

Intellectual Property and Industrial property Rights

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A modern setting for innovation

Foreign companies will find in Italy a good place for investing, since they can rely on the very high level of Intellectual Property Right (hereinafter “IPRs”) protection granted to Italian businesses. Italy is a member of the most important international agreements concerning industrial and intellectual property (“IP”) and has one of the most up-to-date IP practices in the world, whose enforcement is entrusted to a limited number (12 across the country) of Specialized IP Courts.

The whole industrial law is incorporated in a single law *i.e.* the Industrial Property Code (the legislative decree n° 30 issued on February 10, 2005, hereinafter “IPC”), while Copyright is ruled by law n° 633 enacted on April 22, 1941 (hereinafter “ICL”).

International IP Treaties ratified by Italy

Italy is member of 23 administered Wipo Treaties:

(Please see

http://www.wipo.int/treaties/en/ShowResults.jsp?search_what=C&country_id=84C

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Among which:

International IP Treaties ratified by Italy
Paris Convention for the Protection of Industrial Property (signed in 1883)
Berne Convention for the Protection of Literary and Artistic Works (signed in 1886)
Madrid Agreement concerning the International Registration of Marks (signed in 1894) and the Madrid protocol (signed in 1989, came into force on 2000)
Nice Agreement concerning the International Classification of goods and Services for the Purpose of the Registration of Marks (signed in 1957, came into force on 1961)
Lisbon Agreement for the Appellations of Origin and their International Registration (signed in 1958, came into force on 1968)
Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organization (signed in 1961, came into force on 1975)

Hague Agreement concerning the International Deposit of Industrial Design (signed in 1961)
Locarno Agreement establishing an International Classification for Industrial Design (signed in 1961, came into force on 1975)
International Convention for the Protection of New Varieties of Plants (UPOV) (signed in 1961, came into force on 1977)
Patent Cooperation Treaty (signed in 1970)
Strasbourg Agreement concerning the International Patent Classification (signed in 1980)
Trademark Law Treaty (signed in 1994)
Patent Law Treaty (signed in 2000, came into force on 2005)

Italy ratified other important international Treaties:

- European Patent Convention (EPC) (signed in 1973);
- Agreement on Trade Related Aspects of Intellectual Property Rights (signed in 1994, came into force on 1995).
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Basic principles of the Italian IP System

- **Copyright**

ICL, based on the principles of the Berne Convention for the protection of literary and artistic works, grants protection from the moment of the creation and without formalities to any work fulfilling the following requirements:

- Work's affiliation to art and culture, or inclusion in other specific categories (This requirement is specified by Art. 2 of the ICL in 10 categories: 1. Literary works; 2. Musical works; 3. Choreographic and pantomimic works; 4. Sculpture; 5. Architectural works; 6. Cinematographic Works; 7. Photographic works; 8. Software; 9. Data base; 10. Industrial design);
- Work's externalization: the idea must be fixed in any tangible medium of expression;
- A particular level of creativity: the work must be characterized by originality;
- Novelty: no identical work must have been created before it.

ICL provides two kinds of rights to copyright owner:

1. Economic Rights: these exclusive rights last – with some exceptions - for the author's life plus 70 years and can be transferred and licensed. The most important are: the rights of use, distribution, execution, adaptation, and reproduction.
2. Moral Rights: protect author's personality and cannot be transferred or waived; they last forever. The most important are the paternity right and integrity right.

ICL grants shorter protection to the so called related rights or "neighbouring rights" which are granted, for instance, to: phonogram, cinema, radio, TV producers and performers.

- **Patents**

According to the Italian system, you can patent inventions of new products or processes in any technological field; the government grants patent protection for 20 years from the filing date.

Italian law does not permit the patenting of:

- a) Discoveries, scientific theories, mathematical methods;
- b) Plans, principles and methods for intellectual and commercial activities, games and computer applications;
- c) Presentations of information;
- d) Methods for therapeutic and surgical treatment of human or animal body;
- e) Methods of diagnosis applied to the human or animal body;

Moreover, also animal races, plant varieties or essentially biological methods for producing them cannot be patented.

According to the Italian patent law, the invention must comply with 4 patentability requirements:

- 1) Novelty: it must be new. i.e. not included in the state of art (i.e. the overall information accessible to the public) and not disclosed before the filing date;
- 2) Inventive Step: it must represent a technological advance that would be non-obvious to an expert in that industrial field;
- 3) Industrial applicability: it shall have an industrial application;

4) Lawfulness: it must not be in conflict with public order or morality.

The Italian patent provided also for a second kind of patent: the so-called utility models or “petty patents”, which must fulfill the same requirements of patents, but with a lower level of inventive step. They improve efficacy or comfort of application or use of machines, their components, utensils or objects in general. The protection lasts for ten years from the filing date.

- **Trademarks**

Italian trademark system grants protection to any visual sign able to distinguish goods or services of one business from another: it protects also three-dimensional marks, sound marks, colour combinations and original shades of colour.

Under Italian law, a trademark can be registered if they meet different criteria:

- Novelty: it is not identical or similar to a prior trademark used for identical or similar goods or services (even if the Italian and Patent trademark office does not carry out an examination about novelty);
- Distinctiveness: it must allow consumer to distinguish goods/services of the trademark owner;
- It must not be misleading, descriptive, generic, contrary to public order and morality.

