

AUDIRI VOX

a client-centric ip practice

MIDDLE EAST - ASIA - AFRICA



Newsletter

Issue 3

May 2023







PROTECTION OF TYPEFACE & RELATED COMPUTER SOFTWARE IN THE UNITED ARAB EMIRATES (UAE)

BY SARMAD HASAN MANTO

LEGAL PROVISIONS:

Typeface disputes usually attract two different aspects of IP protection, that is, the protection granted to fonts / typeface and secondly, the proprietary software which licenses use of fonts or for which the claimant has economic rights.

The UAE Copyright Law does not explicitly provide protection to fonts and typefaces; however, computer programs are protected under the law. Pertinent works protected under the UAE Copyright law are listed hereunder:

WORKS UNDER PROTECTION

Typeface disputes usually attract two different aspects of IP protection, that is, the protection granted to fonts / typeface and secondly, the proprietary software which licenses use of fonts or for which the claimant has economic rights.

The UAE Copyright Law does not explicitly provide protection to fonts and typefaces; however, computer programs are protected under the law. Pertinent works protected under the UAE Copyright law are listed hereunder:

- 1-Books, brochures, articles, and other written Works.
- 2-Smart applications, computer programs and applications, databases, and similar Works determined by a decision of the Minister.
- 3- Works of drawing with lines or colors, sculpting, engraving, and printing on stone, fabrics, wood, or metals, and any other similar Works.

Protection covers the title of the work, if innovative, as well as the written innovative broadcast program.

RENTING COMPUTER SOFTWARE AND AUDIO-VISUAL WORKS

The rental right is not applicable to computer programs and smart applications, unless such program is in itself, the subject-matter of the rent. It is equally not applicable to audio-visual Works if it does not affect the normal use thereof.

TRANSFER AND LICENSING OF THE AUTHOR'S ECONOMIC RIGHTS

- 1- The Author or their successor may transfer or license to a third party, be it a physical or a juristic person, all or some of the economic rights. Such transfer is valid only if made in writing and specifies the transferred right together with mentioning the object of such transfer, duration and place of use.
- 2- The Author should be the owner of all the economic rights that have not been explicitly assigned.
- 3- Without prejudice to the moral rights of the Author, the Author may not take any action that is likely to obstruct the utilization of the disposed right.

LICENSING OF ECONOMIC RIGHTS TO WORKS RELATED TO SMART APPLICATIONS, COMPUTERS, ETC.

The licensing of economic rights concerning the Works of smart applications, computer programs and applications, or databases shall be subject to the provisions of the contract received or affixed on the program, whether they appear on the support bearing the program or on the screen of the computer, smart phones, or any other technical device on which the software has been downloaded or stored. The purchaser or user of such program shall be bound by the terms included in the said contract terms.

RESTRICTIONS AND EXCEPTIONS

Without prejudice to the moral rights of the Author and in a manner that does not conflict with the normal use of the Work and does not cause unjustified damage to the legitimate interests, the Author may not prevent third parties, after the publication of their work, from performing any of the following acts in relation to computer programs, applications, and databases:





Making one single copy of the computer program or applications or databases, with the knowledge of the legitimate possessor thereof. Such person may alone make extracts thereof provided that they fall within the licensed purpose or for the purpose of saving or replacement in case the original copy is lost, damaged or becomes unfit for use; and on condition that the backup or extracted copy be destroyed, even if downloaded or stored in the computer hardware, once there is no more reason for keeping the original copy.

PENALTIES

- Without prejudice to any more severe penalty provided for in any other law, a penalty of imprisonment for a period of no less than (2) two months and a fine of no less than (10,000) ten thousand dirhams and not more than (100,000) one hundred thousand dirhams, or by either of these two penalties, shall be imposed on whomever, without the written permission of the Author or the Holder of the Neighboring Right, or their successors, commits any of the following acts:
- a Infringing one of the moral or economic rights of the Author or the Holder of the Neighboring Right stipulated in this Decree-Law, including making public any work, performance, Sound Recording, or broadcast program that is covered by the protection stipulated in this Decree-Law, either through computers, internet, information and communication networks, or other means or devices.
- b Selling, renting, or putting into circulation, in any manner, a Work, Sound Recording, or broadcast protected under the provisions of this Decree-Law, and the penalty shall be multiplied by the multiplicity of the Work, performance, program, or recording, subject-matter of the crime.
- In case the offense is repeated, the penalty shall be imprisonment for a period of no less than six months and a fine of no less than (100,000) one hundred thousand dirhams, and not more than (500,000) five hundred thousand dirhams.
- Without prejudice to any more severe penalty stipulated in any other law, a penalty of imprisonment for a period of no less than (6) six months and a fine of no less than (100,000) one hundred thousand dirhams and not more than (700,000) seven hundred thousand dirhams, or either of these two penalties, shall be imposed on whomever commits any of the following acts:
 - a Unlawfully manufacturing or importing, for the

purpose of sale, rental or circulation, any counterfeit Work or copies thereof, any apparatuses, equipment, devices or materials specially designed or prepared for defrauding protection or technology used by the Author or the Holder of the Neighboring Right for transmitting, putting into circulation, regulating or managing such rights, or preserving a specific standard of purity of the copies.

