

International Comparative Legal Guides



Practical cross-border insights into copyright law

Copyright 2023

Ninth Edition

Contributing Editors:

Phil Sherrell & Rebecca O'Kelly-Gillard
Bird & Bird LLP

ICLG.com



ISBN 978-1-83918-225-9
ISSN 2056-4333

Published by

glg global legal group

59 Tanner Street
London SE1 3PL
United Kingdom
+44 207 367 0720
info@glgroup.co.uk
www.iclg.com

Publisher
James Strode

Head of Production
Suzie Levy

Chief Media Officer
Fraser Allan

CEO
Jason Byles

Printed by
Ashford Colour Press Ltd.

Cover image
www.istockphoto.com

Strategic Partners



International Comparative Legal Guides

Copyright 2023

Ninth Edition

Contributing Editors:

**Phil Sherrell & Rebecca O'Kelly-Gillard
Bird & Bird LLP**

©2022 Global Legal Group Limited.

All rights reserved. Unauthorised reproduction by any means, digital or analogue, in whole or in part, is strictly forbidden.

Disclaimer

This publication is for general information purposes only. It does not purport to provide comprehensive full legal or other advice. Global Legal Group Ltd. and the contributors accept no responsibility for losses that may arise from reliance upon information contained in this publication.

This publication is intended to give an indication of legal issues upon which you may need advice. Full legal advice should be taken from a qualified professional when dealing with specific situations.

Expert Analysis Chapters

1 **Copyright Exceptions: A Spotlight on the Recent Developments for the Parody, Pastiche and TDM Exceptions to Copyright Infringement Under UK Copyright Law**
Phil Sherrell, Toby Bond & Parisa Fard, Bird & Bird LLP

6 **Cyprus as a Tax Efficient IP Location**
Andreas Georgiou, SPL Audit (Cyprus) Ltd

Q&A Chapters

14 **Australia**
Sonic Lawyers: Damian Rinaldi

21 **Brazil**
Pitanga Bastos: Daniel Pitanga & Rodrigo Rodrigues

26 **Canada**
Marks & Clerk Law LLP: Catherine (Cat) Lovrics & Dian P. Thompson

33 **China**
Shanghai Pacific Legal: Frank Liu, Emma Qian, Jerry Huang & Xiaodi Ding

40 **France**
Armengaud Guerlain: Catherine Mateu

47 **Greece**
Sioufas & Associates Law Firm: Marios D. Sioufas

53 **India**
LexOrbis: Manisha Singh & Omesh Puri

63 **Italy**
Giovanna Bagnardi Legal: Giovanna Bagnardi

69 **Japan**
Nagashima Ohno & Tsunematsu: Kenji Tosaki

75 **Lithuania**
Glimstedt Bernotas & Partners:
Giedrė Rimkūnaitė-Manke & Raminta Bučiūtė

82 **Mexico**
OLIVARES: Luis C. Schmidt, Guillermo Treviño & Manuel Santin

88 **Nigeria**
Banwo & Ighodalo: Olumide Osundolire & Temilola Ibiḍapo-Obe

94 **South Africa**
Smit & Van Wyk: Esmari Jonker & Sharon Osborne

100 **Spain**
ELZABURU, S.L.P.: Javier Fernández-Lasquetty Quintana & Alba María López

107 **Switzerland**
Wenger Plattner: Dr. Yannick Hostettler & Dr. Damian Schai

113 **Taiwan**
Hsu & Associates: Steven Hsu & Emma Chou

120 **United Kingdom**
Bird & Bird LLP: Rebecca O'Kelly-Gillard

127 **USA**
McAndrews, Held, and Malloy: Christopher V. Carani, Dunstan H. Barnes, Ph.D., Sarine R. Hagopian & Megan K. Trick

From the Publisher

Dear Reader,

Welcome to the ninth edition of *ICLG – Copyright*, published by Global Legal Group.

This publication provides corporate counsel and international practitioners with comprehensive jurisdiction-by-jurisdiction guidance to copyright laws and regulations around the world, and is also available at www.iclg.com.

This year, there are two Expert Analysis chapters focusing on recent developments in copyright exceptions in UK law, and Cyprus as a tax efficient IP location.

