Granrut Avocats

June 2010

The newsletter on intellectual property and information technology

Focus on

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9 - LATEST DEVELOPMENTS

EDITORIAL

ALEA ACTA EST

International diplomacy, and in particular negotiators involved in the world of intellectual property, has been in a state of turmoil for almost two years during negotiations for the draft ACTA anti-counterfeiting trade agreement.

Several layers of discussions have been entangled on the issue on this draft.

Firstly with respect to the parties to the negotiations

Discussions on this agreement were started by a group of developed countries and a group of developing countries with no apparent logic or rule governing the choice of the negotiating parties. This group has also changed as new States have joined along the way.

The countries involved, namely the United States,

Japan, Canada, New Zealand, Australia, Mexico, Morocco, the European Union, Singapore, South Korea and Switzerland, represent a significant contribution to international trade.

Developing countries whose economic importance is continuing to grow, such as the BRIC countries, are not a party, which has thus led India for example to take a hostile position towards ACTA.

With respect to the negotiation process and its transparency

The negotiation process has also been the subject of much discussion.

The first meetings were held in complete secrecy between representatives of the States concerned.

However, little by little, information started to filter through following pressure from various political and economic groups.

It was only following this that summaries of the discussions were first compiled and distributed, that particular representatives of economic interests in the US were given access to negotiation documents, subject to the signing of a confidentiality agreement, or that finally other pressure groups, such as La Quadrature du Net, via leaks obtained documents that were made accessible on the internet, as a result largely restricting, if one may phrase it as such, the confidentiality of the negotiations.

In any case, an official consolidated draft text was finally made available by the European Union.

With respect to establishing the negotiating position of each of the contracting parties

Another level of discussion within each of the contracting parties further complicated the discussions.

In addition to the fact that the parties concerned clearly asked to be informed and to be able to participate in some form in the discussions, the European Parliament and the European Data Protection Supervisor, with respect to the European Union, asked to be informed but also to give an opinion on the ongoing negotiations.

With respect to the relation between ACTA and other

Finally, various parties involved have wondered whether it is normal for a new agreement to add to existing texts, while being negotiated outside of the natural context for this, which is the WIPO (World Intellectual Property Organization) or possibly the WTO (World Trade Organisation), as one of the aspects managed by this organisation is TRIPS, concerning intellectual property rights.

And the content?

All this discussion on the process and form of the negotiations largely left an examination of the substance of what is being proposed forgotten by the wayside, namely a text that does not necessarily appear to be revolutionary to French or European legal experts.

The draft, divided into several chapters, contains a part on "definitions" followed by a second chapter on the legal framework that allows for the protection of intellectual property both with respect to civil law through border control and criminal law including illegal international trade operations.

A section in chapter 2 that generated considerable discussion concerns measures related to the implementation of technological supervision to combat digital piracy.

Cooperation and the development of international practices that serve to combat counterfeiting are also laid down in chapters 3 and 4 and, finally, the set up of a secretariat with institutional rules to ensure the proper running and development of the agreement is included in chapter 5.

The length of this editorial does not allow all the provisions put forward to be considered but it appears that a rational debate must be started, for the Europeans in any case, to examine whether the adoption of such an agreement would actually lead to a major change in the currently applicable texts in any way whatsoever.

It should not be forgotten that the current provisions are regularly criticised, either for being inadequate or undermining, particularly in the digital arena, the various liberties guaranteed in applicable conventions and constitutional texts.

It is unclear whether ACTA actually changes the current balance. On the other hand, it is clear that it will be longterm and make it more difficult to have purely European developments later.

Even if the negotiators wish to move forward rapidly and wrap up their work by the end of 2010, one may end up wondering whether, in Shakespeare's words, it is much ado about nothing...

