

ENFORCEMENT OF IP RIGHTS

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Outline



- Enforcement as a defence of an SME's intellectual assets
- What is "IP enforcement"?
- Situations when an SME enforces its IP rights
 - What is "IP infringement"?
 - Legal consequences of IP infringements: sanctions and remedies
 - Enforcement actions against civil and criminal IP infringements
- SME's enforcement strategy: main points/case studies

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SME's Intellectual Assets: Recap (1)

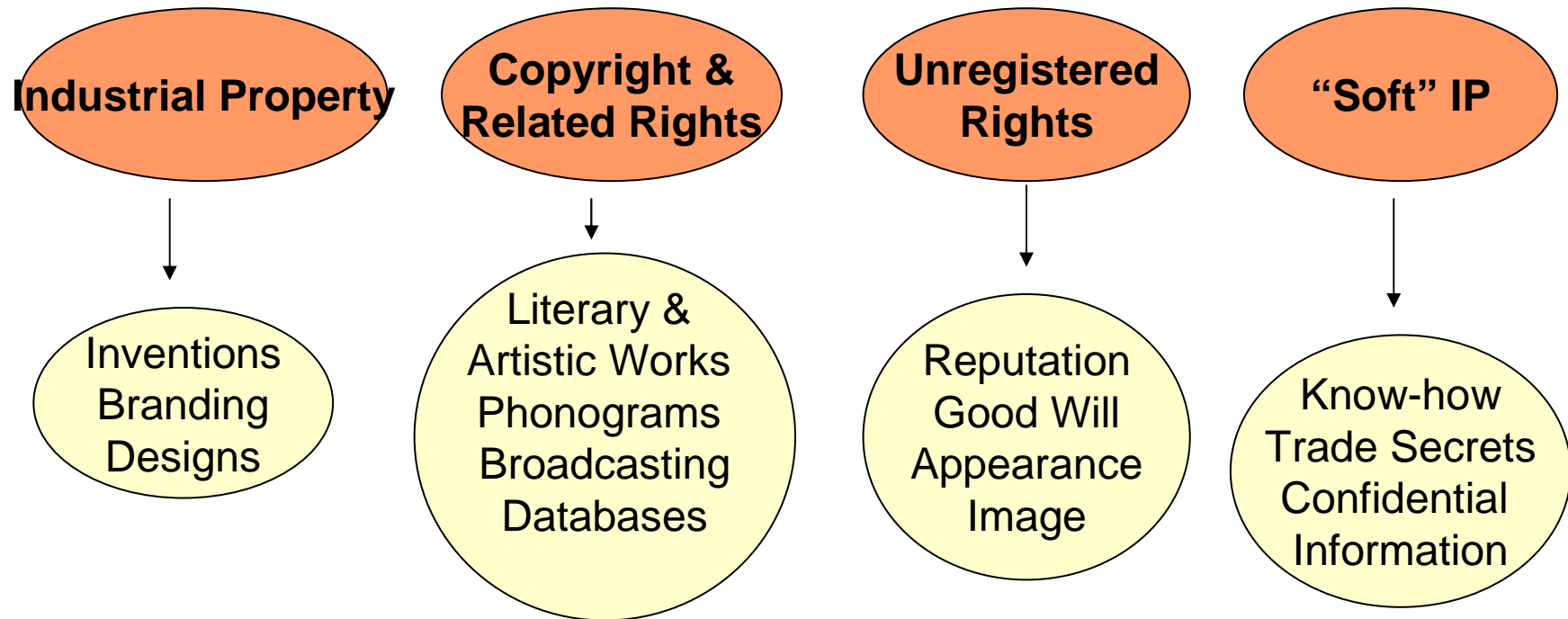
Industrial Property Rights

Copyright and Related Rights

Other Unregistered Rights

“Soft” IP

SME's Intellectual Assets: Recap (2)



Registered + unregistered rights + "soft" IP = a company's **intellectual assets**

SME's Intellectual Assets: Recap (3)



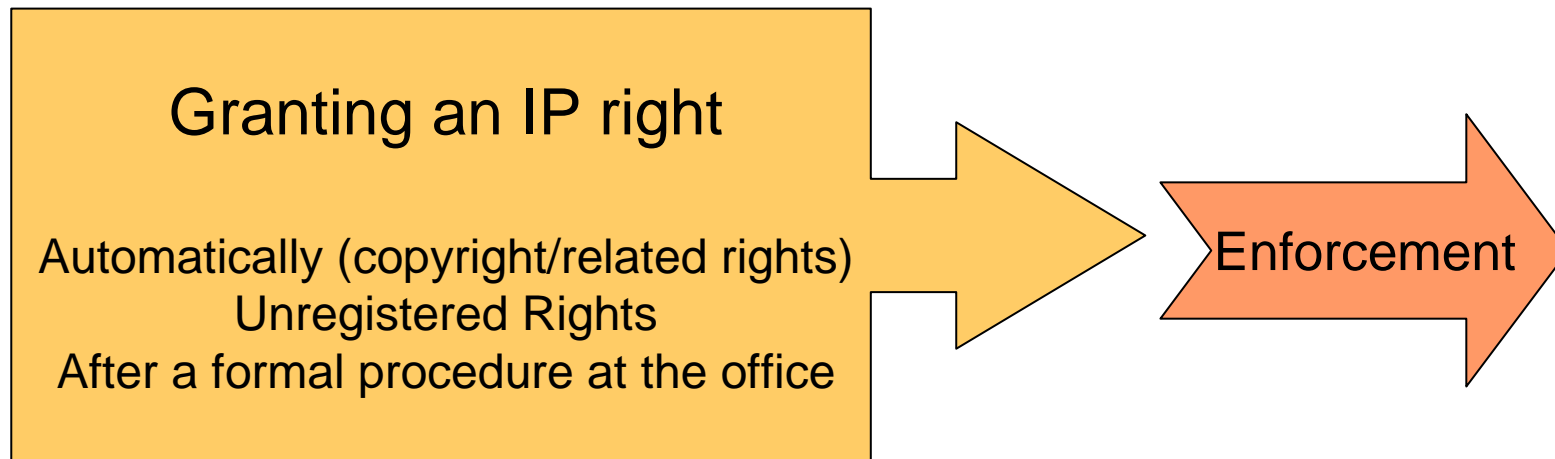
Remember - Many IP rights can be involved in one product!

