



International Experiences in Respect of Civil Remedies in IPR Litigation

**International Academic and Practical
Conference on Current Issues Concerning
Case Law in the Field of Industrial Property**

**Moscow,
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Eun-Joo MIN, Building Respect for IP Division

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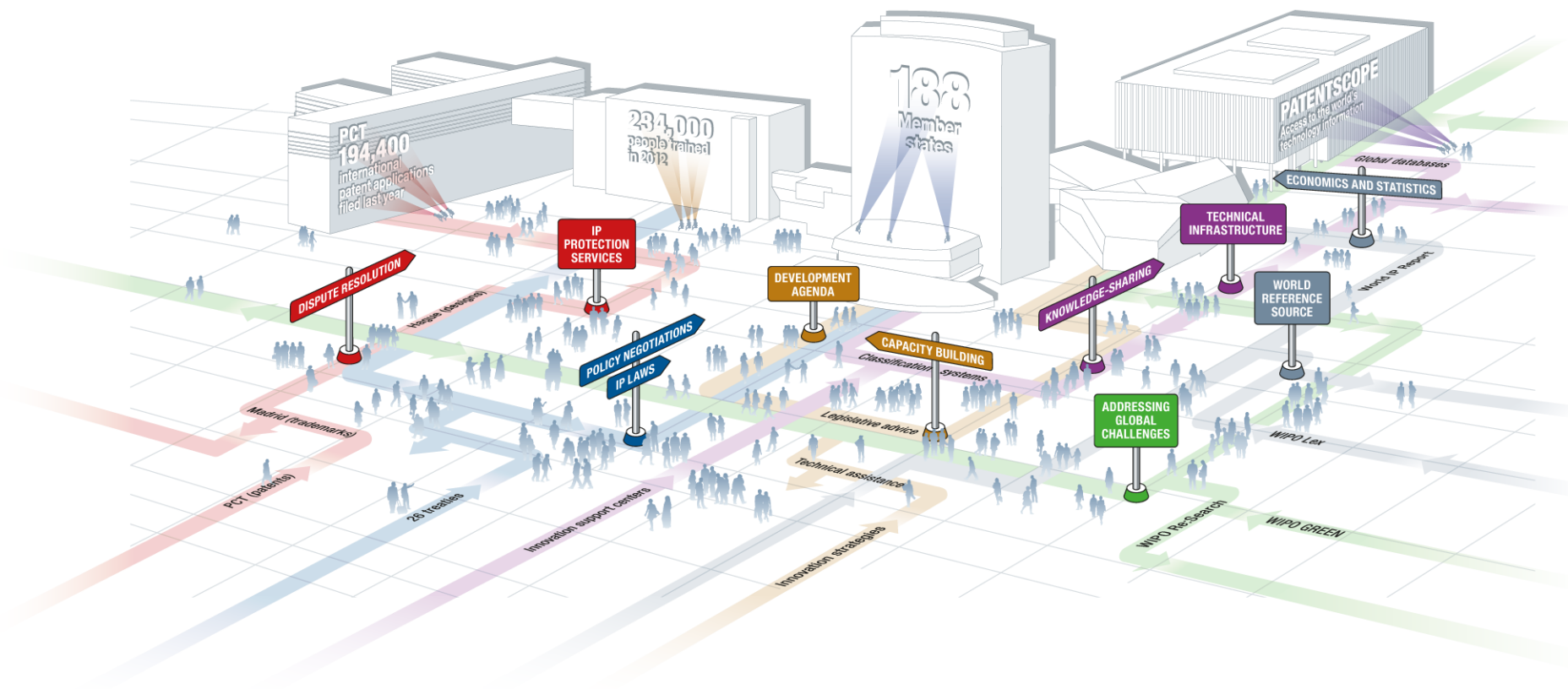
services

infrastructure

development

solutions

and information



WIPO - IP Enforcement

■ Legal Framework:

- WIPO Treaties
- WTO Agreement on Trade-Related Aspects of Intellectual Property Rights

■ Policy Framework:

- WIPO Strategic Goal VI – International Cooperation on Building Respect for IP
- WIPO Development Agenda Recommendation 45

Enforcement of IPRs at International Level

- **TRIPS, Part III (*Enforcement of IPRs*):** Sole comprehensive set of enforcement provisions at multilateral level
 - General obligations
 - Civil and administrative procedures and remedies
 - Provisional measures
 - Border measures
 - Criminal procedures and penalties
- **Other treaties:**
 - Paris Convention: Art. 9; 10; 10*ter* (see TRIPS, Art. 2)
 - Berne Convention: Art. 13; 15; 16 (see TRIPS, Art. 2)
 - WCT: Art. 11; 12; 14 – WPPT: Art. 18; 19

