

13 Current Status and Problems Concerning Typeface Protection in Foreign Countries

Typefaces are becoming increasingly important in various media with the progress of digitization, and there are calls for discussions on how typefaces should be protected. In order to examine possible systems for typeface protection that befit the current situation, it is necessary to clarify the typeface-related markets and the distribution channels and modes of transaction of typefaces, as well as gain a precise understanding of the need for typeface protection.

In this study, we gathered information concerning the demand of the industrial sector and reviewed and examined court judgments and academic theories concerning typefaces in Japan. In addition, with the aim of contributing to future studies on typeface protection in Japan, we surveyed and analyzed the historical background and the current status of the typeface protection systems of major countries (the United States, the United Kingdom, Germany, France, the European Union and the Republic of Korea).

I Introduction

According to the concept of ownership under natural law, a typeface design, created by an individual, should originally belong to the individual in question. However, as typefaces are related to written characters, which are common property of all people, such individuals can only claim ownership of the design (type style) applied to the characters (character shape), which are common property of all people.

The modes of transaction of typefaces have diversified in line with advancement of digital networking, so when examining legal protection of typefaces, it is necessary to gain a precise understanding of the demand and necessity for such protection. We compiled this report by comparing the status of legal protection for typefaces in Japan with that in place in foreign countries based on an interview survey of Japanese typeface-related associations and companies and a fact-finding survey on typeface protection in Japan and foreign countries.

II Background of Discussions on Legal Protection for Typefaces in Japan

1 What Are Typefaces?

A typeface is a single-set type style based on a unified concept, the primary purpose of which is setting type for printed matter or other documents. Typefaces are generally used in the form of fonts so as to be incorporated into equipment.

2 Creation Process and Modes of Distribution/Transaction of Typefaces

The design of a typeface is usually drawn on paper or created on a personal computer with the assumed purpose of using it as a font matrix. However, the characters set at this stage cannot be directly used for typesetting. Therefore, typefaces are changed into type fonts that take the form of printing types, phototypesetting fonts or digital fonts for actual use in the printing or displaying of characters.

The total amount of transactions in the typeface/digital font market is estimated to be approximately 100 billion yen per year, and the market is expanding with the products being traded as digital content products under licensing agreements via

CD-ROMs and the Internet similar to computer programs.

3 Trends in Legal Protection for Typefaces

In regards to typeface protection under the Copyright Act, the Supreme Court indicated the following as requirements for typefaces to be regarded as a copyright work: "it is reasonable to construe that, in order for a printing type style to correspond to a work as prescribed here (N.B.: Article 2(1)(i) of the Copyright Act), it needs to have originality, such as outstanding characteristics in comparison to conventional printing type styles, and it needs to have aesthetic characteristics so that it can be appreciated as art in itself." Although this court judgment did not deny the copyrightability of typefaces, it has been interpreted that typeface protection under the Copyright Act is hardly possible since the typeface related to this court judgment was recognized in the industry as being highly creative.

4 Demand and Necessity for Legal Protection of Typefaces

In this study, we conducted an interview survey covering seven industrial associations that are considered to work closely with typefaces. As a result, we found a trend that the demand for typeface protection is higher for industries with a larger number of typeface manufacturers.

From the typeface users' side, on the other hand, there was an opinion that because typefaces are for public use, establishment of a legal system for typeface protection would obstruct smooth business activities and hinder promotion in an information-oriented society. There was also an opinion that the need to determine infringement, which requires enormous costs and efforts, and the increased risk of disputes could reduce business activity. Also, many users opined that typeface protection under the current Design Act was inappropriate.

III Current Status of Legal Protection for Typefaces in Japan

1 Protection Under the Copyright Act

The Japanese Copyright Act does not have direct and express provisions for protecting typefaces. With regard to the copyrightability of typefaces, there have been arguments as to whether or not they fall under the category of art under the Copyright Act, but there have been no cases where typefaces were held to be copyrightable except in some very special cases.