The question and answer chapters, which in this edition cover 18 jurisdictions, provide detailed answers to common questions raised by professionals dealing with copyright laws and regulations.

As always, this publication has been written by leading copyright lawyers and industry specialists, for whose invaluable contributions the editors and publishers are extremely grateful.

Global Legal Group would also like to extend special thanks to contributing editors Phil Sherrell and Rebecca O’Kelly-Gillard of Bird & Bird LLP for their leadership, support and expertise in bringing this project to fruition.

James Strode
Publisher
Global Legal Group



ICLG.com

Japan

Nagashima Ohno & Tsunematsu



Kenji Tosaki

1 Copyright Subsistence

1.1 What are the requirements for copyright to subsist in a work?

There is no requirement for copyright to subsist in a work.

1.2 Does your jurisdiction operate an open or closed list of works that can qualify for copyright protection?

Our jurisdiction operates an open list. Any work can qualify for copyright protection.

1.3 In what works can copyright subsist?

Copyright can subsist in any kind of work. A “work” is defined as a creatively produced expression of thoughts or sentiments that falls within the literary, academic, artistic or musical domain.

1.4 Are there any works which are excluded from copyright protection?

The following works can qualify for copyright protection: (i) a work by a Japanese national; (ii) a work that is first published in Japan; and (iii) a work which Japan is under the obligation to protect pursuant to an international treaty. On December 8, 2011, in a case where the plaintiffs alleged that the films produced in North Korea fell under (iii) above, the Supreme Court of Japan held that Japan was not obligated to protect works of nationals of North Korea, which Japan did not recognise as a State under the Berne Convention, and therefore that the said films could not qualify for copyright protection.

1.5 Is there a system for registration of copyright and, if so, what is the effect of registration?

There is no general system for registration of copyright. There are several specific rules for registration in relation to copyright. As a general rule, the transfer of a copyright cannot be asserted against a third party unless it is registered. Other than this: (i) the author of the work that has been made public anonymously or pseudonymously may have the author’s true name registered to that work. The person whose true name has been registered is presumed to be the author of the work; (ii) the copyright owner or the publisher of an anonymous or pseudonymous

work may have the date of first publication or the date first made public registered for that work. If the date of first publication of a work or the date it was first made public is registered, it is presumed that the work was first published or first made public on the registered date; and (iii) the author of a work of computer programming may have the date of creation of the work registered. If the date of creation of a work of computer programming has been registered, it is presumed that the work was created on the registered date.

1.6 What is the duration of copyright protection? Does this vary depending on the type of work?

The copyright subsists for a period of 70 years after the death of the author (or, as for a joint work, the death of the last surviving co-author), except in the following cases: (i) the copyright of an anonymous or pseudonymous work subsists for a period of 70 years after the work is made public (there are some exceptions for this); (ii) the copyright of a work the authorship of which is attributed to a juridical person or other organisation subsists for a period of 70 years after the work is made public (there are some exceptions to this); and (iii) the copyright of a cinematographic work subsists for a period of 70 years after the work is made public. It should be noted that, for the purpose of calculation of the end of the period of copyright protection, the starting point for the calculation should be the year after the year in which the author dies or the work is made public or created (depending on the relevant circumstances).

1.7 Is there any overlap between copyright and other intellectual property rights such as design rights and database rights?

There could be an overlap because the protection of copyright and that of other intellectual property rights are based on different concepts. Therefore, a design can be protected both by copyright and a design right.

1.8 Are there any restrictions on the protection for copyright works which are made by an industrial process?

There is no statutory restriction. However, it is generally understood that an “applied art”, which means a work of art for practical or industrial use, can be protected only when the part of the work that possesses an aesthetic characteristic for aesthetic appreciation can be separated from the part that is necessary for practical purposes.

2 Ownership

2.1 Who is the first owner of copyright in each of the works protected (other than where questions 2.2 or 2.3 apply)?

The author of the work would be the first owner of copyright, except in the case of a cinematographic work. If the author of a cinematographic work (there are some exceptions) has promised the producer of the cinematographic work that the author will participate in its production, the copyright to that cinematographic work belongs to the producer of the cinematographic work.

2.2 Where a work is commissioned, how is ownership of the copyright determined between the author and the commissioner?

See the answer to question 2.3. Generally speaking, where a work is commissioned, the person who makes the work under commission would be the author and the owner of the associated copyright.

