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ORGANIZATION OF EASTERN
CARIBBEAN STATES



WORLD INTELLECTUAL
PROPERTY ORGANIZATION

WIPO–OECS COLLOQUIUM FOR THE JUDICIARY ON THE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS


organized by
the World Intellectual Property Organization (WIPO)
in cooperation with
the Organization of Eastern Caribbean States (OECS)
through
the Judicial Education Institute
of the Eastern Caribbean Supreme Court

Roseau, July 28 and 29, 2006


**ENFORCEMENT OF IP RIGHTS: PART III OF THE TRIPS AGREEMENT
(A) CIVIL AND ADMINISTRATIVE PROCEDURES AND REMEDIES,
INCLUDING PROVISIONAL MEASURES**

*Document prepared by the Honorable Judge Louis T. C. Harms,
Supreme Court of Appeal, Johannesburg, South Africa*

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Intellectual Property Enforcement Procedures: International IP Standards



Hon LTC Harms

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MAJOR ORIGINAL CONVENTIONS

- Paris Convention 1883 (patents, trademarks, designs)
- Berne Convention 1886 (copyright)
- Rome Convention 1961 (related rights)
- Treaty on Intellectual Property in Respect of Integrated Circuits 1989.

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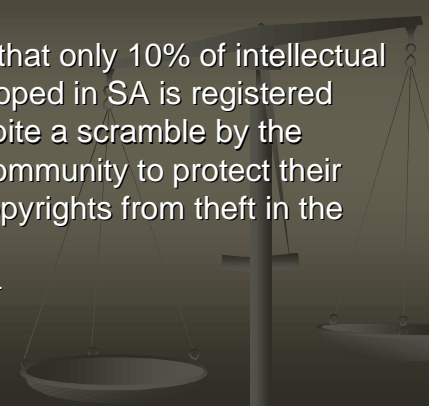
ROLE OF INTERNATIONAL LAW – CONVENTIONS

- Establish guidelines for
 - uniform definition
 - uniform protection.
- Require national treatment:
 - citizens and residents of one country receive recognition for and protection of their IP rights,
 - Foreign enterprise is entitled to the same rights as those accorded to nationals.

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Who benefits?

- It is estimated that only 10% of intellectual property developed in SA is registered overseas, despite a scramble by the international community to protect their patents and copyrights from theft in the global village.
- News report June 2006.

A background image of a pair of scales of justice, symbolizing law and equity.

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ROLE OF LOCAL LAW

>>IP RIGHTS ARE TERRITORIAL<<

Local law

- > creates IP rights
- > creates remedies
- > provides structures for enforcement
- > provides procedures for enforcement.

A background image of a pair of scales of justice and a stone tablet with ancient script, representing local law and territoriality.

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The logo of the Patent & Trademark Office, featuring a crown and the text 'PATENT & TRADEMARK OFFICE'.

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UNREGISTERED RIGHTS

- Copyright
- Unfair competition
 - Passing-off
 - Trade secrets

A photograph of an elderly woman with short grey hair, wearing a blue shirt, painting a purple and white abstract figure on a canvas. The scene is set against a dark background with a large, faint scale of justice visible behind her.

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IP RIGHTS MAY OVERLAP

- Trademark
- Industrial design
- Patent
- Copyright

A clear glass bottle of Chanel N°5 perfume with an orange liquid inside and a silver cap. The label on the bottle reads 'EAU DE PARFUM N°5 CHANEL PARIS'. The bottle is centered in the frame, with a large, faint scale of justice visible in the background.

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'RIGHT TO COPY'

- Human and animal behavior is based on imitation and copying.
 - Basic right to copy.
- Limitations on that right:
 - Human rights element.
 - Public policy element, including , including developmental and technological objectives.
 - IP rights are private rights.

A large, faint scale of justice is visible in the background of the slide, positioned behind the text.

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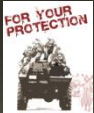


MONOPOLY OR NOT?

