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THE ROLE OF THE JUDICIARY AND PUBLIC PROSECUTION  
IN THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

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## **1. General remarks about the judiciary/public prosecution and IP matters**

### **1.1 Intellectual property and its place in the legal system.**

Intellectual property rights are basically rights under civil law, something that applies regardless of whether the country concerned belongs to the civil or the common law system.

Such rights exist on the basis of a national legislation prescribing how the rights are born and what they contain.

In the field of industrial property the rights come most frequently into existence through registration, for instance of a patent, of a trademark or of a design. Some industrial property rights are, however, frequently born without such registration, for instance the protection of geographical indications.

Copyright and neighbouring rights, on the other hand, practically always come into existence through the law itself which prescribes that the beneficiary in question shall have certain rights in his or her work, performance or other production; the law has a purely declaratory character. Registration is not a condition for the existence of the rights but is - where it exists - voluntary and essentially provides a *prima facie* evidence in the case of a litigation.

As has so frequently been mentioned, any intellectual property system in a country must rest on three pillars:

- appropriate legislations which clearly sets out the rights in the specific field concerned,
- infrastructures for the management of the rights, e.g. patent offices or copyright collective management organizations, and
- efficient enforcement mechanisms.

Enforcement means that the right-owner must have a possibility to take action against anyone who infringes his or her right. The society has to ensure that mechanisms are in fact available in order to protect the existence and exercise of intellectual property rights.

Both industrial property and copyright/neighbouring rights have always been an area where jurisprudence has played an important role, and this even in civil law countries where otherwise judges tend to be less inclined to create law than in common law countries.

### **1.2 The importance of jurisprudence in the area of intellectual property**

There are probably three main reasons for the importance of jurisprudence in the field of intellectual property law.

#### ***The law relates to intangible objects***

One reason is that ***this field of law applies to non-physical phenomena***; for instance, in the field of copyright/neighbouring rights to works and performances and, as a matter of principle, not to physical things (movable or immovable property).

The abstract character of the law therefore sometimes makes it difficult to understand; at the same time it has to be applied to a great number of practical situation. This obviously makes it necessary to have recourse to interpretation of how the abstract rules have to be applied in concrete cases.

In this exercise, the courts normally have to take into account not only the wording of the statutory provisions but also preparatory works, the legal history and, last but not least, practice in other countries. This latter aspect has become increasingly important in to-day's world where the international dissemination of works and other protected subject matter makes it not only desirable but outright necessary to apply, in the different countries, the same rules to the same phenomena. What is sometimes referred to as "international standards" should apply, in order to make the exploitation of protected subject matter secure and foreseeable.

### ***The balancing of interests in the field of intellectual property law***

Another reason why this branch of law has gained in importance is the fact that ***intellectual property law always establishes a balance between a number of interests***, essentially a balance between the beneficiaries' interest of widest and highest possible level of protection and certain other interests of a private or public order character.

### ***The big economic interests involved***

The third reason for the increase of the role of the judiciary is the fact that in present-day world there are frequently ***very big economic interests involved in the exploitation of intellectual property rights***, something which of course increases the number of litigations.

## **1.3 The role of the judiciary/public prosecutors**

### ***a) General obligation of the judiciary***

In the light of these observations, ***the main roles of the judiciary/public prosecutors*** in the context of intellectual property would be

- ***To guarantee the existence and the scope of the rights in the protected subject matter.***
- ***To ensure that the rights can be properly enforced and infringements punished.***

### ***b) Establishment of norms/precedent***

To take copyright as an example there are ***vast areas where the judiciary has to intervene in order to establish norms***; the international treaties and frequently also national legislation are either silent on the particular subject matter or has left it to the judiciary to establish more precisely which the obligations are. As examples can be mentioned the following situations under the two new December 1996 WIPO treaties where the courts may have to step in to clarify certain concepts for application at the national level. Such examples are

- ***The notion of "publication" in the information technology context***
- ***The nature and scope of the right of reproduction***
- ***The notion of "public" in the context of communication to the public/making available to the public***, and, in this context, the delimitation between this right and "near-on-demand" services, in particular so-called multi-channel broadcasting.
- ***The exhaustion of the distribution right***

- ***The application of the so-called three-step test*** in the context of the limitations on the exclusive rights (that any limitations may apply only in "certain special cases" which must "not conflict with a normal exploitation" of the protected subject matter and also must not "unreasonably prejudice the legitimate interests of the beneficiary concerned").

- ***The setting of standards for the moral rights*** in the context of digital uses.

- The application in practice of provisions in national laws implementing the treaty ***obligations concerning technological measures and rights management information.***

- The application of the obligations under the treaties on **enforcement**, including the very controversial issue of the ***liability*** in the case of digital transmissions

- ***The issue of applicable law***, in particular in the context of international transmissions involving infringement of the rights.

Also in the field of industrial property there are several areas where the judiciary has an important role to play. As one special but particularly significant example could be mentioned the implementation of the provision in the TRIPS Agreement (Article 34) on ***the reversal of the burden of proof in civil proceedings regarding process patents.***

## **2. The judiciary/public prosecution and the TRIPS Agreement**

### ***a) General impact of the TRIPS Agreement***

When the TRIPS Agreement has entered into force for a country, its legislation must provide for the standards of protection which are set out in respect of the various branches of intellectual property law in the Agreement. This has essentially three implications

- the ***level of protection*** must be respected, i.e. the various rights have to be recognized,
- the rights must ***apply to nationals of other member States*** of the WTO Agreement, i.e. they shall be protected in that country according to what the TRIPS Agreement prescribes, and
- the ***enforcement of the rights*** in the country must comply with the TRIPS standards.