Among the reasons for the difficulty in protecting typefaces under the Copyright Act are the following: (i) it is hard to identify originality that would differentiate the typeface from conventional ones; (ii) it is hard to identify oneness that derives from the typeface being a single, unified set; (iii) it is difficult to establish whether copyright pertains to individual characters or to a set of characters; (iv) it is difficult to determine the extent of alteration that is regarded as reproduction; and (v) if the standard for determination of originality is relaxed, too many rights could arise and thereby could run contrary to the purpose of the Copyright Act.

2 Protection Under the Design Act

During the Meiji Era (late 19th century to early 20th century), Japan recognized design registrations for printing type styles. However, the current Design Act protects designs applied to articles, which are tangible goods mass-produced by industrial means. Therefore, it is difficult to protect typeface designs, which are character designs that are not directly related to the production of articles, under the current Design Act.

3 Protection Under the Unfair Competition Prevention Act

The Unfair Competition Prevention Act aims to protect business interests by prohibiting unfair competition in the business sector. When considering typeface protection under this Act, the problem is whether or not typefaces can be regarded as

“goods” or regarded to be equivalent thereto. There is no fixed view regarding this point in court judgments either. However, even if typefaces could be regarded as “goods,” there are strict requirements in terms of similarity, how well known they are, and the potential for confusion with other goods. Therefore, protection under the Unfair Competition Prevention Act could provide certain legal relief against slavish imitations, but it would not be a sufficient relief because, in individual cases, the requirements for protection would be difficult to satisfy.

4 Protection Under Tort Law

In regards to typeface protection through tort theory under the Civil Code, there have been court judgments that tried to establish tort only in the case of slavish imitations, but there seems to be little possibility for application of tort for the protection of typefaces, which can be easily modified and transformed.

5 Protection Under the Trademark Act

The name of a typeface, such as “Typos,” can be protected under a trademark right by registering it as a trademark. However, registration of the name only constitutes one element of typeface protection, and the subject of the trademark registration would be phototypesetting font disks or CD-ROMs, so the intangible typefaces would not be directly protected.

6 Consideration on Typeface Protection Under Current Japanese Laws

No current Japanese laws expressly provide for typeface protection. However, given that past court judgments have suggested protection of slavish imitations of fonts through the application of the Unfair Competition Prevention Act, the tort theory under the Civil Code, or the Copyright Act by regarding typefaces as computer program works, and have indicated that typefaces with originality in comparison with conventional typefaces and those with aesthetic characteristics are regarded as copyright works, it is estimated that some

protection is being extended to typefaces.

However, courts have held that infringement or tort cannot be established when the typeface in question cannot be determined to be an imitation due to a slight alteration, and have indicated that, even for the above-mentioned typefaces that can be regarded as copyright works, it would run contrary to the purpose of the Copyright Act if the originality requirement were relaxed or if this were to be considered sufficient for the typeface to have an aesthetic characteristic from the viewpoint of practical function. Therefore, whichever law is applied, the scope of protection would be extremely narrow, limited to merely preventing reproductions of effectively identical typefaces.

IV Current Status of Legal Protection for Typefaces Overseas

1 Typeface Protection Under the Vienna Agreement

On June 12, 1973, the “Vienna Agreement for the Protection of Type Faces and Their International Deposit” and the “Protocol to the Vienna Agreement for Protection of Type Faces and their International Deposit concerning the Term of Protection” were concluded at a diplomatic conference held in Vienna.

This agreement clarifies the definition of typefaces and obligates the contracting states to establish special national deposit systems or use the deposit systems provided for in their national industrial design laws, or to ensure the protection of typefaces by their national copyright provisions.

The Vienna Agreement was to take effect through ratification by at least five states, but it has yet to take effect as it has only been ratified by Germany (former West Germany) and France.

(1) United States

The United States Patent and Trademark Office (USPTO) has traditionally granted design patents for typefaces (type fonts). Indeed, the very first US design

patent, which was issued on November 9, 1842, was for “printing types.”

However, the USPTO appears to take a stance that a “typeface,” which consists of a set of characters that commonly share specific design characteristics, is not protectable by design patent since it is not an article of manufacture, but that a “font” is protectable by design patent because it incorporates the means used for creating a particular collection of characters of a typeface and said means corresponds to an “article of manufacture.”

