



## **Working Guidelines**

by Thierry CALAME, Reporter General  
Sarah MATHESON and John OSHA, Deputy Reporters General  
Kazuhiko YOSHIDA, Sara ULFSDOTTER and Anne Marie VERSCHUUR  
Assistants to the Reporter General

### **Q240**

#### **Exhaustion issues in copyright law**

##### **Introduction**

- 1) The principle of exhaustion (referred to as first-sale doctrine in the United States) is as widely accepted in copyright law as it is in other intellectual property laws such as patent law.
- 2) As opposed to the exhaustion of patent rights, AIPPI has not previously studied exhaustion in copyright law. For the purposes of the entire Q240 "Exhaustion issues in copyright law" and in particular of these Working Guidelines Q240, the term "copyright law" is meant to include related rights (also called neighbouring rights).
- 3) In light of recent developments in the field of exhaustion of copyrights in important jurisdictions, such as the EU and the US, AIPPI wishes to address this subject at this stage.

##### **Previous work of AIPPI**

- 4) AIPPI has not previously studied exhaustion issues in copyright law. AIPPI studied "Exhaustion of IPRs in cases of recycling or repair of goods" in Q205. This

question, however, was limited to patents, designs and trademarks, and Resolution Q205 of the Congress in Boston in 2008 noted that exhaustion of copyrights in cases of recycling or repair of goods presents additional complexities and should be a matter for further study. AIPPI further studied "International Exhaustion of Industrial Property Rights" in Q156 and "International Exhaustion of Patent Rights" in Q146. These studies equally excluded copyright from their scope.

### **International treaties**

5) Exhaustion of copyrights is neither mentioned in the Berne Convention of 1886, as amended in 1979, nor in the Rome Convention of 1961.

6) Aspects of exhaustion have been negotiated in connection with both the TRIPS Agreement of 1994 and the WIPO Copyright Treaty (WCT) of 1996. Both the TRIPS Agreement and the WCT Treaty make an express reference to exhaustion of rights. According to Article 6 of TRIPS, signatories are free to regulate the question of exhaustion. Further, Article 6(1) of the WCT recognises the right of distribution, stating that "(a)uthors of literary and artistic works shall enjoy the exclusive right of authorizing the making available to the public of the original and copies of their works through sale or other transfer of ownership." Regarding exhaustion, Article 6(2) thereof states that "(n)othing in this Treaty shall affect the freedom of Contracting Parties to determine the conditions, if any, under which the exhaustion of the right in paragraph (1) applies after the first sale or other transfer of ownership of the original or a copy of the work with the authorization of the author." Thus, there are no specific rules or standards regarding exhaustion of copyright set by WCT.

7) The Agreed Statements concerning the WCT note, in relation to Article 6 of WCT, that the right of distribution "refer[s] exclusively to fixed copies that can be put into circulation as tangible objects." It seems that only fixed copies that can be put into circulation as tangible objects are subject to the right of distribution under WCT.

### **Discussion**

8) Exhaustion is considered to be a limitation of the right of distribution. In the tangible world, exhaustion of copyright is a widely accepted principle. After a first sale of a copyrighted work in the form of a tangible good with the consent of the right owner,

the distribution right derived from the copyright is said to be "exhausted." In accordance with this doctrine, physical media, such as CDs, DVDs and CD-ROMs, containing copyrightable works, such as music, cinematographic works, television programs and computer software, can be freely sold without any copyright restriction after the first sale thereof. Moreover, in some countries, licenced copyright-protected works that are distributed on a tangible medium are not always exhausted. For other forms of non-permanent distribution, such as the lending and renting of copies, exhaustion does not apply in many jurisdictions.

## **Exhaustion in general**

### **EU law**

9) Recitals 28 and 29 in the preamble to Directive 2001/29/EC on the harmonisation of certain aspects of copyright and related rights in the information society state as follows:

"(28) Copyright protection under this Directive includes the exclusive right to control distribution of the work incorporated in a tangible article. The first sale in the Community of the original of a work or copies thereof by the rightholder or with his consent exhausts the right to control resale of that object in the Community. This right should not be exhausted in respect of the original or of copies thereof sold by the rightholder or with his consent outside the Community. Rental and lending rights for authors have been established in Directive 92/100/EEC. The distribution right provided for in this Directive is without prejudice to the provisions relating to the rental and lending rights contained in Chapter I of that Directive.