Enforcement of IPRs at International Level

■ Other:

- Plurilateral (ACTA, FTAs), bilateral (FTAs)
- Regional (OAPI, EU)
- Soft law; voluntary mechanisms

World Trade Organization (WTO)

Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)

■ Part III: Enforcement of Intellectual Property Rights

- General Obligations
- Civil and Administrative Procedures and Remedies
- Provisional Measures
- Special Requirements related to Border Measures
- Criminal Procedures

Objectives of TRIPS Part III

Enforcement of Intellectual Property Rights

- Balance of Interests
- Make available effective tools to guarantee application of substantive rules, including:
 - Expeditious remedies to prevent infringements
 - Remedies constituting a deterrent to further infringements
- Protect against abuse: built-in safeguards (Art 41.1; Art. 48)
- Avoid new barriers to legitimate trade (Art. 41.1)
- Preserve balance between different interests (Art 41)
 - Minimum standards of protection and flexibilities
 - Ensuring effective action, including expeditious remedies to prevent infringements
- Ensuring fair and equitable procedures: right of defendants (Art. 42; Art 50.4-7, etc.)
- Decisions on the merits of a case; Opportunity for review by judicial authority

TRIPS Part III - Principles

■ Taking into account of:

- different legal systems (common/civil law)
- WTO Members' resource constraints:
 - no obligation to establish distinct judicial system to enforce IPRs
 - TRIPS enforcement rules are not to affect Members' capacity to ensure law enforcement in general
 - no obligation relating to distribution of resources for enforcement of IPRs and law in general

■ Recognition of judicial discretion

■ Different types of provisions: mandatory and optional

Mandatory Provisions: All Types of IP Infringements

- Civil and administrative procedures/remedies
(Part III, Section 2, Art 42-49)
 - Fair and equitable procedures
 - Evidence
 - Remedies: injunctions, damages, other
 - Right of information
 - Indemnification of the defendant
 - Administrative procedures
- Prompt and effective provisional measures
(Part III, Section 3, Art 50)

Fair and Equitable Procedures (Art 42)

■ Members **shall** make available to right holders civil judicial procedures [...]:

- Right to timely and detailed written notices to defendants
- Right to representation
- Personal appearances not overly burdensome
- Right of parties to substantiate their claims and to present all relevant evidence
- Protection of confidential information

Evidence (Art 43)

- Judicial authorities **shall** have the authority to order relevant evidence be produced by the opposing party
 - Where reasonably available evidence presented, and specified evidence in control of the opposing party
 - Subject to conditions for protection of confidential information.

- Judicial authorities **may be accorded** the authority to make preliminary and final determinations on the basis of the information presented to them
 - In cases where a party uncooperative
 - Subject to providing the parties an opportunity to be heard on the allegations or evidence

Right of Information (Art 47)

- Judicial authorities may be accorded the authority to order the infringer to inform the right holder of:
 - (1) the identity of third persons involved in the production and distribution of the infringing goods or services; and
 - (2) their channels of distribution
- Subject to this not being out of proportion to the seriousness of the infringement

Right of Information

- Orders for identification of infringers

■ *Norwich Pharmacal Co v Customs & Excise Comm'rs* (1974) A.C. 133

- "... if through no fault of his own a person gets mixed up in the tortious acts of others so as to facilitate their wrong-doing he may incur no personal liability but he comes under a duty to assist the person who has been wronged by giving him full information and disclosing the identity of the wrongdoers."


■ *Rugby Football Union v Viagogo Ltd* (2012) UKSC 55

- Multi-factorial decision balancing property rights of copyright owner against privacy of alleged infringer and others
- See also case C-275/06 *Promusicae*

Civil Remedies: Injunctions (Art 44)

- Judicial authorities shall have the authority to order injunctions, i.e., to desist from infringements, including to prevent imported infringing goods from entering domestic channels of commerce
 - Optional where a person acted in good faith
 - Remedies may be limited to payment of remuneration when for government use (Art. 31(h)).
 - Where remedies are inconsistent with a Member's law, declaratory judgments and adequate compensation shall be available

eBay Inc. v. MercExchange, L.L.C., 547 U.S. 388 (2006)


 US005845265A

United States Patent [19] Patent Number: **5,845,265**
Woolston [45] Date of Patent: **Dec. 1, 1998**