- IP rights have boundaries.
- IP rights are not monopolies: do not take away anything
- To be valid, they must give something that the public does not have
- Monopoly-phobia
- Negative rights
- Limited life

Counterfeiting/piracy = fraud = crime


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Purpose of protection

- 'The general purpose of protection is to encourage those who may wish to create, finance or exploit such products to translate intent into act, particularly where they might otherwise not act at all, or act less often or less well, without the carrot of protection.'
- Prof David Vaver.

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JUDICIAL RECOGNITION

- "Protecting IP rights is necessary not only for China's honouring of its international promises, creating favourable trade and investment environment, and further opening up to the outside world, but also for promoting technical innovation, regulating the order of the market economy, improving the overall quality of the national economy, and enhancing the competitiveness."
- Justice Cao Jianming, VP of the Supreme People's Court of the People's Republic of China

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TRIPS: AGREEMENT ON TRADE-RELATED ASPECTS OF IP RIGHTS



>>Part of GATT<<

- General Provisions And Basic Principles
- Standards Concerning the Availability, Scope and Use of IP Rights
- Standards for Enforcement of IP Rights.


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TRIPS OBJECTIVES

- "The protection and enforcement of IP rights should contribute to the promotion of technological innovation
- and to the transfer and dissemination of technology,
- to the mutual advantage of producers and users of technological knowledge
- and in a manner conducive to social and economic welfare,
- and to a balance of rights and obligations."

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QUESTIONS ABOUT TRIPS




- Is Trips part of national law?
- Does one interpret /apply national law in accordance with Trips?
- Doha round: concerns of developing countries.

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TRIPS: GENERAL PROVISIONS AND BASIC PRINCIPLES

- All WTO members automatically bound by Trips.
- National treatment: Each Member shall accord to the nationals of other Members treatment no less favourable than that it accords to its own nationals with regard to the protection of IP.
- Members may adopt measures necessary to protect public health and nutrition, and to promote the public interest in sectors of vital importance to their socio-economic and technological development.

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IP ABUSE

Trips permits countries to prevent:

- abuse of IP rights by right holders,
- practices which
 - unreasonably restrain trade, or
 - adversely affect the international transfer of technology.

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DOHA DECLARATION

Recognizes that under TRIPS each member state has

- > the right to grant compulsory patent licences
- > the freedom to determine the grounds upon which such licences are granted,
- > the right to determine what constitutes a national emergency
- Public health crises, including HIV/AIDS, tuberculosis, malaria and other epidemics, can represent a national emergency.

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Doha waiver


- A compulsory license may be issued for the production of a pharmaceutical product for export to an importing country which has insufficient or no manufacturing capacity.

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STANDARDS

- Countries must comply with substantive provisions of the 'old' (Paris and Berne) IP conventions.
- Thereby indirectly extended scope of the conventions.

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ENFORCEMENT: GENERAL OBLIGATIONS (ART 41)

TRIPS requires:

- effective action against any act of infringement of IP rights
- expeditious remedies to prevent infringements, and
- remedies which constitute a deterrent to further infringements.

BUT: No obligation to have a special judicial system for the enforcement of IP rights.

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PROCEDURAL REQUIREMENTS (ART 41)

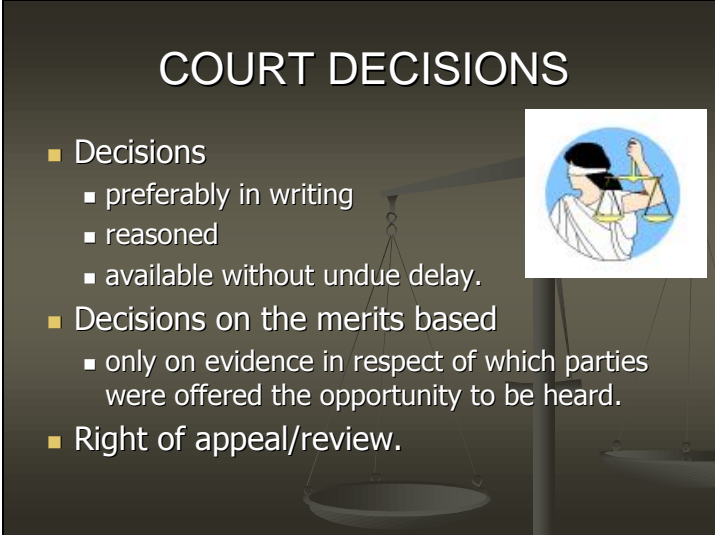

- Avoid the creation of barriers to legitimate trade
- provide for safeguards against their abuse.