(29) The question of exhaustion does not arise in the case of services and on-line services in particular. This also applies with regard to a material copy of a work or other subject-matter made by a user of such a service with the consent of the rightholder. Therefore, the same applies to rental and lending of the original and copies of works or other subject-matter which are services by nature. Unlike CD-ROM or CD-I, where the intellectual property is incorporated in a material medium, namely an item of goods, every on-line service is in fact an act which should be subject to authorisation where the copyright or related right so provides."

10) Article 4 of Directive 2001/29/EC provides:

"1. Member States shall provide for authors, in respect of the original of their works or of copies thereof, the exclusive right to authorise or prohibit any form of distribution to the public by sale or otherwise.

2. The distribution right shall not be exhausted within the Community in respect of the original or copies of the work, except where the first sale or other transfer of ownership in the Community of that object is made by the rightholder or with his consent."

11) On the other hand, Article 3 of Directive 2001/29/EC provides:

"1. Member States shall provide authors with the exclusive right to authorise or prohibit any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them.

...

3. The rights referred to in paragraphs 1 and 2 shall not be exhausted by any act of communication to the public or making available to the public as set out in this Article."

12) Thus, under EU law, the distribution right shall be exhausted within the Community in respect of the original or copies of the work, where the first sale or other transfer of ownership in the Community of that object is made by the rightholder or with his consent, while if the right to authorise or prohibit any communication to the public of their works by wire or wireless means shall not be exhausted by any act of communication to the public or making available to the public.

### **US law**

13) In the US, Section 106(3) of the Copyright Act grants "the owner of copyright under this title" certain "exclusive rights," including the right "to distribute copies ... of the copyrighted work to the public by sale or other transfer of ownership".

14) These rights are qualified, however, by the application of various limitations set forth in the subsequent sections including the first-sale doctrine. Section 109(a) sets forth the first-sale doctrine as follows: "Notwithstanding the provisions of section 106(3) [the section that grants the owner the exclusive distribution right], the owner of a

particular copy or phonorecord lawfully made under this title . . . is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord".

### **Japanese law**

15) Under Article 26-2 of the Japanese Copyright Law, the author shall have the exclusive right to offer his/her work (other than cinematographic works) to the public by transferring ownership of the original or reproductions, but such exclusive right shall be exhausted upon the transfer of the ownership, either inside or outside of Japan, of the original or reproductions of a work by the rightholder.

16) With regard to cinematographic works, the Supreme Court of Japan has made a distinction between (1) works of film and their duplicates for movie theatres subject to the practice of a distribution system which presupposes the rental of such films on several occasions; and (2) duplicates of copyrightable works of film for home video game machines, the purpose of which is not that of showing them to the general public. The Supreme Court ruled that, with respect to the latter, the copyright is exhausted upon the lawful assignment by the rightholder. It is generally believed that the latter will include other duplicates containing cinematographic works, the purpose of which is not that of showing them to the general public, such as DVDs.

17) The Supreme Court of Japan explains the rationale for the exhaustion of copyright as follows:

"[Exhaustion] should be applicable in principle in cases where a copyrighted work or its duplicate is assigned. This is because (1) the protection of the rights of the copyright holder by the Copyright Law needs to be realised in harmony with public and social interests, (2) in general, in cases of the assignment of products, the assignor transfers the rights in relation to the products to the assignee and the assignee acquires the rights which belonged to the assignor. In cases where a copyrighted work or its duplicate is placed in the market for distribution, the transaction is effected with the presupposition that the assignee acquires the right to reassign the products freely. If each assignment of the product or its duplicate requires the consent of the copyright holder every time, this would inhibit the free distribution of the products in the market, the smooth distribution of the copyrightable work and its duplicate will be inhibited, and

it is likely to harm the interests of the copyright holder, and ultimately may be against the goal of the Copyright Law which purports to 'aim at the protection of the rights of the authors and thus contribute to the development of culture' (Article 1, Copyright Law), (3) on the other hand, the copyright holder receives the payment for the assignment when he assigns the copyrighted work or its duplicate, or receives a royalty when licencing the use of the copyright, and therefore, is guaranteed the opportunity to secure compensation, and there is no need to allow a double benefit to the copyright holder in relation to the copyrighted work or its duplicate which had been assigned by the copyright holder or the licensee" (decision dated 25 April 2002, 2001 (Ju) No.952, Minshu Vol.56, No.4, at 808).

