

A selection of new
LEGISLATION AND CASE LAW
Sweden, Finland and Norway

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 **KVALE**

NEW LEGISLATION



NEW LEGISLATION FINLAND

- **New Trade Secrets Act entered into force on 15 August 2018**
 - Implementation of EU Trade Secrets Directive
 - Replaces the provisions for the protection of trade secrets in the Unfair Business Practices Act (595/2018)
 - New definitions for trade secrets and the lawful and unlawful exploitation thereof
 - Provisions on the lawful and unlawful acquisition, use, and disclosure of trade secrets
 - More specific and extensive civil remedies
- District courts' jurisdiction in both civil and criminal proceedings, Market Court's parallel jurisdiction in civil proceedings where the defendant is an entity (exclusive jurisdiction under the Unfair Competition Act regime)

PENDING NEW LEGISLATION FINLAND

- **Draft Government Proposal to new Trademark Act** (published 19 March 2018, to be effective by January 2019)
 - Implementation of EU Trademark Directive
 - Related partial revision of Tradename Act
 - **Waiver of the graphical representation requirement**
 - **New Classification rules**
 - Time limit for trademarks applied before 1 October 2012 for class headings until renewal of respective trademark registrations to specify the list of goods and services in conformity with the new provisions
 - **Parallel administrative procedure for the revocation/declaration of invalidity of a trademark at the PTO**
 - If court proceedings re. same trademark initiated between same parties, administrative procedure terminated
 - Introduction of partial revocation of company name in administrative procedure (limited to situations of non-use)
 - **Non-fulfillment of use requirement** (trademark and trade name) can henceforward be asserted by the defendant in opposition or infringement proceedings
- **Draft Government Proposal to revision of Act on the Right in Inventions made at Higher Education Institutions (HEI)** (published 22 May 2018, expected to come into effect by 1 January 2019)
 - HEI's at present (secondary) rights to acquire the rights in an invention made in open research in case the invention not published or the right exploited by inventor within 6 months upon invention disclosure is now proposed to be subject to "*where not otherwise agreed in open research*"
 - **proposal would enable the parties to agree on the rights to a possible invention in advance**

New legislation Norway



- New Copyright Act – (L 15.06.2018 no. 40)
 - Effective from 1 July 2018
 - Aiming to update and simplify the act
 - Mainly a continuation of the previous main rules and principles, but with a new structure and also with several new material provisions
 - Strongly debated, in particular regarding provisions about transfer of copyright
 - Important procedural provision: Oslo District court mandatory venue for copyright infringement.
- Amendments of Patents Act
 - From 1 September 2017 pediatric extensions for SPCs are (finally) available in Norway, ref. Patents Act § 62a.

Pending New Legislation Norway

- Proposed amendments to the Trademarks Act and the Customs Act (Høringsnotat Snr. 18/2638)
 - Implementation of EU Trademark Directive (Directive (EU) No. 2015/2436)
 - Certain other amendments to the Trademarks Act
 - Customs Act to be brought in line with EU legislation – further authority for customs to retain infringing goods
- Other amendments to the legislation on industrial property rights proposed in July 2017, e.g.:
 - Invalidity as a defense in infringement litigation
 - Burden of proof for infringement of process patents
- The Trade Secrets Directive (EU) 2016/943 not yet implemented
 - A proposal for amendments in Norway under preparation, likely to be effecutated in 2019
- Proposal to implement regulation (EU) 2017/1128 on cross-border portability of online content services

New legislation Sweden

- **New Act on Patent and Market Courts**
 - 1 September 2016
 - Special courts for intellectual property, market law, competition law cases, incl. registration matters
 - New procedural rules
- **New Act on Trade Secrets**
 - 1 July 2018
 - (EU) 2016/943
- **New Act on Collective Management of Copyright**
 - 1 January 2017
 - 2014/26/EU
- **New Act on Mediation in Copyright Disputes**
 - 1 July 2017
- **Amended droit de suite provisions in the Copyright Act**
 - 1 July 2018

Pending new legislation Sweden

- **Amendments in the Trademark Act**
 - 1 January 2019
 - (EU) 2015/2436
- **New Act on Company Names**
 - 1 January 2019
- **New Act on designations of agricultural products and foodstuffs**
 - 1 January 2019
- **Amended penalty provisions in the Copyright Act and in the Trademark Act**
 - 1 July 2019
 - Gross copyright/trademark infringement
 - Min 6 months max 6 years.

