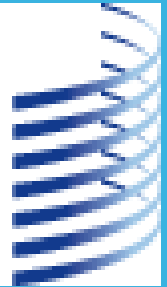




WIPO



WORLD INTELLECTUAL PROPERTY ORGANIZATION

# National Workshop on Intellectual Property Management in Business for Small and Medium-Sized Enterprises (SMEs)

## IP in the Digital Economy

Tehran, June 9, 2015

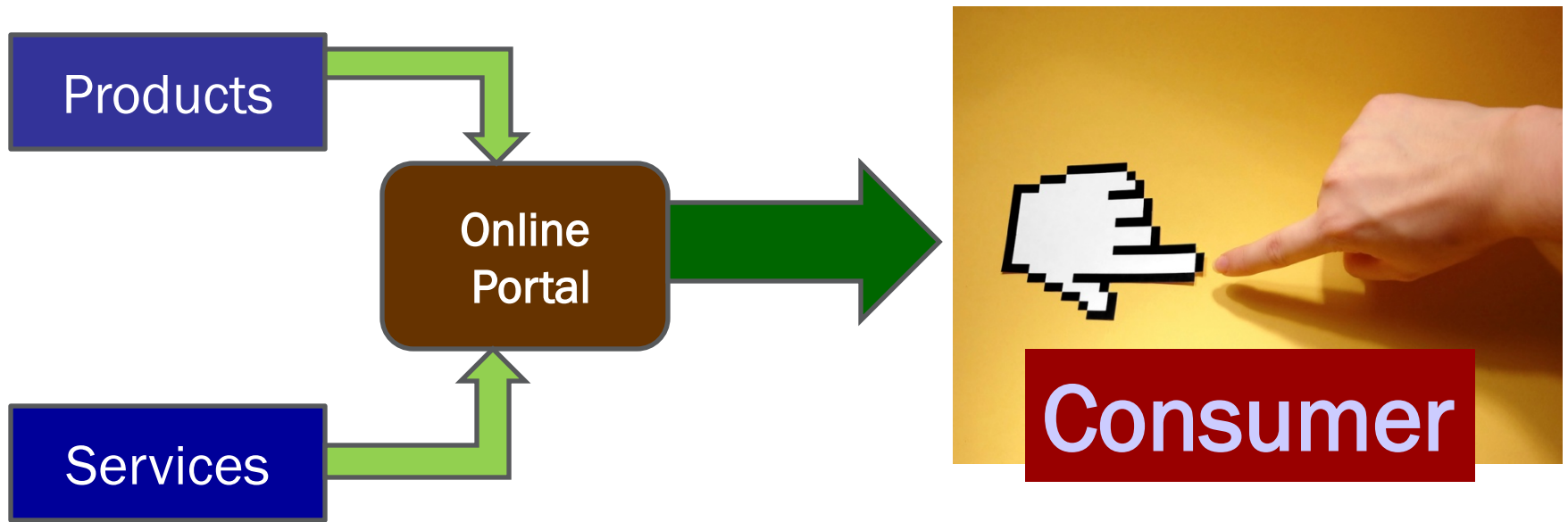
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# INTRODUCTION

Ecommerce has become one of the **fastest growing** and most important aspects of Technology and will have **enormous effects** on the future of technology and humanity

“Technology is an inseparable child of humanity”

- An economy based on electronic goods & services
- Produced by electronic business
- Traded through electronic commerce



# HISTORY OF E-COMMERCE

**1992: the release of the World Wide Web: the basis of e-commerce development as we know it today.**

**1994: corporations like Pizza Hut began to take orders for pizza over their Website**

**Also in this year that the first commercially successful web browser, Mosaic, became available.**

1997 DSL (Digital Subscriber Line) service started: allowing customers to connect to the internet at speeds fifty times faster than the typical modem dial up speed of 28.8 kilobits per second.

1998 saw E-Commerce take off: companies were selling their services and goods over the Web and accessing clients that they never had access to before the Web.

1999 Napster came into the scene. It allowed music files to be transferred over the Web by converting them into MP3 files.

It is a software that turned the recording industry on its head and copyright owners everywhere were concerned with the possible ramifications that Peer-to-Peer software may have.

**Today** the Internet is defined as a **global network of networks** through which computers communicate by sending information in packets, and each network consists of computers connected by cables or wireless links.

### **The Domain name system:**

It is a technology (created first in 1983) that made navigation of the Internet easier, as the users did not have to remember the IP numbers, instead they could use easy to remember names.

### **The Hypertext System:**

In 1990, a new hypertext system for efficient information access was implemented: It consists in 'protocol' allowing one computer to talk to another, in such a way that when all computers everywhere did it, the system would thrive, not break down." This hypertext system was the beginning of World Wide Web.