2.3 Where a work is created by an employee, how is ownership of the copyright determined between the employee and the employer?

For a work (except a work of computer programming) that a person who engages in the business of a juridical person or other employer makes in the course of duty at the initiative of the said juridical person or other employer, and that the said juridical person or other employer makes public as a work of its own authorship, the author is deemed to be the said juridical person or other employer, unless otherwise stipulated in a contract, in employment rules, or elsewhere at the time the work is made. For a work of computer programming that a person who engages in the business of a juridical person or other employer makes in the course of duty at the initiative of the said juridical person or other employer, the author is deemed to be the said juridical person or other employer, unless otherwise stipulated in a contract, in employment rules, or elsewhere at the time the work is made. Thus, in most cases, where a work is created by an employee in the course of the business of the employer, the employer would be the author and the owner of the copyright. This rule is not limited to cases where an employment agreement has been concluded, but it is generally understood that it only applies to cases where a person provides labour under the direction and supervision of a company or other organisation and receives compensation for such labour.

2.4 Is there a concept of joint ownership and, if so, what rules apply to dealings with a jointly owned work?

Yes, there is a concept of joint ownership. A jointly-owned copyright cannot be exercised without the unanimous consent of the co-owners.

3 Exploitation

3.1 Are there any formalities which apply to the transfer/assignment of ownership?

No, there is no formality requirement. However, the transfer/assignment of ownership cannot be asserted against a third party

unless the transfer/assignment is registered. In addition, when a transfer agreement does not specify the right set forth in Article 27 of the Copyright Act (the right of translation, adaptation, *et al.*) and the right set forth in Article 28 of the Copyright Act (the right of the original author in connection with the exploitation of a derivative work) as the subject matter of the transfer, it is presumed that such rights are retained by the transferor. Thus, if the parties intend to transfer the copyright of a work as a whole, they should specify in the transfer agreement that the rights set forth in Articles 27 and 28 of the Copyright Act are included in the rights to be transferred.

3.2 Are there any formalities required for a copyright licence?

No, there is no formality requirement.

3.3 Are there any laws which limit the licence terms parties may agree to (other than as addressed in questions 3.4 to 3.6)?

No, there are no applicable laws.

3.4 Which types of copyright work have collective licensing bodies (please name the relevant bodies)?

As of July 1, 2022, there are 27 organisations that are registered as Copyright Management Business Operators. The types of copyright works managed by the Copyright Management Business Operators are, among others, literary works, musical works, phonograms, works of fine art, diagrammatic works, photographic works, and cinematographic works. For example, the Japanese Society for Rights of Authors, Composers and Publishers (JASRAC) handles copyright management of musical works.

3.5 Where there are collective licensing bodies, how are they regulated?

Collective licensing bodies are regulated by the Act on Copyright Management Business. In summary, “Copyright Management Business” is defined as an act of business to authorise the exploitation of works or otherwise manage copyright under a management consignment contract. A person who intends to operate a Copyright Management Business shall be registered by the Commissioner of the Agency for Cultural Affairs. A Copyright Management Business Operator must prepare the standardised terms and conditions of management consignment contract and report it to the Commissioner of the Agency for Cultural Affairs in advance. A Copyright Management Business Operator must make a public notice of such standardised terms and conditions of a management consignment contract.

3.6 On what grounds can licence terms offered by a collective licensing body be challenged?

A Copyright Management Business Operator must prepare royalty rules and report the rules to the Commissioner of the Agency for Cultural Affairs in advance. A Copyright Management Business Operator must, when intending to prescribe royalty rules, endeavour to hear opinions from users or groups thereof in advance. Further, the Commissioner of

the Agency for Cultural Affairs may designate the Copyright Management Business Operator that collects a considerable share of royalty compared with the total amount of royalty collected by all the Copyright Management Business Operators with respect to any of the Exploitation Categories, i.e., categories by classification of works and by distinction of exploitation means, as a Designated Copyright Management Business Operator. When a representative of users requests a Designated Copyright Management Business Operator to discuss the relevant royalty rules, the Designated Copyright Management Business Operator must discuss the relevant royalty rules with the said representative.