### **International exhaustion (specific issue 1)**

18) As mentioned in 10) above, the EU only recognises exhaustion for works first sold by rightholders within their respective territories and does not recognise exhaustion for works first sold by rightholders outside EU countries. This is referred to as regional exhaustion.

19) In the US, the Supreme Court recently allowed international exhaustion also for works first sold outside the United States (*Kertsaeng v. John Wiley & Sons, Inc.* of March 19, 2013 document No. 11/697). The majority of the Court held that the first sale doctrine equally applies to goods legally manufactured outside of the United States. On the other hand, Justice Ginsburg in her dissenting opinion argued that the majority opinion prevents copyright owners from segmenting markets and departs from the United States' traditional resistance to the principle of international exhaustion.

20) Switzerland equally applies international exhaustion in relation to all copyrightable works. As seen in 15) above, the Japanese Copyright Law explicitly recognises international exhaustion with respect to works other than cinematographic works, but Japanese courts may possibly recognise international exhaustion with regard to cinematographic works as well.

21) Australian copyright law not only confers upon copyright owners the right to restrain the parallel importation of copyrightable subject matter, but also provides for specific exceptions to such importation right, such as those for books and sound recordings. There is also an exception arising from ownership of copyright in an

"accessory" to an item, such as packaging, written instructions and "labels".

22) In the Diplomatic Conference on Certain Copyright and Neighboring Rights Questions in Geneva, held during December 2 to 20, 1996, where the Agreed Statements mentioned above in 7) were adopted, according to the summary minutes, the following statements were made by some country delegates in the plenary:

The Hungarian delegate noted: "As regards the right of distribution, the Delegation of Hungary favors the firm maintenance of the territorial nature of copyright, and accordingly supports the principle of national or regional exhaustion of distribution rights" (para. 350).

The Indonesian delegate stated: "the relationship between the right of distribution and the exhaustion of such right should not affect the ability of countries to import freely without risk of infringement" (para. 390).

The Korean delegate held: "the scope of a right of importation should be left to national law, including whether to adopt the principle of national or international exhaustion" (para. 426).

The Singaporean delegate noted: "The provisions in the two Treaties ... are consistent with the maintenance of a regime of international exhaustion" (para. 520).

### **On-line exhaustion (specific issue 2)**

23) In the digital world, fewer and fewer tangible data media are used for the distribution of copyrightable works. Software, music, films, games or e-books may be downloaded or streamed from online-shops for permanent or temporary use. One of the issues is whether or not such distribution involves a sale or a licence.

### **Europe**

24) The CJEU decision *UsedSoft v. Oracle* (of July 3, 2012; C-128/11) has recognised exhaustion of copyright for permanent copies of computer programs downloaded online under certain conditions.

25) Article 4 of the Directive 2009/24 on the legal protection of computer programs provides:

"1. Subject to the provisions of Articles 5 and 6, the exclusive rights of the rightholder within the meaning of Article 2 shall include the right to do or to authorise:

(a) the permanent or temporary reproduction of a computer program by any means and in any form, in part or in whole; in so far as loading, displaying, running, transmission or storage of the computer program necessitate such reproduction, such acts shall be subject to authorisation by the rightholder;

...

(c) any form of distribution to the public, including the rental, of the original computer program or of copies thereof.

2. The first sale in the Community of a copy of a program by the rightholder or with his consent shall exhaust the distribution right within the Community of that copy, with the exception of the right to control further rental of the program or a copy thereof."

26) In *UsedSoft v. Oracle*, the main issue was "whether and under what conditions the downloading from the internet of a copy of a computer program, authorised by the copyright holder, can give rise to exhaustion of the right of distribution of that copy in the European Union within the meaning of Article 4(2) of Directive 2009/24" (para. 35).

27) To determine whether "the copyright holder's distribution right is exhausted, it must be ascertained, first, whether the contractual relationship between the rightholder and its customer, within which the downloading of a copy of the program in question has taken place, may be regarded as a 'first sale ... of a copy of a program' within the meaning of Article 4(2) of Directive 2009/24" (para. 38).

28) The court stated that according to "a commonly accepted definition" of a "sale", "the commercial transaction giving rise ... to exhaustion of the right of distribution of a copy of a computer program must involve a transfer of the right of ownership in that copy" (para. 42).