[54] **CONSIGNMENT NODES**
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 [73] Assignee: **MercExchange, L.L.C.**, Alexandria, Va.
 [21] Appl. No.: **554,704**
 [22] Filed: **Nov. 7, 1995**

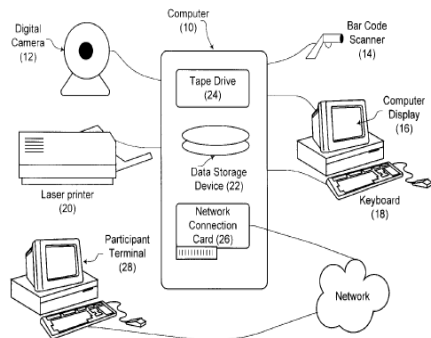
Related U.S. Application Data
 [63] Continuation-in-part of Ser. No. 427,820, Apr. 26, 1995.
 [51] Int. Cl.⁶ **G06F 17/00**
 [52] U.S. Cl. **705/37, 705/27**
 [58] Field of Search **395/226, 237, 395/227, 235, 236, 239, 235/383, 381, 705/26, 27, 35, 36, 37, 39**

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ABSTRACT
 A method and apparatus for creating a computerized market for used and collectible goods by use of a plurality of low cost posting terminals and a market maker computer in a legal framework that establishes a bailor relationship and consignment contract with a purchaser of a good at the market maker computer that allows the purchaser to change the price of the good once the purchaser has purchased the good thereby to allow the purchaser to speculate on the price of collectibles in an electronic market for used goods while assuring the safe and trusted physical possession of a good with a vetted bailor.

29 Claims, 13 Drawing Sheets



“That test requires a plaintiff to demonstrate:

- (1) that it has suffered an irreparable injury;
- (2) that remedies available at law are inadequate to compensate for that injury;
- (3) that considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and
- (4) that the public interest would not be disserved by a permanent injunction.”

Blocking Injunctions - ISP

- CJEU Case C-324/09 L'Oréal SA v eBay International AG
- CJEU Case C-314/12 UPC Telekabel Wien
- Cartier and Others v BskyB and Others [2014] EWHC 3354 (Ch) (17 October 2014)

Civil Remedies: Damages (Art 45)

- **Shall**(...) to pay RH damages adequate to compensate for the injury the right holder has suffered (...) by an infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity [**bad-faith infringer**]
- Shall (...) to pay RH expenses, which may include appropriate attorney's fees
- **May** (...) to order recovery of profits and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity [**good-faith infringer**]

How to assess damages?

(EU IP Enforcement Directive 2004/48, Art 13)

- **[Bad-faith infringer]** Judicial authorities shall take into account all appropriate aspects, such as negative economic consequences, including:
 - Lost profits; profits made by the infringer; moral prejudice; or
 - As an alternative, at the least the amount of royalties (license analogy)
- **[Good-faith infringer]** Recovery of profits or payment of damages, which may be pre-established

Civil Remedies: Other Remedies (Art 46)

Disposal – Destruction

- “The judicial authorities shall have the authority to order that goods that they have found to be infringing be, without any compensation of any sort, disposed of outside the channels of commerce in such a manner as to avoid any harm caused to the right holder, or, unless this would be contrary to existing constitutional requirements, destroyed.”
- “The judicial authorities shall also have the authority to order that materials and implements the **predominant use** of which has been in the creation of the infringing goods be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to minimize the risks of further infringements.”

Provisional Measures (Art 50)

- Order prompt and effective provisional measures:
 - (a) to prevent an infringement of IPR from occurring
 - (b) to preserve relevant evidence

- Adopt provisional measures *inaudita altera parte* where appropriate, in particular where any delay is likely to cause irreparable harm to the RH, or where there is a demonstrable risk of evidence being destroyed.

Preservation of Evidence: Search and Seizure Orders

- “Anton Piller” orders
- *Ex parte* order to permit search for evidence as to the existence of the IP infringement, its scope or origin
- Requirements:
 - Extremely strong *prima facie* case
 - Risk of very serious damage
 - Clear evidence of infringing material
 - Proportionate
 - Interests of justice

Civil Remedies: Indemnification of Defendant (Art 48)

- Safeguards against abuse of enforcement procedures
- Judicial authorities **shall** have the authority to order a party ...who has abused enforcement procedures to provide to a party wrongfully enjoined or restrained:
 - adequate compensation for the injury suffered
 - defendant expenses, incl. attorney's expenses

