puede apreciarse en el dinero (ie: papel moneda, billetes, etc.) o las mercancías, entre otros. El espíritu de NAFTA y TRIPS es el de "counterfeit", no el de la vetusta acepción de "falsificación de marca". La reforma de 1999 a la LIP compuso las cosas en algo, al tipificar no solo por la "falsificación de marca", sino la "fabricación o comercialización de productos con marcas falsificadas", lo cual pretende referirse al verdadero "counterfeiting".

Sobre las conductas típicas en particular, la fabricación y comercialización (ie: importación, distribución o venta), representan las formas típicas. La fabricación es el origen y detonante de todo lo demás. Difícilmente habrá fabricación sin comercialización posterior. La proveeduría de insumos, transportación y almacenamiento, constituyen pasos intermedios, que normalmente efectúan el fabricante o comerciante, por sí o terceros. Estos constituyen tipos por sí mismos, independientemente que la conducta sea realizada por el fabricante, comerciante o un tercero (ie: transportista o almacenista).

e) Elementos Constitutivos o Integrantes del Tipo:

**Especulación Comercial:** Elemento que incide en el resultado que produce el delito de comercialización de productos falsificados. Antes de la reforma de 1999 se hacía referencia a la "escala comercial", lo cual como señala Horacio Rangel, implicaba un criterio de "volumen numérico", de "cantidad" o "monto". Ahora se emplea la noción de "especulación comercial", criterio que atiende al "fin perseguido". El fin de especulación comercial es tácito o implícito, ya que la falsificación o comercialización de productos con marcas falsificadas está asociada con la "especulación comercial", esto es, está dirigida a satisfacer el mercado o un segmento de éste.

**Dolo:** Este tipo de delitos son dolosos (directo y posiblemente eventual). El dolo va implícito por estar asociado con este tipo de delitos. No pueden ser de culpa (consciente o inconsciente), porque sería imposible pensar que el falsificador no haya previsto el resultado delictivo o que no lo quiera; esto es, que al falsificar la marca no esté en

posibilidad de prever o conocer la clase de conducta que está realizando o no desee consumarla.

## **2. Clasificación del Delito de Falsificación.**

a) En función a su gravedad (artículo 221 LIP).

**Delito grave:** Falsificación de marcas (art. 223 II). La pena es de 3 a 10 años de prisión y multa de dos mil a veinte mil días. Producción, comercialización, etc., de productos con marcas falsificadas (art. 223 III). Misma penalidad. Venta en establecimientos (art. 223 bis). Aparentemente misma penalidad; la referencia es vaga.

**Delitos Privilegiados:** Venta en vía pública (art 223 bis). Pena de 2 a 6 años de prisión y multa de cien a diez mil días.

b) Según la conducta del agente.

**Acción:** Si.

**Omisión:** No.

c) Por el resultado que producen.

**Formales:** No, en esencia. Por sus características y por cuestión de materia son delitos muy particulares. Se requiere la consumación (ie: elaboración de etiqueta, fabricación del producto, transportación, almacenamiento, comercialización, etc.) Esto los clasifica como materiales. Sin embargo, dichas conductas deben perseguir un "fin de especulación comercial", lo cual se sanciona por el simple intento, sin importar si se materializa o no.

**Materiales:** Si en esencia, sobre todo el caso de los delitos relativos a la comercialización de producto falsificado, en el cual la finalidad de "especulación comercial" es redundante (ver comentario anterior).

d) Por el daño que causan.

**De lesión:** Sí, causan daño directo. Obviamente causan daño si se realiza cualesquiera de los comportamientos típicos (o más de uno), con la finalidad de especulación comercial. Incluso, conceptos como "comercialización" o "venta" están contemplados en el tipo como delitos de lesión, esto es, la conducta debe consumarse.

**De peligro:** No, se debe producir lesión.

e) Por su duración.

**Instantáneo:** Puede consumarse en el instante por agotarse en un solo acto o momento, no obstante se den varios actos para estar en posibilidad de ejecución o consumación (ie: el proceso de fabricación *de* un lote del producto falsificado; o realizar todas las actividades tendientes a la comercialización; o transportar el producto).

**Continuados:** Puede darse también y sería el más común. Por ejemplo: producción, almacenamiento o comercialización a través de actos sucesivos, periódicos y continuos.

**Permanentes:** Mucho menos posible. Quizá por ejemplo: el almacenamiento de mercancía falsificada.

f) Por Elemento Interno o Culpabilidad.

**Doloso:** Si, especialmente por lo que hace al fabricante o comerciante intermediario (distribuidor, mayorista, *etc*).

**Culposo:** Cabe la posibilidad para el tercero transportista, almacenista o vendedor al menudeo (consumidor), que no conozcan de la conducta ilícita o no tengan previsto perpetrarla. El proveedor de insumos debe hacerlo "a sabiendas".

**Preterintención:** Difícilmente.

g) Por su Estructura o Composición:

**Simples:** Si, es posible la comisión del delito de falsificación por la elaboración de etiquetas de la marca o de la fabricación, proveeduría, transportación, comercialización, etc. Cualquiera de los delitos perpetrados en forma individual.

**Complejos:** No son delitos complejos, en principio. Pero como están redactados podría considerarse que lo son. Especialmente porque pueden realizarse dos o más conductas por el mismo sujeto pasivo (ie: fabricar y comercializar), lo cual produce una situación de mayor gravedad. No hay concurso posible en este delito aun y cuando está fraccionado en tres tipos concretos (Se trata de delitos estrechamente vinculados entre sí).

h) Por el Número de Actos Integrantes de la Acción Típica.

**Unisubstanciales:** Si.

**Plurisubstanciales:** No.

i) Por la Unidad o Pluralidad de Sujetos.

**Unisubjetivos:** Puede serlo.

**Plurisubjetivos:** También puede serlo.

j) Por la Forma de Persecución.

**Querella:** Sí.

**Oficio:** No.

k) En función de la materia. Son federales.

l) Por cuanto a Bien Jurídico Tutelado. Se tutela el bien inmaterial (marca).

### **3. Clasificación del Tipo de Falsificación.**

a) Por su configuración.

**Normales:** No.

**Anormales:** Si. Se necesita interpretación para saber qué es falsificación, especulación comercial, etc. Dichos conceptos son técnicos y complejos en cuanto a su estructuración jurídica.

b) Por su Ordenación Metodológica.

**Fundamentales o Básicos:** No. Sin embargo, todos ellos podrían catalogarse bajo el rubro de delitos contra la propiedad industrial.

**Especiales:** Si. Son delitos especiales.

**Complementados:** No.

c) En Función de su Autonomía.

**Autónomos o Independientes:** Si.

**Subordinados:** No.

d) Por su formulación.

**Casuísticos.** No es respuesta fácil. Pretenden serlo, pero el legislador es tan desordenado y carente de técnica, que como resultado logra que en el mismo tipo (o familia), coexistan elementos casuísticos y amplios. Por ejemplo, "falsificar" es un concepto amplio y "fabricar" o "transportar", etc., son casuísticos.

**Amplios:** En algunos casos pueden ser de "libre" formulación. Ver comentario anterior.

#### **4. Por el Daño que Causan.**

**De daño (o lesión):** No.

**De peligro:** Sí.

### **I. DELITO DE APODERAMIENTO, USO O REVELACIÓN DE SECRETO INDUSTRIAL.**

1. Características del Delito y Tipo de Secretos Industriales.

a) **Sujeto Activo de la conducta:** El que usa el secreto industrial; el que lo revela; el que se lo apodera.

b) **Sujeto Pasivo o Víctima:** El tenedor legítimo del secreto industrial.

c) **Objeto del Delito:** El secreto industrial.

d) **Comportamientos Típicos:** Usar o revelar secretos obtenidos en una relación contractual o que hayan sido objeto de apoderamiento ilícito. Apoderarse de los mismos, para uso o revelación posterior. Todo lo anterior con la finalidad de obtener beneficio económico propio o causar perjuicio al tenedor del secreto.

Siguiendo NAFTA y TRIPS, y bajo la influencia de la legislación de los EEUU, el uso y revelación de secretos industriales constituyen "medios impropios" al igual que el apoderamiento (en inglés "improper means"). En contraposición de los "medios impropios" están los lícitos como la ingeniería de reversa y la creación independiente, los cuales son excluyentes de responsabilidad o de antijuricidad. No hay que perder de vista la naturaleza jurídica del secreto industrial, el cual difiere de otras formas o manifestaciones de creatividad como la patente, *en* cuanto a

que en aquél, la protección atiende a circunstancias de hecho, más que de derecho. A cambio del riesgo, la posibilidad de mantener la protección indefinidamente, mientras el secreto se mantenga con tal carácter. Asimismo, deben considerarse los requisitos legales de los secretos industriales (medios de preservación y ventaja competitiva), difiriendo así de la información confidencial que no encierra un derecho intrínseco. En la praxis, debe determinarse la forma de uso y revelación del secreto y su forma de apoderamiento, para distinguir entre los medios lícitos e ilícitos.

En este tipo de delito el secreto industrial se protege contra el uso que sin consentimiento se hace del mismo. Sin embargo, el secreto se pierde si se revela, por lo que es esta última conducta la que más preocupa tutelar. Es posible reivindicar y restituir al titular cuando solo se produce el apoderamiento y uso, sin revelación. La restitución no es posible cuando el secreto se revela. En *este* caso el daño es irreparable, toda vez que el secreto se pierde. Al revelarse el secreto se divulga y pasa al conocimiento público. Así la protección se pierde.

Cabe preguntarse si dentro del tipo están comprendidas aquéllas conductas relativas al uso o revelación de secretos, producto de apoderamiento ilícito. Queda claro que quien realiza la acción de apoderamiento para uso o revelación comete el delito. Asimismo, queda claro que comete el delito quien usa o revela el secreto que recibió de una relación contractual determinada. La duda es por cuanto al uso o revelación derivados del apoderamiento ilícito.

f) Elementos constitutivos o integrantes del tipo:

**Prevención de Confidencialidad:** En los delitos de uso y revelación.

**Fin o propósito:** El beneficio económico propio o de tercero o de causación de perjuicio al tenedor del secreto. Difícil demostrarlo, aunque debe ir implícito.

g) **Causas de Exclusión:** Consentimiento, empleo de "medios propios", incumplimiento del requisito de prevención o del fin o propósito.

## **2. Clasificación del Delito de Secretos Industriales.**

a) En función a la gravedad del artículo 221 LIP.

**Delito grave:** No.

**Privilegiados:** Si. (art. 224 LIP) Pena de 2 a 6 años de prisión y multa de cien a diez mil días.

b) Según la conducta del agente.

**Acción:** Si.

**Omisión:** No.

c) Por el Resultado que Producen.

**Formales:** No, en esencia. Por sus características y por cuestión de materia son delitos muy particulares. Se requiere la consumación (ie: uso o revelación). Esto los califica como materiales. Sin embargo, dichas conductas deben perseguir la finalidad de "beneficio" o "perjuicio", lo cual se sanciona independientemente de que se materialice o no. El delito de apoderamiento de secretos sí es formal, en virtud de que el apoderamiento debe darse para uso o revelación posterior, lo cual aparentemente queda en el plano de la tentativa, toda vez que no requiere materialización o consumación.

**Materiales:** Si por lo que toca a uso y revelación. No por lo que hace a apoderamiento. Sin embargo, ver comentario anterior.

d) Por el daño que causan.

**De lesión:** El uso, revelación o apoderamiento producen daño directo por sí mismos. Sobre todo la revelación porque ésta provoca que se pierda el carácter secreto o confidencial de la información.

**De peligro:** Mientras el secreto no se transmita a tercero la conducta delictiva será de peligro pues no hay riesgo de que el secreto pierda esa cualidad.

e) Por su duración.

