



CASUCCI
STUDIO LEGALE
LAW FIRM

**IP enforcement :
Cross border measures in EU**

Giovanni F. Casucci
Bruxelles, October 2010



The Court system – competence

EC Reg. 44/2001 – art. 5.3 (*locus delicti*)

➤ FORUM Rei : Munich – MUNICH Court

➤ FORUM Locus delicti : Bozen – VENICE IP Court





PARTIES AND COURTS

- PRODUCER : liable for injunction & damages
- THIRD MANUFACTURER : liable for injunction
- IMPORTER : liable for injunction
- DISTRIBUTOR : liable for injunction & damages
- RESELLER : liable for injunction
- USER : liable for injunction

HARMONISED IN EU
(Dir. 48/2004)



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Intellectual Property Rights

- PATENTS / SPC
- TRADEMARKS (registered)
- DESIGNS (registered)
- COPYRIGHTS
- UNREGISTERED DESIGN ?
- UNFAIR COMPETITION ?



INDIRECT INFRINGEMENT

On the basis of the principle of *indirect infringement* (*contributory infringement*), also the partial carrying out of the patented process amounts to a patent infringement. It has to be demonstrated that the alleged infringer, when implementing part of the patented process, univocally aims to complete the process abroad.

The principle is explicitly stated by article 26 of the Community Patent Convention signed in Luxemburg on December 15th 1975, (not yet ratified in Italy).



Scenario I infringement where part of a patented system/process is situated/operated outside the jurisdiction

Scenario II - Liability of overseas manufacturers/suppliers where infringing goods are sold in the jurisdiction

Other extra-territorial effects extra-territorial injunction, delivery up and damages



AIMS

- rapid interruption of the infringement
- possible need to give public notice of such reaction
- collection of the possible damages



TOOLS

- **CIVIL enforcement: EU harmonised (Dir. 48/2004)**
 - Interruption of the infringement
 - Damage collection
 - Proceedings under control of the parties

- **CRIMINAL enforcement: EU not yet harmonised**
 - Punishment of the infringer
 - Possible civil damage collection
 - Proceedings under control of the Public Prosecutor
 - Proposal of Directive (12.7.05) 2005/127-128

- **BORDER enforcement: EU harmonised (Reg. 1383/03)**
 - (A tool to allow a most effective CRIMINAL /CIVIL enforcement)



TOOLS II

➤ URGENT measures

- CIVIL : very quick in term of evidence collection
not necessarily for the injunctions
- CRIMINAL : very quick and effective in term of
evidence collection, if allowed

➤ ORDINARY proceeding

- CIVIL : not very quick, because need to manage
the technical issues, Court Expert
opinion
- CRIMINAL : timing unpredictable, largely depends by
the interest of the Public Prosecutor



TOOLS III

➤ URGENT CIVIL measures

- DESCRIPTION : evidence collection tool
(from Italy, France and UK)
EC extendable order
Reg. 1206/2001
- SEIZURE : freezing good request
- INJUNCTION : prohibition to continue the
infringement

HARMONISED IN EU
(Dir. 48/2004)



TIMING I

➤ URGENT CIVIL measures

- DESCRIPTION : 1-2 weeks
- SEIZURE : 1-6 months
- INJUNCTION : 1-6 months



TIMING II

➤ Ordinary CIVIL proceedings

- GERMANY, NETHERLANDS, SPAIN : 1 year
- ITALY, UK, FRANCE, : 2 years
- BELGIUM : 4 years
- OTHERS : 3 years



Harmonisation initiatives

EC Directive 48/2004

Art. 3

Member States shall provide for the **proportionate** measures and procedures needed to ensure the enforcement of the intellectual property rights covered by this Directive.

Those measures, procedures and remedies shall be fair and equitable and **shall not be unnecessarily complicated or costly**, or entail unreasonable time-limits or unwarranted delays.

2. Those **measures, procedures and remedies** shall also be **effective, proportionate and dissuasive** and shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.



