

# Newsletter IP / Media

January – February 2025

US: Copyright protection of an Al-generated image

The US Copyright Office has accepted the copyright registration of a fully Al-generated work

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## Prescription and moral right of the inventor

#### <u>TJ Paris, 4th Chamber, 1st Section, 2025/01/14,</u> <u>RG n°19/06678</u>

In the context of a patent dispute, a co-inventor who was formerly an employee made a claim for compensation for infringement of his moral right under Article L. 611-9 of the Intellectual Property Code, on the grounds that another co-inventor was wrongly added.

The employer company argued that the claim was time-barred based on the five-year statute of limitations under Article 2224 of the Civil Code.

The Paris Judicial Court confirms the argument. It points out that although Article L. 611-9 of the Intellectual Property Code allows "the inventor to have the paternity he can claim over the invention recognized or kept secret, it remains that the action pursued by [the co-inventor] aims to obtain payment of a compensatory claim due to the alleged infringement of this right with regard to the mention, as co-inventor of the 'Bus ATEX' device, of the president of the company TTK [employer] in patent n° 2 998 753."

Noting the patrimonial nature of such an action, and in the absence of any specific time limit provided by the law on this topic, the Tribunal applies the general legal statute of limitations, i.e., the five-year period provided in Article 2224 of the Civil Code.

In this case, the patent application was duly published on May 30, 2014, in the BOPI, and the co-inventor "had, from that date, every opportunity to know the facts allowing him to exercise his action," which therefore expired on May 30, 2019. The statute of limitations was thus accrued "on the day of his claim, first made in his submissions regularized on September 14, 2020."

## Revocation of a seizure order for misrepresentation of facts

<u>TJ Paris, 3rd chamber, 2nd section, 2024/12/20, No. 24/09419</u>

In a judgment dated December 20, 2024, the Paris Judicial Court revoked a seizure order on the grounds of a misleading presentation of the facts by the petitioner.

In this case, the company Boomkids contested the order authorizing a seizure based on an international trademark designating France, arguing that the request presented a misleading image of the facts by omitting two essential pieces of information: firstly, the principal trademark, grounding the international request, had been refused registration by several decisions (although these refusals remain provisional) and secondly, the allegedly infringing sign had itself been filed as a trademark, but had not yet been registered.

Regarding the existence of the subsequent trademark application, the Court considered that the petitioner was not required to disclose this information. However, based on the Madrid Protocol concerning the international registration of marks, particularly its Article 6 paragraphs 3 and 4, the Court reminded that the legal status of the principal application, here made less than five years ago, is crucial in assessing the validity of the international registration in France. This application had already been subject to two refusal decisions, although not final, which significantly affected the chances of success of an infringement action. Thus, by omitting such information, which it could not have been unaware of, the petitioner lacked loyalty in the objective presentation of the facts supporting its seizure request and thus deprived the judge of fully appreciating the circumstances to authorize a proportionate measure.

The Court, therefore, pronounced the revocation of the ex parte order authorizing this seizure measure and prohibited any use of the information that may have been obtained as a result of this measure.

### Freedom of expression cannot justify copyright infringement

#### <u>TJ Paris, 3rd chamber, 1st section, 2025/01/23, No. 22/03349</u>

A candidate for the French presidential election broadcast a video using several excerpts from cinematographic works. These excerpts, chosen to illustrate his points, were included without obtaining the prior consent of the right holders. After an unsuccessful formal notice, the production company, holding the rights to these works, sued the candidate and his party for copyright infringement.