**Instantáneo:** Puede ser. Sobre todo la revelación, en la que la consumación puede ser instantánea con efectos permanentes.

**Continuados:** Puede ser. Por ejemplo, si se usa el secreto en forma periódica.

**Permanentes:** Puede ser. Si se apodera y usa de forma permanente.

f) Por Elemento Interno o Culpabilidad.

**Doloso:** El apoderamiento ciertamente. La revelación y uso también, pues hay que tomar en cuenta que el agente sabe del secreto, pues se le previene.

**Culposo:** Difícilmente, porque la imprudencia o negligencia no son elementos característicos a este tipo de conductas. Sería difícil el que el agente no quiera "usar" o "revelar" o "apoderarse" y si no sabe que la información es secreta, entonces no habría responsabilidad. ¿Podría darse el caso en que el agente debe usar el secreto, pero no querer la revelación y que ésta se produzca aun sin su voluntad? Difícilmente si está bajo aviso, con el que se configuraría la intención.

g) Por el Número de Actos Integrantes de la Acción Típica.

**Unisubstanciales:** Si.

**Plurisubstanciales:** No.

h) Por su Estructura o Composición.

**Simple:** Si.

**Complejo:** Si, por lo que toca al apoderamiento para uso o revelación. Son dos o más delitos dentro del mismo tipo. En este caso la conducta produce resultados de mayor gravedad.

**Preterintención:** Difícilmente.

i) Por la Unidad o Pluralidad de Sujetos.

**Unisubjetivos:** Puede serlo.

**Plurisubjetivos:** También puede serlo.

j) Por la Forma de Persecución.

**Querrela:** Sí.

**Oficio:** No.

k) En Función de la Materia. Son federales.

l) Por cuanto a Bien Jurídico Tutelado. Se tutela el bien inmaterial (secreto industrial).

### **3. Clasificación del Delito de Falsificación por su Tipicidad.**

a) Por su configuración.

**Normales:** No.

**Anormales:** Si. Se necesita interpretar para saber qué es secreto industrial y los medios "propios" o "impropios" para obtenerlo y usarlo.

b) Por su Ordenación Metodológica.

**Fundamentales o Básicos:** No. Aunque pueden agruparse dentro del rubro de los delitos contra la propiedad industrial.

**Especiales:** Si. Son delitos distintos y específicos.

**Complementados:** No.

c) Función de su Autonomía.

**Autónomos o Independientes:** Si.

**Subordinados:** No.

d) Por su Formulación.

**Casuísticos:** Tampoco es respuesta fácil. Pretenden serlo, atendiendo a la especificidad de los conceptos uso, revelación y apoderamiento de secretos industriales.

**Amplios:** No

e) Por el Daño que Causan.

**De daño (o lesión):** Si. Cuando se usa el secreto industrial o cuando se pierde el carácter secreto de la información, por virtud de haber sido revelado.

**De peligro:** Si. Mientras la lesión no se produzca por la pérdida del secreto.

### **K. DELITO DE REINCIDENCIA A INFRACCIONES ADMINISTRATIVAS.**

## 1. Clasificación del Delito de Reincidencia.

a) En función a la gravedad del artículo 221 LIP.

**Delito grave:** No.

**Delitos Privilegiados:** Si. (art. 224 bis). Pena de 2 a 6 años de prisión y multa de cien a diez mil días.

b) Según la conducta del agente.

**Acción:** Si.

**Omisión:** ¿Podría ser por la violación a obligación de hacer? No hay disposición del 213 de la LPI en ese sentido, pero sí podrían encontrarse en la LPI, derivado de la fracción XXV.

c) Resultado que producen.

**Formales:** Hay muchas infracciones de "oferta en venta" o equivalentes, en que se consuma el delito por el simple intento, sin necesidad de resultado material. En reincidencia sería igual.

**Materiales:** En la mayoría de los casos.

d) Por el daño que causan.

**De daño (o lesión):** Si, si causan daño directo.

**De peligro:** puede haberlos ya que en muchas ocasiones la lesión o daño directo no se produce. Por ejemplo, no se consuma la venta de un producto patentado infractor o con una marca similar en grado de confusión.

e) Por su duración.

**Instantáneo:** Puede darse el que los delitos generados de infracciones se consuman en un momento, no obstante se den varios actos para lograr el efecto.

**Continuados:** Puede darse también.

**Permanentes:** Puede darse también.

f) Por Elemento Interno o Culpabilidad.

**Doloso.** Sí.

**Culposo:** No.

**Preterintención:** Difícilmente.

g) Por el Número de Actos Integrantes de la Acción Típica.

**Unisubstanciales:** No.

**Plurisubstanciales:** Sí. Es un delito plurisubstancial, según Soler y Castellanos Tena. Esa es su principal característica.

h) Por la Unidad o Pluralidad de Sujetos.

**Unisubjetivos:** Puede serlo.

**Plurisubjetivos:** También puede serlo.

i) Por la Forma de Persecución.

**Querrela:** Sí.

**Oficio:** No.

j) En función de la materia. Son federales.

k) Por cuanto a Bien Jurídico Tutelado. Se tutela el bien inmaterial protegido por la LPI.

## **2. Clasificación del Tipo de Reincidencia.**

a) Por su configuración.

**Normales:** No.

**Anormales:** Posiblemente todos.

b) Por su Ordenación Metodológica.

**Fundamentales o Básicos:** No. Aunque pueden agruparse dentro del rubro de los delitos contra la propiedad industrial.

**Especiales:** Sí. Son delitos distintos y específicos.

**Complementados:** No.

c) En Función de su Autonomía.

**Autónomos o Independientes:** Si.

**Subordinados:** No.

d) Por su formulación.

**Casuísticos/Alternativos:** Podría haberlos.

**Casuísticos/Acumulativos:** Si

**Amplios:** No.

e) Por el Daño que Causan.

**De daño (o lesión):** Si.

**De peligro:** Pueden serlo.

#### **IV. BREVES COMENTARIOS SOBRE ASPECTOS PROCEDIMENTALES.**

1. De conformidad con los principios del derecho penal sustantivo y adjetivo, la función del Ministerio Público es la aplicación de la normativa penal, cuya aplicación es de carácter estricto. Por cuanto al derecho adjetivo, el procedimiento penal está regido por diversas etapas, las cuales deben agotarse a fin de acreditar los elementos del tipo y la probable responsabilidad del inculpado sobre el ilícito.

2. De esta forma, el procedimiento comienza con una Averiguación Previa, la cual a su vez inicia por virtud de querrela de parte agraviada u ofendida -así es el caso de todos los delitos de la LPI-.

Ello obliga al querellante a acreditar, en forma idónea, la titularidad del derecho y la personalidad de quien comparezca.

3. Cabe la pregunta sobre si este tipo de delitos debieran ser de oficio, sobre todo aquellos que la LPI considera graves. Hay razones jurídicas y prácticas que apoyan que el delito sea de querrela. Entre otras, el legislador tiene facultad para establecer cuando el delito interesa más a la sociedad para perseguirse de oficio. También puede elegir la persecución de querrela, no obstante el interés social. El que sea grave no representa una condicionante en el cómo debe perseguirse.

4. Lo que debe tenerse en cuenta es el que por ser delito de querrela:

a) En caso que ésta se formule por medio de representante, éste debe contar con poder general con cláusula especial.

b) La prescripción para presentación de la querrela se considera dentro del plazo de un año de artículo 107 del Código Penal. Ello si se considera que la "ley" (¿la LPI?) no "previene", especifica y expresamente, "otra cosa" (porque no dice nada). Por otra parte, la prescripción de las diversas acciones penales relativas a delitos de la propiedad industrial se rigen por lo dispuesto en los artículos 104 y 105 del Código Penal, referidos al término medio aritmético, con un mínimo de 3 años. Por lo demás, el artículo 102 es aplicable en cualquier caso, para establecer el cómputo del plazo de prescripción, según se trate de delitos de efectos instantáneos, continuos o permanentes.

5. El Agente del Ministerio Público Federal -por lo general integrante de la fiscalía de delitos de propiedad intelectual-, inicia la indagatoria, por virtud de la querrela formulada por parte ofendida, una vez ratificada. Para ello debe allegarse de las pruebas que le permitan determinar dos situaciones fundamentales y que constituyen la finalidad de su función indagatoria:

a) la adecuación de conducta (s) a un tipo delictivo en particular;

b) uno o más presuntos responsables de la comisión del delito.

6. Las pruebas pueden consistir en documentales y testimoniales (sin pretender ser restrictivos), las cuales por lo general, son aportados por la parte ofendida. Como factor determinante, deben considerarse las circunstancias de tiempo, modo y lugar, en virtud de las cuales acaecieron los hechos. Con antelación se dijo que por ser delitos de querrela, recae sobre el ofendido la carga de acreditar la titularidad del derecho y la protección jurídica del bien tutelado. Respecto de las marcas y otros derechos que se constituyen por virtud de registros, se presentan los títulos correspondientes. Por lo que hace a secretos industriales, "trade dress" y demás figuras sobre las que no recae registro, deben presentarse los elementos idóneos para demostrar su existencia, protección y titularidad. Al efecto, las pruebas pueden ser muy variadas; por ejemplo: contratos, bitácoras, inspecciones, testimoniales, etc; que para el caso del delito de secretos industriales,

resultan esenciales para acreditar su existencia, preservación y el acceso limitado a terceros. Lo mismo para acreditar la existencia del secreto mismo, lo cual incluso puede llegar a implicar el que, por su carácter confidencial, deban adoptarse las medidas pertinentes para mantener la confidencialidad. Esto sobre todo, si intervienen peritos en el curso de la averiguación o causa.

7. Una vez acreditados los presupuestos básicos o fundamentales de la acción, la parte ofendida procede a acreditar los hechos que se imputan a la presunta trasgresora. Para ello puede servirse de documentales, testimoniales (directos) y demás medios probatorios idóneos a su alcance, los cuales deben ser ofrecidos y posteriormente, desahogados y valorados en términos de ley.

8. La indagatoria puede requerir de información (documentos o pruebas físicas) en posesión de la presunta trasgresora. Asimismo, podrá requerir de la imposición de medidas a través del aseguramiento de bienes (objetos, instrumentos o productos del delito). Ello con la finalidad de hallar la prueba o preservarla, impedir la perpetración del ilícito o garantizar la reparación del daño. En estos casos, el agente del MP, puede actuar mediante visitas ministeriales o cateos. En este último caso, requiere la autorización de juez. Para tal efecto, presenta una solicitud al juzgado, acompañando los elementos que permitan demostrar la existencia de elementos probatorios, al menos presuntivamente (artículo 63 del Código Federal de Procedimientos penales). El juez debe valorar dichos elementos y en breve -incluso la ley le impone término de 24 horas en delitos graves-, debe pronunciarse sobre el otorgamiento del cateo. Puede condicionar la realización del cateo, atendiendo a criterios diversos o estableciendo limitaciones por cuanto a la temporalidad, entre otros. Una vez obtenida la orden de cateo, el agente del MP podrá ejecutarlo, para lo cual se apoya en la policía judicial y por lo general, la coadyuvancia de la parte ofendida.

9. Uno de los aspectos sensibles de la etapa de averiguación lo representa la guarda o custodia de los bienes asegurados y el dictamen técnico que se realiza sobre éstos. Todos estos constituyen actos resultantes del aseguramiento de los bienes, los cuales, después de circunstanciada el acta correspondiente, se ponen a disposición de la unidad de la PGR encargada de este rubro. Dicha unidad cuenta con servicios de almacén y depósito y realiza el control de los mismos. El

agente del MP puede designar depositario al representante de la parte ofendida, contando por supuesto con la anuencia de éste. El instructivo 03/93 del Procurador de la República (DO del 27 de Octubre de 1993), representa el único fundamento normativo que rige la práctica de custodia.

