

Joint Ownership in Intellectual Property Rights

- 1. Introduction.....	1
- 1.1 What is "Joint Ownership"?	1
- 1.2 What are the rules relating to Joint Ownership?	2
- 2. Joint Ownership with regard to copyright	2
- 2.1 When does Joint Ownership exist?.....	2
- a) In continental legal systems.....	2
- aa) Belgian copyright law.....	2
- bb) French copyright law.....	3
- cc) Italian copyright law.....	4
- dd) Spanish copyright law.....	6
- b) In UK copyright Law.....	8
- 2.2 The legal relationship between joint owners.....	8
- a) In continental legal systems.....	8
- aa) Belgian copyright law.....	9
- bb) French copyright law.....	9
- cc) Italian copyright law.....	9
- dd) Spanish copyright law.....	10
- b) In UK Copyright Law.....	10
- c) The intention of the parties.....	10
- d) The legal relationship between the joint owners in the case of employee's works.....	10
- e) The legal relationship between joint owners in the case of commissioned works.....	11
- 3. Joint Ownership with regard to patents.....	11
- 3.1 Belgian patent law.....	11
- 3.2 French patent law.....	12
- 3.3 German patent law.....	13
- 3.4 Italian patent law.....	13
- 3.5 Spanish patent law.....	13
- 3.6 UK patent law.....	14
- 4. Joint Ownership with regard to trade marks.....	15
- 4.1 Belgian trade mark law.....	15
- 4.2 French trade mark law.....	15
- 4.3 German trade mark law.....	15
- 4.4 UK trade mark law.....	15
- 5. Typical contractual provisions	16
- a) If Joint Ownership is agreed.....	16
- b) To agree an alternative ownership structure.....	16
- c) Common Provisions for both.....	16

1. Introduction

For consortium agreements, the legal implications of "Joint Ownership" are significant. This guide is intended to provide contractors with a first idea of some of the underlying legal concepts.

1.1 What is "Joint Ownership"?

The term Joint Ownership refers, in general, to a situation in which two or more persons share interests in property rights. Such rights include all types of rights in moveable and immovable property. In Intellectual property law, all types of protected subject matter can be owned jointly.

There is no common European legal concept of Joint Ownership. Its scope is determined by national laws.

There are many ways in which partners sharing a right jointly can shape their legal relationship. If such agreement is absent, however, their relationship will be shaped by statutory provisions, and it should be mentioned that these rules normally do

not reflect the true interests of the parties.

Joint Ownership can also be the result of an assignment of IP rights to two or more persons. Here, the same rules apply.

Typically, Joint Ownership is created where an IP right comes into existence by the efforts of two or more persons, such as a collaborative invention or joint creation. In general, it refers to a right in undivided shares. Each joint owner is permitted to assign his share to a third party. However, any dealing in the right as a whole is subject to consent by all joint owners.

1.2 What are the rules relating to Joint Ownership?

Once Joint Ownership has come into existence, the rules pertaining to the legal relationship between the parties are applicable only insofar as they are not modified by agreement. Such agreement - i.e. contractual provisions regulating the legal relationship between contractors - may be an express contract, yet courts will also look at the possible intention of the parties to identify whether an underlying or implied agreement can be deducted from the circumstantial facts.

If, for example, the circumstances under which the work was created reflect that rights are transferred to one party, such implied consent may be sufficient to avoid the statutory rules. Hence, it may be possible that implied consent is found which will allow the construction of an agreement resulting in an implied assignment, or an exclusive right to exploit the protected product, to one party.

Major modifications can be observed in the case of works and inventions created by employees. Here, most jurisdictions provide for a mechanism which allows an assignment or the exclusive right to exploit the work to the employer.

The rules governing Joint Ownership are deeply rooted in national notions of property law in general. Guidance can be given only with respect to the core principles relating to Joint Ownership on a general comparative basis.

2. Joint Ownership with regard to copyright

The term copyright entails two rather distinct types of rights which will be dealt with separately. The concept under United Kingdom law protects the skill and labour that have been expounded to produce a work, and hence protects investment. UK copyright is therefore based on protecting a head start in business, i.e. safeguarding the commercial exploitation of a work. Continental laws are different. Although the term copyright is often used, the proper term is author's right (*droit d'auteur*). Here, the law protects the personality of the creator and his or her intellectual relationship with his work. However, both systems give roughly similar exploitation rights, such as the rights to reproduce and distribute the work (physical rights) and rights concerned with a public communication.

2.1 When does Joint Ownership exist?

a) In continental legal systems

In continental jurisdictions a work is only protected insofar as it reflects a personal creation. Joint Ownership will exist if a protected work has been created by two or more persons. Joint Ownership, in this sense, equates to joint authorship. Under continental author's rights, assigning copyright so as to create a new copyright is not permissible. Typically, the author will only be able to assign the economic rights, in whole or in part. Moral rights will remain with the original authors.

The general requirement for Joint Ownership to subsist is for a work to have been created by at least two persons. The term creation refers to a contribution displaying a level of originality at least in the sense of an "own personal creation". Mere laborious efforts do not suffice. The second requirement for true Joint Ownership to subsist is that each contribution has become an inseparable element of the work, i.e. the result of such a contribution cannot be commercially exploited in its own right.

The first requirement would exclude not merely contributions not reaching the required level of originality, but also the provision of mere mechanical assistance and the sheer provision of ideas and information. The second requirement for Joint Ownership to exist is that the contribution must be indistinguishable from the other contributions; in short, if the individual contributions are commercially exploitable, they are simply separate works. For example, authors whose poems have been included in an anthology do not thereby become Joint Owners as their works remain separable with respect to the anthology. In the same way, works which are merely loosely connected cannot yield Joint Ownership if they are different types of creations, such as the lyrics and the melody to a song. Here, both works are protected in their own right without melting into one overriding copyright. The effect is that each author will require a licence.

aa) Belgian copyright law

(1) The main principles are:

A work can be of Joint Ownership if two conditions are fulfilled: the work must be marked by the personality of each creator and the creators' common inspiration should be demonstrated.

A work of Joint Ownership requires at least two persons who marked the common work with their creative input. It must be marked by the personality of its creators. It supposes that each creator has played a decisive role in determining the form of the work. One should make a clear distinction between non-creative contributions (not protected by copyright) and creative inputs (protected by copyright).

This analysis will lead to the following persons being excluded from copyright protection:

- People whose role only consists in providing the main subject, an idea or general guidelines
- People whose role only consists in performing tasks described in or directed by a third party's instructions without having any creatational autonomy.

In order to determine whether a creative contribution has been made, the type of creation and whether the work was carried out during an employment contract or not do not have to be taken into account.

Furthermore, the creative contribution does not need to be significant but cannot be merely accessory to the work. For example, the creator of the scenery of a play could not claim to be the co-owner of the rights to the play. However, he may still claim copyright on the scenery itself. The creators must act in concert with one other. This means that the work must result from a common inspiration and not only from a juxtaposition of works. The authors should have cooperated in order to create the work. This condition does not imply that the contribution of each creator must be identifiable from the common work.

Furthermore, the contributions don't need to be at the same level of importance or realised at the same time or place, so long as there is effective co-ordination in the elaboration of a common work. The creations of each author don't have to be simultaneous and may be successive.

(2) Special cases

Some works will follow a regime close to the Joint Ownership one.

- **Derived work:** A derived work is a new work into which a preexisting work is incorporated without the collaboration of the author of the latter work. The rights to the work belong to the author who created the derived work. However, the derived work cannot be exploited without the consent of the author of the preexisting work.
- **Commissioned work:** In the case of commissioned works, the rights are generally assigned to the commissioner on condition that the parties explicitly lay down assignment of such rights in a contract. However, the parties may decide to share the rights on the work and be co-authors. The commissioner will benefit from a more favourable regime on condition that the commission's activities are in a non-cultural field or in advertising, that the work is intended for such activity and that assignment of the rights is explicitly laid down.

bb) French copyright law

(1) The main principles are:

A work can be of Joint Ownership if three conditions are fulfilled: First the participants must be natural persons, secondly their contribution must be made as an author and thirdly their participation must be in concert.