A background image of a scale of justice. In the foreground, there is a roadblock with two red lights and black and yellow diagonal stripes.A small icon of a roadblock with two red lights and black and yellow diagonal stripes.

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COURT DECISIONS

- Decisions
 - preferably in writing
 - reasoned
 - available without undue delay.
- Decisions on the merits based
 - only on evidence in respect of which parties were offered the opportunity to be heard.
- Right of appeal/review.

A background image of a scale of justice. In the foreground, there is a circular icon of a judge in a white robe holding a scale of justice.A small icon of a judge in a white robe holding a scale of justice.


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FAIR AND EQUITABLE PROCEDURES (ART 42)

- independent legal counsel
- means to identify and protect confidential information

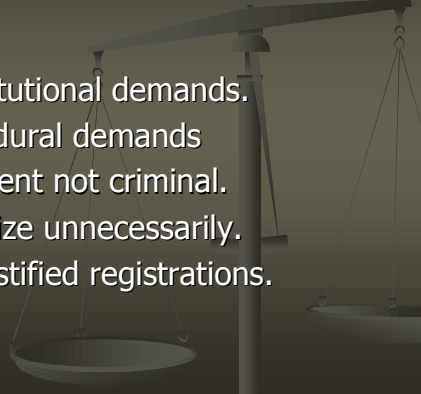
A background image of a scale of justice. In the foreground, there is a blue icon of a scale of justice with the word 'LAWYER' in blue text, and a stack of papers with a red 'Confidential' stamp.A small icon of a scale of justice with the word 'LAWYER' in blue text.A small icon of a stack of papers with a red 'Confidential' stamp.

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CIVIL v CRIMINAL PROCEEDINGS

- Different constitutional demands.
- Different procedural demands
- All IP infringement not criminal.
- Do not criminalize unnecessarily.
- Beware of unjustified registrations.




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CIVIL REMEDIES

- Interim
 - Interdict/Injunction
 - Search orders (Anton Piller)
 - Preservation orders (Mareva)
- Final
 - Interdict/Injunction
 - Damages

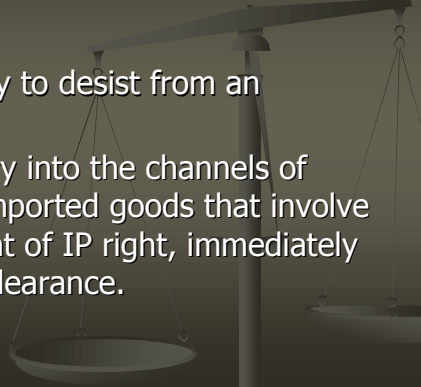


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INJUNCTIONS (art 43)

- To order a party to desist from an infringement,
- To prevent entry into the channels of commerce of imported goods that involve the infringement of IP right, immediately after customs clearance.



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eBay


- A patent holder, the US Supreme Court ruling said, must prove four facts: that it has suffered an irreparable injury; that there are no other adequate legal remedies; that taking into account the balance of harm to both parties, an injunction is warranted; and that the public interest would not be hurt by an injunction.

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DAMAGES (ART 44)

- Damages adequate to compensate for injury suffered because of infringement
 - by an infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity.
- Recovery of profits and/or payment of pre-established damages
 - even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity.

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Excursus on damages

- measure for damages often in the relevant IP statute
- damages dependent on knowledge of infringement or on negligence?
- difficulties in determining compensation
- courts have a duty to assess damages: best estimate rule

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TYPES OF MEASURES

- Loss of profits
- Pre-established or statutory damages
- Punitive damages
- Notional royalty
- Account of profits
- Additional damages

A background image of a pair of scales of justice, symbolizing legal measures and equity.