Richard Milchior

1 - INTERNET - E-COMMERCE

FACEBOOK FALLS FROM GRACE

A group "Courir nu dans l'église en poursuivant l'Eveque Qu'est-ce qu'on en fait une fois qu'on l'a attrapé?" (translation: Running naked in the church after the Bishop, what do you do once you've caught him?) was created on Facebook, featuring a photograph of Monsignor Giraud, Bishop of Soissons.

The number of abusive comments posted online led Mgr Giraud to send notice to Facebook France of the illegal content of the site under Article 6-1 of the Law of 21 June 2004 on Confidence in the Digital Economy, in order to have the photograph and abusive comments removed.

As the contentious content was not removed, the Bishop summoned Facebook France before the judge hearing applications for interim relief at the Paris Court of First Instance.

On 13 April 2010, Facebook France was sentenced in its capacity as the web host for the reason that it did not act promptly to remove this information or make it impossible to access, even though in fact it knew of the illegal nature of the page and the comments it contained; knowledge of the contentious facts was presumed to be established in view of the notice and reminders sent to the company.

The judge hearing applications for interim relief ordered, subject to a fine of €500 per day of delay, the removal of the photograph for undermining Mgr Giraud's image and the illegal comments posted online that were likely to incite hate or violence, as well as the communication of information allowing the creators of the page and the authors of the abusive comments to be identified

Nonetheless, the order was handed down against Facebook France, which is not a legal entity with legal personality but simply a trading name for the French business of Facebook UK Ltd.

To this end, and in application of Article 654 of the Civil Procedure Code, Facebook France cannot be summoned and thus cannot be sentenced.

The question is then raised of knowing how to have a decision made against an entity that does not exist legally enforced...

ALL THINGS COME TO HE WHO WAITS

New domain names will appear due to the new international .co domain extension. This extension provides an alternative to the .com extension which already represents one out of every two domain names

registered in the world.

Originally, .co was the national extension for Colombia, which decided to make the registration rules for domain names ending in .co more flexible.

In order to avoid potentially contentious registrations, a priority registration period was launched on 1 March 2010 for owners of Colombian domain names.

In April, the process of launching the .co extension covered holders of trademarks registered before 30 July 2008 in Colombia; then at the end of April to the beginning of June, it was extended to the holders of trademarks registered outside Colombia.

In order to avoid registrations made for the sole purpose of resale, a pre-launch period without conditions was provided to the owners of trademarks through a premium rate service. The launch will be global at the end of July when the .co domain name will be available to all without conditions. Nonetheless, in the case of multiple applications, the name will be the subject of a public auction.

Holders of .com and earlier domain names will surely have an interest in registering their main name with the .co domain extension; its typographic similarity to the .com domain extension making it a target of choice for typosquatters, as is already done with .cm (Cameroon).

2 - COPYRIGHT

MAKING AVAILABLE IS NOT INFRINGING

The M6 group produces television programmes for broadcast on the channels M6 and W9 in France. These programmes are also offered to the public on M6 Replay and W9 Replay, services that belong to the group.

The latter has summoned SBDS, the editor of a website that makes on demand videos and programmes offered by replay services, including those of M6 and W9, available by illegally copying the programmes they produce and to which they hold intellectual property rights in application of the legal presumption of the transfer of exploitation rights to the producer stipulated by Article L.132-24 of the Intellectual Property Code.

The M6 group in effect criticised SBDS for having broadcast these programmes without permission or financial compensation, through deep hyperlinks made available to the public through its website and which redirect the internet user directly to a new window displaying the video, avoiding the homepages of the M6 Replay and W9 Replay websites.

In this case, in a judgment dated 18 June 2010 the court of first instance dismissed all of the M6 group's claims, thus accepting the reasoning put forward by SBDS.

SBDS argued that, on the one hand, the M6 group sought a comprehensive sentence for infringement of its programmes without having bothered to identify precisely which programmes they were, thus making it impossible to have any discussion on the originality of these works and thus the legitimacy of the rights claimed by the M6 group, and on the other hand, the fact that offering the public a link to a programme offered by a Replay service cannot be interpreted as an act of fraud by representation, insofar as SBDS only provided assistance in accessing the replay website which alone makes the representation of the programme.

