

No. 09-06, May 2, 2006

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**Harmonized Enforcement and Enforced Harmony  
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**EXAMINE** the overall view of the enforcement of IP rights.

**REVIEW** the possible strategies for trade mark protection.

**ANALYSE** the public interest vs. private rights.

Find more about the **Play**, the **Actors** and the **Registration** process on

ECTA [website](#) under the [Conference](#) section.

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**1. LAW**

**COUNTERFEITING AND PIRACY – Commission proposes criminal law provisions to combat Intellectual Property offences**

The Commission has adopted on April 26, 2006 a proposal for a directive to combat intellectual Property offences that amends the proposal approved by it on 12 July 2005. It is thus responding to the Court ruling of 13 September 2005 in Case C-176/03, according to which the criminal law provisions necessary for the effective implementation of Community law are a matter for Community law. Accordingly, the proposal for a Council framework decision to strengthen the criminal law framework to combat Intellectual Property offences has been withdrawn and its provisions incorporated into the amended proposal for a directive.

Full communication can be found at:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/06/532&format=HTML&aged=0&language=EN&guiLanguage=en>

The proposal can be found on ECTA's website under the [Anti-Counterfeiting/Working Documents](#) section.

**ENFORCEMENT – Implementation of the Enforcement Directive No 2004/48 dated April 29, 2004 (J.O. June 2, 2004 – p.16)**

According to Article 20 of the Directive, Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by **29 April 2006**.

In ECTA Flash [08-06](#) we reported on the implementation of the Directive in the UK. Please find hereafter the situation in other EU Countries.

The Anti-Counterfeiting Committee members will keep you informed of any further developments in any relevant EU country whenever appropriate.

## DENMARK

**Act no. 1430/2005, which came into force on January 1, 2006, has made the following alterations to the Danish Act on Trade Marks.**

(Translation)

**§ 43.** He who willfully or by negligence infringes another's trade mark right must pay

- 1) a reasonable compensation to the infringed party for the use and
- 2) damages to the infringed party for any further damage which the infringement may cause.

*Subsection 2.* The damages according to subsection 1 no. 2 are laid down with regard to amongst others the infringed party's lost earnings and the infringer's illegitimate earnings.

*Subsection 3.* In matters comprised by subsection 1, in addition, a compensation may be given to the infringed party for non economical damages.

*Subsection 4.* If the trade mark right has been established by registration, the rules in subsection 1 even apply to the time between the filing of the application and the registration of the trade mark, if the infringer knew or ought to have known that the application had been filed.

*Subsection 5.* Civil actions where the outcome is dependent on the use of this Act are brought before the Maritime and Commercial Court unless the parties agree otherwise.

**§ 44.** In order to prevent further infringements of the trade mark right, the court may, following a claim from the plaintiff, by judgement decide amongst others that goods which infringe a trade mark right must

- 1) be withdrawn from trade,
- 2) finally be removed from trade,
- 3) be destroyed,
- 4) be surrendered to the injured party, or
- 5) that the illegally placed trade mark must be removed.

*Subsection 2.* Subsection 1 is equally applicable on materials, tools or the like, which primarily have been used for illegal manufacture of the infringing goods.

*Subsection 3.* The precautions, according to subsection 1, must be carried out without compensation to the infringer and does not concern possible damages to the infringed party. The precautions must be carried out on the account of the infringer unless special circumstances dictate otherwise.

*Subsection 4.* In a judgment about precautions according to subsection 1, the Court must take into account the relationship between the extent of the infringement, the precautions orders and the interest of a third party.

**§ 44a.** In a judgment whereby someone is sentenced according to §§ 43 and 44, the court, following a claim from the plaintiff, may decide that the judgment must be published entirely or partially.

*Subsection 2.* The duty to publish rests with the infringer. The publication must take place on the account of the infringer and in such a leading position as may reasonably be demanded.

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The Act entered into force on the 1<sup>st</sup> of January 2006.

The Act does not apply for The Faroe Islands and Greenland.

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Similar proposals have been made concerning The Act on Patents, The Design Act, The Act on Protection of The Topography of Semiconductors, The Act on Food and The Act on Protection of New Plant Varieties.

Proposals regarding the Act on Copyright will be made following the consultation phase.

