Choice of law in copyright and related rights: alternatives to the lex protectionis

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Chapter 4
The Choice-of-Law Calibre of Copyright and Related Rights Treaties

4.1 Introduction

In the previous chapter we have seen that neither the Berne Convention nor subsequent copyright and related rights treaties have been drafted with a particular choice-of-law method in mind. There is however quite widespread agreement that the general conflict rule for copyright (and other intellectual property) is the one referring to the law of the country for which protection is claimed (Schutzland principle; lex protectionis). Some inter this conflict rule from the territorial nature of copyright. Others derive it from the national treatment principle as enshrined in the Berne Convention and other treaties, or see the lex protectionis expressed directly in Article 5(2) BC and similar clauses. Two other conflict rules that are less frequently supported with reference to the same treaties are the lex originis (law of the country of origin – either of the work or of its author) and the lex fori.

Although many authors recognise that the Berne Convention deals with the law of aliens, only a few consider it to contain no choice-of-law rules at all, apart perhaps from Article 14 bis 2 on ownership in films (see Paragraph 4.3.3).

As we will see, there is no consensus among scholars about the exact choice-of-law calibre of the Berne Convention. Published case-law in the Netherlands, France and the US does not provide a clear picture either. An important reason why Dutch case-law generally shows little concern for choice-of-law issues seems to be that more often than not, infringement claims are brought in summary proceedings (kort geding). It appears from published case-law that in these

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proceedings judges are not inclined to pursue issues of choice-of-law if the parties do not put them forward. Consequently, not many of the published copyright cases contain choice-of-law analyses and even fewer explicitly address the consequences of the Bern Convention for (Dutch) conflict of laws.

The opinion that national treatment means that Dutch law should be applied is quite common, but it is not always clear whether the courts are referring to national law in its capacity of lex loci delicti or lex protectionis. Rulings on the law applicable to issues of initial ownership are outright contradictory. In France and the US some courts tend to apply the lex originis for initial ownership, whereas in Germany there is clear case-law: the Schutzland principle, i.e., lex protectionis, governs all issues.

The arguments for and against the different conflict rules, as well as their application in case-law, will be examined in Paragraphs 4.2 through 4.4. The findings of this Chapter will be summarised in Paragraph 4.5. Before I turn to the discussion of different conflict rules, a few observations on ‘territoriality’ are in order, considering that it is such a catch phrase in international intellectual property.


265 The Dutch Staatscommissie Internationaal Privaatrecht (2002 at 29-31) notes that although courts are supposed to apply choice-of-law rules and foreign law ex officio, there is a tendency among Dutch courts to apply their own law. In favour of ex officio application of conflict rules in summary proceedings: Mostermans 1996b, pp. 51-56; who also argues that in 'kort geding' proceedings, the courts should have more leeway to assume that foreign law is similar to the lex fori (pp. 54-55). Polak (1998, pp. 96-99) seems to favour this approach. Ginsburg (1999, pp. 336-338) also argues that in case of infringement, courts could apply the lex fori on the assumption that the lex protectionis conforms to international standards of substantive copyright law (parties would have to demonstrate that the lex protectionis is more or less protective than the lex fori). Against a lex fori approach: Von Hinden (1999, p. 766) and Buhler (1999, p. 410). The lex fori approach is not uncommon in patent litigation before Dutch courts (see Brinkhof 1995) and for copyright has been applied by Pres. Rb. Amsterdam 3 May 1979 [1980] BIE 23 (Mars v. Venus). It is highly doubtful however whether this approach can be maintained following the ruling of HR 16 April 1999 [1999] NJ 697, in which the Supreme Court quashed the judgment in which the lower court assumed conformity of the copyright laws of various countries. On the theory of various lex fori approaches, see De Boer 1996a and Jessurun D’Oliveira 1971.
4.1.1 TERRITORIALITY & LEGISLATIVE SOVEREIGNTY

Conventional wisdom has it that copyright and related rights—like other intellectual property rights—are territorial.\(^{266}\) To the extent that this territorial nature is explained in terms of legislative sovereignty, i.e., each country as a sovereign power legislates its own copyright and related rights, it has no particular meaning for choice-of-law issues. After all, it is the same legislative sovereignty of states that causes them to develop national rules of private international law, or to enter into agreements on conflict rules.

Choice-of-law exists precisely because legal systems with differing (private) laws exist, so ‘each state makes its own copyright law’ is not a proper argument for or against any particular conflict rule. In short, as Troller puts it: ‘the territorial boundaries of intellectual property rights are therefore not their special characteristic, they share it with all other laws.’\(^{267}\)

The situation would be different if copyright belonged exclusively to the realm of public law or criminal law, because for these areas of law it is accepted as a matter of principle that forum courts only apply their internal law: choice-of-law does not enter into these fields.\(^{268}\) For the territorial application of private law, however, to which copyright largely belongs, other arguments are needed. Because to say that each country is authorised to legislate its own copyright, and that, therefore, it cannot by definition be applied beyond its borders, is to negate the existence of private international law, or less drastically: to reduce it to the maxim that all courts should always apply their own law.

It also disregards the difference between the question of whether a country can claim extra-territorial application of its laws (it can, even though it usually does not) and whether a country is required to honour the extra-territorial scope of the law of another country (as a rule it is not, because of its sovereignty).\(^{269}\)

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\(^{266}\) Various writers have criticised the term, because it is often used indiscriminately, see: Schack 1979, p. 20; Novier 1996, p. 45; Koumanos 1996, pp. 10–11; Spoor & Verkade warn against overstating the importance of the territoriality principle 1993, p. 532.

\(^{267}\) Troller 1983, p. 137.

\(^{268}\) Even here there are exceptions, e.g., rules of public law of another country may be applied by the forum as priority rules, see Par. 2.4.3.

\(^{269}\) Compare the ruling of the International Court of Justice in Lotus, which holds there is no general rule of international law that prohibits states from extending the application of their laws and the jurisdiction of their courts to persons, property and acts outside their territory; international law leaves them a wide measure of discretion (PICJ 7 September 1927, PICJ Series A. no. 10, cited in Polak 1998, pp. 70–71). On extra-territorial legislation and private international law generally, see Koting 1984, pp. 113–145.
A few authors defend a choice-of-law rule—typically the *lex protectionis* or *lex fori*—based on the legislative sovereignty-argument. Fromm/Nordemann remark that 'the legislative powers of a state end at its borders (territoriality principle). The author cannot thus invoke the rights that the copyright law of his home country gives him abroad. Rather, it depends on the law of the country in which his work must be protected (*Schutzland* principle). This law usually also contains rules that stipulate if and on what conditions authors from foreign countries are protected.' From this line of reasoning, Fromm/Nordemann deduce that the (substantive) law of the country for which protection is claimed governs the existence, duration and ownership of intellectual property.

However, as we have seen above, it could just as easily be argued that on the basis of legislative sovereignty the private international law of the forum determines which substantive copyright law applies and this does not necessarily have to be the *lex protectionis*. Obviously an author can invoke his ‘home rights’ if the choice-of-law of the forum provides for it. In that case, the recognition of a ‘foreign’ copyright is not contrary to the forum’s sovereign will. As Schack rightly notes: neither can the recognition of a ‘foreign’ copyright be seen to impinge upon the sovereignty of the foreign state in question. If anything it shows respect for the law of another country.

Spoendlin also invokes the sovereignty-argument to explain the reign of the local law: ‘... the term territoriality principle is just a catch phrase that describes the situation that follows necessarily from the legislative sovereignty of individual states and that has only been overcome piecemeal by unification. The territoriality principle does not require a purpose in itself, not a quality of substantive justice; but the idea that an author who claims protection for his work in a country must submit to the local law, cannot be denied a certain quality of justice.’

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271 Claims arising from illicit acts have to be judged by the law of the place where they were committed (*lex loci delicti commissi*), Fromm & Nordemann 1998, §120 at 10.
273 Schack 1979, pp. 25.
274 Another question is whether the law of another country should be applied if it does not claim application (e.g., based on its choice-of-law rules).
After having concluded that territoriality means that countries legislate their own copyright law, Spoendlin argues that in such a system of independent national copyright laws, the only reasonable solution is to refer to the *lex loci delicti* (which he considers will typically coincide with the *lex fori*). Undeniably, the *lex loci delicti* has the instant appeal of the maxim ‘when in Rome, do as the Romans’. What Spoendlin’s line of reasoning boils down to is that it is the differences in domestic copyright law that call for the application of local law. This type of reasoning is—as I have explained above—unhelpful from a choice-of-law perspective, because choice-of-law exists precisely to deal with these differences. Also, even if the *lex loci delicti commissi* appears to be the obvious law to govern infringement (and thus the scope of protection), it is not necessarily appropriate for all issues, including ownership and transfer. The latter issues can also be raised independently of any infringement.

