The Questions on the Agenda

On the basis of a proposal from the Programme Committee, the Executive Committee has in a vote by correspondence decided to put the following Questions on the Agenda of the Congress 2004 in Geneva:

Q180 Content and relevance of industrial applicability and/or utility as requirements for patentability

Q181 Conditions for registration and scope of protection of non-conventional trademarks

Q182 Database protection at national and international level

Q183 Employers' rights to intellectual property

Guidelines for National and Regional Group Reports

The majority of the National and Regional Groups follows the Guidelines for the arrangement of their Reports and thereby contributes to a quicker and cheaper printing of the Summary Yearbooks. We are most grateful for this support and would like to draw your attention to following Guidelines:

1. The National and Regional Groups are responsible for the contents, spelling and trilingual summaries in their Reports. The texts will normally be printed without further correction.

   Please avoid sending us full translations of the Group Reports. Summaries in the two other languages will be sufficient.

2. Drafts cannot be accepted. Please only send final versions.

3. Please deliver your Reports whenever possible by e-mail or else on computer diskettes (DOS or Windows). Our address is: mail@aippi.org

4. If you cannot provide such data files, we shall try to scan the Report. For such purpose we shall need the original text (no copies or fax transmissions), without corrections, underlines or footnotes.

5. Please try to stick to a clear and simple presentation of the Group Reports without too many sub-paragraphs and preferably not too many or too long footnotes.

6. We shall not be able to publish extracts of National Laws as Annexes. If necessary please make a reference to the laws in questions (websites).

For further questions concerning the presentation of Group Reports you are kindly invited to contact the AIPPI General Secretariat at mail@aippi.org

Please make sure that your Reports are sent before **November 15, 2003**.

AIPPI General Secretariat, Zurich

Working Guidelines

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Question Q183

Employers' rights to intellectual property

Introduction

At the time of the AIPPI Congress held in Venice in June 1969, AIPPI studied Question Q40A: The inventions of employees.

However, the debate within AIPPI gave rise to such a division, as to the solution to be given to this Question, that no substantive Resolution was adopted by AIPPI in Venice other than the decision to continue to study the Question.

And the division which arose in Venice was such that, since that date, AIPPI has never discussed the status of intellectual creations made within the contractual relations of employment.

However, the Question appears to be very important today because of several phenomena:

The globalisation of economic relations often leads firms to have establishments in various countries and the employment contracts, which are concluded in this respect, are subject to various legal systems. This disparity in the legal situation can be a source of complication in the life of firms, in particular where it is a question of organising the work of research and development teams.

On the other hand, one may increasingly often observe the apparition of intellectual property rights with a regional scope. The question arises as to the uniformisation of rules concerning the ownership of such rights, and in particular the problem of relations between the employees and employers.

At the same time, one may observe that there is great disparity in situations between different types of intellectual property. Employers and employees do not have the same rights when it concerns an invention or when it is an artistic work, even if such a work is of a utilitarian nature.

Finally, there is great disparity concerning the means of regulating the status of rights of employers and employees over intellectual creations. Although it is intellectual property law which applies for some of these rights, others are governed by collective agreements under labour law or individual employment contracts.

The situation is therefore particularly complex.

However, the status of intellectual property rights over creations by employees in the context of an employment contract and during performance of said contract is a question, which is of indisputable economic interest.

Indeed, faced with the necessity for firms to innovate, design, and produce new intellectual creations, there is the problem of motivation of employees.

And on the other hand, in a context of globalisation of economic relations, there is the question of the choice of law, which will determine the status of employees, authors of intellectual creations, whether utilitarian or non-utilitarian.

As, although the principle is still the freedom of choice by the parties of the governing law for an international employment contract, the 1980 Rome Convention on the Applicable Law to Contractual Obligations provides that mandatory rules which afford protection to employees shall apply where they are the rules of law of the country in which the employee habitually carries out his work, even if the contract is subject to a different law.

It is in this context that AIPPI has decided to place the Question of rights of employers in intellectual property matters onto the agenda for the Geneva Congress of 2004.

The purpose of the Working Guidelines is first to give AIPPI Members a precise description of the rules of domestic laws. The Groups are therefore invited to start with a presentation of the positive law situation in their countries in this matter.

The Groups are then invited to present their opinions as to the possibilities for international harmonisation of employers' rights in intellectual property matters.

Questions

1. The State of positive Law

1.1 The Groups are invited to present the legal framework governing relations between employers and employees in the field of intellectual property rights.

In particular, the Groups are invited to state whether these rules arise from provisions concerning labour law or whether these rules arise from provisions concerning intellectual property rights.

In addition, the Groups are invited to state whether these rules may be considered as being public policy rules (i.e. mandatory rules) or whether, on the contrary, they may be modified by contractual relations between employees and employers.