Outline



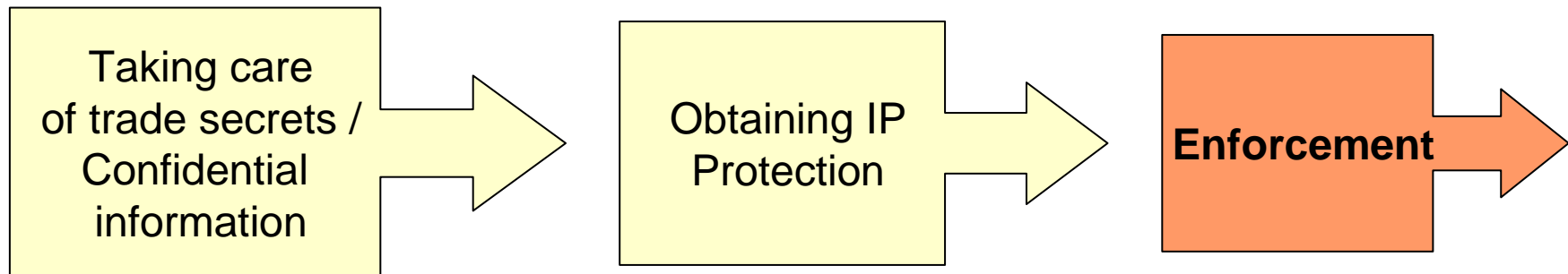
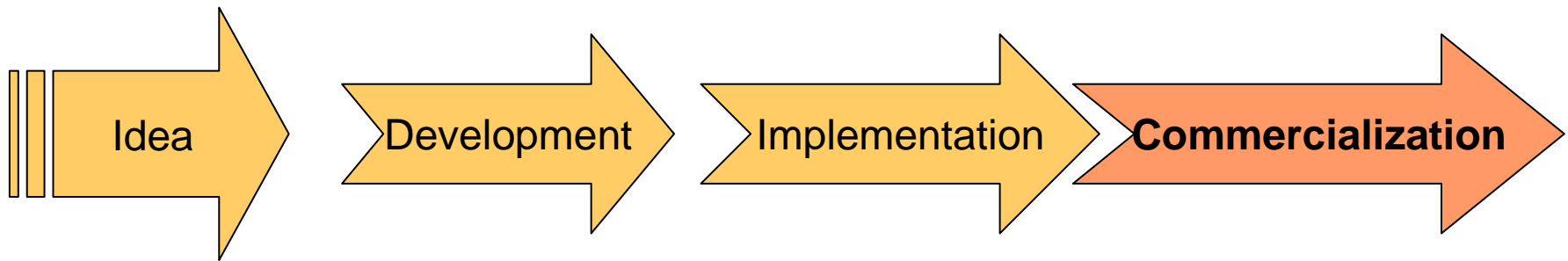
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What is “IP Enforcement”? (1)



Obtaining protection = establishing ownership	Enforcement = defending an IP asset
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What is “IP Enforcement”? (2)



IP Enforcement: Why important?

- Avoid harm caused by “free-riders” of a company’s IP assets
- Avoid losing a company’s knowledge/know-how
- Solving disputes over the ownership and knowledge/ideas




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When a company enforces its IP rights?

- When somebody infringes a company's intellectual assets.
 - When somebody seeks to obtain a right that belongs to a company.
 - When somebody seeks to obtain or obtains a trade secret/confidential information that belongs to a company.
- 

What is “IP Infringement”? (1)

Using a company’s IP assets
without its permission.