- **Participation in the work as a natural person:** The author is the one who has expressed his personality through the creation of the work.
- **Participation as an author of the work:** A work of Joint Ownership requires that the participants mark the common work with their creative and original input. It supposes that each creator must have played a decisive role in determining the form of the work. Their creation may not be limited to the initial idea or general theme. Some examples of jurisdiction: A painter will not be considered a joint owner if his role consisted solely in giving instructions and guidelines on the execution of the work. A professor will not be deemed a joint owner if he has only advised his student on the choice of materials.
- **Participation in concert:** The creators must act in concert with one another. This means that the work must result from a common inspiration and not only a juxtaposition of works. Case law points out that the creative work should be conducted in common or with spiritual intimacy.

This work done together does not exclude the repartition of the tasks between the participants. The case law points out that a corrective role could be sufficient to consider the corrector as an author of the final work. Each author's creation does not have to be simultaneous but can be successive. However, the successive character can be deemed as proof of a lack of true collaboration between the participants. The various collaborations do not have to be of the same type of work. Indeed, many court decisions have admitted the collaboration of a composer or choreograph and a lyric writer for an opera, or a screenwriter and a cartoonist for a comic strip. However, the fact that the works are of a different type can be deemed as proof of a lack of true collaboration between the participants.

A concerted participation does not imply that each creator's contribution must be identifiable from the common work. The work can even be materially divisible as far as an indivisible intellectual character remains.

The contributions do not have to be of the same level of importance and do not have to be made at the same time or place, so long as one contribution is not subordinate to the other.

(2) Special cases:

Joint Ownership must be distinguished from other circumstances.

- Collective works: French law provides specific rules for so-called collective works. Under French law, a collective work is a work created at the initiative of a natural or legal person who edits it, publishes it and discloses it under his direction and name and in which the personal contributions of the various authors who participated in its production are merged into the overall work for which they were conceived, without it being possible to attribute a separate right to each author in the work created. Two conditions must be fulfilled: First the work has to be created at the initiative or under the direction of a natural or legal person and secondly the contributions must have merged preventing separate rights from being attributed to the common work.

The term collective work is often used for a work that is created on the initiative of a legal person (in most cases a company). This person will own the rights by virtue of law and will not have to demonstrate any transfer of rights provided in the employment contract. The legal person still has to demonstrate its initiative and its leading role in the elaboration of the work. Furthermore, it must edit, publish or disclose the work in its name.

The work will be collective if it's not possible to attribute a separate right to the work created to each author. This condition is highly controversial and is subject to different interpretations in French case law. Some focus on the criteria of an absence of cooperation between the authors, others focus on the lack of distinction between the contributions. Finally, the main characteristic of a collective work is the fact that it is the project of a single person (legal or natural). For example, dictionaries, encyclopedia, and newspapers will all be deemed collective.

A collective work is the property of the natural or legal person under whose name it has been disclosed. The author's rights are vested in this person. The legal or natural person will be the original owner of the rights. This ownership includes patrimonial rights and as well as moral rights.

The author has the right to make a collection of his articles and speeches and the right to publish them or to authorize their publication in this form. The author also has the right to reproduce or to exploit his work published in a newspaper or a periodical in any form whatsoever, on condition that such reproduction or exploitation does not compete with the newspaper or periodical concerned.

Basically the scope of this rule is limited to contributions to newspapers or magazines, but some French courts tend to extend this rule to all collective works as far as the contribution can be ascertained.

- Composite work or derived work: Under French law, a composite work is a new work into which a preexisting work is incorporated without any collaboration between the authors. The composite work is the property of the author who has produced it, but subject to the rights of the author of the pre-existing work. The author of the new work has the exclusive rights of an author, but has to take into account the rights of the author who made the pre-existing work. In other terms, the exploitation of the derived work will be subject to the consent of the author of the preexisting work.

cc) Italian copyright law

Article 2580 of the Italian Civil Code states that copyright is conferred on the author and, exclusively for the economic aspect, on his right holders with limitations as provided by special regulations. The Italian Intellectual Property Law defines four different notions concerning works created by more than one author. Article 7 of the Law deals with collective works (*opere collettive*), i.e., works that are the unitary result of the contributions of various authors working in collaboration and coordinated by a third person other than the authors. Article 10 of the Law deals with works of joint authorship (*opere in comunione*), i.e., works that are the unitary result of the contributions of various authors working in collaboration. In Article 18 we have the notion of independent works (*opere elaborate*). This is the case of an author who elaborates on an already existing work to form a new one. Finally, Articles 33 to 37 deal with composite works (*opere composte*), i.e., works that include other works created by various authors. In the following sections each of the above situations will be explained in order to illustrate how co-ownership is regulated under the Italian Intellectual Property Law.

(1) The main principles are:

Art. 10 of the Italian Intellectual Property Law regulates works of joint authorship, where every author's contribution is distinguishable and recognizable. If the work has been made by undistinguishable and indivisible authors' contributions, copyright will belong to all of the co-authors. The second paragraph of Article 10 confers the Community regime on works of joint authorship, stating that indivisible contributions to a work are considered equal contributions, in the absence of an agreement stating otherwise. The Italian regime allows single authors to exercise their moral rights individually. Moreover, a work can't be published, modified or exploited differently from the first publication or without the co-authors' agreement. Unjustified opposition to publication by one or more authors will result in the publication, modification or exploitation being allowed by the judicial authority.

Art. 10 of the Italian Intellectual Property Law focuses on collaboration, which means different cases of two or more authors working together to produce a work. The common work of the authors can take different forms and each contribution may be distinguishable and separable, or not. For example, when two persons exchange their opinions and then write an article together, each one's contribution is neither distinguishable nor separable and we have the case of a work of joint authorship. A work of joint authorship will also arise in the case of a comic, where the designer and the text writer work together, by contributing to the final work in a distinguishable but not separable way. Finally, we even have a work of joint authorship in the case of a musician and a lyrics writer, who writes the music and the lyrics

of a song respectively, contributing to the final result in a distinguishable and separable way.

The contributions do not have to be equal. Even if the different contributions are not equal, the article will still apply. However, the co-authors have the possibility of defining the proportion of each co-author's rights concerning the commonly created work. If there is no such agreement between them, all contributions will be considered equal according to Article 10 of the Italian Civil Code.

In order to qualify for Joint Ownership, each contribution has to meet the basic originality requirements as provided for under Italian Law. Article 10 deals with "authors" and "authorship" and therefore persons that are not authors of the work but participate in its creation in another way (for example, by providing an idea or material to the authors) are neither authors nor joint owners of the work. The limits between protected authorship and a simple material or informative contribution are not always very clear, and the interested parties will have to qualify each contribution according to the contracts/agreements signed between them and the relevant provisions of Italian Law.

It is not necessary for each contribution to be individually exploitable. As mentioned before, different types of contribution fall under Article 10: two authors who work together in a way that makes it impossible to distinguish each contribution; two authors who work together in a way that permits their respective contributions to be distinguished, but the work can only be exploited as a whole; and, two authors who work together and their contributions are distinguishable and individually exploitable. Article 10 covers all of these common forms of creation and therefore it is not necessary for each contribution to be individually exploitable.

(2) Special Cases:

1. Collective works (opere collettive): Art. 7 refers to works as the product of different authors' contributions and coordinated by another subject who is entitled to manage the result of the work. In particular, we have works, usually in written form, elaborated by uniting a minor work or parts of works by different authors, to reach a single objective, usually in the information or scientific fields. Typical examples of this kind of work are encyclopaedias, and today it is common to include other works like newspapers and magazines.

In this kind of work it is easy to underline two different creative activities, i.e., the activity of each author, and the activity of the person who manages and coordinates the authors' works in a single direction in order to create the definitive work.