The responsibility for the compliance with the TRIPS Agreement lies of course in the first instance with the legislators and those politically responsible. A huge responsibility lies, however, also with the Courts, because they are, in a way, the last and most important link in the enforcement chain and one of the main aims of the Agreement is to provide for "effective and appropriate means for the enforcement" of the rights provided for in that Agreement. If the provisions in the legislation are adequate but the enforcement mechanisms fail, there is a risk that the country will be in breach of the obligations under the Agreement and could ultimately be subject to trade sanctions.

### ***b) TRIPS' specific implications for the judiciary/public prosecution***

***The obligations flowing from the enforcement part of TRIPS***

The implications for the courts of the TRIPS Agreement are both direct and indirect. The TRIPS Agreement obviously relies to an important extent on the courts. Thus, the ***General Obligations*** in Article 41 of the enforcement part of the Agreement and the ***special obligations*** in the other Articles in that Agreement have, as will be discussed in the following, an influence on the courts.

***The obligations flowing from the Dispute Settlement part of TRIPS***

The provisions in the Part on ***Dispute Prevention and Dispute Settlement*** also contain, in Article 63, some provisions on transparency, of which one element is that, for instance, final judicial decisions in the field concerned shall be published or be made publicly available

That Article also prescribes an obligation for Members of WTO to provide, in response to written requests, information on such decisions. Any Member State which has reason to believe that a specific judicial decision or administrative ruling in the area of intellectual property rights may request in writing to be given access to, or be informed in sufficient detail of such specific judicial decisions or administrative rulings. These provisions show the importance which the TRIPS Agreement attaches to the role of the judiciary.

***Burden of proof in cases relating to process patents (TRIPS Art. 34)***

It could also be mentioned that some of the questions which some countries have received in the course of the ***TRIPS Council Review Meetings*** had dealt with court practice, for instance concerning the reversal of the burden of proof in relation to process patents under Article 34 of the Agreement.

***Specific issues: criminal sanctions***

Generally speaking the special provisions on enforcement are of particular importance for the Courts. Some of those provisions deal with procedures, evidence of proof, injunctions, damages, other remedies, right of information, indemnification of the defendant, etc. Those have naturally to be taken into account, in the first instance, by the legislators but also form a sort of background for Courts in their considerations of intellectual property cases. There are, however, four specific aspects that should be specifically noted in this context.

The first one refers to criminal procedures.

According to the TRIPS Agreement criminal procedures and penalties are to be applied at least in cases of wilful trademark counterfeiting or copyright piracy on a commercial scale. Remedies available shall include imprisonment and/or monetary fines sufficient to provide a deterrent, consistently with the level of penalties applied for crimes of a corresponding gravity. This is a provision of considerable importance for the Courts, as it implies an obligation not to treat counterfeiting and piracy cases lightly but rather as - what they really are - corresponding to cases of theft. Furthermore, such remedies shall include the seizure, forfeiture and destruction of the infringing goods and of material whose predominant use has been for the commission of the offence.

***Specific issues: damages***

The second specific aspect of importance for the Courts relates to damages. Those have to be adequate to compensate for the injury that the right-holder has suffered, and it is consequently not enough to adjudicate only symbolic sums as damages.

***Specific issues: provisional measures***

The third specific aspect deals with provisional measures. In particular in piracy cases it is extremely important that action is taken quickly to stop the infringing activities. A whole section of the TRIPS Agreement deals with such provisional measures, which have to be taken to prevent an infringement from occurring and from the infringing goods entering into the commercial channels, and to preserve evidence in regard to the alleged infringement. It is important that courts are attentive to those needs for quick action in these cases and are prepared to consider such measures, even in some cases *inaudita altera parte*.

***General relevance of TRIPS***

The fourth aspect is of a more general relevance. The TRIPS Agreement has, as just mentioned, a special Section on general obligations in respect of enforcement of intellectual property rights. Those obligations include that the procedures shall be fair and equitable and not be unnecessarily complicated or costly or entail unreasonable time-limits or unwarranted delays. Decisions on cases shall preferably be in writing and reasoned and be made available at least to the parties involved without delay. Also, decisions shall be based only on evidence in respect of which the parties has an opportunity to be heard. Also, parties shall have an opportunity for review by a judicial authority of at least the legal aspects of initial jurisdictional decisions; there shall, however, be no obligation to provide for an opportunity for review of acquittals in criminal cases.

The advent of the TRIPS Agreement has greatly increased the need for clear and enforceable national provisions on intellectual property and it will also have an impact on the operations of the Court system in cases relating to this branch of law. When the TRIPS Agreement becomes applicable, there will be a great responsibility for the judges and the courts as regards the proper implementation, application and enforcement of intellectual property rights. It is, therefore, important that the judiciary is aware of the contents and the impact of the Agreement and on the implications that it will have for the operations of the courts.

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