



# **The International Standards in the Enforcement of IPR: Part III of the TRIPS Agreement**

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# 1. The Various Levels

- Multilateral: TRIPS Agreement
- Plurilateral → ACTA?
- Bi-lateral → Free Trade Agreements
- Regional: EU; Bangui Agreements (OAPI); etc.

## 2. The TRIPS Agreement

- Basic principles:

- National treatment (Art. 3) ;
- Most-Favoured Nation Treatment (Art. 4).

- Main features:

- Sets out minimum standards of IP protection (Part II) ;
- Requires effective enforcement measures (Part III) ;
- Provides an effective dispute settlement mechanism (Part V) ;
- Transitional arrangements (now for LDC) (Part VI).

## 3. TRIPS, Part III : IPR Enforcement

Part III = a framework

⇒ Balance of interests (Art. 41):

- *Minimum* standards of protection (*compar.* EU Directive 2004/48 and EU Reg. 1383/2003);
- Ensuring effective action, including expeditious remedies to prevent infringements.

## 3. TRIPS, Part III : IPR Enforcement

But also:

- Avoiding the creation of barriers to legitimate trade (Art. 41.1);
- Providing safeguards against the abuse of procedures (Art. 41.1; Art. 48) ;
- Ensuring fair and equitable procedures: rights of defendants (Art. 42; Art. 50.4-7; etc.).