Article 7 confers ownership of the work created in such a way on the person that organizes and manages the creation of the work. This is because such an activity is interpreted as being a creative work, considered prevalent over an author's single contribution and hence negating the latter's co-ownership of the final unitary work.

To be blunt, the authors of collective works are second category authors. That is, economic rights over the work are conferred on the editor by Article 38, i.e., the physical or legal person who publishes the work and who takes on the related costs and risks.

Article 38 states that the editor has the right to exploit the work insofar as such exploitation does not prejudice the co-authors' moral rights. The second paragraph of Article 38 also states that single authors may exploit their contribution separately insofar as joint exploitation is not thereby prejudiced. As such, co-authors have moral rights over their contribution resulting from the final unitary work, and also have the right to exploit their contribution within the limits analysed above.

2. Independent works (opere elaborate): Article 18 of the Italian Intellectual Property Law confers on the author the exclusive right to elaborate on and translate a pre-existing work. The right to elaborate on the work refers to the author's right to carry out every kind of modification, elaboration and transformation of the work under Article 4 of the Law. This article provides protection for all creative aspects of the elaborated works, i.e. translations in other languages, transformations by and from every literary or artistic form, or every kind of modification creating a new and substantial elaboration of the pre-existing work. It may also include adaptations and variations that do not constitute an original work, insofar as such activities are not prejudicial to the pre-existing work. The author has the exclusive right to create new works from pre-existing ones he has created, and can consequently prevent other elaborations of his works from being created without his authorisation.

The Law recognizes copyright as belonging to the person that carries out the elaboration. It has to be noted that the copyright conferred on the author of the pre-existing work is different from the original copyright, thus the new creation must have the necessary requirements to obtain protection (creative character, originality, novelty). In such a situation, it is necessary for the elaborated work to result from an agreement between the author of the pre-existing work and the author of the elaboration, to ensure that the latter is not prejudicial to the first.

3. Composite works (opere composte o complesse): Composite works are works created by the contributions of different authors whose creations have been developed autonomously in order to be used in common. This does not imply a creative collaboration between the authors.

There are two kinds of composite works: works whose common use has been foreseen at the beginning of the creative activity, and works - created independently - that have been put together by their authors or right holders for permanent or occasional use after their creation.

Italian Copyright Law doesn't specify this kind of classification, dividing those works by genre and providing only a few specific rules in order to establish who is owner of the relative rights.

The interpretation of such rules implies that single contributions to composite works have a particular artistic autonomy, and thus will be the object of an independent copyright. However, it will be possible to identify and divide

the contributions which, put in common, will lead to a new work with an independent economic and legal life and considered inseparable.

Articles 33 to 37 of the Italian Copyright Law specify the kind of works concerned, i.e., dramatic-musical works, musical compositions with words, and pantomimic and choreographic works.

As with every creative work it is possible to find examples of a combination of different contributions, please note that the type of composite works included doesn't terminate with the above-mentioned works specified by Law.

The author does not acquire any rights to the pre-existing work, his rights corresponding only to the final result, i.e., the composite work as a whole. Even if based upon a pre-existing work, this new creation is autonomous and will be treated as a new object of rights having, e.g., its own period of protection.

dd) Spanish copyright law

Spanish Intellectual Property Law contains three different notions concerning works elaborated by more than one author. Section 7 of the Law deals with works of joint authorship, i.e. works that are the unitary result of the contributions of various authors working in collaboration. Section 8 refers to collective works. In this case we also have various contributions, as before, but here they are coordinated by a third person other than the authors. Finally, in Section 9 we have the notion of composite and independent works. This is the case of an author who incorporates an already existing work into a new one.

It is important to mention that only Section 7 deals with Joint Ownership as such, i.e., as a legal figure. Nevertheless, in Sections 8 and 9 we have works created by the contribution of various authors, and therefore it is also important to analyse their rights in the context of this study. Moreover, the fact that the Spanish Intellectual Property Law recognizes these three different notions of works created by more than one author makes the analysis of the authors' rights more complicated, and it is necessary to understand the different types in order to categorise one's own work and define the ensuing rights and obligations.

(1) The main principles are:

Section 7 deals with works that have been created by the collaboration of various authors, provided they are not created on the initiative and at the direction of a third physical or natural person who is also in charge of its publication and disclosure (in that case Section 8 will apply, please see below).

As stated above, the rights to a work of joint authorship belong to all of its authors. We thus have the creation of a community by law, a form under which the co-authors may jointly exploit the work. Said community will be governed by an agreement between the co-authors, the provisions of Section 7, as well as by the relevant Sections of the Spanish Civil Code (392 to 406), in all matters not provided for in the Spanish Intellectual Property Law.

The mere fact of Joint Ownership causes a series of limitations on each co-author's rights, which are set out in Section 7. Each author thus needs the consent of all the co-authors in order to disclose or alter the work; he cannot refuse his consent to the exploitation of the work in the form in which it has been disclosed without justification, and unless otherwise agreed, he can only exploit the part of the work corresponding to his contribution separately if such exploitation does not prejudice the joint exploitation of the work.

Section 7 focuses on collaboration, which means different cases in which two or more authors work together to produce a work. The common work of the authors can take different forms and each contribution may be distinguishable and separable or not. For example, when two persons exchange their opinions and then write an article together, each one's contribution is neither distinguishable nor separable and we have the case of a work of joint authorship. A work of joint authorship will also arise in the case of a comic, where the designer and the text writer work together, by contributing to the final work in a distinguishable but not separable way. Finally, we even have a work of joint authorship in the case of a musician and a lyrics writer, who write the music and the lyrics of a song respectively, contributing to the final result in a distinguishable and separable way. Under Spanish law, an audiovisual work is, *ex lege*, a work of joint authorship (vid. Section 87). Please note that even if the Law categorizes the audiovisual work as a work of joint authorship, the regulation given by the same Law seems to place this kind of work closer to the collective work (vid. Section 88.1), which results in a sort of "hybrid" categorization. Specific dispositions apply in this case. For example, the Law only recognizes three categories of persons as authors of audiovisual works (vid. Section 87); whereas the production contract is presumed to assign basic exploitation rights to the producer, in the specific case of a cinematographic work, the express authorization of the authors is required for its exploitation by means of making copies available for use in the domestic circuit or by means of communication to the public by broadcasting (vid. Section 88.1).

Different contributions do not have to be equal. Even if the different contributions are not equal, the Section will still apply. Furthermore, paragraph 4 of the Section gives the co-authors the possibility of defining the proportion of each co-author's rights concerning the commonly created work. If there is no such agreement between them, all contributions will be considered equal according to Section 393 of the Spanish Civil Code.

In order to qualify for Joint Ownership, each contribution has to meet the basic originality requirements as provided for under Spanish Law. The letter of Section 7 deals with "authors" and "authorship" and therefore persons that are not authors of the work but participate in its creation in another way (for example, by providing an idea or material to the authors) are neither authors nor joint owners of the work. The limits between protected authorship and a simple material or informative contribution are not always very clear, and the interested parties will have to qualify each con-

tribution according to the contracts/agreements signed between them and the relevant provisions of Spanish Law.

It is not necessary for each contribution to be individually exploitable. As mentioned before, different types of contribution fall under Section 7: Two authors who work together in a way that makes it impossible to distinguish each contribution; two authors who work together in a way that permits their respective contributions to be distinguished, but the work can only be exploited as a whole; and, two authors who work together and their contributions are distinguishable and individually exploitable. Section 7 covers all of these common forms of creation and therefore it is not necessary for each contribution to be individually exploitable. Moreover, paragraph 3 of Section 7 states that the authors have the right to exploit their respective contributions separately, in the case of contributions that may be individually exploited, unless otherwise agreed between them or unless the separate exploitation of a contribution damages the common exploitation of the work as a whole. In this case, more than one work may be protected: The work of joint authorship as a whole and the works that represent each author's contribution and that can be, as we have mentioned, exploited separately.