A design patent owner of a font is granted a monopolistic exclusive right to prevent other people from manufacturing, using, offering to sell or selling a font comprising the claimed design within the United States or importing such fonts into the United States for 14 years from the date of issuance of the design patent.

Determination of the scope of articles infringing a typeface is based on whether or not the article corresponds to the claimed means for creating the font. While the font disk of a phototypesetting machine or a storage medium containing a digital phototypesetting program for a typeface can constitute an infringing article, a program or piece of software alone is construed as not corresponding to an infringing article unless it is, for instance, installed on a computer for the purpose of creating the font in question.

Typeface protection under copyright law has been denied under US case law, and typefaces are not protected under the US Copyright Act. However, font software programs for creating typefaces are copyrightable and can be registered.

(2) United Kingdom

In the United Kingdom, designs are protected by registered design right, unregistered design right, and copyright.

The Registered Designs Act pertaining to registered design right was revised in 2001 in response to the EU Design Directive, clarifying that “type-faces” are included among “products” pertaining to design.

Meanwhile, typeface protection by copyright is provided for in the Copyright,

Designs and Patents Act (CDPA 1988). The CDPA 1988 also provides for the unregistered design right system, which protects designs from imitations even without design registrations. However, since unregistered design right is construed to only protect three-dimensional forms, metal-printing types would be protectable, but digital typefaces would not be protectable.

It is generally accepted that the “typographic type-faces” prescribed in the Registered Designs Act include intangible typefaces. Digital typeface data does not comply with the definition of design since such data does not have features such as “lines, contours, colours” and so on producing the “appearance” of the data.

Printing types and phototypesetting machine font disks per se correspond to the definition of “product” as being industrial or handicraft items.

The owner of a registered typeface has an exclusive right that prohibits other people from using the typeface in question, but an act of creating an article that makes creation of a primary infringing article possible does not constitute infringement. Therefore, molds, printing plates or matrices used for creating the registered design can be manufactured and supplied without infringing the registered design right.

It is not an infringement of copyright in an artistic work consisting of the design of a typeface to use the typeface in the ordinary course of typing, composing text, typesetting or printing, to possess an article for the purpose of such use, or to do anything in relation to material produced by such use (Section 54(1) of the CDPA 1988). Therefore, when a final or intermediate typeface user, such as a printing business, uses the typeface in the ordinary course of business, it is not an infringement of copyright in the design.

Where copyright subsists in a work which consists of or includes a design in which design right subsists, it is not an infringement of design right in the design to do anything which is an infringement of the copyright in that work (Section 236 of the

CDPA 1988).

(3) Germany

Typefaces came to be directly protected by law in Germany when the Law on the Vienna Agreement of June 12, 1973, for the Protection of Typefaces and their International Deposit (Typefaces Law) provided that “new and peculiar typographic characters shall be granted design protection based on the following standards in accordance with the provisions of the Law Concerning Copyright in Industrial Designs (Designs Law)” (Section 2(1)).

Later, in response to the effectuation of the EU Design Directive on November 17, 1998, a revised Designs Law entered into force on June 1, 2004, which expressly indicates that typefaces are included in the “product” protected by design rights. With this measure, legal protection was extended to typefaces under the current Designs Law.

Under the current Designs Law, the definition of “product” is construed as not being limited to tangible items, but also extending to two-dimensional (graphic symbols or typefaces) or three-dimensional (ordinary goods) items. Accordingly, intangible type style designs are included in the “product” category, but digital type style design data is not considered a “product” since “computer programs are not deemed to be products” (Section 1(2)).

The requirements for protection of designs under the current Designs Law are as follows: (i) novelty; (ii) originality; and (iii) not constituting a feature of the product’s appearance that is solely the result of the product’s technical functions. However, in the old Designs Law and the Typefaces Law, the only requirements were novelty and originality. This seems to illustrate that, while originality under the old Designs Law was based on a copyright-like approach and focused on aesthetic peculiarities, originality under the current Designs Law attaches importance to the difference between already-known designs and newly filed designs.

