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# **Enforcing your trade marks: review of the **Enforcement Directive**, the **Regulation on Customs Enforcement** and the **Legislative Package****

Marius Schneider, Chair of the ECTA Anti-Counterfeiting Committee\*, member of the EU Observatory on infringements of intellectual property rights, Attorney-at-law, CEW IPvocate and IPvocate Africa

\*the opinions expressed are personal opinions and not those of ECTA



## OUTLINE

- Review of the Enforcement Directive 2004/48/EC
- Regulation 5129/2013/EC on Customs Enforcement
- The Legislative package: review of the Trade Mark Harmonisation Directive 2008/95/EC and the Community Trade Mark Regulation 207/2009



# Review of the ENFORCEMENT DIRECTIVE 2004/48/EC



# Review of the Enforcement Directive 2004/48/EC

**26.04.2012**

**Conference** on “Enforcement of intellectual property rights: the review of Directive 2004/48/EC”

**30.11.2012**

Civil enforcement of intellectual property rights: **public consultation** on the efficiency of proceedings and accessibility of measures

**ECTA Anti-counterfeiting committee** has participated in the survey under the lead of Marianne Decker, LU

# Review of the Enforcement Directive 2004/48/EC

**Executive summary** of the answer to the survey by the ECTA Anti-Counterfeiting Committee:

- **Fast track proceedings** leading to a decision on the merits *alternatively: provisional measures become final if not challenged by the defendant*
- **Difficulties to identify infringer on the internet** *eg: domain name registrant does not have to give full contact details*
- **Corrective measures** not all countries provide for coercive penalties
- **Permanent removal of the market** is the preferred corrective measure



# Review of the Enforcement Directive 2004/48/EC

EU Commission future agenda:

**July 2013:** internal working document summarising the responses to the survey

**Beginning 2014:** highlight of specific points and future action points

**Stakeholder dialogue:** 'follow the money approach' extension of the IP dialogue to payment service providers and advertisers





**HERMES 'Birkin' Replica**  
**Grand Total**

**\$391.00**

Subtotal

\$391.00



SHOPPING MADE SIMPLE >> **4** STORES >> **1** LOW, FLAT SHIPPING RATE >> [LEARN MORE](#)





# Review of the Enforcement Directive 2004/48/EC

My educated guess:

No further review of the Enforcement Directive in the near future

- Fear of the anti-IP climate in the civil society and the European Parliament
- New EU Commission will come in in 2014

# **REGULATION 5129/2013/EC concerning customs enforcement of intellectual property rights**

# Regulation 5129/2013 on Customs Enforcement

**24.5.2011**

EU Commission proposal for a regulation concerning customs enforcement of IP rights COM (2011)285

**24.1.2013**

Endorsement of the Internal Market and Consumer Protection Committee of the European Parliament

**11.6.2013**

Adoption in plenary session by the European Parliament

**1.1.2014**

Applicability of the new regime

# Regulation 5129/2013 on Customs Enforcement

## OUTLINE

### Main changes/clarifications:

- Procedural rule
- Scope of customs enforcement
  - Customs status of the goods
  - IP rights and infringements covered
  - Exemptions
- Application for customs action
  - Union v. national application
  - Persons entitled to file
  - Submission and processing of applications
- Procedure
  - Detention of good and information provided
  - Simplified procedure
  - Costs

# Regulation 5129/2013 on Customs Enforcement

Procedural rule : The Regulation is merely a framework for customs enforcement of IPR

**Recital 6** This regulation contains solely procedural rules for customs authorities. Accordingly, this regulation does not set out any criteria for ascertaining the existence of an infringement of an intellectual property right.

**Article 1(3)** This regulation shall not affect in any way the laws of the Member State or of the Union on intellectual property or the laws of the Member States in relation to criminal procedures.

**CJEU, joined cases C-446/09 and C-495/09 *Philips/Nokia***

# Regulation 5129/2013 on Customs Enforcement

Scope of customs enforcement:

**Customs status of the goods:** **Article 1(1)** The regulation applies where goods are, or should have been, subject to customs supervision or customs control within the customs territory of the Union.