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DESTRUCTION (ART 45)

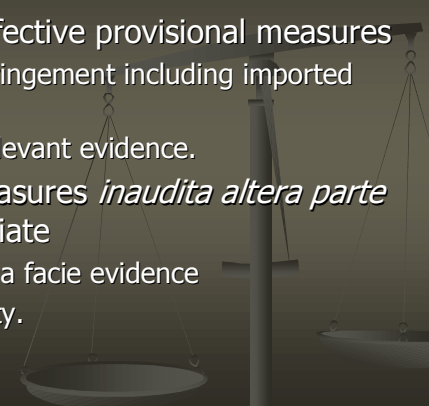
- Disposal of infringing goods
 - outside channels of commerce, or
 - destruction.
- Proportionality between
 - seriousness of infringement and
 - remedies.
- Counterfeit trademark goods: removal of trademark not sufficient to permit release of the goods into the channels of commerce.

A small inset image showing a fire, representing the destruction of goods.

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PROVISIONAL ORDERS (ART 50)

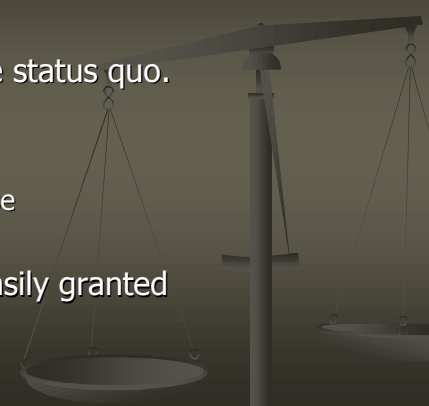
- Prompt and effective provisional measures
 - to prevent infringement including imported goods
 - to preserve relevant evidence.
- Provisional measures *inaudita altera parte* where appropriate
 - Based on prima facie evidence
 - against security.

A background image of a pair of scales of justice, symbolizing legal measures and equity.

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EXCURSUS ON PROVISIONAL ORDERS

- Object: restore status quo.
- Advantage:
 - Speed
 - Preview of case
 - Cost effective
- Danger: too easily granted



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COUNTERFEITING and PIRACY

Criminal procedures and penalties for

- *wilful* trademark counterfeiting or
- copyright piracy on a *commercial* scale.



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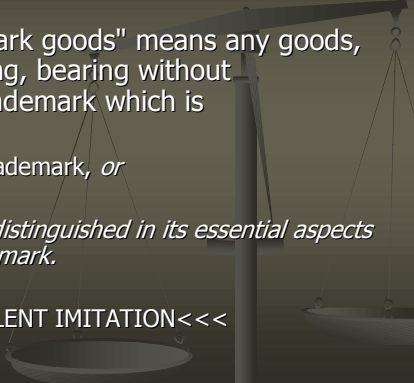


TRIPS DEFINES COUNTERFEITING

"Counterfeit trademark goods" means any goods, including packaging, bearing without authorization a trademark which is

- *Identical* to the trademark, or
- which *cannot be distinguished in its essential aspects from such a trademark.*

>>>i.e. = FRAUDULENT IMITATION<<<



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COUNTERFEITING AND PRODUCT FRAUD

- They may be different.
- Use other legislation:
 - Trade description
 - Merchandise marks
 - Health
 - Food

A background image of a pair of scales of justice, symbolizing law and equity.

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TRIPS DEFINES PIRACY

"pirated copyright goods" are

- > *copies* made
- > without the consent of the right holder
- > *directly or indirectly* from an article
- > where the making of that copy would have constituted an infringement of a copyright

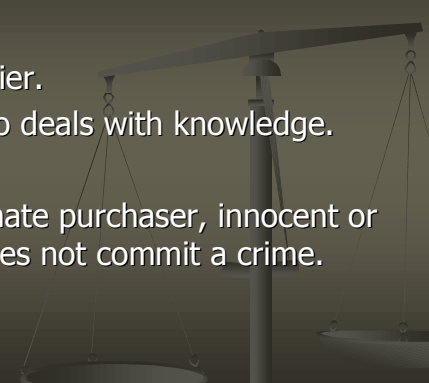
A background image of a pair of scales of justice, symbolizing law and equity.

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Who commits the crime?

- The actual copier.
- The dealer who deals with knowledge.
- Note: the ultimate purchaser, innocent or not, usually does not commit a crime.