EVIDENCE

Of the Infringement *per se*

- Technical description of the infringing goods
 - Inspections Projects, designs, etc
 - Technical analysis

Of the infringement value

- Inspection of invoices / stocks
 - Prices /cost analysis
- List of suppliers / clients / distributors



BURDEN of PROOF

Under control of the Plaintiff

- Infringement (If a marketed Product)
 - Lost profits

NOT Under control of the Plaintiff

- Infringement (If a non public Process)
 - Infringement's sales
 - Third people involved



EVIDENCE

EC Directive 48/2004

Whereas (20)

Given that **evidence** is an element of **paramount importance** for **establishing the infringement** of intellectual property rights, it is appropriate to ensure that effective means of presenting, obtaining and preserving evidence are available. The procedures should have regard to the rights of the defence and provide the necessary guarantees, including the **protection of confidential information**. For infringements committed on a commercial scale it is also important that the courts may order access, where appropriate, to banking, financial or commercial documents under the control of the alleged infringer.



EVIDENCE

EC Directive 48/2004

Art. 6.1

1. Member States shall ensure that, on application by a party which has presented **reasonably available evidence** sufficient to support its claims, and has, in substantiating those claims, **specified evidence which lies in the control of the opposing party**, the competent judicial authorities may order that such evidence be presented by the opposing party, subject to the protection of confidential information. For the purposes of this paragraph, Member States may provide that **a reasonable sample** of a substantial number of copies of a work or any other protected object be considered by the competent judicial authorities to constitute reasonable evidence.



EVIDENCE

EC Directive 48/2004

Art. 6.2

2. Under the same conditions, in the case of an infringement committed on a commercial scale Member States shall take such measures as are necessary to enable the competent judicial authorities to order, where appropriate, on application by a party, the communication of banking, financial or commercial documents under the control of the opposing party, subject to the protection of confidential information.



EVIDENCE

EC Directive 48/2004

Art. 7.1

1. Member States shall ensure that, even **before the commencement of proceedings** on the merits of the case, the competent judicial authorities may, on application by a party who has presented reasonably available evidence to support his/her claims that his/her intellectual property right has been infringed or is about to be infringed, **order prompt and effective provisional measures to preserve relevant evidence** in respect of the alleged infringement, **subject to the protection of confidential information.**



EVIDENCE

EC Directive 48/2004

Art. 7.1

Such measures **may include** the detailed **description**, with or without the taking of samples, or the **physical seizure** of the infringing goods, and, in appropriate cases, the **materials and implements used** in the production and/or distribution of these goods and the documents relating thereto. Those measures shall be taken, if necessary **without the other party having been heard**, in particular where any delay is likely to cause irreparable harm to the right holder or where there is a demonstrable risk of evidence being destroyed.



EVIDENCE

EC Directive 48/2004

Art. 7.1

Where measures to preserve evidence are adopted without the other party having been heard, the parties affected shall be given notice, without delay after the execution of the measures at the latest. **A review**, including a right to be heard, **shall take place upon request of the parties affected** with a view to deciding, within a reasonable period after the notification of the measures, **whether the measures shall be modified, revoked or confirmed.**



EVIDENCE

EC Directive 48/2004

Art. 7.2

Member States shall ensure that the measures to preserve evidence **may be subject to the** lodging by the applicant of **adequate security** or an equivalent assurance intended to ensure compensation for any prejudice suffered by the defendant as provided for in paragraph 4.



EVIDENCE

EC Directive 48/2004

Art. 7.3

Member States shall ensure that the measures to preserve evidence are revoked or otherwise cease to have effect, upon request of the defendant, without prejudice to the damages which may be claimed, if the applicant does not institute, within a reasonable period, proceedings leading to a decision on the merits of the case before the competent judicial authority, the period to be determined by the judicial authority ordering the measures where the law of a Member State so permits or, in the absence of such determination, within a period not exceeding 20 working days or 31 calendar days, whichever is the longer.



EVIDENCE

EC Directive 48/2004

Art. 7.4

Where the measures to preserve evidence are revoked, or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities shall have the authority to order the applicant, upon request of the defendant, to provide the defendant appropriate compensation for any injury caused by those measures.



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EVIDENCE

EC Directive 48/2004

Art. 7.5

Member States may take measures to protect witnesses' identity.