10. El MP federal recurre con frecuencia a la prueba pericial. Esta consiste, por lo general, en análisis de tipo técnico –para determinar las cualidades técnicas de un secreto industrial, por ejemplo- y en materia de propiedad industrial. Lo anterior significa que el agente no realiza por sí mismo la tarea "jurídica" de evaluar los puntos relativos a la materia substantiva, lo cual resulta desconcertante, sobre todo en tratándose de agentes del MP "especializados" en dichas disciplinas. La PGR cuenta con un equipo de peritos en materia de propiedad intelectual, a quienes recurre el agente del MP, a fin de solicitar su opinión. Dicha opinión se efectúa en forma de dictamen, consistiendo por lo general, en un pronunciamiento en el fondo del caso. La mayoría de las veces, el dictamen de peritos internos es considerado por el agente del MP como elemento fundamental y determinante de su postura, constituyendo por lo tanto, la base de la acción penal.

11. Una vez integrados todos los elementos correspondientes a la indagatoria, corresponde al agente del MP pronunciarse respecto del ejercicio de la acción penal o por lo contrario, el no ejercicio, basado en la carencia de elementos o de elementos suficientes para proceder a tal acción. Asimismo podrá hacer un envío de la indagatoria a la reserva, en caso de concluir que existen elementos pendientes por desahogar, los cuales no están al alcance de la parte ofendida. El éxito de la averiguación radicará así en lo bien integrada que se encuentre en esta etapa, especialmente por las pruebas ofrecidas. Sólo una averiguación integrada con solidez podrá resistir las múltiples objeciones que recibirá durante el proceso penal.

### **III. Los delitos en la Propiedad Industrial en el Derecho Mexicano**

#### **A. Los Delitos de la LIP. 3 Grupos Básicos.**

1. Delitos enfocados a la "falsificación de marcas".

a) Falsificación de marcas “con dolo y fin de especulación comercial” (art 223 II). ¿Cuál es la diferencia entre esta fracción (falsificación de marca) y las demás del 223?

b) Producción, almacenamiento, transportación, importación o venta (de intermediación) “con dolo y fin de especulación comercial”, de “objetos” que ostentan marcas falsificadas (art 223 III).

c) Proveeduría de insumos o materias primas “a sabiendas” para la “producción de objetos” con marcas falsificadas (art. 223 III).

d) Venta al consumidor en vía o lugares públicos “con dolo y fin de especulación comercial” (art. 223 bis).

e) Venta al público en establecimientos comerciales o de manera “organizada” o “permanente” (art. 223 bis).

## 2. Delitos contra secretos industriales.

a) Por la apropiación o apoderamiento indebido de secreto industrial, sin derecho o consentimiento, para uso o revelación posterior y para obtener beneficio económico o causar perjuicio (art. 223 V).

b) Por la revelación a terceros de secreto industrial que se conozca por trabajo, servicios o licencia, sin consentimiento, bajo prevención y para obtener beneficio económico o causar perjuicio (art. 223 IV).

c) Por el uso de secreto industrial obtenido bajo relación contractual (de servicios de trabajo o por licencia), sin consentimiento, bajo prevención y para obtener beneficio económico o causar perjuicio (art. 223 VI).

## 3. Delitos por reincidencia de infracciones administrativas.

### **B. Sanciones y penalizaciones de los delitos de la LPI.**

#### I. Delitos enfocados a la “falsificación de marcas”.

a) Falsificación de marcas (art. 223 fr. III). Delito grave. Aplicable penalidad del artículo 224, segunda parte de la LPI: tres a diez años prisión y multa de dos mil a veinte mil días.

b) “Producción”, almacenamiento, comercialización, etc. de “objetos” con marcas “falsificadas” (art. 223 III). Delito grave. Misma penalidad.

c) Proveeduría de insumos (art. 223 111). Delito grave. Misma penalidad.

d) Venta en lugares o vías públicas (art. 223 bis). Delito atenuado o privilegiado. Aplicable el artículo 223 bis: dos a seis años de prisión y multa de cien a diez mil días.

e) Venta al público en establecimientos comerciales (art. 223 bis). Delito atenuado o privilegiado. Aplicable el artículo 223 bis, que a su vez remite al 223 y 224, sin especificar la fracción. Al haber dos distintas penalidades en el 224, resulta obscuro y ambiguo saber cuál debe considerarse en estos casos ¿Será la más baja: dos a seis años?

## 2. Delitos contra los Secretos Industriales

a) Apropiación o apoderamiento (artículo 223 V). Delito atenuado. Aplicable la penalidad del artículo 224, primera parte de la LIP: dos a seis años de prisión y multa de cien a diez mil días de salario.

b) Revelación (artículo 223 IV). Delito atenuado. Misma penalidad.

c) Uso (artículo 223 VI). Delito atenuado. Misma penalidad.

## 3. Delitos de Reincidencia.

**Delitos atenuados.** Aplica también la penalidad del artículo 224, primera parte de la LIP: dos a seis años y multa de cien a diez mil días.

## **MEXICO MOVES TO IMPROVE PHARMACEUTICAL PRODUCT REGISTRATION PROCESS**

*Asia Law IP Review, January/February 2004.*

**A lack of coordination between Mexico's Ministry of Health and the Mexican Institute of Industrial Property has meant pharmaceutical product registration headaches for multinational drug laboratories for years. But recently published amendments look set to provide at least a partial cure.**

On September 19 2003, a decree amending the Regulations of the *Health Law* (Health Law Regulations) and the *Regulations of the Law on Industrial Property* (Regulations to the LIP) was published in the Official Gazette of the Federal Government of Mexico. The purpose of the amendments is to establish coordination rules between the Ministry of Health and the Mexican Institute of Industrial Property (IMPI), in connection with the granting of pharmaceutical product registrations for marketing approval, when the making and/or selling of said product might trigger the infringement of a patent.

### **Product registration**

Under the amendments, applicants for product registrations relating to "substances or active ingredients" will have the obligation to indicate if they own a patent or have a licence for the product. In the event that an applicant does not have a patent or a licence, it will be required to declare under oath that the product (substance or active ingredient) is in "compliance with the patent laws". In such cases, the health authorities will request technical assistance from the IMPI, which will carry out a patent clearance procedure within 10 working days. If the IMPI search reveals that the product subject to the registration falls within the scope of any patent, the Ministry of Health will give the applicant a chance to show that it has a right to make and sell that product. In the absence of convincing evidence, the application will be dismissed.

A party will be entitled to apply for registration of a product relating to a "substance or active ingredient" covered by a patent owned by another party, if the application is filed no more that three years before the expiration of the patent. This provision, supported by the "Roche Bolar Exception" theory, would allow the applicant to start performing tests

and experiments in order to be ready to enter the market as soon as the patent has expired. Obviously, the Ministry of Health will not grant the product registration until the expiration date of the relevant patent.

The amendments to the Regulations to the LIP will impose upon the IMPI an obligation to publish a special gazette that lists those patents relating to allopathic drugs, and their correspondence to a non proprietary name. This special gazette will include patents that cover "substances or active ingredients", but exclude other types of patents such as those covering processes.

### **Benefits to patents owners**

The newly adopted regime will be of benefit to patent owners. Under Mexican health laws, laboratories are required to have a registration to make or sell a medical product, including any sales made to the government by virtue of a tender or otherwise. Product registrations are thus of great importance. In the past, the Ministry of Health issued a number of registrations relating to products covered by patents to parties other than the patentee, producing confusion or conflict. Laboratories having a registration had considered themselves eligible to manufacture and sell a product, regardless of whether such action could lead to the infringement of patent rights. However, holders of patents expressed their understandable disappointment that the Mexican government was issuing registrations relating to patented products, when such registrations were being used as vehicles for infringing patent rights. The fact was that the Ministry of Health was granting registrations for products without checking with the competent authorities to determine if the marketing of the products would lead to an infringement of patent rights. Patent owners were thus require to bring costly court actions that clearly could have been avoided.

Protests by multinational laboratories were elevated to a governmental level under the framework of international treaties such as the North American Free Trade Agreement and the Agreement on Trade related Aspects of Intellectual Property Rights. Mexico was, in fact, included in the Special 301 Watch List of 2003 largely on the basis of this very issue-the result of a lack of coordination between the health authorities and the IMPI, and the related problem of the protection of confidential information submitted to the Ministry of Health by patent owners in

order to obtain product registrations of their own. The decree of amendment under discussion is being routed as a positive response by the Government of Mexico to the protests of multinational companies as well as certain governments, particularly US government.

### **Outstanding issues**

As mentioned above, the steps taken by the Government of Mexico to resolve this issue can undoubtedly, be regarded as good ones. That said, however, there are still issues that are likely to require further analysis. For example, the language “substances and active ingredients” is vague since it would appear to indicate that the coordination system will only apply in cases where products infringe patents protecting molecules. Similarly, the amended provision does not properly address the topic of the protection of dossiers containing confidential data on innovative products and, as a result, Mexico could still be defaulting on obligations imposed by international treaties.

The limited time allowed for the IMPI to respond to the queries of the Health Department is also worrying. It will be extremely difficult for IMPI to meet these deadlines, and failure to do so could become problematic as the provision implies that in such cases the product registration will be granted as if there was no relevant patent.

Lastly, the Health Law Regulations now state that the patent licences that applicants rely on in seeking approval for product registrations must have been recorded with the IMPI and that such applications will be refused if the licence has not been so recorded. Laboratories – especially those that have licensed their patents to a subsidiary or other licensees – are thus strongly encouraged to keep this requirement in mind since failure to record their patent licences could create problems when filing applications for product registrations.

## **INTERNATIONAL PROTECTION FOR TEQUILA**

*Trade Mark Yearbook 2002, Managing Intellectual Property.*

In Mexico, certain types of geographical names are protected by the concept of appellations of origin. This protection is provided for in the Mexican Law of Industrial Property. Article 156, which reads:

Understood as an appellation of origin is the name of the geographic region of the country which is used to designate a product that originates there, and the quality or characteristics of which are due exclusively to the geographic medium, which includes natural and human factors.

This definition is compatible with that set forth in Article I of the Lisbon Agreement for the Protection of Appellations of Origin and their international registration.

The protection of a geographic name as an appellation of origin may be requested by persons or corporations devoted to the production or manufacturing of the product, by the chambers or associations of manufacturers or producers, by the agencies or entities of the federal government and by the entities of the federation, under Article 158 of the Industrial Property Law. The Mexican government will analyze the application in order to determine whether it fulfills the principles and standards of the Lisbon Convention and the Mexican Industrial Property Law. If the government finds that the name could indeed qualify for the protection it will proceed, declaring it accordingly.

Under the Mexican Law, the title holder of the appellation of origin shall be the Mexican state, the use of the same being regulated by the following entities.

### **Mexican Institute of Industrial Property**

- In charge of stating the protection of a given appellation of origin.
- In charge of the registry of said appellation in coordination with the Ministry of Foreign Affairs, which is in charge of obtaining its recognition in foreign countries under international treaties.

- In charge of granting authorization for the use of a specific appellation, to persons or companies which produce the product within the region.

### **Standards and normalization buro**

- Sets forth the standards (NOM or official regulations) for the creation of regulatory councils or associations devoted to the monitoring of the manufacturing of a specific appellation of origin.

### **Regulatory councils or association**

- In charge of testing the product for the required quality, assuring that such quality is observed during the manufacturing process.
- In charge of supervision as verifying organisms, designated for the testing of the product from every producer.

The Mexican government has protected a number of appellations of origin, duly declared by the Mexican Institute of Industrial Property (IMPI). "Tequila" is the most important among them, as it is a leading product in sales in Mexico and in exports, with a great recognition from international consumers.

### **Tequila**

The authorized use of the appellation of origin Tequila is obtained through the filing by the interested party of an applicant before the Institute, proving that he devotes himself to the manufacturing of the protected product, within the protected territory established for that purpose, complying with the standards set forth by the NOM or by the official regulations.