### 4.1.2 DROITS INDEPENDANTS VERSUS DROITS ACQUIS

Another way in which the concept of territoriality is phrased in international copyright, is that intellectual property consists of *droits indépendants* rather than of its antithesis, a *droits acquis*. The *droits acquis* concept means that copyright comes into existence under the aegis of one law—say the law of the country of origin of the author or of the work—and is subsequently recognised as a (property) right in other countries. In the *droits indépendants* concept of copyright, the creation of a work gives rise to as many different copyrights as there are legal systems. In other words, intellectual property can be seen as a universal right or as a territorial right. The Berne Convention—and other intellectual property treaties—are generally held to reflect the *droits indépendants* doctrine.

It should be noted that at the time of the elaboration of the Berne Convention, the principle of *droits acquis* was sometimes posed as a general solution for choice-of-law problems. Choice of law was often compared with transitory law, i.e., the rules that regulate the relation between laws in time, of which a leading

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276 Spoendlin 1988, p. 17. Whether the *lex loci delicti* and the *lex fori* coincide depends of course on the jurisdiction rules of the forum state; proceedings are not necessarily brought before the court of the place where an infringement took place, e.g., the principal rule in the EC’s Jurisdiction Regulation is the *forum rei*, the court of the place of infringement also has jurisdiction.

277 Van Brakel 1950 at p. 36 is one of the few authors who maintains that for copyright the *droits acquis* doctrine has been given ‘official sanction’ in the Berne Convention.

278 The creation is considered to be the relevant act because the Berne Convention prohibits formalities (notably registration) for copyright to come into existence (see Paragraph 3.3.3). Even though countries are free to require registration for their own works/authors (and have done so in the past), typically national laws consider the act of creation as giving rise to copyright.
principle is that rights vested under previous laws remain recognised under new laws. Similarly, the conflict of laws can be viewed as regulating the relationship between rules of law in space and should then be based on respect for rights acquired elsewhere (i.e., abroad). Savigny already criticised the droits acquis approach for being based on circular reasoning: to establish which rights have been acquired to begin with, it is necessary to first determine which country’s law applies.279

If one follows the concept of droits independants as derived from international copyright and related rights treaties back to its source,280 one sees that it is spawned by reciprocity. More precisely: the principle of droits independants helped to ban the (material or formal) reciprocity that domestic laws often required with regard to the protection of foreign authors or works. In Paragraph 3.3.3 we have seen that the initial phrasing of the national treatment principle in the 1886 BC, left the courts of some Union countries unclear about the fact that reciprocity requirements were no longer allowed (with the exception of course of those that the BC specifically permits or prescribes).

This, combined with the development of the formalities clause, was the reason why in the ultimate version of Article 5(2) BC it is said that the enjoyment and exercise of the rights to which authors are entitled on the basis of national treatment and/or the minimum substantive provisions of the BC, “shall be independent of the existence of protection in the country of origin of the work”. In turn, that phrasing has subsequently been interpreted as prescribing the territorial

279 By the late 19th century, in Germany and the Netherlands the droits acquis doctrine had already been displaced by other theories (notably Savigny’s allocation method, the conflict rules of which already discounted respect for legal relationships that were forged abroad, e.g., marriage). In France the droits acquis doctrine continued to have some support. See Josephus Jitta 1916, pp. 58-60; Kosters 1917, pp. 131-133; Van Brakel 1950, pp. 102-135; Joppe 1987, pp. 142-143. In the course of the 20th century there has been a revival of the droits acquis doctrine in France and Germany, but then in a more limited use. It denotes when the normal conflict rules of the forum must be adapted (or left unapplied) in cases of contenus mobiles (cases where connecting factors have changed so that the applicable law changes) and faits accomplis (the recognition of legal relationships that came into existence abroad, in contravention of the conflict rules of the forum, at a time when there was no connection with the forum). See Joppe 1987 for an extensive account of the modern droits acquis doctrine in France and the Netherlands (p. 143 et seq.). The droits acquis principle also figures in the recent Dutch proposal for an Act on the applicable law for property (Het conflictenrecht Goederen), see Weide 2000.

280 The 19th-century Romanist school (see Paragraph 2.3.1), with its division of laws in the territorial and the personal, may also have contributed to the droits acquis-droits independants dichotomy. It hardly seems a coincidence that the predominantly Central and South American countries which concluded the Montevideo Treaty of 1889 chose a system where copyright protection is linked to the author’s nationality (if an author is protected at home, he must also be protected in other contracting states). The intellectual property treaties were part of a much larger effort to harmonise private, criminal and private international law on the American continent. See Josephus Jitta 1916, pp. 274-276.
rather than the personal law for copyright, i.e., the *droits indépendants* rather than the *droits acquis* approach.  

The debate over universal versus territorial rights has been especially fierce in Germany. ‘Universalists’ tend to stress that copyright is a kind of natural right that comes into existence upon the mere creation of a work by the author. Other private rights such as property in material objects, they also argue, are not viewed as a bundle of as many positive subjective rights as there are legal systems. Nor should this be the case with intellectual property. Certainly copyright, which contrary to other intellectual property such as patents, arises without formalities and has long ceased to be a privilege granted by the authorities, should be considered as a universal right.

‘Territorialists’ agree that intellectual property is not a mere privilege but a right. They tend to defend the *droits indépendants* approach on the basis of the sovereignty of legislators and the differences in national copyright laws that result from it. We have seen above that neither point necessarily leads to the conclusion that the applicable law is the law of the country where (or for whose territory) protection is claimed.

To explain the predominance of the *droits indépendants* idea and with it of the *lex protectionis* for in principal all copyright issues, Mäger focuses on the non-material nature of the object of copyright in relation to territoriality. In his 1995 dissertation on choice-of-law and copyright contracts he argues that the exclusive allocation of physical objects can be done without difficulty, because its material form is the basis for the delineation of the object of the exclusive right and it outlines the acts forbidden to third parties. In the case of copyright however, a special definition of the object is necessary to determine what type of creation is protected, as is a concretisation of restricted acts. This is why copyright is viewed as an artificial construction, one that owes its existence to the state.

The idea of intellectual property as an artificial, state sanctioned institution is –still according to Mäger– the often unspoken background of the territoriality principle: the territorial rather than the universalist approach dominates.

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281 Various countries have legislated the *lex originis* for copyright and related rights (typically infringement is governed by the *lex loci delicti* or *lex protectionis*), e.g., Portugal, Kuwait, Rumania, Greece. See Siehr 1988, pp. 17–18; Art. 67 Greek Act on Copyright, Related Rights and Cultural Matters 1993.


intellectual property because of the interest that states have in localising a (subjective) intellectual property right within their borders. 284

I will not venture into the philosophy of property for fear of digressing from our subject, but I would remark that Mäger, where he juxtaposes property in material objects to exclusive rights in non-material objects, seems to assume that the former is not a legal construction but some sort of 'natural phenomenon'. 285 In my view, the relative ease of delimiting a physical object does not make the property in it any less of a legal construction. 286 What is an important difference, one that Mäger also notices, 287 is that the existence of property in physical objects is practically universally accepted, whereas the question under what conditions and in which subject-matter intellectual property exists, is a much more controversial issue. That and the territorial view of intellectual property which is shared across the globe and expressed in international treaties, seems a reason why until some years ago (particularly intellectual property) scholars have been quite reluctant to deviate from the territorial approach.

There is also an older argument that revolves around the nature of intellectual property and the role of the State in its construction. For many types of intellectual property rights, such as patents, designs, trademarks, some form of public registration is required in order for the right to be acknowledged. Such registration may be proceeded by a test of the invention, design, etc. against the criteria (e.g., novelty) for protection. It thus takes an act by the State to bring an intellectual property right into being (or give it effect), which explains why rights with respect to the same non-material object come into being independently of one another. 288

As we have seen in Chapter 3, the Berne Convention does not permit Union-States to demand such registration for foreign works. In the few countries that have a public registry for copyright, registration of local works is not mandatory nor does it have for effect that no copyright exists in the work. It would thus seem that national registration is not a good argument in favour of the droits indépendants principle for copyright.

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285 We sometimes forget that the concept of property as we know it today developed largely from the 17th century onward: it is relatively young and different from earlier concepts of property (in principle full rights as opposed to a limited set of rights of use, privately owned rather than common ownership, fully alienable instead of partly or non-alienable). See May 2000, pp. 16–21.
286 Troller 1952, p. 63 does not agree with the idea of copyright as an artificial legal construction, because it is based on an ill-conceived idea about the lex rer sitae. Rights in physical objects are governed by the law of the place where the object is situated, not because of the geographical link between object and place, but because that is where the interests of persons in the object concentrate.
The problem with Universalists is that they seem to attach too little meaning to the fundamental difference between property in material objects and property in non-material objects. There is widespread consensus that any physical thing is the object of property, even if laws differ with regard to the scope of these rights. Where an intellectual creation is concerned however, the basic assumption is that it falls in the public domain unless it has been made the subject of private property by law. The question which (type of) creation is subject to property is answered rather differently in different countries.²⁹ Even though the intellectual-property net is cast wider and wider each decade, no consensus comparable to that on physical property seems likely to be achieved.

