OUR ECHO
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NEWS FROM THE FIRM

Representing 20th Century Fox against FHP

A team led by partners Matteo Orsingher and Fabrizio Sanna assisted 20th Century Fox in successful interlocutory proceedings against FHP in a trademark-related case.

Advising on the financing of Rigoni di Asiago

A team led by partner Manfredi Leanza assisted Rigoni di Asiago Industries with the negotiation and finalisation of a long-term loan facility provided by a pool of banks. The loan facility will be used to support the growth of the group and strengthen its international standing.

Advising Prelios Sgr on AGRIS restructuring

A team led by partner Manfredi Leanza assisted Prelios Sgs with the negotiation and finalisation of a restructuring plan of the AGRIS database .

Advising Echolight on an acquisition by Panakes and Invitalia

A team led by partner Domenico Colella assisted Echolight's shareholders with the acquisition by Panakes and Invitalia of a stake in the company.

Recent publications

Fabrizion Sanna, *Civil Liability of an ISP for infringement of IP Rights. Some (almost) settled points*, in Franzosi and Pollicino, *The Digital Single Market Copyright*, 2016 Aracne 217 Googled this – not sure how 'found' comes in here.

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ADVERTISING

No remuneration for the creator of the slogan "You are, we car"

In its judgment no. 13171 of 24 June 2016 the Italian Supreme Court held that the creator of the slogan "*You are, we car*" used in the campaign for the launch of the new FIAT 500, although entitled to the relevant moral rights, was not entitled to any remuneration. These findings were based on the agreement for professional services (i.e. "contratto di prestazione d'opera professionale") executed between the author and the client, under which the author agreed to collaborate without remuneration on the creation of the slogan intended for the tender announced by Fiat. Given that remuneration is deemed not to be an essential element for this type of contract, the lack of any express contractual provision implied that the parties had agreed that the services in question were to be free of charge.

CAPITAL MARKETS

Market abuse – final guidelines

On 13 July 2016, the European Securities and Markets Authority (ESMA) issued its final guidelines on the implementation of Regulation (EU) no. 596/2014 (MAR). On the issue of market soundings (i.e. a communication of information to potential investors prior to the announcement of a transaction, to gauge market interest – see art. 11(1) of MAR), ESMA's final guidelines specify (a) the factors that recipients of a market sounding are to take into account when information is disclosed to them to assess whether the information amounts to inside information; (b) the steps that recipients are to take if inside information has been disclosed to them; and (c) the records that such recipients should maintain in order to demonstrate that they have complied with MAR. In addition, with respect to the possibility of issuers delaying disclosure of inside information – upon fulfilment of specific conditions established by art. 17(4) of MAR –ESMA's guidelines also provide a non-exhaustive list of (a) legitimate interests of the issuer that are likely to be prejudiced by immediate disclosure of inside information and (b) situations in which delay of disclosure is likely to mislead the public. The national competent authority (NCA) will have two months from publication to confirm whether or not it intends to comply with ESMA's guidelines. If an NCA does not intend to comply, it will have to inform ESMA, stating its reasons. ESMA's guidelines are available here.

DESIGN

LACK OF registration of licence does not prevent actions by licensee

In its judgment of 22 June 2016 (case C-419/15), the EU Court of Justice ruled that the licensee of a registered European design is entitled to act against infringers and to demand payment of damages even when the relevant licence is not registered. According to the CJEU, licence registration is not a precondition to infringement actions since, pursuant to section 32(3) of the Regulation, a licensee's infringement actions are conditional solely upon the consent of the design's owner and art. 33(2) of the Regulation (which providers "*as regards registered Community designs, legal acts referred to in Articles 28, 29 and 32 shall only have effect vis-à-vis third parties … after entry in the register*") is intended to be limited to acts directed against third party owners of rights and to (non-infringers of) the registered models.

