



Enforcement Provisions – Part III of TRIPS

**National Workshop on IP
Enforcement - Cambodia**

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1. The Various Levels

- Multilateral: TRIPS Agreement.
- Plurilateral → ACTA?
- Bi-lateral → Free Trade Agreements
- Regional: Bangui Agreements (OAPI); EU.

2. The TRIPS Agreement

■ Basic principles:

- National treatment (Art. 3) ;
- Most-Favoured Nation Treatment (Art. 4).

■ Main features:

- Sets out minimum standards of IP protection (Part II) ;
- Requires effective enforcement measures (Part III) ;
- Provides an effective dispute settlement mechanism (Part V) ;
- Transitional arrangements (now for LDC) (Part VI).

3. TRIPS, Part III : IPR Enforcement

Part III = a framework

⇒ Balance of interests (Art. 41):

- *Minimum* standards of protection
- Ensuring effective action, including expeditious remedies to prevent infringements

3. TRIPS, Part III : IPR Enforcement

But also:

- Avoiding the creation of barriers to legitimate trade (Art. 41.1);
- Providing safeguards against the abuse of procedures (Art. 41.1; Art. 48) ;
- Ensuring fair and equitable procedures: rights of defendants (Art. 42; Art. 50.4-7; etc.).

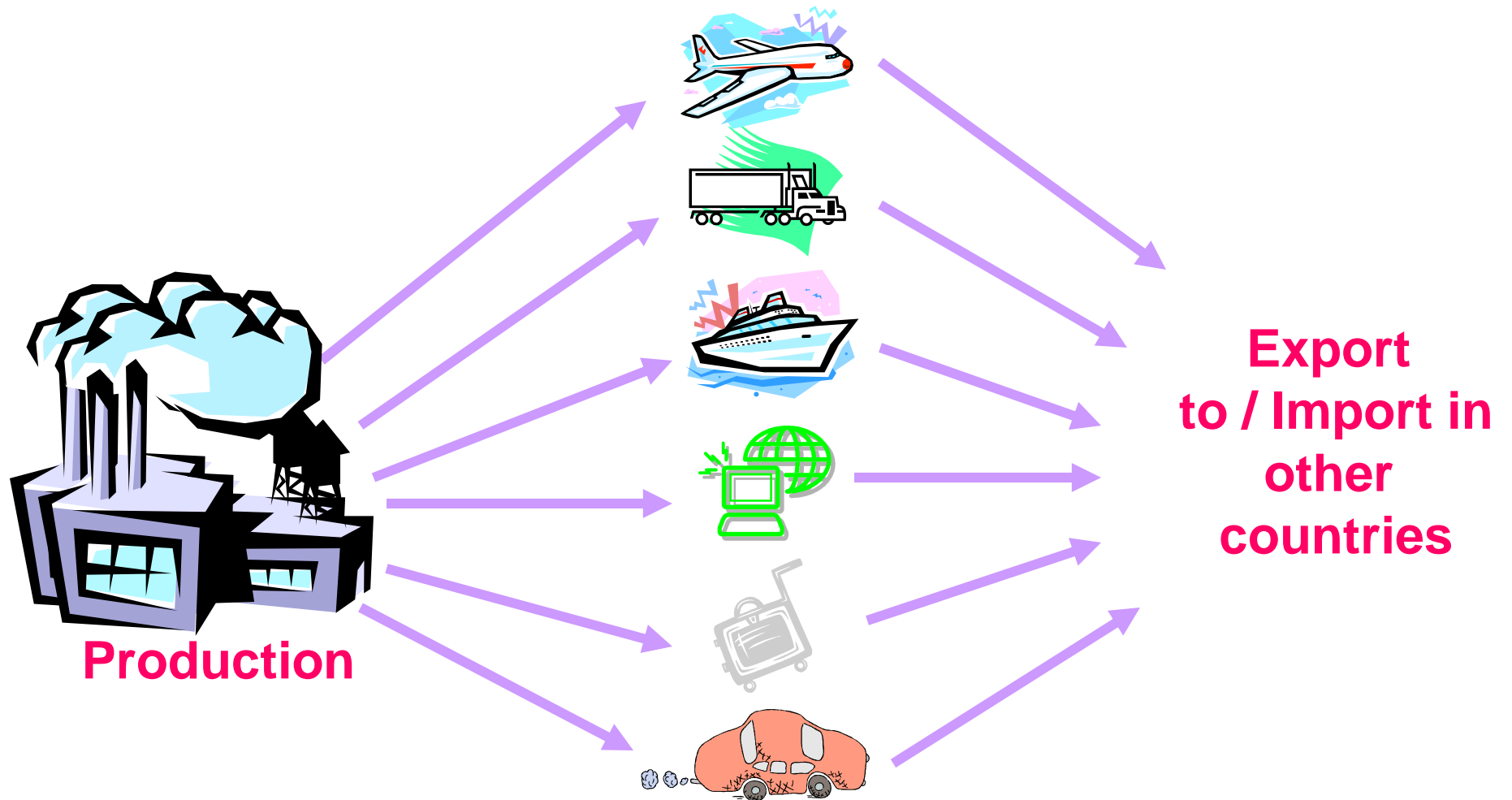
3. TRIPS, Part III : IPR Enforcement

- Structure: various sets of measures according to the nature of the infringement:
 - The infringement of any IPR whatsoever within the scope of TRIPS: civil & administrative procedures and remedies, including provisional measures (Art. 42-50).
 - + other measures for, at least, counterfeiting of trademarks & piracy of copyrighted good : border measures (Art. 51-60) + criminal sanctions (Art. 61).