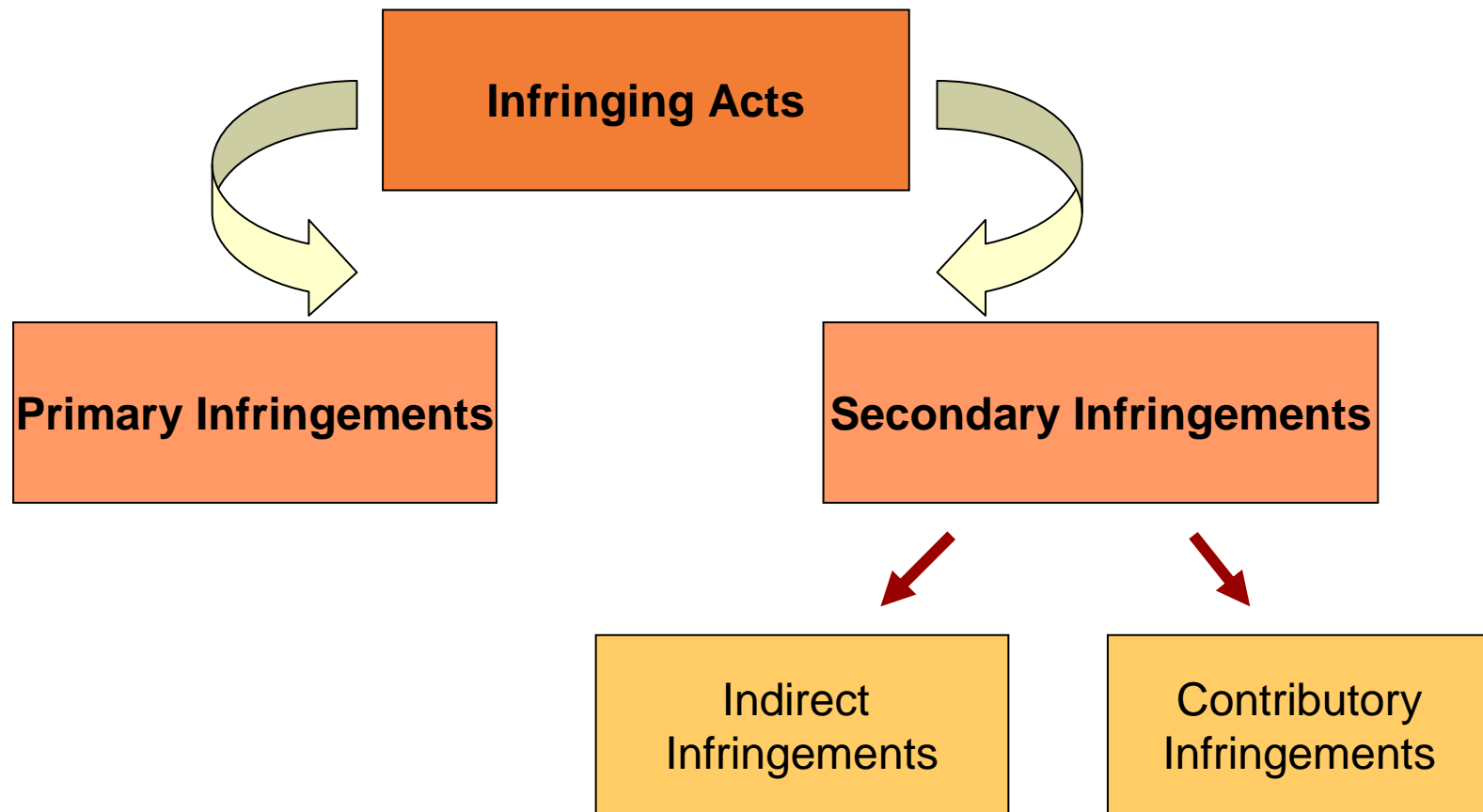
Enforcement Action



What is “IP Infringement”? (2)

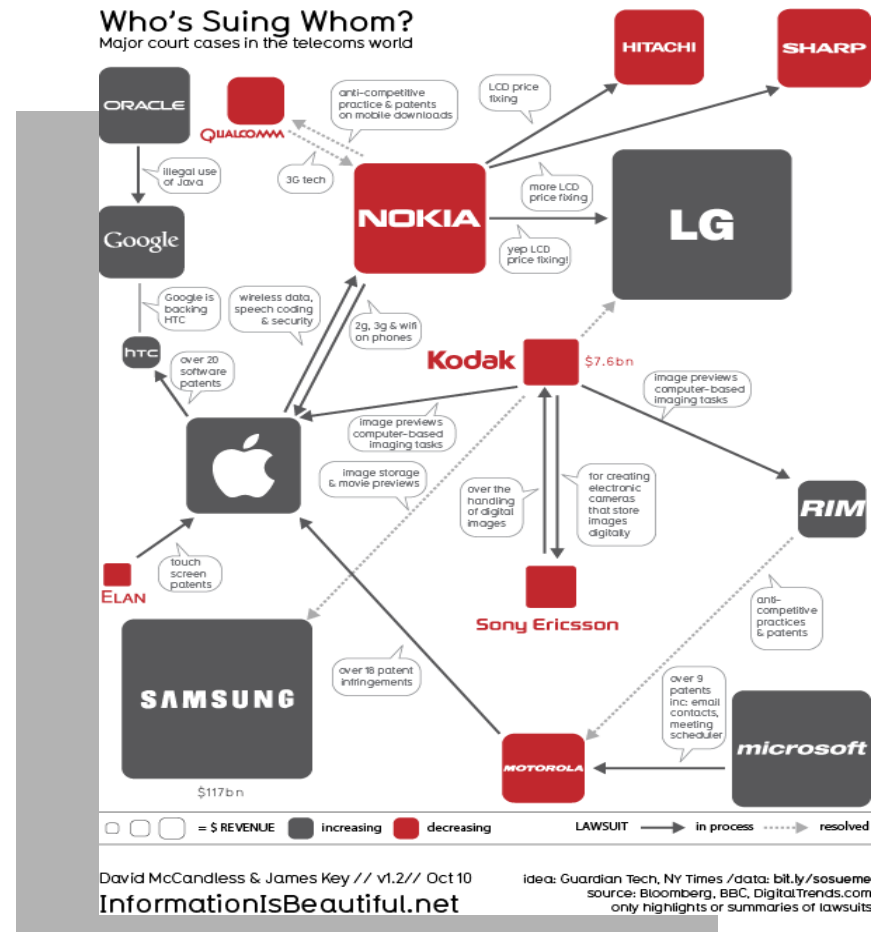
Patent Law (incl. Utility Models)	Making, using, offering for sale, selling, importing or exporting of a patented product, or use of a patented process. Making, using, offering for sale, selling, importing or exporting of the product directly obtained by a patented process.
Trade Mark Law	Affixing a confusingly similar sign for the same or similar goods and/or services bearing a protected TM; offering the goods, putting them on the market ; stocking them; or offering or supplying services there under; importing or exporting the goods under the sign; using the sign in advertising; using well-known TMs for different goods and/or services
Design Law	Making, using, imitating, importing, exporting, selling, etc. goods having the same appearance or “overall impression” of a protected design/s.
Copyright Law	Copying, making, publishing, translating, adapting, otherwise transforming, distributing by sale, rental, lending, exporting and importing; publicly displaying or performing, broadcasting, “bootlegging”, putting on the Internet, etc. a protected work of literature, art, music, etc.

What is “IP Infringement”? (3)



Example: Patent Infringement

Infringement is the unauthorized use of the patented invention by a third party.



Example: Trade Mark Infringement

- A commercial use of an **identical or similar** distinctive mark **for the same or similar goods or services**, which is likely to produce confusion for the public (in the country where a trade mark is protected).
- For **well-known marks**: use of an identical or similar sign for both similar and/or dissimilar goods (under certain conditions).



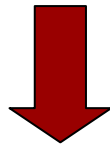
Example: Design Infringement

The use of a design which produces the same “overall impression” as the registered design on an “informed user”.



