

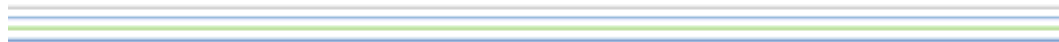
The proposed EU Customs Enforcement Regulation and goods in transit

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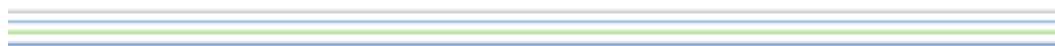
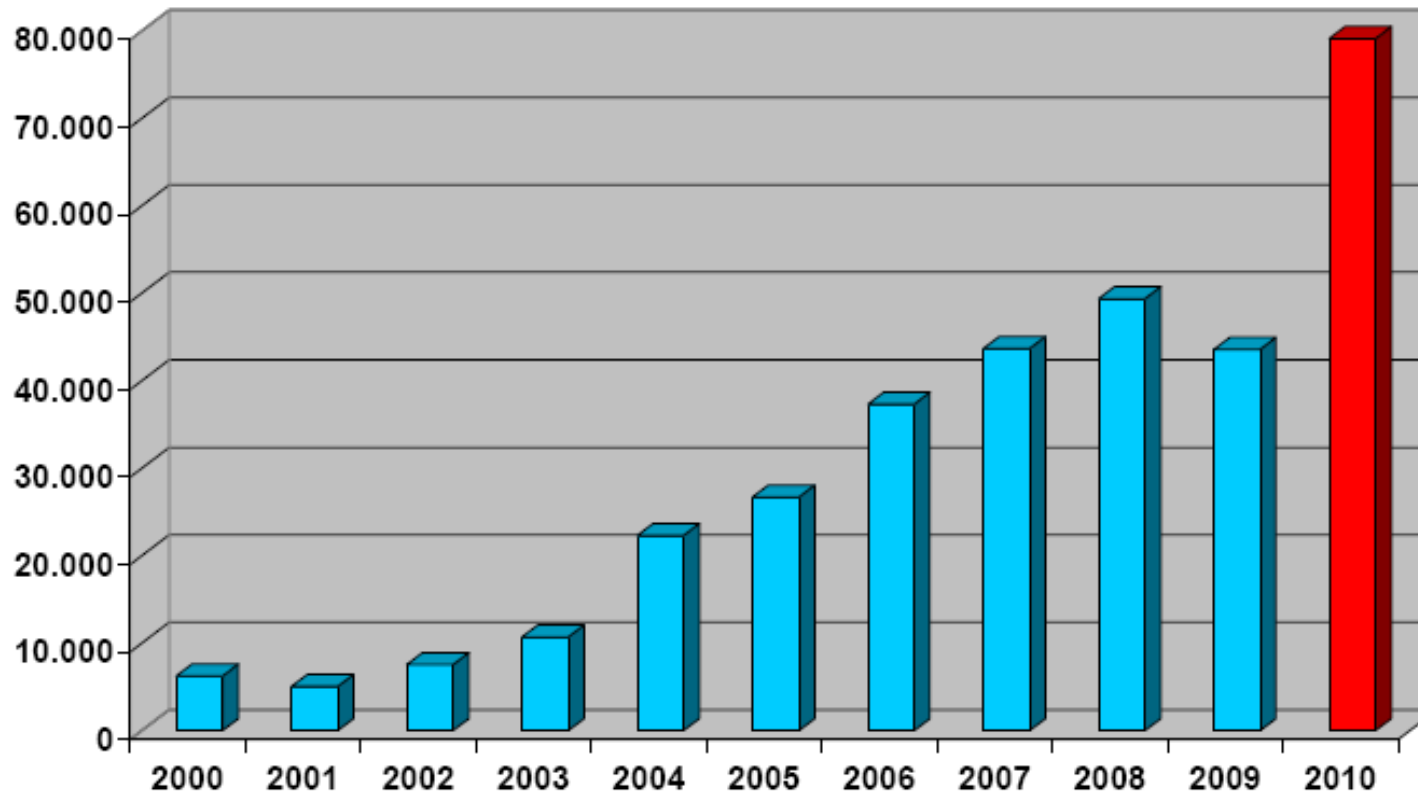
Topics

- I. Proposed Customs Regulation
- II. Goods in transit



Proposed Customs Regulation

An Effective Tool Against Counterfeiting



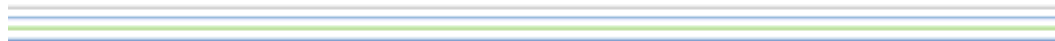
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Proposed Customs Regulation