COPYRIGHT

Original works vs. adaptations



Swedish Supreme Court
NJA 2017 s. 75 (Svenska Syndabockar)

Painting based on photo = Adaptation or new and independent work?

Article 4 Swedish Copyright Act

A person who has made a translation or an **adaptation** of a work or converted it into another literary or artistic form, shall have copyright in the work in the new form, but his right to exploit it shall be subject to the copyright in the original work.

If a person, in free connection with another work, has created **a new and independent** work, his copyright shall not be subject to the right in the original work.

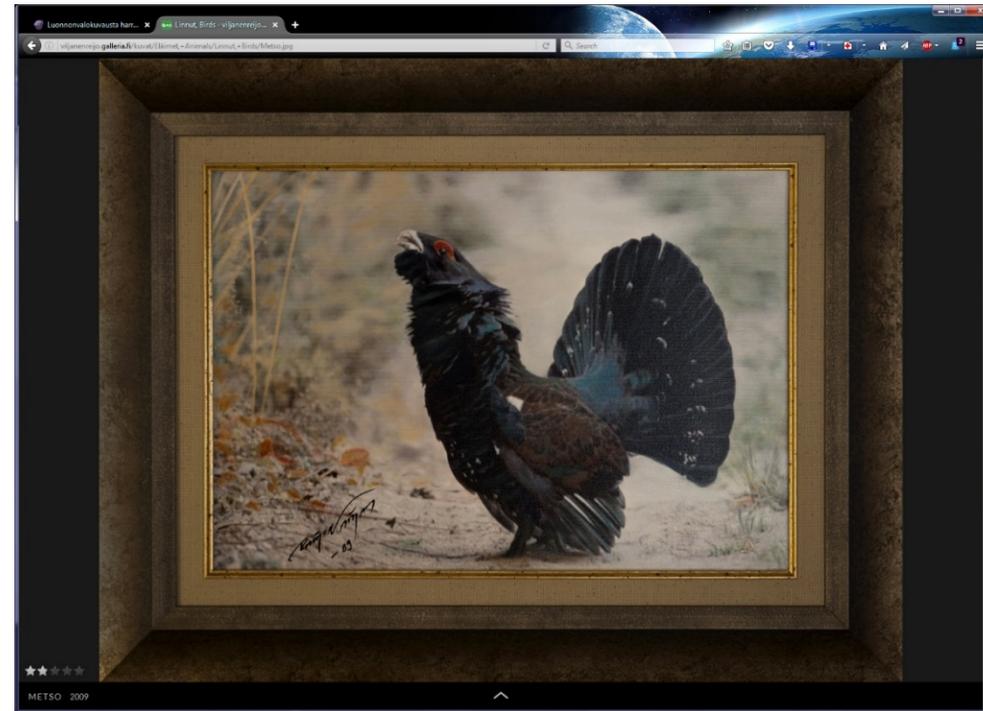
Swedish Supreme Court

NJA 2017 s. 75 (Svenska Syndabockar)

- Whether a product is a work on its own is determined by how it is meant to be perceived by those who takes part of it. **An overall assessment should therefore be made on the basis of the subjective perception that can be assumed shared by the majority.**
- The painting has a **completely different meaning** than the photo. Instead of a photographically strong personal portrait appears an allegory that suggests criticism of mass media's need for scapegoats.
- By the transformation of the photographic work the painter has created **a new and independent work that expresses his individuality.**

FINNISH SUPREME COURT HD 2018:21 (REPRODUCTION OF PHOTOGRAPH)

- B took a picture of a capercaillie, the photo was on display on B's website
- A made an oil painting which was almost identical to the photo
 - Offered the painting and pictures thereof for sale

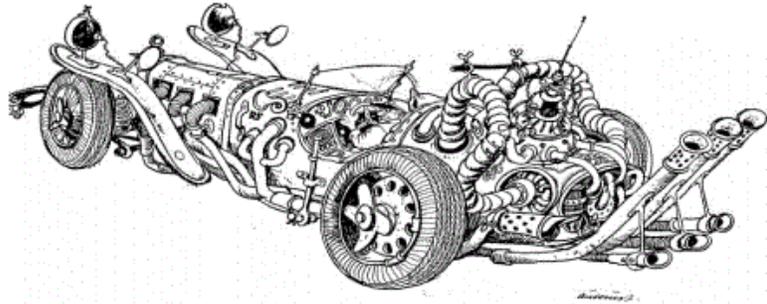


FINNISH SUPREME COURT

HD 2018:21 (REPRODUCTION OF PHOTOGRAPH)