Example: Copyright Infringement

Direct



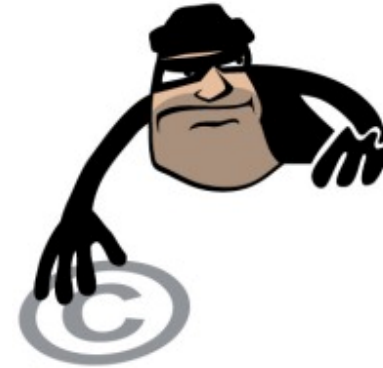
Use of copyright works without copyright holder's permission

Indirect



Providing help or facilities to other persons, also inducement of those persons by third party to use copyright works without copyright holder's permission

Criminal IP Infringement



- An intentional act
 - Seeking economic (commercial) profit
 - Most frequently relates to copyright, designs (**piracy**) and trademark infringement (**counterfeiting**)
 - Happens internationally
 - Calls for public prosecution...
 - More severe sanctions: fines, imprisonment, but no damages (as a rule)
-

Piracy

- It is a “theft”.
- Unauthorized copying/selling on a large commercial scale
- Involves many unlawful forms, including organized crime




Counterfeiting



- Unauthorized imitation of branded goods
- Can be non-deceptive and deceptive.
- Involves various types of goods and brands and required an organized supply chain.

Other Situations When A Company Enforces its IP Rights

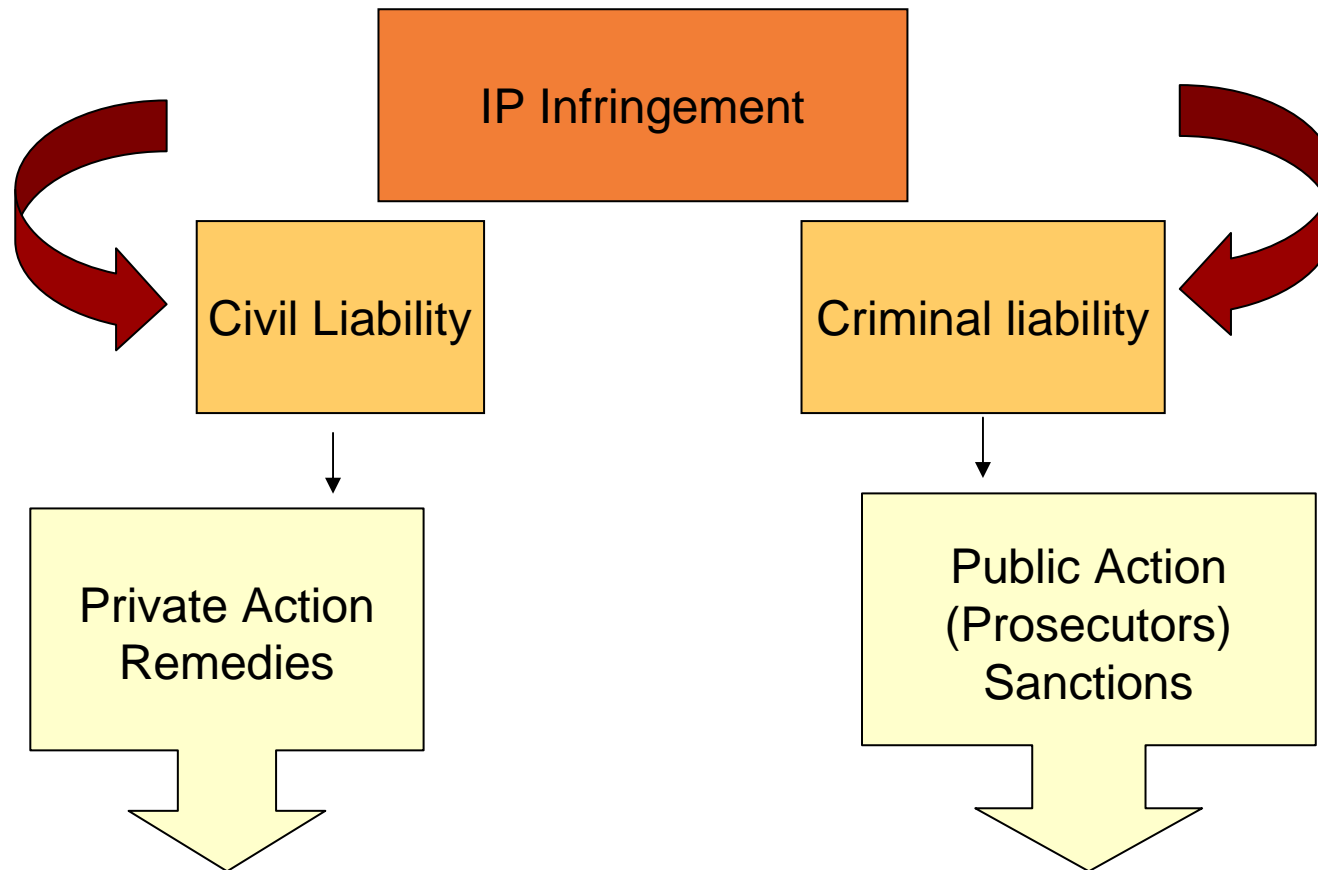
- Stopping and eliminating conflicting applications and registrations
 - Avoiding situations when a trade secret is taken by somebody unlawfully:
 - Misappropriation of trade secrets, know-how that belongs to a company
 - Breach of confidentiality issues
- 