A typeface protected under the Designs Law does not constitute the individual

characters and their original shapes, but the impression created by way of interaction of the individual characters within the character set in its entirety. Therefore, even when a part of a type style in a typeface set application lacks novelty or originality, protection for the entire typeface is not precluded. Nevertheless, partial registrations of typefaces are not permitted.

The old Designs Law and the Typefaces Law previously provided for design rights as rights aimed at prohibiting reproductions. In contrast, the current Designs Law provides for design rights as monopolistic exclusive rights that also extend to original creations by third parties.

(4) France

France achieved protection of typefaces under the Design Law by incorporating the EU Design Directive in Book V (current Design Law) of the French Intellectual Property Code and providing that typefaces are included among “articles” protected as designs.

Protectable articles must have been created as a result of human activities. Therefore, “typefaces” are interpreted as referring to tangible items such as phototypesetting machine font disks designed to display or print specific type styles, and do not include type style designs per se, which are intangible. Digital type style design data is construed as unprotectable since computer programs are excluded from the definition of articles.

Ornamental or aesthetic creations that are expressed in the form of designs are protected under either the Copyright Law or the Design Law or under both of these laws in accordance with to the choice of the creator. This system derives from the theory of the unity of beauty, which is an idea that protection for a work is not affected by the aesthetic value or the purpose of the use of said work. According to this definition, rights for a work created by way of the creator’s own inspiration are protected as copyright irrespective of the type, mode of expression, usefulness or purpose of the work in question.

Design rights are a monopolistic exclusive rights based on which a design is regarded as an imitation if it is found to have similarities with the essential characteristics of a protected design. However, there is a provision stipulating that third parties are not subject to civil liability if they can prove that their original creations have been made in good faith, thereby limiting enforcement based on the monopolistic exclusive right in only that respect.

With regard to typefaces, which are characterized by the fact that the character shapes, i.e. the design frameworks, are common property of all people, exclusive rights can only be enforced when a design not only has characteristics that are similar to protected design, but the similar characteristics in question are not in the public domain. In other words, the design must be similar to the essential characteristics pertaining to the originality of the protected design.

The Intellectual Property Code does not have provisions regarding the right to seek infringement against acts of infringement. However, infringement can be sought under the provisions on "summary interlocutory proceedings" under Article 809 of the Code of Civil Procedure. Summary interlocutory proceedings are allowed only when the plaintiff has proved infringement of his/her right or imminent risk thereof by way of easily accessible evidence.

Two seizure procedures are stipulated: creation of a detailed description of the infringing articles, etc. (first procedure) and actual seizure (second procedure). Generally, seizing officers only seize samples within the scope of the first procedure and do not seize all of the articles or equipment. The reason for this is that as seizure does incur serious damage to the defendant, it merely constitutes a means for proving infringement and not a punitive procedure.

(5) European Union

The Council Regulation (EC) No. 6/2002 of 12 December 2001 on Community designs (the EU Design Directive) provides for typefaces as products to be protected as

designs and achieves protection of typefaces as design rights within the European Union.

This regulation provides for two systems, namely registered Community designs and unregistered Community designs that are effective across the European Union. Registered Community designs take effect through registration with the Office for Harmonization in the Internal Market (OHIM) and the term of protection is a maximum 25 years from the filing date. On the other hand, unregistered Community designs take effect without formalities on the day on which the design was first made available to the public in the European Union, and the term of protection is three years.

The protectable subject matter associated with typefaces include tangible goods such as printing types and font disks of phototypesetting machines, but digital typeface data is not protectable since computer programs are excluded from the definition of "products."

An indication of the products in which the design is intended to be incorporated or to which it is intended to be applied is obligated at the time of filing an application for registration, but the indication or explanation of products or the classification of products contained therein do not affect the scope of protection in relation to the design itself.

A registered Community design is a monopolistic exclusive right that also extends to original creations by third parties. However, an unregistered Community design constitutes a right to prohibit reproductions and does not extend to cases where third parties have independently used a design without knowledge of the design owner's published design.