3 - TRADEMARKS - PATENTS

COMMON KNOWLEDGE IN THE GARDEN

On 15 April 2010 the European Court of Justice (ECJ) handed down a ruling in a case C-38/09 P applying the provisions of Community Regulation no. 2100/94 of 27 July 1994 creating a regime for the Community protection of plant varieties provided that they are "distinct, uniform, stable and novel".

According to Article 7 of the Regulation, a variety is considered distinct if it is clearly distinguishable from any other variety whose existence is common knowledge on the date of application.

In 2001, Mr. Schräder filed an application for the protection of a flowering plant from the mint family at the Community Plant Variety Office (CPVO) which his competitors opposed, relying on the lack of novelty of the variety. Technical studies carried out revealed a weak distinctiveness with a wild variety originating from the garden of a botanist in South Africa. On 19 April 2004, the CPVO rejected Mr. Schräder's application for protection; he then referred the matter to the Office's board of appeal which, in turn, declared that there was no distinctive characteristic of the variety in question as understood under Article 7 of the Regulation.

In 2008, the European Court of First Instance (ECFI) upheld the refusal to protect the variety on the basis that "common knowledge of the variety in question, [has been] proven by South African authorities and several scientific publications".

The ECJ clarified that the common knowledge considered in Article 7 of the Regulation was sufficiently established by the existence of an almost-identical variety in South Africa. The Court also specified that considering additional factors, such as examining the list of scientific publications to determine common knowledge, is a possibility left to the discretion of the court and is not an obligation.

VIAGRA FOR ALL

The days of Viagra patents in Brazil are numbered. On 28 April, the Brazilian Supreme Court decided to put an end to the exclusive rights of the American pharmaceutical company Pfizer as of 20 June, which would allow generic pills to be manufactured by other laboratories.

Pfizer and the Brazilian National Industrial Property Institute (INPI) had presented to the Court two different interpretations of the date of expiry of the patent on Viagra. On the one hand, the American laboratory Pfizer argued that the first European registration of the patent, dating from 1991, allowed Viagra to be sold exclusively until 2011. On the other hand, the Brazilian patent office held that the date of the first registration of the patent rights applied for by the American company and issued in the United Kingdom was June 1990, whereas this application was withdrawn in order to obtain a registration extended to the European Union.

The Court finally upheld this second interpretation. Thus, and unless Pfizer appeals, the patent on Viagra will fall into the public domain this month.

The expiry of patents related to the sale of Viagra may also soon affect France where the blue pill has been available since 1999.

FIRST DECISION OF THE GENERAL COURT ON DESIGNS

The General Court (formerly the ECFI) handed down its first decision on Community designs (Community Regulation no. 6/2002 of 12 December 2001).

On 9 September 2003, PepsiCo filed an application for a Community registration of Community designs at the Office for Harmonization for the Internal Market (OHIM) concerning a *"rapper"*: small coloured cardboard or metal discs that can be collected or used as a game, also called Tazos, Pogs, Caps or Flippos.

On 4 February 2004, a Spanish company Grupo Promer Mon Graphic asked for it to be invalidated due to the existence of an earlier right to the Tazos design dating to July 2003.

On the basis of Article 25-1 of the Regulation, the OHIM defined the notion of conflict between two designs as being that which produces the same overall impression on the informed user, depending on the designer's degree of freedom in drawing up the design. The OHIM dismissed the Spanish company's claim on the ground that the overall impression on informed users (in this case marketing directors) is sufficient to establish a notable difference between the products.

The Spanish company appealed the decision. According to the General Court, particular similarities between the two designs considered were not the result of a restriction on the designer's freedom. The General Court upheld the OHIM's interpretation of the notion of conflict as understood under the provisions of Article 25-1 d of the Regulation by stating that this interpretation is the only one that is likely to ensure the protection of the rights of the holder of design rights that benefit from a prior right against any infringement of the design through the coexistence of a later Community design which could produce the same overall impression on the informed user.