29) In this case, the court pointed out that "a customer of Oracle who downloads the copy of the program [from the internet] and concludes with that company a user licence agreement relating to that copy receives, in return for payment of a fee, a right to use that copy for an unlimited period" (para. 45). The court concluded that the



commercial transaction in question involves the transfer of the right of ownership of the copy of the computer program (para. 46).

30) According to the court, "(i)t makes no difference, ... whether the copy of the computer program was made available to the customer by the rightholder concerned by means of a download from the rightholder's website or by means of a material medium such as a CD-ROM or DVD" (para. 47). The court stated that "it does not appear from Article 4(2) of Directive 2009/24 that the exhaustion of the right of distribution of copies of computer programs mentioned in that provision is limited to copies of programs on a material medium such as a CD-ROM or DVD" (para. 53). The court concluded that the transfer by the copyright holder to a customer of a copy of a computer program constitutes a first sale of a copy of a program within the meaning of Article 4(2) of Directive 2009/24, regardless of whether the copy of the computer program was made available in tangible or intangible form.

31) Oracle and the European Commission had argued that the making available of a copy of a computer program on the copyright holder's website constitutes a "making available to the public" within the meaning of Article 3(1) of Directive 2001/29, which, in accordance with Article 3(3) of that Directive, cannot give rise to exhaustion of the right of distribution of the copy (see 11) above). The court, however, rejected this argument and stated that according to Article 1(2)(a) of Directive 2001/29, this Directive leaves intact and in no way affects Directive 2009/24 (para. 51). Article 4(2) of Directive 2009/24 on the legal protection of computer programs thus constitutes a *lex specialis* in relation to Article 3 of Directive 2001/29.

32) In the result, the CJEU held that the copyright in a software copy for further distribution would be exhausted under the following requirements (paras 55 et seq.):

- The copyright holder has authorised the downloading of the copy onto a data carrier; and
- The grant of rights includes the right to use that copy for an unlimited period; and
- The copyright holder has received payment intended to correspond to the economic value of the copy of the program.

33) Exhaustion also relates to updates after the initial download (paras 66 et seq.). But the (re-)seller of the software copy must make his/her own copy unusable at the time of the resale. Otherwise, this would constitute an infringement of the reproduction

right (para 70).

34) Due to this holding of the CJEU, it is unclear in the EU whether on-line exhaustion only occurs with respect to computer programs or whether it also applies with regard to other works such as films, music, games or e-books (see para 60). In its "Public Consultation on the review of the EU copyright rules", published in December 2013, the European Commission asks the question of whether the principle of exhaustion can be applied in case of an act of transmission equivalent in its effect to distribution ("i.e. where the buyer acquires the property of a copy"). This is said to raise "difficult questions", in particular, how to avoid resellers from keeping their own copy (forward and delete question) and with regard to the economic implications of the creation of a second-hand market of copies of perfect quality that never deteriorate (see p. 16). The European Commission then asks some questions:

- 13. Have you faced restrictions when trying to resell digital files that you have purchased (e.g. mp3 file, e-book)?
- 14. What would be the consequences of providing a legal framework enabling the resale of previously purchased digital content? Please specify per market (type of content) concerned.

35) On the other hand, in Switzerland, the prevailing view is that on-line exhaustion applies with regard to all copyrightable works and not only computer programs.

### **United States**

36) In the US, as regards online distribution of copyrighted works, it is considered to be a service and electronically delivered work is licenced since it is not incorporated into a product such as a CD, DVD or USB (see *Capitol Records LLC v. ReDigi*, US District Court for the Southern District of New York, 06.02.2012, No. 12-civ-95, S.D.N.Y. 2013). In this situation it is clear that the first sale doctrine does not apply for works downloaded from the Internet. However, in the US also copyright-protected works that are supplied on a tangible medium (CDs etc.) have been considered in case law to be licenced and not sold. If a work is licenced, the first sale doctrine, which makes it legal to resell, lend or give away the work, is not applicable. This principle has been established in recent years by a number of cases, primarily by the Court of Appeals for

the Ninth Circuit.

37) In *ReDigi* the court held that the unauthorized transfer of a digital music file over the Internet constitutes reproduction within the meaning of the Copyright Act, regardless of whether only one or multiple copies of the file exist before and after the transfer. According to the court, "(i)t is beside the point that the original phonorecord no longer exists. It matters only that a new phonorecord has been created".