# Regulation 5129/2013 on Customs Enforcement

Scope of customs enforcement (cont'd):

## **IP rights and infringements covered:**

Article 2(7)(a) Every intellectual property right infringement

Article 2(1) same rights as under Regulation 1383/2003 and topography of semiconductor product, utility model, trade name insofar as protected under national law

Article 2(7)(b) molds and matrices and circumvention devices

# Regulation 5129/2013 on Customs Enforcement

Scope of customs enforcement (cont'd):

## Exemptions:

**Article 1(4)** Goods of a non-commercial nature contained in travellers' personal luggage

**Article 1(4)(a)** Parallel imported goods

**Article 1(4)(a)** 'Real' overruns



# Regulation 5129/2013 on Customs Enforcement

Application for customs action:

**Union vs. national application for action**

**Persons entitled to file an application for action**

■ **Persons who are able to initiate proceedings** aiming to determine whether an intellectual property right has been infringed in their own name

**Union application:** right-holders, collecting societies, producer groups of Gis

**National application: also** persons authorised to use the right, groups of producers, licensees

# Regulation 5129/2013 on Customs Enforcement

Application for customs action (cont'd):

## Submission and processing of applications

- For a permanent application for customs action **information listed in art 6 is mandatory** :
  - Information needed to enable customs to identify suspect goods,
  - Information relevant for customs to analyse and assess the risk of infringement
- Right-holder must undertake to inform customs:
  - if IP right ceases to be valid
  - new risk analysis data is available

# Regulation 5129/2013 on Customs Enforcement

Application for customs action (cont'd):

## Submission and processing of applications (cont'd)

- In case customs considers that the application **does not contain the required information**, they will request the right-holder to **remedy** this within 10 working days, if this is not done → rejection
- Application is free of charge
- Validity: **set by customs** (maximum 1 year) – renewal possible

# Regulation 5129/2013 on Customs Enforcement

Procedure:

**Detention of goods:**

- Customs can take action if they suspect **on the basis of reasonable indications** that goods discovered are infringing IP rights (recital 10)

**CJEU, joined cases C-446/09 and C-495/09 *Philips/Nokia*:**  
there must be a suspicion of diversion of the goods into  
the EU market

**Customs may take into account inadequate or false  
transportation documents** - as these may raise suspicions

- Right-holder and declarant or holder of the goods must be informed **within one working day**

# Regulation 5129/2013 on Customs Enforcement

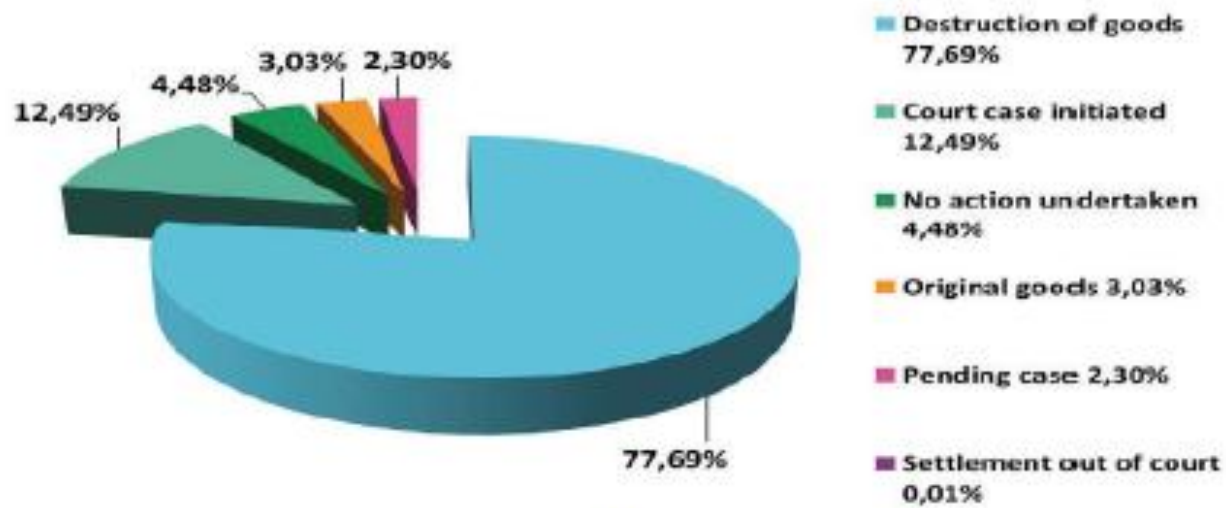
Procedure (cont'd):

**Detention of goods (cont'd):**

■ **Information provided :**

- Name and address of consignee, consignor, declarant or holder of the goods – **customs procedure** – **origin, provenance destination**
- Use of information:
  - Initiate proceedings
  - Initiate criminal proceedings
  - Seek compensation
  - Agreement under simplified procedure