A background image of a pair of scales of justice, symbolizing law and equity.

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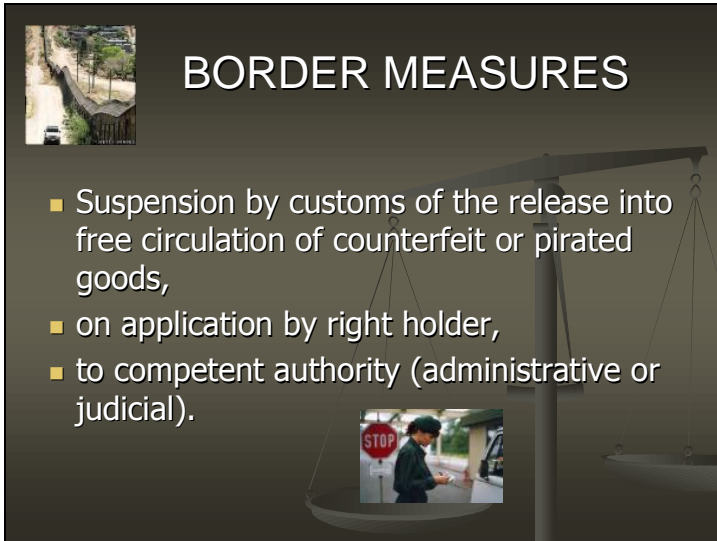


The slide features a dark background with a faint image of a balance scale. In the top left corner is the 'REMEDY' logo, which includes a stylized 'R' and the website 'www.stamaka.com'. In the top right corner is a small image of a person behind bars. A red sign with white text is positioned near the scale, stating 'AT LEAST \$550 MAXIMUM PENALTY FOR MOST OFFENCES'.

REMEDIES

- Remedies:
 - imprisonment and/or
 - monetary fines sufficient to provide a deterrent.
- In appropriate cases seizure, forfeiture and destruction of
 - infringing goods
 - materials and implements, the predominant use of which has been in the commission of the offence.

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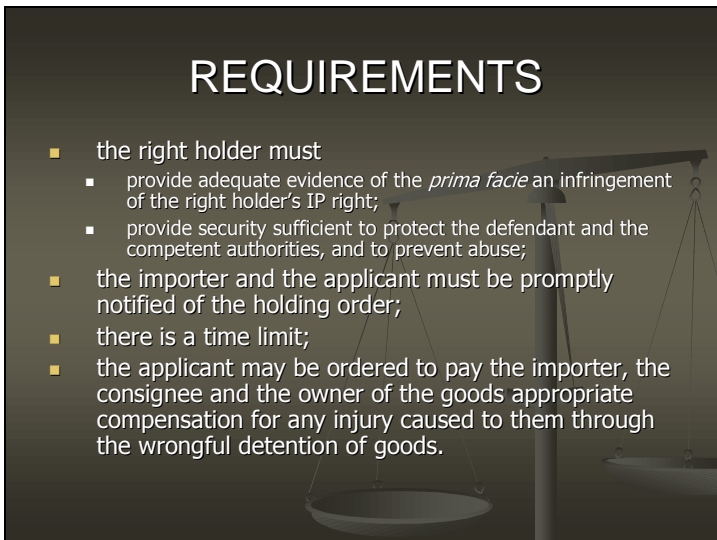


The slide features a dark background with a faint image of a balance scale. In the top left corner is a small image of a border fence. In the bottom center is a small image of a person at a border checkpoint with a 'STOP' sign.

BORDER MEASURES

- Suspension by customs of the release into free circulation of counterfeit or pirated goods,
- on application by right holder,
- to competent authority (administrative or judicial).

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The slide features a dark background with a faint image of a balance scale.

REQUIREMENTS

- the right holder must
 - provide adequate evidence of the *prima facie* an infringement of the right holder's IP right;
 - provide security sufficient to protect the defendant and the competent authorities, and to prevent abuse;
- the importer and the applicant must be promptly notified of the holding order;
- there is a time limit;
- the applicant may be ordered to pay the importer, the consignee and the owner of the goods appropriate compensation for any injury caused to them through the wrongful detention of goods.

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