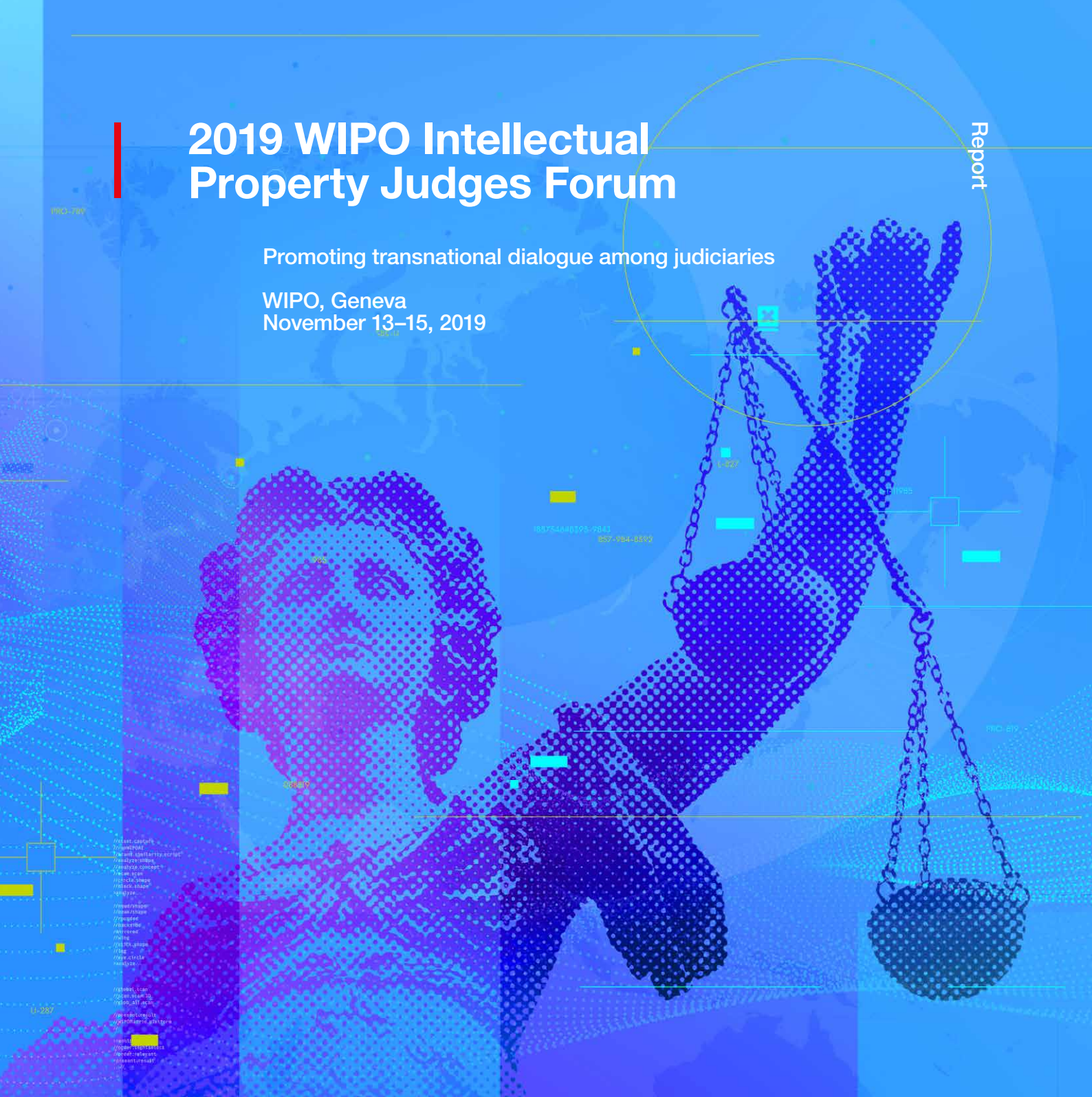


2019 WIPO Intellectual Property Judges Forum

Report

Promoting transnational dialogue among judiciaries

WIPO, Geneva
November 13–15, 2019



About the WIPO Judicial Institute

Established by the World Intellectual Property Organization (WIPO) in 2019, the WIPO Judicial Institute collaborates with other relevant WIPO sectors to support the efficient and effective judicial administration of intellectual property (IP), aligned with the national legal traditions, and economic and social circumstances, of Member States.

Information on WIPO's work relating to judiciaries is available on the WIPO website at www.wipo.int/about-ip/en/judiciaries.

Acknowledgments

WIPO is very fortunate to have been guided in its work by the generous advice of the following 15 distinguished jurists who comprised the WIPO Advisory Board of Judges in 2018-2019:

Annabelle BENNETT, Former Judge, Federal Court of Australia, Sydney, Australia (Chair)

Mohamed Mahmoud AL KAMALI, Director General, Institute of Training and Judicial Studies, Abu Dhabi, United Arab Emirates

Colin BIRSS, Justice, High Court of England and Wales, London, United Kingdom

Edgardo Mateo ETTLIN GUAZZO, Minister of the Court of Appeals, Montevideo, Uruguay

Klaus GRABINSKI, Judge, Federal Court of Justice, Karlsruhe, Germany

Louis T.C. HARMS, Former Deputy President, Supreme Court of Appeal, Bloemfontein, South Africa, and Judge of Appeal, Court of Appeal, Botswana

KI Woojong, Judge, Seoul High Court, Republic of Korea

Marie Françoise MARAIS, Honorary Advisor, Court of Cassation, Paris, France

Maria Rowena MODESTO-SAN PEDRO, Associate Justice, Court of Tax Appeals, Quezon City, Philippines

Max Lambert NDÉMA ELONGUÉ, President, Court of First Instance, Yaoundé Ekounou, Cameroon

Kathleen M. O'MALLEY, Circuit Judge, Court of Appeals for the Federal Circuit, Washington D.C., United States of America

Manmohan SINGH, Former Chairman, Intellectual Property Appellate Board, New Delhi; Former Judge, High Court of Delhi, India

SHIMIZU Misao, Former Chief Judge, Intellectual Property High Court, Tokyo, Japan

TAO Kaiyuan, Justice, Vice President of the Supreme People's Court, Beijing, China

Vesna TODORVIĆ, Judge, Commercial Appellate Court, Belgrade, Serbia

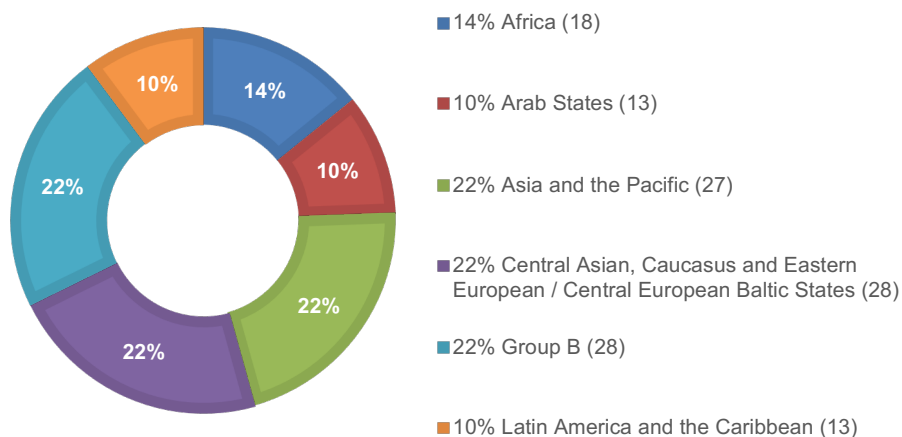
2019 WIPO Intellectual Property Judges Forum

Promoting transnational dialogue among judiciaries

The annual *WIPO Intellectual Property Judges Forum* aims to provide a platform for judges from across the globe to exchange their expertise on the most pressing IP challenges raised by accelerating innovation and the increasingly transnational use of IP.