FINANCE

Law Decree no. 59 of 3 May 2016 converted with amendments into law

Law Decree no. 59 of 3 May 2016 converted with amendments into law On 30 June 2016, Law Decree no. 59/2016 (the Decree) was converted (with amendments) into Law no. 119/16 (the Law), which entered into force on 3 July 2016. As previously noted, the Decree introduced (i) the "non-possessory pledge", allowing a borrower to grant security over asset(s) without losing the ability to use the relevant asset(s) in the borrower's business and (ii) the so-called "Patto Marciano", enabling the borrower to assign real estate property or rights as security for financing, on the basis that the relevant property or rights pass automatically to the creditor following a specific period of default, without the need to follow the normal enforcement procedure. The main amendments introduced by the Law are: (i) to extend the scope of the "non-possessory pledge" to intangible assets and receivables arising from, or relating to, the relevant business; and (ii) with reference to the so-called "Patto Marciano", the Law has increased the period of default from six to nine months (and to twelve months if the borrower has already repaid more than 85% of the outstanding debt).

ANTITRUST

General Court rules on the legality of non-competition clauses in M&A transactions

On 28 June 2016, the General Court (GC) of the EU issued judgments in cases T-208/13, Portugal Telecom (PT), and T-216/13, Telefónica. In all but one instance the European Commission's decision sanctioned Telefónica and PT for having committed contractually "to the extent permitted by law" not to compete with each other in the Iberian market in any new projects or activities in the telecommunications sector. This agreement was part of the arrangements for the sale of PT's stake in Brasilcel to Telefónica. The GC agreed with the Commission that the clause represented a "by object" restriction, since it was not "ancillary" (i.e. strictly related and necessary) to the transaction on the grounds that its scope was too wide. The judgments are available here and here.

DATA PROTECTION

EU-US Privacy Shield approved

On 12 July 2016, the EU Commission approved the so-called "EU-US Privacy Shield", agreed between the EU and the US in order to restore a legal framework for transatlantic data flows following the invalidation of the Safe Harbour Scheme by the EU Court of Justice in its judgment C-362/14 of 6 october 2015. As noted in Our Echo of March 2016, companies wishing to join the Privacy Shield framework need to comply with seven principles listed in the Privacy Shield Annex II. The Privacy Shield text has been amended following Article 29 Working Party Opinion no. 01/2016, which was aimed at obtaining stronger obligations and warranties for EU citizens, and it now contains stricter provisions, including (a) regular updates and reviews for participating companies in order to ensure their compliance with the above-mentioned principles, (b) limited conditions for the onward transfer of data to third parties, (c) an obligation on the US Government not to engage in mass surveillance, and (d) a stronger retention period limitation. Companies will be able to join the new framework from 1 August 2016, although it is important to highlight that the Privacy Shield does not affect any company that relies on the Standard Contractual Clauses, which remain a valid tool for transferring data outside the EU. For further information please click here.

LABOUR

Italian Supreme Court on individual dismissal for economic reasons

The Italian Supreme Court (in its decision no. 13516 of 1 July 2016) stated that the assumption that an employer must demonstrate the necessity of a cost saving in order to justify a decision to dismiss an employee for economic reasons ("licenziamento per giustificato motivo oggettivo") is unfounded. Under Italian law, individual dismissals for economic reasons must be justified by a genuine business reorganisation, resulting in the relevant position becoming redundant, with the activity being outsourced or reallocated to other employees. As a result, it is irrelevant whether the reorganisation leads to a cost saving or an increase in profit, because in both cases the company is trying to improve its productivity and efficiency. According to the Italian Supreme Court, an individual dismissal for economic reasons should be considered lawful if it follows a genuine reorganisation that directly affects the employee's job position.

TRADEMARKS

Operators of marketplaces forced to stop infringements

In its decision of 7 July 2016 (case C-494/15), the CJEU ruled that tenants of a physical market hall (specifically, a Prague marketplace), who sublet sale areas to traders marketing counterfeit branded goods, are intermediaries within the meaning of the Enforcement Directive (2004/48/EC) and therefore subject to injunctions provided for in art. 11 of that Directive. The Court clarified that tenants cannot be required to exercise general and permanent control over their sub-tenants, although they can be requested to take suitable measures to avoid repeated infringements.