4 Owners' Rights

4.1 What acts involving a copyright work are capable of being restricted by the rights holder?

A copyright includes a right of reproduction, a right of stage performance, a right of musical performance, a right of on-screen presentation, a right of transmitting to the public, a right of recitation, a right of exhibition, a right of distribution, a right of transfer, a right to rent out, and a right of adaptation.

4.2 Are there any ancillary rights related to copyright, such as moral rights, and, if so, what do they protect, and can they be waived or assigned?

While copyright is classified as a property right, moral rights are classified as personal rights. Moral rights consist of: (i) the right to make a work public; (ii) the right of attribution; and (iii) the right to integrity. The right to make a work public is the right to make a work not yet made public available or present to the public. The right of attribution is the right to decide whether to use the author's true name or pseudonym to indicate the name of the author on the original work or in connection with the work at the time it is made available or presented to the public, or to decide that the author's name will not be indicated in connection with that work. The right to integrity is the right to preserve the integrity of the work and its title. Moral rights cannot be assigned. Instead of a waiver of moral rights, ancillary agreements not to exercise moral rights are commonly used and it is generally understood that such agreements are valid. Other than such moral rights, performers, producers of phonograms, broadcasters and cablecasters have specific rights which are called neighbouring rights. The neighbouring rights of a performer include, among others, the exclusive right to record the sound and visuals of the performer's performance and the exclusive right to make the performer's performance available for transmission. Neighbouring rights can be waived or assigned.

4.3 Are there circumstances in which a copyright owner is unable to restrain subsequent dealings in works which have been put on the market with his consent?

The right of transfer cannot be exercised against the original work or copies that have been transferred to the public by the person that owns the right of transfer or a person authorised thereby. This only means that the original work or copies that have been transferred to the public by the owner of the right of transfer or a person authorised thereby can be transferred to a third party without the consent of such owner of the right, and it does not mean that a person who possesses such original work

or copies thereof can reproduce the work without the consent of the owner of the right.

5 Copyright Enforcement

5.1 Are there any statutory enforcement agencies and, if so, are they used by rights holders as an alternative to civil actions?

No, there are no applicable statutory enforcement agencies.

5.2 Other than the copyright owner, can anyone else bring a claim for infringement of the copyright in a work?

An exclusive licensee may be able to bring a claim for infringement of the copyright in certain situations.

5.3 Can an action be brought against 'secondary' infringers as well as primary infringers and, if so, on what basis can someone be liable for secondary infringement?

A person who abetted or aided the infringer is deemed to be a joint tortfeasor and should be liable to the compensation of damages incurred by the infringement jointly with the infringer. The Copyright Act provides that some specific acts fall under a deemed infringement, but other than such specific acts, an act that aids the infringement, such as sale of equipment that makes the purchaser easily infringe the copyright, does not constitute copyright infringement and is not subject to injunction.

5.4 Are there any general or specific exceptions which can be relied upon as a defence to a claim of infringement?

There are general exceptions and specific exceptions which can be relied upon as a defence. General exceptions are as follows: in summary, (i) a work can be exploited in such a manner that humans cannot perceive the content of the work, (ii) a work can be exploited as an ancillary or supplementary exploitation to exploitation of the work on a computer, and (iii) a work can be exploited to a minor extent incidentally to services that contribute to facilitating the exploitation of a work through computerised data processing. Examples of specific exceptions are as follows: (i) a work can be reproduced for personal use; (ii) a work can be exploited by way of quotation in accordance with fair practices and to the justifiable extent for the purpose of the quotation; and (iii) a work can be printed in an authorised textbook for public education.

5.5 Are interim or permanent injunctions available?

In regular litigation proceedings, when the court finds that the copyright is infringed, the court will grant a permanent injunction. A copyright owner may file a request for a preliminary injunction as a separate proceeding from a regular litigation.

5.6 On what basis are damages or an account of profits calculated?

A copyright owner can obtain compensation of damages at the amount of (i) the profit per product that the copyright owner

could have earned from the sale of the copyright owner's products multiplied by the number of the products sold by the infringer, (ii) the profit gained by the infringer from the activity of infringement, or (iii) a reasonable royalty. A copyright owner can choose a calculation method that he/she likes, or can claim the greatest amount among the amounts obtained from multiple calculation methods.