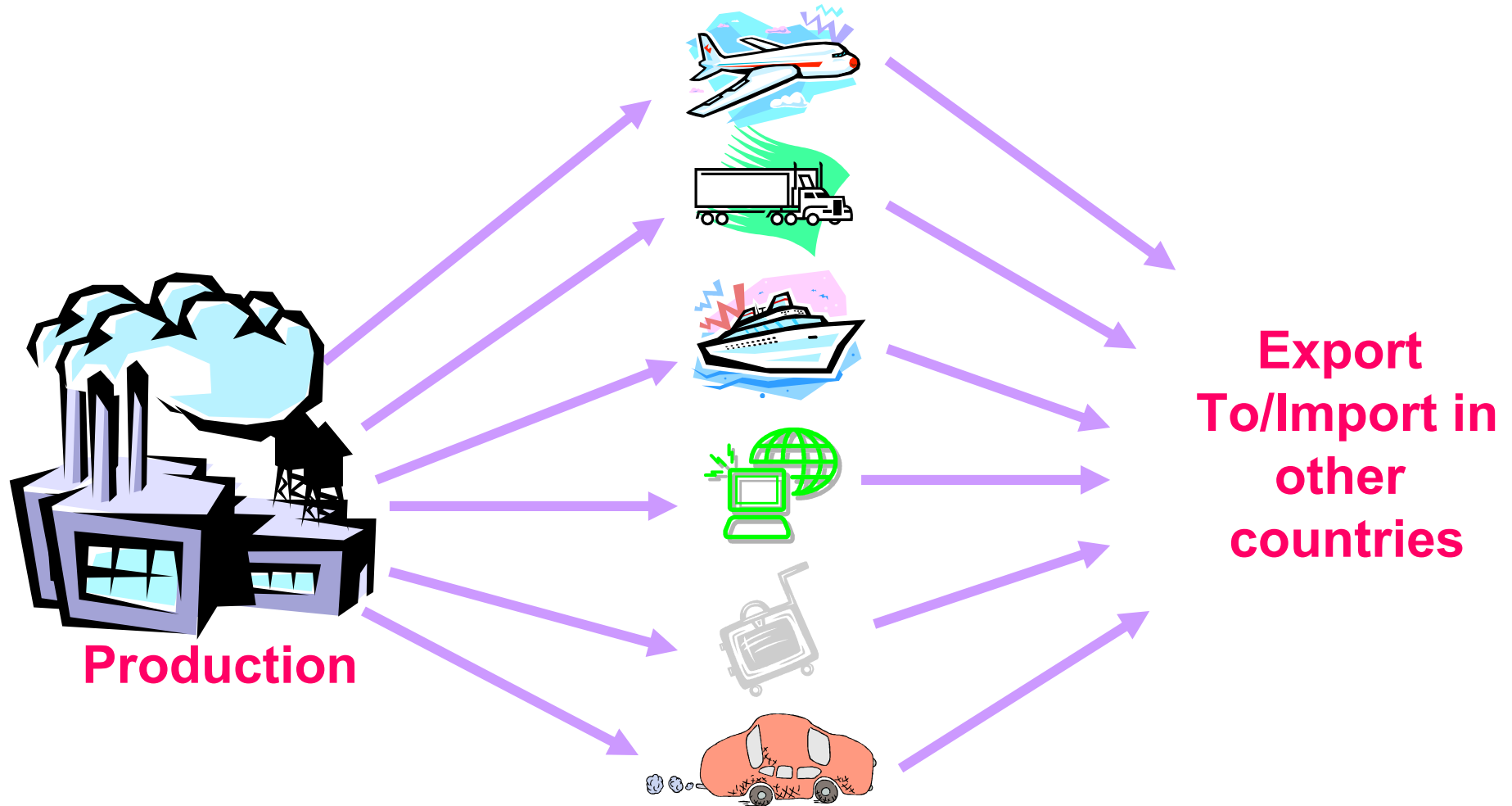
## 3. TRIPS, Part III : IPR Enforcement

- Structure: various sets of measures according to the nature of the infringement:
  - The infringement of any IPR whatsoever within the scope of TRIPS: civil & administrative procedures and remedies, including provisional measures (Art. 42-50)
  - + other measures for, **at least**, counterfeiting of trademarks & piracy of copyrighted good : border measures (Art. 51-60) + criminal sanctions (Art. 61).

## 3. TRIPS, Part III : IPR Enforcement

- No obligation for Member States to put in place a specific judicial system or allocate special funds for IP enforcement (Art. 41.5).

# Means of conveyance





## 3.1. Border Measures (Art. 51-60)

### Art. 51

- Subject: Suspension of release of alleged infringing goods.
- Only against the importation of goods suspected to be infringing trademarks (counterfeit goods) or copyrights (pirated goods)...
- ... but Member States may go further :
  - goods involving infringement of other IPRs
  - goods in transit/to be exported.

## 3.1. Border Measures (Art. 51-60)

- How does it work?
  - Application filed with the Customs Authorities by the right holder, providing sufficient evidence of a *prima facie* infringement in the country of importation (Art. 52) ;
  - Customs Authorities (CA) decide to accept the application or not, and inform the applicant accordingly (Art. 52) ;
  - CA may require a security or equivalent assurance to the applicant : protection against abuse of right (Art. 53.1) ;

## 3.1. Border Measures (Art. 51-60)

- Effective suspension of release of goods => notification to the applicant AND the importer (Art. 54);
- Effective suspension of release of goods = for a determined period of time: 10 working days (+ add. 10 working days) within which period the applicant must have initiated a procedure on the merits OR provisional measures must have been taken by the judicial authorities (Art. 55) ;
- If not => release of the goods.

## 3.1. Border Measures (Art. 51-60)

- If a procedure on the merits is started in due time => right of review of the suspension belongs to the importer (Art. 55) ;
- Right of inspection (to substantiate his/her claim) and information for the right holder by authorisation given by the competent authorities (Art. 57) // Provisional measures to get evidence ;
- Indemnification of the importer, the owner and the consignee of the goods for injury caused by wrongful detention of goods (Art. 56).

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## 3.1. Border Measures (Art. 51-60)

- Specificities:

- *Ex Officio* Action by CA, without application from the right holder (Art. 58)

- > exemption of liability of public authorities and officials where actions are taken or intended in good faith.

- *De Minimis* Imports (Art. 60).