The General Court also stated that the degree of freedom of the designer is defined particularly by the restrictions linked to the characteristics required by the technical function of the product or an element of the product, or even legal requirements applicable to the product. Consequently, freedom is restricted by such products. As a result, the differences noted are insufficient for the design in question to produce an overall different impression on the informed user.

The ECFI thus quashed the OHIM decision.

REGISTRATION DOES NOT EQUAL A WORK-RELATED INVENTION

Following his dismissal from his job, the scientific manager of a company had his former employer brought before an industrial tribunal, particularly for obtaining the payment of an additional remuneration relating to several patents for inventions registered by his employer during his period of employment.

As justification for his claim, the claimant relied on Article L.611-7 of the Intellectual Property Code, according to which "the employee who is creator of an invention benefits from an additional remuneration under the conditions determined in collective employment agreements, company agreements or employment contracts, for inventions he has made during the performance of either his employment contract or studies and research expressly entrusted to him".

The court ruling on the merits of the case dismissed his claims and he appealed. Nonetheless, in a ruling on 2 June 2010, the Court of Cassation also dismissed his claims on the grounds that "the inventions that were registered were done prior to the conclusion of the employment contract and corresponded to a contribution in kind by Mr. X, manager employed by Opteway, who in his capacity as the owner of the inventions had formally registered the patents".

The judges here held a restrictive view on the notion of work-related inventions which does not cover inventions that result from the duty entrusted to their inventor once employed. In this case, it is of little importance that the registration was made during the term of performance of the employment contract.

4 - MEDIA - PUBLISHING

BETWEEN DEFAMATION AND INSULT, THE LINE IS BLURRED

According to Article 53 of the Law of 29 July 1881 on the freedom of the press, any summons must specify and qualify the charges and state the applicable text subject to being otherwise invalid. On this basis, the Paris Court of Appeal, in a ruling on 19 March 2009, held, in accordance with established case law, that a summons on the charge of defamation and insult, due to specific passages that set out the dishonest commercial practices of a doctor in charge of a laser hair removal centre, must be cancelled due to it being inaccurate.

It stated to this end that the purpose of Article 53 is to allow the defendant to identify the passages described as insulting or defamatory and to prepare his defence. In this case, as identical statements were being prosecuted under the double charges of defamation and insult, the defendant could not "make a distinction and know how similar passages are likely to be characteristic either of the imputation of specific facts that are defamatory or which could be considered insulting".

Returning to established case law, the Court of Cassation, in its ruling on 8 April 2010, nonetheless held that it is valid that "the summons which states exactly to the defendant the facts and breaches he is being summoned for, and thus allows him to be able to prepare his defence appropriately without it being necessary for the summons to specify those facts that constitute insults and those that are considered defamatory".

FREEDOM OF EXPRESSION GIVES WAY TO THE PRESUMPTION OF INNOCENCE

A journalist published an article in which he accused members of a baseball team of raping a young woman. Police inquiries launched after the publication of the article were unsuccessful as the victim was unable to identify the attackers. The magazine's managing editor and the author of the articles were sentenced for defamation by the Finnish courts and referred the cause of the European Court of Human Rights (ECHR) claiming a breach of Article 10 of the European Convention on Human Rights (ECHR) on the freedom of expression.

In its decision of 6 April 2010, the ECHR firstly stated that the article had been written in an objective manner, then emphasised that the defendants were identifiable and that "the allegations were of a serious nature and were presented more as statements of fact rather than as value judgements". Moreover, it criticised the claimants for not having "checked whether the accusation had a factual basis; they could have clarified the issue by contacting the victim, the players and their team".

Finally, the Court held that the sentencing of the claimants for defamation was justified as the article presented "as facts items that had not yet been established". In this case, the ECHR thus had to rely on the right to the presumption of innocence and strictly required that journalists carry out serious work to check and research facts.