5.7 What are the typical costs of infringement proceedings and how long do they take?

It largely depends on the volume of infringed work and the number of the disputed legal issues, but the typical attorneys' fees for infringement proceeding would be around JPY 6–12 million. The filing fee to be paid to the court depends on the amount or the value of the claim. When the amount of the claim is JPY 100 million, the filing fee to be paid to the court for the first instance is JPY 320,000. It will take 12–20 months from the date of filing until the judgment at first instance is rendered.

5.8 Is there a right of appeal from a first instance judgment and, if so, what are the grounds on which an appeal may be brought?

Yes, any party who loses in the first instance has a right of appeal. An appeal may be brought on the grounds that, for the plaintiff, some of the claims are dismissed, and for the defendant, some of the claims are granted.

5.9 What is the period in which an action must be commenced?

When there is copyright infringement, the copyright owner can commence an action to seek injunction. A right to compensation in damages is extinguished three years from the time the copyright owner becomes aware of the damage and the infringer. Thus, a copyright owner cannot get compensation for damages that occurred before three years prior to the commencement of the litigation.

6 Criminal Offences

6.1 Are there any criminal offences relating to copyright infringement?

Yes, intentional copyright infringement constitutes a criminal offence.

6.2 What is the threshold for criminal liability and what are the potential sanctions?

Any copyright infringement is subject to a criminal penalty. Prosecutors have discretion to decide whether to bring a case to the criminal courts. A person who infringes a copyright is subject to imprisonment for a term of up to 10 years, a fine of up to JPY 10 million, or both.

7 Current Developments

7.1 Have there been, or are there anticipated, any significant legislative changes or case law developments?

On June 12, 2020, the Copyright Act was amended and the key portions of the amendment came into force on October 1, 2020 or on January 1, 2021. The first key portion relates to the provisions to deal with so-called "leech websites", which provide users with hyperlinks to a large amount of pirated materials, especially comics. Such acts do not constitute copyright infringement under the pre-amendment Copyright Act and are not subject to injunction or criminal penalty. The amended Copyright Act provides that an act of providing a hyperlink by such "leech websites" constitutes copyright infringement so long as such "leech websites" particularly induce the public to pirated materials or are primarily used for the purpose of exploiting pirated materials by the public. Thus, such act is subject to injunction and criminal penalty. In addition, the act of operating such "leech websites" and the act of the provision of computer programs having a similar function to that of such "leech websites" constitute a criminal offence under the amended Copyright Act. This amendment came into force on October 1, 2020. The second key portion is the provisions to prohibit downloading a work that was illegally uploaded knowing that such work was illegally uploaded. Before the amendment, only the act of downloading an audio-recording or video-recording was subject to the provision. The amendment broadens the subject matter of the work to be protected. Such act is subject to injunction and liability to compensate damages. Such act is also subject to criminal penalty if a person continuously or repeatedly conducts such act. This amendment came into force on January 1, 2021. The third key portion is the provisions to deal with the protection of licence in the case where copyright is transferred. Before the amendment, the licence is just a contractual relationship between the copyright owner and the licensee, the licence is not effective against the transferee of the copyright. The amendment enables the licensee to exploit the work even when a copyright is transferred. This amendment came into force on October 1, 2020. Further, on July 21, 2020, in a case where a photographer sought disclosure of the information of a Twitter user who retweeted a tweet of another Twitter user who used the photograph of the said photographer as the profile image without authorisation on the grounds that the user who retweeted the photograph infringed the right of attribution because the photograph originally indicated the name of the photographer but it was trimmed by retweeting so that the name of the photographer was cut off, the Supreme Court of Japan held that the right of attribution was infringed by the act of the retweet.

On June 2, 2021, the Copyright Act was further amended. Such amendment is relatively minor and makes it easier to distribute broadcast programs online at the same time as the programs are broadcast or within a week from the time of the broadcast. For example, under the Copyright Act before such amendment comes into force, when a work is exploited in a broadcast program, the broadcaster is required to obtain both a licence for broadcasting and a licence for online distribution from the copyright owner of the work, however, after this amendment, the copyright owner who has granted a licence for broadcasting is presumed to have also granted a licence for online distribution. This amendment came into force on January 1, 2022.

