

WIPO



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WORLD INTELLECTUAL PROPERTY ORGANIZATION

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WIPO FORUM ON PRIVATE INTERNATIONAL LAW AND INTELLECTUAL PROPERTY

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BACKGROUND PAPER

Prepared by the International Bureau

The Issues

1. Intellectual property rights are territorial. Patents, trademarks and copyrights are protected in individual countries, sometimes on a regional basis, but never on a global scale. The territoriality of intellectual property rights was the driving force behind the development of international intellectual property law that began in 1883 with the adoption of the Paris Convention for the Protection of Industrial Property. The Berne Convention for the Protection of Literary and Artistic Works came into being only three years later. These and subsequent efforts to improve the international protection of intellectual property rights have not changed the territorial basis of intellectual property; there still is no unified global protection for intellectual property rights, no global patent, trademark or copyright.

2. Private international law addresses problems that arise from the territoriality of legal systems. When a dispute involves more than one country, it is necessary to decide which country's courts have jurisdiction to hear the case, to determine under which law the dispute can be decided, and to ensure that the judgment is recognized and enforced in the other countries concerned. Thus, private international law attributes jurisdiction to national courts when disputes involve a foreign element, determines the applicable law, and facilitates the recognition and enforcement of foreign judgments. It does so, in most cases, on the basis of territorial connecting factors, such as the domicile of a person, the place of registration of an industrial property right or the place of infringement.

3. Questions of private international law have assumed increasing importance in the field of intellectual property as markets have become increasingly global. With the advent of the Internet, these questions have become both more pressing and complex. Because of the global nature of the Internet, it has become increasingly difficult to apply territorial connecting factors, and to determine, with reasonable certainty, which court will have jurisdiction and which laws will apply.

WIPO's Activities

4. One response to this uncertainty is to directly address aspects of territoriality and private international law within the traditional system of international intellectual property law, which is mainly concerned with the harmonization of national laws and the development of systems facilitating the international protection of intellectual property. In this context, WIPO has dealt with issues of private international law in various fields of its work.

5. From December 16 to 18, 1998, WIPO organized a meeting of a Group of Consultants on the Private International Law Aspects of the Protection of Works and Objects of Related Rights Transmitted through Global Digital Networks. For this meeting, WIPO had commissioned two studies from leading experts in the field. One study was prepared by Professor Jane C. Ginsburg, Columbia School of Law, United States of America (WIPO document GCPIC/2), the other by Professor André Lucas, Université de Nantes, France (WIPO document GCPIC/1).

6. The WIPO Standing Committee on Trademarks, Industrial Designs and Geographical Indications (SCT) has on several occasions discussed questions of jurisdiction and applicable law in the context of the use of trademarks on the Internet. In June 1999, the SCT discussed a comprehensive Study Concerning the Use of Trademarks on the Internet (WIPO document SCT/2/9), which also addressed aspects of jurisdiction, choice of law and enforcement. In November 1999, information regarding the Preliminary Draft Convention on Jurisdiction and

Foreign Judgments in Civil and Commercial Matters was presented to the SCT, to evaluate the possible implications of the draft convention on trademark law (WIPO document SCT/3/3). The SCT again addressed this issue in March 2000 (WIPO document SCT/4/3). At its fifth session in September 2000, the SCT adopted draft provisions concerning the protection of marks and other industrial property rights in signs on the Internet (WIPO document SCT/5/2) which have been refined by the International Bureau for further discussion at its sixth session in March 2001 (WIPO document SCT/6/2). If adopted, it will be submitted as a Joint Recommendation to the WIPO Assemblies in September 2001 for consideration.

7. At a consultation with non-governmental organizations organized by the WIPO Copyright Division in October 1999, applicable law was identified as one of the private sector's top three priorities for WIPO's ongoing work in the digital arena.

8. In May 2000, WIPO published a Primer on Electronic Commerce and Intellectual Property Issues (WIPO/OLOA/EC/Primer) which, *inter alia*, provides an overview of topical issues concerning jurisdiction, enforcement and applicable law.

9. Another response to the uncertainty arising from the territoriality of intellectual property law is the development of alternative dispute resolution procedures. Since 1994, the WIPO Arbitration and Mediation Center has offered arbitration and mediation services for the resolution of international commercial disputes between private parties. The procedures offered by the Center are widely recognized as appropriate for technology, entertainment and other disputes involving intellectual property. The Center has focused significant resources on establishing an operational and legal framework for the administration of disputes relating to the Internet and electronic commerce. For example, today the Center is recognized as one of the leading dispute resolution service providers for disputes arising out of the registration and use of Internet domain names.

The WIPO Forum on Private International Law and Intellectual Property

10. It is clear that issues arising from the interface between private international law and intellectual property merit attention. Various associations and organizations have begun to focus on such issues in their respective programs. For example, the Hague Conference on Private International Law ("Hague Conference") has prepared a Preliminary Draft Convention on Jurisdiction and Foreign Judgments in Civil and Commercial Matters, which contains provisions that concern intellectual property disputes.

11. WIPO has been asked by its Member States to undertake an examination of private international law issues relating to intellectual property (see, for example, WIPO document SCT/4/6, paragraphs 92 to 94 and 97; see also WIPO documents ACE/IP/1/3, paragraph 9 and ACE/IP/1/5, page 4).

12. The WIPO Forum on Private International Law and Intellectual Property now provides Member States and the international intellectual property community with an opportunity to hear prominent thinkers in the field, and to exchange views on this topic of increasing importance. The Forum is a first step in the process of identifying possible issues for international cooperation.

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