3. TRIPS, Part III : IPR Enforcement

- No obligation for Member States to put in place a specific judicial system or allocate special funds for IP enforcement (Art. 41.5).

Means of conveyance



3.1. Border Measures (Art. 51-60)

Art. 51

- Subject: Suspension of release of alleged infringing goods.
- Only against the importation of goods suspected to be infringing trademarks (counterfeit goods) or copyrights (pirated goods)...
- ... but Member States may go further :
 - ✓ goods involving infringement of other IPRs
 - ✓ goods to be exported.

3.1. Border Measures (Art. 51-60)

- How does it work?
 - Application to Customs Authorities by the right holder providing sufficient evidence of a *prima facie* infringement in the country of importation (Art. 52) ;
 - Customs Authorities (CA) decide to accept the application or not, and inform the applicant accordingly (Art. 52) ;
 - CA may require a security or equivalent assurance to the applicant : protection against abuse of right (Art. 53.1) ;

3.1. Border Measures (Art. 51-60)

- Effective suspension of release of goods => notification to the applicant AND the importer (Art. 54);
- Effective suspension of release of goods = for a determined period of time: 10 working days (+ add. 10 working days) within which period the applicant must have initiated a procedure on the merits OR provisional measures must have been taken by the judicial authorities (Art. 55) ;
- If not => release of the goods.

3.1. Border Measures (Art. 51-60)

- If a procedure on the merits is started in due time => right of review of the suspension belongs to the importer (Art. 55) ;
- Right of inspection (to substantiate his/her claim) and information for the right holder by authorisation given by the competent authorities (Art. 57) // Provisional measures to get evidence ;
- Indemnification of the importer, the owner and the consignee of the goods for injury caused by wrongful detention of goods (Art. 56).

3.1. Border Measures (Art. 51-60)

■ Specificities:

- *Ex Officio* Action by CA, without application from the right holder (Art. 58)
 - > exemption of liability of public authorities and officials where actions are taken or intended in good faith.
- *De Minimis* Imports (Art. 60).

3.2. Provisional Measures (Art. 50)

- Competence of the Judicial Authorities, but possibility of same measures by administrative authorities under same conditions (Art. 50.8) ;

- Two purposes:
 - preventing an infringement of any IPR to occur (incl. entry into the channels of commerce) ;
 - preserving relevant evidence.

- *Prima facie* case + security (Art. 50.3) // avoiding abuse.

3.2. Provisional Measures (Art. 50)

- Unilateral procedure if need be // effectiveness of gathering evidence (Art. 50.2)...
- ... but right of review in a contradictory procedure for the defendant after the execution of the measures (Art. 50.4).
- Applicant bears the risk of having to provide the defendant with appropriate compensation (Art. 50.7).

3.3. Civil procedure on the merits (Art. 42-48)

- Civil judicial procedures (Art. 42), but possibility of same measures by administrative authorities under same conditions (Art. 49) ;
- Fair and Equitable Procedures (Art. 42):
 - 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.

3.3. Civil procedure on the merits

■ Evidence (Art. 42)

- Judicial authorities may order that relevant evidence be produced by opposing party under specific conditions (Art. 43.1) ;
- Judicial authorities can make preliminary and final determinations on the basis of the information presented to them without being stopped by the absence of co-operation of one of the parties (Art. 43.2).

3.3. Civil procedure on the merits

■ Injunctions (Art. 44)

- Judicial Authorities shall have the authority to order a party to desist from an infringement, i.a. to prevent the commercialization of imported infringing goods;
→ exception allowed for goods acquired in good faith.

3.3. Civil procedure on the merits

■ Damages (Art. 45)

- Adequate compensation for the injury suffered by the right holder because of the infringer who knew, or should have known, that he was engaged in an infringing activity ;
 - exception: for the “good faith” infringer, judicial authorities may order recovery of profits and/or payment of pre-established damages.

- Judicial expenses, which may include attorney’s fees.

3.3. Civil procedure on the merits

- Other remedies (Art. 46)

- Judicial Authorities shall have the authority to order:

- that infringing goods be disposed of outside the channels of commerce or – unless against the constitutional principles -destroyed, without any compensation ;

- that materials and implements the predominant use of which has been in the creation of the infringing goods be disposed of outside the channels of commerce, without any compensation.

3.3. Civil procedure on the merits

- Right of information (Art. 47):
 - Ordering the infringer to inform the right holder of the identity of third persons involved in the production/distribution of infringing goods + channels of distribution ...
 - ... if not out of proportion to the seriousness of the infringement.
- Indemnification of the Defendant (Art. 48):
 - Adequate compensation in case of abuse (Art. 48.1) ;
 - Exemption from liability of public authorities and officials if remedial measures were taken or intended in good faith (Art. 48.2).

3.4. Criminal Procedures (Art. 61)

- Criminal procedures and penalties mandatory at least in cases of wilful TM counterfeiting or copyright piracy on a commercial scale.
- Remedies should include:
 - Imprisonment and/or monetary fines
 - sufficient to provide a deterrent;
 - consistently with the level of penalties for crimes of a corresponding gravity.
 - In appropriate cases, seizure, forfeiture and destruction of the infringing goods / any materials and implements used for the commission of the offence.

4. Conclusion: And now?

- TRIPS agreement, Part III : a framework.
- “TRIPS Plus”?
- ACTA?

THANK YOU FOR YOUR ATTENTION!



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