(2) Special Cases:

- Collective work: Section 8 of the Spanish Intellectual Property Law deals with collective works. As mentioned previously, the notion of collective work differs from the notion of works of joint authorship under Section 7. In both cases we have different authors working together, but in the "collective work" of Section 8, the common work is done under the initiative and coordination of a legal or natural person that publishes and discloses the final work in their name. Both of these conditions (coordination and publication or disclosure) have to be fulfilled in order to apply Section 8. According to Section 8, a work is considered a collective work in any case in which it is created on the initiative and under the direction of a person, whether natural person or legal entity, who publishes it and publishes it under his name, and where it consists of the combination of contributions by various authors whose personal contributions are so integrated in the single, autonomous creation for which they have been made that it is not possible to ascribe to any one of them a separate right in the whole work so made.

In the absence of agreement to the contrary, the rights in the collective work shall vest in the person who publishes it and discloses it in his name.

Typical examples of a collective work are dictionaries, encyclopaedia, periodical publications and so on. The legal or natural person that takes the initiative and coordinates the creation of the collective work, shall decide upon its final form, the integration or not of the various contributions and its disclosure.

This Section also states that the different contributions shall be especially conceived for the collective work. Nevertheless, the doctrine accepts that the Section can be applied even if some of the contributions existed before the initiative of the coordinator. It is important to mention that in this case the authors maintain their paternity right (one of the most important moral rights) over their respective contributions, but don't enjoy any exploitation rights, unless otherwise agreed between the authors and the coordinator, and as mentioned in the second part of this Section.

According to Section 8, the person that publishes and discloses the collective work has the exploitation rights related to it. "Publishes" should be interpreted in a large sense, as "publication" in this case also includes works that cannot be literally published, since Spanish jurisprudence has already accepted that sculptures and buildings may qualify as "collective works".

It is important to note that the rights belong to the person that publishes and discloses the information and not to the person that has the initiative and coordinates the work. That means that these two persons can be different. One might take the initiative for a work and coordinate it, and then later another person might publish and disclose it. In this case, there should be an agreement for the transfer of rights between the two persons (according to doctrine) and it is the second one who has the exploitation rights of the work (vid. Section 8 paragraph 2).

This Section clearly provides that the different authors have no exploitation rights to the common work and that the rights related to the latter correspond to the person who publishes and discloses the collective work. Nevertheless, the Section provides the parties with the possibility of deciding otherwise, and the authors are free to negotiate different terms and conditions concerning their rights to the collective work. In any case, the paternity of a particular contribution vests in its author.

Finally, Spanish doctrine understands that the Section 7.3 rule also applies to collective works. Subject to the particular agreement between the contributors, it is thus possible for them to exploit their contribution separately (if possible, of course) insofar as joint exploitation is not thereby prejudiced.

- Composite Works and Independent Works: Section 9 of the law states that a new work that incorporates a pre-existing work without the collaboration of the author of the latter shall be considered a composite work, subject to the rights accruing to that author and subject also to the requirement of his authorization. Furthermore, it says that a work that constitutes an autonomous creation, even if published in conjunction with other works, shall be considered an independent work.

This is the case of a new work that integrates an already existing one, without the collaboration of the latter's author. This condition of no-collaboration between the authors is very important, as it differentiates the composite work from the work of joint authorship.

This definition leads us to consider that what is called a "composite work" by Section 9 is the same as a derived work under Section 11. Section 9 defines the work from the author's perspective, whereas Section 11 does so from the perspective of the work itself. The fact that a work is considered as composite does not affect the rights

of the pre-existing work's author and his authorization is necessary for the exploitation of the newly created work. Examples of composite works are translations, adaptations, databases, collections, etc.

A work can be defined as a composite work if it incorporates a pre-existing one by means of reproduction or transformation. Reproduction means that the pre-existing work is reproduced in the new one in part or as a whole. Nevertheless, the new work has to contain comments or other additions, because otherwise we cannot qualify the new creation as a work and there is no composite work.

In order to define the resulting work, one has to take the particularities of each case into consideration. Sometimes the reproduction of part of a pre-existing work is very limited and in this case there is no composite work but a simple citation of the pre-existing one. In other cases, the contribution of the new author is not sufficiently important to create a composite work. For example, the reproduction of a whole pre-existing work accompanied by a limited number of comments will not constitute a composite work and the new author won't have any rights to it.

As said before, each work should be considered on a case by case basis. The second way of incorporating an existing work into a new one is by transformation. This is the case, for example, of the adaptation or up-dating of a pre-existing work.

No collaboration must occur between the authors. Still, it would be an exaggeration to consider that there shouldn't be any contact between the author of the pre-existing work and the new one. One has to remember that the new author has to obtain authorization from the pre-existing work's author, and this presupposes a kind of communication between them. Thus, the meaning of no-collaboration should always be interpreted in relation with Section 7 (see above). If the relation between the two authors is strong enough to be qualified as collaboration, Section 7 will apply. Otherwise, the final work shall be considered as composite and fall under Section 9.

The author does not acquire any rights to the pre-existing work, his rights corresponding only to the final result, i.e. the composite work as a whole. Even if based upon a pre-existing work, this new creation is autonomous and will be treated as a new object of rights having, e.g., its own period of protection.

In order to exploit the composite work, the author has to respect two limits. Firstly, the exploitation of the composite work shall not cause damage to the rights of the author of the pre-existing work. Secondly, the latter's previous authorization is necessary for the new author to exploit the composite work. Said authorization will normally be the subject of an agreement between the two parties.

b) In UK copyright Law

The situation under UK copyright law (and also US law) is less clear as to the necessary contribution to yield Joint Ownership. Whereas it is undisputed that the rules relating to the separation of contributions will equally apply, the necessary level of contributory originality is less clear as UK copyright law protects skill and labour. It is therefore capable of rendering any, possibly even mechanical, contributions into some protected augmentation. However, the sheer concoction of assistance or provision of ideas will likewise not create Joint Ownership

Initial ownership is partially regulated with respect to works uniting various copyrighted works under the level of direct fixation, such as in the case of films (attributed to either producer or director) or certain types of collective works (such as anthologies, recipe books, catalogues) in which the editor is granted first copyright in the selection and arrangement of materials, not in the individual works itself).

True Joint Ownership therefore only exists where, for example, two or more parties have contributed in such a way that no distinguishable contribution subsists. The effect is that any dealing remains subject to the other parties' consent. However, various copyright statutes provide that one joint owner may not exercise his right not to exploit the work without reasonable justification.

A work of Joint Ownership will, by operation of the law, create an undivided share for each joint owner, i.e. the interest in the intellectual property will be shared equally. It is therefore not possible to make a distinction with relation to the possibly unequal quality of creative contribution.

2.2 The legal relationship between joint owners

The legal relationship between the joint owners is typically governed by the general rules pertaining to shared property and legal majorities.

a) In continental legal systems

Under German law, and possibly most continental laws, the effect of Joint Ownership is, in the absence of any agreement to the contrary, to create a legal entity sharing undivided interests in the intellectual property right - i.e. each party holds a nominal equal share, simply divided per head (Bruchteilsgemeinschaft). Such a result is not desirable as it is fraught with difficulties.

The main principles are:

- Each joint owner can assign his interest to a third party; this party will then replace the former joint owner with respect to his interest.
- Any dealing in the work is subject to consent.
- In the case of one parties' death, his interest will pass to the others.
- In the case of the insolvency of one joint owner, his interest can be transferred to creditors.

aa) Belgian copyright law

Belgian law provides subsidiary rules for works of Joint Ownership (articles 4 and 5 of Belgian Copyright Law 30th June 1994). When several people actively participate in determining the form of a work, the copyright thereon will be shared between them (jointly-held rights) and for a duration of 70 years after the death of the last survivor. Two sets of rules will be applicable depending on whether the contributions of the different authors can be identified from the common work or not. However, they remain free to decide otherwise by contract.