Proceedings and Timing

Preliminary proceedings: **DESCRIPTION**

Function:

to collect evidence about infringement. Including **technical description of products**, means of production, advertising materials, and, **accountancy evidence** about the extent of the infringement (**third entities involved**)

Secrecy measures provided

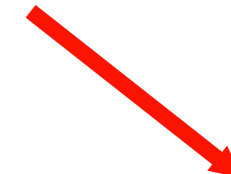
FILING REQUEST
(President to the Civil Court)



Ex parte Decree
(granted by the President)



Ordinary
action service



Execution
Of the order

4-5 days
(ex parte)

1-30 days
limit



COOPERATION

EC Regulation 1206/01 of 28 may 2001

on cooperation between the courts of the Member States
in the taking of evidence in civil or commercial matters

Background:

- Lack of harmonisation on taking evidence proceedings
(Whereas 6)
- Need of collect evidence not in only one country
(Whereas 7)



COOPERATION

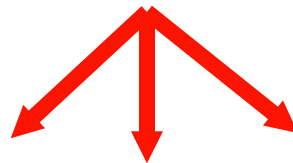
EC Regulation 1206/01

binding

All EU member States

Except Denmark

CENTRAL BODY



Specific Competent Local Courts



COOPERATION

EC Regulation 1206/01

Art. 1 : possibility for a Court of a Member State to request:

A) the competent Court of another Member State to take evidence; or

(even applying coercive measures - art. 13)

B) to take evidence directly in another Member State

(only under voluntary basis – art. 17,2)

A request shall **not be made** to obtain evidence which is not intended for use in judicial proceedings, commenced or contemplated.



COOPERATION

EC Regulation 1206/01

Art. 1 : possibility for a Court of a Member State to request:

A) the competent Court of another Member State to take evidence: **any kind of evidence** (art. 4, f)

according to order rendered by the **Requesting Court**

- objects
- documents



COOPERATION

EC Regulation 1206/01

Art. 10 :

1. The **Requested** court shall execute the request without delay and, at the latest, **within 90 days** of receipt of the request.
2. The **Requested** court shall execute the request in accordance with the law of its Member State.



COOPERATION

EC Regulation 1206/01

Art. 10 :

3. The **Requesting** Court may call for the request to be executed in accordance with a special procedure provided for by the law of **its** Member State, using form A in the Annex. The requested court **shall comply** with such a requirement **unless** this procedure is incompatible with the law of the Member State of the requested court **or** by reason of major practical difficulties.



COOPERATION

EC Regulation 1206/01

Art. 11 :

1. If it is provided for by the law of the Member State of the **Requesting** court, **the parties** and, if any, their representatives, **have the right to be present** at the performance of the taking of evidence by the requested court.



COOPERATION

EC Regulation 1206/01

Art. 11 :

3. Execution **may not be refused** by the **Requested Court** **solely** on the ground that under the law of its Member State a court of that Member State has exclusive jurisdiction over the subject matter of the action **or** that the law of that Member State would not admit the right of action on it.

REFUSALS :

only in very exceptional cases (Whereas 11)



IT vs UK

Court of Venice

(April 20nd 2005)

Court of Genua

(April 22nd 2005)

DESCRIPTION ORDER

To collect any evidence about:

- a) Technical device (including projects, drawings etc)
- b) Advertising, invoices (expressly under confidential measure)

- Against an Italian reseller
- Requesting the UK authorities to proceed against a UK company
- Authorising lawyers and party to assist



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IT vs UK

As you know we deal with the questioning of witnesses whereas this particular matter calls for search and seizure of goods and documents, which seems to me to fall outside the usual practice.



The Secretary to the Masters
Masters' Secretary's Department
Room E 10
Royal Courts of Justice
DX 44450
STRAND



Litigation

Treasury Solicitor
One Kemble Street
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Switchboard: (020) 7210 3000 (GTN 210)
Direct Line: (020) 7210 3421
Direct Fax: (020) 7210 3171
pbarber@treasury-solicitor.gsi.gov.uk

Please Quote: MTS1080F/PJB/A9

Your Reference: 2005-228

16 September 2005

Dear Sir,

**RE: LETTER OF REQUEST – ALESSANDRO TEDESCO v RWO MARINE
EQUIPMENT LTD**

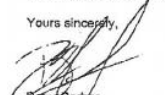
Thank you for your letter of 12 August enclosing the translation of Form A.

Having considered the matter and in particular the translation of the Petition (see yellow post-it note) this is not a matter which we consider should fall to be dealt with by this office under the Letter of Request procedure.

As you know we deal with the questioning of witnesses whereas this particular matter calls for search and seizure of goods and documents, which seems to me to fall outside the usual practice.

In the circumstances I return herewith the original documentation.

Yours sincerely,


Peter Barber
for the Treasury Solicitor

**Legitimate
refusal**

?