The 2019 edition of the Forum brought together 127 judges from 74 national and regional jurisdictions to the WIPO headquarters in Geneva, from November 13 to 15, 2019.

Thirty-four judges from 27 countries and two regional jurisdictions participated as moderators or panelists.



Geographical representation of participants in the Forum

The format of the sessions was designed to maximize the substantive interface between the perspectives represented on each panel, and to foster dialogue among all participants, whether during plenary discussions or in continuing conversations on the sidelines of the main program. A number of informal activities also provided further opportunity for networking and exchange, including a social dinner and guided tours at the Palais des Nations, home of the United Nations Office at Geneva, and at the European Organization for Nuclear Research (CERN).

In order to encourage free discussion, the Chatham House Rule was applied. Accordingly, the identity and affiliation of the speakers and participants shall not be revealed in reporting on the discussions. The speakers spoke in their personal capacity, expressing their own opinions and views and not necessarily those of the Secretariat or of the Member States of WIPO.

The Forum was conducted in six languages (English, Arabic, Chinese, French, Russian and Spanish) with simultaneous interpretation.

The program and other materials may be accessed on the Forum webpage at www.wipo.int/judgesforum2019.

The 2020 *WIPO Intellectual Property Judges Forum* will take place at WIPO Headquarters in Geneva, from November 18 to 20, 2020.



Summary Report

Welcome

The *2019 WIPO Intellectual Property Judges Forum* was opened by Mr. Frits Bontekoe, Legal Counsel of WIPO, who expressed WIPO's honor to welcome the participating judges, including a number of judges who had returned since the inaugural Forum in 2018.

Mr. Bontekoe recalled the objectives of the Forum to facilitate transnational judicial dialogue, and conveyed WIPO's hope that, as the global forum for IP, it can play a meaningful role in supporting judges worldwide. All participants were invited to contribute to the discussions.

Mr. Bontekoe reviewed the major developments in the Organization's work with the judiciary in the preceding year, and the encouragingly positive response already received from participating judges on the creation of channels of communication, and the opportunities for learning and exchange of ideas provided by transnational judicial dialogue. He reiterated WIPO's continued commitment to meeting this demand.

In particular, two new initiatives that came to fruition in the past year were highlighted: First, the expansion of the WIPO Lex database to encompass judicial decisions on IP, which has been launched as a pilot and will be made publicly available in 2020. Second, the launch of a new series, the "WIPO Collection of Leading Judgments on Intellectual Property", the first volume of which was released in collaboration with the Supreme People's Court of China.

Mr. Bontekoe thanked the Forum speakers for generously sharing their expertise and emphasized WIPO's appreciation to the WIPO Advisory Board of Judges for their guidance of the Organization's work with judiciaries.

Special Address by the Director General

Mr. Francis Gurry, Director General of WIPO, expressed the Organization's gratitude to the members of the judiciary present for their active support of WIPO's programs in the area of the judicial administration of IP.

The Director General observed two factors in the contemporary global economy that together gave rise to new directions in the area of IP. The first evident trend is the increasingly central role occupied by technology and innovation in economic strategies in all countries, and particularly in the world's largest economies. This factor had in turn emphasized the role of IP, since IP is the means of securing or protecting the competitive advantage that is derived from significant investments into research and development related to technology and innovation. The Director General saw the popularity of IP as giving rise to a number of challenges for the administration of IP, in terms of volume, speed and language. By way of illustration, he recalled that the Organization's latest figures on global IP filing activity showed a volume of filing that is surpassing the human capacity to manage, with some 3.3 million patent applications, 14.3 million trademark applications, and 1.3 million design applications filed in 2018, worldwide.¹ The Director General noted that artificial intelligence (AI) applications are increasingly emerging in response to these challenges. For example,

¹ *World Intellectual Property Indicators Report 2019*, available at <https://www.wipo.int/publications/en/details.jsp?id=4464>.

WIPO's new AI-powered image search technology, launched in 2019, allowed proprietors of marks to monitor the millions of trademark applications across the world, as well as the existing prior art, more quickly and accurately.

Such developments may have implications for the work of judiciaries. For example, judges may in the future be asked to review a greater number of actions involving machines – whether actions taken by machines independently, or by humans with a greater level of input by machines or AI applications. Judges may also be assisted in the adjudication process by the use of AI applications to a larger extent in future.

The Director General also noted that the speed of technological development is putting pressure on the administration of IP. For example, IP owners, whose products and services are accessed via major online trading platforms, are looking to types of IP enforcement that can be quickly asserted, because their principal means for protection against counterfeits is the notice and takedown procedure. In this context, judges may find new kinds of tools and evidence appearing before them in future. The Director General reported that a new WIPO digital time-stamping service would soon be launched as a means of providing digital proof of the existence of data at a certain time.

With regard to policy, the Director General noted that the speed of the digital revolution presents challenges for all actors involved in the development and articulation of IP policy, including parliaments and judiciaries. The IP system, largely a creature of the Industrial Revolution, is undergoing a major transition, giving rise to many questions that will need to be solved gradually. He reported that WIPO's studies had found that approximately 340,000 IP applications relating to AI have been filed since the 1960s, with over 50 percent of those being filed in the past five years. This striking acceleration, driven particularly, but not exclusively, by machine and deep learning, demonstrated that the existing IP system was being used for AI on a widespread basis. The Director General pointed to the growing confluence of important policy perspectives, including security, data integrity, competition, ethics, confidentiality, privacy and personal rights that add new layers to the IP system.

On the topic of the politics of IP, the Director General noted that the year 2019 marked the celebration of 100 years of multilateralism in Geneva. The centenary came at a time of considerable challenge for the multilateral system, which is facing new hurdles. The Director General considered the biggest challenge to be the relationship between technology, policy and politics. Whereas multilateral cooperation in IP had historically been of a technical nature, IP is now at the center of politics and trade tensions. Further, despite having served, historically, as platforms for openness (for example, with WIPO treaties promoting interaction among countries), important signs of closure and protectionism in technology and IP are now visible, resulting in different approaches among jurisdictions.

These developments would affect the judiciary. The Director General suggested three primary implications for judiciaries. First, that the tools relating to the judicial administration of IP will change, whether in terms of the actions that are reviewed by the judiciary, or the tools at the disposal of the judiciary. Second, courts will face new policy challenges that are not able to be dealt with by policymakers sufficiently quickly before their impact is felt. Third, the greater politicization of IP underlines the importance of the independence of the judiciary. These observations highlighted, for the Director General, the vital role played by the judiciary in adjudicating IP disputes according to the rule of law.