# WHY THE E-COMMERCE?

## Distinct Advantages:

### - Easy

- Weightlessness

### - Glogal

- Instant Global Movement

## As opposed to the traditional economy based on products:

- Mass
- Movement
- Materials



# IP & E-COMMERCE

## 1- Impact on e-commerce of IPRs

The IP system is crucial for the development of the digital society.

**(1) IP and online trade of products and services**

**Music/Photos/Films/Computer program/industrial design...**

The IP system is crucial for the development of the digital society.

## **(2) IP and digital technologies**

**Programs / Networks / Page Web / Design**

## **(3) IP and business value**

**Technology companies are evaluated by their intangible assets (IPRs) not by their tangible property**

The IP system is crucial for the development of the digital society.

#### **(4)Relevance of patent licensing in e-commerce**

**Some products need different type of technology to be produced.**

**The owner of the patent on the technology could grant licenses to produce it**

#### **(5) IP and online branding**

**In the digital world there is no physical contact with the sellev: the role of the brand is to attract customers**

# TRADEMARKS AND E-COMMERCE:

When a trademark is used over the Internet, it is potentially accessible by viewers world wide. Businesses are realizing that their **on-line identities** are potentially valuable resources and must be protected accordingly.

Electronic businesses must protect valuable intangibles, such as **domain names** and **metatags**. Companies should know what constitutes a **valid trademark** and be prepared to enforce their trademark rights over the Internet. They must also be aware of methods to **detect further infringement** and what remedies are available.

## Two major issues:

- E-businesses must use other company's trademarks on their websites. to show that certain products are available from their corporation. (For example Wal-mart® might use numerous trademarks, such as Colgate®, Dove® and Hanes® on their websites, without infringing those marks. Companies must be aware of the limits of this allowable use
- Business over the Internet raises jurisdictional issues: the territoriality of the trademark laws (each country applies it's own laws ), if an e-business wishes to protect their intellectual property rights abroad, they may have to rely on the trademark laws of another nation.

## 2- The Challenges of the E-Commerce

### (1) IP protection in software:

- Patent
- Trade Secret
- Industrial Design
- Copyright

## (2) Online Content Distribution: Peer to Peer

- Illegal Downloads (Napster Case)

## (3) Domain Name issues:

Cybersquatting – UDRP Procedure

Trademark-based domain name disputes must be resolved by agreement, court action, or arbitration before a registrar will cancel, suspend, or transfer a domain name. A trademark owner should either:

- (a) file a complaint in a court of proper jurisdiction against the domain name holder, or
- (b) in cases of abusive registration, submit a complaint to an approved dispute-resolution service provider – WIPO Center for instance

<http://www.wipo.int/amc/en/domains/guide/#b>

# HOW TO CREATE A WEBSITE

## (1) Outsourcing Website Development?

Is it necessary? A mandatory tradition

## (1) Topics to be included in the agreement

- Scope of work
- Ownership of material
- Warranties
- Maintenance and update
- Confidentiality
- Liability



## **(3) Using material owned by others:**

- Software
- Copyrighted Works
- Trademarks
- Metatags

# META TAGS?

When a web user enters **information** into a search engine, they are seeking to find web pages related to those search terms. A search engine will **retrieve** as many documents as possible using an **indexer**, by examining the text in the meta tags.

**Meta tag** use in web page development has created new legal problems for unfair competition and trademarks in e-commerce

In the major part of the cases brought to court, the defendant was using the plaintiff's mark in bad faith to trick Internet users into visiting defendant's website, believing that they were visiting plaintiff's website

# CHOOSING THE DOMAIN NAME

## 1. Basics of Domain Name

The principal legal concerns surrounding domain names are:

- the pirating of names
- registering confusingly similar marks in various country code TLDs

## 2. How to Choose a Domain Name?

- The Top-level Domain: com/gov/edu/net/
- The Second-level Domain:

# HOW TO CHOOSE A DOMAIN NAME?

Most powerful marketing tool for your business

Hence, in your interest to make it easy for finding in the worldwide web

Same as your business name &/or trademark

Short & Sweet preferable

Avoid controversial stuff

- Including similar or close to others' names ...

### **3. Practical Considerations:**

- Registration of the Domain Name
- Exposure of the Domain Name

### **4. The Cybersquatting problem:**

- Abusive Registration Criteria
- UDRP

# PROTECTION OF THE WEBSITE

## 1. What elements of your website can be protected:

- Software
- Database
- Trademark/logo
- Copyrighted materials
- Website design
- Graphics
- Business name
- Domain Name

## 2. How to protect your website:

- IP Protection: Trademark - Copyright – Patent: registration
- Letting the others know that the website is protected
- Letting people know what use they can make of the content
- Controlling access to the content
- Detecting infringement against the website
- Taking actions against violations: court action

# Thank you

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