In defense, the candidate notably raised the argument of the accessory theory, claiming that the use of the images was justified by their secondary nature compared to the campaign message, as well as the short quotation exception, arguing that the excerpt was brief enough to be considered a quotation for informational purposes. In counterclaim, he argued that the use of the disputed video fostered a public interest debate and that therefore, the claimed infringement of copyright and related rights was not justified on the ground of the right to freedom of expression



In a judgment dated January 23, 2025, the Paris Judicial Court rejected these arguments and ruled that there was infringement of copyright and related rights. Firstly, it considered that the images were deliberately selected to illustrate the candidate's points, which ruled out the application of the accessory theory. Secondly, it affirmed that to benefit from the short quotation exception, strict conditions must be met, which were not fulfilled in this case, notably the mention of the author and the source, as well as the clearly established critical, polemical, educational, or informational nature.

The Court also rejected the counterclaim made by the defendant, considering that freedom of expression could be exercised without infringing copyright and related rights.

As a result, the Court condemned the candidate and his party to pay damages amounting to 10,000 euros as well as 12,000 euros under Article 700.  $^{3}$ 

### The difficulties of registering a colour mark

EUIPO, Second Board of Appeal, 2025/02/12, R 118/2022-2

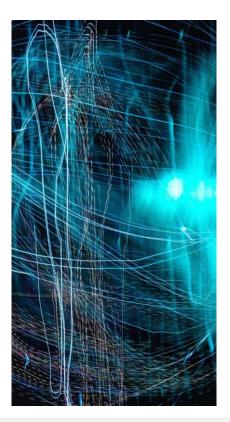
The Second Board of Appeal of the European Union Intellectual Property Office (EUIPO) recently rendered an important decision in the case opposing Lidl Stiftung & Co. KG to MHCS regarding the validity of the registration of the color orange as a trademark for Champagne wines. The case dates back to 1998 when Veuve Clicquot Ponsardin, now MHCS, filed an application to register the color orange as a European Union trademark (EUTM) for its Champagnes. After several decisions and appeals, the EUIPO finally accepted the registration in 2007. However, Lidl requested the cancellation of this trademark in 2015, contesting its distinctive character.

The conflict led to several judicial and administrative decisions. The EUIPO Cancellation Division initially rejected Lidl's request in 2018, considering that MHCS had demonstrated that the color orange had acquired distinctiveness through prolonged use. However, in 2020, the First Board of Appeal of the EUIPO annulled this decision and referred the case back to the Cancellation Division. In 2024, the General Court of the European Union ruled that the EUIPO had erred in its assessment by concluding that the distinctiveness of the trademark had been acquired at the time of filing. This decision was confirmed by the Court of Justice of the EU, ending MHCS's appeal.

In its decision of February 12, 2025, the Second Board of Appeal of the EUIPO partially annulled the previous decision and referred the case back to the Cancellation Division. It confirmed that orange could be considered a valid trademark under Article 4 of the EU Trademark Regulation, but ruled that MHCS had not satisfactorily demonstrated that the color orange had acquired distinctiveness through use in all EU member states at the time of filing. In particular, the Court noted that MHCS had not provided sufficient direct evidence to prove that consumers in countries such as Greece and Portugal specifically associated this color with its Champagnes.

The Cancellation Division will now have to reexamine the question of the acquisition of distinctive character through use between the registration of the trademark in 2007 and the cancellation request in 2015. This decision highlights the importance of providing solid and consistent evidence across the entire European market to obtain or maintain a color trademark.





## US: admission of copyright protection for an AI-Generated image

#### Press article, 2025/02/12

A company called Invoke obtained copyright protection for a fully Algenerated work, titled "A Single Piece of American Cheese." Kent Keirsey, the CEO of Invoke, demonstrated that he had added enough human creativity to the image by using the inpainting features of the Invoke platform. He made around 35 modifications to the Al-generated image, coordinating and selecting options to create a composite work.

He thus filed a copyright application for the result created, not on those individually generated by Al but on the modification and arrangements he made. To do this, he relied on the guidelines of the US Copyright Office, which states that Al-generated content alone is not eligible for copyright protection, while Al-generated content containing human creative choices could benefit from protection.

The US Copyright Office, after viewing a video showing each step of Keirsey's creative process, determined that it contained a sufficient amount of originality and recognized its copyright protection.