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IT vs UK

Please find enclosed the Letter of Request and documents attached, which we are returning. Our agent, Treasury Solicitors have written to us informing us that they do not deal with seizing goods and documents which is what appears to be requested in the request. I have attached a copy of our agent's letter.



HER MAJESTY'S
COURTS SERVICE
hmcs

Court of Genoa (Italy)
Sections for Industrial & Intellectual Property
Piazza Portoria 1
1621 Genova
Italy

Date: 20 September 2005

Dear Sir

Re: Letter of Request / Mr Alessandro Tedesco -V- Rwo Marine Equipment Ltd
Taking of Evidence from: RWO Marine Equipment Ltd

Please find enclosed the Letter of Request and documents attached, which we are returning. Our agent, Treasury Solicitors have written to us informing us that they do not deal with seizing goods and documents which is what appears to be requested in the request. I have attached a copy of our agent's letter.

Under the circumstances we return your request and documents, and apologise for any inconvenience caused.

Yours sincerely,

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Our ref: CR 2005-228
Your ref:

**Legitimate
refusal**

?



COOPERATION

EC Regulation 1206/01

Art. 11 :

3. Execution **may not be refused** by the **Requested** Court **solely** on the ground that under the law of its Member State a court of that Member State has exclusive jurisdiction over the subject matter of the action **or** that the law of that Member State would not admit the right of action on it.

REFUSALS :

**only in very exceptional cases
(Whereas 11)**

Art. 10 :

3. The **Requesting** Court may call for the request to be executed in accordance with a special procedure provided for by the law of **its** Member State, using form A in the Annex. The **Requested** Court shall comply with such a requirement **unless** this procedure is **incompatible** with the law of the Member State of the requested court **or** by reason of major **practical difficulties**.



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OPINION OF ADVOCATE GENERAL
KOKOTT
delivered on 18 July 2007 ¹(1)

Case C-175/06

Alessandro Tedesco
v
Tomasoni Fittings Srl
and
RWO Marine Equipment Ltd

(Reference for a preliminary ruling from the Tribunale Civile di Genova (Italy))

(Cooperation between the courts of the Member States in the taking of evidence – Regulation (EC) No 1206/2001 – Directive 2004/48/EC – Hague Evidence Convention – Procedure for preserving evidence where intellectual property rights are infringed)