This is why in copyright and related rights the question of whether an exclusive right exists in a work, performance, broadcast, etc., is the first question asked. It is also—in my view—an important reason why the international copyright system is ‘territorial’ rather than ‘universal’ in outlook, even though this argument is often hidden behind notions of legislative sovereignty.

From the opinions reported above we can see that territoriality is a confusing concept when it comes to identifying conflict rules for copyright and neighbouring rights. In the next Paragraphs, we will see that it is not always distinguished clearly from the national treatment principle (Art. 5 BC, Art. II UCC, Art. 2 Rome Convention 1961, Art. 3 TRIPS, Art. 3 WCT, Art. 4 WPPT), on which the majority of authors seem to base their choice-of-law rule.

4.2 Lex Fori

For copyright, Article 5(2) is the most commonly invoked BC clause in defence of a choice-of-law rule. The relevant part reads: ‘...the enjoyment and the exercise of these rights shall not be subject to any formality; such enjoyment and such exercise shall be independent of the existence of protection in the country of origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed. [italics added. mve]’

Relatively few writers²⁹⁰ are of the opinion that Article 5(2) BC points to the law of the country where the court is seized. Even though a literal reading—of the italicised part—seems to support the lex fori. Most writers reject this reading

²⁸⁹ Saito 1985, p. 280 agrees with Ulmer that this is an important reason to judge the existence of copyright under the lex protectionis.
because it is thought to produce odd results when the court seized is not located in the country where an infringing act took place or for whose territory protection is wanted.291

Stewart has a rather unusual point of view. He maintains that

‘the adaptation of the principle of lex fori to copyright leads (not necessarily but in practice) to the principle of national treatment...The advantage...of the lex fori is that courts will always apply their own law...The general application of the principle of national treatment in international copyright means that the major problem arising in almost all other areas of private international law ‘which law is a court to apply in a situation with foreign elements?’ hardly ever arises in copyright law. The choice-of-law is mostly determined by the conventions which apply the principle of national treatment with the result that any right owner who is a national of a convention member state...is entitled in every other member state to the same protection as nationals of that state. Thus the courts in the state where the infringement occurs nearly always apply their own national law.’292

So, rather than inferring the lex fori from the national treatment principle, Stewart views national treatment as the obvious principle resulting from a lex fori approach. It would seem that Stewart does not really engage in a choice-of-law analysis, but a priori places intellectual property outside the conflict of laws because of its territorial nature.

Spoendlin argues that Article 5 Berne Convention cannot point to the lex fori for a number of reasons.293 Since the choice of the forum seized can have little to do with the copyright at issue, for instance when a court is seized only because the defendant has assets in the forum state, it is unlikely that Article 5 points to the substantive law of the forum. On the other hand it is also unlikely that it points to forum law including its choice-of-law rules, because such a reference would not answer which law governs the scope of protection and Article 5(2) mentions this explicitly.

Two additional arguments against the lex fori are put forward by Spoendlin: the ‘means of redress’ does not necessarily refer to procedural law. It could refer to the type of action available in the case of infringement, an issue that is normally governed by the lex loci delicti. Also, the wording ‘country where protection is claimed...’ could indicate that it was assumed that claims would always be brought

291 E.g., Ulmer 1978, p. 11.
293 Spoendlin 1988, p. 18-19.
in the country where infringement took place, which indicates that Article 5(2) refers to the *lex loci delicti* rather than the *lex fori*.

Yet another problem with the *lex fori* is that it would be an incomplete choice-of-law rule. It only defines the applicable law when a case is brought before a court. But one may want to establish whether a transfer of copyright has occurred, quite apart from a legal dispute.

In published case-law there is no indication that the Dutch courts infer the *lex fori* from Article 5 BC or any other provision. There is one case in which the Amsterdam District Court ruled that it would decide whether there was protectable subject-matter under Dutch law as the *lex fori*. The reason given was that the summary proceedings were not suited to examining whether the work in question (a candy-bar wrapper) was protected in all the countries where alleged infringement took place.\(^{294}\) In *Pearce v. Ove Arup*, the UK Court of Appeal does seem to view Article 5(2) as referring to the *lex fori*, but including the forum’s private international law.\(^{295}\)

### 4.3 Lex Protectionis

As stated above, the majority of authors argue that the *lex protectionis* is the general conflict rule for copyright. Synonyms for the *lex protectionis* are the law of the country for which protection is claimed and the *Schutzland* principle. In addition, the terms *lex protectionis* and *lex loci delicti* are often used interchangeably.\(^{296}\) This equation is rather inaccurate. The *lex loci delicti commissi* literally means: the law of the place where the delict (wrongful act) was committed.\(^{297}\) It could serve as a rule for the law applicable to infringement of

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\(^{294}\) Pres. Rh. Amsterdam 3 May 1979 [1980] BIE 23 (*Mars v. Venus*). The court assumed that since the wrapper was an original work under the Dutch Copyright Act, the same would be true under the copyright legislation of a number of Middle-Eastern countries for which protection was sought. This implies that normally the *lex protectionis* governs existence of copyright.

\(^{295}\) In this case the issue of jurisdiction and applicable law were both judged in view of Art. 5(2) BC. In the court’s view, Art. 5(2) does not confer jurisdiction on the courts of one country at the expense of courts of another country. The court seized is the court of the country where protection is sought in the sense of Art. 5(2) and it is the (private international) law of the forum that decides whether a claim is admissible. Court of Appeal (Civil Division) UK 21 January 1999, [1999] GRUR Int. 89, 787–793 (*Pearce v. Ove Arup*). On the adjudication by English courts of claims involving alleged infringement of intellectual property abroad generally, see Wadlow 1998, p. 320 et seq.

\(^{296}\) See, for instance, Ishiguro 1997, p. 11.

\(^{297}\) For a more accurate description of the *lex loci* (multiple locus, *Handlungs- and Erfolgsort, gevolgenuitzondering*) see Chapters 2 and 6.
Suppose for instance that an author has assigned part of his copyright to and disagrees with the assignee over the exact scope of the transfer. In this case, the *lex loci delicti* is an unlikely candidate to provide the answer to the question of which proprietary rights have actually passed from assignor to assignee, since the legal relationship involved does not meet the category (liability for non-contractual obligations or torts i.e., infringement of copyright) which the *lex loci* traditionally addresses.

Unlike the *lex loci delicti*, the *lex protectionis* does not pertain specifically to torts and therefore could be used as a general conflict rule for copyright. A problem is that it may well produce a limping relationship between the assignor and assignee: the partial assignment is likely to be interpreted differently under the different laws that apply simultaneously.\(^{298}\)

Another major problem with the *lex protectionis* is that in today’s networked world, one act of exploitation or use—the posting on a website of a parody on a copyrighted drawing for instance—is not limited to one or a small number of geographical locations. This could lead to the simultaneous application of various laws to the same complex of facts, with contradictory results. If no technical means are available to the alleged infringer that allow him to abide by all the laws involved (e.g., by filtering access for users from countries where posting the work constitutes an infringement), the most stringent national copyright law will eventually effectively oust less strict laws.

Let us, however, return to the question what the BC signifies for choice of law, the suitability of the *lex protectionis* and other conflict rules in the digital environment will be scrutinised in Chapters 5 and 6.

### 4.3.1 Basis and Scope of the Lex Protectionis

The basis for the *lex protectionis* is found by some in the territoriality principle (see above), but more often it is inferred from the principle of national
Goldstein notes that the national treatment requirement can be viewed as a choice-of-law rule in the limited sense that it requires a country to apply the same law to works of foreign origin as it applies to works of its own nationals. I agree with this interpretation of the national treatment principle, but would not even call it a limited choice-of-law rule. Rather, national treatment is a 'mere' non-discrimination rule, belonging to the law of aliens, not choice of law.

A number of authors actually see the *lex protectionis* expressed directly in Article 5(2) BC, particularly in the last sentence of the second paragraph: 'the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.'

As was shown in Paragraph 3.3.3, this clause also featured in bilateral treaties which preceded the Berne Convention and was introduced in the BC because a number of courts continued to apply reciprocity tests in cases involving foreign plaintiffs. It is a clause that belongs to the law of aliens and fits neatly into the ongoing effort to abolish discrimination against foreign authors, something that was often done by limiting their copyright — at best — to the equivalent of the protection they would enjoy in their home country.

Requirements of reciprocity should not be confused with conflict rules. What a reciprocity condition amounts to is a double test for protection: country A will only grant an author from country B protection for his work: 1) if that work is or can be the subject of protection in B and 2) only for as long as the term of protection in B has not lapsed. In the case of material reciprocity a third condition is that the scope of protection offered will not surpass that which is available under the copyright law of the country of origin B. The first and third conditions

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300 Among others: Dinwoodie 2001b, p. 63; Drexl 1996 IER p. 1; Drexl 2001, p. 463. 468; Gerbrandy 1988, pp. 410–411; Geller 2001 at § 11[a]: Goldstein 2001, pp. 103–104; Lucas 1998, p. 9; Nimmer & Nimmer 2001, at § 17.05 ("The choice-of-law rule ... is that of national treatment...The applicable law is the copyright law of that state in which the infringement occurred"); Plaisant 1962, pp. 63–66, though without a clear distinction between territoriality and national treatment. Ulmer 1985, p. 258; Spoor & Verkade 1993, p. 531–2, 542–3; Troller 1952, p. 8; Walter 1976, p. 83. According to Locher 1993, pp. 15–16 the *lex protectionis* as laid down in Art. 110 Swiss *IPRG* (Private international law act) is also based on the internationally accepted national treatment principle.