1.2 The Groups are invited to specify, for each of the intellectual property rights (patents, plant variety rights, copyright or authors' rights, patterns and models, and software rights, it being recalled that trademarks and brand rights are expressly excluded from the scope of the study in question) what are the legal solutions concerning ownership of rights over intellectual creations:

- *Do these rights originally belong to the employer or the employee?*
- *If these rights belong to the employer from the outset, what are the conditions for this attribution?*
- *And if these rights originally belong to the employee, does the employer have the right to have them transferred to it and under what conditions?*

And the Groups are also invited to specify, as far as it concerns patents, if it is the employer who is the owner, from the outset, of the intellectual property rights over inventions made by employees in the context of their employment contract and in the performance of their tasks.

The Groups are invited to give replies both with respect to moral rights and economic rights for each type of intellectual property rights.

1.3 The Groups are also invited to provide information on procedures concerning potential disputes concerning the ownership of intellectual property rights over employees' creations.

Are these disputes within the jurisdiction of labour courts or, on the contrary, are they within the jurisdiction of the courts which are usually competent for intellectual property disputes?

Is there a prior conciliation stage and if so, does it take place before the same court as the one having jurisdiction over disputes concerning the ownership or conditions for use of intellectual property rights over creations made by employees?

Does the termination of the employment contract have an influence on the action which an employer can bring to obtain the attribution of rights over an employee's creation?

Is there a limitation or statute-barring of the exercise of an action concerning the attribution of ownership rights over an invention or creation made by an employee in the context of an employment contract?

Can the employee require the filing of a patent application in order to protect his invention or his other creations (registering patterns and models, etc.)?

1.4 The Groups are also invited to state whether there is a difference in status between employees in the private sector and researchers in universities or research institutes which receive public funding from the point of view of the employers rights.

1.5 An important question in practice is whether compensation is due to employees in return for the rights of employers over the creations made by employees.

Moreover, it is in this field that the greatest disparities are currently observed in the world.

The Groups are therefore invited to specify whether their domestic laws provide employees with a right to compensation (financial or in nature) in return for the transfer of rights over their creations to their employers.

How is this compensation calculated?

What is the time limit for prescription or statute-barring of a claim for payment of this compensation?

1.6 Finally, the Groups are invited to state whether there is a significant level of dispute in their countries concerning the ownership and use of rights over intellectual creations made by employees, and to give a general opinion on the effectiveness and/or efficiency of the national system.

2. Suggestions with respect to International Harmonisation

The Groups are invited to reply to the following Questions concerning the possible harmonisation of the status of employers' rights over intellectual creations made by their employees.

2.1 Do the Groups think that such harmonisation is desirable on the international level for each of the types of intellectual property rights?

Do the Groups wish such harmonisation to be undertaken through labour law rules or through rules of intellectual property law?

2.2 The Groups are requested to state whether as a general rule it is the employer who is to be the owner, from the outset, of the intellectual property rights over creations made by

employees in the context of their employment contract and in the performance of their tasks, or whether, on the contrary, it is the employee who must conserve his rights, but with the possibility for the employer to have them attributed to it under certain conditions.

2.3 *If the employer was to be considered as owner from the outset of the intellectual property rights over creations made by employees, do the Groups think that the employee should receive a particular reward, in addition to his salary, for these creations, or do they think that such a reward is not justified?*

If, on the contrary, the employer is not vested from the outset in the intellectual property rights over creations made by employees, what would be the conditions for the attribution of these rights and, in particular, what could the remuneration be, corresponding with the possibility of having the intellectual property rights in question attributed to the employer?

Do the Groups consider that the adoption in principle of a reward could have an influence over the general system of intellectual property rights and if so, what would that influence be?

2.4 *The Groups are also invited to present their opinions on the organisation of disputes concerning the attribution of intellectual property rights over employees' creations and concerning their use by employers.*

Are the Groups of the opinion that such disputes should be governed by the courts which have jurisdiction in labour law matters, or are they more of the opinion that these disputes should be subject to those courts which judge intellectual property disputes?

It should be recalled that the disputes may concern various aspects of relations between employers and employees: attribution of ownership of such rights; decisions concerning the means of protection and, finally, any compensation as may be due.

2.5 *The Groups are also invited to give their opinion on the existence of differences, if any, between the status of private sector employees and researchers in universities and in research institutes which are financed by public funds.*

Are there any grounds for providing for a difference in treatment in the hypothesis of international harmonisation or, on the contrary, should all employees and researchers be treated in the same way?

Finally, the Groups are invited to make any and all further suggestions concerning a possible international harmonisation of the status of employers' rights over employees' intellectual creations.

Note:

It will be helpful and appreciated if the Groups follow the order of the questions in their Reports and cite the questions and numbers for each answer.