### Breakdown of results by cases



2011

# Regulation 5129/2013 on Customs Enforcement

Procedure (cont'd):

**Simplified procedure:**

- Simplified procedure becomes **mandatory**
- Implied consent provision will be optional

# Regulation 5129/2013 on Customs Enforcement

Procedure (cont'd):

**Simplified procedure (cont'd):**

■ **Special simplified procedure for small consignments of counterfeit and pirated goods:**

■ Provided the holder has filed an application for action and has agreed to this procedure

■ Definition of small consignments: (3 pieces or less - weight of less than 2 kg)

■ Declarant or holder of the goods shall be given 10 days to express his point of view and will be informed of the intention of customs to destroy the goods

■ Consent to destruction or no opposition: customs may destroy the goods

■ In case of an opposition: right-holder is allowed to initiate proceedings



# Regulation 5129/2013 on Customs Enforcement

Procedure (cont'd):

**Costs:**

- Right-holder shall reimburse customs or other parties acting on behalf of customs of costs for storage and handling
  - can request a price quote
  - can seek compensation for infringer or other persons
  
- Regrettable: no requirement for the infringer to directly bear the costs



**The legislative package:**

**review of the**

**TRADE MARK HARMONISATION DIRECTIVE 2008/95/EC**

**and the**

**COMMUNITY TRADE MARK REGULATION 207/2009**



**27.3.2013**

**Proposal** for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 207/2009 on the Community trade mark

**Proposal** for amending the Directive 2008/95/EC to approximate the laws of the Member States relating to trade marks

Article 9(2)(a) CTMR

(Article 10(2)(a) TMHD)

2. Without prejudice to the rights of proprietors acquired before the filing date or the priority date of the European trade mark, the proprietor of a European trade mark shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign in relation to goods or services where:
  - (a) the sign is identical with the European trade mark and is used in relation to goods or services which are identical with those for which the European trade mark is registered, and where such use affects or is liable to affect the function of the European trade mark to guarantee to consumers the origin of the goods or services;

Article 9(2)(c) CTMR

(Article 10(2)(c) TMHD)

(c) the sign is identical with, or similar to, the European trade mark irrespective of whether it is used in relation to goods or services which are similar or not similar to those for which the European trade mark is registered, where the latter has a reputation in the Union and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the European trade mark.

*CJEU case C-292/00 Davidoff*

Article 9(3)(f) CTMR

(Article 10(3)(f) TMHD)

3. The following, in particular, may be prohibited under paragraph 2:

(f) using the sign in comparative advertising in a way which is contrary to Directive 2006/114/EC.

Article 9(3)(d) CTMR

(Article 10(3)(d) TMHD)

3. The following, in particular, may be prohibited under paragraph 2:

(d) using the sign as a trade or company name or part of a trade or company name;

Recital 16 : confusion as to the commercial source from which the goods or services emanate may occur when a company uses the same or a similar sign as a trade name in a way that a link is established between the company bearing the name and the goods or services coming from that company

CJEU case C-17/06 Céline

Article 9(4) CTMR - Small consignments

(Article 10(4) TMHD)

3. The following, in particular, may be prohibited under paragraph 2:

...

(c) importing or exporting the goods under that sign;

...

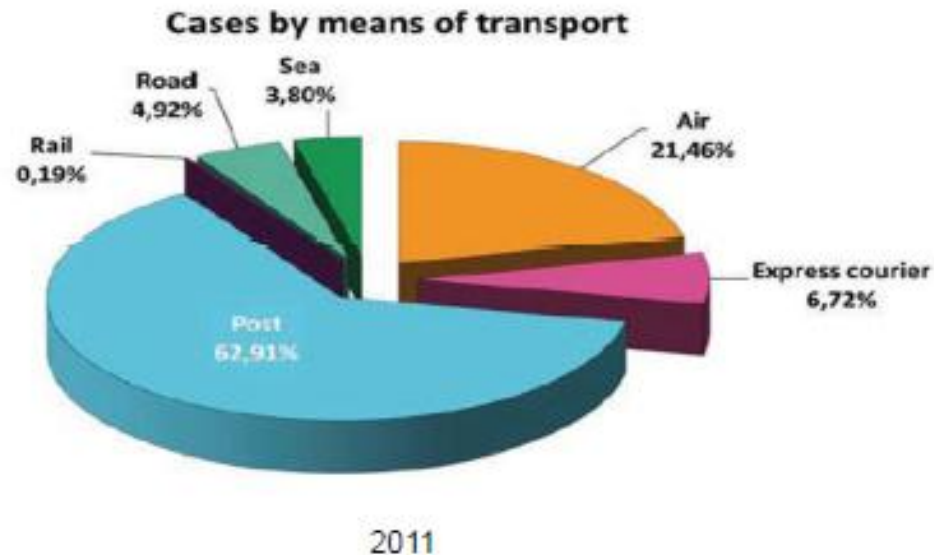
4. The proprietor of a European trade mark shall also be entitled to prevent the importing of goods referred to in paragraph 3(c) where only the consignor of the goods acts for commercial purposes.