Session 1: Emerging Issues in Copyright

The session began by recognizing the enormous economic and cultural importance of copyright, as well as the significance of the challenges to copyright posed by technology in general, and by the internet in particular. Responding to these challenges required finding a balance between the rights of copyright holders and other rights, such as freedom of expression and access to information, including access to the internet itself. Judges were often asked to find that balance.

In the context of online radio broadcasting, for example, the emergence of digital services posed new questions for copyright. Even in jurisdictions where the scope of the obligation of radio stations to pay copyright royalties relevant to the territories in which they broadcast was well established, the emergence of online radio aggregators that allow users to access radio stations from anywhere in the world raised complications that have important implications for the payment of copyright royalties. There were not clear resolutions to these questions, and the answers would require finding a balance between the rights of copyright holders in relation to the music being broadcast, and the freedoms of expression and information.

On the topic of peer-to-peer systems, the session canvassed recent approaches taken by some courts in applying the concepts of “reproduction”, “making available” and “communication to the public” to the functioning of file-sharing platforms, including where content is transmitted by intermediaries, or involves only a fragment of a copyrighted work. The way in which courts have analyzed the liability of operators of peer-to-peer platforms (such as, for example, The Pirate Bay), was explained, by reference to their functions in enabling or contributing to infringing conduct.

The discussion extended this examination to platforms that enable user-generated content (UGC) (which may include copyright protected works) to be shared with vast audiences, such as social media services. After an overview of how the concepts of reproduction, making available, and communication have been applied by some courts to online conduct involving user-generated content, the discussion turned to the potential liability of the UGC platforms for any infringing use of copyrighted works. The considerations taken into account by some courts were described, such as the operational role of the platform in giving access to the infringing content, including commercial benefits (it was noted, for example, that the jurisprudence in some courts has sought to distinguish between “active” and “passive hosting”); whether the platform has knowledge of the infringing conduct by users, and how such knowledge is to be ascertained; and the provisions for notice and takedown systems.

Discussion points

- Defining copyright infringing acts in new technological settings
- Copyright infringement by users of online platforms and intermediary responsibility
- Copyright and the freedom of expression
- Moral rights

Reference judgments

- Oral Criminal and Correctional Court Number 26 of the Federal Capital of Buenos Aires, Argentina [2018]: “*Taringa Case*”, Case No. CCC 16029/2009/TO1/1
- High Court (Chancery Division) of England and Wales [2019]: *Warner Music UK Ltd v Tuneln Inc* [2019] EWHC 2923 (Ch)
- Court of Justice of the European Union [2017]: *Stichting Brein v Ziggo BV and XS4ALL Internet BV*, Case No. C-610/15
- Court of Appeal of Paris, France [2016]: *Association des producteurs de cinéma (APC), Fédération nationale des distributeurs de films (FNDF), Syndicat de l'édition vidéo numérique (SEVN) et a. c/ SA Orange et a.* (“*Allotstreaming*”), Case No. 14/01359
- Supreme Court of Cassation of Italy [2019]: *Reti Televisive Italiane s.p.a v Yahoo Italia s.p.a*, Case No. 7708/2019
- High Court of Justice of the Republic of Trinidad and Tobago [2018]: *Sean Caruth v The Tobago House of Assembly*, Case No. CV2018-03461

The question of liability of online platforms was further addressed in the context of hyperlinking, in the scenario in which a website does not itself host infringing content, but provides links that direct users to other websites where infringing content can be accessed. The factors of knowledge, preventative measures, removal procedures, and the commercial benefit being derived from facilitating this access, including through advertising revenue, were echoed as relevant considerations in determining platform liability. It was noted that courts are often asked to balance copyright protection with the freedom of expression and, in some contexts, a right of access to culture.

Some of the difficulties that may be faced by judges in adjudicating copyright disputes were also raised in the context of infringing uses of computer software. It was emphasized that, in many countries, the protection of computer software is a pressing challenge, requiring elaboration of tailored judicial approaches. One practical challenge related to the determination of the amount of damages in the absence of appropriate methodology or previous experience and expertise.

From a different perspective, an example of a dispute addressing moral rights in the context of online infringement was shared. The discussion presented the considerations taken into account by the court in determining whether the unauthorized dissemination of a work as part of online promotional material was prejudicial to the creator's reputation. It was noted that the continued availability of infringing material in the online environment may impact a court's calculation of the statutory limitation period applicable to the allegedly infringing act.

Turning to measures ordered by courts, it was noted that judicial approaches to ordering removal of content have evolved in order to keep up with the realities of changing technologies and online infringement. For example, in the context of requiring online platforms to remove/disable access to copyrighted works, some courts may tailor their order so that the intermediary can determine the most effective technological solution for achieving the outcome required. The speakers shared examples of how orders had been tailored, including to address the balancing of competing rights, such as by ensuring that measures were proportionate to the infringement.

Across the scenarios discussed, different approaches to establishing evidence of knowledge on the part of online intermediaries were raised. Some consequences of placing the burden to determine the legality of works either on the right holder, or on internet intermediaries, was mentioned by participants.

In conclusion, it was suggested that courts need not define a single solution for all cases, but can instead formulate varying levels of monitoring obligations for different kinds of content. In taking such decisions, the proportionality of obligations placed on platforms should be preserved. Judges could be assisted by the technological tools for monitoring of unlawful content, which continue to improve.

Finally, the speakers reflected that the area of copyright in the digital environment remained a fertile area for investigation, as well as for courageous and imaginative responses.

Session 2: Emerging Issues in Trademarks – Trademarks Eligible for Registration

The session began by acknowledging that, despite the indisputable requirement for a sign to be distinctive in order to be granted trademark protection, the assessment of that distinctiveness is left to individual consideration, making judicial intervention often necessary and critical. Beginning with Article 15 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), the panelists shared recent experiences of trademark dispute adjudication within the framework questions of what constitutes a sign, the conditions under which a sign is considered to be distinctive, and limits for the registrability of marks.

First, the session addressed the requirement of distinctiveness using the lens of color *per se* marks. One case used as the basis for discussion arose in a jurisdiction in which color and color combination marks constitute eligible subject matter for registration. Assessing these marks against the further requirements for registration, however, had raised a number of questions relating to the interpretation of the application of such requirements to color marks. For example, are colors *per se* capable of conveying specific information about the origin of a product or service, and therefore capable of distinguishing goods and services? During discussion among participants, varying national approaches to the evaluation of the distinctiveness of color *per se* marks were revealed. For example, it was reported that some courts had found that a color or color combination could not be considered as inherently distinctive, save in exceptional circumstances. Others considered that a color mark is not distinct on its own, and will need to be proven to be an integral part of an overall trademark such as a drawing or design. Alternatively, there may be established criteria for the consideration of color *per se* marks as distinctive and eligible for registration. Where a color or color combination mark will only be granted protection where it has acquired distinctiveness, what evidence should be required to provide that acquisition?