- b Unlawfully disrupting or impairing any technical protection or electronic data aiming at regulating and managing the rights prescribed by this Decree-Law.
- c Downloading or storing in the computer any copy of the computer program or applications thereof or databases, without obtaining a license from the Author or right holder or successors thereof.
- In case the offense is repeated, the penalty shall be imprisonment for a period of no less than (9) nine months and a fine of no less than (500,000) five hundred thousand dirhams and not more than (1,000,000) one million dirhams.

Without prejudice to the penalties prescribed in Articles (39), (40) and (41) of this Decree-Law, the court shall order the confiscation and destruction of counterfeit copies, subject-matter of the crime, or copies reproduced therefrom, as well as the confiscation of the equipment and devices used in the perpetration of the offense, and which cannot be used for any other purpose, and may order the closure of the establishment in which the counterfeiting has been committed, for a period not exceeding (6) six months and the Publication of the summary of the conviction judgment in one or more daily newspapers at the expense of the convict.

COMPENSATION

The Author or the right holder has the right to claim compensation in case of infringement of their moral and economic rights in accordance with the general rules.

OBSERVATIONS

The UAE Copyright Law does not provide protection to fonts / typefaces per se; however, computer programs are protected under the law. Article 8 of the Law stipulates that rental rights are not applicable to computer programs and smart applications, unless such program is in itself, the subject-matter of the rent. Further Article 9 of the Law states that transfer and licensing of economic rights





is valid only if made in writing and specifies the transferred right together with mentioning the object of such transfer, duration and place of use. The same article requires that in order to transfer or license the rights, the Author should be the owner of all the economic rights that have not been explicitly assigned. It is also stipulated that the Author may not take any action that is likely to obstruct the utilization of the disposed right. In continuation of the latter clauses 8 and 9, article 12 of the Law provides that the licensing of economic rights concerning the Works of smart applications, computer programs and applications, or databases shall be subject to the provisions of the contract received or affixed on the program, whether they appear on the support bearing the program or on the screen of the computer, smart phones, or any other technical device on which the software has been downloaded or stored. The purchaser or user of such program shall be bound by the terms included in the said contract terms.

The aforementioned provisions of the UAE law clearly stipulate that as a prerequisite, the assignor or licensor of economic rights in a software / Work should be the owner or economic rights holder of such rights. This in practice can be done by the copyright owner or a master licensee, who is entitled to sub-license such rights. The rights subject to rental cannot be generalized and should be in relation to a specific program covered under the agreement. Further, a written agreement is required to transfer or license the rights. Once licensed, utilization of the disposed right cannot be obstructed by the Author, if it is in conformity with the agreement.

The law also provides stringent penalties for default and entitles the holder of economic rights to claim compensation under article 43.

This is a general overview of the provisions governing fonts/typeface and computer software. It is recommended that specific legal advice should be sought for each case individually.



Sarmad Hasan Manto Managing Partner – Audiri Vox sarmad@audirivox.com

With almost twenty-five years of experience in the Middle East, Asia and Africa, Sarmad is the go-to

attorney in the MENASA region. Currently he acts as the managing partner at Audiri Vox (www.audirivox.com). He is also the global portfolio manager for a number of Middle Eastern companies.

Sarmad's specialization includes trade mark, copyright and patent prosecution, negotiations, anti-counterfeiting, litigation, due diligence, franchising, licensing, corporate and regulatory affairs. He has extensive experience in advising rights holders on portfolio development, management, franchising, licensing, data protection and enforcement strategies in the tobacco, information technology, electronics, telecommunication, cosmetics, luxury goods, pharmaceutical, foodstuff and auto industries. He also provides advice on a wide range of legal and compliance issues and is well-versed with the requirements and demands of the in-house and outside counsel aspects of the legal practice. His work includes, but is not limited to, drafting, prosecution and enforcement of Patent and Trademark applications, handling oppositions and enforcement actions, franchising and divestiture of IP rights, providing expert advice on data protection, entering negotiations and drafting a wide range of commercial contracts and rendering advice on compliance issues.