5 - AUDIOVISUAL - ADVERTISING

ADVERTISING FOR ONLINE GAMBLING: A LITTLE BUT NOT TOO MUCH AND NOT FOR EVERYONE:

On 18 May 2010, the plenary council of the French audiovisual authority, the *Conseil Supérieur de l'Audiovisuel* (CSA) adopted resolution no. 2010-23 concerning the terms of broadcast, by television and radio services, of commercial communication in favour

of legally authorised gambling and gaming operators. Published on 21 May 2010 in the Official Journal, this resolution covers advertising messages, sponsorship and product placement for gaming operators legally authorised by the State or approved by the online gaming authority, the *Autorité de Régulation des Jeux En Ligne* (ARJEL).

In order to comply with the objectives of combating addiction as defined in Law no. 2010-476 of 12 May 2010 on opening up to competition and regulating the online gaming and gambling sector, emphasis was put on protecting minors and being cautious about excess gambling. Operators shall adopt a code of good conduct aimed at limiting "the volume and concentration of commercial communication".

Television, radio and programmes aimed at minors are defined through a list of non-exhaustive criteria defining the guidelines of the CSA *"in its task to apply the law"*. The operator's identity must be clearly established in the commercial communication which must not make gambling *"attractive"* to minors.

Moreover, any advertising must include a message of being aware of excessive or persistent gaming and refer to "the system of information and help available to excessive or persistent gamblers" from the French health prevention and education institute, the Institut national de prévention et d'éducation pour la santé.

The penalty for unauthorised commercial communication has now risen to 100,000 Euros; the relevant court may issue a fine up to four times the amount for advertising expenses.

This decision is valid until 31 January 2011, the date on which the CSA will make an assessment on the basis of the practices observed, particularly compliance with codes of good conduct.

SOME LIKE IT SHORT

Article 17 of the Law of 12 June 2009, called the "HADOPI 1" law, has reorganised media release periods.

The time period within which a film may be available on DVD has thus gone from six to four months as of its release at the cinema. For video-on-demand, the time period of 7.5 weeks is now four weeks.

This time period may be reduced further, with a waiver from the CNC (French film centre), depending on the film's profits, but it may not in any case reduce by more than four weeks the four-month minimum time period.

Decree no. 2010-397 of 22 April 2010 facilitating the use of cinematographic works as video recordings specifies the terms for obtaining this waiver.

Article 1 of the decree provides that this can only be granted if the cinematographic work has made, during its fourth week of showing in the cinema, less than 200 ticket sales.

The date of release of the film corresponds to its

national release date, such as is mentioned in the advertising material. Previews and other exceptional early showings are not taking into consideration.

Almost 25% of films that are released at the cinema in a year are likely to benefit from this waiver.

6 - PERSONAL DATA - PRIVACY

PRIVATE DATA ILLEGALLY COLLECTED BY GOOGLE

Since the end of 2006, as part of its Street View functionality allowing internet users to navigate virtually the streets of major cities, Google has sent camera vehicles to record images to be published via the Google Maps and Google Earth applications. Notwithstanding, the cars have also collected, "inadvertently" according to Google, private information passing through Wifi networks which are not password protected. Last May, Google acknowledged that this collection was made by "error". This 600 Gigabytes of unencoded data which may have been collected in this way since 2006, such as the names of the service set identifier (SSID) and identifiers (MAC address: unique identifier assigned to each network card), places the company at risk of criminal prosecution for a violation of privacy in almost all the jurisdictions the system has been used in. Google believes that the data collected is patchy and assures that it has never been used.

It contacted the personal data regulation authority in the 30 countries Street View is available in. Some States (Ireland and the United Kingdom in particular) asked for this information to be removed immediately before an independent witness without carrying out inquiries or monitoring operations. On the other hand, the authorities in other European countries and the German and Australian courts are taking action against Google. On 4 June, Google's chairman sent the data recorded to the regulatory authorities in Germany, France and Spain. In the United States and Canada, they are seeking the handover of the data for inspection and to avoid its destruction.