Examples of challenging factual determinations faced by judges were shared, such as identifying the specific market relevant to a color mark; assessing evidence of consumer recognition in light of the subjectivity of the perception of colors and their shades, which do not necessarily accord with technical definitions; and evaluating the distinctive value of a color or color combination that is not used by itself, but with words or figurative elements as part of an overall mark. Some of the other considerations taken into account by courts with regard to colors were mentioned, such as assessing whether color combination marks are described sufficiently precisely, even in the absence of graphic representation requirements, and the public interest in preventing color depletion.

Broadening the discussion of distinctiveness, the panel shared other recent examples of decisions from their jurisdictions interpreting this requirement. For example, courts had considered distinguishing capacity in cases of marks that merely indicate a certain quality standard or refer to common medical terms. A theme emerging throughout the cases was the way in which the relevant market is construed. It was noted that different demographic

Discussion points

- Eligible subject matter and distinctiveness: example of color *per se* marks
- Trademarks contrary to public order or morality

Reference judgments

- General Court of the European Union [2018]: *La Mafía SE SIENTA A LA MESA*, Case No. T 1/17 EU:T:2018:146
- General Court of the European Union [2018]: *Fack Ju Göhte*, Case No. T 69/17 EU:T:2018:27
- Supreme Court of Lithuania [2015]: *Humana People to People Baltic v the State Patent Bureau*, Case No. 3K-3-240-469/2015

audiences within the same jurisdiction may have strikingly different perceptions of the distinctiveness of a mark, such as where a good or service is targeted to a predominantly female audience.

The session then turned to limits on registrability, and discussed the conditions under which a sign may be excluded from protection by virtue of being contrary to public order or morality. Two recent cases illustrated some of the elements taken into account by courts in assessing this absolute ground for refusal. For example, a sign may refer to activities that are considered as serious threats to fundamental values and human rights and, in so doing, trivialize the deeply negative implications of those activities. Distinctions that may be drawn between the intention behind the sign, and the perception of it from the point of view of the relevant public, were shared. It was reported that such determinations were the subject of evolving debate in some jurisdictions. Some courts were currently elaborating further guidance on the identification of the specific social context in which the meaning of a sign should be determined, and the factual evidence required to support a finding that a sign is contrary to accepted principles of morality of a given society at a given time. For example, has the introduction of an allegedly offensive sign into popular culture altered the public's perception of that sign?

It was noted that the freedom of expression is explicitly provided for in trademark law, and would need to be applied in weighing public morality arguments as a ground for refusal of trademark registration.

Session 3: Emerging Issues in Trademarks – Well-Known Marks and Dilution

Building on the discussions that took place in Session 2, this panel began by recalling the basic functions of trademarks, namely the distinction of the source of products and services, and the protection of the interest of the public to not be confused or misled through the use of similar signs. It was noted that likelihood of confusion between competing trademarks is therefore a basic litmus test for assessing infringement in trademark law.

The fundamental elements often considered by courts when assessing likelihood of confusion were illustrated, such as the relationship between the kinds of goods or services for which marks are used; the differences and similarities between the marks themselves, including broad conceptual design, as well as specific details of appearance, linguistic similarities, pronunciation, meaning and commercial impression; and the identification and characterization of the relevant consumer public(s), and the related risk of that public being misled. The discussion also extended to marks that are interlinked in the minds of consumers, so as to create a possible

Discussion points

- Likelihood of confusion
- Dilution and its defenses

Reference judgments

- High People's Court of Beijing, China [2012]: *Baidu Online Network Technology (Beijing) Co Ltd v Trademark Review and Adjudication Committee*, Case No. GXZ No. 1081
- Intellectual Property High Court of Japan [2013]: *Hokkaido Design Kabushiki Kaisha v Puma SE*, Case No. 2012 (Gyo-Ke) 10454; *Puma AG Rudolf Dassler Spor v JPO*, Case No. 2008 (Gyo-Ke) 10311
- Constitutional Court of South Africa [2005]: *Laugh It Off Promotions CC v South African Breweries International (Finance) BV t/a Sabmark International* [2005] ZACC 7
- Federal Court of Appeal of Abu Dhabi, United Arab Emirates [2019]: *Motor Experts LLC v Sell Any Car and the Ministry of Economy*, Case Nos. 224 and 229/2019

impression that services from two different providers are interchangeable, thus potentially confusing the source of the service. Addressing the task of assessing such relationships in the technological context of e-commerce, some courts considered it necessary to adapt their existing interpretations of trademark law.

Going beyond the basic likelihood of confusion test, the session explored two more particular contexts: the enhanced protection of well-known marks, and the assessment of parody as a defense to trademark infringement, including infringement of well-known marks.

On the topic of well-known marks, the discussion covered the threshold for recognition of such marks, and the additional protection that they are afforded under the rubric of dilution, noting that this extended beyond the standard likelihood of confusion analysis for trademarks. It was acknowledged that this area of trademark law is subject to divergent interpretations among countries. To begin with, the legal standard for defining well-known marks differ, with some jurisdictions drawing additional distinctions between well-known and famous marks. It was noted that the determination of consumers' knowledge of a mark is a question of fact to be established according to the legal system of each country; the experience of judges in several contexts was that consumer surveys were used as evidence of the level of recognition of a mark.

Further, although most jurisdictions have incorporated protection for well-known marks, the elements of that protection may vary. For example, some jurisdictions expressly recognize dilution protection, and consider blurring, tarnishing and freeriding as forms of dilution. In other jurisdictions, protection may effectively be granted against forms of behavior that amount to blurring, tarnishing or freeriding, without explicit recognition of an overarching concept of dilution.

There was also discussion of the principles underlying the higher level of protection accorded to well-known marks. Some comments addressed the link between the rationales for dilution protection, which can be seen as protecting the individual interests of the trademark owner, and the traditional public interest rationale of protecting consumers against confusion. The reasons for granting additional protection to marks that are already well-known were discussed, with differing conclusions drawn, including different assessments of the damage to well-known marks resulting from behaviors such as freeriding. It was observed that in one country, trademark law could serve as a more efficient remedy against such behavior than unfair competition laws.

The panel shared examples to illustrate the considerations taken into account when assessing whether a mark that is used on goods or services that are dissimilar from the well-known mark, can be considered to dilute the reputation of the latter. Factors that some judges found relevant to the determination included whether the well-known mark suffered actual financial loss or reputational damage from the use of the alleged infringing mark. In some examples, courts had found a risk that the public may infer a commercial or operational connection with a well-known mark even where it operates in an entirely unconnected industry. Some judges considered whether the infringing mark was being used in the course of trade, or was not being used for a commercial purpose.

On the topic of parody, the conversation addressed the circumstances in which parody may be recognized as a defense to alleged trademark infringement. To begin with, it was noted that parody in trademark law is not precisely defined. However, trademark parody is distinguished from parody in the fields of art, literature, or social commentary – and from parody in copyright law, on the basis that copyright and trademark law have different objectives, and may therefore incorporate the freedom of expression in different ways.