Introduction

- Proposal published by the European Commission on May 25, 2011
- Intended to replace the existing regulation (Regulation 1383/2003)



Proposed Customs Regulation

Scope

Suspected infringement of

- Trademarks
- Patents, Supplementary protection certificates
- Designs
- Copyrights
- Plant variety protection rights
- Geographical indications
- **New:** utility models
- **New:** trade names
- **New:** non-agricultural geographical indications
- **New:** topographies of semiconductor products



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Proposed Customs Regulation

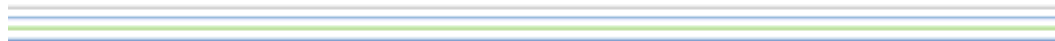
Scope

Cross-border trade

Protection of IP rights against the introduction of infringing goods into the EU

New: Cross-border parallel trade

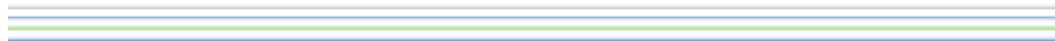
Protection of IP rights against the introduction of original goods into the EU



Proposed Customs Regulation

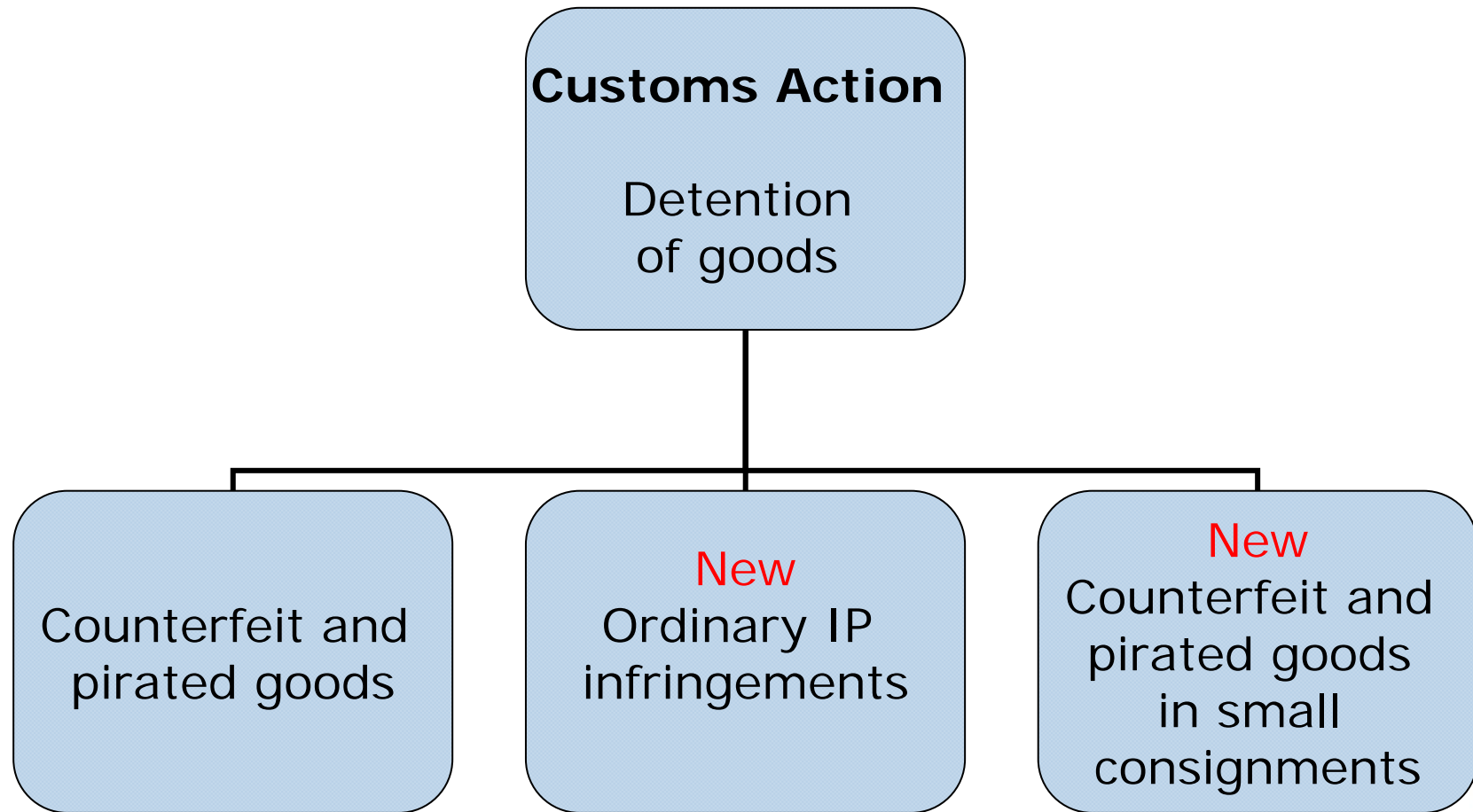
Procedure

- Application – in over 90% (less than 10% of customs actions are ex-officio)
- Detention of goods
- Procedure after detention (depends on type of infringement)