The right to use the appellation may be transmitted through the registration of an agreement between the user designated by the government and its distributor or marketers, before the Institute. After proving that the authorized user complies with the terms and conditions provided by the law, the user may, in turn, authorize the use of the appellation to distributors or marketers of the products of its trade marks.

The entity designated to control the commercialization of Tequila is the Tequila Regulatory Council which is in charge of:

- Ensuring the compliance of the NOM-Tequila through verification.
- The guarantee to the consumer that the product is genuine.
- Certifying the compliance with the NOM-Tequila, safeguarding the appellation of origin in Mexico and foreign countries.

### **International Conflict**

Since at least six or seven years ago, Tequila has increased in popularity, not only at the national level, but also in the export market.

This fact has caused the emergence of new Tequila manufacturers both in the territory authorized by the appellation and in territories of other countries such as South Africa and Japan, among others, which do not recognize the right Mexico has in the use and sale of the product.

### **Insufficient Protection**

As mentioned above, the specific provisions for the protection of appellations of origin in Mexico are based essentially on the principles of the Lisbon Agreement for the Protection of Appellations of Origin and their international registration, published in the Federal Official Gazette dated December 31, 1962.

Said agreement states that the countries will agree to protect in their territories the appellations of origin of products of the other countries of the Union, through registration in the international office designated by the agreement for such purpose.

Unfortunately, there is a problem for which the protection of the Lisbon Agreement does not comply with the needs of a whole international protection. This is due to the number of signatory countries that, until October 25, 2001, were only 20.

The lack of participation of more countries in this Agreements has three causes. First, the lack or pressure by the bodies defending intellectual property rights to countries whose laws do provide for the concept of appellation of origin but for some reason do not wish to be members of the agreement. Pressure could be exerted through the exchange of

commercial benefits in agreements of greater magnitude, as has occurred in the past in agreements among countries which are members of free trade agreements or agreements similar to TRIPs.

Second, what some nations intend by not signing the Agreement of Lisbon is to manufacture specific appellations of origin within their territories. According to their criteria, they possess the geographic characteristics required for the manufacture of a given product, along with the fact that said product may provide the region or the entire country with an income.

Finally, another reason why some countries do not subscribe to the Lisbon Agreement is because their laws do not provide for the concept of appellation of origin, but their protection is based on similar figures with some different characteristics, such as the geographic indication. This difference means that a clause accepted as indispensable for the protection of an appellation of origin be contradictory and harmful for a nation with a differently protected figure.

### **Geographic indication**

Accordingly to Article 22 of TRIPs, a geographical indication is that which identifies a product as originally coming from the territory member of a region or locality of this territory, when a given quality, reputation or feature of the product is essentially imputable to its geographic origin.

Even if the principle of appellation of origin and geographic indication are very similar figures, the concept of the latter is much broader since it allows greater interpretations, therefore adapting to a greater number of laws in various countries, without infringing the essential principles thereof.

### **Protecting Mexican Appellations of origin in foreign countries**

As we have mentioned before, the need for the Mexican government to protect appellations of origin, specially Tequila, has become an urgent issue. This is due to commercial globalization and the increase in media allowing far-reaching advertising for a product, which leads to the need to adapt the Mexican legislation to an international framework. An example of this could be the geographic indication.

Even if it is true that after the execution of TRIPs, the Law of Industrial Property was examined so as to include the basic concepts of said agreement, no change was made.

With the purpose of wholly protecting, its appellations of origin, Mexico has subscribed to agreements such as TRIPs and NAFTA, which base their rulings in the concept of geographic indication.

These treaties have recognized the protection of indications of origin as known in the Madrid Agreement dated April 14 1891, and which reads as follows:

(An indication of origin) is every sign used with the purpose of indicating the place of manufacture, obtention, extraction and collection of a product, regardless of the quality or features of said product or who produces it.

From the above-mentioned analysis of the international treaties, it can be deduced that even though the name tequila is well protected in the corresponding chapter of the Industrial Property Law, the fact that the agreement has only 20 members can be regarded as a disadvantage. It is therefore extremely important that Mexico places more emphasis on the system of geographical indications, so that it can harmonize standards with the other member countries of NAFTA and TRIPS and really benefit from this form of protection.

## **THE ROAD TO HARMONIZATION**

*Managing Intellectual Property, October 2001.*

**Following the signing of a trade agreement with the EU, Mexico has become one of the most open economies in the world. Luis C Schmidt explains how the country has updated its IP Protection to meet the challenge.**

During the past decade Mexico has signed a larger number of free trade agreements than any other country in the world. From a very close and protectionist system, Mexico has become one of the most dynamic and open economies in the world. This process has been reflected in an increasing number of international trade operations with its new free trade partners, both as an importer and exporter of a great diversity of products and services. For example, with its partners to the north Mexico has been gaining much in commercial transactions. The US represents Mexico's principal trading partner, while Mexico constitutes the US's second partner, after Canada. With respect to Canada, a stronger and more important commercial relationship has developed in recent years. Commerce with these two countries represents 83% of total trade for Mexico. The steps taken by Mexico towards free trade were originally inspired by the principles of the General Agreement on Tariffs and Trade (GATT), based on market economy concepts as well as international trade. Accordingly, free trade was viewed as the best alternative and ultimate solution to fight against the social and economic disadvantage that the country had faced in the past. In keeping with this, the government of Mexico signed the following free trade treaties:

- Agreement with Chile, executed on September 22, 1991: in force in Mexico since January 1, 1992.
- Agreement with Canada and United States of America (also known as "North American Free Trade Agreement" or "NAFTA"), executed on September 22, 1991: in force in Mexico since January 1, 1992.
- Agreement with Colombia and Venezuela (also known as "Group of Three" or "G3"), executed in June 1994: in force in Mexico since January 1, 1995.

- Agreement with Costa Rica, executed on April 5, 1994: in force in Mexico since January 1, 1995.
- Agreement with Bolivia, executed on September 10, 1994: in force in Mexico since January 1, 1995.
- Agreement with Nicaragua, in force in Mexico since June 1, 1998.
- Agreement with Israel, in force in Mexico since July 1, 2000.
- Agreement with Honduras, El Salvador and Guatemala, executed on May 10, 2000: in force in Mexico since January 1, 2001.

Mexico has not only benefited from NAFTA but from the other free trade agreements as well. The opportunities for the country's growth based on international trade have become valuable ever since.

### **Free Trade Agreement with the European Community**

Mexico established formal international relationships with the European Union at the beginning of the 1990s. Discussions started in 1992 after a request by the Mexican government. Prior to that, the European Union and Mexico had executed two cooperation agreements in 1975 and 1991, which helped the parties to foster stronger relationships in various fields, such as culture, human rights and trade. Accordingly, in 1995 the European Community and member countries on the one hand, and Mexico on the other, signed a joint declaration by which they would take all the steps necessary to prepare and execute a new agreement broader in scope (Joint Declaration of Paris of May 2, 1995).

This declaration led to discussions and negotiations resulting in the Ec

**Mexico and TRIPs.- Mexico has actively promoted intellectual property protection and has been a participant in the setting up of a system protecting IP rights internationally. Regarding free trade, Mexico has stepped on the forefront as an unquestionable leader, and NAFTA is the best example of that. The Mexican government accomplished a complex and extraordinary international agreement with its neighbours to the north. Intellectual property was of course one of the important topics that came out of the agreement. And circumstances appeared not to be initially in favour of Mexico as, in the past, it had**

**lagged behind in providing adequate means for protecting and enforcing intellectual property rights. TRIPs was certainly supported by the Dunkel Text, published by the GATT office – now the World Trade Organization – on December 20, 1991. It was at the same time inspired by the discussions held at the Uruguay Round of GATT. However, NAFTA negotiations went much faster and were finished long before TRIPs, in 1993. To a certain extent, NAFTA established superior standards to those of TRIPs. In line with the above, Mexico implemented NAFTA provisions before TRIPs became a reality. As a matter of fact, the Mexican Industrial Property Law of 1991 had already introduced certain provisions that would later become standards of NAFTA (Law for the Promotion and Protection of Industrial Property, published at Official Gazette of June 27, 1991). However, it was with the amendment of 1994 that Congress made a full implementation of NAFTA standards into the national law.**

onomic Partnership, Political Coordination and Cooperation Agreement between the European Community and member states on the one hand, and the United Mexican States on the other. The terms of this agreement were adopted on June 12, 1997, and signed on December 8, 1997, in Brussels. This basic agreement was approved by the Mexican Congress on March 20, 2000 and was published in the Official Gazette of June 26, 2000. On May 6, 1999 the European Parliament approved it as well. Member states have already ratified it or are in the process of doing it. The new agreement, in force since March 1, 2001, is comprehensive as it covers various topics including trade, following the trends imposed by the cooperation agreements of 1975 and 1991.

A further Interim Agreement was executed between the parties on December 8, 1997. The parties thought about the need to give strength to the commercial aspects of the underlying agreement. Likewise, the considered important that this portion of the basic “economic” agreement (or Global Agreements as the Interim Agreement calls it) should be independent somehow, so that it could pass more quickly through the parliament of each of the member countries. Lastly, on December 8, 1997, the parties executed Agreed Statements concerning certain provisions of the Global Agreement.

The Global Agreement can be regarded as the background of what would later become the Free Trade Agreement between Mexico and the European Community. A free trade agreement was in the end something tangible and possible. First of all, the scope of the Global Agreement was broad enough already, so that an upgrade could be discussed. The three sections of the Global Agreement, the promotion of the political dialogue, the reinforcement of bilateral cooperation, and the liberalization of trade and services, will bring an unprecedented dynamic to the relationship. In trade-related matters, it laid the basis for the negotiation of the Free Trade Agreement between Mexico and the European Union; it provides for a complete elimination of tariffs on industrial products, by January 1, 2007 at latest, seeks to take full advantage of complementary export interests in the agricultural sector, establishes a legal framework for the liberalization of the services market, the promotion of direct investment flows, the protection of intellectual property rights, the opening of government purchases, and the settlement of trade disputes.

Second, the relationship between the parties had reached a significant level of maturity, in virtue of the previous agreements executed. Third, Mexico had showed visible improvements from the political and economic stand points, by having among others entered into other free trade agreements such as NAFTA. Lastly, upgrading the previous agreements to the status of a free trade agreement was a strategic move for both parties, considering the proximity of Mexico to one of the largest markets in the globe: the US.

Free trade negotiations between Mexico and Europe went effectively and rather speedily. A group of experts was formed consisting of government officials representing both parties as well as their advisers, having met in Brussels and Mexico City on various occasions. Members of the group were already experienced negotiators, which made things easier. Common objectives were established from the very beginning as well. Accordingly, the hard issues were reduced to just a few, and were indeed not difficult to resolve.

### **IP Provisions in the Free Trade Treaty**

The Global Agreement includes certain provisions on intellectual property rights. The purpose was to recognize the parties' willingness

effectively to protect intellectual property by procuring all means appropriate to fulfil that purpose. International rules and standards of the highest level were adopted for that end, including the means to enforce rights (Article 12 (1) of the Global Agreement). The "Joint Council" would thus implement:

(1) A consultation mechanism with a view to reaching mutually satisfactory solutions in the event of difficulties in the protection of intellectual property (Article 12 (2) (a) of the Global Agreement).

(2) The detailed measures to be adopted in pursuance of the objective set out in paragraph 1 of article 12, taking into account in particular the relevant multilateral conventions on intellectual property (Article 12 (2) (b) of the Global Agreement).