## 3.2. Provisional Measures (Art. 50)

- Competence of the Judicial Authorities, but possibility of same measures by administrative authorities under same conditions (Art. 50.8) ;
- Two purposes:
  - preventing an infringement of any IPR to occur (incl. entry into the channels of commerce) ;
  - preserving relevant evidence (*see other session*).
- *Prima facie* case + security (Art. 50.3) // avoiding abuse.

## 3.2. Provisional Measures (Art. 50)

- Unilateral procedure if need be // effectiveness of gathering evidence (Art. 50.2)...
- ... but right of review in a contradictory procedure for the defendant after the execution of the measures (Art. 50.4).
- Applicant bears the risk of having to provide the defendant with appropriate compensation (Art. 50.7).

## 3.3. Civil procedure on the merits (Art. 42-48)

- Civil judicial procedures (Art. 42), but possibility of same measures by administrative authorities under same conditions (Art. 49) ;
  
- Fair and Equitable Procedures (Art. 42):
  - Right to timely and detailed written notices to Defendants;
  - Right to representation ;
  - Personal appearances not overly burdensome ;
  - Right of parties to substantiate their claims and to present all relevant evidence ;
  - Protection of confidential information.



## 3.3. Civil procedure on the merits

- Evidence (Art. 42) (*see other session*)
  - Judicial authorities may order that relevant evidence be produced by opposing party under specific conditions (Art. 43.1) ;
  - Judicial authorities can make preliminary and final determinations on the basis of the information presented to them without being stopped by the absence of co-operation of one of the parties (Art. 43.2).

## 3.3. Civil procedure on the merits

- Injunctions (Art. 44)
  - Judicial Authorities shall have the authority to order a party to desist from an infringement, *inter alia* to prevent the commercialization of imported infringing goods;
  - An exception is allowed for goods acquired in good faith.

## 3.3. Civil procedure on the merits

- Damages (Art. 45) (*see other session*)
  - Adequate compensation for the injury suffered by the right holder because of the infringer who knew, or should have known, that he was engaged in an infringing activity ;
    - exception: judicial authorities may order recovery of profits and/or payment of pre-established damages, “*even where the infringer did not knowingly, or with reasonable grounds to know, engaged in an infringing activity*”.
- Judicial expenses, which may include attorney’s fees.

## 3.3. Civil procedure on the merits

- Other remedies (Art. 46) (*see other session*)
  - Judicial Authorities shall have the authority to order:
    - that infringing goods be disposed of outside the channels of commerce or – unless against the constitutional principles - destroyed, without any compensation ;
    - that materials and implements the predominant use of which has been in the creation of the infringing goods be disposed of outside the channels of commerce, without any compensation.

## 3.3. Civil procedure on the merits

- Right of information (Art. 47) (*see other session*):
  - Ordering the infringer to inform the right holder of the identity of third persons involved in the production/distribution of infringing goods + channels of distribution ...
  - ... if not out of proportion to the seriousness of the infringement.
  
- Indemnification of the Defendant (Art. 48):
  - Adequate compensation in case of abuse (Art. 48.1) ;
  - Exemption from liability of public authorities and officials if remedial measures were taken or intended in good faith (Art. 48.2).

## 3.4. Criminal Procedures (Art. 61)

- Criminal procedures and penalties mandatory **at least** in cases of **wilful** TM counterfeiting or copyright piracy on a **commercial scale**.
- Remedies should include:
  - Imprisonment and/or monetary fines
    - sufficient to provide a deterrent;
    - consistently with the level of penalties for crimes of a corresponding gravity.
  - In appropriate cases, seizure, forfeiture and destruction of the infringing goods / any materials and implements used for the commission of the offence.

## 4. Conclusion: And now?

- TRIPS agreement, Part III : a framework.
- “TRIPS Plus”?
- ACTA?

# THANK YOU FOR YOUR ATTENTION!



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