The scope of "products" that could constitute infringement are products that have as their function the creation of succeeding products in which the protected typefaces are intended to be incorporated, such as word processor software incorporating phototypesetting machine font disks or typefaces as fonts. However, personal computers with such word processor

software pre-installed do not correspond to “products” because the appearance of typefaces cannot be perceived in ordinary use when said software is not being used.

(6) Republic of Korea

The “Industrial Design Protection Act,” which saw the law title changed from the conventional “Design Act” on December 31, 2004, introduced express provisions for typeface protection at the time of its revision by including the style of calligraphy within the definition of “articles,” and providing that the “style of calligraphy” refers to “a script (including numbers, marks, symbols etc.) made in the form of common features for use in recording, marking or printing.”

As the conventional Design Act had stipulated independently tradable tangible movables as “articles,” the calligraphy style designs, which could not be categorized as “articles,” were unprotectable under the Design Act. Because of this, typeface protection was achieved under the new Act by deeming the “style of calligraphy” as “articles.”

The “style of calligraphy” under the Industrial Design Protection Act does not include the design of the style of calligraphy per se, but includes analog fonts such as printing types and phototypesetting machine font disks and digital fonts such as electronic data pertaining to calligraphy style design recorded in computers or electronic memory devices and used for printing the style of calligraphy.

The requirements for “a script” are that the entire script must be made in the form bearing common features and the script must constitute a set.

There have only been two cases where typefaces were actually registered and published. According to the Korean Intellectual Property Office, many applications are filed, but many are refused in the examination process.

A design right is a monopolistic exclusive right, which also extends to original creations by third parties. However, there are provisions on limitation of effects stipulating that the effects of a design right do not

extend to the use of the style of calligraphy in an ordinary process such as typing, typesetting or printing and to the resulting products stemming from the use of the style of calligraphy, thereby limiting the monopolistic exclusive right to that extent.

3 Comparative Examinations on Typeface Protection in Major Countries

Based on the survey results of the six foreign countries, comparative examinations were made in regards to the modes of legal protection for typefaces in the surveyed countries.

Specifically, we compared the differences in the systems and legal interpretations in these countries with regard to themes such as the concept of products (articles), treatment of computer programs, the scope of concepts covered by typefaces (analog fonts, digital fonts, typeface designs per se), requirements for protection, registration systems, the effects of the design right, the scope of articles to which protection extends, the scope of acts to which the protection extends, and enforcement against infringement.

As a result of such comparative examinations, we found considerable differences between countries in respect to the concepts of protectable designs and products, the effects of design rights, the scope of articles and acts to which protection extends, and the scope of enforcement against infringement, even between European countries that have revised their design laws based on the same EU Design Directive.

One of the assumable causes for such differences between countries in regards to the concept of products, the concept of typefaces, and the scope of enforcement is that the basic concepts under conventional law and the provisions for typeface protection have not been rendered consistent and arranged into a consistent logic in the provisions of law. For example, in the United States, the Republic of Korea and European countries, conventional and typical

“products” have mainly been regarded as tangible goods represented by industrial products, and by adding typefaces that embody the concept of design per se, a part of the conventional concept of products may have been rendered ambiguous and inconsistent.

At the same time, typefaces are by their very nature items that are used and featured on all kinds of articles that display characters, such as books and other printed matter and Internet web pages. Therefore, when they are protected and such protection is made enforceable by recognizing monopolistic exclusive rights, there is also the risk that the influence that such rights represent would become excessive. However, apart from the Republic of Korea, which maintains provisions for limiting the effects of such rights, there are no provisions that limit the scope of the effects of the monopolistic exclusive right pertaining to typefaces.

In Japan, the definition of design has been reviewed by way of a partial revision of the Design Act in 2006 for the purpose of expanding the scope of protection of screen designs. In this revision, however, the scope of protection was expanded not by way of expanding the concept of “articles,” but by also extending protection to “shape” and “patterns” of a part of an article in a graphic image on a screen.

Since the basic ideas underlying design law differ between countries, it would be meaningless to argue which approach is appropriate, but considering that Japanese law maintains as a fundamental concept that design rights should be based on articles, the concepts and methodologies for typeface protection adopted in the surveyed countries are unlikely to be directly adaptable to the Japanese context.