The "Interim Agreement" broadly reproduced the wording of article 12 of the "Global Agreement". The joint statement on the importance of intellectual property was transported to the Interim Agreement (Article 6 (1)). The same was made as to the compromise of the parties to set a Joint Council as a body for dispute resolution (Article 6 (2)). The Agreed Statements did indeed cover article 12 of the Global Agreement. Accordingly, it was stated that the parties to said instrument would seek to obtain, through negotiations, that measures are adopted in the field of intellectual property looking at the globalization of commerce in goods and services (Joint Declaration 3 (1) and (2)). Additionally, the European Community and member states made a unilateral declaration on what they would understand for "relevant multilateral conventions" on intellectual property as set forth in article 12.2 (b) of the Global Agreements. These include the Berne Convention, Rome Convention, Paris Convention, Patent Cooperation Treaty, Madrid Agreement and Protocol, Nice Agreement, Budapest Agreement, U.P.O.V. (Geneva Act) and the Trademark Treaty.

Article 12 of the Global Agreement was fully reproduced in the text of the Free Trade Agreement (Article 12). Likewise, the Free Trade Agreement devoted title IV to intellectual property protection, by which parties thereto would confirm their commitment to treaties such as TRIPs; Paris Convention (Stockholm Act of 1967); Berne Convention (Paris Act of 1971); Rome Convention; Patent Cooperation Treaty; and UPOV. The parties would additionally take all steps necessary for joining

the Nice Agreement, the Budapest Agreements; and the WIPO treaties on Copyright and Performers Rights and Phonograms (Article 36 (1) to (5)).

The importance of TRIPs has been recognized expressly in a key provision of the Free Trade Agreement between EC and Mexico. This Agreement regards TRIPs as a principal standard to follow in terms of intellectual property protection (Article 36 (I) (a)). And that means that national laws need to comply with the principles of TRIPs.

### **TRIPs compliance**

After completion of TRIPs, the question was raised whether the amendment of 1994 to the Industrial Property Law would have complied with the provisions of this latter treaty or if a further change was required. The Mexican government reached the conclusion that no changes were needed as the reform of 1994 was made having both agreements in mind.

What is true is that, in general terms, Mexican law conforms with the standards of the TRIPs agreement. This is equally certain regarding patents (including industrial designs and trade secrets), trade marks (including geographical indications) and copyright (including neighboring rights). There are however, examples of conflicts between provisions of Mexican law and the standards of TRIPs. It sometimes could be found as well that there are lacunae in the domestic laws of the country wherein in theory, a treaty provision should have been implemented. Legislators for different –and some- times unknown –reasons do not promote full or adequate implementation of treaties into national laws. Implementation may trigger contradiction between treaties and laws as well. Conflicts of laws have brought the most challenging questions for the courts. Different criteria have ruled throughout times; however now, by virtue of recent jurisprudence, the Supreme Court has recognized that treaty provisions can be self-applicable, including those of public international agreements. It also sustained that treaties can supersede federal laws, in that the treaties would prevail in the event of a conflict (Supreme Court Resolutions published at *Gaceta Semanario Judicial de la Federación*, Tomo X, November 1999, Tesis P.LXXVII/99, page 46).

## **Patents**

In patents, restrictions under the Law on Industrial Property have been lowered to a minimum. Essentially, biological processes and material as found in nature are excluded expressly (Article 16 (I) and (II)). Software and business methods are excluded from protection as well. Article 19 (IV) states: "For the purpose of this law, the following shall not be deemed to be inventions: ... computer software" and Article 19 (III), extends the restriction to "schemes, plans, rules and methods for carrying out mental acts, games or business and mathematic methods".

It is clear that the law extends protection to biotech products and processes. In contrast, the software and business method exclusions of the Industrial Property Law have been the subject of discussion in view of the broader scope of TRIPs. Debate has been triggered as to whether the software bar would be extended to program-related inventions, when they meet eligibility criteria.

The same question has been asked for business methods. The trend would appear that patents are not available for business methods *per se*, but when used as vehicles of a further invention (the Mexican Patent Office has granted numerous patents using this criteria). On the other hand, provisions on patentability of software and business methods could be an attempt to meet TRIPs standards. The conflict of laws should however, under the recent Supreme Court resolutions, be resolved by allowing patentability of software and business method inventions without application of the exclusion provision in the national law.

## **Trade marks and geographical indications**

As in the case of patents, there are in trade marks practically no loopholes or contradictions between TRIPs and the Law on Industrial Property. Mexico is a member of all the major treaties in the fields of trade marks, except one: The Madrid Agreement and Protocol. This treaty was however not referenced in the Free Trade Agreement, due to the strong objections made by the Mexican government regarding constitutionally, among other things.

The Industrial Property Law imposes on a registrant an obligation to record trade mark licences so that they can produce effects against third

parties and they do not become exposed to cancellation actions (Articles 130 and following). The Patent Office has cancelled dozens of registrations, basing on the legal argument that a trade mark cannot be regarded in use when it has been made by a licensee and the licence was not recorded. Use made by unrecorded licensees would have simply not inured in the benefit of registrant.

The above rule was reversed in a recent court ruling in which the District Court relied upon a provision of TRIPs (*S C Johnson and Son, Inc., et al v Industrias H24, S.A. DE C.V.*, IMPI PCs number 361/2000 (1-349) 05326 1 and 05337 1; District Court resolution number 182/2001 of August 10 2001 (unpublished); the District Court resolution has been challenged before the circuit courts, but it looks rather unlikely that criteria based on a Supreme Court jurisprudence will be overturned). In that case the Mexican Institute of Industrial Property (IMPI) declared cancellation of the trade mark registrations used by the plaintiff as the standing of an original infringement action –this was based on a counter-claim brought by the defendant. The reason was, among other things, that as a licence had not been recorded, use made of the marks by the licensee could not have benefited the plaintiff/registrant, in terms of the Industrial Property Law. The District Court disagreed with the resolution of IMPI, as (in accordance with TRIPs) licence records are not compulsory. The value of this sentence is that for the first time in intellectual property litigation a Federal Court, by having relied on the jurisprudence of the Supreme Court, upheld the hierarchical superiority of a treaty provision over federal law.

Geographical indications is an exciting field with a lot of complexities. Mexico is a member of the Lisbon Convention and protects four appellations of origin, namely Tequila, Mezcal, Olinalá and Talavera. All four are geographic names used to designate products originating in these regions. Naturally, the law on Industrial Property provided rules for protecting appellations of origin (Articles 156 and following) and for authorizing its use by producers, bottlers or distributors (Article 169 and following). Likewise, the statute grants actions against the use of geographical names as false indications of origin (Article 213 (IX) (d)). Concerning geographical marks, the law considers them registrable provided that they do not mislead the public into believing that the

product in question originated in an area other than the true place of origin (Article 90 (X) and (XI)).

Mexico has not recognized the notion of geographical indications as stated in TRIPs. Congress did not implement the TRIPs provisions on geographical indications. That would initially appear to be irrelevant as Mexico already protects appellations of origin and indications of source. The law however could be an attempt to meet TRIPs as not every geographic name is an appellation of origin and still could be entitled to protection as a geographical indication. As to geographic marks, Mexican law does not make the TRIPs distinction of indications in general and indications of wines and spirits. Mexican law would accordingly require that in order for a geographical mark to be refused it would have to be shown that it is "misleading" to consumers (TRIPs Article 23). Even the United States has made that change in domestic laws, by amending Section 2 (a) of the Lanham Act, providing a solution and relief to the conflict. As contradiction is evident, an amendment to the federal statute looks advisable. However, as in the case of trade marks, the Court rulings on superiority and self-applicability of treaty provisions should grant protection and legal certainty to trade mark owners.

**Comments on the WIPO treaties.- The WIPO treaties are another good example of international provisions which by virtue of Supreme Court decisions could be self-executory. This would be especially true with respect to the Performers and Phonograms Treaty, which has much superior standards to the Rome Convention. Mexico has executed both agreements, and they were approved by Congress on March 1, 2001. However, no implementation has yet been made, with the exception of certain isolated provisions of the Copyright Treaty, such as the "making available" and "public communication" rights, and updating protection regarding software and databases. It remains to be seen what the government will do to achieve the full implementation of the two treaties. While a decision is made, right holders will have to seat and wait, unless the courts again come to the rescue.**

## **Copyright**

Copyright Law is different as a new statute was passed in late 1996. The purpose of the statute was to comply with both NAFTA and TRIPs, which by then had been already executed and in force. However, from the analysis that framers of the new statute made, differences between the two treaties were recognized. While TRIPs was fundamentally grounded on author's right principle, NAFTA had a great deal of influence from the copyright system followed by Canada and the US, which was finally reflected in the Mexican Law of 1996.

The copyright statute of 1996 can be viewed as the crossing of concepts pertaining to both systems. It lacks a proper method and is certainly undefined, making it hard to understand and apply. The foregoing confirms how different the environment was where TRIPs and NAFTA were conceived and developed. In addition, it shows how the Mexican government dealt with such a subtle issue, which it was unable to resolve.

## **LA PROTECCIÓN DE LOS DERECHOS INTELECTUALES**

*Urania, Septiembre-Octubre 1999, Año 6, Número 28.*

Quienes trabajan para proteger y hacer cumplir el derecho de propiedad intelectual en los sectores público y privado, deben actuar conjunta y organizadamente para abatir el cáncer de la falsificación y el robo de obras e inventos en todas sus modalidades e irlo eliminando gradualmente.

No sólo se trata de combatir la piratería de productos y servicios de marcas prestigiadas, sino de que efectivamente se cree una cultura de respeto a la propiedad intelectual en México y que tanto las empresas como el gobierno tomen conciencia de la importancia que tiene la propiedad intelectual.

Crear dicha cultura es uno de los retos más importantes que hoy por hoy enfrentan los abogados especialistas en propiedad intelectual, porque son ellos quienes tienen la enorme responsabilidad de contribuir a que mejore la protección de la propiedad intelectual.

“Aunque algunos pensarán que el respeto a la propiedad intelectual no es tan importante para la sociedad y la economía mexicanas, de no efectuarse, las consecuencias – que ya se reflejan en pobreza y desempleo – serán fatales”.

Así piensa Luis Schmidt Ruiz del Moral, uno de los principales representantes de la nueva generación de jóvenes abogados especialistas en la materia, quien, a pesar de no rebasar los 35 años, tiene una amplia experiencia en el derecho de propiedad intelectual, tanto México como en el extranjero.

En 1984 inició su actividad laboral como pasante de abogacía en Grupo Televisa, donde se introdujo en la materia de derechos de autor y posteriormente realizó estudios especializados en marcas y propiedad intelectual en diversas universidades nacionales y extranjeras, entre las que destacan la Universidad Panamericana, en México y la Franklin en Boston, Estados Unidos.

Actualmente es socio del despacho Olivares y Compañía, uno de los más prestigiados en el campo de marcas, patentes y derechos de autor, en

donde es responsable del área de derechos de autor. También ha sido presidente de la Asociación Mexicana para la Protección de la Propiedad Industrial (AMPPI).

Schmidt fue el principal impulsor de que los abogados jóvenes interesados en marcas, patentes y derechos de autor tuvieran una participación más activa y de liderazgo en dicha Asociación, en la que tradicionalmente pesaron más las opiniones y acciones de los abogados especialistas con más tiempo en el medio.

Fue durante su gestión al frente de la AMPPI- que duró de 1995 a 1997 –cuando esa Asociación participó más activamente en congresos y reuniones de estudiosos de la propiedad industrial e intelectual en nuestro país y en el extranjero.

También durante ese lapso inició un arduo trabajo conjunto con el Instituto Mexicano para la Propiedad Industrial (IMPI), con el propósito de que abogados de empresas privadas junto con los especialistas del IMPI empezarán a trabajar en la lucha contra la piratería y a favor del respeto a la propiedad intelectual.