Outline

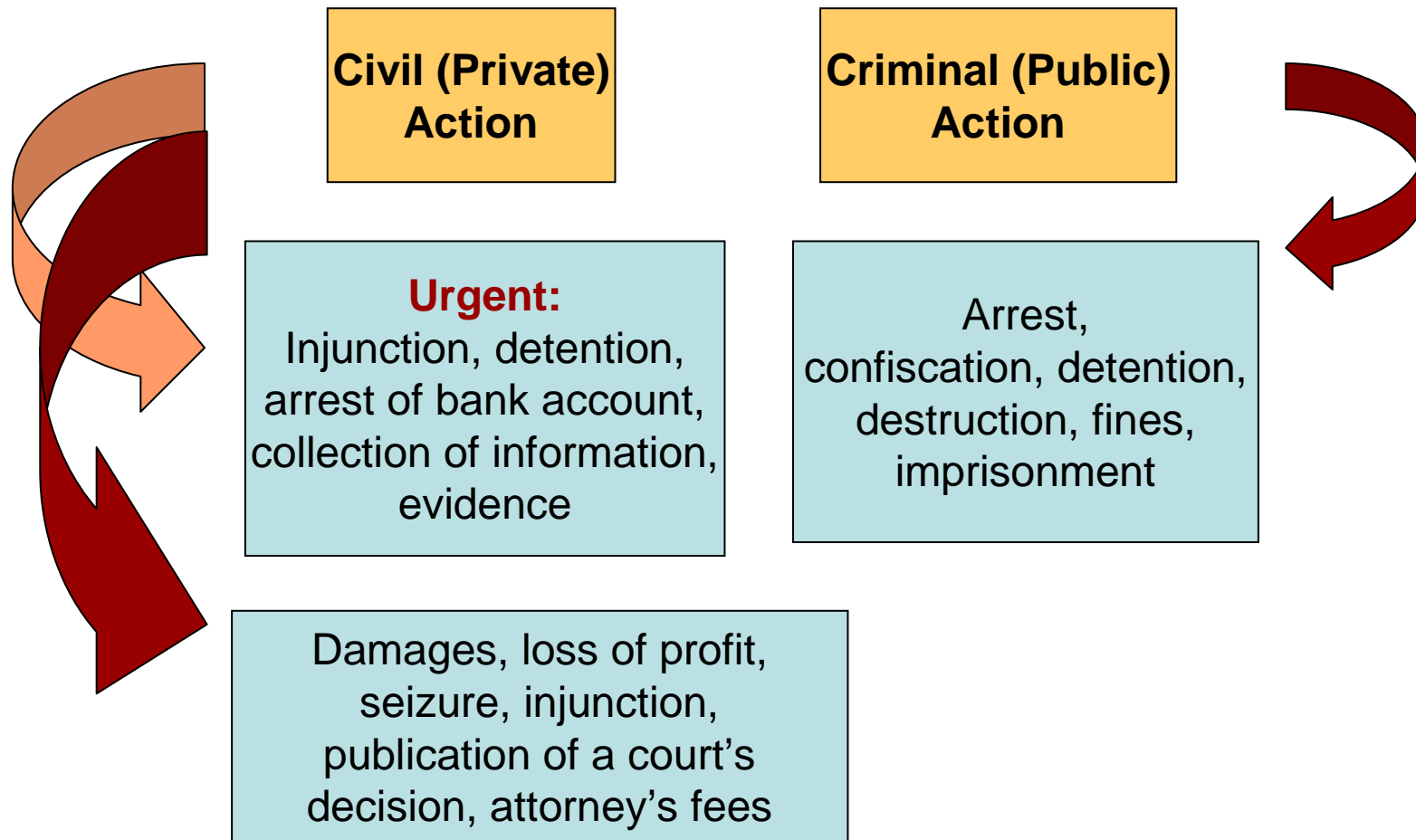


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Legal Consequences: Infringer's Liability and A Company's Action



Legal Consequences: What Can A Company Ask For?



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Enforcement Actions: General

Two situations:

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graph TD; A[Two situations:] --> B([A company's IP is infringed]); A --> C([A company is accused of infringement]);
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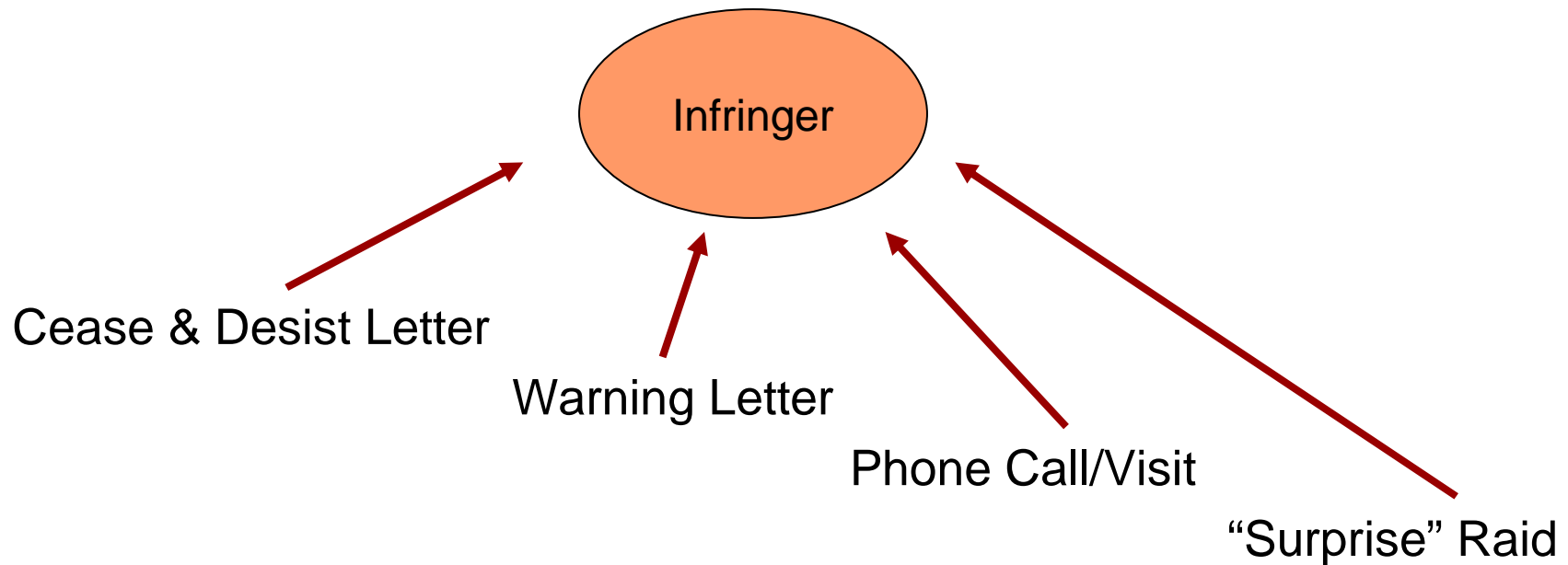
A company's IP is infringed