301 Goldstein 2001 at p. 89.


303 In the case of formal reciprocity, it is only relevant if the kind of subject-matter like the work in question is eligible for protection. In the case of material reciprocity the work itself must actually be protected.
were common in the early days of international copyright. The second is still allowed under Article 7(8) BC.

A reciprocity clause does not determine the applicable law as a classic choice-of-law rule would; in effect it provides for the narrowest copyright protection of the combined laws involved.

To avoid the conclusion that Article 5(2) BC refers not to the lex protectionis but to the lex fori ("...country where protection is claimed"), a literal interpretation is commonly ignored. Instead, ‘where’ is read as ‘for which’ so that the clause can be said to reflect the lex protectionis. With Schack, I think those who drafted the text and agreed to it made no mistake, but that the confusion is caused by the desire to read a conflict rule into Article 5(2). In addition, considering the length and frequency of the debate on the phrasing of the Article in its current form, it seems unlikely to me that the drafters meant to lay down the lex protectionis but neglected to put it in unequivocal language.

It is plausible that the contracting states assumed that copyright owners would pursue their case in the country where an infringement took place. Throughout the nineteenth and early twentieth century the course of action taken against infringement of copyright was often through criminal proceedings. Also, as infringements were actionable as a delict, the court of the place of infringement would be the only one with jurisdiction, which caused lex fori and lex loci to coincide. This probably also explains why quite a few authors who read the lex fori in Article 5(2) equate it with the lex protectionis.

Schack also comes to the conclusion that Article 5(2) BC should not be interpreted as laying down the lex protectionis on another ground. He observes that the reference to the ‘means of redress’ is more consistent with a lex fori interpretation, because it is normal practice that the law of the forum governs the question of which actions are available in the case of infringement and also other procedural issues. It must be said that under Dutch private international law at least, it is the norm that the lex causae, rather than the lex fori, governs the question of which measures are available to prevent or terminate certain acts, or to compensate damage or injury, what the statute of limitation is, how the burden of

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304 Schack 1979, p. 29.
305 Of the court cases from various countries (France, Germany, Italy, Belgium, the Netherlands) reported in Le Droit d’Auteur over the years 1888–1904 nearly half were served before criminal courts.
306 Schack 1979, at p. 29 mentions a number of primarily German and French authors who do so. Lucas & Lucas warn against equating the two 1994, pp. 889–890.
proof is distributed, etc.\textsuperscript{308} Whether \textit{lex fori} or the \textit{lex causae} governs rather depends on how a rule is characterised: as part of substantive or procedural law.

Another complication identified by Schack is that if one reads the \textit{lex protectionis} into Article 5(2) BC, this produces a problem with the interpretation of Article 5(3) BC. The latter states that the protection in the country of origin is a matter of the internal legislation of the country of origin. Schack gives the example of a Swiss citizen who publishes his work in Germany and brings suit in Germany for infringement of his copyright in Switzerland. A choice-of-law deadlock now results. Article 5(2) would designate the \textit{lex protectionis}, i.e., the law of Switzerland as applicable, but Article 5(3) points to the law of Germany, as the country of origin. Schack rightly observes that it would be odd if the BC prescribes a conflict rule in 5(2) only to frustrate it in Article 5(3).

Reading Article 5(2) as the \textit{lex fori} (country where protection is claimed) solves the problem of the example Schack gives, since both 5(2) and 5(3) would now point to German law. One could of course also say that 5(3) only prescribes that the law of the country of origin is applicable if that coincides with the country for which protection is claimed. That would, however, make it a superfluous clause.

Given the history of Article 5(2) and the difficulties that arise when it is regarded as a conflict rule, my view is that it should not be seen as reflecting the \textit{lex protectionis}, or any other conflict rule for that matter.\textsuperscript{309}

However, if one insists on considering Article 5(2) as a true choice-of-law rule, the conclusion has to be that it does not address all copyright issues, notably not the question of who the initial owner of copyright is.\textsuperscript{310} Also, issues involving the transfer of copyright—be it in testate or in vivo—do not seem to fall under the wording of Article 5(2).\textsuperscript{311}

With Bühler, I agree with Jegher and Snyder, who rightly observe that the entire discussion on the choice-of-law calibre of Article 5 seems to revolve around legitimising the \\textit{Schutzland} principle.\textsuperscript{312} Particularly in Germany, this principle is synonymous with the \textit{lex protectionis} and quite consistently applied by German courts to all copyright issues. In a number of recent judgments—\textit{Laras Tochter} (1999), \textit{Spielbank} (1997) and \textit{Alf} (1992)—the German \textit{Bundesgerichtshof} ruled

\begin{footnotesize}
\textsuperscript{312} Bühler 1999, p. 339.
\end{footnotesize}
that the *lex protectionis* governs (initial) ownership, proprietary aspects of transfer, scope and infringement of copyright.  

Dutch case-law is much less consistent. If we consider pre-war Supreme Court opinions, they reflect a strict territorial view of copyright. Both the *Das Blaue Licht* case (1936) and *Fire over England* (1941) concerned the screening of foreign-made films, with music made by foreign composers abroad, in the Netherlands. Existence, ownership, transfer and exercise of copyright in the music were all judged to be governed by Dutch law. The Court argued that the *droits-indépendants* system of the BC meant Dutch law should be applied. Even though the term ‘*lex protectionis*’ or the ‘Schutzland principle’ is not used by the Court, it did seem to consider this to be the conflict rule that is –if not directly then indirectly– prescribed by the BC.

There is no solid indication that the Supreme Court has since changed its position with regard to transfer of intellectual property. That the *lex protectionis* governs matters of existence of copyright was reaffirmed in the Supreme Court’s *Bigott v. Ducal* decision of 1999 but here there was no direct reference to Article 5 BC. Where issues of existence and scope of protection are concerned, lower courts sometimes apply the *lex protectionis* and infer it directly or indirectly from the Berne Convention’s national treatment principle, while in other cases the *lex loci delicti* is applied, without reference to Article 5 BC.

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314 HR 28 November 1941 [1942] NJ 205 (*Fire over England*).

315 In *BMG v. Bouguereau* (HR 24 February 1989 [1989] NJ 701), the Court did not address the question even though it was raised. The Court of Appeal had applied American law to the assignment of intellectual property rights in Elvis Presley recordings. Before the Supreme Court, the advocate-general endorsed the Appeal Court’s decision: ‘The court has rightly brought the transfer of the rights of Presley fully under the operation of American law, as having occurred completely within the American legal sphere. This means no more and no less than…that the claims under consideration must be judged by the Dutch courts as if Elvis Presley himself had brought them. It is different with regard to the scope of the said rights, that is, the legal consequences that in the Netherlands are associated with the exercise of the rights within the Netherlands. To that Dutch law is in fact applicable, [my translation, mwe]’ It should be noted that at the time the Netherlands were about to ratify the Rome Convention 1961.


4.3.2 Lex Protectionis and Moral Rights After Death

We have seen in Chapter 1 that a number of questions involving copyright and related rights after death are really issues that belong to other choice-of-law categories. Who inherits copyright, whether the testament in which the author designates someone as successor is materially valid, etc., are matters that fall within the realm of succession.

Some national laws use the domicile of the deceased as a connecting factor, others use nationality. The alternative reference rule of the Hague Convention on Succession (1989) contains a rather intricate mix of the two and also allows the testator a choice between a number of jurisdictions.

Likewise, the question of whether a will or other testamentary disposition is valid as to form, has its own conflict rule. The Hague Convention on Testamentary Dispositions lays down the *favor testamenti* for the formal validity of wills. The alternative connecting factors used are: the place where the will was made and nationality, domicile or habitual residence of the testator, either at the time the will was made or at the time of death.

Which rights and interests are part of the estate and whether copyright and neighbouring rights can be inherited to begin with, are issues that are as a rule not governed by the law governing succession, so there is no conflict between the latter and the law governing intellectual property. Since copyright and related rights continue to exist after the death of the author or performer on the basis of international treaties, obviously they must be inheritable in all countries that are BC (or TRIPs) states.

The BC provides for a limited exception to the prescribed continuance of moral rights after death. It was introduced in Article 6bis(2) BC to accommodate for the fact that in common law countries some moral rights were or are still protected under defamation law, which does not allow for actions after the death of the defamed person.318 For performing artists, the same clause is contained in Article 5(2) WPPT.