Schmidt afirma que “trabajar en el área de derechos de autor significa un gran reto, pues en México existen muchas personas que creen que registrar una marca, una patente o el derecho de alguna obra o invento sólo requiere de un trámite administrativo, cuando en verdad implica todo un trabajo de asesoría y concientización para los clientes sobre lo importante que es la propiedad intelectual”, dijo Schmidt.

Explicó que sólo un profesional en la materia puede realizar dicho trabajo, porque los abogados especializados siempre tendrán una visión más amplia y completa para asesorar a todo el que produzca un bien intangible que desee ser registrado.

### **Por una legislación más efectiva**

Orgulloso de su trabajo dentro de la AMMPI, Luis Schmidt reconoció que actualmente está surgiendo una nueva generación de jóvenes abogados especializados en propiedad intelectual que luchan porque esta rama del derecho se ejerza con más profesionalismo.

“No ha sido fácil, pues se trata de proteger un bien intangible... Estamos acostumbrados a reconocer la importancia de un bien que se puede

tocar y, por lo general, no le damos la misma importancia a lo que creamos”.

En su opinión, uno de los retos más importantes que enfrenta el sector es que la legislación sea capaz de otorgar protección efectiva y sea un mecanismo que fomente el desarrollo y la creatividad de empresas, inventores y autores.

El especialista en derechos de autor señala que para lograr la seguridad jurídica que requieren los creadores, en el interior del gobierno hace falta ajustar algunas “tuercas y tornillos” para que se creen los mecanismos jurídicos necesarios, a fin de que se castigue de forma más enérgica a los cabecillas de la industria de la falsificación, mejor conocidos como piratas.

“Es necesario que se apliquen mecanismos severos para castigar a estos delincuentes, porque si lo vemos desde una perspectiva más amplia, la falta de respeto a la propiedad intelectual que existe en nuestro país va de la mano con los problemas sociales y económicos nacionales.”

Enfatizó que en la medida en que se permita que la piratería gane terreno a las empresas, se estará contribuyendo a que la delincuencia aumente y a que la economía no encuentre su equilibrio, en detrimento de todos los mexicanos.

Reconoció que actualmente el IMPI ha realizado un gran esfuerzo con algunas autoridades gubernamentales, pero que no es suficiente, pues algunos funcionarios y legisladores son tolerantes con la piratería.

“Para algunos, este problema no es tan importante, y por eso no se castiga la piratería como delito grave... sin embargo, los que estamos interesados en que se cree una verdadera cultura de propiedad intelectual en México, seguiremos trabajando para abatir el cáncer que invade a la industria: la falta de respeto a la protección de las creaciones”, concluyó.

## **CAN NEW MICROSOFT INITIATIVE HAVE AN IMPACT ON PIRACY RATES?**

*World Copyright Law Report, December 2007.*

The market research company IDC has published the results of a new study into piracy rates in Mexico. The study and research took place at the request of Microsoft Mexico. It estimates piracy rates in Mexico to be 63%, compared to an average of 35% in the rest of the world. Within Mexico, the highest concentration of software copying was found to take place in the most populated cities and states, including Mexico City metropolitan area and the cities of Guadalajara, Monterrey and Veracruz.

In response to the study, Microsoft has launched a campaign called "Genuine Software Initiative" with the purpose of educating end users of business software about the advantage of using original copies of software and the disadvantages of using non-authorized copies software products. In keeping with this, Microsoft Mexico has increased its efforts and investments in strategic sectors such as education, technology and enforcement.

Educational actions are designed to help protect consumers and, it is hoped, have an effective on piracy rates. The IDC study reported that consumers could better protect themselves as others if they were capable or recognizing pirated software and able to tell the difference between original and illegal copies. Technological measures are also important and Microsoft has invested in systems to protect its products against unauthorized copying. As to enforcement, the company has intensified its programmes by working hand in hand with Mexican government bodies in the fight against infringers, by taking legal action in both criminal and civil actions. Many of the actions have been started based on information obtained from consumers reports using websites or other forms of communication.

## **THE RULES ON CO-OWNING IP RIGHTS**

*Managing Intellectual Property, Americas IP Focus 2007.*

**Co-ownership of IP is a complex matter, as different countries follow different systems, and terminology also varies. Luis C. Schmidt of Olivares & Cia discusses the system which Mexico has devised as it applies to copyright and trade marks.**

Co-ownership is one of the most intriguing issues in IP law. Debate has focused on the question whether IP rights can be held as joint property. A derivative question is whether co-ownership of IP rights deserves the same treatment as co-ownership of tangible goods, following civil code or common law theories. Alternatively they might be codified in a uniform set of IP co-ownership provisions or in each of the particular IP statutes. However, having admitted that IP rights can be joint property, it is paramount to know if individual co-owners are entitled to use or exploit inventions, works-of-authorship or trade marks, or if they can dispose of the rights, or enforce or maintain them, when they just hold a share or partial interest.

### **Creating ownership**

Ownership is created differently depending on the nature or characteristics of each IP right. For example, an inventor or developer gets the right to file a patent application in her name to obtain an exclusive right. That right can be assigned to the party that ultimately files the application. On the other hand, authors who create a work-of-authorship automatically obtain an exclusive right of exploitation, unless an exception applies, like a work-for-hire. In some countries works can be registered so that holders have a document that can be used as evidence in the courts. Exclusive trade mark rights originate either from the use of a mark or its registration, depending on the system. Co-ownership triggers rights in the same form as the rights of individual inventors, authors or trade mark users. The main difference is that in co-ownership two or more persons commonly share the rights. A line can be clearly drawn between being a co-inventor or co-author, and a patent, trade mark or copyright rights co-owner.

In most countries of the world co-ownership rules are disseminated in the IP statutes. Frequently, civil codes or common law can be invoked as an additional or substitute reference. Likewise, co-ownership rules are not mandatory but instead apply in the absence of an agreement. Terms and conditions for exercising IP rights vary from country to country. It can be broadly concluded that, if there is no agreement setting out rights and obligations, individual co-owners are able to freely use or enforce a patented invention, a copyrighted work or a registered or protected trade mark, without the need for consent from their fellow co-owners. On the contrary, co-owners are not entitled to license, assign or make right transmissions, without the unanimous consent of the co-owners.

Some countries follow the common law system. Others, which use the Roman law system, have made a distinction between the so-called joint tenancy or ownership and tenancy-in-common or common ownership. Terminology varies. The distinction is between co-owners who are owners of shares, portions or interests in the right — generally an equal share — and when each co-owner has a separate ownership interest. In a tenancy-in-common type of property, tenants hold distinct shares and have separate rights over their shares. These can be assigned by living participants or can be effective on their death. Certain IP rights can be considered tenancy-in-common, since they can be used or disposed of freely by each owner, without the need of consent by the rest. However, in most cases IP rights are regarded as joint ownership.

The two main statutes dealing with IP rights in Mexico are the Copyright Law and the Law on Industrial Property. They include provisions regarding co-author and ownership (copyright, co-inventor and ownership-patents) and co-registration and ownership (trade marks). Likewise, the Federal Civil Code allows provisions originally conceived in connection with tangible goods, movable and real. For certain purposes they perform as a supplemental authority to the *ad hoc* rule of the IP laws.

### **Copyright law**

The Copyright Law has inserted two articles. These recognize the possibility that authors or assignees can jointly own patrimonial or even remuneration rights (in the Spanish language it is better to say joint

holders or joint tenants since ownership or property are words exclusively used in connection with tangible goods). The rules can be synthesized as follows. Articles 4DL, II and II state that works-of-authorship can be created individually, by one sole author; as a joint work ("work in collaboration"), by various authors who collaborate, in a direct or indirect fashion, as co-authors or collaborators, in a unitary and indivisible work; and as a collective work, by one entity that coordinates authors who personally participate in the production of a work, the rights of which cannot be split or divided among the authors. Under the Copyright Law a "collective work" is different from a "collection of works" or a "compilation", in which the entity that takes the initiative or gathers works from authors without participating personally in the project. A "collective work" is not a work "made-for-hire" in that the entity that coordinates the contribution of "intellectual creators" (who are under instructions and receive a payment) becomes the patrimonial rights' holder of the work from the start. Contributors participating in joint works are regarded as co-authors and additionally be co-owners of the patrimonial rights on the resulting work, if they have not transferred the right to any third party. Creators working in a collective work or in a work-for-hire cannot be regarded co-owners of rights, simply because the rights pertain to the party that coordinates.

Article 80 states that the rights in works made in co-authorship shall equally pertain to the co-authors, unless otherwise agreed upon. In addition the exploitation of the copyright work shall require consent by a majority of the co-authors. In such an event, the non- participating authors shall not be bound to make the expense, unless there is revenue from the exploitation and they claim compensation. Co-authors are allowed to exercise their rights over their contribution to the work, if that can be clearly identified. Unless otherwise agreed by the parties, a single co-owner can file an application to register the whole work. Lastly, if a co-owner dies, her share shall accumulate to the remaining authors.

From this it is clear that the Copyright Law takes a joint ownership approach in connection with joint works. Shares are equal and undivided and exploitation cannot be made freely by co-authors acting individually. The law is silent regarding whether co-authors can dispose of their shares. However, it could be concluded that licence or assignment of

rights can only be made if all the authors agree. Activities that co-owners can perform without requesting authorization from the whole group are restricted to the registration of the work.

### **A hybrid system**

Certain theorists in Mexico have maintained that trade mark rights should never be co-owned. Their principal argument is framed by the notion of distinctiveness. It implies that trade symbols can only be used by one singly entity in a non-fragmented form, to protect competition and consumers against confusion or deceit. Figures such as collective marks or certification marks have been designed to enable a collection of companies or persons to use a mark for particular purposes although not in strict co-ownership, without jeopardising the capacity of the mark to fulfil the legal principle of distinctiveness. The Law on Industrial Property has granted the opportunity of joint applications under the following legal structure:

Articles 96, 97 and 98, define collective marks as those that associations of industry or traders can register and which shall be used by their members. Applicants for registration are required to provide the rules of use of the collective mark. The law does not indicate what the rules shall specify. It would seem that they need to address issues such as the party's rights over the use of the mark and protection of goodwill. Any other topic, such as enforcement and maintenance, would only concern the registrant. The law stipulates that a "collective mark" shall not be assignable and that anybody but the registrant's members shall be entitled to use it.

Article 116 implicitly recognizes that regular trade mark registrations can be co-owned. The provision requires that joint applicants submit rules of use, that include, as a minimum, references in connection with the use of the mark, as well as the licensing and transmission of rights. Additional rules regarding the maintenance and enforcement of the mark can be agreed on by the parties. It is advisable that use agreements insert them too, despite the fact that the Trade Mark Office is not empowered by article 116 to request them. But most importantly, the rules of use should allow co-registrants to adopt a joint tenancy or tenancy-in-common regime, should they divide the shares.

These factors confirm that Mexico has adopted a hybrid or eclectic system in order to protect trade mark registrations in co-ownership. By seeking the rules of use the Trade Mark Office acts as a warrantor of trade mark principles. It does not issue any registration until it has received the rules addressing the co-applicants' pacts and agreements.

The law of patents is much less exhaustive on co-ownership than the laws of copyright and trade marks. Some of the provisions in the Law on Industrial Property can be applied to find a joint ownership of inventors' rights as well as the resulting patents. However, no substantive reference can be found in the law.

### **The Civil Code**

The Federal Civil Code of 1932 is a necessary source that can supplement the IP laws in certain aspects, co-ownership being one of them. This is in spite of the fact that the Civil Code views matters from a tangible goods perspective. In fact, the Copyright Law states expressly that the Civil Code can be invoked as a complementary or substitute reference, in cases when the Copyright law provides a rule that can be strengthened by the more general provisions of the Civil Code. The Law on Industrial Property does not make any pronouncement in that regard. Courts might still allow arguments invoking the Civil Code as a supplemental source.