- The contributions of different authors can be identified from the common work (article 4): Each author owns the same rights to the common work unless otherwise agreed. Therefore, none of the authors may exercise the right in isolation. Any decision will require unanimity. In the event of disagreement between the authors, the courts will decide. For example, the courts may, at any time, make an authorization to exploit a work subject to the measures they deem necessary, and/or order that one of the authors should not participate either in the costs or in the profits of exploitation or order that the name of one (or more) of the authors should not be shown on the work. However, each author may take action, on his own behalf and without the intervention of the other authors, against any copyright infringement and may claim damages on his own behalf. The author concerned will only receive the part of the damages corresponding to his share.
- The contributions of different authors cannot be identified from the common work (article 5): The authors may not, unless otherwise agreed, use their contributions in order to participate in another common work. However, they will have the right to independently exploit their own contribution in isolation where such exploitation does not prejudice the joint work. They cannot use their own contribution to participate in another common work. This limited exploitation right is comparable to a non-compete rule. In other words, each author will be able to independently exploit his own contribution insofar as said exploitation does not prejudice the exploitation of the common work. The rules concerning the exploitation of the common work are the same as those provided in paragraph a. Therefore, exploitation of the common work will require the consent of all the authors.

bb) French copyright law

Under French law, a work of collaboration is the joint property of its authors. One has to distinguish between the rights to the common work and to the contributions:

- Rights of the author to the common work: The joint authors exercise their rights by common accord. This is a regime of Joint Ownership. In other terms, the rights to the work cannot be transferred, exploited, or protected without the consent of every single author. For example, all the authors of a book must agree on the conclusion or the termination of a publishing contract. If a book is published without the agreement of one of them, the edition will be deemed counterfeit. Concerning patrimonial rights (not moral rights), the French Supreme Court has decided that one co-author of an inseparable contribution has to obtain the agreement of all the other co-authors in order to take legal action against another party. If one of the authors does not agree the others have to sue him so that a court decides whether he is obliged to agree or not. Indeed, the presiding justice will resolve conflicts between authors concerning the exploitation of the work or the distribution of the income of this exploitation.
- The author's rights to his own contribution: French law says that where the contribution of each of the joint authors is of a different kind, each may, unless otherwise agreed, separately exploit his own personal contribution without, however, prejudicing the exploitation of the common work. There are two main conditions: The contributions must differ in type and the exploitation of one contribution must not prejudice the common work. Different types of contribution can usually be identified in the common work. For example, the text and illustrations in a work are not considered to be of the same kind. On the other hand, French courts decided that the drawings of a comic strip result from the story, and, therefore, the drawings cannot be exploited separately from the text.
- Furthermore, the exploitation of one single contribution must not prejudice the common work. Therefore it is not considered unfair competition if one joint owner exploits his own work by himself. But the joint owner should always demonstrate that the exploitation of his work does not prejudice the exploitation or commercial success of the common work.

cc) Italian copyright law

The authors of a work of joint authorship enjoy all the intellectual property rights concerning the protected work, including the "moral rights", but with certain limitations due to the fact of Joint Ownership.

As for the disclosure and modification of the work, the unanimous agreement of all co-authors is required

(nevertheless, according to part of the doctrine, unanimity is only necessary concerning "moral rights", and the majority rule shall be applied with regard to the exploitation of the work). If such an agreement cannot be reached, the competent court shall decide the matter, as stated in paragraph 3 of Article 10.

In the same paragraph, it is also provided that after disclosure of the work, a co-author cannot refuse its consent for the exploitation of the work in the disclosed form without justifying its refusal. The right to withdraw the disclosed work is thus limited, a limitation that is justified on the grounds that the "moral right" related to the work of joint authorship belongs to all of the co-authors.

If an author grants his exploitation rights to various persons, Art. 10 is not applicable. As mentioned before, Article 10 is only applicable to works of joint authorship, i.e. works that have been created by the collaboration of various authors. Therefore, Article 10 does not apply if an author grants his exploitation rights to various persons. In this case, a community would be created for the reproduction, distribution, etc., of the work, but this does not correspond to the notion of a work of joint authorship, the relevant Sections of the Civil Code governing the relations of such a community.

dd) Spanish copyright law

Under Spanish law, the authors of a work of joint authorship enjoy all the intellectual property rights concerning the protected work, including the "moral rights", but with certain limitations due to the fact of Joint Ownership.

As for the disclosure and modification of the work, the unanimous agreement of all co-authors is required (nevertheless, according to part of the doctrine, unanimity is only necessary concerning "moral rights", and the majority rule shall be applied with regard to the exploitation of the work). If such an agreement cannot be reached, the competent court shall decide the matter, as stated in paragraph 2 of Section 7.

In the same paragraph, it is also provided that after the disclosure of the work, a co-author cannot refuse its consent for the exploitation of the work in the disclosed form without justifying its refusal. The right to withdraw the disclosed work is thus limited, a limitation that is justified on the grounds that the "moral right" related with the work of joint authorship belongs to all of the co-authors.

Section 7 of the Spanish Intellectual Property Law is only applicable to works of joint authorship, i.e. works that have been created by the collaboration of various authors. Therefore, Section 7 does not apply if an author grants his exploitation rights to various persons. In this case, a community would be created for the reproduction, distribution, etc., of the work, but this does not correspond to the notion of a work of joint authorship, the relevant Sections of the Civil Code governing the relations of such a community.

b) In UK Copyright Law

Under UK copyright law, the situation is, again, dubious. Much depends on whether the situation is commercial in nature, i.e. if an underlying and initial will to commercially exploit the asset can be detected (see c below).

In theory, English law draws a distinction as between joint tenancies and tenancies in common. Both are sub-divisions of the term Joint Ownership. The expressions stem from land law but are applied to Intellectual Property rights likewise. In practice, the distinction is that in the case of joint tenancy each tenant has a right of survivorship. If one owner dies (or, in the case of a body corporate, the body is dissolved) his share passes equally to the others, so that their share is increased equally. In the case of tenancy in common, the share passes with the estate, i.e. it can be inherited.

Both terms, however, refer to a right in undivided shares - each joint owner, irrespective of the quality of his particular contribution, holds a proportionate share.

c) The intention of the parties

In both systems, the possible intention of the parties is important. If there is a will to commercially exploit the work, continental legal systems will then consider the relationship as one between directors of a company with unlimited liability by capital (under German law, for example, a Gesellschaft bürgerlichen Rechts or civil partnership). The implied intention here will create an assumption that all joint owners intended to form a company. They will, in that sense, become directors of a company in the form of a civil partnership under the Civil Code. Consequentially, the general rules pertaining to voting rights in civil partnerships are applicable, although courts have rejected claims for an increase in majority voting even though the contributions had been unequal. In effect, this denotes that shares may pass on with the estate only if agreements to the contrary - which can be implicit - are absent. Under UK copyright law, the intention to commercially exploit the work in general allows for an assumption as to a tenancy in common.

d) The legal relationship between the joint owners in the case of employee's works

Important modifications have been made in the case of employee works. In particular, the European software directive provided for the employer's right to the commercial benefits. A similar provision allowing the transfer of a license to exploit to the employer can be found in most copyright statutes. This means that the employer does not automatically be-

come owner. The employee is obliged, though, to transfer any rights. Such a transfer is not to be understood too technically. For each work created, the employer will become an exclusive licensee even without any express transfer. The employer does not become owner of the copyrighted work but is merely permitted to exploit the work.

For more information, see our [guide on Employees' creations](#).

e) The legal relationship between joint owners in the case of commissioned works

A similar situation to that of employee works exists in the case of commissioned works. As copyright exists without registration, the right will vest in the author despite the fact that it was made for specific purposes or following the instructions of the commissioner. Here, UK copyright would give the commissioner an equitable title to use the work. In theory, the author remains owner. However, the commissioner may claim to have the right transferred from the author. Against third parties, the commissioner will then be treated like the legal owner.

Under continental laws, the result is largely similar, as implied consent will exist which allows the commissioner to use the work in accordance with the parties' intentions.