It seems logical that where countries have the freedom to regard certain moral interests of the author or performer as not belonging to copyright proper, they should equally be free to characterise these interests as for example a tort of defamation for choice-of-law purposes. Typically, the question of whether moral interests can be exercised after the author’s or performer’s death will be raised in an infringement dispute. If under the *lex fori* the issue belongs in the category tort of defamation, the corresponding law governing the question will be the *lex loci

318 See Doutrelepoint 1997, p. 66.
Normally that will coincide with the *lex protectionis*, which will be applied if the moral rights in question are viewed as belonging to copyright, since the existence of intellectual property (see below) is generally considered to be governed by the *lex protectionis*.

Quite apart from the exceptional circumstances that Article 6bis(2) could bring along, one could assume that the author who wants to bequeath his economic and moral rights to a specific person or institution, only has to take account of two laws: for the material validity of the bequest that would be the law governing succession, whereas for the formal validity of the bequest the *favor testamenti* would apply. The same is true for a right owner other than the author, whose economic rights are inheritable (the moral rights remain with the author cf. Art. 6bis BC. 5 WPPT).

However, problems arise with regard to moral rights. Article 6bis BC and 5 WPPT prescribe that the moral rights shall after death 'be exercised by the persons or institutions authorised by the legislation of the country where protection is claimed.' Article 6bis(3) BC and 5(3) WPPT state that 'the means of redress for safeguarding the [moral] rights granted... shall be governed by the legislation of the country where protection is claimed.'

The latter clause dates from the time when moral rights were first introduced in the BC (Rome 1928 revision). Initially it was preceded by a clause that stated that it is left to the national law of countries to regulate the conditions under which the moral rights can be exercised (Art. 6bis(2)). That clause was dropped in the 1971 revision and the 'means of redress' clause was moved to a new Article 6bis (3). Its equivalent for performers is Article 5(3) WPPT.

The persistence of moral rights after the death of the author was introduced in the BC in 1948 and on a facultative basis only. It was made compulsory in 1971. At the same time, the clause that leaves it to the national laws to decide which persons can exercise the *droit moral* after the author's death was introduced because agreement on a substantive solution proved impossible to achieve. In some countries copyright law prescribes a certain order among the next of kin, in other countries the normal succession rules apply to moral rights. Also, in some countries moral rights are eternal, but once the economic rights have lapsed and the work has entered the public domain, the author's descendants or executor can

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319 Both the infringement and existence of personality rights (right to privacy, respect for good name and reputation, etc.) are usually governed by the *lex loci delicti*. There are instances where the existence and scope of personality rights are governed by the personal law, e.g., Art. 24 Italian Private International Law Act 1995 (criticised by Von Hinden 1999, p. 39 et seq.). Since moral rights are considered part of copyright in Italy, Art. 24 poses no problems. On complications with respect to determining the place of infringement in the case of multiple loci, see Chapter 6.

320 See the earlier discussions in 1948 on Article 6bis, Actes BC 1948.
no longer exercise the moral rights. Only the State can do so, usually in the public interest, e.g., for the protection of society’s cultural heritage.321

What do these clauses mean from a choice-of-law perspective? I submit that Article 6bis (3) BC and Article 5(3) WPPT could be given the same interpretation as the corresponding clause from Article 5(2) BC, which served as an example for both. As for the clause on who exercises moral rights (first sentence, second part of Article 6bis(2) BC and of Article 5(2) WPPT), if this is considered as a conflict rule that points towards the internal law of the Schutzland it would be the lex protectionis rather than the law governing succession that decides to whom moral rights devolve.322

As a consequence, with regard to the same work, different persons will possibly be considered authorised to exercise the moral rights.323 Certainly in an age where —by the use of Internet, satellite and other forms of telecommunication—an alleged infringement of moral rights will often not be limited to one country, this creates complications.

On the other hand if one takes the clause to refer to the law of the forum, including its private international law rules, the normal conflict rule for succession may be applied. Since countries determine their own choice-of-law rules, this interpretation respects the notion that countries are free to determine who can exercise moral rights. The lex fori also conforms to a literal interpretation of the text.

The problem with considering Article 6bis(2) BC as a reference to the law of the Schutzland including its conflicts law, is that the forum court could end up applying another country’s choice-of-law rule because actions are not necessarily brought before a court in the Schutzland. That would be a deviation from the generally accepted rule that a court in principle applies the conflict rules of the forum.

In the sparse Dutch case-law one can detect a preference for the law governing succession and thus possibly for the view that Article 6bis(2) BC refers to the lex fori including its choice-of-law rules. In the Carmina Burana case we have seen (Paragraph 1.2.3) that the court applied German law to the question of whether the German composer’s widow had title to exercise the moral rights.324 The court did

321 France, Portugal, Italy, Denmark. See Doutrelepons 1997, p. 65, who justly remarks that this type of regulation of moral rights on works in the public domain does really not belong in copyright law proper.

322 Compare De Boer 1993a, p. 6.

323 To the extent that the choice-of-law rules for succession are not unified, no uniformity of result will be attained. However, if one applies the lex protectionis, it is certain that all laws apply simultaneously, whereas most national choice-of-law rules for succession point to either the law of the last habitual residence of the deceased, or his or her national law.

refer to the BC in this case, but did not explicitly base its decision on Article 6bis(2).

Its decision is not compatible with an interpretation of Article 6(bis)2 as referring to the internal law of the Schutzwald. It does conform to the view that it points to the lex fori (or lex protectionis) including its private international law. So does the opinion handed down in the Raedecker case, where the court applied French law to the question of who the painter's heirs were.\(^{325}\) It should be noted that in this case Article 6bis(2) did not apply, because it involved murals painted in a building in The Hague, i.e., the Netherlands were the country of origin of the work within the meaning of Article 5(4)c ii BC.\(^{326}\)

A problem that the Raedecker case does bring to light is the question not to whom the moral rights devolve, but if and when they do. In many countries, the moral rights devolve to the heirs, or to a person or institution specifically mentioned in a testamentary disposition.\(^{327}\)

Under Dutch law however, the author has to appoint an executor who can exercise his moral rights after death (Art. 25(2) Aw). otherwise they lapse. Originally, moral rights ceased to exist upon the author's death. When in 1972, Article 25 of the Auteurswet 1912 was revised to meet the standards of the 1948 BC, the government proposed to let the moral rights be exercised by the next of kin in case the author had not specifically appointed someone. In parliament however, there was a lot of opposition to the concept of moral rights after death. Parliament insisted that if the moral rights were to survive, the author could at least be expected to take the trouble to appoint someone as executor and introduced an amendment to this effect. The government, probably content with the compromise, accepted the amendment.\(^{328}\)

Article 25(2) Aw does not seem to qualify as a 'means of redress' in the sense of Article 6bis(3). Nor should it be considered as a mere rule about who exercises the moral rights in the sense of Article 6bis(2). After all, Article 25(2) Aw has a dual function: it conditions the continued existence of moral rights and lays down

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326 This would also explain why the court did not consider the BC in its decision.
327 See for instance: Art. 28–29, Art. 83 (3) German UrhG, Art. 19, 23 Austrian URG, Art. L 121–1 and Art. 212–2 French CDIP, Art. 56 and 57 Portuguese Code of Copyright and Related Rights, Art. 61 and 65(4) Danish Copyright Act 1995, Art. 12(2) and 50(2) Greek Act on Copyright, Related Rights and Cultural Matters; Art. 2(1), 7, 34, 38 Belgium Law on Copyright and Neighbouring Rights.
formal requirements for the appointment of an executor. The first—the author must appoint someone—is more central than the last—the author must do so by will.329

Where the formalities are concerned, the court in the Raedecker case did not apply the normal conflict rule for the formal validity of testamentary dispositions or legal acts (the favor testamenti and locus regit actum principle respectively). It applied Dutch law instead.330 Raedecker’s heirs had produced a document, supposedly written by the painter—one might assume in France since this is where he lived—which the heirs contends that it showed that he had intended them to be the executors of his (moral) rights. The formal validity of this document should have been judged under either the rules of the Hague Convention if it could have been characterised as a testamentary disposition, and if it had not, under the locus regit actum. I see no reason why the normal choice-of-law rules should not apply for these questions.

Where the obligation to appoint someone as executor is concerned, if one accepts that the lex protectionis is the normal conflict rule for copyright issues, this means that Article 25(2) Aw will be applicable where an infringement of moral rights in the Netherlands is concerned. This leads to an undesirable situation, because the Auteurswet then demands a legal act of foreign authors, who typically under the copyright law of their own country, do not have to make provisions for the exercise of moral rights after their death.

As has been said, moral rights are inheritable on the basis of the BC and WPPT. National laws typically prescribe that moral rights devolve to the next of kin or heirs unless the author has indicated otherwise. The Dutch requirement to appoint an executor seems an exception to this rule. In these circumstances it would be better—as the court did in the Carmina Burana case—not to apply Article 25(2) Aw to foreign authors (or at least authors who are not habitual residents of the Netherlands) or foreign works, on the grounds that it is against the objective of the BC.331 The same goes for moral rights clauses with similar content: Article 25(4) Aw—which prescribes the same as 25(2) but then for the

329 In my view, this condition is contrary to Article 6bis and against the prohibition of formalities of Art. 5(2) BC. It should be left unapplied on those grounds, but that is another matter. In a comparable situation, the Dutch Supreme Court has ruled that Art. 21(3) Benelux Design Act (BMW)—which requires that upon registry of a design a so-called preservation of copyright statement is made in order for the copyright in the design to remain in effect—is contrary to the formalities prohibition of the BC. HR 26 May 2000, [2000] AMI 10, 210 (Cassina v. Jacobs). See also note 334.