The document, in Danish, can be found at:

<http://www.retsinfo.dk/GETDOC/ACCN/A20050143030-REGL>

Reported by Mads Marstrand-Jorgensen, Member of the Anti-Counterfeiting Committee,  
Norsker & Co, DK

## HUNGARY

The relevant Hungarian Law (Act No. 165 of 2005) entered into force on April 15, 2006 and can be summarised as follows:

Some of the legal regulations of the Hungarian Trade Mark Act regarding trade mark infringement and preliminary injunction and some of the legal regulations of the Act on Court Execution regarding the execution of writs passed on preliminary injunctions and judgements establishing trade mark infringement and applying their relevant legal consequences have been amended and have become effective on April 15, 2006. These amendments are as follows:

### I.

According to the current legal regulations, the court can be requested to order the court seizure of the infringing goods as preliminary injunction and in its judgement order the destruction of the infringing goods. However, there is a problem when requesting the court – under the current legal regulations - to be allowed to store the infringing goods until the civil procedure ends with a final and binding judgement and, in case of a favorable judgement, until the destruction is carried out. This is usually requested in those cases where the goods are stored by customs to avoid the risk of paying a huge amount of storage fees, in the event that the lawsuit is lost for some reason. If the court allows the infringing goods to be stored, the goods will not enter the market.

From April 15, 2006, it is stated in the Trade Mark Act that the court can be requested to hand the goods to a third person as specified, which could be any entity appointed by the trade mark owner and accepted by the court. From this date the court can also be requested to oblige the defendant to withdraw the infringing products from the market.

### II.

In trade mark infringement lawsuit according to the current legal regulations, the court can be requested to oblige the defendant to cease the infringing activity and injunct the defendant from further infringement. From April 15, 2006, the court can be requested to oblige not only the defendant, but also any other person, whose service was used to commit the trade mark

infringement, to cease the infringing activity and injunct not only the defendant, but also the aforementioned person from further infringement.

### III.

From April 15, 2006, the court can be requested to oblige any person (not only the defendant) that possessed the infringing goods in commercial quantities to provide us with information of companies being part of manufacturing and/or distributing of the infringing goods as well as the data of its commercial partners taking part in the distribution of the infringing goods. The definition of „commercial quantity” is given in the act as follows: if it is obvious, based on the type and quantity of the goods, that they were used to gain profit or other commercial advantage. As the definition is not exact (it cannot be) the judicial practice will define what commercial quantity means.

### IV.

According to the current legal regulations, the circle of data that the defendant can be requested to provide to the right owner is specified as follows:

- those who took part in the manufacturing and/or distribution and
- the commercial partners who took part in the distribution of the infringing goods.

From April 15, 2006, the plaintiff may also request the defendant and the above mentioned person (see the amendment in the previous point, point III) to provide us with

- the names and addresses of those companies that possessed the infringing goods
- the names and addresses of those retailers and wholesalers who were part or were to be part of the commercial chain distributing infringing goods and
- the quantity of the manufactured, distributed and ordered infringing goods as well as their compensation paid or gained.

### V.

The main reason why the court can not pass their writs on the preliminary injunction within a short period of time is that the court has to deliver the claim for preliminary injunction to the defendant who is usually given 30 days to make his observations. However, from April 15, 2006, if the delay causes irreparable harm, the court is not obliged to send the claim for preliminary injunction to the defendant before deciding on the claim. Thus, the writs on preliminary injunctions may be received a lot earlier than before. Naturally, in this case the defendant has the right to request the amendment of the writ or the annulment of it. However, this "fight" takes place after the court already seized the infringing goods as a preliminary injunction, therefore the plaintiff is in much better position.

### VI.

Regarding the execution of decisions passed in trade mark infringement lawsuits, the problem was that it took months (in some cases only 2-3 months) to have the court bailiff go to the premises of the defendant and seize the infringing goods found there. The main problem was the process of the execution procedure: when the writ ordering the court seizure of the infringing goods as preliminary injunction is received, a form has to be completed requesting the court to order the execution of the writ. It takes, if we are lucky, a few weeks. The court then delivers the writ and the completed form to the competent court bailiff, who requests to advance a certain sum (a part of costs and fees incurred in the execution procedure). Until the sum has been transferred, the court bailiff does not take further steps. Thus, the earliest date when that seizure can take place is usually months after the preliminary injunction is ordered and many more months from the date the civil procedure was initiated.

From April 15, 2006, when the writ on the preliminary injunction is received, the court can be requested to call the defendant to immediately comply with the writ. The court passes its writ on this and in this writ establishes the sum of the execution fine that has to be paid by the defendant, if it does not comply with the writ immediately. The sum of this execution fine is between HUF 10,000 (approximately EUR 40) and HUF 200,000 (approximately EUR 800) and it can be imposed not only on the company, but also on its Managing Director.

