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**ISSUES RELATED TO THE ENFORCEMENT OF IP RIGHTS:
NATIONAL EFFORTS TO IMPROVE AWARENESS OF DECISION MAKERS
AND EDUCATION OF CONSUMERS***

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* The views and opinions expressed in this paper are those of the author and not necessarily those of the World Intellectual Property Organization (WIPO) or its Member States.

**ISSUES RELATED TO THE ENFORCEMENT OF IP RIGHTS:
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The effective enforcement of IP rights is a matter of crucial importance and relevance to any given country irrespective of its level of economic development. The 'enforcement efforts' not only enhance the protection of the existing IP rights, but also send positive signals to those concerned such as creators and investors about an environment conducive to creative activity and investment. However, enforcement of IP rights embraces a range of issues and challenges, both in law and implementation of law, from the political will to the awareness of the unsuspecting consumer. They may differ from country to country and time-to-time but remain un-addressed or partially addressed in many places across the globe. This presentation highlights certain efforts of Sri Lanka in the enforcement of IP rights with special reference to the improvement of awareness of decision-makers and education of consumers.

IP System in Sri Lanka

The concept of intellectual property was first introduced to Sri Lanka during the British Colonial period. The British Inventors' Ordinance of 1859 was made applicable to Sri Lanka under which the first Sri Lankan patent was granted on November 22, 1860. The English Law of Trademarks was introduced to Sri Lanka in 1888 under the Ordinance No. 14 of 1888. The Design Ordinance (Chapter 153) which provided for the registration of industrial designs was introduced in 1904. The first copyright law was enacted in 1908. These laws were updated over time by several statutes passed from time to time.

The Code of Intellectual Property Act No. 52 of 1979 marks a turning point in the evolution of the intellectual property system in Sri Lanka. Based on the 'model laws' prepared by the World Intellectual Property Organization (WIPO), the Code was intended to improve a development friendly environment in the country. It enacted the law relating to copyright, industrial designs, patents, marks and unfair competition. It also repealed *in toto* all the existing statutes on intellectual property in Sri Lanka

The Intellectual Property Act No. 36 of 2003 replaced the Code of Intellectual Property Act No 52 of 1979. The rationale underlying its introduction has been spelt out in Parliament during the debate on the bill as the promotion of the national creativity, the protection of the creative efforts, the enhancement of possibility of the integration of the national economy into the knowledge driven global scenario, the attraction of more investment and the protection of consumer interests. The Act covers a variety of intellectual property rights including copyright, related rights, folklore, industrial designs, marks, patents, unfair competition, undisclosed information, geographical indications and lay-out designs of integrated circuits and provides for their management and enforcement.

It is relevant to note that Sri Lanka is a party to the following international instruments on intellectual property: the Paris Convention for the Protection of Industrial Property (since 1952), the Madrid Agreement for the Repression of False or Deceptive Indication of Source on goods (since 1952), the Nairobi Treaty for the Protection of Olympic Symbol (since 1984), the Patent Cooperation Treaty (since 1982), the Berne Convention for the Protection of Literary and Artistic Works (since 1959), the Universal Copyright Convention (since 1983), the Convention establishing the World Intellectual Property Organization (since 1978) and the

Agreement on Trade Related Aspects of Intellectual Property Rights (since 1995) and the Trademarks Law Treaty (since 1996).

Enforcement mechanism in general.

The IP enforcement mechanism in Sri Lanka comprises four components, which are briefly referred to below.

(i) **Civil litigation**

The infringement or threatened infringement of any IP right results in civil litigation, if the owner of the right so desires. The court may grant an injunction – both temporary and permanent - restraining the infringer from commencing or continuing with the act complained of and award damages, actual or statutory, and such other just and equitable relief. The court is also competent to make a variety of orders dealing with various aspects of enforcement of IP rights such as disposal of the infringing goods outside the channels of commerce or destruction of such goods without compensation, disclosure of the identity of the persons involved in the production and distribution of such goods and channels of their distribution and preservation of relevant evidence.

There is a special court, known as the Commercial High Court, established with the first instance jurisdiction in respect of civil litigation involving IP rights. It was established in order to introduce an efficient, cost-effective and time saving mechanism for IP litigation. The appellate procedure has been simplified allowing the aggrieved party to make an appeal against the decision of the Commercial High Court directly to the Supreme Court – the highest appellate court of the country. Otherwise, such a party has to prefer the appeal first to the Court of Appeal and then to the Supreme Court.