38) In addition, the court also held that the first sale doctrine does not protect ReDigi's distribution of Capitol's copyrightable works because, as an unlawful reproduction, a digital music file sold on ReDigi is not "lawfully made under this title" (see 14) above).

39) With respect to policy arguments, the court cited the United States Copyright Office' statement as follows:

[P]hysical copies of works degrade with time and use, making used copies less desirable than new ones. Digital information does not degrade, and can be reproduced perfectly on a recipient's computer. The "used" copy is just as desirable as (in fact, is indistinguishable from) a new copy of the same work. Time, space, effort and cost no longer act as barriers to the movement of copies, since digital copies can be transmitted nearly instantaneously anywhere in the world with minimal effort and negligible cost. The need to transport physical copies of works, which acts as a natural brake on the effect of re-sales on the copyright owner's market, no longer exists in the realm of digital transmissions. The ability of such "used" copies to compete for market share with new copies is thus far greater in the digital world. (USCO, Library of Cong., DMCA Section 104 Report (2001) at 82-83 (footnotes omitted)).

40) In another case, *Vernor v. Autodesk*, 621 F. 3d 1102 (2010), the Federal Court of Appeals for the Ninth Circuit held that a user is a licensee rather than an owner of a copy of a software program where the copyright owner (1) specifies that the user is granted a licence; (2) significantly restricts the user's ability to transfer the software; and (3) imposes notable use restrictions. Applying that test to the facts of the case, the court concluded that Vernor was a licensee rather than an owner of Autodesk's software and therefore was not entitled to resell the used programs in violation of the restriction against transfer in the licence.

## **Opposing movements**

41) On the other hand, consumer protection groups, for example, in the USA, have been lobbying for a long time to establish exhaustion of downloaded copies. Slogans like "You bought it, you own it", for example, by the US Electronic Frontier Foundation (EFF) summaries their standpoint.

## **Exhaustion of copyright in case of recycling or repair of goods (specific issue 3)**

42) With regard to patents, paragraph 3 of the Resolution Q205 states as follows:

- i) Repair of a patented product, including maintenance work and minor interventions, should not constitute infringement. If patent rights in such product are exhausted before repair they are exhausted after repair.
- ii) Reconstruction of a patented product, which involves changing or reproducing an essential component of such product should constitute infringement. The principle of exhaustion does not apply to such reconstructed product.
- iii) Recycling of a patented product (where this involves acts whereby products that have served the use for which they were conceived are reused without being reduced to their constituent ingredients) should be addressed within the context of whether such recycling constitutes repair or reconstruction of such product.

43) Paragraph 4 of the Resolution Q205 states that "for designs, the same principles should apply as are set out above for patents."

44) In the case of copyrights, the right of adaptation, the right of arrangement and other alteration rights as well as the right of reproduction exist under Articles 9 and 12 of the Berne Convention.

45) In addition, under Article 6bis, Paragraph 1 of the Berne Convention, independently of the author's economic rights, and even in case of transfer of said rights, the author shall have the right to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, said work, which would be prejudicial to his honor or reputation (the "right to integrity").

46) Thus, AIPPI seeks to explore whether or not the same principles as adopted in paragraph 3 of Resolution Q205 should equally apply to copyrightable works.

## Questions

### I. Current law and practice

The Groups are invited to answer the following questions under their national laws:

#### Right of distribution

- 1) Does the copyright law of your country recognise the right of distribution within the meaning of Article 6, paragraph (1) of WCT? If so, please cite the provisions which set forth the definition of the right of distribution and recognise such right.

#### Exhaustion of copyright-protected works

- 2) Does the copyright law of your country recognise the exhaustion of copyright-protected works after the first sale of the work with the authorisation of the author? Is it recognised by statutory law or case law?
- 3) How does your law treat exhaustion of copyright-protected works? Specifically,
  - a) Does exhaustion of rights occur for all kinds of works or is exhaustion limited to certain kinds of works?
  - b) Which right can be exhausted? Is it (a) the right of distribution, and/or (b) the right of reproduction, and/or (c) the right of lending and/or renting of copies?
  - c) What are the requirements for exhaustion of rights to occur? What activities by rightholders are required for exhaustion to apply? Are licencees/buyers required to take any positive steps for exhaustion to be applicable?
  - d) If the rightholder A distributes lawful copies made by A to people including B, B purchases a copy from A and sells it to C, and thereafter A cancels the sales agreement between A and B because of non-payment of the price by B to A,

may A assert his/her copyright against C? May C rely on exhaustion of A's rights to the work (or the right of distribution)? In this connection, which party (A or C) will keep the right of ownership in the tangible copy?

e) Are there any statutory exceptions to the exhaustion of rights, e.g. transformation of the work by the licensee/buyer prior to re-selling?

f) May the exhaustion of rights be waived contractually?