A company is accused of infringement

Enforcement Actions:

A Company's IP is infringed

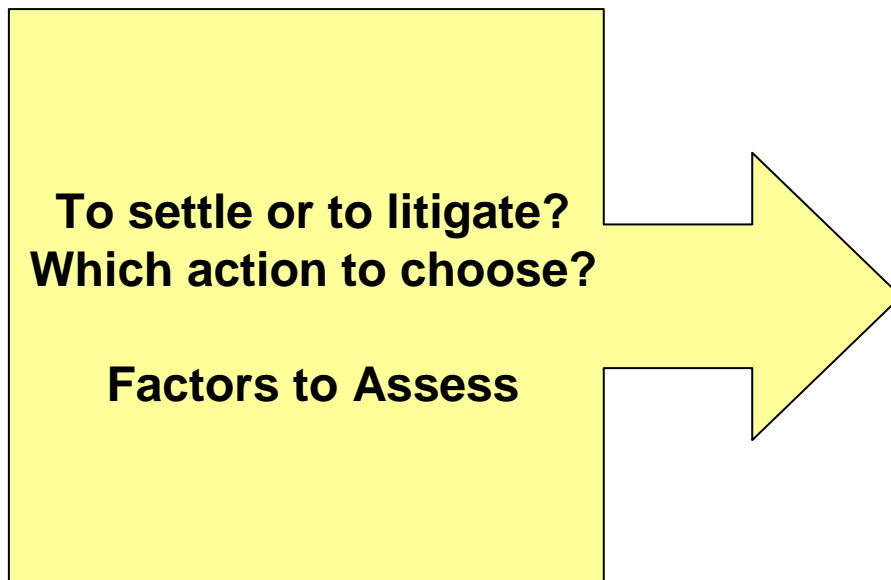
How to approach infringer?



Enforcement Actions:

A Company's IP is infringed

Which Action to Take?



- infringer's reaction and validity of rights
- availability of evidence
- resources to collect additional evidence (if needed)
- likelihood of success (if litigating)
- relief, damages, costs
- liquidity and fiscal status
- duration
- publicity effects
- strength of a company's IP
- effects on a company's reputation

Enforcement Actions:

A Company's IP is infringed

Choosing to Settle

- Settlement negotiations and processes
- Settlement agreement
- Enforcing settlement agreement



Enforcement Actions:

A Company's IP is infringed

Choosing to Litigate

- Choice of a court
- Writ of claims
- Opponent's defences
- Urgent measures to ask
- Paying court fees



Enforcement Actions:

A Company's IP is infringed

Pros and Cons of Litigation

Pros

- Binding
- Can be appealed
- Covers civil and criminal
- Wide evidence submission
- Quicker to apply urgent measures
- Extensive use of attorneys
- Public (in a courtroom)

Cons

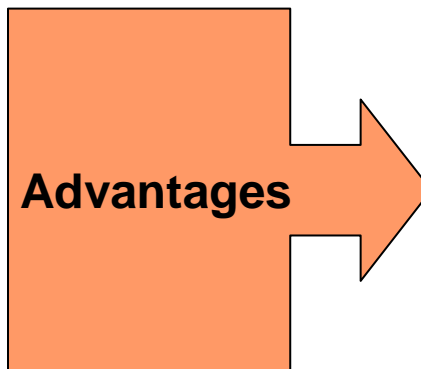
- Long
- IP rights can be questioned or declared invalid
- Risk of bad publicity
- No selection of judges
- No specialization of judges (in some jurisdictions)

Enforcement Actions:

A Company's IP is infringed

Alternative Dispute Resolution

- Arbitration
- Mediation
- Negotiations



- Single procedure
- Party autonomy
- Neutrality
- Expertise
- Confidentiality
- Enforceability of awards (arbitration)

Enforcement Actions:

A Company's is Accused of Infringement

First Steps

- Asking for a legal advice
 - Checking the basis and validity of the claims
 - Finding the supportive arguments and documents
 - Being diligent and active
-

Enforcement Actions:

A Company's is Accused of Infringement

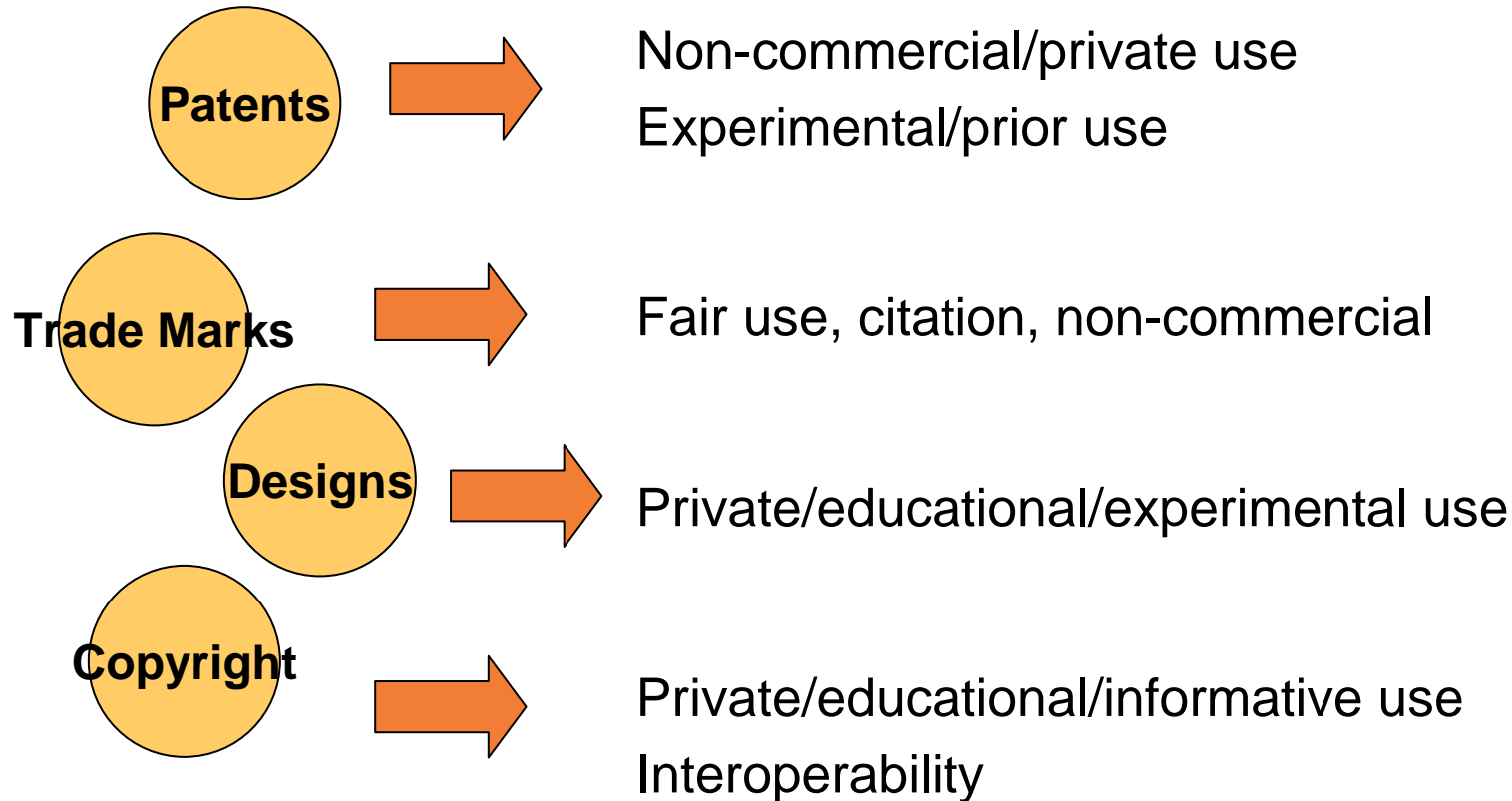
Main Defences

- Invalidity of a claim
 - Permission to use an IP right
 - Independent creation
 - Exempted use(s)
 - Invalidity of an IP right (counterclaims)
 - Exhaustion of IP rights
 - Violation of competition/anti-trust rules
-

Enforcement Actions:

A Company's is Accused of Infringement

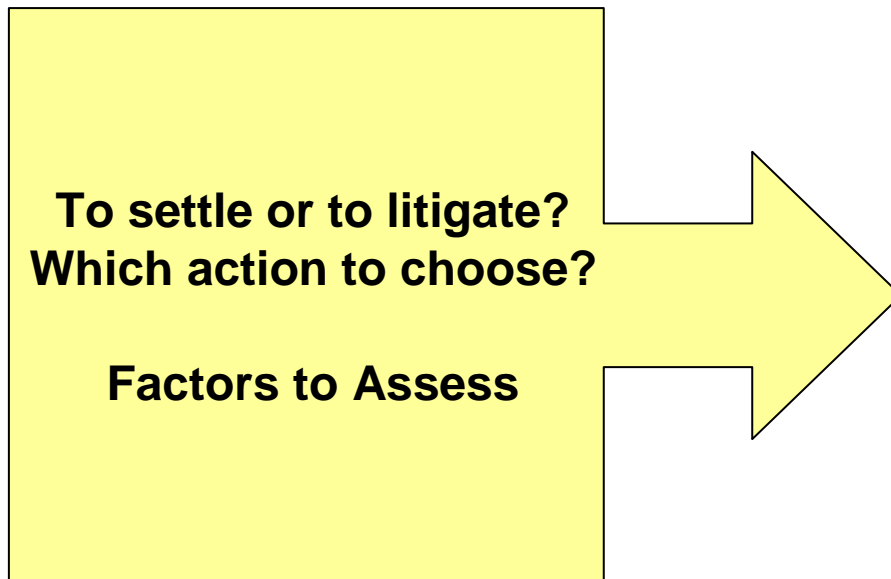
Exempted / Allowed Uses



Enforcement Actions:

A Company's is Accused of Infringement

Which Action to Take?



- Actual infringement: negligent or intentional
- If not infringing, how to prove it
- Costs of litigation
- Chances to counterclaim
- Possibilities (or strategy) to licence an IP right

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A Company's Enforcement Strategy

Checklist

- ✓ Assessment of IP assets
- ✓ Taking preventive measures (enforcement guides, policies within a company, clearance procedures, etc.)
- ✓ Monitoring the market
- ✓ Considering (or choosing) enforcement procedures for future disputes
- ✓ Cost/benefit risk assessment
- ✓ Freedom to operate searches
- ✓ Assessment of litigation and ADR procedures

CASE STUDY 1

In the morning, on the way to his office, an employee of one company sees a number of CDs in another company's window-case which bear his company's labels. The employee suspects that these CDs can be counterfeited. He tells about that fact to the manager of the company immediately when he comes to the office. The manager seems very angry.