In the absence of a definition, some characterizations used by courts to conceive of parody were shared, including elements such as political commentary, criticism, or humor. Among the recent approaches taken to the assessment of parody claims, one suggestion was that parody be recognized as a defense in cases where it cannot be established that use of the allegedly infringing mark would result in consumer confusion as to the source of goods or services, or in damage to the distinguishing ability or value of the protected trademark. Alternatively, the recognition of parody may be limited to cases in which the allegedly infringing use of a mark is clearly intended to communicate social messages or values. In some countries, no specific jurisprudence exists on parody as a defense against trademark infringement claims. In other countries, parody is not recognized as a defense in trademark law at all.

Continuing the theme from the previous session on trademarks, the discussion noted that simple formulas for dealing with parody did not exist; instead, a balance had to be established between the principles of freedom of speech and the protection granted to the well-known mark.

Session 4: WIPO's Work in the Area of the Judicial Administration of IP

The session provided an overview of WIPO's work in the field of the judicial administration of IP, aimed at engaging with and supporting national judiciaries as they deal with fast-developing challenges in the IP landscape. It was noted that the WIPO Judicial Institute provides overall direction to WIPO's work in relation to judiciaries, collaborating with relevant WIPO sectors in the implementation of activities.

WIPO's work in this area serves three main objectives: to facilitate the exchange of IP-related information among judges; to strengthen the human and institutional capacities of national judiciaries for both IP adjudication and training; and to contribute to research and studies to advance the collective knowledge about the state of the judicial administration of IP. This work is guided by the WIPO Advisory Board of Judges, whose 15 members represent broad geographical and technical coverage and serve in their personal capacity.

The central element of WIPO's work in the area of exchange of information is the annual WIPO IP Judges Forum. The discussions in the inaugural Forum in 2018, summarized in the [2018 WIPO IP Judges Forum Report](#), highlighted not only the convergences in challenges faced across jurisdictions, but also the distinct contrasts and variations between different legal and judicial systems to be acknowledged and understood.

The second area of WIPO's work with judiciaries involves providing greater opportunities for judges at various levels of IP adjudication experience to develop or enhance their IP expertise. This encompasses a large number of activities implemented by different sectors of WIPO. A new element introduced by the WIPO Judicial Institute is the WIPO Master Class on IP Adjudication, which places emphasis on the exchange of practical and real-life knowledge among experienced IP judges, with sessions built around small group discussions and debates. Another relatively recent WIPO initiative provides support in the establishment of continuing judicial education programs (CJE) on IP. This initiative began as a pilot project for cooperation with national judicial training institutions under the aegis of the WIPO Committee on Development and IP. Following the successful completion of the pilot by the WIPO Academy in 2018, this new model for collaboration in establishing CJE programs on IP has been mainstreamed within the work of the WIPO Judicial Institute.

In the third area of enhancing collective knowledge, a new Judgments component of the WIPO Lex database was presented in its current state as a pilot project. This free of charge database, expected to be made publicly available in summer 2020, will allow easy access to leading IP judgments from all over the world. In addition, a new publication series, the WIPO Collection of Leading Judgments on Intellectual Property, was launched with China as its first contributor. The English and French editions of *When Private International Law Meets Intellectual Property Law - A Guide for Judges*, a joint publication of WIPO and the Hague Conference on Private International Law (HCCH), was also presented.

The session concluded with a summary of the values that guide WIPO's work with judiciaries, including: recognition of the diversity of national judicial structures and approaches; promotion of the sharing of knowledge, views and perspectives on common issues of concern, so as to acknowledge, not necessarily follow, the evolving systems and jurisprudence followed by fellow courts; full respect of the interests and demands of each beneficiary Member State, including its distinct legal traditions, societal characteristics, economic contexts and priorities; and guidance and delivery by judges.

Session 5: Emerging Issues in Patents

The session addressed, through the lens of national judgments, two significant emerging challenges faced by courts in dealing with patents: evaluation of patent eligibility in some technical areas (for example business methods, graphical user interface and diagnostic methods); and the difficult interplay between patent law and competition law.

First, the speakers shared recent cases that had raised challenges for judges in evaluating patent eligibility. One example involved an invention consisting of a series of steps, claimed as a business method, with a low level of technical features. The question arose as to whether the method satisfied the definition of "invention" under the legislation, in order to be eligible for patent protection. In exploring the court's reasoning in reaching its conclusion, the discussion covered issues such as identification of the technical problem addressed by the invention, as well as assessment of the technical means used, or technical solution offered, by the invention. In the scenario shared, it was found that the business method utilized specific steps or elements as the technical means to solve a problem, and therefore fell within the statutory definition of patentable invention, as a whole.

The challenge of evaluating patentability in novel contexts also arose in an example involving the graphical user interface of an apparatus, where the only element of the apparatus that differentiated it from the prior art was the particular form in which information was represented by the graphical user interface. It was therefore asked whether the specific form used to display the information was properly considered as being "technical" within the sense

Discussion points

- Eligible subject matter: are patents technology neutral? Examples of measuring apparatus, graphical user interface and diagnostic methods
- Developing appropriate balance between patent quality and investment in technology and the role of the courts
- Interplay with competition law: example of reverse payment settlements

Reference judgments

- Intellectual Property High Court of Japan [2018]: Case No. 2017 (Gyo-Ke) 10232
- Supreme Court of the Republic of Korea [2014]: *GSK v KFTC*, Case No. 2012Du24498
- Federal Patent Court of Switzerland [2019]: *Hamilton Medical AG v imtmedical AG*, Case No. O2017_007
- U.S. Court of Appeals for the Federal Circuit [2017]: *Athena Diagnostics Inc v Mayo Collaborative Services LLC*, 927 F3d 1333

of the relevant legislation, and was therefore patentable. The discussion raised several questions, for example: When assessing inventive step, can a different presentation of information be considered a technical solution to a technical problem? How is the technical problem to be defined? What evidence is needed to show that the claimed invention solves that problem? Who should bear the burden of proof for demonstrating whether the invention solves the problem or not?

The complexities of determining patent eligibility, particularly in highly technical fields such as biochemistry and medical technology, were illustrated by examples in which different courts applying the same law have reached different assessment of patentability for new methods of diagnosing medical conditions. Some courts see such claims as patent eligible because while directed to natural laws, they teach novel approaches to diagnosis or treatment or use unconventional sequences of known steps. Yet other courts have found the same claims ineligible unless one or more of the diagnostic steps themselves are novel. In reality, such assessments appear to be subjective, particularly if the court may lack relevant technical expertise. It was suggested that this situation has caused significant commercial uncertainty and appears to require further legislative clarity.

Finally, the panel addressed the issue of seeking a balance between patent protection (and incentivizing innovation) and fair competition. One area in which this question has been addressed by national courts is that of “reverse payment” settlements, which involve payment from the patent owner to the party challenging the patent, or “pay for delay” settlements, where payment is made to delay the entry of generic companies into the market. The key issue highlighted was the difficulty of striking a balance between the rights of patent holders – which include the right to settle a patent disputes – and competition laws, and whether patent monopolies are hindering competitive market entries. It was noted that these questions are not only legal, but also economic, in character, and that they demonstrate the sometimes difficult interaction between patent law and competition law.

Session 6: Exhaustion of IP Rights and Parallel Imports

The session addressed the issues of exhaustion of IP rights.