V Summary

In all of the countries surveyed in this study, typefaces were found to be protected under design law. However, interpretations

of the provisions and specific details of typeface protection under the design laws of the respective countries were found to be neither concrete nor clear, possibly due to lack of sufficient discussions, examinations and debates on the occasions of legal revision and lawsuits in these countries.

For example, responses from the respective countries lacked commonalities regarding the specific status of use, including the manufacture, sale, possession and import of typefaces that are regarded as intangible goods and the specific status of acts of infringement, the question of the extent to which the effects of a design right can apply to products that incorporate allegedly infringing typefaces in order to seek an injunction against said typeface, and the question of the scope of responsibilities of bona fide manufacturers and distributors of products incorporating an allegedly infringing typeface when the infringed party requests deletion of said typeface from their products or changes to said typeface. In addition, none of the countries provided responses that suggested that sufficient discussions and examinations have been made regarding these aspects.

In the United States and the Republic of Korea, typefaces are protected by deeming them as articles, without changing the definition of the design, which is based on tangible articles. Thus, these systems lack clarity as to whether it is typefaces or type fonts that are subject to protection, while the concept of protectable subject matter constitutes the starting basis of the institutional framework. Because of this, a detailed examinations or hypothetical verifications regarding contents of infringement or interpretation of the scope of right, which constitute the final stage of the framework of the protection system, cannot yet be made.

At the same time, in the interview survey on typeface protection in Japan, we identified the need for some kind of protection in light of the effort and cost inherent in the creation of typefaces, but since there are established practices to

ensure remuneration for typeface creation in accordance with the contents of transfers or the contracting of actual transactions, we could not identify specific demand for using the framework of industrial property laws for typeface protection.

The challenges for future examinations on typeface protection include the following four points.

Firstly, the need for typeface protection should be clarified. It is necessary to ascertain the fact that typefaces are being reproduced and imitated in large quantities by many unspecified persons as well as the fact that typeface imitations are being distributed in large quantities, and to identify the actual conditions in which such activity is being carried out.

Secondly, the units covered by typeface protection should be clarified. Under the design law, the balance between the design owner and third parties is achieved based on an understanding that a design right covers a single individual article type, and that the design rights do not extend to different types of articles even if their shapes are similar. Moreover, determination of the requirements for registration or interpretation of the scope of right is made based on the design disclosed in the application or the drawing attached to the application, and when comparing designs, design similarity is determined based upon the aesthetic impression that the designs would create through the eye of their consumers, by way of observation of individual designs in their entirety. Accordingly, it is essential to clarify the outer limits of the design so as to be able to identify the entirety of a single design. In the case of the Japanese language, which contains a large number of characters and character types, the scope of a single set of typeface tends to become vague, given that the scope of a set of typeface actually changes according to the contents of the contract or the situation of use. Therefore, there is a risk of the outer limits of the design in question becoming ambiguous when identifying the design, determining the requirements for registration or interpreting the scope of

effects of the design, making said determination all the more difficult.

Thirdly, the contents of acts of infringement should be clarified. A design right is an absolute exclusive right against which good faith defenses are not permitted. Therefore, without clarifying the scope of acts and products that would be affected in practice as acts of infringement or products subject to infringement with regard to intangible typefaces, protection may instead have the effect of reducing the creation of typefaces or the manufacture of products using typefaces, thereby hindering the smooth distribution of products.

Fourthly, an appropriate framework for a system for the protection of typefaces should be outlined. While typefaces are protected under the design laws of the countries surveyed in this study, the design laws of the countries in question all have different characteristics, and aspects that are different from the Japanese Design Act. Therefore, what is needed is an objective analysis and comparison of the institutional frameworks of the design laws of the respective countries so as to ascertain which characteristics would be most effective in the case of protecting typefaces in Japan. In addition, there is also a need to sufficiently scrutinize the framework, purpose and specific composition of the systems that comprise the current Japanese Copyright Act and Design Act, and to clarify the points highlighted above in the first three challenges.

(Senior Researcher: Yoshihito INABAYASHI)