3. Joint Ownership with regard to patents

In Patent law, co-ownership of patents and/or the right to the patent application creates relationships as discussed above.

Typically, co-ownership accrues with co-inventorship. Each patentee is entitled to do, by himself or through his agents, acts which would otherwise infringe the patent.

The question of which level a qualifying contribution needs to reach depends on whether two or more persons have devised the invention. The mere provision of assistance or advice does not suffice. Likewise, a mere suggestion as to what is included in the patented subject matter is insufficient. It appears - in contrast to copyright law - that the person providing the idea will normally be considered inventor or co-inventor.

If the patent is jointly owned, each joint owner may use the invention. Here, the co-owner's consent is not necessary. However, any dealing in the patent or patent application - by way of assignment or mortgage - is subject to consent by all co-owners.

3.1 Belgian patent law

Under Belgian law, the inventor will be deemed to be the first patent applicant. There are no specific conditions related to the inventor himself. The applicant will be entitled to exercise the right to the patent. The administration will not conduct any checks. A clear distinction has to be made between Joint Ownership of the patent (the document) and Joint Ownership of the invention.

Several persons may have the Joint Ownership of an invention before this invention is registered. The risk is that one person may register the jointly owned invention under his name only. The true owner(s) of the invention can claim the total or partial transfer of the granted patent.

In any case, the law provides that the inventor has the right to be named as such in the patent and that he may also oppose such a naming. For example, if the invention is transferred to a company by virtue of an employee's contract, this company will have to include the name of the inventor.

The Joint Ownership of a patent may arise in various circumstances:

- From a common application: several persons may decide by contract to apply for a patent together.
- From succession: several heirs may inherit a patent.
- From a judgment: for example, a person may claim before a court to be considered as co-owner of the patent. This person should demonstrate that he has provided an idea in order to be considered as inventor or co-inventor.
- From an agreement or contract: various types of contracts may confer Joint Ownership such as a sale agreement, an employment contract, a marriage contract or a research contract.
- A patent also constitutes the assets of a company. If the company goes into liquidation, the different shareholders may jointly own the patent.

Forms of Joint Ownership:

Belgian law provides some subsidiary rules for jointly owned patents. The parties remain free to agree otherwise by contract. The following rules must be followed unless otherwise agreed:

The principle is: Each co-owner has the right to personally exploit the invention and can keep all the profits resulting from this exploitation for himself. In this case, each co-owner is presumed to own the entire patent. There is an exception to this principle if there is agreement by all the co-owners.

No co-owner may burden a patent application, grant a license to exploit or institute infringement proceedings without the agreement of the other co-owners or, failing agreement, the authorization of a court. If a co-owner wishes to assign his share, the other co-owner(s) has(ve) a right of preemption for a period of three months from notification of the intended as-

signment. Each party may request the presiding justice to appoint an expert in order to determine the terms of assignment. The expert's conclusions bind the parties except in the case where, within a month of their notification, one of the parties announces that he renounces the assignment.

A co-owner of a patent application or a patent may notify the other co-owners that he relinquishes his share in their favour. The co-owners will divide the relinquished share among them in proportion to their rights in the joint property, except when otherwise agreed.

3.2 French patent law

Under French law, the inventor will be deemed to be the first patent applicant. Joint Ownership in the patent field is exceptional in most cases.

However, Joint Ownership may be decided voluntarily by the parties or by virtue of the law.

- **Voluntary Joint Ownership:** The parties can both apply together to obtain a patent. The registration of the patent will contain the names of all parties that applied for the patent. Joint Ownership of a patent may therefore be a result of the parties' intentions. This so-called initial Joint Ownership is set out in a contract. This is common for research contracts or employment contracts. Joint Ownership may also occur as derived Joint Ownership as a result of the acquisition or sale of a patent to several persons.
- **Joint Ownership by virtue of the law:** Joint Ownership by virtue of the law may result from the application of civil law or commercial law. A patent may be part of the capital assets of a company and be shared between the shareholders. In case of bankruptcy or the winding up of the company, the patent may be jointly held between various stakeholders. The ownership may be divided between a married couple according to their matrimonial regime or marriage contract, or in case of succession, the heirs may inherit ownership of the patent. The binding decision of a presiding justice may also lead to Joint Ownership.

Forms of Joint Ownership:

The parties are free to organize their own regime. The joint owners may conclude a Joint Ownership agreement at any time. French law only provides subsidiary rules for jointly owned patents. In other words, the legal regime provided by the law will be applicable in absence of any agreement between the parties. In practice, the legal regime is often applied by the parties or the Joint Ownership agreements are inspired by the legal regime. In the event that the legal regime is applied, French law excludes the French Civil Code rules on Joint Ownership from being applied to the Joint Ownership of a patent application or patent.

Exploitation: The patent can be exploited directly by a joint owner himself or indirectly, by the granting of a license. Each joint owner may work the invention for his own benefit, provided he equitably compensates the other joint owners who do not personally work the invention or who have not granted a license.

Granting of a license: Each joint owner may grant a non-exclusive license to a third party for his own benefit. In this case he is supposed to give an equitable compensation to other joint owners who do not personally work the invention or who have not granted a license. Each draft licensing agreement must be notified to the other joint owners. This draft should be accompanied by an offer for transfer of the share at a specified price. Within three months of such notification, any of the joint owners may oppose the granting of a license on condition that he acquires the share of the joint owner wishing to grant the license. Otherwise the matter will be decided by the competent court.

The parties are given one month from notification of the decision or of the decision on appeal to forgo the sale or purchase of the Joint Ownership share, without prejudice to any damages that may be due.

The French legislator hereby intended to preserve the unity of the patent by providing mechanisms for the transfer of shares. However, in the case of a disagreement between the joint owners, the procedure for granting a license becomes relatively difficult.

An exclusive license may only be granted at the agreement of all the joint owners or on the authorization of the presiding judge.

Infringement: Each joint owner may take action against infringement for his own exclusive benefit. This means that the joint owner can only obtain compensation for the damage he has suffered and doesn't have to claim compensation for any potential damage suffered by the other joint owners.

A joint owner who takes action for infringement must notify the other joint owners of the action that has been brought. The judgment will be deferred until such notification has been proved.

Terminating a patent: There are two main ways of terminating a patent, one is to assign the share, and the other is relinquishment. Each joint owner may, at any moment, assign his share. The joint owners have a right of pre-emption for a period of three months from the notification of the intended assignment. If no agreement is reached on the price, this will be set by the presiding judge. The parties are given one month from notification of the decision or of any appeal against the decision, to forgo the sale or the purchase of the joint initial share, without prejudice to any damages which may be due. In case of relinquishment, the joint owner of a patent application or a patent may notify the other joint owners that he is relinquishing his share.

The joint owners will divide the relinquished share between them according to their rights, except where otherwise agreed.

3.3 German patent law

According to § 6 of the German patent law, it is not the first applicant but the inventor who is entitled to the patent. Nevertheless, German patent law has introduced a "first to file" system in contrast to the "first to invent" system in US patent law: If the same invention is made by different inventors at the same time, only the one who applies first is entitled to the patent. So there is no Joint Ownership in this case.

Under German patent law, the inventor has to be a natural person. Co-inventors are both entitled to the patent (§ 6,2). Co-invention arises from the collaboration of two or more natural persons and requires substantial contributions. Co-inventorship leads to questions regarding the inventor's moral rights as well as entitlement to the patent:

- Every inventor acquires moral rights to the invention, which are basically the right to be named as the inventor by the applicant (§ 37) and in the patent specification and publication.
- All co-inventors are entitled to the patent and therefore form a Joint Ownership. The legal relationship among co-inventors is determined by themselves via contract agreements and can lead to a legal entity on a contractual basis (Gesellschaft bürgerlichen Rechts, §§ 705 ff. BGB). In the absence of any agreement to the contrary, the effect of Joint Ownership is to create a legal entity that shares undivided interests in the intellectual property right - i.e. each party holds a nominal equal share, simply divided per head (Bruchteilsgemeinschaft, §§ 741 ff BGB). Each joint owner can assign his interest to a third party and this party will then replace the former joint owner with respect to the interest. Any dealing on the patent itself is subject to consent. In the case of a parties' death, his interest will pass to the others. In the case of the insolvency of a joint owner, his interest can be transferred to creditors.