The discussion began with reference to Article 6 of the TRIPS Agreement, which does not prescribe a model for the exhaustion of IP rights, and instead leaves it to the members of the World Trade Organization (WTO) to determine whether to apply national, regional or international exhaustion. This was noted by the panel as being, on the one hand, a reflection of the lack of multilateral consensus on the question of exhaustion of IP rights, and on the other hand, an invitation for Member States to develop a combination of exhaustion principles that serve their respective national interests.

Discussion points

- TRIPS Agreement, Article 6 and differing approaches to exhaustion: international, regional or national. What are the policy rationales?
- To what extent can contractual restrictions impact on the exhaustion of IP rights?
- Repackaging requirements for parallel imports

The session considered the diversity of approaches that the represented jurisdictions took to this issue, highlighting the domestic socio-economic circumstances that had led to differing policy considerations with legal ramifications. It was noted that this was an area where the law is uncertain, and the courts are requested to provide clarity.

The principles underlying different frameworks for considering exhaustion were explored. For example, a paradigm that prioritizes the independence of IP rights was seen as supporting national or regional exhaustion, which allows IP right holders to exercise their exclusive rights to divide and control markets in different jurisdictions, and to monitor the quality of IP-protected goods through the distribution arrangements. The free trade model, on the other hand, could be cited as opting for international exhaustion, in order to promote the availability of IP-protected goods, and to help prevent the establishment of trade monopolies. It was noted that IP right holders are commonly perceived to prefer national exhaustion, while consumer groups are commonly assumed to favor international exhaustion; however, the panel cautioned against such generalizations.

To illustrate the different approaches taken by courts in relation to exhaustion of patent rights, two cases relating to similar goods were described. In one jurisdiction, the court held that the exhaustion of patent rights arose on the first sale of a product, either domestically or abroad, and that the exhaustion doctrine prevented a finding of infringement on the basis of further use of that good after the sale, regardless of the modifications made by the purchaser. On the other hand, it was held that the patent holder retained the right to sue for a breach of contract.

In another jurisdiction, the court did not find for compulsory exhaustion of patent rights in a cross-border setting. Accordingly, if the patentee made clear that it preserved its patent rights upon first sale, then the buyer was subject to those rights and could only use the product in accordance with the limitations permitted by the patentee. If the patentee did not take any steps to notify the purchaser of any limitation, then the absence of notice was taken to be an implied approval for the purchaser to use the product as it wished and it could, without fear of restraint, sell, use or distribute the product. However, unlike the finding in the earlier jurisdiction, the court concluded that the implied consent did not apply when the condition of goods was changed or impaired after they were put on the market.

In a copyright case that involved the online sale and worldwide delivery of low-price editions of the plaintiffs' publications, international exhaustion was denied as the court relied on the terms of the contract which allowed the sale of the books only to the students in specified countries.

The panelists discussed whether the exhaustion doctrine should be tailored to goods protected by different IP rights, noting that some jurisdictions applied international exhaustion

Reference Judgments

- Federal Court of Australia [2019]: *Calidad Pty Ltd v Seiko Epson Corporation* [2019] FCAFC 115
- Supreme Court of the Republic of Belarus [2013]: *Twins Tech JSC, Russia v Medicalfort LLC*, Case No. 12-01/20-2013
- High Court of Delhi, India [2012]: *Samsung Electronics Company Limited v Kapil Wadhwa*, CS (OS) No. 1155/2011
- High Court of Delhi, India [2010]: *John Wiley & Sons Inc v Prabhat Chander Kumar Jain*, CS (OS) No. 1960/2008
- Supreme Court of the Philippines [2009]: *Roma Drug and Romeo Rodriguez, as Proprietor of Roma Drug v The Regional Trial Court of Guagua, Pampanga, the Provincial Prosecutor of Pampanga, Bureau of Food & Drugs and Glaxo SmithKline*, GR No. 149907
- Court of Cassation of Turkey [2014]: *Merinos v n11.com*, RG Nos. 2014/6429E, 2014/12088K

to all IP rights, whereas other jurisdictions applied international exhaustion to copyright but not to patents. The panelists also explored the differentiated application of the exhaustion doctrine, depending on the product category and the relative needs of the country. For example, public policy arguments in favor of adopting national exhaustion may be more convincing when building up the domestic market, whereas in some jurisdictions, international exhaustion was more readily applied for pharmaceutical products and medical instruments through parallel importation policies, in the interest of public health and increased access to medicine.

The repackaging requirements that arise in cases of parallel imports, including whether or not an IP right holder owner may oppose the repackaging of IP-protected products, were considered, with some jurisdictions being identified as suffering from legislative gaps.

Finally, the session discussed the principle of regional exhaustion, as applied in some regional economic or customs unions, in order to promote the free flow of goods. In these regions, considerations of regional competitiveness and shared economic concerns were seen as drivers of the regional exhaustion policy, and required IP laws to be adapted accordingly.

The panelists concluded by noting, as a common thread arising from the diverse approaches to IP exhaustion, that these national policy decisions were driven by each country's identification of the appropriate combination and balance of principles that responded to the particular domestic circumstances.

Session 7: Remedies Addressing Multi-Territorial Infringement

The session addressed the challenges facing courts in designing remedies for the effective enforcement of territorial IP rights in cross-border infringement cases.

By way of background, it was noted that the challenges of multi-territoriality were not new problems for IP law. The session highlighted the international genesis and history of IP treaties that date back to the 19th century, and to the growth in cross-border trade that resulted from the Industrial Revolution.

Against this backdrop, the panel addressed different remedies granted in recent cases of multi-territorial IP infringement. First, the panel discussed the issues arising in multi-jurisdictional patent infringement disputes that involved standard essential patents (SEPs) and fair, reasonable and non-discriminatory (FRAND) license terms covering sales in multiple countries. Different perspectives were given on the appropriate remedy.

One approach to determining licenses in SEP disputes could lead to the grant of remedies that, in effect, have global application, despite

Discussion points

- Can national courts grant “global” remedies?
- Setting license rates for revenues outside the jurisdiction
- Site blocking and global de-indexing orders
- Remedies in cross-border contributory infringements

Reference Judgments

- Federal Court of Justice of Germany [2017]: *Sealing System*, Case No. X ZR 120/15
- Federal Court of Justice of Germany [2015]: *Audiosignalkodierung*, Case No. X ZR 69/13
- High Court of Singapore [2018]: *Disney Enterprises, Inc and others v M1 Ltd and others* [2018] 5 SLR 1318; [2018] SGHC 206
- Court of Appeal (Civil Division) of England and Wales [2018]: *Unwired Planet v Huawei* [2018] EWCA Civ 2344

being issued by a national court. In discussing the reasoning leading to this conclusion, reference was made to a more conventional situation in which a factory in one State produces counterfeit goods for both the local market and for export. In such a scenario, a court could assess damages on the basis of global sales, *i.e.*, on the quantity of all the counterfeit goods manufactured, for both the local market and for export, because that manufacture is itself an infringement of the IP right. The distinct determinations in the analysis between the harm caused and the infringing act, or the licensed act and the royalty bearing event, particularly with regard to the territorial location of these acts, were discussed.

In contrast, a differing approach may consider a patent royalty rate to be closely connected with the specific territory, placing greater emphasis on the territorial nature of patents and the potentially different findings on patent validity or licensed acts across different jurisdictions. Under this approach, it would be unworkable for a national court to apply a global royalty rate.

