E-commerce: Protecting Your Work

May 21, 2020

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As distribution channels with a global reach, websites are a powerful tool for doing business, and during the pandemic, they even play a critical role.

A website consists of a set of webpages accessible from an address hosted on a server through the internet or an intranet.

A website is a collection of various elements protected by intellectual property laws. We will focus on the following:

Copyright

It protects an original work (i.e., the *author's own creative work),* insofar as it involves the exercise of skill and judgment. This exclusive right allows the owner to produce or reproduce the work in any material form, to perform, represent or publish it, and to exercise other exclusive rights.

A website may include the following works: the content of screen page, graphic designs, animation, texts, still and animated images, sounds, databases (which comprise a collection of works, data or other independent elements), software, as for example the ones relating to the creation, operation and launch of the website, computer programs, photographs, cartoons, videos.

Ownership of Copyright

Copyright is the author's property, unless the author (i) has assigned his or her right, or (ii) has created the work in the course of his or her employment, in which case the copyright belongs to the employer.

It is important to identify the various copyright owners of the works appearing on a website.

If a company mandates an external firm to develop a website (website developer), the company will not immediately own the copyright to the website.

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A development contract entered into with a website developer will usually include a provision regarding the ownership of copyright. It is often provided that the assignment of intellectual property rights to the client who has commissioned a website will take place after payment for said website has been made in full. This poses a problem when the website developer does not complete the website or when a dispute arises over the course of the mandate.

Stock Photos

Generally speaking, websites that offer photographs do not transfer the copyright of the photographs to the users. They grant a licence to use (a right to use) for a limited time and for a specific purpose. The conditions of these licences must therefore be read carefully.

Assignment of Rights

An assignment must be in writing in order to transfer the copyright to the company that commissioned the website.

Moral Rights

Moral rights allow the author or performer (even if he or she is not the copyright owner) to:

> Claim authorship of the work;
> Claim respect for the integrity of the work (to protect the work against distortion, mutilation or modification or to prevent use that prejudice the honour or reputation of the author or performer or if the work is associated with a product or service without the consent of the author or performer).

Recognition of Copyright in Other Countries

Given that Canada is a party to the Berne Convention, copyright owned by a Canadian national, such as a company incorporated in Canada or a Canadian citizen, is recognized in other countries members of the Convention , and said copyright need not be registered in those other countries to acquire rights.

In Canada, copyright registration is not mandatory, but it does give rise to a presumption of law that it is advisable to register, at the very least, for works that are important to the business, in order to more effectively act against infringement.

Copyright infringement is the reproduction of an entire protected work or any substantial part of it without permission.

In the same manner that website contents owned by the copyright owner may not be copied without permission, one must ensure that he or she does not import or publish on his or her website any work protected by copyright without first obtaining permission.

Domain Name

Some domain names are protected by trademark laws, and some are not. This depends on the nature of the domain name and the use made of it.

Merely registering a domain name does not create a right that could prohibit the use of a conflicting domain name or trademark.

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Using a distinctive domain name could confer upon its owner the right to oppose the subsequent use by third parties of a confusing domain name, trademark or trade name.

Effective domain name arbitration mechanisms exist for .com and for .ca in the event of misappropriation of a conflicting domain name.

Trademark

A website owner using a trademark on his or her website in order to identify his or her products or services should **protect said trademark by registration**.

Without listing all the benefits of registering a trademark, suffice it to say that registering one's rights is significantly less costly than trying to recover said rights once they have been appropriated by a third party.

The trademark owner may oppose any confusing third party's trademark, trade name or domain name (the test of confusion takes into account various factors) if his or her rights precede those of the other.

In the case of unauthorized appropriation of a third party's logo or figurative mark, the owner may, in many cases, not only invoke trademark infringement but also copyright infringement.

Right to One's Image and Privacy

The Civil Code of Québec provides that every person is the holder of personality rights, such as the right to life, the right to the inviolability and integrity of his person, and the right to the respect of his name, reputation and privacy. Similar provisions exist in other legislation, such as the Quebec Charter of Human Rights and Freedoms and the Canadian Charter of Rights and Freedoms. The law is similar in other Canadian provinces, and comparable legislation exists in various countries around the world.

Thus, as a general rule, a website owner may not:

(i) Publish, for example, a photograph or image of a person without that person's consent. This rule must be weighed against the rule relating to public interest in the right to freedom of expression and the right to information;
(ii) Damage a person's reputation;
(iii) Imply or suggest that a person endorses a product or service without that person's consent.

The Civil Code of Québec further provides that the use of a person's correspondence, manuscripts or other documents without his or her consent constitutes an invasion of his or her privacy.

Trade Secret

Various components of a website may be protected by trade secret if a confidentiality agreement was signed and the information remains secret. This could be the case with the website coding.

Many people have preconceived ideas about intellectual property in the world of e-commerce. Often, they wrongly assume that since they commissioned their website, they own its intellectual property rights or that they can post a photo of a product copied from another website without authorization because they sell the product.

Although it is easy, fast and free to access, a website is governed by a legal framework regarding intellectual property, with which website operators must comply. We did not cover the wide array of rights that are involved in a website in just a few lines. For example, for some websites, there may be patent and industrial design issues to deal with.

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All these legal considerations are not self-evident. Several rules must be followed to avoid engaging in illegal practices, to avoid the unpleasant surprise of discovering that you do not own the intellectual property rights to parts or all of the website, and to avoid facing threats of legal action for violating the rights of third parties. Furthermore, all the work invested in the creation and operation of the website may not provide any additional value to your company if the intellectual property rights have been neglected, even though in many cases it is a significant asset to the company.

It is important to become familiar with these rules, protect your rights and resolve legal pitfalls-ideally before launching a website. If the issue of intellectual property rights is only addressed after launching the website, there may still be time to seek protection or to attempt to overcome legal problems. Whether the website is already online or is about to be launched, an audit should be carried out to determine the situation and, if necessary, obtain protection, sign contracts and find solutions to problems that could lead to illegal or disadvantageous situations.

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