Specific regulations exist on inventions made by employees using the knowledge gained from their specific job occupation or the material provided. The employee has to report the invention to his employer. The employer can then opt to make use of the invention and reimburse the employee.

3.4 Italian patent law

Article 20 of the Italian Patent Law states that when an invention is made by the collaboration of various authors (in the absence of an agreement between the parties), the Italian Civil Code concerning Community will apply. It has to be highlighted that this kind of regulation is provided for tangible assets and not for intangible ones, with the consequent problems of adaptation.

Under Article 1105 of the Italian Civil Code, the majority of co-owners can claim protection. This is a problematic issue to regulate, as many decisions that have to be taken in order to obtain patent protection: The date of filing, the legal patent system, the patent attorney, etc. The right to claim for patent protection belongs to all co-authors.

Co-authors are the members of the group that developed the research activity resulting in the patent, and this excludes others that developed other research activities or executed simple tasks. All the co-authors have the same share under Article 1101 of the Italian Civil Code.

Under Article 732 of the Italian Civil Code, every co-owner is free to transfer his share, but the other co-owners have an exclusive right to buy it.

Following the regime of the Italian Civil Code on Community, it could be affirmed that the Joint Ownership and exploitation of the patent rights belonging to various persons apply pro indiviso (in undivided parts).

The regulation of this issue in the Italian patent system thus provides that the Joint Ownership of patent rights will be governed by:

- The agreement between the parties
- In its absence: The Civil Law provisions on Joint Ownership (Civil Code).

In what cases can Joint Ownership of patent rights arise?

According to Section 2 of the fifth book of the Italian Civil Code, the patent right belongs to the inventor. So the first, and simplest, case of Joint Ownership is where various inventors collaborate to make the same invention. The inventors can jointly apply for a patent and will be its joint owners. A second possibility is where one inventor transfers his rights to more than one person. The transferees will also be joint owners of the patent, without being its inventors, and the related provisions will apply to them.

Although it is the common way, the patent does not have to be registered in all of the co-inventors' names. In any event, the co-inventors have the right to be designated as such but can decide that the patent is to be registered to only one co-inventor. If the patent rights are transferred and the patent owner is not the inventor, the latter has the right to be mentioned as such under Article 23 in respect of service inventions.

According to Article 1102 of the Italian Civil Code, one of the joint owners is free to exploit the invention alone but only insofar as the joint owner's exploitation does not cause damage to the community's interests or prevent other joint owners from exploiting the patent.

3.5 Spanish patent law

Section 10 paragraph 2 of the Spanish Patent and Utility Models Law states that when an invention is made by the collabo-

ration of various persons, the right to apply for a patent belongs to all of them. Section 72 of the Law regulates the Joint Ownership and exploitation of patent rights belonging to various persons pro indiviso (in undivided parts). In this sense, Section 74.3 (within Chapter II, Transfer and Contractual Licenses) provides that for the purposes of assignment or transfer, patent applications and patents already granted shall be indivisible, even though they can belong jointly to several persons; i.e., the patent as a whole can belong jointly to various persons, but it cannot be divided, e.g., by claims being licensed claim by claim to various persons.

Claiming co-ownership: As under the general regime (where a person authorized to obtain a patent may claim the transfer of the patent where it has been unduly granted to another), a person only having the right to part of a patent may not claim more than co-ownership of such a patent (Section 12 paragraph 2).

Furthermore, the Sections of the Spanish Civil Code concerning Joint Ownership (Sections 392 to 406) are also applicable. The regulation of this issue in the Spanish system thus provides that the Joint Ownership of patent rights will be governed by (Section 72):

- The agreement between the parties.
- In its absence: The relevant Sections of the Patent Law.
- And ultimately, the Common Law provisions on Joint Ownership (Civil Code).

According to Section 10 paragraph 1 of the Spanish Patent and Utility Model Law, the patent right belongs to the inventor. So the first, and simplest, case of Joint Ownership is where various inventors collaborate to make the same invention. The inventors can jointly apply for a patent and will be its joint owners. A second possibility is where one inventor transfers his rights to more than one person. The transferees will also be joint owners of the patent, without being its inventors, and the related provisions will apply to them.

If the co-inventors decide they wish to own the patent jointly, they should apply for it jointly. Otherwise, the co-inventors could transfer their shares to one co-inventor. In this case, the Joint Ownership will be dissolved and only one co-inventor will own the patent right and therefore appear on the application form as the sole patent applicant. In any event, the co-inventors have the right to be designated as such (i.e., as co-inventors).

According to Section 72 paragraph 2, one of the joint owners can exploit the invention by himself, with the sole requirement of previously notifying the rest of joint owners. Section 394 of the Spanish Civil Code is also applicable in this case, and thus the joint owner's exploitation shall not cause damage to the community's interests nor prevent the other joint owners from exploiting the patent. It is important to note that the meaning of exploitation shall be interpreted here in relation with paragraph 3 of Section 72. In this sense, Section 72.2.(b) recognizes that each of the co-owners has the right to work the invention (explotar in the original Spanish version), whereas Section 72.3 states that any licenses shall be granted by all the parties jointly, unless the presiding judge grants this possibility to one of the parties in particular, for reasons of equity. This interpretation of paragraph 3 of Section 72 is based on the fact that the patent is, by nature, not divisible, and thus the various joint owners of a patent do not have equal shares of it but a participation in the patent as a whole. This leads to the conclusion that without notification to other owners, a single co-owner is only entitled to directly use and exploit the invention by himself. "Exploitation" does not include "licencing" in this case.

The joint owner who decides to bring a civil or criminal action against third parties in order to protect the jointly owned patent or the patent application, shall give prior notice to the rest of the joint owners so that they can join the action. If they fail to do so, according to the jurisprudence of the Spanish Supreme Court, a favourable decision will be to the advantage of all joint owners, while a negative result will not affect the rest of the owners.

3.6 UK patent law

Under UK patent law the inventor has the right to be granted a patent, although this right can be over-riden if another person has a legally enforceable right to the invention by virtue of an agreement with the inventor or by virtue of law. I.e. the invention belongs to the employer, if the invention is made during the course of an employee's duties and those duties are such that an invention may be expected to result.

If the applicant applying for the patent (a natural person or a business entity) is different from the inventor, the applicant must prove his right to the patent. Furthermore, the applicant has to identify the inventor.

Nevertheless, the UK Patent Act 1977 also allows co-ownership of patents in section 36, so applicants may make a joint application for a patent: Where a patent is granted to two or more persons, each of them shall, subject to any agreement to the contrary, be entitled to an equal undivided share in the patent. Each of them shall be entitled to use the invention protected by the patent himself or through agents, for his own benefit and without the consent of or the need to account to the other co-owner(s).

On the other hand, a sole co-owner may not, without the consent of the other co-owner(s), grant a licence under the patent or assign or mortgage a share in the patent or, in Scotland, cause or permit security to be granted over it. Where two or more persons are proprietors of a patent, anyone else may supply one of those persons with the means, relating to an essential element of the invention, for putting the invention into effect, and the supply of those means by virtue of this subsection shall not amount to an infringement of the patent.

Where a patented product is disposed of by any of two or more proprietors to any person, that person and any other person claiming through him shall be entitled to deal with the product in the same way as if it had been disposed of by a sole registered proprietor.

This does not affect the mutual rights or obligations of trustees or of the personal representatives of a deceased person, or their rights or obligations as such.