CJEU, case C-98/13 *Blomqvist vs Rolex*



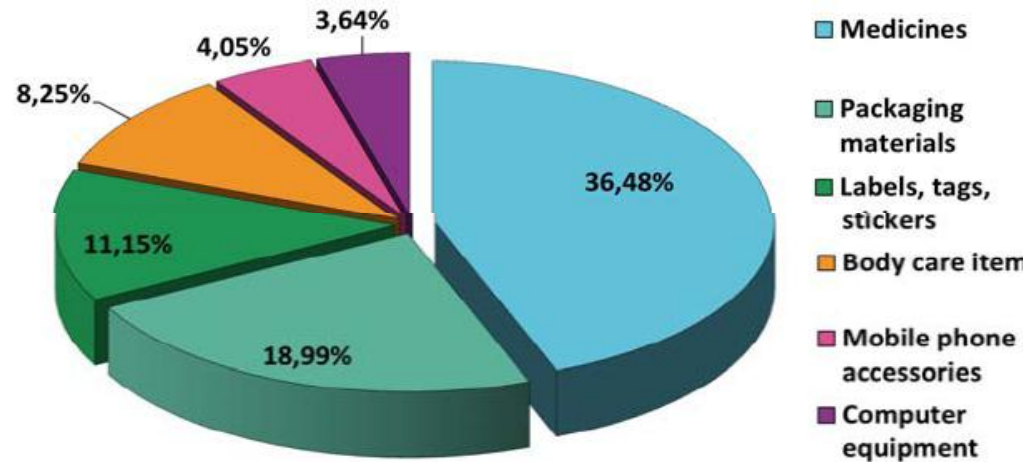


Article 9(4) CTMR - Small consignments  
(Article 10(4) TMHD)



## Article 9(4) CTMR - Small consignments (Article 10(4) TMHD)

Number of articles in % in postal traffic



Article 9(5) CTMR - Transit

(Article 10(5) TMHD)

5. The proprietor of a European trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being released for free circulation there, where such goods, including packaging, come from third countries and bear without authorization a trade mark which is identical to the European trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.

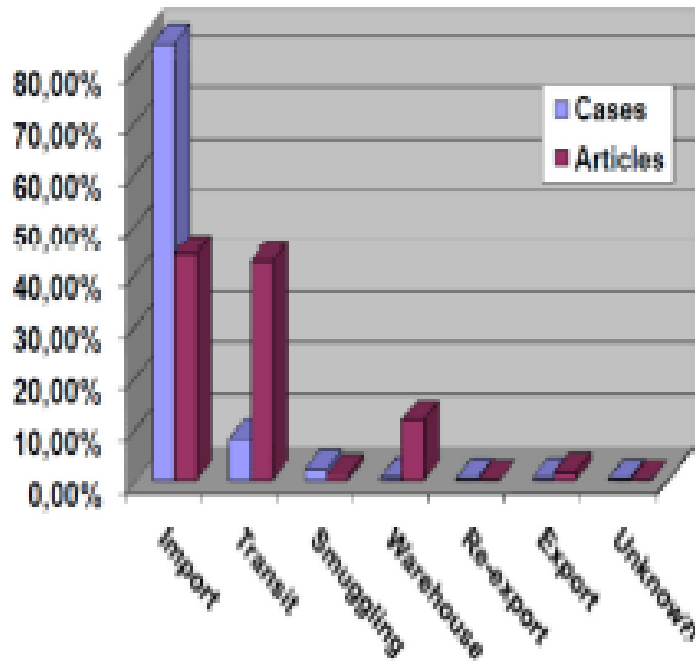
CJEU, joined cases C-446/09 and C-495/09 *Philips/Nokia*

## Footnote 14 of the TRIPS Agreement :

- (a) “counterfeit trademark goods” shall mean any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the country of importation;

## Transit

2008



2011



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