Proposed Customs Regulation

3 types of infringements



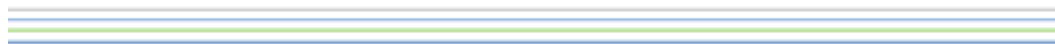
Proposed Customs Regulation

Counterfeit goods

Trademark identical to a registered trademark, or not distinguishable in its essential aspects from a registered trademark.

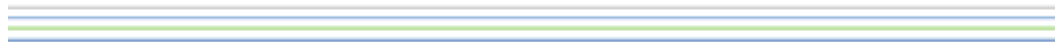
Pirated goods

Copies made without the consent of the holder of a copyright or a design right.



Topics

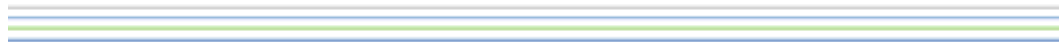
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Goods in transit

WTO complaints by India and Brazil

- Shipments of generic drugs from India to Brazil detained by Dutch customs based on Dutch patents
- May 2010: Consultations requested by India and Brazil
- July 2011: Interim settlement between India and the EU

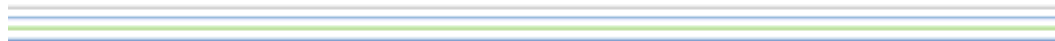


Goods in transit

TRIPs

Footnote 13 to Article 51 TRIPs:

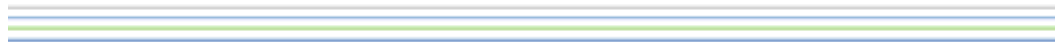
It is understood that there shall be no obligation to apply such procedures to imports of goods put on the market in another country by or with the consent of the right holder, or to goods in transit.



Goods in transit

Court of Justice of the European Union,
Nokia/Philips cases (December 1, 2011):
Two-step approach

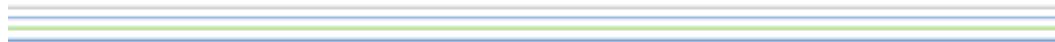
- When can in-transit goods be detained?
- When are in-transit goods infringements?



Goods in transit

Detention: Indications for infringement

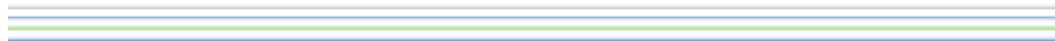
- Non-declaration of destination
- Lack of precise information as to the identity of the manufacturer
- Lack of cooperation with the customs authorities
- Documents suggesting distribution of the goods in the EU



Goods in transit

Substantive decision: Infringement

- So-called "*Manufacturing fiction*" not applicable
- Proof that the goods are intended to be put on sale in the EU, e.g. goods have been sold to a customer in the EU or offered for sale in the EU

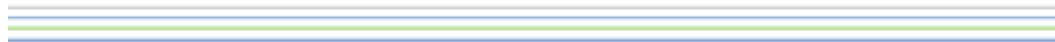


Goods in transit

Territoriality of IP Rights

Art. 3 Proposal:

Without prejudice to Article 8 of Regulation (EC) No 864/2007, the law of the Member State where the goods are found in one of the situations referred to in Article 1(1) shall apply for the purpose of determining whether the use of those goods gives rise to suspicion of infringement of an intellectual property right or has infringed an intellectual property right.



Goods in transit

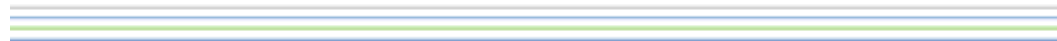
Territoriality of IP Rights

Art. 8 Regulation (EC) No 864/2007:

The law applicable to a non-contractual obligation arising from an infringement of an intellectual property right shall be the law of the country for which protection is claimed.

Recital 26:

*Regarding infringements of intellectual property rights, the universally acknowledged principle of the *lex loci protectionis* should be preserved.*



Thank you for your attention

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