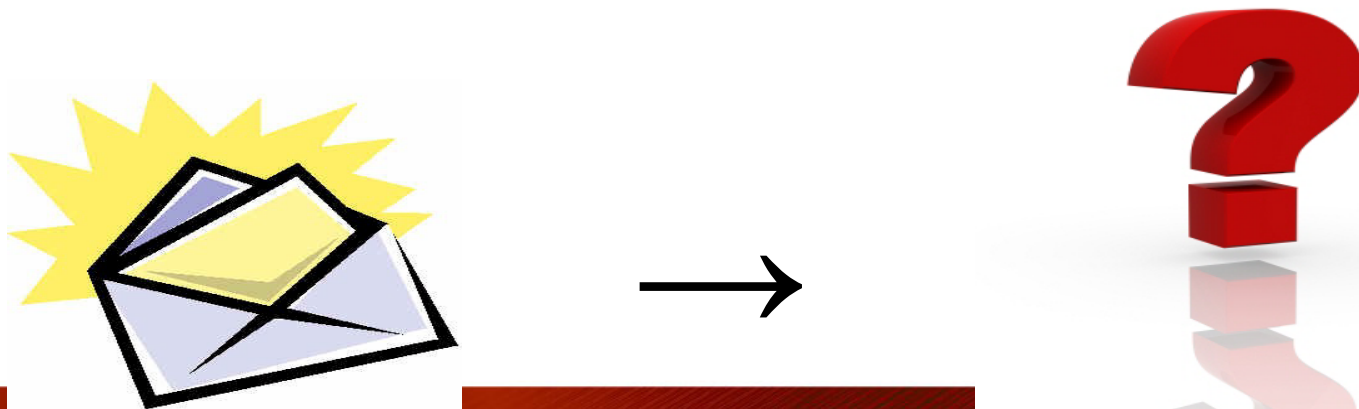
What should be the first steps taken by a manager of the company?



CASE STUDY 2

The manager of the company XXX receives a warning letter from another company. In that warning letter the company XXX is accused of using software (whose owner is the company which signed the warning letter) in its activities without the claimant's permission. All documents regarding the ownership of the software are attached to the letter.

What should be the reaction of the company XXX?

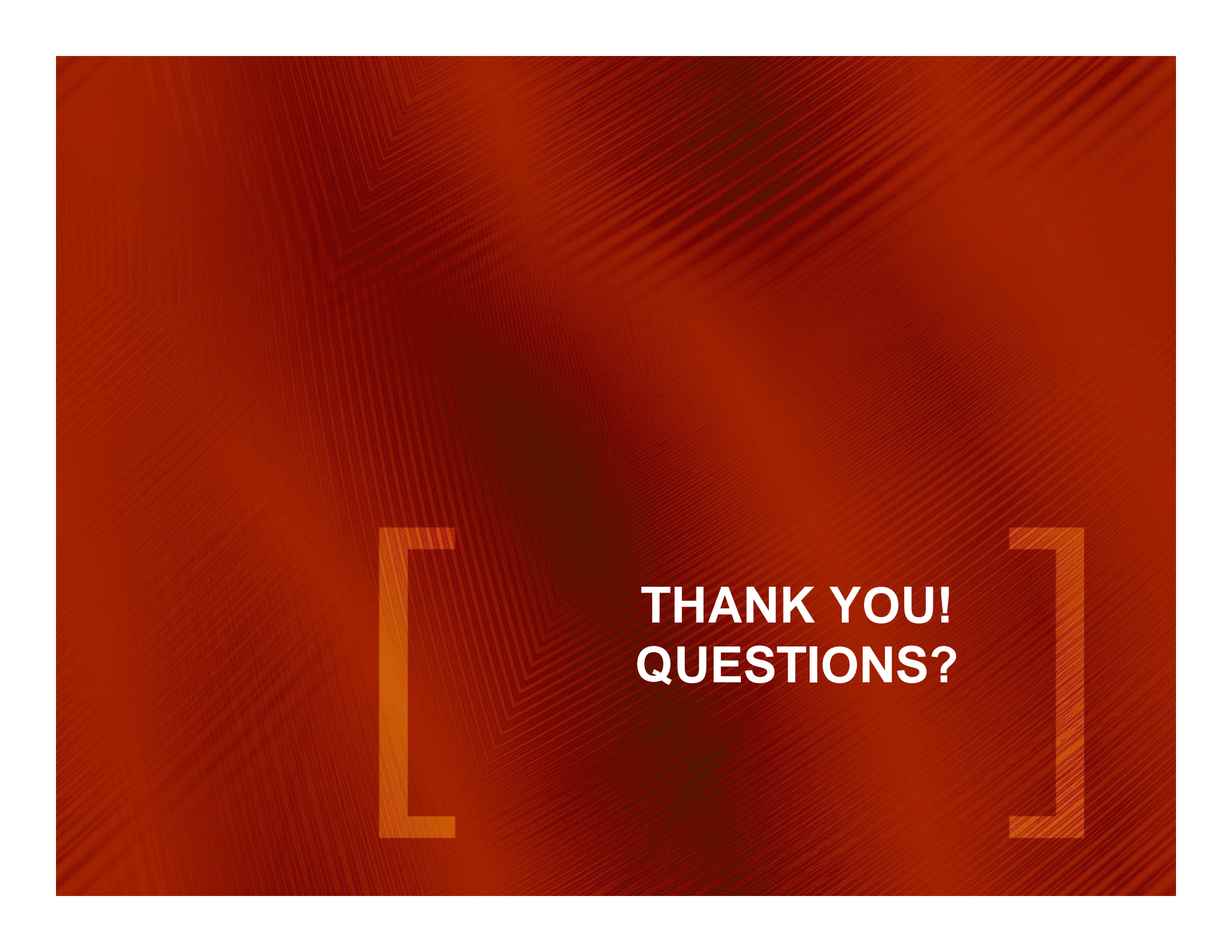


CASE STUDY 3

The company produces plastic bottles in Sri Lanka. It owns a patent for the production process of such bottles in Sri Lanka and India. All company's factories are in Sri Lanka. One day, the manager of the company receives an information via email telling that a Malaysian company started importing plastic bottles into India which seem to infringe the Sri Lankan company's patent.



What kind of evidence the Sri Lankan company should collect?



**THANK YOU!
QUESTIONS?**