- The District Court and Court of Appeal:
 - Reproduction (A was sentenced for copyright offence to pay fine and reimbursement)
- The Supreme Court:
 - **The protection of a right to a photograph covers any form of reproduction** → A painting can be considered a sample of a photograph
 - An infringement is at hand if the photograph has been utilized to the extent (so precisely) that it can be considered a sample of the photograph
 - The main subject, background and details of the photograph had been copied in the painting
 - Differences in size and color scheme are not relevant because **a photographer has the right to control the photograph in the original form or altered form**
 - The overall impression was the same - > not an independent work
 - **The painting and the photograph of the painting constituted a copy of B's photograph**
 - A was guilty of deliberate copyright infringement – reasonably aware of the content of the Copyright Act – wrong understanding of the scope of protection for photograph not relevant

Norwegian Supreme Court HR-2017-2165 A (Il Tempo Gigante)



(Reodor Felgens racerbil: "Il tempo Gigante")



The "moviecar"

- Supreme Court - HR-2017-2165 A - Aukrust foundation vs. Caprino Filmcenter
- Fantasy-car created by K. Aukrust named "Il Tempo Gigante"
- A model of the car was built in 1971 as a requisite to a movie – "the moviecar"
- In 2014 an Il Tempo Extra Gigante roller coaster was constructed for a family park
- License in place from the Aukrust foundation, but not from the film producer (Caprino Filmcenter)

Norwegian Supreme Court HR-2017-2165 A (Il Tempo Gigante)

- What was the scope of the copyright protection for the "moviecar" – how should it be determined?
 - ✓ The Court of Appeal found that it was the overall impression of the "moviecar" that was protected as an adaptation.
 - ✓ The District court had in contrast found that the the elements created by the original creator (Aukrust) had to be "deducted" before determining the scope of the copyright to the adaptation
- The **Supreme Court's** findings:
 - The correct approach is to find and assess the independent amendments and additions created by the adaptor
 - All elements of the original work, both details and the over all impression, must be taken into account in the comparision
 - **The copyright to the original work shall not be limited or superseded by the copyright to the adaptation**

Norwegian Supreme Court HR-2017-2165 A (Il Tempo Gigante)

- The copyright to the adaptation (the moviecar) was related to its sophisticated handcrafted expression
- The esthetical expression of the roller coaster was considered to be different and of an industrial character
- Il Tempo Extra Gigante did not infringe the copyright to the moviecar



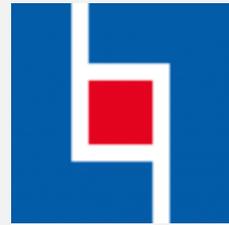
A scenic photograph of a wooden boardwalk leading from a grassy dune area towards the ocean. The boardwalk is made of weathered wooden planks and runs straight down the center of the frame. On either side of the boardwalk, there are dunes covered in green grass and white, feathery flowers. In the background, the ocean is visible with waves breaking onto the shore under a clear, light blue sky.

TRADEMARKS

Infringement

Swedish Supreme Court

NJA 2017 s. 905 (Länsförsäkringar)



Länsförsäkringar



Matek

How should likelihood of confusion be assessed during the five year period from registration if the trademark proprietor has not made genuine use of the trade mark for goods or services covered by the registration?

Art 9.1.b CTM Regulation

1. A Community trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(b) any sign where, because of its identity with, or similarity to, the Community trade mark and the identity or similarity of the goods or services covered by the Community trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark;

Request for a preliminary ruling C-654/15

Does it affect the proprietor's exclusive right that, during a period within five years from registration, he has not made genuine use of the [EU] trade mark in the European Union for goods or services covered by the registration?