The panel further discussed the competition issues arising in the context of SEPs, such as the creation of monopolies by SEP patentees and, at the same time, restrictions on the exclusive right of the patent established through the standards. Certain jurisdictions place greater emphasis on a contractual analysis, whereas other jurisdictions approach the issue from a competition law perspective, with an inquiry as to whether there has been an abuse of a dominant market position.

The session also addressed issues arising from the conduct of parallel litigation with overlapping aspects in cross-border infringement cases. The challenges raised included the relationship between judgments rendered by courts in different jurisdictions, as well as anti-suit injunctions sought by a party in one jurisdiction to prevent an opposing party from initiating or continuing a proceeding in another jurisdiction.

Moving on to online copyright or trademark infringement, the session surveyed approaches to the granting of website-blocking orders. In circumstances where the operators of IP infringing websites were outside the jurisdiction of the court, courts in some countries may order network service providers to take reasonable steps to block access by their subscribers to the infringing websites. Courts derive their power to do so from different sources. In some countries, specific IP legislation has been adopted to provide for website-blocking orders as a remedy, whereas in other jurisdictions, existing civil procedure acts are interpreted as empowering the court to grant website-blocking injunctions. These injunctions are, in certain circumstances, granted as dynamic injunctions that could block new means of accessing the same infringing websites that were not included in the main injunction. The panelists also touched upon the possibility of granting de-listing orders to search engines in online IP infringement cases, and whether such orders should be global, geographically limited or otherwise tailor-made to the infringement.

The different ways in which courts consider the territorial link between the infringing act and the protected IP right was also addressed. Some jurisdictions differentiate the location where the infringing act took place from the location where the infringement took effect. Accordingly, it would be possible to find contributory infringement when the act was committed outside the territory of IP protection in some situations, in light of the relevant market for the products, and the correlation between acts undertaken outside the territory of IP protection and those within.

The conversation acknowledged that, to be effective, courts need to craft remedies that respond to the reality of the world as the courts find it. However, it was underlined that taking an expansive approach to remedies is very different from expanding the scope of substantive legal rights, which is a function that resides in the legislature, and not in the judiciary.

Session 8: IP and Private International Law

The session addressed the private international law questions that arise when national IP rights are applied to IP dealings in a globalized world.

For example, in a case involving a contract for patents registered in multiple countries, a court could clearly decide on the patents registered in its jurisdiction – but could it also decide on the foreign patents?

These questions were explored through an example of a dispute between an SEP patentee who owned a global portfolio of patents, and a manufacturer with sales in multiple countries, on issues of validity and essentiality of SEP, infringement and FRAND obligations, and whether a court should exercise jurisdiction when the sales in the territory were limited.

Different approaches to the principle of *forum non conveniens* (pursuant to which a court may stay or dismiss proceedings if satisfied of the availability, competence and greater appropriateness of another forum) in such a scenario were compared. At a broad level, divergences were observed between common law and civil law attitudes: Whereas the common law approach was seen to favor the flexibility and discretionary power granted to the court through this principle, the civil law approach viewed the concept somewhat critically as being overly subjective. Alternatively, one view was to determine the natural forum as being the forum with which the action had the most real and substantial connection.

The risks of “forum shopping” were also considered, as well as the possibility of the *forum non conveniens* analysis being used as an instrument to protect the competence of national courts. The dilemma was presented as a clash between jurisdictional protectionism and economic reality, where courts were presented with disputes involving domestic and foreign patents, with differing claims, prior art or acts of infringement, but were asked to decide on a worldwide royalty rate.

Possible approaches for separating the issues in a case and limiting a court’s consideration to the matters relating to domestic patents and contractual issues, were suggested. The discussion highlighted the exclusive jurisdiction exercised by courts in relation to the determination of validity and infringement of patents registered in the forum. The Paris Convention for the Protection of Industrial Property, and its provision for independence of patents obtained for the same invention in different countries, in particular, was cited as support for that approach. There were also reflections whether essentiality or license rates in FRAND disputes might be better determined in fora other than the judicial courts.

On the topic of the recognition and enforcement of foreign judgments, the discussion explored a number of questions, such as: What weight should be given by a court to a foreign judgment invalidating a foreign patent, when enforcement of the foreign judgment is sought in that court’s jurisdiction? Should the assessment of a domestic patent covering the same product as a foreign patent be influenced by a foreign judgment? In this context, the policy considerations that had arisen in negotiation of the *Convention on the Recognition and Enforcement of Foreign Judgments in Civil or Commercial Matters* (2019), and specifically in excluding IP from the scope of the Convention, were mentioned.

Discussion points

- Jurisdiction
- Applicable law
- Recognition and enforcement of foreign judgments

Reference Judgments

- Superior Court of Justice of Brazil [2007]: *Lilly Icos LLC v Pfizer Limited* (“Viagra case”), SEC-911
- Court of Appeal (Civil Division) of England and Wales [2019]: *Huawei v ZTE* [2019] EWCA Civ 38
- Supreme Court of the Russian Federation [2013]: *VOIS v OOO “Polet”*, Case No. A53-25852/2013

The session also addressed the question of implementation of international IP treaties in national settings, and the obligations of State parties to successive treaties relating to the same subject matter. The example of a State that ratified the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, as well as the WIPO Performances and Phonograms Treaty (WPPT), subsequent to the date of first performance and fixation on a phonogram of a musical work, was given. Under the Rome Convention, the State was not bound to the Convention obligations for phonograms fixed before its entry into force for that State, whereas the WPPT protected all works that were not in public domain at the time of entry into force. Applying the principle in the Vienna Convention on the Law of Treaties that regulates the application of successive treaties relating to the same subject matter, and the Berne Convention for the Protection of Literary and Artistic Works that allows special agreements among Berne Union members, resulted in recognition of the exclusive rights of the performer and phonogram producer.

Session 9: Recent Developments in IP Courts

The session presented news from some WIPO Member State jurisdictions that have recently enacted judicial reforms affecting IP adjudication. The panelists shared national experiences of the reforms and explored the policy reasons behind them.

In general, the reforms introduced by the panel shared common objectives regarding greater specialization of the judicial function in IP matters. Some of the common drivers for these changes included the increasing volume of IP cases appearing before courts and the desire to improve efficiency; the need for greater consistency between decisions of different courts; the need for a greater number of judges with specialized IP knowledge to deal with the technical issues arising in IP disputes; and the desire to foster greater public confidence in the IP adjudication system.

The panelists shared the choices made by each jurisdiction to pursue the reform measures, such as the creation of IP chambers within existing courts; the establishment of new courts at the first and/or second instance; support for IP judges to gain greater specialization; and reform of the rules of procedure governing IP disputes. For instance, in one jurisdiction, the reform envisioned the harmonization of the sources of procedural law for IP disputes, and the inclusion of certain technical legal aspects such as provision for the filing of revocation or invalidity proceedings as a counterclaim in infringement proceedings at the judicial (as opposed to administrative) level. In the context of encouraging specialized IP judges, the panel also acknowledged the difficulties of retaining judges who possess the required technical background or training to adjudicate some technical IP disputes.