Trademarks enjoy protection once filed with the Italian Patent and Trademark office for ten years from the filing date, renewable for other 10 year periods for an unlimited number of times. An Italian trademark must be used within 5 years from its date of registration, otherwise it can be declared forfeited.

The Italian trademark system grants protection even to non-registered trademarks. Trademarks can be transferred and licensed for the whole or part of the goods and services covered.

The classification of goods and service in Italy is based on Nice Agreement System.

- **Geographical indications (GIs) and Denominations of Origin (DO)**

Italy grants protection to GIs and Dos under the IPC and the applicable EC regulations.

The GIs is the name of an area, a specific place or, in exceptional cases, the name of a country, used as a description of an agricultural product or a foodstuff:

- which comes from such an area, place or country;
- which has a specific quality, a specific reputation, or another characteristic attributable to its geographical origin;
- whose production, processing or preparation takes place within the determined geographical area.

The DOs is the name of an area, a specific place or the name of a country, used as a designation for an agricultural product or a foodstuff:

- which comes from such an area, place or country;
- whose qualities or characteristics are significantly or exclusively determined by the geographical environment, including natural and human factors;
- whose production, processing and preparation take place within the determined geographical area.

- **Design**

Italy protects designs and models i.e. the aspect of the whole or of part of the product determined by its shape, lines, colors, superficial structures, material or its ornament.

In order to be eligible for protection, the design must meet the following criteria:

- Novelty: no such design was available before the filing date;
- Individual character: the overall impression given to any informed user differs from any other design previously known;
- Lawfulness: design shall not violate public order and morality.

Design protection lasts for a period of five years from the filing date, renewable for other 5 year periods up to a maximum of 25 years. The holder of a registered design owns the exclusive right of use (*i.e.* of making, offering, commercializing, importing, and exporting). Some designs may enjoy a dual protection, i.e. also copyright protection if the design is creative and has artistic value.

- **Domain name**

Domain name are protected as distinctive signs under the IPC. They are protected under unfair competition and trademark law.

Recent Developments in Italy's Intellectual property law

Italy has increased the protection of IPRs in the last decade:

- a) Setting up of 12 specialized IP Division in First and Second instance Courts** (*Sezioni specializzate in materia di proprietà intellettuale*) in the most important Italian cities (Bari, Bologna, Catania, Florence, Genoa, Milan, Naples, Palermo, Rome, Turin, Trieste and Venice) under the Law Decree n° 168 on June 27, 2003. These courts have exclusive competence over civil actions concerning the whole intellectual and industrial property and cases of unfair competition connected to such rights and their infringement. This has led to a highly responsive and effective judicial system for IP related issues.
- b) Adoption of European Directive 23/2001** on the Harmonization of certain aspects of copyright and related rights in the information technology through the Law Decree n. 68 of April 9, 2003. Italy was one of the first EU members to change its copyright law, embodying the Information Society Directive.
- c) “Made in Italy”:** Law 166/2009 introduced the new certified category of products “100% Made in Italy”, i.e. whose design, project, processing and packing are exclusively carried out in Italy.
- d) Enactment of the Industrial Property Code** (Legislative Decree n. 30/2005) which provided the following changes:
- reorganization of all Industrial Property Laws in a single Code;
 - broader definition of Industrial Property: including not only trademarks, patents and design but even designations of origin, domain names, geographical indications, company confidential information/trade secrets;
 - stronger criminal and civil sanctions for serious infringements of IPRs (with several different criteria to assess damages: profits lost by IP owner, profits made by infringer, virtual royalty);
 - new actions aimed to fight against piracy and counterfeiting goods.
 - **The legislative decree 131/2010** recently **amended the IPC** :
 - making *interim* measures (*e.g.* seizure, preliminary injunctions) easier to obtain against IP infringers;
 - simplifying procedures, providing a more effective protection;
 - solving problems for co-ownership of IPRs: each co-owner can now manage administrative practices for registration or maintenance;

- changing some provisions about employee's inventions (IPC foresees 3 kinds of employee's invention: 1. Service invention *i.e.* the invention is made during the performance or the fulfillment of an employment contract for which the inventive activity is the subject matter of the agreement and specifically paid: it belongs to the employer and the employee must only be identified as author; 2. Company invention *i.e.* the invention is made during the performance or the fulfillment of the employment contract: it belongs to the employer, the employee must be credited as the author and has right to an equitable compensation; 3. Occasional inventions *i.e.* the invention falls within the employer's field but is made by the employee outside the performance of its employment contract: the employee owns the invention, but the employer has a call option to buy or obtain a license on it);
 - introducing lawfulness as a criterion for design protection;
 - allowing trademarks for States, Regions and other territorial bodies;
 - widening domain name protection;
 - incorporating a new section about biotechnological invention, in compliance with the EC Directive 98/44;
 - introducing preliminary technical expertise before bringing a lawsuit.
- e) Adoption of the European "Enforcement Directive" 2004/48 with the Legislative Decree 140/2006:** that introduces new provisions in the IPC that makes preliminary injunctions and other precautionary measures more effective.
- f) Law 99/2009:** enforcement of criminal IP protection through the introduction of new crimes and sanction increases.