4. Joint Ownership with regard to trade marks

Due to the [Council Directive No. 89/104/EEC](#) (OJEU 1989 Nr. L 40/1), which the member states of the European Union had to transfer into their national law, material trade mark law has been harmonized throughout the European Union. But the directive still did not include any regulations on Joint Ownership with regard to trade marks. Thus national regulations on Joint Ownership with regard to trade marks still vary between the member States of the European Union.

4.1 Belgian trade mark law

In Belgian trade mark law, for instance, Joint Ownership on a trade mark may arise from a particular event (succession, dissolution of a company, etc.) or from the common will of the parties (agreement, marriage contract, etc.).

Various events may create a joint ownership situation:

- From the dissolution of a company - indeed a trade mark constitutes the assets of a company. If the company goes into liquidation, the different shareholders may jointly own the trademark.
- From a succession: several heirs may inherit a trade mark.
- From a common application (often resulting from the common creation of a trade mark). Therefore, several persons may decide by contract to register for a trade mark together.
- From an agreement or contract: various types of contracts may confer Joint Ownership such as a sale agreement, an employment contract, a marriage contract or a research contract.

Even if the trade mark is held by different persons, it will still be used in commerce to distinguish the origin of goods or services of a particular company. Therefore, each joint holder of the trade mark may equally use the trademark in relation to the specific fabrication of goods or provision of services in relation with the trade mark unless decided otherwise in contract. The transfer or the granting of a licence of the right will in principle require the consent of all the joint owners. In case of disagreement between joint owners, the courts will decide taking into account the preservation of the rights of the parties.

4.2 French trade mark law

In French trade mark law, Article L 712-1 of the French Intellectual Property Code says: A trade mark may be acquired under Joint Ownership. Nonetheless, the Code does not define Joint Ownership or limit it to certain kind. Therefore, there are several ways of acquiring Joint Ownership of trade marks: succession, dissolution of a company, agreement, etc. If there no agreement on Joint Ownership is concluded between the joint owners, the rules of Joint Ownership set out in the French Civil Code will apply. That means that every joint owner of a trade mark may equally use the trademark in conformity with its registration.

The transfer or the granting of a licence of the trade mark requires the consent of all the joint owners. Also, consent is necessary if one joint owner is about to bring an action against a person infringing the jointly owned trade mark. It is highly recommended for the joint owners to establish a Joint Ownership agreement on their respective rights and obligations.

4.3 German trade mark law

German trade mark law allows Joint Ownership with regard to trade marks in § 7. However it does not define Joint Ownership. The owners themselves must define their legal relationship via contract agreements. In the absence of any agreement to the contrary, the effect of Joint Ownership is to create a legal entity sharing undivided interests in the intellectual property right - i.e. each party holds a nominal equal share, divided simply per head (*Bruchteilsgemeinschaft*, §§ 741 ff BGB). The main principles are: Each joint owner can assign his interest to a third party and this party will then replace the former joint owner with respect to the interest. Any dealing in the trade mark itself is subject to consent. In the case of one parties' death his interest will pass to the others. In the case of the insolvency of one joint owner, his interest can be transferred to creditors.

Joint Ownership can lead to a specific form of business entity (*Gemeinschaft bürgerlichen Rechts*, §§ 705 ff. BGB). Although the first Senate of the German Supreme Court ruled that this specific form of business entity could not own a trade mark itself it is widely expected that the German Supreme Court will not follow this decision any longer.

4.4 UK trade mark law

The UK Trade Marks Act 1994 says in section 23 that where a registered trade mark is granted to two or more persons jointly, each of them is entitled, subject to any agreement to the contrary, to an equal undivided share in the registered trade mark. Where two or more persons are co-proprietors of a registered trade mark, subject to any agreement to the contrary, each co-proprietor is entitled, by himself or his agents, to do for his own benefit and without the consent of or the need to ac-

count to the others, any act which would otherwise amount to an infringement of the registered trade mark.

However, one co-proprietor may not, without the consent of the other or others, grant a licence to use the registered trade mark, or assign or charge his share in the registered trade mark (or in Scotland, cause or permit security to be granted over it). Infringement proceedings may be brought by any co-proprietor, but he may not, without the leave of the court, proceed with the action unless the other, or each of the others, is either joined as a plaintiff or added as a defendant. A co-proprietor who is thus added as a defendant shall not be made liable for any costs in the action unless he takes part in the proceedings.

5. Typical contractual provisions

As Joint Ownership is modifiable by contractual agreements, the following list is intended to give guidance on typical clauses by which the rather rigid and complex consequences of statutory Joint Ownership may be overcome. As to whether the clauses mentioned are valid, however, depends on national jurisdiction. Collaboration in research and development may be initiated by participation in EU funded RTD projects. These projects aim to establishing cooperation in the field of research between different types of entities, companies, SME's, universities, research centres, etc.

a) If Joint Ownership is agreed

- Typically, in collaborations relating to joint research or development, each party will eventually have created one or more forms of IP rights. In such cases, it may make sense to agree that each party will retain its IP rights.
- Apart from IP issues, there may be secret know how one partner may wish to keep secret. As such know how is protectable only by mechanisms such as trade secrets, and it is advisable to introduce a clause by virtue of which other participants are obliged to keep the knowledge secret, and probably to agree on contractual damages in case of violation of such a clause.
- Particularly with a view to commissioned works, it is sensible to introduce a clause by virtue of which the commissioner will acquire the exclusive rights. Such result is sensible as the commissioned person will be compensated.
- If Joint Ownership is desired, parties may wish to agree that each share will, following the death of one owner or dissolution of a legal company, be transferred in equal parts to the Joint Ownership rather than to go with the estate.
- Parties may retain the right to agree on different exclusive areas for exploitation. This is subject to the rules applicable by virtue of regulation 2659/00 (Block Exemption for Research and Development Agreements. However, Reg. 240/96 - Regulation on the Transfer of Technology - only covers rights in patents and know how, not copyright as such).
- Any agreement should specify whether one or more joint owner is permitted to assign or license the right.
- In case of registered rights such as patents or trade marks, it is advisable to agree on an application in the name of all co-owners. It is also advisable to limit the possibilities for one co-owner to solely vary the registered right.
- Planning ahead for cost sharing;
- Obtaining and maintaining patents and other intellectual property rights in effect. Payment of fees for registration, maintaining and procedures - in which country and from whose account.
- Agreements relating to locus standi on behalf of other participants, i.e. the right to claim infringement of any Joint Ownership on behalf of other partners.

b) To agree an alternative ownership structure

In this case, the following possibilities should be considered:

- Introduction of provisions vesting intellectual property rights in one party whilst granting exclusive licences or non-limited licenses to the other.
- If neither party is willing to be a licensee, the parties may - and indeed must - provide for the creation of a separate entity to own and administer the intellectual property. Here, legal expert advice as to choosing the proper form of company is required, in particular with a view to taxation issues.

c) Common Provisions for both

- It is of utmost importance to introduce a choice of law (applicable law) clause. Such a clause will determine the law governing the entire agreement. However, it also seems sensible to expressly agree on which law will govern any dealings in Intellectual Property rights. Contractual agreements in relation to Joint Ownership (such as agreeing on majority voting rights, on clauses regulating financial input etc.) can be freely concluded under national private international law rules. It is not, however, possible to agree on clauses attempting to regulate the substance of rights. Such clauses do not fall within the realm of choice of law clauses as they relate to property. Typically, the subsistence

of a property right depends on the place where the thing in question is located. For copyright, the subsistence will usually be determined by either the place of the forum (i.e. the law of the country for which protection is sought) or, according to an alternative view, by the law of the country in which the work has been created or published for the first time. It may therefore well be the case that copyright would subsist under the UK skill and labour approach yet not be recognised under French law. A minimum requirement for the protection of certain categories of work is granted by the Berne Convention. It is undecided, however, as to whether this convention says anything about the applicable law.

- Likewise, the parties should introduce a choice of forum. For the sake of ease, the forum (the place where any dispute will be heard) should be in the country the law of which was chosen.
- The parties should also consider agreeing on arbitration proceedings. It remains necessary to agree on a choice of law for both procedure and material law.