### **Counterfeiting and NFT**

#### TJ Paris, 3rd chamber, 2nd section, 2025/02/07, RG n°22-09.210

In a decision dated February 7, 2025, the Paris Judicial Court issued a ruling clarifying the scope of intellectual property rights protection in the digital age.

In this case, companies of the Hermès group had observed that the company Blao&Co was marketing on its website and social networks two models of handbags, as well as an NFT, considered to be infringing on their copyright and trademark rights on the "Kelly" and "Birkin" bags.

The Court recognized the copyright protection of the "Kelly" and "Birkin" bags, considering that they are the result of aesthetic choices "bearing the imprint of their author's personality" and characterized the infringement of copyright and the three-dimensional trademark. This sanction was also applied to the NFT (Non-Fungible Token) as it constitutes the representation and reproduction of the protected work.

The damages amount to 220,000 euros and 15,000 euros for irrecoverable costs and expenses. Additionally, the Court ordered the recall of the infringing products from commercial circuits, the removal of the NFT from the Opensea platform, and the publication of the judgment on the infringing company's websites and social networks.





### No specific order in examining absolute grounds for refusal of trademark registration

#### CJEU, 5th Chamber, 23/01/2025, C-93/23

In a judgment delivered on February 29, 2024, in case C-93/23 P (EUIPO v. Neoperl), the Court of Justice of the European Union (CJEU) clarified a crucial point regarding the examination of trademark registration applications: there is no strict order to follow for examining absolute grounds for refusal. This decision ended some previous interpretations and specified the framework within which the European Union Intellectual Property Office (EUIPO) and the competent courts must position themselves when analyzing grounds for refusal related to trademarks.

In this case, the company Neoperl had filed a position mark for a sign representing a sanitary insert. This registration application was rejected by the EUIPO, judging that the mark was not distinctive enough. Neoperl contested this decision, and on appeal, the General Court annulled the EUIPO's decision, considering that it was necessary to first verify whether the sign could be graphically represented before examining its distinctiveness. The EUIPO's appeal against this decision was brought before the CJEU.

In its judgment of February 29, 2024, the CJEU confirmed a more flexible approach to examining absolute grounds for refusal, ruling that the EUIPO is not bound by a specific order in examining absolute grounds for refusal of trademark registration, as it appears from the texts that no mandatory order of examination was envisaged by the Union legislator. Thus, the office can start by examining a specific ground if it considers that this analysis is more appropriate according to the circumstances of the case.



## Strengthening the protection of PDOs on the internet

#### <u>TJ Paris, 3rd Chamber, 1st Section, 20/01/2025,</u> <u>RG No. 23/04999</u>

On February 20, 2025, the Paris Judicial Court issued a landmark judgment regarding the protection of Protected Designations of Origin (PDOs).

The company Les Vins De Bordeaux operated the website "lesvinsdebordeaux.com," offering for sale wines, some of which did not benefit from the concerned PDO. The National Institute of Origin and Quality (INAO) and the Bordeaux Wine Interprofessional Council (CIVB), considering that this practice constituted usurpation and misled consumers about the origin of the products, took action against this site for infringement of the PDO and misleading commercial practices.

In this decision, the Court recognized that marketing wines protected by a PDO and using the latter to designate a site not exclusively selling wines protected by this PDO constituted usurpation of this PDO and deception, as this practice is likely to mislead consumers about the true origin of the product. However, the Court did not characterize misleading commercial practices as there was no risk of confusion between the CIVB's domain name and that of LVDB, nor deception about the identity and qualities of the LVDB company.

Nevertheless, the LVDB company was ordered to pay INAO and CIVB the sum of 10,000 euros in damages to compensate for their prejudice resulting from the infringement of the protected designation of origin. Additionally, the Court ordered the deletion of the domain name and prohibited the company from any use that could allow it to benefit from this protected designation.