Sarmad was instrumental in setting up an ISP in North Africa and was part of one of the biggest seizures of counterfeit medicines in the Middle East. He has successfully overseen prosecution of over 30000 trademark and patent applications in almost 180 jurisdictions worldwide. He actively advises numerous blue-chip companies on contentious and noncontentious issues.

Sarmad is a member of numerous IP organizations and regularly writes on IP issues for leading publications. He has received a number of accolades from prominent IP power houses.

Sarmad was instrumental in setting up an ISP in North Africa and was part of one of the biggest seizures of counterfeit medicines in the Middle East. He has successfully overseen prosecution of over 30000 trademark and patent applications in almost 180 jurisdictions worldwide. He actively advises numerous blue-chip companies on contentious and noncontentious issues.

Sarmad is a member of numerous IP organizations and regularly writes on IP issues for leading publications. He has received a number of accolades from prominent IP power houses.







Cabinet Decision No. (16) of 2023 regarding Certification Mark:

The Federal Authority has issued its Cabinet Decision regarding the ownership and exploitation of the certification trademark "MADE IN THE EMIRATES". In this decision, the Authority stated that all legal entities which are established in the UAE can, and should, apply for a license to use the certification mark "MADE IN THE EMIRATES" to distinguish and promote their products with such origin. Also, the Authority stated that the trademark "MADE IN THE EMIRATES" in English or Arabic Language is considered an exclusive intellectual property right. The ownership and rights of the trademark are ruled by the UAE Ministry of Industry and Advanced Technology. The Ministry will also manage and review the applications of the UAE companies and help them to get a license to use the said trademark. Further, if the Ministry approves the license, the entity will have a permit for a period of three years to use the said mark. They can renew the permit by paying a prescribed fee.

Resolution to govern the Licensing Regulations issued by the General Authority for Regulating the Telecommunications Sector and Digital Government No (9) for the year 2023 regarding approving the licensing regulations:

Official fees and comprehensive requirements for obtaining a license have been issued. The requirements include eligibility for obtaining licenses, information and documentary requirements, obtaining approval for a company to be licensed upon formation, and obtaining a license to provide telecommunications services in the UAE. The decision No. 9 of 2023 mentioned the information that must be included in the application for obtaining the license, including a proof of compliance with the eligibility criteria for awarding the license; details of the management team including qualified staff, and business plans.

Draft IP Legislation by the Saudi Authority for Intellectual Property (SAIP)

The Saudi Authority for Intellectual Property (SAIP) has published a draft Intellectual Property Legislation on April 05, 2023. This proposed draft has been issued to improve the Intellectual Property framework in Saudi Arabia and govern the ownership of creations generated by Artificial-Intelligence (AI). Some of the highlights of the proposed draft are as follows:

- The proposed draft creates a general framework for copyright, patent, trademark, and other intellectual property laws. These laws will now operate in the created framework.
- The proposed draft emphasizes on Artificial Intelligence and other emerging technologies, IP management, national security and space activities, role of government and research institutions in IP, assignments and licensing of IP rights, enforcement, etc.
- The AI generated IP can be eligible for protection in Saudi Arabia if the natural person contributing to that IP is prominent. If the IP is generated by AI independently, then it will not be eligible for protection and considered to be in public domain. To encourage AI in Saudi Arabia, the SAIP provides expedited procedures for examining AI related applications.
- The IP related to national security and space activities will be subject to the special provisions. Further, if the Saudi Government funds the IP for the national security and space activities, the ownership will be transferred to the Saudi Government.

Resolution to govern the Licensing Regulations issued by the General Authority for Regulating the Telecommunications Sector and Digital Government No (9) for the year 2023 regarding approving the licensing regulations:

The plaintiff has sought relief of permanent injunction restraining the defendants from infringing the trademarks, "Louis Vuitton" trademark, the "LV" logo, the "Toile monogram" pattern, "Damier" pattern and the "LV flower" pattern.

The Delhi High Court while granting the permanent injunction, had opined that the defendants have blatantly infringed the trademarks of the plaintiff and has also failed to appear before the Court, and hence, it proceeded ex-parte.

The Court has decided to award the actual costs to the plaintiff. Accordingly, Rs.9,59,413/- was awarded to the plaintiff as costs, which shall be paid by the defendants 1 to 3. Costs of Rs.3,00,000/- to be paid by the defendants





no. 1 and 2 and costs of Rs.6,59,414/- to be paid by the defendant no. 3.