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LAW FIRM

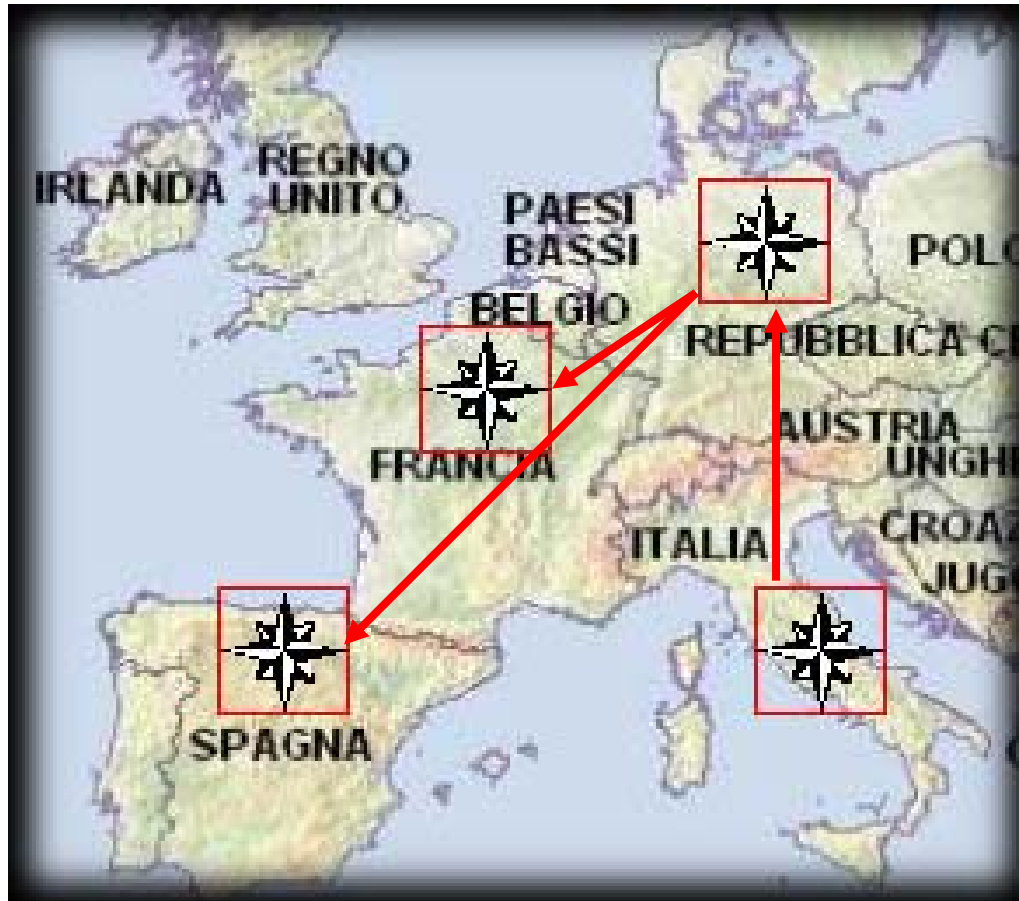
V – Conclusion

113. In the light of the foregoing analysis, I propose that the Court should answer the first question of the Tribunale Civile di Genova as follows:

'Measures for the preservation and obtaining of evidence such as an order for the description of goods in accordance with Articles 128 and 130 of the Italian Codice della Proprietà Industriale constitute measures for the taking of evidence which, in accordance with Article 1 of Council Regulation (EC) No 1206/2001 of 28 May 2001 on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters, fall within the scope of application thereof and which at the request of the court of one Member State a court of another Member State must execute, unless grounds for refusal exist.'



STRATEGY I



CASE

D : Distributor

It : importer

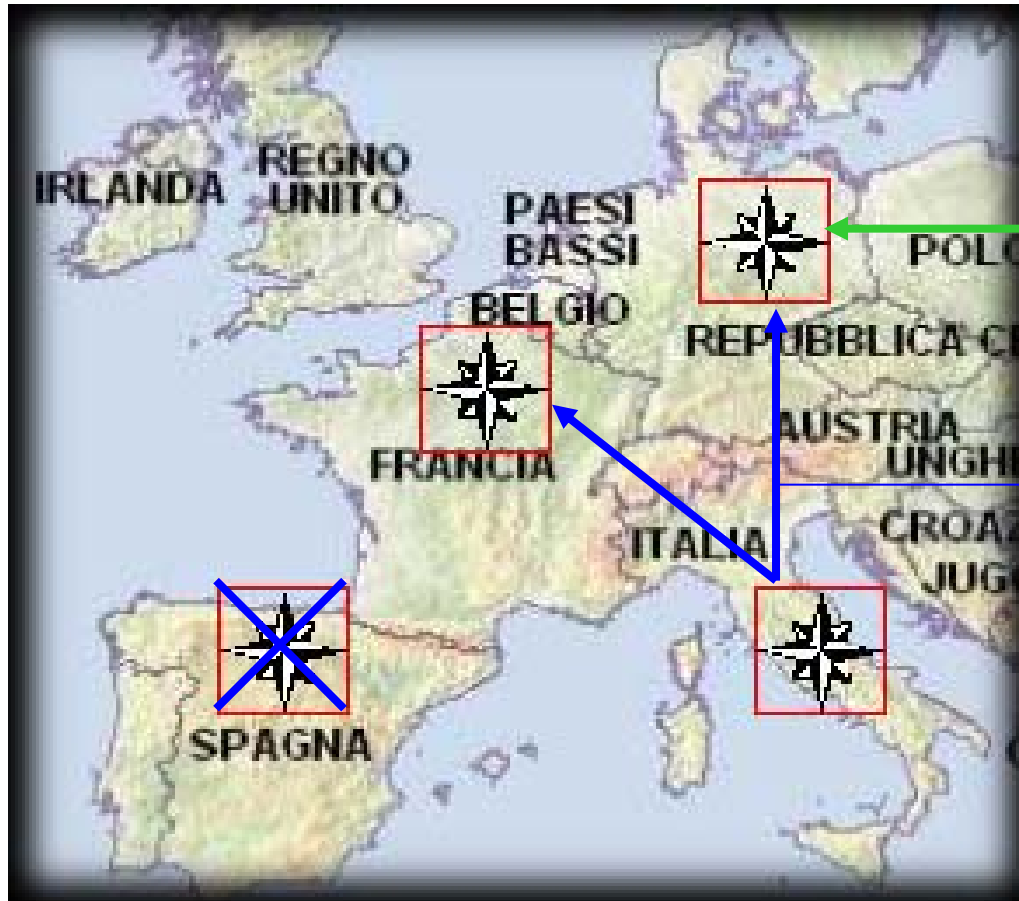
Fr – Sp: Reseller

Countries covered
by the Patent:

It, D, Fr



STRATEGY II



INJUNCTION
ORDINARY
ACTION (D)

DESCRIPTION
order (It or Fr)



INJUNCTION & SEIZURE

EC Directive 48/2004

Art. 9

1. Member States shall ensure that the judicial authorities may, at the request of the applicant:

(a) issue against the alleged infringer **an interlocutory injunction** intended to prevent any imminent infringement of an intellectual property right, or to forbid, on a provisional basis and subject, where appropriate, to a **recurring penalty payment** where provided for by national law, the continuation of the alleged infringements of that right, or to make such continuation subject to the lodging of guarantees intended to ensure the compensation of the rightholder; [...]



INJUNCTION & SEIZURE

EC Directive 48/2004

Art. 9

[...] an interlocutory injunction may also be issued, under the same conditions, **against an intermediary** whose services are being used by a third party to infringe an intellectual property right; injunctions against intermediaries whose services are used by a third party to infringe a copyright or a related right are covered by Directive 2001/29/EC;

(b) order the **seizure or delivery up** of the goods suspected of infringing an intellectual property right so as to prevent their entry into or movement within the channels of commerce.



INJUNCTION & SEIZURE

EC Directive 48/2004

Art. 9

2. In the case of an infringement committed on a commercial scale, the Member States shall ensure that, if the injured party demonstrates circumstances likely to endanger the recovery of damages, the judicial authorities may order the **precautionary seizure** of the movable and immovable property of the alleged infringer, including the blocking of his/her bank accounts and other assets. To that end, the competent authorities may order the communication of bank, financial or commercial documents, or appropriate access to the relevant information.



Proceedings and Timing

Preliminary proceedings: **SEIZURE & INJUNCTION**

Function:

to seize all the infringing products, means of production and advertising materials;

to prohibit the future infringements. Usually, an "astrainte" it could be obtained

FILING REQUEST
(Civil Court)

5 days / 3 weeks (possible hearings)

Ex/Inter partes Order
(granted by the appointed Judge)

1-30 days limit

Ordinary
action service

Execution
Of the order



CROSS BORDER MEASURES

EU Community IP Rights
Trademarks (EC Reg. 40/94 and 207/09)
Designs (EC Reg.6/2002)

Special local IP Courts (for infringement and counterclaims for
invalidity issues) shall have jurisdiction in respect
of acts of infringement committed or threatened within the
territory of any of the Member States

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CROSS BORDER EU INJUNCTIONS



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CROSS BORDER MEASURES

PANDA / PERI (RCD)

Court of Turin: EU Injunction June 2008



RCD 44722





CROSS BORDER MEASURES

PATENTS

CLIP: Proposal of 20 December 2006

(Prof. A. Kur – Max Plank Institute):

GAT / LUK:

In consequence of ECJ judgments C-4/03 – GAT v. LuK and C-539/03 – Roche Nederland v. Primus, handed down on 13 July 2005, it appears no longer feasible for a national court to allow for consolidation of claims against a person infringing parallel intellectual property rights registered in different Member States, and/or to accept a joinder of claims against multiple defendants engaged in concerted actions. **It is feared that this will entail considerable impediments for an efficient enforcement of intellectual property rights, in particular of patents.**



CROSS BORDER MEASURES

TORPEDO

- **DEFINITION:** Prof. Mario Franzosi (1997 - EIPR)

The « torpedo » is a ship: the slowest of a military fleet, and it will determine the speed of the entire fleet.

Under the rules of the Brussels Convention and the EU Regulation 44/01, if an application for a declaration of non-infringement was filed nearly a Court there will lis pending over another proceedings brought between the same parties on the same exclusive IP right



CROSS BORDER MEASURES

Case Law

- **MILANO:** Appeal Court, 2 March 2004

(Marchon / Eschenbach):

Art. 22 and art. 5.3 of the Brussels Convention does not confer the ability to ask the Italian court to rule on applications for non-Italian parts of a European patent



CASUCCI

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GIOVANNI F. CASUCCI



Attorney at Law



Director of Master ICE INDEACINA at MIP Politecnico di Milano,



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