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LICENSING EXECUTIVES SOCIETY INTERNATIONAL

- Chile applied to create the Chilean chapter of the prestigious international organization Licensing Executives Society International (LESI).

A Chilean delegation, made up of consultant Ms. Catherine Jelinek, and lawyers Messrs. Fernando Sáenz de Santa María and Juan Cristóbal Gumucio, attended the LESI annual international conference, held in Munich this past June, to file our country's application to join said organization.

LESI is an organization with over 11,000 members worldwide, distributed in 31 national branch offices, the members of which are from over 80 different countries. The purpose of this association is to promote licensing of intellectual and industrial property, and to facilitate the exchange of information between universities and companies regarding licensing matters. LESI's business community and contact network allows access to new business opportunities and the formation of valuable information on best licensing and technology transfer-related practices at companies and universities. For further information, visit www.LESI.org

In Chile, the chapter that is being created is going through a process of expansion. It already has, among its members, some fifty executives, researchers, lawyers and consultants from local and foreign companies, different universities, consulting companies, and law firms.

If you are interested in joining this association, or in receiving further details, please contact Mr. Juan Cristóbal Gumucio (jcgumucio@sargent.cl).

CAN I PROTECT THE DRAWINGS INCORPORATED IN THE FRONT SIDE OF MY PRODUCTS OR THEIR CONTAINERS?

- The new Industrial Property Law (N° 19.996) fills an existing gap relating to the protection of two-dimension drawings.

Up to a few months ago, the answer was no, since the

INDUSTRIAL PROPERTY LAW N° 19.996

SOME OF THE LEGAL CHANGES

Denominations of Origin and Geographic Indications:

The new Industrial Property Law regulates in general terms, geographic indications and denominations of origin. Once this Law is enacted, on September 11, 2005, at the very latest, these denominations may be protected for wines, forestry and agropecuary and agro-industrial goods. This registration is granted for an indefinite term and can be used by the applicant and by any producer operating within the limited geographic area, even if he has not applied for the registration. However, all users of these indications and denominations must comply with the regulatory provisions that rule their use and control.

Increase in Government Registration and renewal fees:

Following the provisions of Industrial Property Law 19.0391, the applicant must pay each five years of the patent registration a government fee of 1 UTM (monthly inflation-indexed unit) for the invention, utility model and industrial design. Law N° 19.996 increases this fee to 2 UTM for same period of time. The new Law also increases government registration fees for trademarks, from 2 UTM to 3 UTM. Renewal fees increase from 4 UTM to 6 UTM.



Industrial Property Law only allowed the protection of the shape of containers and did not protect designs, stamps, or engravings incorporated in the front part of containers.

To fill this gap, Law N° 19.996 (published on March 11, 2005, that amends Industrial Property Law N° 19.039) includes the so-called "**Industrial Drawings**", that protect "*any layout, set or combination of figures, lines or colors plotted on a plan for being incorporated into an industrial product for purposes of ornamentation and which grant, to said product, a new appearance*". Therefore, when this new Law is enacted and becomes enforceable, which should happen in the coming months, all kinds of two-dimension drawings and designs may be protected in Chile, such as stamps or engravings that may be applied onto fabrics, cloths or, in general, on any laminated material.

It must be noted that these stamps and engravings will only be protected if their elements substantially differ from known drawings or combinations of characteristics borne by known drawings, which may be applied on the front side of any product. **In other words, they must be novel.**

This new protection modality will benefit manufacturers of clothing goods, paper (napkins, diapers, wipes, etc.), china and tile, all kinds of cards, including security and credit, book markers, binding designs, and, in general, all those companies that make non-industrial containers likely to incorporate, into their shape, a drawing or ornamental parameter. Accordingly, the industrial drawing allows the **protection of two-dimension figures and that of colors and graphic patterns incorporated onto engravings or stamps**, elements that could not be protected under the legislation applicable to the existing industrial design.

In addition, **the registration of an industrial drawing grants its owner an exclusive right on the use of the protected drawing or graphic pattern.** Therefore, he or she will be legally entitled to exclude from the market place the drawings that copy the protected drawings or graphic patterns.

This privilege will remain in force for ten years, as of the date of filing of the appropriate application. The documents that are to be enclosed in the application will be

determined by the new Regulation, which has not been issued.

INTERNET: THE FAR WEST OF AUTHOR'S RIGHTS

• The speed of changes taking place in the digital world has overwhelmed the world of law. Consequently, Internet users must pay special attention to the use they give to the contents downloaded through it.

The world net of distribution and exchange of digital information, which we refer to as Internet took us by surprise. All of a sudden it became a part of our lives, our work and the way through which we contact the world.

However, the juridical modifications carry a much bigger inertia than technological ones and it is impossible for the intellectual property laws issued 20 or 30 years ago to provide or regulate this new media. **This implies that those who upload contents in Internet must be very careful when stating the uses to be given to said contents, considering that currently our intellectual property laws are extremely restrictive.**

The plasticity of our digital means, particularly those of Internet, makes it possible that practically any works of art may be digitalized and uploaded. Thus, we will have web pages containing literary works, computer programs, databases, audiovisual works and multimedia creations, music, photographs and from there up to the limit of our imagination.