330 French law prescribes that moral rights are transmitted mortis causa to the heirs of the author. Exercise may be conferred on another person under the provisions of a will. (Art. L 121-1 CDPL).

331 Visser 1993 criticises the discrimination against Dutch authors that would result, but as he himself notes, the BC allows for it.
moral right to resist changes to the work— and Article 5 Wet Naburige Rechten for performers.

4.3.3 *Lex Protectionis* and Ownership in Audiovisual Works

As we have seen in Paragraph 3.3.2, Article 14 bis(2) BC leaves it to the law of the country where protection is claimed to decide on ownership of films and other audiovisual works, with one important exception. The countries that adhere to the system where the producer does not own the exploitation rights—by way of presumptive assignment as in the Netherlands, or by being designated as author—may maintain that system for domestic films, but producers of foreign films are presumed to have permission to exploit the economic rights in the film. More precisely: on the basis of Article 14 bis(2b) BC contributors to the audiovisual work cannot—unless otherwise agreed—enjoin the producer from exploiting the film.

The tenor of Article 14 bis is undoubtedly that countries can maintain the rules of ownership of their choice and do not have to recognise another country’s rules. But does that make Article 14 bis(2a) a conflict rule prescribing the *lex protectionis*? Or does it merely allow union members to apply the *lex protectionis*, or *lex fori*, to issues of initial ownership and transfer between makers and producers? Given what has been said earlier about the choice-of-law calibre of Article 5 BC, I am inclined to think that Article 14 bis (1) endorses, but does not prescribe, the *lex protectionis.*

By way of choice-of-law rules (which should be identical for foreign and national authors of course, given the non-discrimination principle of Article 5 BC) countries can decide how initial ownership in audiovisual works is to be determined.

If the BC were to prescribe the *lex protectionis* for initial ownership, film producers could never be sure of their position. As the Paris Court of Appeal ruled in the (in)famous Huston case... c’est à la loi d’origine qu’il convient de se référer pour dire qui est l’auteur...[la Convention de Berne] verrait sa finalité gravement pervertie si la loi du pays où la protection est réclamée devenait un

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332 The general opinion among copyright scholars seems to be that Art. 14 bis(2a) does prescribe the *lex protectionis* law of the Schweizland: Fabiani 1998, p. 158; Fawcett & Torremans 1998, pp. 511-512; Ginsburg 1998b, p. 96; Lucas 1998 at 42; Massouyé 1972, p. 100; Möllering 1971, p. 76 et seq.; Quaedvlieg 1997, pp. 258-259; Saito 1985, pp. 280-281; Ulmer 1977 at note 25. An exception is Drobnić 1976 who also thinks it allows countries to subject the question of ownership to their domestic choice-of-law rules. Schack’s view is that Art. 14 bis(2a) refers to the *lex fori*, including private international law (1997, at 892).
moven de mise en échec des normes d’un autre état signataire et des droits acquis sous leur empire.  

How exactly the lex originis should be defined – is it the law of the country of which the actual creator is a national or habitual resident, or of the country where the work is created, or the country in which the film producer has its (principal) establishment – remains to be seen. One could argue that for film, the BC definition of the country of origin is a suitable connecting factor, because it is easy to determine and results with legal certainty for the producer.

On the other hand the BC definition was drafted for the purpose of establishing which film producers enjoy union protection, not for choice-of-law purposes. Also, the country where the producer is established will not be an adequate criterion in the case of a co-production between producers from different countries. Using the national law, or the law of habitual residence of the creative contributor as a connecting factor, is more in keeping with the BC’s (and national copyright law’s) assumption that in principle the actual creator is the author and first owner of copyright. Here too, a different solution will have to be found for cases of co-production. In the next chapter I will enquire in more detail into which connecting factor is appropriate given the objective and rationale of copyright.

A last issue that should be addressed when talking about the BC and ownership of film rights is Article 14 bis(2)c on the formal validity of the presumptive license to exploit the film. As we have seen, the creator who has agreed to contribute to an audiovisual work, is presumed to have agreed not to invoke his copyright against normal exploitation acts by the producer.

Article 14 bis(2)c lays down a conflict rule for the formal validity of the agreement between producer and contributor. It says that ‘the question of whether or not the form of the undertaking... [“engagement” in the French text, emphasis added, mve] should... be in a written agreement or a written act of the same effect shall be a matter for the legislation of the country where the maker [“producteur” in the French text, mve] of the cinematographic work has his headquarters or habitual residence.’

Literally interpreted, the word ‘undertaking’ refers to the agreement or promise to contribute to the film, not to any specific provisions which rebut the presumptive licence. These provisions are the terms that allow the contributor to influence normal exploitation acts, i.e., conditions that are restrictive vis-à-vis the producer which are ‘relevant to the undertaking’, i.e., to the agreement to contribute (Art. 14 bis2(d) BC). These conditions could be laid down in an

333 CA Paris 6 July 1989, [1990] RIDA 143, 329 (with approving comment of A. François), see for the Cour de Cassation’s judgment (which did not go into the question of applicable law to ownership and declared the French provisions on moral rights as lois d’application imperative, i.e., applicable regardless of the otherwise applicable law), see Paragraph 2.4.3, note 104.
individual written contract, but may in principle also feature in collective bargaining agreements or result from oral agreement, industry practice, etc.

Whether the agreement to contribute itself must be in writing depends on the law of the place where the producer is established, with one exception. Countries where protection is claimed may demand that any agreement of commitment to contribute must be in writing (Art. 14 bis(2)c BC).

One could argue that like Article 14 bis(2)a, the formal validity clause does not refer to the substantive law of the country where the producer is established, nor to the substantive law of the Schutzland. Instead it could be considered as referring to the law of the forum including its choice-of-law rules. However, it seems unlikely that this was intended by the drafters.

We have seen that in the negotiations over the WIPO Treaty on the rights of audiovisual performers, choice-of-law rules have been proposed as an alternative to a system of presumptive licensing similar to Article 14 bis BC. Considering that film producers will conclude a contract with the contributors, which contains or refers to clauses on assignment of rights (e.g., in a collective agreement), a choice-of-law rule for transfers would provide them with the necessary certainty. Such a rule would be more effective if it were to extend to the question of which rights are assignable as well. Normally that would be an issue governed by the copyright statute, which in theory leaves the producer vulnerable to claims that under the law of a particular country a right could not be assigned by the creator (e.g., the right to equitable remuneration for rental of films) and has thus not been acquired.

The rule that got most support during the WIPO negotiations in 2000—albeit not from the European Community—was that a transfer of rights should be governed by the law chosen by parties and lacking such a choice, the law of the country most closely connected to the contract. Such a rule would only be partly in accordance with the main principles of the Rome Convention 1980. In the proposals for a conflict rule in the Audiovisual Performances Treaty, the place of establishment of the party to the contract that has to deliver the characteristic performance does not feature as a connecting factor. Rather, the US proposed that the factors to be considered when identifying the closest connection should be nationality of the contributors, the place of establishment of the producer and the place where the work is made. These do not seem to correspond to what the characteristic performance-criterion would yield, namely either the habitual residence or the place of establishment of the contributor or the producer. The question of which party is best considered as delivering the characteristic performer in copyright and related rights contracts, will be addressed in more detail in Chapter 6.
4.4 Lex Originis

Within the realm of copyright and related rights treaties, the country of origin features in three distinct qualities. First, the country of origin is used to determine whether an intellectual creation (or the owner of the rights in it) is protected under the intellectual property conventions. The country of origin must be a Contracting State, in order for the author, performer, broadcaster, record producer or their successors in title to be eligible for national treatment. In the first meaning then, the country of origin is a concept that belongs to the realm of the law of aliens. Second, the country of origin plays a role in the determination of reciprocal protection. Examples are the duration of copyright (Art. 7(8) BC), the protection of design (Art. 2(7) BC) and the resale right (Art. 14ter BC). It is in its third meaning, as a connecting factor in a choice-of-law rule, that the country of origin is relevant for our enquiries.

The term ‘lex originis’, meaning law of the country of origin, is typically used to indicate the opposite of the lex protectionis. Only very few scholars promote the idea that the Berne Convention allows the law of the country of origin of a work as the applicable law for all or most copyright issues. Neither Dutch, American, French nor German case-law endorses this viewpoint. A modest number of authors promote the lex originis for the determination of initial ownership of copyright. There is a growing body of case-law supporting their view.