A Dot Limited (Plaintiff) Vs Registrar Of Trade Marks (Defendant) Case Number: C.A.(COMM.IPD-TM) 25/2021 Decided on: APRIL 11, 2023

The appeal has been filed under Section 91 of the Trade Marks Act, 1999 against the Refusal Order passed by the Registrar of the Trademarks for the for registration of the trademark for a phrase 'WHAT DO YOU SEE?'. The application was refused on absolute grounds of refusal under section 9(1)(a) and 9(1)(b).

During the Court proceeding, the court has set aside the order stating that the refusal order did not give any reasoning to support the conclusion that the subject mark is devoid of distinctiveness or is descriptive in nature. It was also noted by the Court that the phrase is a combination of English dictionary words forming a tagline/slogan and is eligible for grant of trademark. The Court has also pointed out that registration for the identical mark in several jurisdictions, including but not limited to, the United States of America, the United Kingdom, and Israel.

The court stated that the phrase 'WHAT DO YOU SEE?' is often used to elicit an individual's perception or interpretation of a given situation or object, serving as a prompt for them to share their thoughts, opinions, or observations. It, therefore, does not designate the time, quality/ quantity or intended purpose of any other characteristics of the goods and services falling in the afore-noted classes.

Based on the above facts, the Delhi High Court has set aside a refusal order given by the Registrar of Trademarks Registry and allowed the appeal filed by the Plaintiff. The Court has directed the Registry to process the Trademark Application for the subject mark.







SARMAD MANTO HAS BEEN RECOGNIZED AS AN EXPERT IN ALL IP CATEGORIES BY ASIA IP 2022 LIST

We are proud to announce that our Managing Partner, Sarmad Manto, has been recognized as the top UAE IP expert by Asia IP for the year 2022. He has been ranked among the top 40 IP experts in UAE. Specifically, Mr. Manto has been named as an expert in Trademarks, Patents, Copyright, Enforcement, Licensing & Franchising, Media & Entertainment, IT & Telecoms, Pharma & Biotech, and IP Litigation categories. Recently, Asia IP has announced the UAE IP expert list based on independent editorial research.



UAE IP EXPERTS TOP 40 NAME FIRM TRADEMARKS PATENTS COPYRIGHT ENFORCEMENT LICENSING & MEDIA & IT & PHARMA & IP LITTRATION SAFTMAN MAINTO AUDIT VOK



With almost 25 years of experience in the Middle East, Asia and Africa, Sarmad is the managing partner at Audiri Vox (www.audirivox.com). He also acts as the global portfolio manager for a number of Middle Eastern companies. Sarmad's specialization includes trademark prosecution, negotiations, anti-counterfeiting, litigation, due diligence, franchising, licensing, corporate and regulatory affairs. He has extensive experience in advising brand owners on portfolio development, management, franchising, licensing, data protection and enforcement strategies in the tobacco, information technology, electronics, telecommunication, cosmetics, luxury goods, pharmaceutical, foodstuff and auto industries. He also provides advice on a wide range of legal and compliance issues and is well-versed with the requirements and demands of the in-house and outside counsel aspects of the legal practice. His work includes, but is not limited to, drafting, prosecution and enforcement

of patent and trademark applications, handling oppositions and enforcement actions, franchising and divestiture of IP rights, providing expert advice on data protection, entering negotiations and drafting a wide range of commercial contracts and rendering advice on compliance issues.

Sarmad was instrumental in setting up an ISP in North Africa and was part of one of the biggest seizures of counterfeit medicines in the Middle East. He has successfully overseen prosecution of almost 30,000 trademark and patent applications in almost 180 jurisdictions worldwide. He actively advises numerous blue-chip companies on contentious and non-contentious issues. Sarmad is a member of numerous IP organizations and regularly writes on IP issues for leading publications. He has received a number of accolades from prominent IP power houses.



Editorial Board

Sarmad Hasan Manto

Attorney at Law Managing Partner Divyendu Verma Attorney at Law Head of Patents Dept. Pramod Chunchuwar Editor-in-Chief Chitra Sawant Consulting Editor

Nilesh B. Designer

Disclaimer: This publication is intended to provide information to clients on recent developments in IPR industry. The material contained in this publication has been gathered by the lawyers at Audiri Vox for informational purposes only and is not intended to be legal advice. Specifically, the articles or quotes in this newsletter are not legal opinions and readers should not act on the basis of these articles or quotes without consulting a lawyer who could provide analysis and advice on a specific matter.

© 2023 Audiri Vox

This Newsletter is published by Audiri Vox at 309 Churchill Tower Business Bay, P.O. Box 415116 Dubai-Untited Arab Emirates on 8th May, 2023.