Under the Civil Code, co-property (attending to the literal translation used by the law) exists when a tangible good, or a right, pertains individually to various persons. In the absence of an agreement or *ad hoc* legal provision, co-ownership shall be ruled by the articles in the Civil Code. Distribution of benefits and costs, regarding a good or right that is co-owned shall be proportional to the shares of each participant. Participants, shall have the right to use the good or right as long as they are used as was originally intended, without prejudicing the community's interest or impeding other participants from using the good or right. All participants are required to contribute to the expenses for maintaining the good and they can only renounce the obligation by renouncing their share. Alterations to the good are prohibited. Agreements reached by the majority of participants concerning the administration of the good shall be enforceable against all co-owners. Participants are free to sell, assign or mortgage their shares over the

good or right, except for a personal right. The other participants have a right of preference to acquire. Finally, participants do not have an obligation to keep a divisible good undivided. If a good owned in co-ownership cannot be divided and any of the participants acquire the shares, co-ownership shall be dissolved, the good or right sold, and the revenue distributed according to the participants' percentages.

## LEGAL ASPECTS OF MERCHANDISING

Report Q129

AIPPI Montréal 1995

### I. The practical importance of merchandising

#### ***1. In what form and in what way is merchandising used in the country in question and what are the signs and symbols which are most widely used for that purpose?***

Mexico represents an important producer of merchandising products. This is true if we consider the size and organization of its entertainment and communication industries. Many brands and characters have been merchandised as a result of the production of TV programs and movies; the organization of sport, cultural and musical events; and the production and commercialization of products and rendering of services, among others. The following categories represent the most common examples where this industry has focused in Mexico:

**a) Brand merchandising:** Consisting in the use and promotion of marks - being of special interest those which have become famous among the consumer public and which have proven to be a successful sell-through at retail-, in a wide range of consumer, retail or promotional products or services (secondary products or services) that do not necessarily relate to the industrial, service or commercial sector in which the mark has been traditionally used and made known. The use of brands in consumer, retail or promotional products or services is done in order to increase the means in the appeal of said products and services and therefore obtaining major marketability results.

**b) Character merchandising:** Consisting in the use of forms, figures, drawings or designs of fictitious persons, the likeness, appearance of real persons and names, nicknames, voice and other recognizable characteristics of both, known as a result of literary, artistic or cinematographic works, cartoon stripes, TV programs and others, also in connection with consumer and promotional products and services for mass marketing. Therefore, the intention is to use their personality features or characteristics and, as in case of brand merchandising, to

increase the possibilities for the marketing of any secondary product or service that can be imagined.

**c) Event merchandising:** This is similar to brand and character merchandising, however, as the duration of the event is normally short in time, the marketing structure and approach may be time-focused and the merchandised product or service may be specifically thought for the event itself. It is not the same to plan a merchandising program for sport events, music events or any other form of event, as the target market will be distinct in every case. In this regard, the products and services subject to merchandise are generally distinct. In addition, in case of events, special and theme related items are normally licensed to reflect the nature thereof, and licenses are granted to sponsors, promoters and even venue licensing program service purveyors, all of them using the symbols that identify the corresponding event.

From a purely business and financial standpoint, merchandising projects will better serve their purposes if the brand, character or event has become or will be attractive to the consumer public. According to the experience in Mexico, penetration and recognition of the brand in the market or character in the entertainment world is normally required prior to engaging in the actual development of a particular campaign and in this respect, communication media and publicity play essential roles.

In case of characters, there is a very large audience that watches TV shows, soap operas and movies or read magazines, books and comic stripes on a daily basis, and the corresponding characters generally become real stars among the people for the period of time that the show is on the air or the movie performed. The same happens with regard to artists, singers and musical groups. Many times the image, name and/or voice of the character or artist - in case of real persons - or the shape, name and/or voice of fictitious characters have been used in connection with the production and marketing of a range of secondary products directed to attract the same target audience to which the show, program, movie or musical piece was originally focused. The nature and quality of the merchandising products and the size, level and sophistication of the project depend on whom the show or program is directed to. In addition, the length will be commensurable and proportional with the popularity of the character and will be thus

justified for all the time that it remains in fashion. Therefore, it is quite transcendental for those running the campaign to take advantage of this momentum for planning, developing, launching and maintaining the business program.

The case of brand merchandising is similar to that of characters and all the afore mentioned is basically applicable; however, there may be a difference in the time and effort that is required for developing "goodwill" in a mark, which normally takes many years. For this reason trademark owners have to be specially careful in protecting their proprietary rights on their marks against piracy, infringement and dilution. Licensing agreements are required to provide at least a quality control provision.

Origin of the mark or character subject to merchandising is not deemed to be a truly important advantage, considering in addition to that coming from abroad, Mexico has developed its own local merchandising industry and has created its own market niche.

Thus, besides the presence of multinational corporations as Warner, Disney, Hannah Barbera and many others, there is a national industry running in a parallel direction and sharing a portion of this market. There are Mexican characters, both fictitious and real, in many different fields such as sport, music, TV or cinematography that have been extensively used and accepted in this country and even abroad. Also, a number of Mexican characters have been ex profeso devoted to the advertisement of products or services.

The case of brand's merchandising varies somewhat from the case of characters' as it relates to a market primarily controlled by foreign companies; however, there are also many Mexican brands that have been merchandised with success.

Finally, as to event merchandising, Mexico has proved to be an active organizer of sport, musical and cultural events of international level. The most important examples represent the Olympic Games of 1968, and the Soccer World Cups of 1970 and 1986. In all three cases corresponding merchandising programs were conducted based upon the symbols that were developed for those events.

## ***2. What is the economic and financial importance of merchandising and in particular in which economic sectors?***

As already mentioned, in Mexico merchandising of brands, characters and events has a real financial importance and meaning. Indeed, it has spread over many different industrial and commercial sectors and has reached a wide range of different products and services. Probably, the industries that have benefited the most with merchandising programs are all those related to entertainment, TV, movie, music, editorial, sports and now even software and multimedia, among any others. The size of the industry and statistics on annual sales and revenues is something difficult to calculate as the value in every project varies from others in size, importance, duration and so forth.

The importance of this industry can be also appreciated due to the existence of a parallel piracy market, in which strong interests of economic nature are involved. In Mexico this problem started developing in the early seventies as a result of the protectionist policies adopted and implemented by the Government in order to foster a national industry. Thus, as no surveillance and control measures were adopted, the problem grew so much that during the eighties, when something was tried to be done, it had already become out of control. In the present, the Mexican Government has been much more concerned with enforcing intellectual property rights, including those arising from merchandising, and has achieved positive results, but future administrations will have to multiply efforts.

## **II. The laws which directly or indirectly apply to merchandising**

### ***1. Are the specific legal provisions applicable to merchandising?***

None of Mexican Intellectual Property Laws provide anything in particular dealing with merchandising. Notwithstanding the foregoing, the general principles and legal provisions of Mexican Intellectual Property Law are applicable to merchandising as its corresponding subject matter may precisely be protected by this field of law. Merchandising represents the commercial exploitation of brands, designs, colors, names, shapes, figures, voices, and the likeness and other personality features of people, in connection with consumer and promotional products and services. As mentioned, the complexity of this

industry requires the participation and concurrence of most every form of intellectual property protection, including trademark law, copyright law, design law, unfair competition law, licensing law and even contract law in general.

***2. What in the country in question are the usual rules of law which can be applied to resolve the different problems raised by the user of merchandising?***

**A) Contract law:** Contract law in general and licensing law in particular constitutes a basic form for protecting merchandising, in which normally the owner of the rights authorizes the making of products or rendering of services, in connection with the symbol, image or related right subject to merchandising. Generally speaking the titleholder of the mark or copyright is not able to engage in the manufacture and/or marketing of the merchandising products, and therefore this will only be achieved if an adequate licensing program is performed, directly by the title holder itself or through agents.

In addition, contracts may be employed to authorize the use of the image, appearance, likeness, voice, name and other personal characteristics of a person, which are not necessarily protected by Trademark, Copyright or Design Law. The Mexican Trademark Law provisions on licensing are directed to protect the use of marks by authorized third parties, in the benefit of the owner of trademark and the consumer public. Licensing provisions are also found in the Copyright Law, although they are not as strict in terms of standard protection and quality control as the rules in Trademark Law.

Mexican merchandise licenses typically include clauses on trademark and copyright law. This is specially seen in cases in which the subject matter of the licensing agreement is protected by both fields of intellectual property law, as it is the case of characters and titles. The most important provisions are generally ownership of the trademarks and copyrights and limitations of use. For example, the license may be limited for the use of a particular feature of the character (voice, likeness, etc.), for the exercise of one or more specific rights (reproduction, public performance, etc.), or for the use of a brand, title or character in connection with a particular line of products or services. As mentioned above, in the case of trademarks the Mexican Law on

Industrial Property (LIP) imposes an obligation of quality control by stating that "the products that are sold or the services that are rendered by the user must be of the same quality as those manufactured or rendered by the holder of the mark "(Article 139, LIP).

**B) Trademark law:** The LIP protects visible and distinctive symbols and brands such as word marks, commercial and establishment names, trade and company names, slogans, two or three dimensional design marks, labels and shapes of products and their containers, digits, colors and letters when they are not used in an isolated manner, titles of works of authorship and publications and titles of TV and radio programs, with the consent of the owner of the corresponding rights and even the name, image and likeness of people, the picture and drawings, the image or shape of fictitious and real characters, and their names, pseudonyms, signatures and portraits, with authorization.

Most of the afore mentioned elements may represent the subject matter of merchandising programs. Accordingly, the following principles, rules and general provisions are equally applicable to trademarks subject to merchandising as they are for other type of brands.

**a) Source of rights:** In accordance to Mexican Trademark Law, exclusive rights arise only from registration of the mark in Mexico, however, a person who has used in the country an identical or similar mark without registration has rights if the use was made in good faith, continuous and commenced prior to the filing date of an existing registration for the same or similar mark covering the same or similar goods or prior to the date of first use declared by registrant in the application papers. An existing trademark registration cannot be opposed to a good faith previous user. Previous user has the right to apply to register but to obtain registration he shall have to take cancellation action against the existing registration within three years following the date in which the Trademark Gazette publishing the existing registration is put into circulation.

**b) Registrability:** As in other countries, Mexican Law establishes that marks are registrable if they are inherently distinctive, that is, if they are suggestive, fanciful and arbitrary. On the other hand, it prohibits registration of generic and descriptive marks, and in this latter case, it

does not recognize protection even if the descriptive mark has acquired a secondary meaning.

**c) Products and Services:** In any merchandising protection program it has to be borne in mind that in accordance to the 1994 amendments to the industrial Property Law (LIP), trademarks need to be registered with respect to specific products or services. It still will be required to file as many applications as needed depending on the nature of products or services subject to merchandising and the international classes to which they pertain. Under the former Law and for many years it was possible to seek for registrations that covered the entire heading of a particular class, however, as mentioned, now applicants shall have to be careful in citing all products or services of interest in a particular class.

**d) Marking:** Marking of goods and services by using either the legend MARCA REGISTRADA, MAR. REG., M.R. or the R symbol can be only made on products or services covered by a registered mark. Additionally, marking has become an important requirement in conformance with the amended Law, considering that it will have to be shown in the products distinguished under the registered mark before taking civil and criminal actions as well as requesting preliminary injunctions.

**e) Titles and Characters:** With regard to titles and characters, the Mexican Industrial Property Law (LIP) establishes that titles of intellectual or artistic works, titles of periodical publications, characters, artists names and names of artistic groups are not deemed to be registrable without the express consent of the corresponding titleholder and if inadvertently registered by the Trademark Office, the LIP grants a cancellation action against such a registration.