4.4.1 CONFLICT RULE FOR ALL COPYRIGHT ISSUES

The French scholar Bartin supported the *lex originis*, but he spoke of it as the *lex rei sitae* for copyright instead. To support his view, he interpreted the BC in a rather unorthodox fashion. The submission of copyright to the law of the country of origin of a work is consistent with Bartin’s theory that choice-of-law rules for property (both in rem and in personam) find their justification in providing legal certainty for acquirers and third parties about the legal situation of the property. The law best qualified to provide this certainty is the *lex rei sitae*, because it is easiest to identify, so the argument goes. All property—tangibles and intangibles, moveables and immovables—must therefore be governed by the *lex rei sitae*.

Since copyright (or any other incorporeal property) has no physical location one must attribute it a fictitious locus. Bartin characterises copyright as an exclusive exploitation right in a work, akin to the right of usufruct. The exploitation takes place principally through publication. The place of first publication is the place where the author expects to have the most success, where he feels his work is appreciated and thus the natural choice for attachment.

The *lex rei sitae* governs subsistence, duration, scope and limitations of the rights in the work:

‘C’est ... à la loi de cet Etat [*lex rei sitae, mve*] que les tiers voudront se renseigner sur l’existence du monopole d’exploitation, sur son objet, sur ses limites, sur sa durée, viendront demander la certitude dont ils ont besoin, pour traiter sur elle ou pour produire eux-mêmes en dehors d’elle.’

Bartin, noting that the (then) French Copyright Act was silent on the applicable law, finds support for his opinion in case-law. As for the Berne Convention, he appears to base his conclusion that the *lex originis* is the choice-of-law rule on the

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335 In Vol. III of Bartin’s *Principes* 1935, pp. 57–78; general principles of his choice-of-law theory are found in vol. I of 1930, of relevance to intellectual property are especially pp. 1–20, 179–192.

336 Bartin has a rather unusual but interesting idea on the nature of copyright (1935, p. 65): ‘Ce droit reel d’usufruit porte sur l’oeuvre, *res communs* par sa fin, qui est la satisfaction esthetique du public, *res communs* enfin, qui le reviendra tout à fait quand le monopole d’exploitation cesserat...’. His general characterisation however (copyright as an exclusive exploitation right, part of the owner’s assets) is quite mainstream.

337 Bartin treats moral rights separately, proposing accessory attachment to the *lex rei sitae* of the exploitation rights 1935, pp. 62–63.

338 Compare Raynard’s 1990 defence of the *lex rei sitae* (not based on the Berne Convention but on a classical choice-of-law analysis); he inter alia from the ubiquitous nature of an intellectual creation that the situs of copyright is everywhere (see Paragraph 6.2).

339 *Principes* III, p. 68.
fact that the country of first publication is an essential feature in the Convention’s system of protection.

In the case of works whose principal exploitation takes place through performance (theatre plays, etc.), one might be tempted to make the place of first public performance the connecting factor. But this raises a problem: it is not easy to determine exactly which works fall into this category. In addition, plays and other theatre pieces may be published while remaining unperformed. Bartin concludes that the place of first publication should therefore also be the connecting factor for plays and finds support for this position in the Berne Convention. Article 4 BC as revised in 1908 (currently: Art. 3(3)) explicitly states that the first performance of a work does not constitute its publication. Likewise, for unpublished works Bartin finds the ‘solution’ in the BC, which designates the country of origin of an unpublished work as that of which the author is a national.

It should be noted that when he speaks of the *lex rei sitae* as the applicable law for copyright, Bartin has primarily aspects of disposition (transfer, assignment) in mind. When it comes to infringements, he follows his general solution for illicit acts: they are governed by the ‘loi locale’. Whether a reproduction or other act constitutes an infringement of copyright must be decided by the law of the place where the alleged infringement took place (i.e., the *lex loci delicti*).

The problem with this solution is that the existence and scope of intellectual property are in a sense the mirror of which acts constitute infringement. If the existence of the copyright is governed by the *lex originis*, but the infringement by the *lex loci delicti*, an author may successfully sue for infringement with respect to an intellectual creation that under the *lex loci delicti* would normally not be considered a protected work at all.

### 4.4.2 Conflict Rule for Initial Ownership

We can see that Bartin cannot really base the defence of his preferred choice-of-law rule on the BC. Rather, he uses its definition of the country of origin as a connecting factor for the *lex rei sitae*, which thus becomes the equivalent of the *lex originis*. A number of authors are inclined to favour the *lex originis* over the *lex protectionis*, but for issues of initial ownership and – less frequently – existence only. As a rule, they recognise that as a conflict rule, the *lex originis* is at odds with the current intellectual property treaties, rather than being prescribed by them.

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340 Principes III, footnote at p. 63.
There are various defences of the *lex originis* as the conflict rule for initial ownership.\(^{341}\) One is based on Article 14 bis(2a) BC, which prescribes that ‘ownership of copyright in a cinematographic work shall be a matter for legislation in the country where protection is claimed.’ From the fact that for film the BC contains a special provision —which most writers consider lays down the *lex protectionis*— it is deduced that for initial ownership of other works the BC does not prescribe the *lex protectionis*.\(^{342}\)

This a-contrario interpretation is controversial.\(^{343}\) Ulmer, who presided over the deliberations at the 1967 Stockholm conference, says that no one delegation expressed the opinion that the *lex originis* governs initial ownership in general. The *lex protectionis*-clause for films was introduced because it seemed logical to name it as the central thought before introducing the rest of the arrangements for audiovisual works.\(^{344}\)

A second defence of the *lex originis* is based on the wording of Article 5(2) BC: ‘...the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.’ If this is taken to prescribe the *lex protectionis*, it does not necessarily address copyright issues that are not mentioned, notably not the question of existence, initial ownership and in testate or *in vivo* transfer of copyright.\(^{345}\)

If, as Ginsburg maintains,\(^{346}\) rigorous territoriality is not the general rule of the Berne Convention, this justifies not extending the *lex protectionis* of Article 5(2) to initial ownership. Particularly, if multiple laws were to govern ownership issues, the international dissemination of works could be hindered, which would defeat an important objective of the BC. The idea of copyright as a bundle of national rights is better understood in terms of protectable subject-matter and scope, while the country of origin (the source country) regulates initial ownership.\(^{347}\)

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341 Drexler 2001, pp. 469–470 mentions another solution: that the BC does not need to contain a conflict rule for initial ownership because it defines the actual creator(s) as authors. Considering the debate surrounding ownership of rights in audiovisual works, the various work-for-hire provisions in domestic laws and questions of ownership in the case of collective works, it may be clear that the general principle in international and national copyright law—that the actual creator is author and thus owner of copyright—leaves many ownership questions unanswered.


347 Ginsburg 1998b, pp. 100–101; the author reminds us that section 104A(b) of the US Copyright Act does refer to the *lex originis* as the law governing initial ownership for restored copyright.
There is no consistent American case-law, but some courts have accepted the *lex originis* as conflict rule for initial ownership. A well-known ruling is the Itar-Tass case, where the question of whether the plaintiff, a Russian press agency, owned the copyright in articles that the New York defendant, Russian Kurier Inc., had copied, was determined under Russian copyright law.\(^348\)

In France there is also a tendency to use the *lex originis* as the conflict rule for issues of initial ownership.\(^349\) Some courts have said explicitly that the BC does not contain a conflict rule for initial ownership and that the common French conflict rule is the *lex originis*,\(^350\) either based on nationality of the author or—for published works—the country of first publication.

If one uses the *lex originis* as a choice-of-law rule for (initial) ownership, the question then is, as has been said above, what definition of 'country of origin' and 'publication' should be used. The terms as defined in the BC could be used if they were appropriate as connecting factors. It should be borne in mind that neither term as used in articles 3 through 5 BC has been defined for the purpose of serving as a connecting factor for a conflict rule. As has been indicated above, the function of the term 'country of first publication' is to delineate which authors and works enjoy union-protection and which country is the country of origin of a work for the purpose of reciprocity requirements. The (un)suitability of the country of first publication as a connecting factor will be examined more closely in the next chapter, particularly with respect to communication via the Internet.