(ii) **Criminal sanctions**

The infringement of any of the IP rights is an offence that generally carries the punishment of fine or imprisonment or both. The punishment can be doubled on the second or subsequent conviction. The police or the owner of the rights can carry out the prosecution.

(iii) **Customs control**

The importation as well as the exportation of goods in violation of IP rights is prohibited under the customs law. The Sri Lanka Customs have the power to deal with such goods accordingly.

(iv) **Dispute Resolution**

An owner of copyright or related rights, aggrieved by any of his rights being infringed or in any other manner affected can seek the intervention of the Director-General of Intellectual Property to find a solution to the dispute concerned. The parties are expected, with the assistance of the Director-General of Intellectual Property, to negotiate and resolve on their own the matter in dispute.

Moving forward

Even though the incidence of the acts of infringement in Sri Lanka has been comparatively low , there are instances where the infringers were brought to justice under

criminal sanctions or civil litigation. The Supreme Court has given certain landmark judgments such as the decision in *St. Regis Packing (Pvt) Ltd v. Ceylon Paper Sacks Ltd.* (2001 1 Sri LR 36) which makes the infringement of an IP right a continuing act giving rise to a recurrent cause of action.

The new law enacted in 2003 has created increasing enthusiasm among the owners of IP rights as well as in the enforcement agencies. The Police have intensified raids on the places where the suspected infringement activities take place. For example, they recently uncovered a CD manufacturing factory run by certain foreign nationals where the copyright and related rights material were illegally copied. The newspapers reported about a magistrate who warned that an infringer would be charged with contempt of court if he continued with acts of infringement. The judge of the Commercial High Court who hears the civil actions on IP has even published some of his judgments in the form of a book. The Sri Lanka Customs have recently detected and destroyed two consignments of cigarettes imported in violation of protected trademarks. The Intellectual Property Office has already received 7 requests for the resolution of disputes.

Issues

Sri Lanka encounters, like any other developing country, various and diverse issues in the implementation of the provisions of the law relating to enforcement of IP rights, some of which are roughly and broadly summarized as follows: poor awareness on IP and related matters among all the strata of society, lack of training for the officers in the enforcement agencies, inadequate facilities available to the enforcement agencies, high cost of litigation, reluctance of the owners of IP rights to get involved in litigation and disorganized owners of IP rights and consumers.

The poor awareness on IP is still a major issue in Sri Lanka, which needs constructive and pro-active attention. It is not an issue limited only to enforcement of IP rights. It is an issue that spreads through the entire IP regime – nature of IP rights, creation, acquisition and management of IP rights, their relevance and importance in enhancing creativity, investment and economic growth, infringement and enforcement, moral precept that IP, like any other kind of property, should be respected, extent of international obligations and role in consumer protection and so on. In addition, some other concerns, particularly expansion of training activities for relevant sectors such as police, customs, lawyers, senior public servants and graduate students, training the trainers, a judiciary better exposed to IP, young generation with the sense of IP, informed consumers and an environment where IP rights are created and duly respected demand more and more constructive attention.

Efforts

We have made, for the last several years, constant attempts to address those issues through various programs targeting certain specific and selected groups as well as the general public with some discernible outcome. The target groups consist of those such as police, customs, private sector, public sector, practicing lawyers, prosecutors, judges, law students, university and secondary students, scientists, researchers and inventors, SMEs, artists, writers and publishers and retail traders. For example, during the year 2000-2005 we have conducted more than 75 seminars, workshops and similar activities on public outreach and awareness building.

A program is designed to cater to the requirements of the group concerned. However, the need of reaching a wide audience as much as possible always receives attention. Thus, an activity may target a particular group but tries to reach some others as well, whenever,

practically possible. This is to optimize the expected outcome of the activity. Almost every activity contains a component dealing with the role of IP in economic development and poverty alleviation and promotion of national creativity in order to dispel certain remaining misconceptions as to IP and enhance the interest in IP. The people should be initially prepared to understand and accept the importance and relevancy of IP rights and their enforcement. Our efforts relating to certain specific areas are highlighted below.

Awareness of decision makers

One of our prime targets is the introduction of IP and its importance in the development process to the decision makers - both in public and private sectors.

Public Sector

Though we do not have any specific program to reach the politicians for the time being, we expect the senior public servants who get exposed to IP to duly advise their respective political leaders on IP. Thus, we reach senior public servants at policy making level with two objectives – educating them and informing politicians through them. We have 03 strategies employed in this regard.