Selected Issues

- Online IP Enforcement

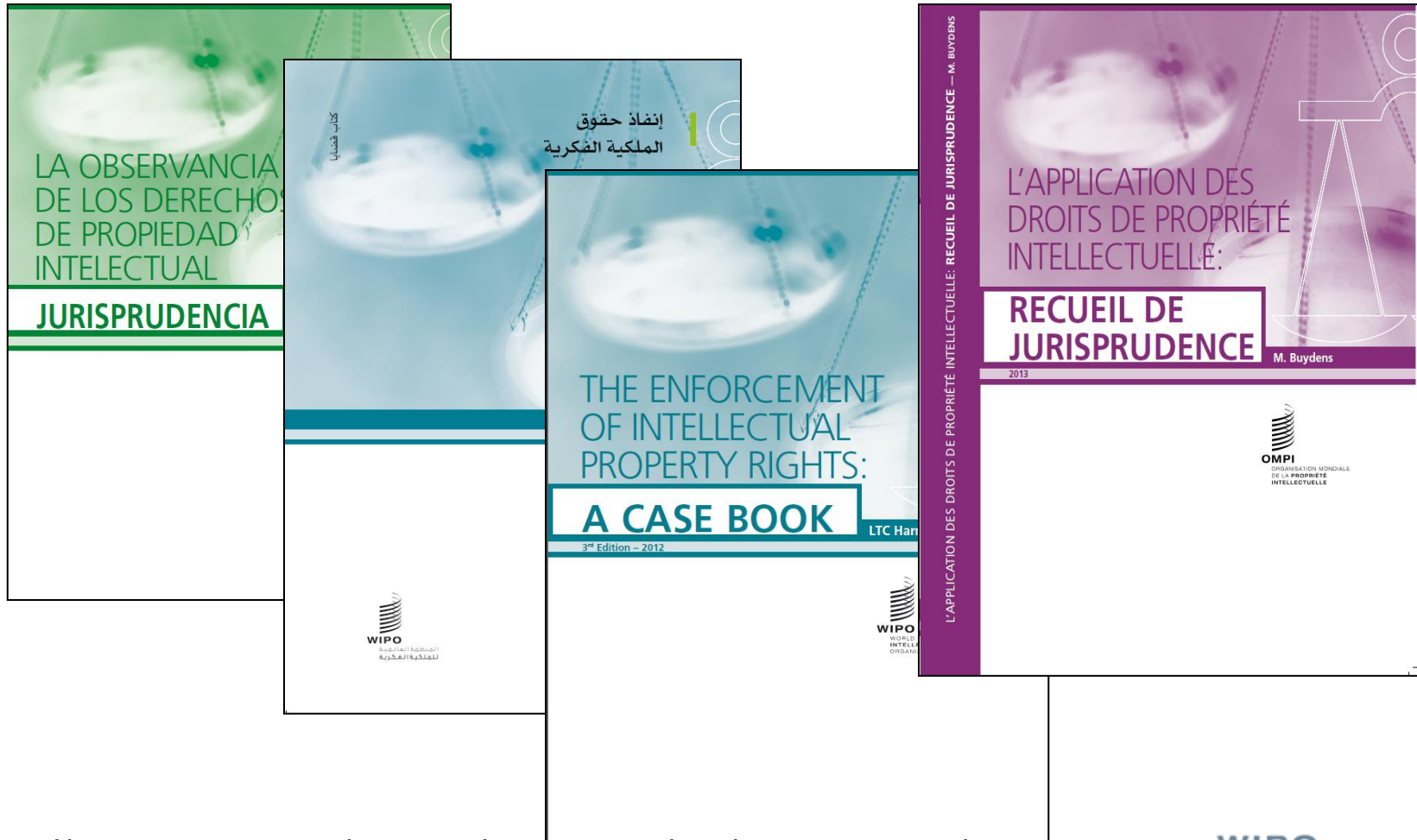
- Graduated response
- Website blocking (Singapore 2014 Amendment to Copyright Act)
- Voluntary mechanisms

- IP and Private International Law

- Specialized Judiciary

- And more...

WIPO Casebook



http://www.wipo.int/edocs/pubdocs/en/intproperty/791/wipo_pub_791.pdf

WIPO - IP Enforcement

WIPO Strategic Goal VI: International Cooperation on Building Respect for IP

WIPO Development Agenda Recommendation 45 – IP Enforcement

“To approach IP in the context of broader societal interests and especially development-oriented concerns keeping in mind that “the protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations”, in accordance with Article 7 of the TRIPS Agreement.”