German case-law is quite consistent in its refusal to use the *lex originis* for issues of initial ownership. A string of recent decisions of the Bundesgerichtshof has reaffirmed the German interpretation of the Berne Convention: Article 5 lays

\[^{348}\text{US Court of Appeals (2nd C.) 27 August 1998, LEXIS 21016 (Itar-Tass v. Russian Courier).}\]
\[^{349}\text{Cass. 29 April 1970, [1971] Rev. crit. dr. int. priv. 270, with comment Batifol (Lancia v. Editrice Fotomannuzi Internazionali); CA Versailles 17 December 1993, [1994] RIDA 162, 448 (SARL F25 v. Pravda); CA Paris 6 July 1989, [1990] RIDA 143, 329 (Turner v. Huston), with comment Françon, who is in favour of determining initial ownership (at least in work-for-hire situations) under the law of the country of origin of the work. CA Paris 1 February 1989, [1990] RIDA 142, 302 (Brugance v. Orban) with comment Sannelli: this case involved a contract with reference to the US Copyright Act's work-for-hire provision and a choice of N.Y. law. The French plaintiff had—as far as she had any interests to assign—waived any moral rights and assigned all copyright to the Greek defendant (resident in New York) for whom she rewrote a manuscript, to be published under his name. Although the court did decide that in principle the assignment was governed by American law, it deemed the irrevocable renunciation of moral rights contrary to the French *ordre public international*. CA Paris 9 February 1995 [1995] RIDA 166, 310 (Ninja Turtles), seems to opt for the *lex protections* where it says: 'si l'on devait estimer que la loi française avait vocation à gouverner la titularité d'origine des droits...'}\]
down the law of the Schutzland or lex protectionis, for existence, scope, (initial) ownership, transfer of copyright and capacity to act against infringement.\textsuperscript{351}

Dutch case-law is less consistent. Often it is difficult to see whether courts find that the Berne Convention calls for the subject of ownership issues to the country of origin, or whether it merely leaves room to do so because it does not contain a conflict rule.\textsuperscript{352} Also, many cases are decided without specific reference to the BC.\textsuperscript{353} In yet other cases the courts explicitly apply the lex protectionis to initial ownership.\textsuperscript{354} Finally, there are a number of cases in which the choice-of-law analysis is so obscure that it is difficult to determine which conflict rule has been used.\textsuperscript{355}

It would seem that the line followed by lower Dutch courts is not an unequivocal deviation from the pre-war “territorial” rulings handed down by the Supreme Court in Das Blaue Licht and Fire over England.\textsuperscript{356} However, one could argue that there is a slight trend away from the lex protectionis and towards the lex originis (or other connecting factors that point to one rather than a multiplicity of applicable laws). The issue of initial ownership was not explicitly addressed in either Supreme Court ruling. I would venture a guess that given the chance then, the court would have subjected it to the lex protectionis, whereas today the likelihood has increased that the lex originis would be applied.


\textsuperscript{352} Compare Dow v. Evora where the District Court seems to apply the lex originis (cit in HR 20 October 1995 [1996] NJ 682) with Lancôme v. Kruidvat where the court refers to French copyright law to establish that the perfume-packaging in question is a collective work, but then applies the Dutch work-for-hire provision to ownership (Rb. Utrecht 19 October 1997, [1998] IER 22 (Lancôme v. Kruidvat)).


\textsuperscript{356} See Paragraph 4.3.1.
4.5 Conclusions

From the development of international copyright and related rights treaties as described in Chapter 3, it is clear that these were not drafted from a choice-of-law perspective. They are concerned with harmonising national intellectual property law and abolishing the discrimination against foreign authors or foreign works. In Chapter 2 I described how, at the time the BC was conceived, the founding states shared no common choice-of-law method and the allocation method was not as widespread as it is today (that is not to say that there currently is much more uniformity in conflict rules or choice-of-law methods). That makes it difficult to extract conflict rules from the Conventions.

It would thus seem that the Berne Convention and subsequent treaties that follow the same system of protection are unlikely to contain choice-of-law rules for copyright and related rights. Even so, much of the literature on international copyright—certainly with the advent of Internet—is concerned with determining the choice-of-law calibre of the Berne Convention and other intellectual property treaties.

The most-advocated conflict rule is the *lex protectionis* (sometimes falsely equated with the *lex loci delicti*). The national treatment principle as enshrined in Article 5 BC and the perceived territoriality of copyright (as expressed in the Conventions) are most often put forward as the source of the *lex protectionis* or law of the *Schutzland*.

As far as the ‘territorial nature’ of intellectual property is invoked to back up the *lex protectionis*, it has been indicated that this is often an argument with circular properties. Frequently the territorial nature of copyright and related rights is defended with the argument of legislative sovereignty, which results in differences in national copyright and related rights law, which in turn justifies territorial application (i.e., *lex protectionis*). This approach denies the fact that precisely because of their legislative sovereignty, countries can adopt choice-of-law rules that prescribe the application of a foreign norm. Also, a strict territorial view of copyright should lead to application of the law of the forum, not of the country for which protection is claimed.

A more convincing basis for the *lex protectionis*—at least where existence, scope and duration are concerned—is that intellectual property are *droits indépendants*, not *droits acquis* because of their legal nature and the legal policies behind them. Compared to property in material objects, there is relatively little consensus on what intellectual creations should be taken out of the public domain and be subject to exclusive rights. What the exact scope of these rights should be is even more controversial. However, the general agreement that the Berne Convention is inspired by the *droits indépendants* approach, does not mean that the Treaty actually lays down the *lex protectionis* as the conflict rule.

In my opinion, the national treatment principle as it is expressed in Article 5 BC, Article 4 WPPT, Article 3 WCT, Article 3 TRIPs and Article 2 Rome
Convention 1961 does not prescribe the *lex protectionis* as the law governing existence, scope and duration of copyright and related rights as well as initial ownership and transfer. Of all these national treatment clauses, my analysis was focused on Article 5 BC because this has inspired the other clauses. Article 4 WPPT and Article 3 WCT are virtual copies of it.

We have seen how the exact wording of Article 5 BC is a result of attempts to clarify that reciprocity requirements—other than where expressly permitted—were no longer allowed.

On closer inspection, we have also seen that identifying the *lex protectionis* in Article 5(2) BC cannot be done without interpreting that clause creatively. We need to read ‘for which protection is claimed’ instead of ‘where protection is claimed’. We need to interpret the clause ‘the extent of protection, as well as the means of redress...’ as encompassing not only the scope of the rights and the actions available to enforce it, but also the existence, ownership, duration, etc.

In addition, we have seen that if Article 5(2) reflects the *lex protectionis*, Article 5(3) BC must reflect the *lex originis* as applicable. In cases where a court in the country of origin is seized with a claim for infringement elsewhere, this produces a deadlock as to the applicable law. Given the fact that European jurisdiction rules as contained in the Jurisdiction Regulation of 2001 and the Lugano Convention do not prescribe exclusive jurisdiction for the courts of the place where an infringement took place, it is quite likely that cases will regularly be brought in the country of origin of a work with respect to infringements elsewhere (e.g., if the defendant is resident in the country of origin). The fact that infringements may occur in global communication networks increases this likelihood.

Another objection to considering the *lex protectionis* as governing all issues of copyright and related rights, is that is does not fit well within the predominant contemporary allocation method. If the primary idea is that the applicable law should be the law with which a case is most closely connected, how can one use a connecting factor that consistently declares applicable as many laws as there are countries? This is in fact what the *lex protectionis* leads to, for instance if it governs the question of whom of a number of persons owns the initial copyright in a work, or who can exercise the moral rights in a work after the death of the author, or which rights have been acquired in the case of a universal assignment of copyright or related rights.

Since Article 14 bis (2a-b) BC on ownership in audiovisual works, Article 6bis (2) and (3) BC on moral rights and Article 5(2) and (3) WPPT on moral rights

357 Compare Lucas & Lucas 1994, p. 895, who argue that Art. 6bis(2a), 6bis(3), 10bis(11) and 14(ter) BC could refer to the *lex protectionis* or the *lex fori*.
of performers are adaptations of Article 5 BC. neither of them have to be considered to lay down the *lex protectionis*. The only true conflict rule in the BC is in my opinion Article 14 bis (2c) BC, which clearly provides that the law applicable to the form of an agreement or promise between a (creative) contributor to a film and the producer of the film, is governed by the law of the country in which the producer resides.\textsuperscript{359}

That the BC does not oblige countries to apply some other country’s norms, does not mean it does not allow them to do so. Arguably, as long as choice-of-law rules are applied equally to nationals and foreigners, the national treatment principle is abided by. Only in the case that a choice-of-law rule designates a law applicable that does not conform to the BC and other treaties’ minimum substantive standards, must a correction be made in order for the forum not to act against its obligations under the treaties. Given the number of signatories, especially to the BC and TRIPs and the tendency of countries to bring their domestic intellectual property law in to line with international norms, these cases will not occur often.

As for the interpretation that courts in different countries give of the choice-of-law calibre of the intellectual property treaties, we have seen that there is no clear line. Based on the BC, the German Supreme Court categorically rejects any other law than that of the *Schutzland* for all copyright issues. In French, American and Dutch case-law it is more common to use the *lex originis* at least for questions of initial ownership. But case-law –certainly in the Netherlands– is by no means consistent. Among scholars it is disputed whether the BC allows or prescribes the *lex originis* for ownership and transfer.

It is unclear what the precise definition of the connecting factor ‘country of origin’ is or should be. Courts often seem to refer to the country of origin in the sense of Articles 3 through 5 BC, which causes them to typically use either the place of first publication of a work, or the nationality of the author as connecting factor. This automatic use does not necessarily lead to adequate results, as the definition of country of origin was not conceived of as a connecting factor in a choice-of-law rule. Rather, it was drafted to determine whether a work is protected under the Convention and which limitations are allowed on the basis of reciprocity clauses.

In the next chapter we will consider in detail the advantages of using the *lex originis* as opposed to using the *lex protectionis* and which connecting factors are best suited considering the objectives of modern choice-of-law, the function of copyright and related rights and the realities of a digitally networked world.

\textsuperscript{359} Id. Lucas & Lucas 1994, pp. 896–897.