(a) Reaching the identified senior public servants.

We meet them , explain them and help address the IP issues relating to respective Institution. National Science Foundation (which is developing its own IP policy), Sri Lanka Institute of Development Administration (which recently included an IP component in Master's Degree in Public Administration), Sri Lanka Inventors' Commission (which has started its own IP Programs), Council of Legal Education (which has started teaching IP to law students and practicing lawyers), Industrial Research Institute (which has developed unprecedented interest in protecting IP rights), Post Graduate Institute of University of Moratuwa (which has included an IP component in Master's Degree Course on Technology Transfer), Sri Lanka Police and Sri Lanka Customs are some of such Institutions. We are developing contacts with Ministry of Indigenous Medicine, Ministry of Media and Mass Communication, Sri Lanka Book Development Board, National Library Board, Sri Lanka Tea Board and Sri Lanka Export Development Board.

(b) Giving the exposure.

The senior public sector officials are invited to various IP related meetings, workshops and seminars, organized in Sri Lanka in order to expose them to IP. Whenever we receive opportunities for similar programs abroad, all the attempts are made to ensure the participation of the most appropriate officer.

(c) Teaching IP to Senior Public Servants.

Sri Lanka Institute of Development Administration is the main training institute in Sri Lanka, which trains public servants at all levels. They have the status of a University and have affiliation with reputed Foreign Universities such as Birmingham University and North Illinois University. A course leading to the degree of master in Public Administration designed for senior public servants contains a module on IP and development. They study IP including the enforcement of IP and importance of IP in the development process. Back in their respective Institutions, they are expected to disseminate the newly acquired knowledge

to their colleagues and to contribute to the development of IP strategies in and for the Institution.

Private Sector

The decision makers in the private sector are approached under different programs five of which are mentioned below.

(a). Involvement of Chambers of Commerce.

The Ceylon Chamber of Commerce has been one of our long-standing partners in IP related matters. They have served as a collaborating agency in the organization of various IP related activities on Trademarks, E-commerce and IP issues, SMEs and IP and enforcement of IP rights. They conducted the WIPO sponsored study on SMEs and IP in 2001 and played a pivotal role in carrying the message of IP to SMEs.

(b). Involvement of individual Business Associations.

There are various Business Associations in Sri Lanka catering to the particular trade or industry. Sri Lanka Motor Traders' Association, Sri Lanka Book Publishers' Association and Sri Lanka Cassette Producers' Association are three of such organizations to which the message of IP has been conveyed. Sri Lanka Cassette Producers' Association has taken several measures to counter music piracy. Sri Lanka Book Publishers' Association has recently assisted us to organize a WIPO sponsored Round Table for SAARC countries in Colombo on publishing industry, copyright and access to knowledge. The IP Advisory Commission of the Ministry of Trade, Commerce and Consumer Affairs consists of a member of Sri Lanka CD Traders' Association.

(c) Committee on Enforcement

In the year 2003, the Ministry of Trade and Commerce established a Ministerial Committee on enforcement headed by the Director-General of Intellectual Property, which functioned in the years 2003 and 2004. It consisted of the representatives from the IP Office, Police, Customs, Consumer Affairs Authority, Public Prosecutors, Chambers of Commerce and Industries and certain Embassies in Colombo. The committee had the mandate of planning and executing the measures necessary to counter the infringement of IP rights. It carried out several successful activities in (i) promoting awareness among many groups including business leaders, (ii) coordinating between Intellectual Property Office, Consumer Affairs Authority, Customs, Police, Public Prosecutors, private sector and owners of rights for better enforcement and (iii) training the Police and Customs officers.

(d). Direct participation by business leaders.

The participation of the business leaders is solicited in appropriate national and international events on IP. A senior businessman is, for instance, always invited to participate in the SAARC IP Forum.

(e). Continued dialogue

The Intellectual Property Office maintains a continued dialogue with private sector on creation, management and enforcement of IP rights. The participation of the representatives

from the agencies such as Police, Customs, Attorney General's Department and Consumer Affairs Authority in this process is always encouraged.

Approaching the consumers

Most of our programs are based on the notion "everyone is a consumer". Thus, many of the activities on public out reach and education highlight, as far as possible, the role of IP as a means of consumer protection. Many social groups are interested in "the consumer protection". The mixture of 'IP and consumer protection' produces another way of reaching not only the consumers but also those involved in safeguarding the consumer interests. A few activities in this area need reference.