## Competence of national courts to rule on the validity of a patent beyond European borders

#### CJEU, Grand Chamber, 2025/02/25, C-339/22

On February 25, 2025, the Court of Justice of the European Union (CJEU) delivered an important judgment regarding judicial competence in patent matters.

In case C-339/22 between BSH Hausgeräte GmbH and Electrolux AB, the CJEU clarified the interpretation of Article 24, point 4, of Regulation (EU) No. 1215/2012, known as "Brussels I bis."

The dispute concerned an infringement action relating to a European patent validated in several Member States as well as in a third country. The central question was whether a court seized of such an action, in which the validity of the patent is contested by way of exception, is competent to rule on this validity. Two situations shall be distinguished.

When the title originates from a Member State of the European Union, the CJEU recalled that, in accordance with Article 24, point 4, of the Brussels I bis Regulation, the courts of the Member States have exclusive jurisdiction over the registration or validity of patents granted by these States, even when the validity challenge is raised incidentally in an infringement action. Therefore, when the title comes from a Member State, only the court of the country granting the patent can rule on its validity, and the court of the defendant's domicile must then stay or limit its decision on the infringement.

When the title originates from a third country, the court of domicile can directly rule on the validity by way of exception. However, the decision will only have a relative effect between the parties and will not be enforceable against third parties.

Regarding the Unified Patent Court (UPC), this means that this court can rule on an alleged infringement in a Member State of the European Union but cannot rule on the validity of the title in the concerned Member State. However, it will not be required to stay proceedings pending the decision of the concerned Member State on the validity of the title. Conversely, when the title comes from a third country outside the EU, the UPC can rule on its validity when this question is raised by way of exception, but this decision will only have effect between the parties.

### NEWS MEDIA, ENTERTAINMENT AND ADVERTISING

# Suspension of Google's test to remove press content from its search engine

#### Press release SEPM, 2025/02/20

The Paris Economic Activities Court recently ruled in favor of the Syndicat des Éditeurs de la Presse Magazine (SEPM) by ordering Google to suspend a controversial test.

In the context of a conflict between press publishers and Google regarding fair remuneration for neighboring rights, this test involved removing press content from search results for about 1% of European users, affecting 2.6 million citizens.

The Court found that this experiment violated the commitments made by Google in 2022 to the French Competition Authority, which specified that negotiations on neighboring rights would not affect the indexing, ranking, or presentation of protected content.

As a result, Google is required to cease this test, under penalty of a fine of 900,000 euros per day.

The SEPM, representing nearly 500 publications, hailed this decision as a major victory for the European press and the right to information for French citizens, hoping that this decision will deter similar actions by other platforms.

However, this decision is only provisional, pending a decision by the Competition Authority, which was seized by the SEPM on January 15.



Standard clauses of the SACD and representatives of audiovisual and cinema producers on Al

#### Press release SACD, 2024/10/23

The SACD, in collaboration with representatives of audiovisual and cinematographic producers, has presented a set of recommendations aimed at integrating specific clauses into contracts between authors and producers, inspired by a model signed in the United States a year ago. These measures aim to regulate the use of generative artificial intelligence (GAI) in the creation of works, in a context where digital technologies are profoundly transforming artistic and cultural production methods.

In particular, these clauses seek to strike a balance between technological innovation and the protection of copyright. By imposing a regulated and consensual use of GAI, industry stakeholders hope to preserve the uniqueness of works and the central role of the author, while allowing producers to benefit from technological advances to optimize the production and distribution of works.

These clauses are based on five essential principles: the use of generative AI remains optional for the author (voluntariness), its use must be approved in advance by the producer (prior authorization), and transparent communication is necessary to mutually inform the parties about the use of AI for tasks such as production or promotion (mutual information). Furthermore, the producer must notify all concerned partners of the existence of these clauses but does not assume responsibility in case of failure (shared responsibility). Finally, these provisions are designed to cover all elements of creation, ensuring that all facets of the work, whether textual, visual, or technical, are covered by this legal framework.





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