Likewise, the mere operation of Internet necessarily requires a series of reproductions of the works contained therein for users to access them, going through a chain of servers and storage systems before reaching our computers' memory. Copies, copies and more copies.

We may assume that author rights holders are aware of the nature of Internet, and know that uploading their works implies, at least, a reproduction of them in the users' computer memory, because otherwise it is impossible to access them. Then, it is evident that **uploading a piece of art to Internet by its**

owner carries the implicit authorization to reproduce them in these terms.

And what if we keep some of these protected works in our hard disks, or if we print them so as to facilitate their reading? And what if we e-mail a photograph that we thought was funny to all our acquaintances?. In such cases we are clearly making a reproduction, and we are moving away from the previously mentioned tacit authorization. Unfortunately, whichever the case is, this implicit authorization is not enough.

In effect, the authorization required by Law 17.336 (Intellectual Property Law) when dealing with the exclusive rights, among which, it is in the first place that of reproduction, is an **express authorization** (art. 18, paragraph one), even when these uses are carried out in a private scope and without profit purpose.

Thus, and as long as our legislation does not keep up with the digital environment, **we recommend including in the web sites the terms and conditions of use**, defining the authors works', expressly authorizing the users to reproduce the contents so as they are able to access them, clearly typifying the other rights they are granted, such as, how to print, store or distribute them.

On the other hand, and considering how difficult it is to establish contractual obligations between Internet users and author's rights holders, it is advisable to warn in the terms and conditions of use, the sanctions provided by our law in case of breaching or exceeding the authorized uses.

PUBLICITY RIGHT

• A person's image may not be used without his/her consent. Therefore, it is important that companies contractually regulate the use of "celebrity's images" by advertising companies.

Everyday we see, in the media, celebrities advertising different kinds of goods, such as wines, cosmetics, sporting goods, etc. In most cases, these promotional campaigns are carried out within the scope of an agreement with the companies, but there are some cases where their image is used without the consent



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of these celebrities. In addition, images of ordinary people have been used to promote some activity or to inform on some specific issue. Is this use allowed by our laws? Is there any property right on a person's image?

A way to prevent and/or put an end to the unauthorized dissemination of a person's image without his/her consent is through the protection that the person is granted by constitutional guarantees and filing an appropriate remedy of protection. In effect, article 19 N° 4 of the Political Constitution of Chile guarantees the respect and protection of private life, as well as the honor of the individual and his/her family. In addition, article 19 N° 24 of same body, guarantees property right in its different forms on all kinds of corporeal and non-corporeal goods. Among the latter is the right on a person's own image.

Article 20 of this Political Constitution adds that, anyone suffering, as a result of any illegal or arbitrary act or omissions, deprivation, disturbance or threat to his/her legal exercise of the rights and guarantees as provided in articles 19 N° 4, and 24, will be entitled to file a remedy of protection before the appropriate Court of Appeals, which will, forthwith, take the necessary actions to re-establish the operation of law and guarantee the affected party's due protection.

Our courts of law have set the following

criteria to accept a remedy of protection when a person's image is being used without his/her consent:

- The image must be recognizable, that is, it must allow for the unequivocal identification of a specific person.

By applying this criterion, our judicial system rejected a remedy of protection filed by a private citizen against a newspaper, because it published, without his consent, a photograph where he appeared with a group of people, in a photo intended to illustrate a chronicle on Chileans' overweight. However, it was not possible to recognize his face in the photograph.

- The display of the image must be done for purposes of advertising or profit.

Our courts specified this criterion in the case of the remedy filed by tennis player Fernando González against a means of communication that used his image in an advertising campaign. It is interesting to note that the ruling that accepts the remedy of protection considers that the body image is a personal attribute and bears the nature of non-corporeal right protected by the Constitution, so that only the person in question is the one entitled to authorize its reproduction on any means for advertising or profitable purposes. In addition, the ruling states that the use of images of a sports-tennis

celebrity will influence consumers, in favor of the advertiser, damages Fernando González because he does not obtain any kind of benefit or compensation.

- The fact of appearing in a public place does not mean the granting of any consent.

A newspaper published the photograph of a woman at a public beach without her authorization. The ruling that accepted the remedy of protection was emphatic in dismissing the arguments of the defense regarding the place where the photograph had been taken, because it considered that staying in a public place does not imply the person's granting any consent to disclose publicly that fact. Conversely, this disclosure may affect his/her other essential rights, among which is his/her will to transitorily stay in a given place without the necessary knowledge of others, which turns out to be inherent to the essence of the right of private life protection as guaranteed by the Political Constitution.

In short, and considering that our courts of law have recognized the rights private citizens have on their image, **it is important that companies adopt the appropriate precautions when hiring models or actors for their advertising campaigns, as well as when using images of anonymous people without their consent and authorization.**