Public out reach

Our public outreach activities always carry a component on consumer protection. For example, a TV program or Radio program may deal with a particular subject, but it tells the consumers to be mindful of the fact that pirated items will not give them the value of their money. They are requested not to buy pirated items so that creativity and industry can prosper. We sometimes publish newspaper supplements or advertisements for educating the general public including the consumers on the importance of the protection and enforcement of IP rights.

Press conferences

Certain companies that are the victims of infringement of IP rights have, with the participation of the IP Office, conducted press conferences to educate the consumers on purchasing the genuine products. They are encouraged to discourage the infringement of IP rights by purchasing only the genuine products.

Coordination

The Ministerial Committee on Enforcement enjoyed the active participation of the Consumer Affairs Authority in coordinating the enforcement activities. Even at present, the IP Office and the Consumer Affairs Authority maintain a close relationship for mutual benefit. We always encourage, where relevant, those concerned to make complaints to the Consumer Affairs Authority on the infringement of IP rights, particularly the infringement of Trademarks. The Consumer Affairs Authority can detect and prosecute the traders who sell or offer for sale the substandard consumer items or who act contrary to consumer interests.

Exhibition

The Ministry of Trade, Commerce and Consumer Affairs organizes every month in various places in the Island an Exhibition and Fair (known as *Mahapola* Scholarship Fair) in order to disseminate information and knowledge to the students and to collect funds for granting higher education scholarships to those in need. The IP Office participates in the exhibition, whenever possible, to educate the students and the general public on IP by disseminating information.

Some other related activities

There are some other activities, which are designed to reach various and different social groups. These groups generally attract the attention of the decision makers. They also form part of the consumers at large. An activity may target a particular group but convey the message of IP rights and their enforcement to many others. They are briefly referred to below.

IP Rights and Young Generation

We understand the importance of educating the young generation on IP rights. Two broad objectives are envisaged: (a). to encourage them to create IP rights and (b) to instill the sense of respect to IP into their minds. A few activities in this regard have been conducted.

TV Programs

We executed in Sri Lanka WIPO pilot project on public out reach consisting, *inter alia*, a series of two-hour TV programs. Each program dealt with a specific subject with viewer participation by telephone, fax or email and targeted a specific group as well as the general public. The participation of students was always encouraged and visible.

Essay competition

As part of WIPO pilot project on public out reach an essay competition for students of secondary level was organized in all the 3 languages used in Sri Lanka. The response was tremendous. The students as well as the teachers started to look for knowledge and information in IP. It is interesting to note that two first prizes were won by the students from two schools from remote rural areas.

Exhibition

As mentioned earlier, the IP Office participates in the *Mahapola* Scholarship Fair and Exhibition in order to educate the students and the general public on IP by distributing information.

Young Inventors' Clubs

Sri Lanka Inventors' Commission has established more than 1500 young inventors' clubs all over the country consisting of students in order to promote the young inventiveness. The Inventors' Commission conducts on its own or with the cooperation of the IP Office educational programs on IP.

Short Term Courses

The IP Office has undertaken a program to conduct short term courses on IP to various categories of students from different higher education Institutes. For example, the undergraduates from the Chemistry Dept., of the University of Colombo and the students from the Post Graduate Institute of Management of the University of *Jayawardanapura* are benefiting from this program.

Lectures

The IP Office conducts lectures - one hour or two hours each, to various student groups. In 2006, we have already conducted 3 such lectures to Colombo Children Books Association, National Business Incubation Association and Institute of National Diploma in Engineering.

Making the judges ready

The IP Law was not taught in law schools in Sri Lanka until recent past. Thus, certain special measures were required to make the judges prepared to meet the challenges in current and future IP environment.

Judges' Institute.

This is the institute, which trains the junior judges. The IP office has organized with the cooperation of WIPO and in collaboration with the Judges Institute two colloquiums for judges on IP. The two events offered an opportunity to several junior judges to interact with and learn IP law from experts from various countries and WIPO. The Judges' Institute has included one session on IP in their training programs. A senior judge who is experienced in IP law conducts the session.

Training and Broadening Knowledge

The training opportunities to judges abroad are provided with the assistance of the donor agencies such as WIPO and USPTO. Both senior and junior judges receive opportunities to participate in seminars and workshops etc., conducted by the same organizations enabling them to expand their knowledge and experience.

Teaching

The junior judges are encouraged to learn IP law. Sri Lanka Law College has decided to offer annually two scholarships to junior judges to follow its course leading to the Post Attorney Diploma in IP Law for the practicing lawyers.