Thereafter the procedure remains the same (the court delivers the documents to the competent court bailiff, the court bailiff requests a certain sum to be advanced, etc.), however, according to the act each of these activities has to take place within 3 days. Moreover, the legal rules are stricter, therefore, we hope, they will be more efficient as well.

The document, in Hungarian, can be found at:

<http://www.complex.hu/kzldat/t0500165.htm/t0500165.htm>

Reported by László Bérczes, Member of the Anti-Counterfeiting Committee,  
S.B.G.& K. Patent and Law Offices, HU

## ITALY

The Directive 48/2004 was implemented in Italy with Legislative Decree No. 140 of March 16, 2006, which came into force on April 22, 2006.

The document, in Italian, can be found at:

[http://www.foroeuropeo.it/norme/06/dlgs\\_140\\_06.htm](http://www.foroeuropeo.it/norme/06/dlgs_140_06.htm)

Reported by Pier Luigi Roncaglia, Member of the Anti-Counterfeiting Committee,  
Società Italiana Brevetti, IT

**The following countries have not yet implemented the Directive but the following can be reported:**

## AUSTRIA

A number of the measures, procedures and remedies called for by the Directive are already present in the existing Austrian legal provisions.

The Enforcement Directive will, nevertheless, necessitate some amendments of the Patent Law, the Semiconductor Law and the Trade Mark Law as well as of other legal provisions that include references to Patent Law, such as the Utility Model Law, Design Law and the Unfair Competition Law.

A bill exists (Rechtsdurchsetzungs-Novelle 2006), which has been commented upon i.a. by the Chamber of Austrian Patent Attorneys. An interesting aspect concerns Article 6 of the Directive (Evidence). The provisions contained in the Code of Civil Procedures in that regard (Sections 303-307) relate to documents only, while Article 6 (and Article 43 of TRIPS) relates to any type of evidence. Also, with regard to documents, the present provisions of the Code of Civil Procedures (Section 303) are not in line with Article 6 of the Directive, which requests that evidence be "specified". Hence, a sufficient implementation of the Directive necessitates more far reaching provisions than the ones in force in Austria at present.

The Enforcement Directive will also lead to an amendment of the Austrian Copyright Law (Urheberrechtsgesetz-Novelle 2006).

The bill seems to have been approved by the Council of Ministers at the end of April.

Reported by Christa Heubusch, Member of the Anti-Counterfeiting Committee,  
Sonn & Partner Patentanwälte, AT

## BELGIUM

As of today, the Kingdom of Belgium has not yet implemented the Enforcement Directive 2004/48/EC. Therefore Belgium is in breach of its obligations under Community law, as the final date for the implementation of the Directive was 29 April 2006.

In the same vein, it is noteworthy that there are also no particular provisions for the implementation of Regulation 1383/2003, and this although the Belgian State recognizes that the Regulation compels Member States to adopt certain measures, including criminal sanctions for the infringement of the Regulation (for more details cf VRINS and SCHNEIDER, 'Enforcement of Intellectual Property Rights through Border Measures', Oxford University Press, 2006, paras 5.03 and 5.72 to 5.80).

This being said, the Belgian government has presented two draft bills: one dealing with the [criminal aspects of the repression of counterfeiting and piracy](#) and the second dealing with the [civil aspects of the enforcement of intellectual property rights](#). Both texts have been debated during a Seminar on 27 April 2006 hosted by the Ministry of Economy. It became apparent there is a consensus on the draft law on the civil aspects of the enforcement of intellectual property rights, which is to implement the Enforcement Directive. Only a few minor amendments of this text will be necessary before it will be submitted to the government next June. Major criticism was however voiced against the draft law providing for criminal sanctions and customs offences. More fundamental changes will have to be proposed until a consensus can be reached.

Marius SCHNEIDER, Member of the Anti-Counterfeiting Committee, Gevers and Partners, BE  
Olivier VRINS, Altius, BE

## FINLAND

The Finnish Parliament is currently handling the proposal for a bill on the Implementation of the Directive 48/04 -Government proposal 26/2006, of March 31, 2006.

If the parliament is not able to approve the proposal by April 29, 2006, the delay should not be of a major nature.

Reported by Esa Korkeamäki, Member of the Anti-Counterfeiting Committee,  
HH Partners, Attorneys-at-law Ltd., FI

## IRELAND

The implementation of this Directive in Ireland will take place via an Act of Parliament rather than a Statutory Instrument. It is to be included in the Intellectual Property (Miscellaneous Provisions) Bill 2006.