**f) Cancellation Actions:** Finally, article 151 second paragraph of the amended LIP, sets that cancellation of a registration will be available on the basis of non-interrupted use of the mark in Mexico or abroad, commenced before the filing date of the spurious registration that is subject to cancellation. Also, new article 91(XV) of the LIP states that well known marks are not deemed to be registrable and if they become registered by any means, they will be subject to cancellation under Article 151(1). The amended provision defines what should be understood for "well known" in accordance to the Law. Thus, it states

that a mark will be deemed as well known when a particular sector in the public or commercial circuits in Mexico is acquainted with a mark as a result of the commercial activities carried on in Mexico or abroad, by any person that employs the mark in connection with their products or services, as well as the knowledge that one has of the mark in the territory (Mexico), from the promotion and publicity give to the mark.

**C) Copyright Law:** Mexican Copyright Law grants protection to intellectual creations, including artistic and literary works of authorship. The Law considers to be "works of authorship" all those original intellectual productions or expressions of human sensibility, talent and ingenuity that are fixed in a tangible medium of expression, regardless of the inherent quality or aesthetic value of the work itself. Authors are entitled to moral rights (paternity and integrity) and patrimonial rights (including reproduction, publication, control of derivative works and public performance). Drawings, sculptures, pictures, audiovisual and other visual art productions can be protected through copyright law and if including characters, protection may be extended thereto as part of the expression in the work, however, this will not necessarily mean that the underlying idea will be covered as well. The particular case of literary works is not so clear and protection may not be available to the character per se and independently conceived from the work as a whole.

Under Mexican Copyright Law it is possible to protect derivative works, such as adaptations, of other serving as the underlying production, and this represents an additional form of using and exploiting a particular character so to create an additional merchandising opportunity.

Mexican Copyright Law recognizes additional sui generis protection for titles of publications and radio and TV programs, as well as fictitious and real characters, among other figures, that are remarkably original and periodically used through a legal figure known as "Reserva of Exclusive Rights". In accordance to the Copyright Law, protection to "Reservas" differs from that afforded to works of authorship and owes a closer similarity to principles of Trademark Law. Accordingly, "Reservas" confer patrimonial rights of exclusive use for characters, titles, etc., but do not recognize additional personal or "moral" rights. From a procedural standpoint, deposit and periodical renewal are required for maintaining "Reservas" in force, on a use of title or character basis, and in connection with publications and broadcasts, among others.

Additionally, examination of "Reserva" applications has a closer similarity to Trademark Law, however, as the corresponding prosecution proceeding is not as well regulated and developed as that of trademarks, the Copyright Office has sometimes fell into problems and imprecisions when trying to follow a standard practice.

As mentioned above, merchandising involving titles and characters can generally be protected by Trademark, "Reserva" and even Copyright Law. In the practice there is no restriction on the cumulation of copyright "Reserva" and trademarks. When facing these type of "double protection" situations, cumulative protection is normally recommended considering the legal problems and disputes that may arise should one or more entities seek for registration or protection for the same character or title. Trademark, "Reserva" and Copyright provisions, have been confronted in many occasions when an entity holds a trademark registration and someone else a "Reserva" or copyright registration, in regard to an identical title or character. There are practically no provisions or resolutions addressing the issue. Probably, the cancellation provision in the Trademark Law should prevail and Copyright Law should thus preempt, however, such a provision would have only a limited effect due to its incapability to solve all factual problems arising from its application. Just to provide an example, how would this rule be applied if a title or character is used in connection with a publication and a third party then comes out with the filing and obtaining of a trademark registration? Should this registration be cancelled despite the lack of a senior "Reserva"? These uncharted areas triggered by the application of the "double protection" doctrine could bring serious problems to any merchandising protection effort, if not adequately canalized and treated.

One additional problem is that the Copyright Law does not convey any particular mechanism for enforcing rights arising from character "Reservas". Mexican Government should take this into account for future amendments as there is a considerable discrepancy with respect to title "Reservas", which are enforceable by criminal law.

Finally, the Mexican Copyright Law states that portraits of people may be used and published for purpose of gain, only with the express consent from the person or persons appearing in the picture or his or her representatives or assignees. By extending rights to the common people in connection with portraits and other form of image fixation,

said provision aims at ensuring that not only authors and artists are protected from the non-authorized use of their image, name and other personal rights.

**D) Designs and models:** Accordingly to LIP, design law is directed to protect three and two-dimensional forms and the combination of figures, lines and colors embodied in industrial products or representing the model, shape, pattern or guide for the production of industrial products. The foregoing definition is sufficiently broad to cover practically any form of figure as long as it is applied to industry. It thus should not be disregarded that an industrial design may constitute the subject matter of a merchandising program and accordingly this form of protection may be extended thereto.

**E) Rights of the individual and respect for private life:** The Federal Civil Code of Mexico protects people against any damages of "moral" or "personal" nature perpetrated by third parties, when their sentiments, affects, beliefs, decor, honour, reputation, private life, image or physical characteristics are affected. In case of violation of moral rights, the offended party is entitled to be restored by virtue of an indemnization from the offender, and the judge shall have to decide upon the degree and nature of the violation and the economic capacity of the offender, and the offended party. The indemnization action shall only be transmissible to heirs of the offended party when this latter filed the action in life. If the moral damage affects the offended party in his or her decor, honour, reputation or consideration, the judge shall order by the request of said party, and charging the corresponding expenses on the offender, the publication of an extract from the resolution for public information purposes.

Whoever exercises his or her rights of opinion, critic, expression and information, shall not be liable of "moral" damages as long as the opinion does not attempt against the limitations imposed by the Constitution on the civil right of free speech, opinion and publication.

Mexican Law recognizes the existence of damages of civil nature steaming from contractual relationships or caused by illicit acts, attempting against the Law or "good practices or customs", which injure, harm or damage third parties, but do not reach the level of criminal offences. Under Mexican Civil Law, harm is understood as the

loss of diminishment suffered by a person's equity from default of an obligation or as the result of an illicit act. It is very important to consider that under Mexican Law responsibility for responding and repairing harm and damage to third parties must be the immediate and direct result of the default of a contractual obligation or of the commission of the illicit act. In case of "moral damage" the Mexican Civil Code and the jurisprudence require that harm and damage are fully proved as the direct result of an illicit conduct. The nature of "moral damage" is not material and differs accordingly from damages and harm that generate from those recognized by the Civil Code as "objective responsibility", precisely dealing with damages of material nature arising from breach of contracts or commission of illicit conducts. The figure of "moral damage" is autonomous and the application of damages shall necessarily follow the rules explained heretofore and in which equity plays a more important role.

The above rules are applicable to merchandising, where the subject matter is the image, likeness, name or voice of a person, independently of the fame preceding him or her, and are considered independently from the protection afforded by the Copyright Law to the use of portraits and fixations of images and visible characteristics of persons.

**F) Unfair competition:** In accordance to the Mexican Law on Industrial Property (LIP), the Mexican Industrial Property Institute (IMPI) is empowered to repress and impose sanctions on those acts attempting the good and honest practices in the industry and commerce and the Laws of Congress. Specifically, the LIP provides two different causes of infringement action that are independent from each other, but in combination aiming at ensuring that unfair competition is sufficiently ruled and sanctioned. They are supported on the text of article 10 bis of the Paris Convention and constitute the implementation of said international provision into domestic Law. Accordingly, article 213, paragraph 1 of the LIP, provides a general statement widely enough to challenge any conduct violating fair practices in commerce as related to the industrial property field. On the other hand, article 213 paragraph IX of the LIP provides a more restricted rule prohibiting all those industrial or commercial activities that actually cause or are likely to cause confusion, error or deceit among the consumer public, by making it believe or presume, without any grounds, the existence of a relationship

or association in the production or sale of products, the rendering of services, or between commercial establishments.

Merchandising may be protected by the rules of unfair competition specially when the corresponding intellectual property right has not been registered or is not registrable as a trademark, but happens to be distinctive anyway and has been used by a third party without the corresponding authorization.

**G) Parasitic competition:** No particular rules on Parasitic Competition are provided by the LIP, besides the general provisions on unfair competition.

### **III. The existing difficulties**

Are the existing intellectual property laws adequate to satisfactory settle all the problems which are raised nowadays by merchandising?

**A. In their country, are there legislative or case-law inadequacies?**

Is there a need to improve the rules governing merchandising?

As it can be appreciated from the afore mentioned comments Mexican laws adequately protect brands, characters, works of authorship, designs and other forms that could constitute the subject matter of merchandising. However, there are many inadequacies that could be improved.

**B. In the affirmative, what would be the best way of proceeding?**

1. Should there be a specific law of regulating all aspects of merchandising? In that case however, is there not the risk that such a law may come into conflict on many points with intellectual property laws which already exist?

There is no need to set a special Law for regulating aspects of merchandising.

2. Would it not be sufficient to provide the amendments in the laws which exist nowadays in particular in some countries, on the following points:

a) In the law relating to marks:

- To accept for registration signs which are not accepted at the present time such as the names of people, images, slogans, titles of publications and elements of artistic creation such as characters and others?

All of the above is protected by Mexican Trademark Law.

- To accept that the use made by a third party with the authorization of the owner of the rights within the framework of merchandising is deemed to comply with the requirements of use for maintaining the trademark right, irrespective of the form of such use.

This is also possible under Mexican Trademark Law.

b) As regards to copyright would it not be appropriate:

- To accept that characters and their names could be deemed to be artistic creations which are suitable for protection; and

This is possible under Mexican Copyright Law.

- That use of the character or his name, by a third party, without the right to do so, irrespective of the form of such use, is deemed to be an infringement?

This is also possible under Mexican Copyright Law.

Notwithstanding that the different Laws on Intellectual Property deal with all the points that are discussed above, it is still necessary to improve protection in the following points:

a) The Laws need to provide a more accurate regulation avoiding interference problems arising in case of titles and characters that are equally protected by trademark, "Reserva" and Copyright Law. This in order to promote that "Reservas" and trademark and copyright registrations in regard to one single character or title remain in the legal sphere legitimate entity having created it or owning the corresponding rights, without the possibility of further disputes.

b) Improving protection, prosecution and marking systems regarding "Reservas". Also, establishing better cancellation rules and enforcement in general with regard to "Reservas".

c) Establishing a coordination system between the Trademark and Copyright Office.

## **Summary**

Merchandising is important in Mexico, considering the size and importance of its entertainment and communication industries. This has been reflected in the development of its brand, character and event merchandising industry.

Origin of the mark or character subject to merchandising is not deemed to be a truly important advantage in this country, considering that in addition to that coming from abroad, Mexico has developed its own local merchandising industry and has created its own market niche. The importance in economic and financial terms has to be considered too, specially because merchandising has grown in Mexico and spread over many different industrial and commercial sectors and has reached a wide range of different products and services.

The usual rules of law applicable to resolve the different problems raised by the use of merchandising can be principally found in trademark law, copyright law and contract and licensing law, but design law, the civil code rules on private and moral rights of individuals, and unfair competition law cannot be disregarded as additional legal supports.

The Mexican Trademark Law considers as registrable not only word and design marks, but also the name, image and likeness of people, with their consent and titles of works, publications and programs; drawings and portraits of real and fictitious characters, also with their consent.

The Mexican Copyright Law has provided a sui generis legal figure, independent from the protection that is afforded to works of authorship, which is called "Reserva of Rights" for the exclusive use of real and fictitious characters and titles of publications and broadcasting programs, among others. This form of protection is additional to trademark and copyright law (with regard to works of authorship) and has led to what is known as "double protection". The Mexican Copyright Law also extends protection for portraits and pictures of people, no matter whether famous or not, against non-authorized

publications. Accordingly, Mexican Intellectual Property Laws protect sufficiently the subject matter of merchandising, although it is needed to establish a coordinated system of protection in case of "double protection". Also, "Reservas": need to be better regulated from a prosecution, renewal and enforcement point of view.