7.2 Are there any particularly noteworthy issues around the application and enforcement of copyright in relation to digital content (for example, when a work is deemed to be made available to the public online, hyperlinking, in NFTs or the metaverse, etc.)?

In relation to NFTs, it is important to be aware that NFTs have nothing to do with copyright, and regardless of what is written in the terms and conditions of NFT trading markets, a legal relationship with any third party is not bound by such terms and conditions.

In relation to the metaverse, the determination of the governing law will be a big issue. However, no one has established a conclusive answer on this issue at this point in time.

7.3 Have there been any decisions or changes of law regarding the role of copyright in relation to artificial intelligence systems, including the use of copyright in those systems and/or any work generated by those systems?

The 2018 amendment of the Copyright Act dealt with the use of artificial intelligence. As explained in the answer to question 5.4 above, a work can be exploited in such a manner that humans cannot perceive the content of the work. By using this exception, reproduction of works for the purpose of deep learning through artificial intelligence does not constitute copyright infringement.



Kenji Tosaki is a partner at Nagashima Ohno & Tsunematsu. His practice focuses on dispute resolution. He specialises in intellectual property litigation and complex commercial litigation, and he also covers the area of TMT, including data protection matters.

In the area of intellectual property litigation, he handles both IP infringement litigations and IP invalidation litigations before the IP High Court, the Supreme Court, District Courts and the Japan Patent Office. His IP expertise includes a wide variety of IP matters (patents, copyrights, trademarks, design rights, unfair competition and trade secrets) in many areas, such as telecommunications, electronics, social games and pharmaceuticals. He also provides pre-litigation counselling, including infringement/invalidity analysis.

In the area of complex commercial litigation, he gives advice on matters such as securities law and cross-border contracts.

Nagashima Ohno & Tsunematsu

JP Tower
2-7-2 Marunouchi, Chiyoda-ku
Tokyo 100-7036
Japan

Tel: +81 3 6889 7206
Email: kenji_tosaki@noandt.com
URL: www.noandt.com/en

Nagashima Ohno & Tsunematsu is the first integrated full-service law firm in Japan and one of the foremost providers of international and commercial legal services based in Tokyo. The firm's overseas network includes offices in New York, Singapore, Bangkok, Ho Chi Minh City, Hanoi and Shanghai, and collaborative relationships with prominent local law firms throughout Asia and other regions. In representing our leading domestic and international clients, we have successfully structured and negotiated many of the largest and most significant corporate, finance and real estate transactions related to Japan. In addition to our capabilities spanning key commercial areas, the firm is known for path-breaking domestic and cross-border risk management/corporate governance cases and large-scale corporate reorganisations. The over 500 lawyers of the firm work together in customised teams to provide clients with the expertise and experience specifically required for each client matter.

www.noandt.com/en

NAGASHIMA OHNO & TSUNEMATSU

ICLG.com



Current titles in the ICLG series

Alternative Investment Funds
Anti-Money Laundering
Aviation Finance & Leasing
Aviation Law
Business Crime
Cartels & Leniency
Class & Group Actions
Competition Litigation
Construction & Engineering Law
Consumer Protection
Copyright
Corporate Governance
Corporate Immigration
Corporate Investigations
Corporate Tax
Cybersecurity
Data Protection
Derivatives
Designs
Digital Business
Digital Health
Drug & Medical Device Litigation
Employment & Labour Law
Enforcement of Foreign Judgments
Environment & Climate Change Law
Environmental, Social & Governance Law
Family Law
Fintech
Foreign Direct Investment Regimes
Franchise
Gambling
Insurance & Reinsurance
International Arbitration
Investor-State Arbitration
Lending & Secured Finance
Litigation & Dispute Resolution
Merger Control
Mergers & Acquisitions
Mining Law
Oil & Gas Regulation
Patents
Pharmaceutical Advertising
Private Client
Private Equity
Product Liability
Project Finance
Public Investment Funds
Public Procurement
Real Estate
Renewable Energy
Restructuring & Insolvency
Sanctions
Securitisation
Shipping Law
Technology Sourcing
Telecoms, Media & Internet
Trade Marks
Vertical Agreements and Dominant Firms

The International Comparative Legal Guides are published by:

g|g global legal group