This Bill is due to be published by the end of 2006 and at the moment the relevant Government Department cannot be any more specific as to the precise date of publication

## 2. OFFICE PRACTICE

### DOMAIN NAME

.eu

Domain names applied for during Sunrise but for which applications were rejected or have expired will be made available again on June 7, 2006.

Full communication can be found on Eurid's website at:

<http://www.eurid.eu/en/general/news/domain-names-applied-for-during-sunrise-but-for-which-applications-were-rejected-or-have-expired-will-be-made-available-again-on-june-7>

### OHIM

#### Alicante news

The OHIM has released issue # 04-2006 of the [Alicante News](#):

The Alicante news includes the following items:

- Reference to the User Satisfaction Survey, the CTM renewals, of the 10 years of existence of the CTM system.
- Country Overview: **Belgium**.
- Reference to a **case on passing-off rights and non use**: CTM No. 305672 INFERNO, Decision of the Cancellation Division No 000000761.
- Latest case-law of the **Community Design Court** (Alicante).
- Reference to an **invalidity case on national copyright infringement**: RCD No. 27826-001 Decision No [000001014](#).
- The usual **Case Law review**.
- Announcement of the **New Website Address** for the OHIM as of **May 9, 2006**: [www.oami.europa.eu](http://www.oami.europa.eu).
- Reference to the **visit** of European Commissioner for the Internal Market and Services, **McCreevy**, to the OHIM.
- Where to find information about the **status** of the renewed **CTMs**.

## Madrid Protocol applications in OHIM

The OHIM has made available "Information about internal applications under the Madrid Protocol filed in OHIM.

The document can be found at:

<http://oami.eu.int/EN/mark/madrid/pdf/ia-filing.pdf>

## NEW CTM-ONLINE

A new version of the OHIM's CTM-ONLINE database has been made available since 1 May 2006. The new release provides for all relevant information relating to CTM renewals wherever applicable.

Please note however that the publication of renewed CTMs in part D of the CTM Bulletin is not yet accessible via CTM-ONLINE.

The new version of CTM-ONLINE has been made available on OHIM's website at: [http://oami.eu.int/CTMOnline/RequestManager/en\\_SearchBasic?transition=start&source=Log-in.html&language=en&application=CTMOnline](http://oami.eu.int/CTMOnline/RequestManager/en_SearchBasic?transition=start&source=Log-in.html&language=en&application=CTMOnline)

## OHIM performance standards

OHIM's performance standards of the 1<sup>st</sup> quarter of 2006 can be found at:

<http://oami.eu.int/EN/office/timestandard.htm>

## 3. CASE LAW

### DOMAIN NAME

#### **.eu**

After a successful start-up of the .eu with the phased introduction (Sunrise I and II) the top level domain is now fully operational and has entered "the land rush phase" where the domain is open for all eligible registrants.

.eu domain names are in principle registered on a first come first serve basis cf. art 2 of the Public Policy Rules (EC reg. 874/2004 [http://www.eurid.eu/en/shared/documents/eu-regulations/eu-regulation-874\\_2004.pdf](http://www.eurid.eu/en/shared/documents/eu-regulations/eu-regulation-874_2004.pdf)) but registrations can be challenged. An important part of the .eu scheme is thus the ADR (Alternative Dispute Resolution) procedure. All Registrants must accept as part of the Registration Agreement that their .eu registration can be challenged through an administrative procedure. The .eu ADR is administered by the Czech Arbitration Court ([www.adreu.eurid.eu](http://www.adreu.eurid.eu)).

In order to be successful a Complainant must prove that the domain name is identical or confusingly similar to a name in respect of which the Complainant has rights, that the domain name has been registered by its holder without rights or legitimate interest in the name, and that the name has been registered or is being used in bad faith. This follows from Article 21 of the Public Policy Rules (EC reg. 874/2004 [http://www.eurid.eu/en/shared/documents/eu-regulations/eu-regulation-874\\_2004.pdf](http://www.eurid.eu/en/shared/documents/eu-regulations/eu-regulation-874_2004.pdf)).

The Court - or rather one of the Courts appointed Panelists - has just rendered the first decision dealing with the registration of **pst.eu**. The Complaint was denied since the holder of the name (the Respondent) had demonstrable rights in the name PST and since he had applied for the domain name first. The text of the decision can be found at <http://www.adreu.eurid.eu/adr/decisions/index.php> and it demonstrates that the above mentioned principle "first come first serve" applies between two parties that both have rights in support of their claim for the domain name .