Co-ownership of national trademark cannot be extended Internationally

The Italian Supreme Court (in its decision no. 13570 of 4 July 2016) held that the co-ownership of an Italian trademark cannot be extended to trademarks other than Community and International trademarks. The Court ruled that, since both the Community and the International (i.e. Madrid systems) trademarks are based on a pre-existing national trademark (and since in the case at issue the latter was an Italian trademark), it was for the Italian courts to rule upon the validity and all other questions (including co-ownership rights). On the other hand, such a principle does not apply to foreign trademarks registered in countries outside the EU and non-participants in the Madrid trademark system.

INDUSTRIES

MEDIA

Updated AVMSD proposed

On 25 May 2016, the European Commission proposed an updated version of the Audiovisual Media Services Directive (AVMSD). The updated AVMSD aims to achieve a better balance of the rules which currently apply to traditional broadcasters, video-on-demand providers and video-sharing platforms. According to the Commission, the new version of the AVMSD will also strengthen the promotion of European cultural diversity, ensure the independence of audiovisual regulators and give more flexibility to broadcasters in relation to advertising. For more information on the updated AVMSD and its text please see here.

Public consultation on "digital platforms and information system" launched

On 21 June 2016, the Italian Communications Authority (AGCOM), by Decision no. 309/16/CONS, opened a public consultation on "digital platforms and information system" (the Consultation). The Consultation is aimed at acquiring relevant information related to (a) the impact of new digital platforms on the information system, (b) the functioning of dissemination mechanisms adopted by digital platforms, and (c) the characteristics of the economic demand for online information. The Consultation is open to all interested companies, universities, research institutes and trade associations for 180 days starting from 11 July 2016. For further information please click here.

The European Commission sends supplementary statement of objections to Google

On 14 July 2016, the Commission sent Google a supplementary Statement of Objections alleging that it has abused its dominant position by artificially restricting third party websites from displaying search advertisements from Google's competitors. Reportedly, Google has held a market share of around 80% in the last ten years in the market for search advertising intermediation in the EEA. The Commission has concerns that in agreements with certain partners, Google has breached EU antitrust rules by requiring third parties not to source search ads from Google's competitors, to take a minimum number of search ads from Google and reserve the most prominent space on their search results for Google search ads (see here).

FASHION AND LUXURY

New Guidelines on IPR enforcement by customs authorities

Following the adoption of Regulation (EU) No 608/2013 and the trademark package (Regulation (EU) 2015/2424 and Directive (EU) 2015/2436), on 6 July 2016 the European Commission published a new version of its guidelines concerning the enforcement by EU customs authorities of intellectual property rights with regard to goods in transit through the EU (the Guidelines). In particular, the Commission stated that customs authorities may/should block (and not release for free circulation) goods coming from a third country that are suspected of violating an intellectual property right protected in the European Union (a) where there is evidence that they are intended to be put on sale in the EU or (b) where they bear identical or essentially identical trademarks to an EU trademark, which now enjoy stronger protection than that granted to other IPRs as a result. For further information on the Guidelines and for the full text please see here.

TECHNOLOGY

Driving Style APP approved

On 16 May 2016, the Italian Data Protection Authority authorised Zuritel S.p.a., an insurance company, to develop a smartphone app designed to monitor the user's driving style (Decision no. 202/2016). In particular, through the processing of GPS data, the app is capable of recognising typical driving actions such as sudden braking, accelerations, U-turns and speed. Once collected, the information is processed by the insurance company in order to (a) assign a "prudence score" to the user and, subsequently, (b) provide each user with a discount voucher for the purchase of an insurance plan. However, the Data Protection Authority ordered the insurance company (a) to specifically list in the privacy notice all the data that is subject to monitoring and (b) not to store the data for more than 90 days. For further information please click here.

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