In addition to changes aiming at greater specialization in judicial structures, the panel also surveyed other aspects of recent IP-related reforms, such as improvement of investigation processes, especially in cases related to new technologies; greater transparency in IP trials, for instance by publicly disclosing documents and webcasting hearings; and strengthened exchange with foreign counterparts such as other national jurisdictions and international organizations.

Session 10: IP Adjudication through Regional Courts

The session discussed IP adjudication through four regional courts or regional systems: the Court of Justice of the Andean Community, the Benelux Court of Justice, the regional system of the African Intellectual Property Organization (OAPI), and the proposed Unified Patent Court. The panel discussed the impact of regional courts and systems on IP harmonization, and the interaction between the regional and national IP adjudication systems.

The panelists provided a snapshot of the different histories, policy impetus, and structures of the IP adjudication system of each region. These revealed several common threads as drivers for the establishment of the regional adjudication mechanisms. In general, the desire for greater coherence in the interpretation and enforcement of IP laws across a region was an underlying reason.

Depending upon the regional circumstances, the goal of greater coherence could take multiple forms. It could support a political decision to achieve harmonization of substantive IP law, or be part of a broader process of regional integration, including economic integration toward a common market. At a more practical level, the creation of a regional avenue for adjudication could promote greater consistency and predictability between different national interpretations, reduce incentives for forum shopping by litigants, streamline protection actions by right holders across multiple territories and avoid the proliferation of parallel litigation, and fill gaps in enforcement.

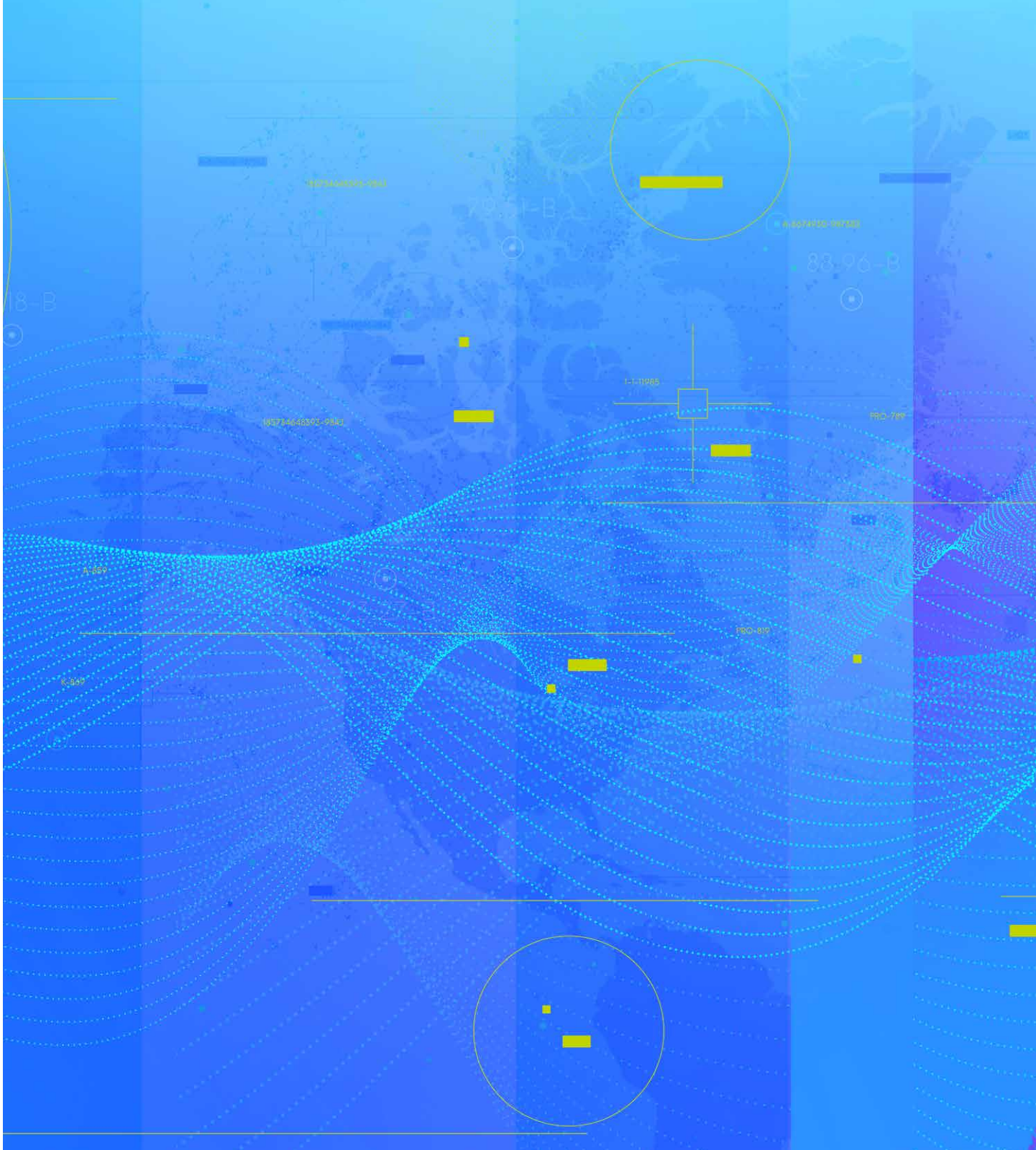
It became clear that the character and role of the regional judicial mechanism varied across regions. For example, the body may be established as a specialized IP court, or be a court of general jurisdiction that becomes an attractive venue for the resolution of IP questions. Where there is motivation to reduce incompatibilities among national judicial decisions (that may also have effect on the territory of the entire region), a court of final instance may be created, and empowered to make decisions that are binding on States or parties. However, regional courts do not serve only in the appeal function. In some regions, they may provide guidance to Member States regarding compliance of national regulations with regional law, or provide advisory opinions on questions of law to national courts on request, without determining an *inter partes* dispute.

The discussion touched upon several facets of the interaction between national and regional adjudicatory mechanisms, shaped as they are by the structural, substantive and procedural elements discussed. For example, where a regional court is empowered to make preliminary rulings of an advisory nature, the relationship between the national and regional courts could be characterized as a form of dialogue, and as a support for national adjudication. On the other hand, a regional adjudication mechanism could be vested with exclusive jurisdiction over certain subject matter.

A further element that emerged from the regional experiences shared was the range of practical issues navigated by regional bodies at an operational level, including, for example, the need to accommodate a plurality of languages among judges, as well as the possibility of sitting in different geographic locations, and combining different legal traditions and systems in common rules of procedure.

Discussion points

- Work of the Court of Justice of the Andean Community; Court of Justice of the European Union; the Benelux Court of Justice; Courts in the OAPI system; and the future Unified Patent Court
- Role of regional courts in the interpretation of IP laws and harmonization
- Reconciling national and regional IP judicial systems



World Intellectual Property Organization
34, chemin des Colombettes
P.O. Box 18
CH-1211 Geneva 20
Switzerland

Tel: +41 22 338 91 11
Fax: +41 22 733 54 28

For contact details of WIPO's
External Offices visit:
www.wipo.int/about-wipo/en/offices/