Many more decisions will follow in the near future, and in order to raise awareness of the ADR and how it works the Czech Arbitration Court will arrange a "webinar" (a seminar transmitted live over the Web) on May 23, 2006. A report from the seminar will be reported in the Flash.

Reported by Knud Wallberg, Chair of the Internet Committee,  
Sandel, Løje & Wallberg, DK

## TRADE MARK

To reach the **ECTA Info Database** including the free Darts Europe Case Law database, please click [here](#)



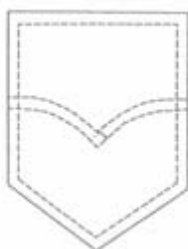
## European Court of Justice

**Case No:** [C-145/05](#)

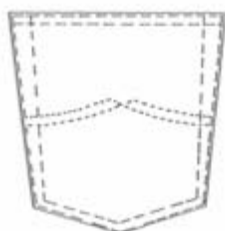
**Date:** 27 April 2006

### 1. The facts

Levi Strauss, holder of the figurative trade mark,



brought infringement proceedings against the Italian company Casucci, which uses the following mark for jeans:



The proceedings were brought in Belgium.

The Brussels Commercial Court and Court of Appeal both found the action to be unsubstantiated.

In its decision, the Court of Appeal stated that due to significant use of similar signs by third parties while the proceedings were underway, Levi Strauss's trade mark had become less distinctive and, as a result, its scope of protection had been reduced.

Levi Strauss lodged an appeal with Belgium's highest court, the Court of Cassation, which in turn submitted a request for a preliminary ruling to the ECJ.

### 1. The questions asked

The Court of Cassation submitted the following questions to the ECJ:

2.1. To which point in time should the national courts refer in determining the scope of protection of a trade mark? The time the infringement began or the time of the court's ruling?

2.2. When the court finds that the sign constitutes an infringement is the court justified, as a rule, in enjoining use of the infringing mark?

2.3. Would it be otherwise if between the date on which the infringement began and the date of the court's ruling, the claimant's trade mark is revoked on the ground that it has become common within the meaning of Article 12(2) of the Harmonization Directive?

### 3. The ECJ's answers

3.1. The court must take into account the perception of the relevant public at the time the infringement began (paras 13 to 20).

3.2 When it finds an infringement, the court must take the most appropriate measures given the circumstances of the case at hand in order to guarantee the trade mark holder's right. These measures can include, in particular, issuance of an injunction to put a halt to use of the infringing sign (paras 21 to 25).

3.3. In the case described under point 2.3 above, the national court cannot issue an injunction (paras 26 to 37).

### 4. Brief remarks

With respect to the ECJ's answer to the last question, it should be noted that even if the court cannot prohibit use of the infringing mark, it can still find that there was an infringement in the period preceding revocation of the trade mark and award damages to make good the loss sustained during this time.

This rule is applicable regardless of the grounds on which the trade mark is revoked (see also the judgment of the Paris District Court No 04/01284 dated 28 September 2005 – MUSIQUE ET NATURE - on revocation of a trade mark for lack of genuine use).

To find the full text of the national decision mentioned above, please search the **ECTA Info Database** including the **free Darts Europe** Case Law database available on ECTA's website in the **members' only** section.

## 4. ECTA NEWS

### - 12<sup>th</sup> OAMI user's group Meeting – 24 October 2005

The official report is now available on ECTA's website under the [OHIM-Link Committee/Paper section](#).

### - ECTA 25th Annual Conference

June 7-10, 2006 – Warsaw, Poland. More information can be found on ECTA's website at: <http://www.ecta.org/conferences.php>

### - Madrid System

Jan Wrede, Member of the law Committee and Sandrine Peters, ECTA Legal Coordinator will attend the second session of the Ad Hoc Working Group on the Legal Development of the Madrid System for the International Registration of Marks at WIPO from June 12-16, 2006.

### - 13<sup>th</sup> OAMI Users Group

The 13<sup>th</sup> OAMI Users Group meeting will take place in Alicante on 3 July 2006.

Should you have any issues to be raised at this meeting, please send an e-mail to: Joao Pereira da Cruz (Chairperson of the OHIM link Committee) at: [jpcruz@mail.telepac.pt](mailto:jpcruz@mail.telepac.pt), and/or Sandrine Peters (ECTA Legal Co-ordinator) at: [Sandrine.peters@ecta.org](mailto:Sandrine.peters@ecta.org).