4) What is the rationale/justification under your law for the exhaustion of rights?

#### **International exhaustion (specific issue 1)**

5) Does your law recognise international exhaustion of copyright? Specifically, if a copyright-protected work stored on a tangible medium (such as CD or DVD) which was lawfully made and distributed outside your jurisdiction is imported into and sold in your jurisdiction, may the holder of the copyright in your jurisdiction assert his/her copyright against such copy?

6) If your law recognises international exhaustion of rights, what is the rationale/justification under your law for such international exhaustion?

#### **On-line exhaustion (specific issue 2)**

7) Does your law recognise on-line exhaustion or exhaustion in the case of downloaded copies of copyrightable works? Under which conditions are which kind of rights in different kinds of copyright-protected works exhausted?

8) Are rights exhausted in a perpetual or non-perpetual licence? Are "re-sellers" of digital copies allowed to further re-sell such digital copies under the circumstances described in *UsedSoft v. Oracle*? Can multi-user-licences be split up and sold separately?

9) Is a distinction made for each kind of copyright-protected work (computer programs, music files, e-books and videos)?

10) If your exhaustion regime for digital works differs from that for analogue works, what is the rationale/justification for such difference?

**Exhaustion of copyright-protected works in case of recycling and repair of goods (specific issue 3)**

11) In the case of recycling or repair of goods which are copyright-protected works, to what extent may one recycle or repair such goods without infringing (1) the right of reproduction, (2) the right of adaptation, the right of arrangement and/or other alteration rights; or (3) the right to integrity?

**II. Policy considerations and proposals for improvements of the current law**

12) How should the law treat exhaustion of rights?

Specifically,

- a) Should exhaustion of rights occur for all kinds of works or should exhaustion be limited to certain kinds of works?
- b) Which right(s) should be exhausted?
- c) What should be the requirements for exhaustion of rights to occur?
- d) Should copyright be exhausted even if the first sale of a copy by which exhaustion occurs is cancelled due to non-payment of the sales price or similar circumstance?

**International exhaustion (specific issue 1)**

13) Should there be international exhaustion of copyrights?

**On-line exhaustion (specific issue 2)**

14) Should there be on-line exhaustion of downloaded copies? In your view, are downloaded copies fully comparable with copies stored on tangible data media?

15) If there should be on-line exhaustion, under which conditions should different kinds of rights be exhausted? Should there be any differences between downloading a work and streaming it? Should rights be exhausted in a perpetual or non-perpetual licence? Should "re-sellers" of digital copies be allowed to further re-sell such digital copies? Should multi-user-licences be split up and sold separately?

16) Should a distinction be made for each type of copyright-protected work (e.g. computer programs, music, books and films)?

**Exhaustion of copyright-protected works in case of recycling or repair of goods (specific issue 3)**

17) To what extent should one be able to recycle or repair goods which are copyrightable works without infringing (1) the right of reproduction, (2) the right of adaptation, arrangement and other alteration rights; and (3) the right to integrity?

**III. Proposals for harmonisation**

18) Should exhaustion of rights as set forth in Question 12 above generally be harmonised? Please provide your reasons.

19) Should international exhaustion of rights be harmonised or not? Please provide your reasons.

20) Should on-line exhaustion of rights be harmonised? Please provide your reasons.

21) Should exhaustion of rights in case of recycling and repair of goods be harmonised? Please provide your reasons.

With regard to Questions 18 through 21, if you note that harmonisation is desirable, we will assume that harmonisation should be as your proposals for improvements of the current law as described in your answers to Questions 12 through 17. If that is not the case, please explain.



**NOTE:**

It will be helpful and appreciated if the following points could be taken into consideration when editing the Group Report:

- kindly follow the order of the questions and use the questions and numbers for each answer
- if possible type your answers in a different colour
- please send in a word document
- in case images need to be included high resolution is required for good quality printing.