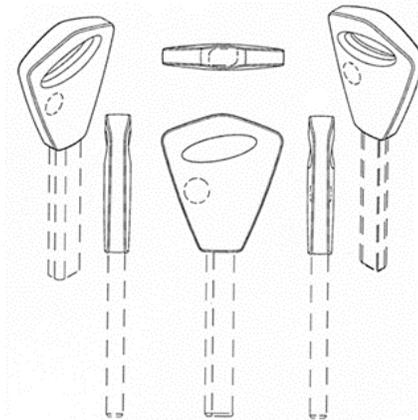
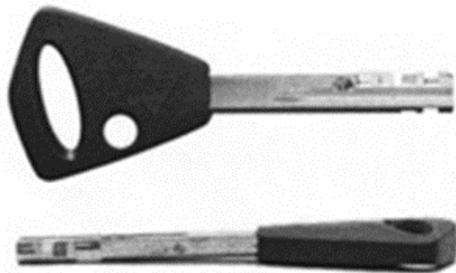
Swedish Supreme Court

NJA 2017 s. 905 (Länsförsäkringar)

- As if the trade mark proprietor **had made real use of the mark for all the goods and services to which the registration relates.**
- Use of the registered trade mark for goods or services other than those to which the dispute relates should be taken into account to the proprietor's advantage.
- Overall assessment – despite high degree of similarity between the marks and services, and high distinctiveness no risk that an **average consumer** confuses the trademarks considering the particular purchase situation and the type of services for which there is identity.

FINNISH SUPREME COURT HD 2017:42 (THREE-DIMENSIONAL TRADEMARKS)

- Abloy registered three-dimensional trademarks in Finland for "keys" in class 6
 - The trademarks covered the appearance of Abloy's "EXEC" key
 - The EXEC locking system was protected with patent until March 2013
- HGF launched its EDGE key compatible with the EXEC locking system
- **Abloy claimed that HGF infringed the registered trademarks of Abloy**
- **The Market Court dismissed Abloy's claim**
 - The trademarks were not confusing similar nor were Abloy's trademarks well known



FINNISH SUPREME COURT

HD 2017:42 (THREE-DIMENSIONAL TRADEMARKS)

- Abloy applied for a leave to appeal at the Supreme Court
 - To be decided whether HGF's key might be confused with Abloy's trademarks
- **The distinctive character of three-dimensional trademarks depends on**
 - To what extent the marks contain functional and non-functional features, features that are essential for the purpose of use and for achieving a technical result
 - **Weak distinctive character**
- **The trademarks were not confusingly similar**
 - The distinctive character of a trademark which was based on the appearance of a consumer good was weak and the trademark protection was considered limited
 - Relatively small differences were enough to eliminate the risk of confusion (positioning of the suspension hole, difference in size and product name on the EDGE key)

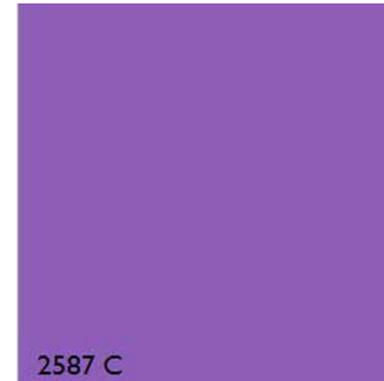
FINNISH SUPREME COURT

HD 2017:42 (THREE-DIMENSIONAL TRADEMARKS)

- Facts supporting the conclusion that **the marks were confusingly similar**
 - The goods were similar
 - No differences in over-all impression
 - Abloy's goods are well known and have a big market share
 - The EDGE sign has only a minor significance; it resembles Abloy's sign (EXEC)
- Facts supporting the conclusion that **the marks were not confusingly similar**
 - Abloy's trademarks are weakly distinctive
 - The nature, purpose of use and manufacturing method determine the appearance of a key
 - Abloy had not demonstrated that consumers can identify the origin of the goods on the basis of the trademarks
 - Marketing after the patent protection ceased
 - A consumer usually buys a key so that he has the old key with him → chance to compare products

Norwegian Supreme Court HR-2017-2356-A (Protection by use - colour mark)

- Supreme Court - HR-2017-2356-A (GSK vs Sandoz/Novartis)
 - Was the deep purple colour on GSK's asthma medicine Seretide a trademark protected by use?



Norwegian Supreme Court HR-2017-2356-A (Protection by use - colour mark)

- EU-case law relevant, even if protection by use is not part of the EU-directive
 - This includes decisions from EUIPO ref. HR-2016-1993 (Pangea)
- Established in EU that colour marks in principle can obtain protection by use, so also in Norway
- For descriptive marks in general, and in particular for colour marks, the threshold for obtaining protection by use is high
- Patients were regularly involved in choice of asthma medicines, and thus a relevant user group, in addition to doctors and pharmacists
- Different colours had been used to "code" for different types of medicines for asthma
- GSK's deep purple **not protected** by use. Purple was **not used as a trademark** to indicate commercial origin of the medicines



Thank you!



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