In France, the CNIL (French data protection authority) carried out its own inquiry, on 9 June, at the Paris office of Google.

The NGO Privacy International which fight against the violation of private life by governments and other organisations has stated, upon reading an independent report commissioned and published by Google on 3 June, that "the system used for the WiFi collection deliberately separated the unencrypted content of the communication and systematically copied this data on to hard disks", which is "equivalent to putting a telephone on loudspeaker without permission".

The results of the inspection of the data communicated by Google to the European regulatory authorities will enable them to decide how to follow up on this matter.

7 - IT - TELECOMMUNICATIONS

A PIRATE PROGRAM TAKES ON HADOPI

"Looking for a needle in a haystack": this is what companies responsible for finding the IP addresses of internet users illegally downloading material will have to do with the arrival of the pirate program "Seedfuck".

Designed by a hacker, the purpose of this code is to complicate monitoring of illegal exchanges on peer-topeer networks within the scope of the French HADOPI law adopted on 15 September 2009 by creating a "torrent poisoning" which creates dummy activity around a file.

Peer-to-peer networks will be inundated with fake IP addresses and pirate hunters will consequently find the IP addresses of many innocent people. The question of the presumption of innocence is at the heart of the debate on monitoring illegal downloads, which provokes much criticism.

During the government's question time at the National Assembly (Journal Officiel of 27 April 2010), UMP deputy Michel Zumkeller questioned Frédéric Mitterand, the Culture Minister "about the little program that floods peer-to-peer downloading networks with fake IP addresses" and "thus would like to know his response on this issue and the legal possibilities offered to internet users who may be the victims of unfair prosecutions". The minister has two months to answer.

THE GROWTH OF DATABASES

In its opinion given on 14 June, the competition authority stated that the growing use of client databases was possible for all French telecommunications operators, including Orange.

Today, operators provide fixed and mobile telephone services, television and high-speed internet access, thus meeting all the needs of consumers, offering "all in one" packages, called "convergence offers".

This phenomenon pushes operators to use their client databases reciprocally through "cross selling" in a specific market as they attempt to sell an additional product on the same market or a different market.

The Authority stated that the increasing use of client databases and aggregated offers are generally beneficial for consumers as they help to make savings, increasing the level of competition between operators by reducing the entry barriers. They may nonetheless produce anti-competition effects when they are used by a company in a dominant position acting as a lever to oust its competitors.

Nonetheless, the convergence offers put on the market by Orange such, as the "quadruple play" offers pose risks to competition, particularly as the situation will remain deadlocked on the mobile market and must be examined on a case-by-case basis.

The authority therefore recommends adopting measures to improve the flexibility of markets and prevent the risks of lock-in effects, such as those concerning the contractual subscription period or the terms of renewing the contract for example.

Some measures may be implemented at the initiative of operators in a dominant position; others may require the adoption of legislative or regulatory texts.

TELEVISION ATTACKS MOBILES

They promised it and they are (finally) going to do it. Announced with great fanfare two years ago by the minister responsible for digital development, the Personal Mobile Television (PMT) will final see the light of day. Omer Telecom which in particular sells Virgin Mobile and the broadcaster TDF have just signed an agreement setting out the start-up of the service in the second half of 2011. TDF will thus finance the antenna network and Virgin Mobile will have exclusive rights to it for at least six months.

Initially, the network, which should cover 50% of the French mainland population, will allow television to be watched on a mobile telephone with better quality than that currently broadcast on some mobiles using 3G technology.

There are still stages before the actual launch of the PMT, which must be submitted for approval of the CSA (French Audiovisual Council) as well for agreement by TDF and television channel producers. As for the sixteen channels that have obtained authorisation from the CSA to be broadcast on mobile telephones, they must agree between now and 8 June next year to create a joint venture which will manage their broadcast on the PMT.