Direct Involvement

The direct involvement of judges in appropriate IP related activities are encouraged. The judges who hear IP cases are, for example, invited as guest lecturers to deliver lectures to the students in Sri Lanka Law College. This program enables them to share their experience with the students and broaden their perspectives on IP. As mentioned earlier, the current presiding judge of the Commercial High Court published his judgments in the form of a book with the blessings of the Chief Justice. Its launching ceremony provided many judges an opportunity to openly discuss IP related matters.

Activating Police and Customs officers

Capacity building in Police and Customs is a need being addressed for several years. The Human Resource Development has received priority.

Training

Several programs have been conducted to train the police and customs officers. Some of them are in house training programs. Some are designed to cater to both categories, so that both can be trained together, not only to enhance their knowledge but also to develop cooperation and interaction between the two agencies. Whenever a program such as a seminar is organized in Sri Lanka at least one officer from each agency is invited to participate. The specialized training is also conducted. Recently 30 police and customs officers were trained with the assistance of US Embassy in Colombo, on product identification. They also receive training abroad under WIPO sponsored programs.

Training the trainers

Training the trainers in both agencies has received attention. The Police Higher Training Institute has, for example, conducted several programs on IP for the senior officers.

Assistance from Attorney General

The Attorney General's Dept. has appointed a senior officer to look after the matters relating to IP where the State is involved. The Police and Customs officers may always seek the advice of the Attorney General in dealing with the cases involving IP.

Special Units

The IP Office maintains a special unit on enforcement, which can be reached by telephone, fax or email by any interested party. The unit coordinates, where possible and appropriate, between the complainant and police or customs officers concerned. Sri Lanka Police have established a special unit within the Criminal Investigation Department known as 'Commercial Crimes Division'. It is administratively competent to investigate into all commercial crimes including the infringement of IP rights.

Towards the future

It is proposed to implement an intensified program of activities relating to enforcement of IP rights. We have set the goal as 'the strengthened enforcement of IP rights for 2006-2007'. The objective of this goal is the improvement of the existing enforcement atmosphere thereby helping promote creativity and enhance investor confidence. The strategies employed to reach the defined goal are as follows:

- (a) Furthering public awareness and consumer vigilance
- (b) Educating young generation
- (c) Expansion of training the customs officers and police officers
- (d) Promoting coordination between Police, Customs, Attorney General's Dept. IP Office and Consumer Affairs Authority
- (e) Strengthening collective societies
- (f) Broadening teaching IP
- (g) Getting closer to the decision makers

The proposed activities may be summarized as follows :

- (i) Conducting 12 TV programs (one hour live with viewer participation) targeting general public as well as certain specific groups, such as students, small-scale traders, consumers and owners of IP rights in general.
- (ii) Conducting specialized training to police and customs in 3 phases – 50 Police Officers and 50 Customs Officers in separate groups and selected 50 officers (25 from each trained group) in one group.
- (iii) Publication of 5 newspaper supplements with emphasis on enforcement targeting the general public, consumers and students.
- (iv) Re-activating the Ministerial Committee on enforcement to monitor, plan and execute the counter measures against infringement.
- (v) Conducting a lecture series targeting selected groups such as artists, business organizations, professional organizations and the like.
- (vi) Use of the publications of the Consumer Affairs Authority to reach and educate the Consumers
- (vii) Continued participation in '*Mahapola*' Education and Trade Fair to educate students, teachers, consumers, SMEs and general public.
- (viii) Educating the members of young inventors clubs and teachers.
- (ix) Expanding the teaching IP to senior public servants by introducing it as a subject in the course conducted to train the new recruits to Sri Lanka Administrative Service.
- (x) Organization of two-day workshop for senior public and private sector officials on the protection and enforcement of IP rights and economic development.
- (xi) Assisting the collective societies to develop their human resources and infrastructure and to promote awareness building and training activities.
- (xii) Strengthening the current dispute resolution mechanism available in the IP Office by reassessment and reorganization.

Conclusion

We have traveled a long journey slowly but steadily. We still have a long way to go. We want to reach the people as many as possible with the message of protection and enforcement of IP rights. We want to further strengthen the task and will of enforcement agencies, lawyers and judiciary and their functions and performances in the current and emerging environment of IP enforcement. There are many challenges ahead. However, we are determined to overcome the challenges and reach the goal: 'A Society where IP rights are duly respected'.

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