The PMT will be offered for a range of specific telephones, devices and accessories that allow it to be made compatible with existing terminals.

8 - SPORT - ONLINE GAMBLING

THE USE OF CLUB NAMES AUTHORISED FOR ONLINE BETTING OPERATORS

Does the use of a football club's name by a sports betting operator on its website undermine the club's exclusive intellectual property rights?

In a ruling dated 2 April 2010, the second chamber of the Paris Court of Appeal, responded negatively by upholding the ruling of the Paris Court of First Instance of 17 June 2008 in the dispute between Paris Saint Germain Football and BWIN, the European leader in sporting bets.

Effectively, the Paris football club sued the Paris sporting bets operator for trademark infringement and unfair commercial practices for the use of the terms "Paris Saint Germain" and "PSG" in the football competition results on betting websites.

For the infringement, Paris Saint Germain Football criticised the judges at first instance for having applied Article L. 713-6 of the Intellectual Property Code, which

permits references to a registered trademark when necessary. The club maintains that the "PSG" trademark in particular refers to "various games" which could be similar to the online gambling services offered by operators. Simultaneously, BWIN criticised the judges for having upheld the use of the name "PSG" as a trademark. The Appeal Court judges nonetheless held that there could not be any "mistake by internet users" between the two companies. As the use of the name "PSG" had the sole purpose of referring to the football team and not the club trademark, there was thus no infringement.

With respect to unfair commercial practices, PSG believes that "the use of the trademark to refer to the bet" profits from the renown of the club and its "regular involvement in major national and European football competitions" to draw the largest number of betters.

The second degree judges held that Paris Saint German Football was not the organiser of the sporting competitions the PSG team took part in. Insofar as the use of the term "PSG" by online gambling operators only had the purpose of "*identifying the subject of the bet*", operators were not responsible for unfair commercial practices.

It should be recalled that the second chamber of the Paris Court of Appeal, in a ruling dated 11 December 2009, had already ruled in the same way in a dispute between Unibet and Juventus Football Club. The right to use the term "Juventus" to refer to the football team had already been recognised by the operator as being "for the purpose of allowing internet users to bet".

DO YOU BET?

A few days before the kick off of the World Cup, the law on "opening to competition and regulating the online gambling sector" promulgated on 13 May, put an end to five centuries of State monopoly on gambling established by the edict of Francois I on 21 May 1539.

ARJEL issued, for 5 years and renewable, 17 licenses to 11 operators. It is interesting to note the lack of sector "giants", particularly PokerStars or Full Tilt.

At this time, bets concern scores, wins and rankings, including during meetings of the fifteen sports to which horseracing and poker. Nonetheless, only certain specific competitions may be the subject of online betting. It should be noted that bets will be cancelled when the match is cancelled but kept in doping or illegal drug-taking cases.

The first approval issued authorised bets concerning 15 sports and "gambling clubs" for poker, but the actual launch for this latter game has been pushed back to late June. Following notice in Brussels of France's draft laws and decrees, the State of Malta, which is already very much involved in online gaming, in fact issued objections to delay France's arrival on the market, criticising it for first obliging gamers to register with an approved operator on the ground that this provision would be contrary to the European principle of free movement. In order to make the approval issued by ARJEL valid, the Minister of the Budget announced that the State will attack any illegal websites. The French State must prosecute and take legal action to have the 25,000 international websites that have not been approved unlisted in search engines or blocked by internet access providers.

For internet users, the main risk of going to illegal websites would be losing their stake.

9 - LATEST DEVELOPMENTS

THE MEDIA-IP-IT TEAM AT GRANRUT AVOCATS ANNOUNCES THE LAUNCH OF ITS BLOG

We are proud to announce to you the birth on 1st June of Zeblawg.com, the team's legal blog. This will allow you to see our news on the internet in real time.

What is more, you will be able to view and download your newsletter on your iPod. Android and Blackberry users will have to wait a while but your turn will come shortly.

http://www.zeblawg.com

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